JUNE 12, 2013
CITY COUNCIL CHAMBERS
REVISED AGENDA
3:30 P.M. Closed Session; 4:30 P.M. Regular Session
201 N. Broadway, Escondido, CA 92025

MAYOR	**Sam Abed**
DEPUTY MAYOR	**Olga Diaz**
COUNCIL MEMBERS	**Ed Gallo** **John Masson** **Michael Morasco**
CITY MANAGER	**Clay Phillips**
CITY CLERK	**Diane Halverson**
CITY ATTORNEY	**Jeffrey Epp**
DIRECTOR OF COMMUNITY DEVELOPMENT	**Barbara Redlitz**
DIRECTOR OF PUBLIC WORKS	**Ed Domingue**

ELECTRONIC MEDIA:

Electronic media which members of the public wish to be used during any public comment period should be submitted to the City Clerk's Office at least 24 hours prior to the Council meeting at which it is to be shown.

The electronic media will be subject to a virus scan and must be compatible with the City's existing system. The media must be labeled with the name of the speaker, the comment period during which the media is to be played and contact information for the person presenting the media.

The time necessary to present any electronic media is considered part of the maximum time limit provided to speakers. City staff will queue the electronic information when the public member is called upon to speak. Materials shown to the Council during the meeting are part of the public record and may be retained by the Clerk.

The City of Escondido is not responsible for the content of any material presented, and the presentation and content of electronic media shall be subject to the same responsibilities regarding decorum and presentation as are applicable to live presentations.

June 12, 2013
3:30 P.M. Meeting

Escondido City Council

CALL TO ORDER

ROLL CALL: Diaz, Gallo, Masson, Morasco, Abed

ORAL COMMUNICATIONS

The public may address the Council on any item that is not on the agenda and that is within the subject matter jurisdiction of the legislative body. State law prohibits the Council from discussing or taking action on such items, but the matter may be referred to the City Manager/staff or scheduled on a subsequent agenda. (Please refer to the back page of the agenda for instructions.) Speakers are limited to only one opportunity to address the Council under Oral Communications.

CLOSED SESSION: (COUNCIL/SUCCESSOR AGENCY/RRB)

I. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

a.	Property:	220 South Broadway
	City Negotiator	Debra Lundy, Real Property Manager
	Negotiating parties	Escondido Education Compact
	Under negotiation	Price and Terms of Agreement
b.	Property:	2120 Harmony Grove
	City Negotiator	Debra Lundy, Real Property Manager
	Negotiating parties	Koochen Vagner's Brewing Company
	Under negotiation	Price and Terms of Payment

II. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code §54957)

a. City Manager
b. City Attorney

ADJOURNMENT

June 12, 2013
4:30 P.M. Meeting

Escondido City Council

CALL TO ORDER

MOMENT OF REFLECTION:
City Council agendas allow an opportunity for a moment of silence and reflection at the beginning of the evening meeting. The City does not participate in the selection of speakers for this portion of the agenda, and does not endorse or sanction any remarks made by individuals during this time. If you wish to be recognized during this portion of the agenda, please notify the City Clerk in advance.

FLAG SALUTE

ROLL CALL: Diaz, Gallo, Masson, Morasco, Abed

ORAL COMMUNICATIONS

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COUNCIL MEMBERS' REPORTS/BRIEFING

CONSENT CALENDAR

Items on the Consent Calendar are not discussed individually and are approved in a single motion. However, Council members always have the option to have an item considered separately, either on their own request or at the request of staff or a member of the public.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/SUCCESSOR AGENCY/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/Successor Agency)**
3. **APPROVAL OF MINUTES: Regular Meeting of May 22, 2013**

4. **FISCAL YEAR 2012-13 UNITED STATES DEPARTMENT OF JUSTICE BULLETPROOF VEST PARTNERSHIP PROGRAM AND BUDGET ADJUSTMENT –** Request Council authorize the Escondido Police Department to accept Fiscal Year 2013 Bulletproof Vest Partnership Program funds from the United States Department of Justice; authorize the Chief of Police and Police Department staff to submit grant documents on behalf of the City; and approve a budget adjustment needed to spend funds to purchase body armor for front-line law enforcement.

   Staff Recommendation: **Approval (Police Department: Cory Moles)**

5. **FISCAL YEAR 2012-13 COUNTY OF SAN DIEGO CAL-ID GRANT AND BUDGET ADJUSTMENT -** Request Council approve second-year funding of the five-year San Diego County Cal-ID Grant from the County of San Diego Remote Access Network (RAN); authorize the Chief of Police and Police Department staff to submit grant documents on behalf of the City; and approve a budget adjustment needed to set-up and spend grant funds for salary expenses for a Forensic Technician.

   Staff Recommendation: **Approval (Police Department: Cory Moles)**

CONSENT – RESOLUTIONS AND ORDINANCES (COUNCIL/SUCCESSOR AGENCY/RRB)

The following Resolutions and Ordinances were heard and acted upon by the City Council/Successor Agency/RRB at a previous City Council/Successor Agency/Mobilehome Rent Review meeting. (The title of Ordinances listed on the Consent Calendar are deemed to have been read and further reading waived.)

PUBLIC HEARINGS

6. **ADOPTION OF FISCAL YEAR 2013/14 & 2014/15 TWO-YEAR OPERATING BUDGET AND THE APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2013/14 -** Request Council approve the Fiscal Year 2013/14 Annual Operating Budget; and approve the Appropriations Limit (GANN Limit) for Fiscal Year 2013/14.

   Staff Recommendation: **Approval (Finance Department: Gilbert Rojas)**

   a. RESOLUTION NO. 2013-53
   b. RESOLUTION NO. 2013-54

CURRENT BUSINESS

7. **MODIFICATION OF FISCAL YEAR 12/13 GENERAL FUND BUDGET AND GENERAL LIABILITY FUND BUDGET -** Request Council approve a budget transfer from General Fund Reserves in the amount of $177,000 for CCAE utilities and $400,000 for the Street Division of Public Works and in addition approve an appropriation of $75,000 from the General Liability fund balance to the General Liability Fund.

Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

RESOLUTION NO. 2013-81

FUTURE AGENDA

8. **FUTURE AGENDA -** The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed.

Staff Recommendation: **None (City Clerk's Office: Diane Halverson)**

ORAL COMMUNICATIONS

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ADJOURNMENT

UPCOMING MEETING SCHEDULE

Date	Day	Time	Meeting Type	Location
June 19	Wednesday	3:30 & 4:30 p.m.	Council Meeting	Council Chambers
June 26	Wednesday	3:30 & 4:30 p.m.	Council Meeting	Council Chambers
July 3	-	-	No Meeting	-
July 10	-	-	No Meeting	-

TO ADDRESS THE COUNCIL

The public may address the City Council on any agenda item. Please complete a Speaker's form and give it to the City Clerk. Submission of Speaker forms prior to the discussion of an item is highly encouraged. Comments are generally limited to 3 minutes.

If you wish to speak concerning an item not on the agenda, you may do so under "Oral Communications." Please complete a Speaker's form as noted above.

Nomination forms for Community Awards are available at the Escondido City Clerk's Office or at http://www.escondido.org/city-clerks-office.aspx

Handouts for the City Council should be given to the City Clerk. To address the Council, use the podium in the center of the Chambers, STATE YOUR NAME FOR THE RECORD and speak directly into the microphone.

AGENDA, STAFF REPORTS AND BACK-UP MATERIALS ARE AVAILABLE:

- Online at http://www.escondido.org/meeting-agendas.aspx
- In the City Clerk's Office at City Hall
- In the Library (239 S. Kalmia) during regular business hours and
- Placed in the Council Chambers (See: City Clerk/Minutes Clerk) immediately before and during the Council meeting.

AVAILABILITY OF SUPPLEMENTAL MATERIALS AFTER AGENDA POSTING: Any supplemental writings or documents provided to the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's Office located at 201 N. Broadway during normal business hours, or in the Council Chambers while the meeting is in session.

LIVE BROADCAST

Council meetings are broadcast live on Cox Cable Channel 19 and U-verse Channel 99 – Escondido Gov TV. They can also be viewed the following Sunday and Monday evenings at 6:00 p.m. on those same channels. The Council meetings are also available live via the Internet by accessing the City's website at www.escondido.org, and clicking the "Live Streaming –City Council Meeting now in progress" button on the home page.

Please turn off all cellular phones and pagers while the meeting is in session.

The City Council is scheduled to meet the first four Wednesdays of the month at 3:30 in Closed Session and 4:30 in Open Session.
(Verify schedule with City Clerk's Office)
Members of the Council also sit as the Successor Agency to the CDC, Escondido Joint Powers Financing Authority and the Mobilehome Rent Review Board.

CITY HALL HOURS OF OPERATION
Monday-Friday 8:00 a.m. to 5:00 p.m.

If you need special assistance to participate in this meeting, please contact our ADA Coordinator at 839-4641. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

Listening devices are available for the hearing impaired – please see the City Clerk.

Agenda Item No.: 3
Date: June 12, 2013

CITY OF ESCONDIDO

May 22, 2013
3:30 P.M. Meeting Minutes

Escondido City Council

CALL TO ORDER

The Regular Meeting of the Escondido City Council was called to order at 3:30 p.m. on Wednesday, May 22, 2013 in the Council Chambers at City Hall with Mayor Abed presiding.

ATTENDANCE

The following members were present: Deputy Mayor Olga Diaz, Councilmember Ed Gallo, Councilmember John Masson, Councilmember Michael Morasco, and Mayor Sam Abed. Quorum present.

ORAL COMMUNICATIONS

Patricia Huerta, Escondido Education Compact, asked Council to support the transition from their current site to another site.

Patricia Borchmann, Escondido, asked for information on item II. b. on the Closed Session agenda.

CLOSED SESSION: (COUNCIL/SUCCESSOR AGENCY/RRB)

MOTION: Moved by Councilmember Masson and seconded by Councilmember Diaz to recess to Closed Session. Motion carried unanimously.

I. CONFERENCE WITH LEGAL COUNSEL--PENDING LITIGATION (Government Code 54956.9(d)(1))

Case Name: City of Escondido v. Escondido Country Club Inc. et al. - Water Bill Collection Matter

Case No: 37-2013-41988-CU-MC-NC

II. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code §54956.8)

a.

Property:	220 South Broadway
City Negotiator	Debra Lundy, Real Property Manager
Negotiating parties	Escondido Education Compact
Under negotiation	Price and Terms of Agreement

b. Property: 901 West Washington Avenue
City Negotiator: Debra Lundy, Real Property Manager
Negotiating parties: Washington Ventures LLC
Under negotiation: Price and Terms of Agreement

Attorney Jeffrey Epp announced that on item I., pending litigation in the City of Escondido v Escondido Country Club Inc. et al, Council rejected a settlement offer; on item II. a., Council directed further lease negotiations with the Escondido Education Compact with a public agenda item in June; and on item II. b., Council directed staff to continue efforts to acquire the properties at 901 West Washington Avenue.

ADJOURNMENT

Mayor Abed adjourned the meeting at 4:30 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

CITY OF ESCONDIDO

May 22, 2013
4:30 P.M. Meeting Minutes

Escondido City Council
MOBILEHOME RENT REVIEW BOARD

CALL TO ORDER

The Regular Meeting of the Escondido City Council and Mobilehome Rent Review Board was called to order at 4:40 p.m. on Wednesday, May 22, 2013 in the Council Chambers at City Hall with Mayor Abed presiding.

MOMENT OF REFLECTION

FLAG SALUTE

Mayor Abed led the flag salute.

ATTENDANCE

The following members were present: Deputy Mayor Olga Diaz, Councilmember Ed Gallo, Councilmember John Masson, Councilmember Michael Morasco, and Mayor Sam Abed. Quorum present.

Also present were: Clay Phillips, City Manager; Jeffrey Epp, City Attorney; Bill Martin, Principal Planner; Ed Domingue, Public Works Director; Diane Halverson, City Clerk; and Liane Uhl, Minutes Clerk.

PRESENTATIONS

Mayor Abed introduced Monica Emanuele, Del Mar Fairgrounds Representative, who gave a presentation on this year's San Diego County Fair.

Mayor Abed introduced Charlie Grimm, Assistant City Manager; Rozanne Cherry, Planning; Kevin Brickley, Engineering; and Dan Higbee, Engineering, who presented three awards for the Maple Street Plaza to the City.

PROCLAMATIONS

Mayor Abed introduced Julie Procopio, Public Works Assistant Director, and Craig Whittemore, Utilities Deputy Director of Construction & Maintenance, who received a proclamation for National Public Works Week, May 19-25, 2013.

Mayor Abed introduced Dr. Patti Wooten Swanson, San Diego Saves Campaign, who accepted a proclamation for San Diego Saves Day, April 18, 2013.

ORAL COMMUNICATIONS

Peter Sidlauskas, Escondido, gave a presentation on pickle ball and asked Council to consider providing pickle ball facilities in Escondido.

Frank Woolridge, Escondido, gave a report on the suicide of an Escondido citizen.

Keith Callison, Escondido, indicated he would like to volunteer to work in the city.

Cassie Lieurance, Escondido, stated she did not agree with comments made at the Mayor's Town Hall meeting.

COUNCIL MEMBERS' REPORTS/BRIEFING

Councilmember Gallo stated he opposed the state representatives giving themselves a raise.

Councilmember Diaz attended an Escondido Creek Watershed Alliance meeting where Jeff Warner, Senior Environmental Program Specialist from the City, gave a presentation on the storm water permit process. She also attended a San Dieguito Joint Powers meeting, where information on a company giving classes on honeybees and pollination was handed out. She distributed an article on "Bicycling Transforming Business" and several other flyers. She indicated the Allied Veterans Council was having their Memorial Day Celebration on Monday, May 27, 2013 at 10:00 a.m. at Oak Hill Cemetery.

Councilmember Morasco attended a Regional Solid Waste Association (RSWA) meeting and the Hidden Valley Ortho Open House, where they had renovated a building on 3rd Street. He also attended the pops concert for San Pasqual High School at the California Center for the Arts, Escondido. He indicated that the Escondido Street Fair was on May 19, 2013. He attended the CAFÉ meeting on Monday, May 20, 2013. He met with Jeff Griffith, Palomar/Pomerado Hospital board member, to discuss activities that the hospital and City could participate in together. He also attended the Healthy Development Services, North Inland meeting.

Councilmember Masson indicated that Friday, May 17, 2013 was Bike to Work Day. He also attended the Hidden Valley Orthodontics Open House. He mentioned that this was Public Works Week. He received a Customer Service Survey commending water service staff and he attended the CAFÉ meeting. He stated that the Economic Car Dealer Report indicated good local sales. He indicated the MAP Foundation was meeting on Friday June 7, 2013.

Mayor Abed indicated that he and Gil Rojas, Finance Director, were representing the City in a Golf Tournament versus the U-T San Diego. He thanked everyone who attended the Town Hall Meeting and indicated he would meet with the High School and Elementary School Districts. He stated that regarding the district lawsuit settlement, judges were being appointed, and applications for the commission would be accepted between June 3- 28, 2013. He attended the North County Gang Initiative. He stated the Business Journal for North County was promoting North County.

CONSENT CALENDAR

Councilmember Diaz removed items 5 and 6 and Councilmember Morasco removed item 4 from the Consent Calendar for discussion.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz that the following consent Calendar items be approved with the exception of items 4, 5 and 6. Motion carried unanimously.

1. **AFFIDAVITS OF PUBLICATION, MAILING AND POSTING (COUNCIL/SUCCESSOR AGENCY/RRB)**
2. **APPROVAL OF WARRANT REGISTER (Council/Successor Agency)**
3. **APPROVAL OF MINUTES:** Regular Meeting of May 1, 2013
4. **SIGNAGE PROPOSAL (WARNING OF HEAT DANGER)** - Discussion regarding signage proposal for City Parks in regards to warning people about the dangers of leaving pets and children in cars during warm months. (File No. 0110-30)

   Staff Recommendation: **None (Councilmember: Michael Morasco and Ed Gallo)**

Councilmember Morasco commented that sponsors had volunteered to provide the signs without city funds.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz to direct staff to research placement and wording of signage proposed for City Parks regarding warning people about the dangers of leaving pets and children in cars during warm months. Motion carried unanimously.

5. **AWARD CONSULTING AGREEMENT FOR CONDITION ASSESSMENT OF LIFT STATION 1** - Request Council authorize the Mayor and City Clerk to execute a Consulting Agreement with Brown and Caldwell for the Condition Assessment of Lift Station #1 and Force Main in the amount of $286,426. (File No. 0600-10 [A-3086])

   Staff Recommendation: **Approval (Utilities Department: Christopher McKinney)**

RESOLUTION NO. 2013-63

Councilmember Diaz asked why this project hadn't gone to bid

Craig Whittemore, Deputy Director of Utilities, answered that this award was though a previous RFP.

MOTION: Moved by Councilmember Diaz and seconded by Councilmember Morasco to authorize the Mayor and City Clerk to execute a Consulting Agreement with Brown and Caldwell for the Condition Assessment of Lift Station #1 and Force Main in the amount of $286,426 and adopt Resolution No. 2013-63. Motion carried unanimously.

6. **BID AWARD FOR THE RESERVOIR REPAINTING 2013 PROJECT (REBID)** - Request Council authorize the Mayor and City Clerk to execute an agreement with Blastco Inc. in the amount of $71,213 for the "Reservoir Repainting 2013" project. (File No. 0600-10 [A-3082])

   Staff Recommendation: **Approval (Utilities Department: Christopher McKinney)**

RESOLUTION NO. 2013-59

Councilmember Diaz asked why a local company was not selected.

Craig Whittemore, Deputy Director of Utilities, indicated that under the Public Contract Code, the City had to accept the lowest bid.

Gary Nye, Attorney for Blastco, indicated that Blastco is a responsible company and should be awarded the contract.

Alex Lopez, Painters and Allied Trades, stated that Blastco was not a responsible company and should not be awarded the bid.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Diaz to authorize the Mayor and City Clerk to execute an agreement with Blastco Inc. in the amount of $71,213 for the "Reservoir Repainting 2013" project and adopt Resolution No. 2013-59. Motion carried unanimously.

7. **TERMINATE EXISTING CONSULTING AGREEMENT FOR LIFT STATION CONSOLIDATION AND AWARD NEW CONSULTING AGREEMENT -** Request Council approve terminating an existing Consulting Agreement with Brown and Caldwell for the Lift Station Consolidation Design; and authorize the Mayor and City Clerk to execute a new Consulting Agreement with Water Synergy, Inc. for the Lift Station Consolidation Design in the amount of $170,520. (File No. 0600-10 [A-3087])

   Staff Recommendation: **Approval (Utilities Department: Christopher McKinney)**

   RESOLUTION NO. 2013-62

8. **APPROVAL OF XEROX SERVICES AND SOLUTIONS AGREEMENT -** Request Council authorize the Mayor and City Clerk to execute a five-year Services and Solutions Agreement with Xerox Corporation; and authorize the Director of Information Systems to execute related amendments and agreements to implement the Services and Solutions Agreement. The Services and Solutions Agreement is a site management agreement that provides and maintains office and production duplicating equipment through all City Facilities. (File No. 0600-10 [A-3088])

   Staff Recommendation: **Approval (Information Systems Department: Mark Becker)**

   RESOLUTION NO. 2013-70R

9. **FOURTH AMENDMENT TO CONSULTING AGREEMENT FOR REMEDIATION OF FORMER ORANGE GLEN MARKET SITE -** Request Council authorize the Mayor and City Clerk to execute a fourth amendment to the Consulting Agreement with SCS Engineers for environmental engineering and remedial services in the amount of $179,728 for the former Orange Glen Market site. (File No. 0600-10 [A-2737])

   Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

   RESOLUTION NO. 2013-52

10. **AWARD LANDSCAPE MAINTENANCE DISTRICT LANDSCAPE MAINTENANCE SERVICES CONTRACT** - Request Council authorize the Mayor and City Clerk to execute a Public Services Agreement with Tegriscape, Inc. for LMD Landscape Maintenance Services in the amount of $208,244 per year. (File No. 0600-10 [A-3089])

Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

RESOLUTION NO. 2013-58

11. **NOTICE OF COMPLETION FOR TRACT 839 EUREKA RANCH** - Request Council approve and accept the public improvements and authorize staff to file a Notice of Completion for Tract 839 Eureka Ranch - Offsite Improvements for Bear Valley Parkway/East Valley Parkway Road Re-alignment. (File No. 0800-10 Tract 839)

Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

12. **APPROVAL OF UPDATED ELECTRONIC SCHEDULE OF STOP SIGNS** - Request Council approve updating the City's Schedule of Stop Signs. (File No. 0150-50)

Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

RESOLUTION NO. 2013-61

13. **FIRST AMENDMENT TO PUBLIC SERVICES AGREEMENT FOR AMBULANCE BILLING SERVICES** - Request Council authorize the Mayor and City Clerk to execute a First Amendment to the Public Services Agreement with Wittman Enterprises, LLC to extend the term of the Agreement for a one year period effective July 1, 2013 through June 30, 2014. (File No. 0600-10 [A-2459]

Staff Recommendation: **Approval (Finance Department: Gilbert Rojas)**

RESOLUTION NO. 2013-68

CONSENT – RESOLUTIONS AND ORDINANCES (COUNCIL/SUCCESSOR AGENCY/RRB)

PUBLIC HEARINGS

14. **SHORT-FORM RENT INCREASE APPLICATION FOR WESTWINDS MOBILEHOME PARK LOCATED AT 1415 S. PINE STREET (FILE NO, 0697-20-9932)** - Request Council consider the short-form rent increase application submitted by Westwinds Mobilehome Park; and if approved, grant an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or 1.163% (an average of $4.56) for the period of December 31, 2011 to December 31, 2012. (File No. 0697-20-9936)

Staff Recommendation: **Approval (Community Development/Housing: Barbara Redlitz)**

RRB RESOLUTION NO. 2013-02

Karen Youel, Housing Department, gave the staff report and presented a series of slides.

Mayor Abed opened the public hearing and asked if anyone would like to speak on this issue in any way.

Jim Younce, Park Representative, indicated the park was looking for a new on-site manager.

Mayor Abed asked if anyone else wanted to speak on this issue in any way. No one asked to be heard. Therefore, he closed the public hearing.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Masson to approve the short-form rent increase for Westwinds Mobilehome Park; and adopt RRR Resolution No. 2013-02. Motion carried unanimously.

CURRENT BUSINESS

15. **FINANCIAL REPORT FOR THE QUARTER ENDING MARCH 31, 2013 -** Request Council receive and file the third quarter financial report for the Fiscal Year 2012-2013. (File No. 0430-30)

Staff Recommendation: **Receive and File (Finance Department: Gilbert Rojas)**

Gil Rojas, Finance Director, gave the staff report and presented a series of slides.

NO ACTION, INFORMATION ONLY

16. **LEASE AGREEMENT WITH HERITAGE DIGITAL ACADEMY AT 2245 (POR.) – 2261 EAST VALLEY PARKWAY -** Request Council authorize the Real Property Manager and City Clerk to execute a Lease Agreement with Heritage Digital Academy at 2245 (Por.) – 2261 East Valley Parkway. (File No. 0600-10 [A-3090])

Staff Recommendation: **Approval (Public Works/Engineering: Ed Domingue)**

RESOLUTION NO. 2013-64

Debra Lundy, Real Property Manager, gave the staff report and presented a series of slides.

Patricia Borchmann, Escondido, stated that Escondido Education Compact's productivity would be compromised by not being at the East Valley Community Center.

Mike Litton, Escondido, voiced support for the lease request and asked Council to approve it.

Maribeth Seo, Escondido, indicated she supported the Charter School lease at the East Valley Community Center.

Steven White, Escondido, stated Escondido had good quality education and he supported the lease request

Kevin Nivinskus, Escondido, encouraged the Council to allow the lease at the East Valley Community Center.

Inki Welsh, Escondido, expressed support for the Charter School lease.

Cinda Doughty, Heritage Digital Academy, gave a description of the learning process at the school.

Michael Miller, Escondido, indicated he supported the Heritage Digital Academy lease at the East Valley Community Center.

Brian Seshun, Escondido, asked Council to approve the Charter School lease.

Victoria Schaefer, Escondido, urged Council to grant the Charter School lease.

Carmen Nava, Escondido, stated she opposed the lease of the East Valley Community Center to the Charter School.

Juan Gonzalez, Escondido, voiced appreciation for the programs at Escondido Education Compact.

Cesar Valencia, Escondido, stated Escondido Education Compact helped students with homework and was a great program.

Melissa Montoya, Escondido, indicated that Escondido Education Compact helped the youth of Escondido.

Bao Phan, Escondido, expressed support for Escondido Education Compact.

Maribel Reyes, Escondido, asked Council to continue to support Escondido Education Compact.

Maria Rojas, Escondido, stated Escondido Education Compact helped many of the city's youth on career paths.

Connie Swanson, Escondido, expressed concern with the three businesses that were being evicted from the East Valley Community Center.

Delores McQuiston, Escondido, voiced concern with the eviction of Escondido Education Compact and the closure of the branch library at the East Valley Community Center.

Pat Mues, Escondido, expressed apprehension with the Council's recent decisions.

Valeria Hernandez, Escondido, indicated that Escondido Education Compact was a great asset to the community.

Betsy Rosales, Escondido, stated that Escondido Education Compact had given her good communication skills.

Melvin Takahara, Escondido, voiced concern that the branch library had been closed and the City was evicting three businesses from the East Valley Community Center.

Peggy Johnson, Escondido, indicated the East Valley Community Center was a good location for the Heritage Digital Academy and asked Council to grant the lease.

Adriana Paulson, Escondido, stated she opposed leasing the East Valley Community Center to outside agencies.

Connie Gunther, Escondido, suggested the City work with the businesses that were being evicted to relocate to another location.

Cassie Lieurance, Escondido, asked if the Council could provide transportation to the Escondido Education Compact when it relocated.

George McClure, Fallbrook, indicated that one group should not have precedence over another.

Theresa Tugwell, Escondido, asked Council to grant the lease to the Heritage Digital Academy.

Tom Cowan, Escondido, suggested that councilmembers should excuse themselves from voting if they had received campaign contributions from the Charter School.

Margaret Liles, Escondido, stated she opposed the proposed lease.

Yen Bradley, Escondido, stated she had a good business for 27 years and would like to stay at the East Valley Community Center.

Wayne Louth, Escondido, indicated he opposed the leasing of a community building to the Charter School.

Mark Skok, Escondido, stated he did not support the proposed lease at the East Valley Community Center.

Barbara Emson, Valley Center, requested Council not make a decision on the proposed lease at this time.

Chris Nava, Escondido, indicated that recreation could be saved by returning funding to it, not by leasing the East Valley Community Center.

Patricia Huerta, Escondido, gave a history of the accomplishments of Escondido Education Compact.

Lisa Prazeau, Escondido, stated she opposed leasing the East Valley Community Center to the Charter School.

Linda Woods, Escondido, expressed concern that three businesses were being evicted from the East Valley Community Center.

MaryAnne Dijak, Escondido, indicated that a public policy discussion should occur before a decision is made.

Sandy Rosales, Escondido, stated that Escondido Education Compact should stay in the community.

Roberto Rocha, Escondido, indicated he supported the lease to Heritage Digital Academy.

V. Sangal, Escondido, expressed his support for the proposed Charter School lease.

Zesty Harper, Escondido, stated there were other vacant buildings for the evicted businesses to move into and she supported the lease to the Heritage Digital Academy.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Morasco to authorize the Real Property Manager and City Clerk to execute a Lease Agreement with Heritage Digital Academy at 2245 (Por.) – 2261 East Valley Parkway, with direction to staff to work with the Charter School to help relocate the displaced tenants, and to adopt Resolution No. 2013-64. Ayes: Abed, Gallo, Masson and Morasco. Noes: Diaz. Absent: None. Motion carried.

17. **BUDGET ADJUSTMENT AND MODIFICATION TO FUND BALANCE POLICY GENERAL FUND RESERVE TO TRANSFER FUNDS TO THE BUILDING MAINTENANCE OPERATING BUDGET FOR UNANTICIPATED UTILITIES AND REPAIRS TO CITY FACILITIES -** Request Council approve a budget transfer from the Building Maintenance Reserve, in the amount of $380,980; and approve reducing the General Fund Reserve in the amount of $132, 550, for use in the 2013 Building Maintenance Operating Budget. (File No. 0430-80)

Staff Recommendation: **Approval (Public Works/ Engineering: Ed Domingue)**

RESOLUTION NO. 2013-69R

Ed Domingue, Public Works Director, gave the staff report.

MOTION: Moved by Councilmember Gallo and seconded by Councilmember Masson to approve a budget transfer from the Building Maintenance Reserve, in the amount of $380,980; and approve reducing the General Fund Reserve in the amount of $132, 550, for use in the 2013 Building Maintenance Operating Budget and adopt Resolution No. 2013-69R. Motion carried unanimously.

FUTURE AGENDA

18. **FUTURE AGENDA -** The purpose of this item is to identify issues presently known to staff or which members of the Council wish to place on an upcoming City Council agenda. Council comment on these future agenda items is limited by California Government Code Section 54954.2 to clarifying questions, brief announcements, or requests for factual information in connection with an item when it is discussed.

Staff Recommendation: **None (City Clerk's Office: Diane Halverson)**

ORAL COMMUNICATIONS

None

ADJOURNMENT

Mayor Abed adjourned the meeting at 9:00 p.m.

MAYOR

CITY CLERK

MINUTES CLERK

ESCONDIDO
City of Choice

CITY COUNCIL

For City Clerk's Use:
☐ APPROVED ☐ DENIED
Reso No. ______________ File No. ______________
Ord No. ______________

Agenda Item No.: 4
Date: June 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Cory Moles, Acting Chief of Police

SUBJECT: FY 2012-13 US Department of Justice Bulletproof Vest Partnership Program

RECOMMENDATION:

It is requested that Council authorize the Escondido Police Department to accept FY 2013 Bulletproof Vest Partnership Program funds from the United Stated Department of Justice; authorize the Chief of Police and Police Department staff to submit grant documents on behalf of the City; and approve budget adjustments needed to spend funds to purchase body armor for front-line law enforcement.

FISCAL ANALYSIS:

The grant will provide funding to purchase bulletproof vests. This will have no impact on the General Fund Budget.

PREVIOUS ACTION:

On November 11, 2012, Council approved a FY 2011-12 Bulletproof Vest Partnership Program grant.

BACKGROUND:

The Bulletproof Vest Partnership Program provides funds for agencies to receive subsidies for the purchase of life saving body armor. Funds can be used to subsidize up to 50% of the cost of body armor. The Escondido Police Department proposes to use up to $10,520 of Bulletproof Vest Partnership grant funds to purchase new and replacement vests for front-line law enforcement personnel. Matching funds are included in the FY 2013-14 General Fund Police Budget request.

Respectfully submitted,

Cory Moles
Acting Chief of Police

ESCONDIDO
City of Choice

CITY OF ESCONDIDO

BUDGET ADJUSTMENT REQUEST

Date of Request: May 30, 2013

Department: Police

Division: Administration

Project/Budget Manager: Lisa Rodelo (Name) 4905 (Extension)

Council Date (if applicable): June 12, 2013
(attach copy of staff report)

For Finance Use Only

Log # ______

Fiscal Year ______

______ Budget Balances
______ General Fund Accts
______ Revenue
______ Interfund Transfers
______ Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Revenue - Federal Grant	4128-451-New Project Number	$10,520	
Police Grant	451-New Project Number	$10,520	

Explanation of Request:

A budget adjustment is needed to spend funds to purchase bulletproof vests for front-line law enforcement personnel.

APPROVALS

Department Head ______ Date 6/3/13

City Manager ______ Date ______

Finance Jodi Coulland Date 6/3/13

City Clerk ______ Date ______

Distribution (after approval): Original: Finance

FM\105 (Rev.11/06)

ESCONDIDO
City of Choice

CITY COUNCIL

For City Clerk's Use:
☐ APPROVED ☐ DENIED
Reso No. ______________ File No. ______________
Ord No. ______________

Agenda Item No.: 5
Date: June 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Cory Moles, Acting Chief of Police

SUBJECT: FY 2012-13 County of San Diego Cal-ID Grant

RECOMMENDATION:

It is requested that Council approve second-year funding of the five-year San Diego County Cal-ID Grant from the County of San Diego Remote Access Network (RAN); authorize the Chief of Police and Police Department staff to submit grant documents on behalf of the City; and approve budget adjustments needed to set up and spend grant funds for salary expenses for a Forensic Technician.

FISCAL ANALYSIS:

Funds will be used to pay salary expenses for a Forensic Technician. This will have no impact on the General Fund Budget.

PREVIOUS ACTION:

On April 18, 2012, Council initially approved this five-year FY 2012-13 County of San Diego Cal-ID Grant.

BACKGROUND:

The San Diego County Cal-ID Remote Access Network (RAN) Board authorized the use of Cal-ID revenue to fund one full-time Forensic Technician for the City of Escondido Police Department Crime Laboratory. Per grant requirements, the Forensic Technician preforms analysis of latent fingerprints and other forensic print evidence. The County of San Diego Cal-ID Grant (a five-year award) was initially approved by Council on April 18, 2012. Funding renews automatically each fiscal year for four years until June 30, 2017. FY 2013-14 funding will cover second-year Forensic Technician salary and benefits costs not to exceed $87,270.

Respectfully submitted,

Cory Moles
Acting Chief of Police

CITY OF ESCONDIDO

BUDGET ADJUSTMENT REQUEST

Date of Request: May 30, 2013

Department: Police

Division: Administration

Project/Budget Manager: Lisa Rodelo (Name) X4905 (Extension)

Council Date (if applicable): June 12, 2013
(attach copy of staff report)

For Finance Use Only

Log # ______

Fiscal Year ______

____ Budget Balances
____ General Fund Accts
____ Revenue
____ Interfund Transfers
____ Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Revenue	4126-451-New Number	$87,270	
Police Grants	451-New Number	$87,270	

Explanation of Request:

A budget adjustment is needed to spend grant funds for salary and overhead.

APPROVALS

Department Head [signature] Date 6/3/13

City Manager ______ Date ______

Finance Jodi Van Cleland [signature] Date 6/3/13

City Clerk ______ Date ______

Distribution (after approval): Original: Finance

FM\105 (Rev.11/06)

ESCONDIDO
City of Choice

CITY COUNCIL

For City Clerk's Use:
APPROVED DENIED
Reso No. ______ File No. ______
Ord No. ______

Agenda Item No.: 6
Date: June 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Gilbert Rojas, Director of Finance

SUBJECT: Adoption of Fiscal Year 2013/14 and 2014/15 Two-Year Annual Operating Budget and the Appropriations Limit (GANN Limit) for Fiscal Year 2013/14

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2013-53 approving the Fiscal Year (FY) 2013/14 Annual Operating Budget. It is also requested that the Council adopt Resolution No. 2013-54 approving the Appropriations Limit (GANN Limit) for FY 2013/14.

FISCAL ANALYSIS:

A two-year General Fund budget has been submitted with the assumption that sales tax and property tax will continue to show growth. The FY 2013/14 budget has the City projecting a balanced budget without the use of reserves. The FY 2014/15 estimated budget has the City projecting a 3% increase in total revenues. However, General Fund Sources do not equal Uses without the use of reserves. See Attachment A for the Financial Status of Funds within the FY 2013/14 Preliminary Budget document and see Attachment B for the General Fund Three Year Financial Plan through FY 2017.

BACKGROUND:

The General Fund operating budget for FY 2013/14 is $81.7 million and does not rely on the use of reserves. The current reserve balance is $14.5 million and we anticipate the General Fund to have approximately $4 million remaining at the end of FY 2012/13. There will be losses within the Recreation Fund and Reidy Creek Municipal Golf Course for FY 2012/13 that will probably be covered by the General Fund. However, a significant amount of the $4 million estimate can be moved into the reserve.

Since the printing of the preliminary budget document, we have had other budget items come up. The Center for the Arts Management has requested additional funds for the Fourth of July fireworks. In addition, the City Clerk has notified us the committee that will be formed to align district boundaries will need a budget to rent public venues and pay some labor costs. We will address this cost at the Council budget meeting.

Respectfully submitted,

on behalf of Gilbert Rojas

Gilbert Rojas
Director of Finance

Financial Status
of Funds within the Operating Budget
FY 2013/14

GENERAL FUND

Fiscal year 2012/13 revised revenue is $78,169,281. The proposed fiscal 2013/14 General Fund Operating Budget projects an increase to revenue of $2.4 million or 3%.

The proposed 2013/14 General Fund operating budget is $81,745,115. This is an increase of $5.7 million from the fiscal 2012/13 budget adopted in June.

$1.6 million of this increase is due to a change in budgeting for the Center for the Arts. This department was reclassed from a Special Revenue Fund to a department within the General Fund. The management fee is projected to be $700,970, which is the same as the prior year. There are projected increases for the cost of utilities and office automation internal service charges within this department of approximately $178,000. In addition, $4,000 was added for an SDG&E energy projects loan.

Another major increase is the second year of negotiated union contracts. This operating budget does not provide funds for union contracts that expire within the proposed budget period.

Several positions were also added to the General Fund budget: 27 positions in the Fire department and one each in the City Manager, Finance and Planning departments.

Reserve Balances: The reserve balance is $14.5 million.

VEHICLE PARKING DISTRICT

There are no significant changes to this budget from the prior year.

COMMUNITY SERVICES/RECREATION

This fund has decreased its' operating budget by $82,000 and includes the elimination of two grant funded positions. There are no available reserves in this fund. In order to balance this budget, a transfer from the General Fund of $121,785 is proposed.

REIDY CREEK GOLF COURSE

Lower operating expenses are projected in this fund. Operating revenue does not cover the cost of debt service or capital expenses. The goal is to break even in this fund.

COMMUNITY DEVELOPMENT BLOCK GRANT

An 5% reduction in grant funding and $80,000 decrease in CDBG projects are projected for this fund. This fund anticipates further reductions in 2014-15 due to the Federal sequestration order.

LANDSCAPE MAINTENANCE DISTRICT

The bottom line of this operating budget is fairly consistent with prior year. It is proposed that it be balanced with a use of reserves of $98,000.

Financial Status of Funds within the Operating Budget FY 2013/14

SUCCESSOR AGENCY-HOUSING

Proposed changes to this fund include the addition of a Principal Planner position transferred from the capital improvement program and an $80,000 increase in allocations out to the HOME fund and $97,000 allocation out to the capital improvement program. The $695,000 ERAF repayment that was anticipated to be received by this fund during 2013-14 has been disallowed by the State Department of Finance causing a significant decrease in housing programs and future development.

MOBILEHOME MANAGEMENT

This fund reflects a change in budgeting for Mobilehome Park utilities. These costs are now budgeted for at their gross amount. These costs were netted against rental income in prior years.

HOME

This fund is balanced with a use of reserves of approximately $2 million due to the 1997 Terraces loan repayment that was received during 2012-13 that will be used for program costs during 2013-14.

REDEVELOPMENT OBLIGATION RETIREMENT FUND

This fund has been reclassed from a Special Revenue fund to a Private Purpose Trust Fund.

SUCCESSOR AGENCY-REDEVELOPMENT

This fund was originally created to account for administrative costs incurred during the winding down of the redevelopment agency.

For fiscal year 2013-14, the Successor Agency-Housing Debt Service Fund and the Successor Agency-Debt Service Fund have been combined within this fund. This fund accounts for principal and interest payments due on loans from Cal HFA. The loan payment due during fiscal year 2013-14 will be approximately $2.4 million. This fund also accounts for Lease Revenue bonds issued for the construction of the City Hall & Civic Center Complex. Debt service due during FY 2013-14 is approximately $3 million less than the prior year.

GENERAL OBLIGATION BOND DEBT SERVICE

This fund accounts for the 2006 Public Safety Facilities GO bonds that were issued to construct, upgrade and acquire land for City fire stations, an emergency response training center and a combined police and fire headquarters facility. Debt service payments due during FY 2013-14 are approximately the same as the prior year.

VINEYARD GOLF COURSE DEBT SERVICE

The final debt service payment due on this debt will be on September 1, 2014. The funding source for this payment is a transfer in from the Recreation Fund, which receives golf course revenue from American Golf lease of the Vineyard Golf Course property.

Financial Status
of Funds within the Operating Budget
FY 2013/14

REIDY CREEK GOLF COURSE DEBT SERVICE

This fund accounts for the debt issued for the construction of the Reidy Creek Golf Course. Debt service payments due during FY 2013-14 are approximately $18,000 less than the prior year. The General Fund supports this debt with a transfer of funds.

SUCCESSOR AGENCY-HOUSING DEBT SERVICE

This fund has been combined with the Successor Agency-Redevelopment fund.

SUCCESSOR AGENCY-DEBT SERVICE

This fund has been combined with the Successor Agency-Redevelopment fund.

WATER

This fund projects an approximately $5 million increase in the cost of purchased water to be offset by an increase in water rates.

CANAL OPERATIONS

The approximately $17,000 decrease in this fund is due to decreases in fleet internal service charges and allocations in from the Water fund.

LAKES

The projected increase in expenditures in this fund is due to the addition of one temporary part-time Ranger Specialist and an increase in professional services.

WASTEWATER

Professional service contracts are proposed to increase by over $1 million for the benthic study, ocean monitoring and municipal separate storm sewer (MS4) maintenance. In addition, this fund is proposing a reorganization of staff. Four full-time positions are requested to be added to this fund.

RECYCLED WATER

The projected increase in expenditures in this fund is due to an increase in allocations in from the water and wastewater funds.

STORMWATER

The projected increase in expenditures in this fund is due to the transfer of one regular full-time position in from the Water department and an increase in professional services.

Financial Status
of Funds within the Operating Budget
FY 2013/14

BUILDING MAINTENANCE

Increases to this operating budget include the addition of a Deputy Director position and an increase in safety facility utilities of $120,000. This fund is not proposing any increases in charges to the General Fund. It is projected that there will not be any remaining reserves at the end of fiscal year 2012/13. In order to balance this budget, $364,000 of the $875,000 that was transferred to the Capital Projects Fund during 2012/13 will need to be transferred back in 2013/14.

WAREHOUSE

Approximately $90,000 of reserves is requested to be used to replace a forklift.

FLEET

This fund is proposing no increases in charges to the General Fund. Significant increases included in this budget are $450,000 for gas, oil, lubricants and fuel, $200,000 lease payment for a Fire ladder truck, $140,000 for a new fueling system and approximately $90,000 for vehicle replacements. If these increases are approved, $931,000 of reserves will need to be used in order to balance this budget.

DUPLICATING

There is not a significant change in the bottom line of this budget.

TELECOMMUNICATIONS

This fund is proposing to use $400,000 in reserves for voice/data hardware and network backbone upgrades.

MAIL SERVICES

There is not a significant change in the bottom line of this budget.

OFFICE AUTOMATION

The projected increase in expenditures in this fund is due to an increase in Microsoft annual licensing costs.

WORKERS' COMP. INSURANCE

Benefits paid and medical services costs have increased by approximately $418,000. This fund is proposing a $600,000 decrease in charges to departments and a use of reserves of $1.8 million.

GENERAL LIABILITY INSURANCE

The proposed operating budget for this fund is fairly consistent with prior year. It is requested that $625,000 of reserves be used to offset expenditures.

BENEFITS ADMINISTRATION

This fund projects an increase in insurance premiums of approximately $250,000.

Financial Status
of Funds within the Operating Budget
FY 2013/14

PROPERTY INSURANCE

It is proposed that reserves be used to cover an $80,000 projected increase in insurance premiums.

DENTAL INSURANCE

There is no change to the bottom line of this operating budget. Similar to last year, it is balanced with the use of approximately $166,000 in reserves.

UNEMPLOYMENT INSURANCE

It is projected that claims will decrease by $60,000. This budget is balanced with a use of reserves of $89,000 and a decrease in charges to departments of $90,000.

General Fund
3 Year Financial Plan
2015 - 2017

Sources:

	FY 2014-15		FY 2015-16		FY 2016-17	
Operating Revenue	$ 83,364,870	3%	$ 85,670,844	3%	$ 88,212,721	3%
Transfer from Gas Tax	1,955,000		1,855,000		1,755,000	
Transfer from Hegyi Trust	2,000		2,000		2,000	
Transfer from Ryan Trust-Library/Pioneer Room	44,800		-		-	
Transfer from Wastewater	25,000		25,000		25,000	
Deposits-PEG Fees	11,000		11,000		11,000	
Total Sources	$ 85,402,670		$ 87,563,844		$ 90,005,721	

Uses:

	FY 2014-15	FY 2015-16	FY 2016-17
Operating Budget	$ 81,745,115	$ 85,077,225	$ 86,756,835
Implement Negotiations	681,110	64,610	-
Medical	300,000	250,000	250,000
Dental	160,000	-	-
Benefits Admin	33,000	-	-
Workers' Compensation	415,000	415,000	415,000
PERS-Actuarial	726,000		-
PERS-Policy Change	-	950,000	950,000
Unemployment Insurance	67,000	-	-
Building Maintenance	400,000	-	-
Fleet Services	550,000	-	-
Adjusted Operating Budget	85,077,225	86,756,835	88,371,835
Transfer to Vineyard Golf Course Debt Service	109,855	-	-
Transfer to Reidy Creek Golf Course Debt Service	362,090	362,870	362,450
Transfer to Vehicle Parking District	77,400	77,400	77,400
Transfer to Successor Agency-Housing	60,000	60,000	60,000
Advance Payback to Wastewater	210,000	210,000	210,000
Advance Payback to Public Facilities Fund	110,000	110,000	110,000
Total Uses	$ 86,006,570	$ 87,577,105	$ 89,191,685
Use of Reserve	**$ (603,900)**	**$ (13,261)**	**$ 814,036**

Agenda Item No.: 6
Date: June 12, 2013

RESOLUTION NO. 2013-53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, ADOPTING OPERATING BUDGETS FOR CERTAIN CITY DEPARTMENTS FOR FISCAL YEARS 2013-14 AND 2014-15 SUBJECT TO ANY AMENDMENT MADE PURSUANT TO COMPENSATION PLANS FOR THE CITY OF ESCONDIDO AND ESTABLISHING CONTROLS ON CHANGES IN APPROPRIATIONS TO VARIOUS FUNDS AND DEPARTMENTS

BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

SECTION 1. That the budgets for all City Departments for the period July 1, 2013, through June 30, 2014, inclusive, contained in the FY 2013-14 and FY 2014-15 Operating Budget Document (a copy of which is on file in the Office of the City Clerk) as amended by Council, are adopted as the final budgets for the 2013-14 fiscal year, subject to any further amendments pursuant to approval of Compensation Plans for employees of the City of Escondido.

SECTION 2. That the budgets for all City Departments for the period July 1, 2014, through June 30, 2015, inclusive, contained in the FY 2013-14 and FY 2014-15 Operating Budget Document (a copy of which is on file in the Office of the City Clerk) as amended by Council, are adopted for the 2014-15 fiscal year with the understanding that the budget document will be brought back to the Council on an ongoing basis for further discussion and that adjustments may be made, and are subject to any further amendments pursuant to approval of Compensation Plans for employees of the City of Escondido.

SECTION 3. That the amount designated as Department Total for each department and each fund in the budgets on file with the City Clerk, is hereby appropriated to the department or fund for which it is designated subject to adjustments for Compensation Plan approvals. Such appropriations as adjusted shall not be increased without approval of the City Council, except that transfers within funds, may be approved by the City Manager. All amounts designated as Employee Services, Maintenance and Operation, and Capital Outlay in each budget on file with the City Clerk, are hereby appropriated for such uses to the department or fund under which they are listed, subject to any amendments made pursuant to approval of Compensation Plans for employees of the City of Escondido, and shall not be increased without approval of the City Manager.

SECTION 4. That the approval of the Operating Budget Document, including the Department Total expressed for each department, and any subsequent amendments shall include approval for all actions of the City acting as Successor Agency of the former Escondido Redevelopment Agency as expressed in said Operating Budget Document.

RESOLUTION NO. 2013-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, ADOPTING AN ANNUAL APPROPRIATIONS LIMIT FOR THE 2013-14 FISCAL YEAR AS REQUIRED BY LAW

WHEREAS, Article XIII-B of the California State Constitution requires that the City calculate an appropriations limit for each fiscal year, commonly known as the "Gann Limit," and

WHEREAS, the Gann Limit is based on a combination of a population factor and an inflation factor as outlined on Exhibit "B," attached to this resolution and incorporated by this reference; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to adopt an annual Gann Limit for Fiscal Year 2013-14 as listed on Exhibit "A," attached to this resolution and incorporated by this reference;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.

2. That the City Council adopts the calculation of the annual Gann Limit for the Fiscal Year 2013-14. The Gann Limit is adopted on a provisional basis as the limit may need to be adjusted when current assessment data are available The 2012-13 Gann Limit attached to this resolution and incorporated by this reference, is finalized as shown on Exhibit "B."

EXHIBIT A
GANN CALCULATION
2013-14

	PROCEEDS	NON-PROC.
PROPERTY TAXES	29,503,500	
OTHER TAXES:		
Sales and Use Tax	26,352,000	
Property Transfer	386,000	
Franchise	5,614,000	
Transient Occupancy Tax	1,205,000	
RPTTF Residual Payment	388,915	
LICENSES AND PERMITS:		
Business Licenses	1,622,000	
Plumbing Permits		49,000
Building Permits		290,000
Electrical Permits		57,000
Mechanical Permits		39,000
Other Permits		507,000
FINES, FORFEITURES AND PENALTIES:		
Parking Fines		200,000
Other Court Fines		927,000
Library Fines and Fees		83,000
Red Light Photo Citations		206,500
REVENUE FROM USE OF MONEY:		
Interest Income	365,465	84,535
REVENUE FROM OTHER AGENCIES:		
Post Reimbursement		27,000
State Highway Maintenance		10,000
Grants		590,500
Rincon Fire Agreement		1,900,000

	PROCEEDS	NON-PROC.
CHARGES FOR CURRENT SERVICES:		
Zoning Fees		67,000
Subdivision Fees		30,000
Environmental Impact Reports		5,000
Sale Maps and Publications		1,000
Special Police Services		182,000
Plan Check Fees		173,000
Engineering Fees		304,000
Paramedic Services		3,700,000
Conservation Credit		100,000
Other Current Services		1,521,500
Community Services		95,000
OTHER REVENUE:		
Leased Property		2,944,000
Transfer Station Fee		685,000
Other Revenue		204,500
Mobile Home Rent Control		41,000
Reimbursement from Outside Agencies		88,000
GAS TAX FUND:		
Revenue from Use of Money		
Interest Income		16,800
Revenue from Other Agencies		
State Gas Tax 2105		689,000
State Gas Tax 2106		462,000
State Gas Tax 2107		1,026,000
State Gas Tax 2107.5		10,000
Revenue & Tax Code 7360-Prop 42		2,088,000
TOTALS	65,436,880	19,403,335
LESS: STATE MANDATES (Estimated)	(20,000)	
APPROPRIATIONS SUBJECT TO LIMIT	65,416,880	
GANN LIMIT FOR 2013-14	596,083,183	
MARGIN	530,666,303	

EXHIBIT B
GANN LIMIT CALCULATION

	POPULATION FACTOR USED	INFLATION FACTOR USED	
1997-98 Limitation		Non Residential	195,898,948
1998-99 Factor	County Growth	Assessed Valuation	1.07968
1998-99 Limitation		Per Capita	211,508,176
1999-00 Factor	County Growth	Personal Income	1.06798
1999-00 Limitation		Per Capita	225,886,502
2000-01 Factor	County Growth	Personal Income	1.07165
2000-01 Limitation		Per Capita	242,071,270
2001-02 Factor	County Growth	Personal Income	1.09933
2001-02 Limitation		Non Residential	266,116,209
2002-03 Factor	County Growth	Assessed Valuation	1.06892
2002-03 Limitation		Non Residential	284,456,938
2003-04 Factor	County Growth	Assessed Valuation	1.08706
2003-04 Limitation		Non Residential	309,221,759
2004-05 Factor	County Growth	Assessed Valuation	1.07214
2004-05 Limitation		Per Capita	331,529,017
2005-06 Factor	County Growth	Personal Income	1.06597
2005-06 Limitation		Per Capita	353,399,986
2006-07 Factor	County Growth	Personal Income	1.04937
2006-07 Limitation		Non Residential	370,847,343
2007-08 Factor	County Growth	Assessed Valuation	1.07955
2007-08 Limitation		Per Capita	400,348,249
2008-09 Factor	County Growth	Personal Income	1.05687
2008-09 Limitation		Per Capita	423,116,054
2009-10 Factor	County Growth	Personal Income	1.01888
2009-10 Limitation		Per Capita	431,104,485
2010-11 Factor	City Growth	Personal Income	0.98883
2010-11 Limitation		Per Capita	426,289,048
2011-12 Factor	City Growth	Personal Income	1.03269
2011-12 Limitation		Non Residential	440,224,437
2012-13 Factor	County Growth	Assessed Valuation	1.27787
2012-13 Limitation		Per Capita	562,549,601
2013-14 Factor	County Growth	Personal Income	1.05961
2013-14 Limitation			596,083,183

ESCONDIDO
City of Choice

CITY COUNCIL

For City Clerk's Use:
☐ APPROVED ☐ DENIED
Reso No. ____________ File No. ____________
Ord No. ____________

Agenda Item No.: 7
Date: June 12, 2013

TO: Honorable Mayor and Members of the City Council

FROM: Ed Domingue, Public Works Director/City Engineer

SUBJECT: Modification of Fiscal Year 2012/13 General Fund Budget and General Liability Fund Budget

RECOMMENDATION:

Staff is requesting that Council approve a budget transfer from the General Fund Reserve, in the amount of $177,000 for the California Center for the Arts Escondido (CCAE) and $400,000 for Public Works/Streets; and approve Resolution 2013-81 reducing the General Fund Reserve in the amount of $577,000; and increase the General Liability Fund authorization by $75,000.

FISCAL ANALYSIS:

Sufficient funds are currently available within the General Fund Reserve and the General Liability Fund.

PREVIOUS ACTION:

City Council approved the FY 2012/13 Operating Budget on June 13, 2012.

BACKGROUND:

Public Works/Streets' primary purposes are to maintain streets, City parking lots, pavement, traffic signals, street lights, striping, pavement legends, street signs, sidewalks, right-of-way/City parking lot landscaping/irrigation, storm drains and drainage channels and also remove graffiti from any public or private property. Due to the rising age and lower pavement condition index of City streets and parking lots, more unanticipated critical repairs are required every year. Critical repairs are those items that directly impact the facilities' appearance and ability to support the mission of that facility (e.g., traffic signal pole knock downs, trip and fall sidewalk repairs, tree removals, etc.) The $400,000 budget adjustment to this operating budget will satisfy obligations previously incurred and as well as for work through the end of this fiscal year within Public Works/Streets.

Rising energy costs and annual seasonal variations in utility usage combined to deplete the funds within the utilities portion of the current fiscal year Operating Budget for CCAE. The increased expense for CCAE Utilities is currently estimated at an additional $177,000 to cover the remainder of this fiscal year.

The General Liability Fund is a separate fund that accounts for the City's self-insurance program. This fund receives its money from charges to other Funds such as the General Fund and the Utility Funds. The Liability fund estimates future claims and sets aside funds for these claims. The annual budget for the Liability Fund anticipates how many of these future claims will occur during the fiscal year and sets up a line item within the budget for an estimated amount. This fiscal year that line item is not sufficient to cover this year's claims and needs to be increased by $75,000. Funding of this increase is available within the Liability budget.

Respectfully submitted,

Edward N. Domingue, P.E.
Public Works Director/City Engineer

CITY OF ESCONDIDO

BUDGET ADJUSTMENT REQUEST

Date of Request: 06/04/2013

Department: Public Works

Division: Streets/California Center for the Arts Escondido

Project/Budget Manager: Edward N. Domingue (Name) 4813 (Extension)

Council Date (if applicable): 06/12/2013
(attach copy of staff report)

For Finance Use Only

Log # ______

Fiscal Year ______

______ Budget Balances
______ General Fund Accts
______ Revenue
______ Interfund Transfers
______ Fund Balance

Project/Account Description	Account Number	Amount of Increase	Amount of Decrease
Center for the Arts			
Utilities	5170-100-140	177,000	
Public Works/Streets			
Office/Operating Supplies	5101-001-403	$400,000	
Transfer In	4999-100	177,000	
Transfer Out	5999-001	177,000	
General Fund Reserve	3007-001		577,000
Liability Settlements	5153-691-722	75,000	
General Liability Fund Balance	691-3050		75,000

Explanation of Request:

These transferred funds will be moved into the California Center for the Arts Operating Budget and used to pay utility bills for the remainder of the fiscal year, and into the Public Works/Streets Operating Budget to pay for unanticipated expenses associated with the repair and maintenace of street lights, traffic signals, storm drain, concrete (sidewalks, curbs & gutters) and street trees, and from the General Liability Fund to the General Liability Operating Budget.

APPROVALS

Edward N. D — 6/10/13
Department Head — Date

Jodi Cox Cleveland — 6/10/13
Finance — Date

City Manager — Date

City Clerk — Date

Distribution (after approval): Original: Finance

FM\105 (Rev.11/06)

Agenda Item No.: 7
Date: June 12, 2013

RESOLUTION NO. 2013-81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, MODIFYING THE CITY OF ESCONDIDO FUND BALANCE POLICY GENERAL FUND RESERVE FOR THE PURPOSE OF UTILITY EXPENSES AND THE REPAIRING OF CITY STREET FACILITIES

WHEREAS, the Governmental Accounting Standards Board ("GASB") has issued its Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, with the intent of improving financial reporting by providing fund balance categories that will be more easily understood; and

WHEREAS, the City Council of the City of Escondido has adopted Resolution No. 2012-151, the Fund Balance Policy; and

WHEREAS, the Fund Balance Policy provides that the City Council may commit funds for specific purposes by taking formal action and these committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same formal action to establish the commitment; and

WHEREAS, the City Council has determined that the General Fund Reserve balance be established at $14,477,681; and

WHEREAS, on June 13, 2012, the City Council approved the FY 2012-13 and FY 2013/14 Two Year Operating Budget for the California Center for the Arts Escondido ("CCAE") and for Public Works/Street Maintenance; and

WHEREAS, certain unanticipated expenses for utilities for the CCAE were for the Arts were required this fiscal year; and

WHEREAS, certain unanticipated repairs to City street facilities were required this fiscal year; and

WHEREAS, the City Council desires at this time and deems it to be in the best public interest to provide additional funding in the amount of $577,000 for unanticipated expenses for utilities and repairs to city street facilities; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.

2. That the City Council hereby establishes and approves the new balance of the General Fund at $13,900,681 as of the date of this Resolution.

3. That $177,000 will be added to the California Center for the Arts Operating Budget for unexpected expenses for utilities.

4. That $400,000 will be added to the Public Works/Streets Operating Budget for unanticipated expenses for repairs to City facilities.

FUTURE CITY COUNCIL AGENDA ITEMS
June 6, 2013

AGENDA ITEMS AND COUNCIL MEETING DATES ARE SUBJECT TO CHANGE. CHECK WITH THE CITY CLERK'S OFFICE AT 839-4617

JUNE 19, 2013
4:30 p.m.

	CONSENT CALENDAR
	Award of Bid for Legal Advertising Fiscal Year 2013-14 (D. Halverson) *The California Public Contract Code requires when there is more than one newspaper of general circulation in a community that the public bidding process occur annually for the purpose of publishing legal notices. The award of bid will complete the process for the upcoming fiscal year.*
	Final Engineer's Report for City of Escondido Landscape Maintenance District Zone 11 for Fiscal Year 2013/2014 (E. Domingue) *Adoption of Resolution No. 2013-72 is the final step in the annual review process for the Engineer's Report and assessment for Zone 11 of the City of Escondido Landscape Maintenance District for Fiscal Year 2013/2014.*
	Final Engineer's Report for City of Escondido Landscape Maintenance District Zones 1-10, 12-37 for Fiscal Year 2013/2014 (E. Domingue) *Adoption of Resolution No. 2013-73 is the final step in the annual review process for the Engineer's Report and assessments for Zones 1-10 and 12-37 of the City of Escondido Landscape Maintenance District for Fiscal Year 2013/2014.*
	Lease Agreement with the Escondido Education Compact for Property Located at 220 South Broadway (E. Domingue) *The Escondido Education Compact ("Compact") is relocating its business operations from its existing leased premises on East Valley Parkway at the City's request, in order to make room for the Heritage Digital Academy lease, which was approved by Council on May 22, 2013. The Compact would like to lease 220 South Broadway on an annual basis under similar terms as the existing lease agreement. The proposed rent is $1500 per month.*
	Grant Deed and Purchase & Sale Agreement for Property Located at 2400 West Valley Parkway, Lot #45 (E. Domingue) *The City acquired the property in a foreclosure action on March 1, 2013 as a result of a default on a loan under which the subject property was used as collateral. The City began marketing the property through its real estate consultant, Judson Realty, at a listing price of $60,000, which was based on a recent appraisal performed on similar mobilehome lots in this park. The current offer is an all-cash offer from Christine Roberts for $62,000, with close of escrow to be contingent upon the City clearing the existing mobilehome coach from the lot.*

JUNE 19, 2013
Continued

CONSENT CALENDAR Continued

First Amendment to Lease Agreement with the American Legion for Property Located at 230 Park Avenue
(E. Domingue)

The City and the American Legion entered into a lease agreement dated August 21, 2008, for real property located at 230 Park Avenue in accordance with City Council Resolution No. 78-79, to maintain a building for veterans to gather. The lease agreement expires on May 31, 2013. The proposed First Amendment would extend the term of the lease for another three years to May 31, 2016.

Addition and Amendment to the Escondido Municipal Code to Establish Truck Routes
(E. Domingue)

The Truck Route Ordinance will be used to establish a system of arterials as Truck Routes to accommodate vehicles exceeding 10 tons. Designated truck hall routes increase public safety, inhibit premature deterioration to the asphalt surface of streets that were not designed to handle trucks, and prevent impeding the flow of other traffic. This Ordinance is an addition to the existing Truck Terminal Access Article 8 in Chapter 28 of the Traffic Municipal Code.

Adoption of a Resolution Approving a Professional Services Agreement with West Coast Arborists to complete the Urban Forest Public Tree Inventory
(E. Domingue)

A $200,000 grant from Cal Fire to pay for an urban tree inventory was accepted by City Council on July 25, 2012. Staff has received quotations from four qualified consultants and recommends West Coast Arborists (WCA) be selected to provide these services. The $67,000 match required for this project is to be provided through in-kind City Services.

Senior Nutrition Contract
(L. McKinney)

The Escondido Senior Center provides a nutrition program for seniors, Monday through Friday. The cost of this program is offset primarily from a grant through the County of San Diego AIS.

CURRENT BUSINESS

Refunding 2001 Special Tax Bonds
(G. Rojas)

The 2001 Special Tax Bonds were issued for Community Facilities District No. 2000-01 (Hidden Trails). Refunding these bonds will allow the District to realize a Net Present Value savings and lower the homeowners annual repayment of debt.

Refunding 2006 Special Tax Bonds
(G. Rojas)

The 2006 Special Tax Bonds were issued for Community Facility District No. 2006-01 (Eureka Ranch). Refunding these bonds will allow the District to realize a Net Present Value savings and lower the homeowners annual repayment of debt.

PUBLIC HEARINGS

Five-Year Capital Improvement Program and Project Budgets for Fiscal Year 2013/2014
(G. Rojas)

Follow up to preliminary meeting on 05/01/13, to approve Five-Year Capital Improvement Program and Transnet Program of projects for FYs 2013/14-17/18.

JUNE 19, 2013
Continued

	PUBLIC HEARINGS Continued
	Bid Award for the Escondido Creek Trail Lighting Project and Public Hearing to approve an Amendment to Fiscal Year 2012-13 Community Development Block Grant (CDBG) Action Plan transferring funds from the Tulip Street Improvement Project to the Escondido Creek Trail Lighting Project (E. Domingue) *The Escondido Creek Trail Lighting Project will be completed using CDBG funds in addition to a SANDAG grant. Improvements will include furnishing and installing approximately 88 direct burial street lights, trenching, pedestals and service points, furnishing and installing future camera system substructure and providing the City with an additional four light poles and fixtures. The Engineers estimate for this project is $600,000.*
	Future Agenda Items (D. Halverson)

JUNE 26, 2013
4:30 p.m.

	CONSENT CALENDAR
	Redwood Meals and Transportation (L. McKinney) Need Green Sheet
	Write-off Uncollectible Receivables (G. Rojas) *The City has reviewed its outstanding receivables in order to ensure that resources are used efficiently and not devoted to the recovery of uncollectible receivables. As a result, certain outstanding loans have been deemed uncollectible where collection efforts have been exhausted and should therefore be removed from the City's general ledger.*
	PUBLIC HEARINGS:
	Short-form Rent Review Board Hearing for Carefree Ranch (Case # 0697-20-9936) (B. Redlitz) *This application meets all eligibility criteria for submittal of a short-form rent increase application. The amount requested covers a 12 month period of consideration from December 31, 2011 to December 31, 2012. 75% of that change in the CPI for the period is 1.163%. The average space rent for the 111 spaces subject to rent control is $472.90. The average increase per space is approximately $5.50.*
	Modification to Bernardo-Young Annexation, CASE PHG 13-0009 (B. Redlitz) *The annexation of three 1 acre+ residential lots into the City of Escondido totaling 3.42 acres, as well as a segment of Bernardo Avenue needed to create contiguity, was approved by Council on November 9, 2011. LAFCO subsequently approved the annexation adding the condition that the City accept a segment of Vereda Callada, a sub-standard County road. The applicant is requesting that the access drive, which promoted LAFCO's condition, be allowed to stay and that any improvements to Vereda Callada be delayed until such time that a building permit is requested. Accepting Vereda Callada without improvements would present liability issues for the City.*

JUNE 26, 2013
Continued

	CURRENT BUSINESS
	Designation of Voting Delegates and Alternates – League of California Cities (D. Halverson) *The League's 2013 Annual Conference is scheduled for September 18-20 in Sacramento. At the Annual Business Meeting the League membership considers and takes action on resolutions that establish League policy. In order to vote at the Annual Business Meeting, the City Council must designate a voting delegate. The City Council may also appoint up to two alternate voting delegates, one of whom may vote in the event that the designated voting delegate is unable to serve.*
	WORKSHOP
	Options for Council Policy Concerning Development of Downtown Utilities Infrastructure (C. McKinney) *The Utilities Department requests that Council receive and file a presentation concerning options for the Council's policies regarding development of sewer and water infrastructure in Downtown Escondido.*
	Economic Development Element of 2013-2014 City Council Action Plan (J. Masterson) *The City Council Action Plan represents the City Council's collective vision for Escondido's future and the key activities that will be used to achieve that vision.*
	Future Agenda Items (D. Halverson)