

**IRWINDALE CITY COUNCIL CHAMBER
5050 N. IRWINDALE AVENUE
IRWINDALE, CALIFORNIA 91706**

**MAY 20, 2009
WEDNESDAY
6:00 P.M.**

The Irwindale **CITY COUNCIL** met in special session at the above time and place.

ROLL CALL:

Present: Councilmembers Mark A. Breceda, David "Chico" Fuentes, Manuel R. Garcia; Mayor Pro Tem H. Manuel Ortiz; Mayor Larry G. Burrola

Also present: Robert Griego, City Manager; Fred Galante, City Attorney; Robert Barnes, Police Lieutenant; Laura Nomura, Director of Finance; Ray Hamada, Director of Planning; Kwok Tam, Director of Public Works / City Engineer; and Linda Kimbro, Deputy City Clerk

**SPONTANEOUS
COMMUNICATIONS**

There were no speakers.

**ITEM NO. F
2009/2010 COMMUNITY
BUDGET WORKSHOP**

2009/2010 COMMUNITY BUDGET WORKSHOP

City Manager Griego presented the staff report explaining that substantial adjustments were made which brought down the deficit significantly; however, there are items pending that require a decision by council.

**FINANCE DIRECTOR
NOMURA**

Finance Director Nomura presented a budget update.

**COUNCILMEMBER
FUENTES**

Councilmember Fuentes stated that residents still want police services in the evening whether the pool is open or not. He asked that staff adjust the account to include the cost for police services.

**MAYOR PRO TEM
ORTIZ**

Mayor Pro Tem Ortiz asked the cost for beach trips for children and adults.

**FINANCE DIRECTOR
NOMURA**

Finance Director Nomura confirmed that the cost for beach trips is \$5 for adults and \$3 for children.

**MAYOR PRO TEM
ORTIZ**

Mayor Pro Tem Ortiz suggested that a modification be made that children from 5 to 15 years pay \$3 or \$2.

**COUNCILMEMBER
FUENTES**

Councilmember Fuentes asked if the interest earned on reserves was included in the budget.

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| FINANCE DIRECTOR NOMURA | Finance Director Nomura confirmed that the interest earned in the amount of approximately \$1 million is included in the revenues. |
| RICHARD CHICO | Richard Chico asked if he understood correctly that the City is legally bound by the bargaining agreements and nothing can be done to change them until 2010. |
| FINANCE DIRECTOR NOMURA | Finance Director Nomura confirmed that the City was legally bound. |
| RICHARD CHICO | Richard Chico stated that since the concessions from the associations are not enough to cover the deficit at this point, he projected a deficit of approximately \$3 to \$5 million for next year. He stated his belief that if a deficit budget is adopted the problem will just being aggravated for next year and the reductions for next year would be drastic. |
| JULIAN MIRANDA | Julian Miranda asked the percentage of PERS and PARS. |
| FINANCE DIRECTOR NOMURA | Finance Director Nomura responded that the percentage of PERS and PARS is 15.6% for Miscellaneous employees, and 32.6% for Public Safety. |
| JULIAN MIRANDA | Julian Miranda stated his belief that employees should pay their fair share of retirement and pointed out that the Public Works Association and Miscellaneous employees have done their share in contributing to reductions but the Police Officers Association has done nothing. He also spoke about the loss of the Community Redevelopment Agency in eight years. He emphasized the importance of monitoring spending and asked the Council to be fiscally responsible. |
| ROBERT DIAZ | Robert Diaz asked how much the City pays for both PARS and PERS. |
| FINANCE DIRECTOR NOMURA | Finance Director Nomura advised that the City pays \$462,000 for PARS and \$310,000 for PERS. |
| ROBERT DIAZ | Robert Diaz commented that a possible savings could be realized if an agreement was made with the employees to pay half their retirement costs. |

- REBECCA BARBOSA Rebecca Barbosa spoke about the Commissioners' benefits and asked the Council if they were going to lead by example and give up their benefits. She also expressed her belief that the Police Department needs to participate in the reductions.
- FINANCE DIRECTOR
NOMURA Finance Director Nomura clarified that there are several administrative people in the Police Department who are considered Miscellaneous employees and are not part of the Police Officers Association who are also deferring their 4% COLA.
- ART TAPIA Art Tapia stated that the Ad Hoc Committee voted to provide options for Commissioner benefits and not to completely eliminate them. He asked to see what those options were and to have Council consider them. He commented that the benefits could provide incentives to potential commissioners.
- RICHARD CHICO Richard Chico commented that the reason the deficit has been reduced is because expenditures have merely been postponed and next year will be worse.
- MAYOR BURROLA Mayor Burrola asked what the impact would be on the City if the State were to take our revenues.
- FINANCE DIRECTOR
NOMURA Finance Director Nomura explained that the State will use Proposition 1A to "borrow" money against the property taxes which would cost the City approximately \$150,000 next year.
- REBECCA BARBOSA Rebecca Barbosa commented that her co-workers work 1,000 hours per year and have no benefits yet commissioners work about 15 minutes a month and receive benefits.
- MAYOR PRO TEM
ORTIZ Mayor Pro Tem Ortiz asked if miscellaneous employees pay anything for health insurance.
- FINANCE DIRECTOR
NOMURA Finance Director Nomura responded that none of the employees pay for health insurance.
- CITY MANAGER
GRIEGO City Manager Griego stated that when he first came to Irwindale, he brought forward the problem with the budget and made recommendations. He went on to say that he asked for a 10% budget cut last year; then the recession came and the problem accelerated. He emphasized the need to start planning for loss of revenues and reiterated that cuts have to be made. City Manager Griego commented that staff is working hard and some employees

have made great sacrifices. He described employees as a good work force that cares about the City.

COUNCILMEMBER
BRECEDA

Councilmember Breceda commended staff and said that he is proud of those who have worked together and sacrificed. He remarked that the City has been able to build the reserves significantly over the past 10 years and that work has to begin fast on City projects such as the MRF. He suggested going back to the bargaining units for participation.

MAYOR BURROLA

Mayor Burrola commented that it was very difficult to make these decisions. He commended staff for their reports and the community for their involvement. He emphasized the importance of balancing the budget.

COUNCILMEMBER
FUENTES

Councilmember Fuentes stated that something needs to be done now about this situation. He thanked everyone for all their assistance and commented that he would like to review everything before approving the budget.

CITY MANAGER
GRIEGO

City Manager Griego advised that the budget needs to be adopted by June 30th.

MAYOR PRO TEM
ORTIZ

Mayor Pro Tem Ortiz thanked everyone who had been involved in the budget process and stated he feels there is more room for changes and reductions to the budget

COUNCILMEMBER
GARCIA

Councilmember Garcia spoke about employees' seven day work schedule with no overtime and asked what the projected savings would be.

FINANCE DIRECTOR
NOMURA

Finance Director Nomura responded that the savings would be no overtime costs and that both Public Works and Miscellaneous employees have completely cut their overtime budgets.

ITEM 1
COMMISSIONER
HEALTH CARE

COMMISSIONER HEALTH CARE

MAYOR PRO TEM
ORTIZ

Mayor Pro Tem Ortiz suggested all employees have an HMO next year.

CITY MANAGER
GRIEGO

City Manager Griego advised that that is a meet-and-confer issue and would have to be negotiated in the next contract year.

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| MAYOR BURROLA | Mayor Burrola asked if there were any other insurance plans available for commissioners. |
| CITY MANAGER GRIEGO | City Manager Griego explained the CalPERS membership issue, noting that in order to participate one must be a CalPERS member and commissioners are not. |
| MAYOR PRO TEM ORTIZ | Mayor Pro Tem Ortiz remarked that he did not have a problem losing benefits as a Councilmember and would consider the option to provide an HMO for Council and Commissioners. He agreed that commissioners should not lose all their benefits. |
| COUNCILMEMBER BRECEDA | Councilmember Breceda stated that he would like to see the Commissioners keep some benefits. |
| COUNCILMEMBER FUENTES | Councilmember Fuentes said that he would forego his insurance and stated his belief that the Council should set an example. |
| COUNCILMEMBER GARCIA | Councilmember Garcia commented that cutting benefits should be across the board and said that he would consider Option No. 2, which provides a monthly benefit allowance. |
| MAYOR PRO TEM ORTIZ | Mayor Pro Tem Ortiz asked if it was possible to move from CalPERS and go to a private provider. |
| CITY MANAGER GRIEGO | City Manager Griego responded that it would be possible; however, it would be very expensive. |
| MAYOR PRO TEM ORTIZ | Mayor Pro Tem Ortiz asked that staff look into that possibility and was advised that it would take several months to prepare an actuarial. |
| COUNCILMEMBER FUENTES | Councilmember Fuentes stated that the community is questioning why the Council even has insurance and suggested eliminating it. |
| CITY MANAGER GRIEGO | City Manager Griego recommended Option 4 as being a good start. |
| MAYOR BURROLA | Mayor Burrola advised that he does not want to make a decision on this issue tonight. |
| CITY MANAGER GRIEGO | City Manager Griego suggested continuing this item to the Council meeting of May 27 th . |

ITEM 2
INFORMATION
TECHNOLOGY (IT)
SERVICES

REQUEST FOR PROPOSALS FOR INFORMATION
TECHNOLOGY SERVICES

City Manager Griego recommended maintaining Brea IT for another year due to their cost and value to the City.

POLICE CHIEF
BENUDIZ

Police Chief Benudiz stated that research was done on pricing and our cost is lower than other cities.

CITY MANAGER
GRIEGO

City Manager Griego emphasized the importance of IT to the operation of the City.

COUNCILMEMBER
BRECEDA

Councilmember Breceda remarked that the other cities are larger and asked how often we call on Brea IT.

POLICE CHIEF
BENUDIZ

Police Chief Benudiz responded that Brea IT is used 36 hours a week and their cost is based on an hourly rate.

COUNCILMEMBER
FUENTES

Councilmember Fuentes stated that he wanted the contract to go out to bid.

CITY MANAGER
GRIEGO

City Manager Griego advised that an RFP can be done; however, it will take approximately 60 days.

COUNCILMEMBER
GARCIA

Councilmember Garcia asked who determines when Brea IT is called for service and asked if this contract can be renegotiated. He also asked who pays for their service and asked if there are grants available for that expense.

CHIEF BENUDIZ

Chief Benudiz responded that he oversees the IT Department and that there is one dedicated person who is at City Hall from 8 a.m. to 5 p.m., every day. He explained the services provided and how they are determined. He also commented that a Request for Proposal is a very extensive process.

COUNCILMEMBER
FUENTES

Councilmember Fuentes remarked that he realized IT is needed, however, he expressed the belief that a re-negotiation could result in less cost per hour.

CITY MANAGER
GRIEGO

City Manager Griego stated that IT is not a luxury, it is a necessity.

CHIEF BENUDIZ Chief Benudiz stated that a Request for Proposal could be initiated; however, he advised that Brea IT understands municipal problems, and has been working on the ID system and intranet work at no cost.

RECESS At 8:16 p.m., Council recessed for a short break.

RECONVENE Council reconvened at 8:29 p.m., with all members present.

ITEM 3 REQUEST FOR PROPOSAL FOR PERMITTING SERVICES
PERMITTING SERVICES

Public Works Director Tam presented the report on permit services.

COUNCILMEMBER GARCIA Councilmember Garcia commented that there is nothing with which to compare this and suggested obtaining additional figures on the costs for the provision of this service.

CITY MANAGER GRIEGO City Manager Griego advised that the City's permit activity is very minimal and recommended retaining the services currently provided by the County of Los Angeles.

PUBLIC WORKS DIRECTOR TAM Public Works Director Tam said that he would rather stay with the County because of their expertise and depth of knowledge. He pointed out that, as a governmental entity, the County is only reimbursed actual cost.

COUNCILMEMBER GARCIA Councilmember Garcia commented that he wanted to ensure staff was satisfied and Director of Public Works Tam confirmed.

No action was taken.

ITEM NO. 4 RFP FOR TRAFFIC SIGNALING SERVICES
TRAFFIC SIGNAL SERVICES

Public Works Director Tam presented the report and recommended a Request for Proposal for traffic signal services.

MAYOR PRO TEM ORTIZ Mayor Pro Tem Ortiz asked how much the City is paying for this service.

PUBLIC WORKS DIRECTOR TAM Public Works Director Tam responded that the City is paying \$60,000 a year, based on actual cost; however, if something requires more care, the cost is increased.

COUNCILMEMBER GARCIA Councilmember Garcia advised to keep in mind the portal-to-portal charges.

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| NO ACTION | No action was taken. |
| <u>ITEM 5</u> POOL MAINTENANCE SERVICE | RFP FOR POOL MAINTENANCE SERVICE City Manager Griego presented the report and recommended that a new vendor be considered. |
| MAYOR BURROLA | Mayor Burrola asked if the \$10,000 for pool maintenance was just for chemicals or if it also includes maintenance? |
| RECREATION MANAGER GRIJALVA | Recreation Manager Grijalva responded that maintenance is for the filtration system, pumps, and chemicals and is done by an outside contractor. |
| NO ACTION | No action was taken. |
| <u>ITEM NO. 6</u> REDEVELOPMENT ACTION PLAN | REDEVELOPMENT PROGRAM ACTION PLAN City Manager Griego presented an update on the Redevelopment Program action plan, noting that some of the projects are the Calmat site (Huy Fon Foods), the MRF, the Shannon site, which is the proposed future site of a hotel, and the transit occupancy tax and utility users tax ballot measures in November. He also spoke about the 2010/2015 five year implementation plan. |
| MAYOR PRO TEM ORTIZ | Mayor Pro Tem Ortiz asked why the MRF was taking so long. |
| PLANNING DIRECTOR HAMADA | Planning Director Hamada advised that the EIR draft for the MRF will be received in August or September. |
| CITY MANAGER GRIEGO | City Manager Griego stated that the EIR focus meetings, etc. are the matters that are taking so much time. |
| RECEIVED AND FILED | The Redevelopment Program Action Plan was received and filed. |
| <u>ITEM NO. 7</u> REDUCTION OF POLICE DEPARTMENT OVERTIME COSTS | NEGOTIATE REDUCTION OF POLICE DEPARTMENT OVERTIME COSTS |
| POLICE CHIEF BENUDIZ | Police Chief Benudiz clarified that the MOU has language that requires a minimum staffing level, which does not include motor officers, canine, or commercial enforcement. As a result of this, the budget has been overspent. Due to recent changes such as |

exercising the language in the MOU concerning special circumstances, the department was able to include motor officers toward minimum staffing. He also advised that the Irwindale Police Officer Association agreed to these changes for one year until the next negotiation period. Chief Benudiz stated that he also redeployed two additional officers which resulted in additional savings of \$110,500. In total, these changes will result in a 36% reduction of overtime.

MAYOR BURROLA

Mayor Burrola asked if the Police Officers Association agreed with these changes.

POLICE CHIEF
BENUDIZ

Police Chief Benudiz explained that negotiations were not needed; however, he met informally with the Association, which then submitted a side letter agreeing to the change for one year.

COUNCILMEMBER
GARCIA

Councilmember Garcia asked if the extra activities such as the Speedway, Renaissance Faire etc., take hours away from general patrol duties.

POLICE CHIEF
BENUDIZ

Police Chief Benudiz responded that with the new strategy put in place, there are now more hours available.

COUNCILMEMBER
FUENTES

Councilmember Fuentes asked if the \$1 million in overtime is a somewhat inflated number since some of that amount is reimbursed by venues such as the Speedway and Renaissance Faire.

POLICE CHIEF
BENUDIZ

Police Chief Benudiz confirmed; however, noted that there will still be approximately \$500,000 in overtime budgeted.

ITEM 8
POLICE DEPARTMENT
OVERTIME

NEGOTIATE REDUCTION OF POLICE DEPARTMENT OVERTIME COSTS

City Manager Griego reported that there may be a misconception that the Police Officers Association negotiated a reduction in overtime costs for the department. He stated that the Irwindale Police Officer's Association was clear in its letter of March 15, 2009, that they did not agree to renegotiate its contract but did agree to meet in an informal effort to assist the city in its endeavor to explore possible ways to assist the City during these uncertain economic times. He advised that during the meeting, the IPOA was given a list of recommended changes to their MOU which would result in cost savings to the city; however, the IPOA did not agree to any of those MOU changes. City Manager Griego also stated that the IPOA was

advised of the police department's intent to modify the minimum staffing requirements, based on the MOU language that permits the department to make alternative arrangements during special circumstances, of the department's intent to modify the patrol scheduled deployment and of the department's intent to move specific positions back to patrol meet coverage. The IPOA then submitted a side agreement agreeing to the department's MSL adjustments but limited the duration of the changes to June 30, 2010. The department's change to the patrol schedule remains in effect irrespective of the MSL issue and may continue at the department's discretion beyond June 30, 2010.

ITEM 9
SHERIFF DEPARTMENT
CONTRACT SERVICES

REPORT ON SHERIFF DEPARTMENT LAW ENFORCEMENT
CONTRACT SERVICES

HOUSING
COORDINATOR
OLIVARES

Housing Coordinator Olivares reported that a survey was conducted of cities that utilize the sheriff's department. Four cities similar in characteristics to Irwindale were contacted. She noted that the difference in contract amounts is the type of services contracted for. The contract services that are provided by the sheriffs are based on minutes and hours not on number of deputies or cars. Services include personnel, 6% liability insurance, and administrative services. She advised that a city is required to submit a letter in writing to the sheriff's department indicating that they would like to have a Phase I analysis conducted which consists of the sheriff's department reviewing the City's current budget, current staffing level and the type of services that the police department offers the city. Based upon that information, they would then present the City with the type of services they feel they can provide and the cost for those services. The Phase I analysis is done at no cost to the city and would take approximately three weeks to complete. Housing Coordinator Olivares further explained that upon completion of the Phase I analysis, and if the city decided to proceed, the Phase II analysis would be a more in depth analysis which would break down the cost of the police department in comparison to the cost of the services the sheriff's department recommends for a city of Irwindale's size. She reported that there is a charge for the Phase II analysis; however, the cost cannot be determined until after the Phase I analysis is complete. Upon completion of Phase II, it would be council's decision to move forward and enter into a contract with the sheriff's department.

MAYOR BURROLA

Mayor Burrola asked if additional deputies could be requested and what the cost would be.

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| HOUSING COORDINATOR OLIVARES | Housing Coordinator Olivares responded that additional deputies could be requested at an additional cost. |
| COUNCILMEMBER BRECEDA | Councilmember Breceda commented that this is not an acceptable alternative and he will never agree to something like this. He stated his belief that the Police Officers' Association will be willing to negotiate further. |
| MAYOR PRO TEM ORTIZ | Mayor Pro Tem Ortiz commented that we have a great police department and he believes that there is more room for negotiation. |
| CITY MANAGER GRIEGO | City Manager Griego explained the process for the sheriff's department and liability implications spread among all cities. He stated that it would be better if the Police Officers' Association would cooperate. |
| COUNCILMEMBER FUENTES | Councilmember Fuentes stated that the budget for the police department is the largest in the city and, since it is the job of the Council to be fiscally responsible, he would like to proceed with Phase I to compare numbers and see how much could be saved. |
| JOHN FRAIJO | John Fraijo commented that the bigger picture is the quality of life, not just dollars and cents, and said that safety cannot be measured by a dollar sign. |
| MAYOR BURROLA | Mayor Burrola said that this is a very difficult decision; however, it does not hurt to research options and pointed out that this is not a final decision. |
| COUNCILMEMBER BRECEDA | Councilmember Breceda disagreed. |
| COUNCILMEMBER FUENTES | Councilmember Fuentes remarked that as for quality of life, all officers will be offered a position so the quality of life would be somewhat the same. |
| DAVID FRAIJO | David Fraijo spoke in opposition to the issue and stated that the City of Irwindale has the best quality of life and asked the Council to do what is right for the City. |

- MOTION Councilmember Fuentes made a motion, seconded by Mayor Pro Tem Ortiz, to proceed with Phase I. The motion was approved, Councilmembers Breceda and Garcia opposed.
- REBECCA BARBOSA Rebecca Barbosa stated her opposition and conveyed her hope that the police department will reconsider and make adjustments.
- ITEM 10
RESIDENTIAL TRASH PICK-UP AND STREET SWEEPING SERVICES NEGOTIATION OF RESIDENTIAL TRASH PICK-UP AND STREET SWEEPING SERVICES WITH ATHENS DISPOSAL
- City Manager Griego explained that the recommendation is to negotiate an interim agreement with Athens Disposal to provide city-wide street sweeping services and residential trash pick-up to be paid directly by residents. It is anticipated that these two services will be included in the agreement with Athens which will be in conjunction with the MRF as those items are already in the MOU. In the meantime, if Council adopts the budget, the City will start billing the residents for trash collecting services.
- MAYOR BURROLA Mayor Burrola asked if the agreement with Athens could include trash services.
- CITY ATTORNEY GALANTE City Attorney Galante responded that the MOU with Athens would cover that part of the agreement.
- MAYOR BURROLA Mayor Burrola asked how often the street sweeper breaks down.
- ASSISTANT CITY MANAGER DIAZ Assistant City Manager Diaz responded that the cost for the maintenance of the street sweeper is \$40,000 a year and noted that it frequently breaks down.
- CITY MANAGER GRIEGO City Manager Griego stated that when approving the budget, this will automatically be approved.
- ITEM 11
CERTIFICATES OF PARTICIPATION CONSIDER USING RESERVES TO PAY-DOWN OR PAY-OFF CERTIFICATES OF PARTICIPATION
- City Manager Griego recommended that the City not use reserves to pay-down or pay-off the Certificates of Participation.

FINANCE DIRECTOR
NOMURA Finance Director Nomura explained that the interest rate on this debt is 4.75 % and paying it down would deplete the reserves and should our reserves be needed due to the economy or a special project, the interest rate would be higher.

MAYOR PRO TEM
ORTIZ Mayor Pro Tem Ortiz asked where this payment comes from.

FINANCE DIRECTOR
NOMURA Finance Director Nomura responded that the payment comes from the operating fund.

MAYOR BURROLA Mayor Burrola asked the amount of the total debt.

FINANCE DIRECTOR
NOMURA Finance Director Nomura advised that the total amount of the debt is \$6 million.

No action was taken.

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 9:41p.m.

Becky Romero, Administrative Secretary

Approved as submitted at the meeting held September 23, 2009.