

**MINUTES OF A REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF BRADBURY
HELD ON TUESDAY, MARCH 19, 2013**

**CALL TO ORDER AND
PLEDGE OF ALLEGIANCE:**

The regular meeting of the City Council of the City of Bradbury was called to order by Mayor Lathrop at 7:00 p.m. Mayor Lathrop led the pledge of allegiance.

ROLL CALL:

PRESENT: Mayor Lathrop, Mayor Pro-Tem Pycz,
Councilmembers Barakat, Hale and Lewis

ABSENT: None

STAFF: City Manager Keith, City Attorney Reisman, City Clerk Saldana
and Management Analyst Kearney

APPROVAL OF AGENDA:

Councilmember Barakat made a motion to approve the agenda to proceed with City business. Councilmember Lewis seconded the motion, which carried unanimously.

**DISCLOSURE OF ITEMS
REQUIRED BY GOV. CODE
SECTION 1090 & 81000
ET SEQ.**

In compliance with the California Political Reform Act, each City Councilmember has the responsibility to disclose direct or indirect potential for a personal financial impact as a result of participation in the decision making process concerning agenda items.

City Attorney Reisman stated that he was not aware of any conflicts of interest.

PRESENTATIONS:

A. Introduction of newly appointed San Gabriel Valley Council of Governments (SGVCOG) Director Andrea Travis-Miller

Mayor Lathrop, who is the SGVCOG representative for the City, introduced the new Executive Director, Ms. Andrea Travis-Miller.

Ms. Travis-Miller said that she appreciated the opportunity to be here tonight. Ms. Travis Miller stated that she has 20 years of experience in local government and that before accepting the position of Executive Director with the SVGCOG she had served as the City Manager of the cities of La Mirada and more recently in San Bernardino. Ms. Travis Miller stated that she also is an attorney and that her goal is to bring more transparency to the SGVCOG and its partnerships. She took this opportunity to introduce Marisa Creter, who gave brief overview of the San Gabriel Valley Energy Wise Partnership (SGVEWP), which provides cities with additional incentives from Southern California Edison (SCE) for completing incentivized energy efficient projects.

B. Proclamation of California American Water declaring "Fix a Leak Week"

Mayor Lathrop presented Brian Baretto of California-American Water Company with a proclamation declaring March 18-24, 2100 "Fix a Leak Week."

Councilmember Lewis asked if anyone else saw the irony of presenting Cal-Am Water Company with a "fix-a-leak" proclamation and suggested that they participate in their own program, given the many leaks in the City of Bradbury.

Mr. Baretto acknowledged the problem and stated that any leaks should be reported to California American Water right away to prevent water loss.

PUBLIC COMMENT:

None

CONSENT CALENDAR:

All items on the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion unless a Councilmember requests otherwise, in which case the item will be removed and considered by separate action. All Resolutions and Ordinances for Second Reading on the Consent Calendar are deemed to be "to waive further reading and adopt."

- A. Minutes - Regular City Council Meeting of February 19, 2013
- B. Resolution No. 13-05: Demands & Warrants for March 2013
- C. Financial Statement for the month of February 2013

**MOTION TO APPROVE
CONSENT CALENDAR:**

Councilmember Barakat moved to approve the Consent Calendar as presented. Councilmember Hale seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lathrop, Mayor Pro-Tem Pycz,
Councilmembers Barakat, Hale and Lewis

NOES: None

ABSENT: None

Motion passed 5:0

**DISCUSSION:
FISCAL CHALLENGES –
REVENUE GENERATED FROM A
UTILITY USERS TAX**

As has been stated many times over the last three years, the City of Bradbury has insufficient funds to maintain day to day operations without an additional revenue stream. City Manager Keith stated that this shortfall is largely due to unfunded mandates by the State and Federal levels of government, increasing costs, and slowing of the global economy.

Following almost two years of discussions on this issue to "close the fiscal gap" and achieve long term financial sustainability, on October 18, 2011, the City Council unanimously approved the placement of Measure A – Bradbury Utility Users Tax (UUT) on the April 10, 2012 ballot. Measure A did not garner the necessary votes to pass. In May 2012 the City Council appointed a Finance Committee to review the City's budget, including revenues and expenditures, and report back to the Council on the City's fiscal sustainability. After a six month review and a recommendation from the Finance Committee, in January 2013 the City Council determined to place a UUT measure on the May 2013 ballot as the preferred means of obtaining that needed revenue.

BACKGROUND:

As thoroughly and carefully as possible, the City Council since the adoption of the Fiscal Year 2010-2011 budget has been reviewing and analyzing the City's fiscal challenges. The City of Bradbury is faced with escalating expenses and consistently decreasing revenues. This has resulted from the current economic downturn, decreased home sales, decreased construction activity and overall rising costs of providing service to residents, as well as the increase in State and Federal mandates the City must comply with. The City Council has reviewed the current status of the City's short and long-term budget prospects and various ways of addressing ongoing fiscal needs.

At the last City Council meeting, staff was directed to provide to the City Council a comprehensive list of how the funds raised from a UUT would be spent in year one.

ONE-YEAR VIEW 2013-2014:

\$200,000 will be needed for compliance with the State Mandated Regional MS4 (Municipal Separate Storm Sewer Systems) permit. Not complying with this State/Federal mandate will result in fines to the City of up to \$30,000 a day. This \$200,000 will pay for the City's portion of the development of an Enhanced Watershed Management Plan (EWMP) and Coordinated Integrated Monitoring Program (CIMP). The City will also be paying for the required outfall monitoring and ongoing Minimum Control Measures mandated by the MS4 permit.

\$10,000 ensures the City has adequate monies to fund required general liability insurance, property insurance, pollution insurance and workers' compensation insurance coverage for a public agency. If the City does not receive additional revenue funding for these items, the City will be forced to use funds from the City reserves to cover the increased costs. Once funds in the reserves are gone the City will have no monies for emergencies.

\$25,000 is needed to cover the increased costs to maintain existing levels of contracted Public Safety Services. Additional funds ensure the City is able to provide the necessary adequate minimal staffing levels for policing, animal control and code enforcement services.

\$40,000 is needed annually to cover the cost of complying with State mandated long-term planning items. As required by State law the City is required to have and update various long-term planning documents. These include but are not limited to the General Plan, Housing Element, Hazard Mitigation Plan and Climate Action Plan. These documents require the expertise of professionals to ensure the City is in compliance and not subject to fines or the loss of City fees. These items are unfunded State Mandates.

\$35,000 is needed to maintain, repair, remove and replace the City's street trees, trails, parkways and landscaped areas. Further delay of these repairs and maintenance, which has been deferred for four years due to funding shortfalls, will result in deteriorated City infrastructure, resources and subject the City to unnecessary costly liability and litigation. Additionally, the longer these items are delayed, the more expensive the cost becomes to bring them up to compliance.

\$50,000 permits the City to remain in compliance with the federally mandated Government Accounting Standard Board Generally Accepted Accounting Principles regarding fiscal management of public funds. These funds are used to employ the required part-time City Finance Director, required fund accounting software for managing City finances, required mandated outside auditing services and managing of City business licenses. When these items are not adhered to, cities are subject to fines and sanctions by the State Controller.

REPORT RECEIVED AND FILED:

City Manager Keith recommended that the City Council receive and file this informational report. No further action was required at this time.

**DISCUSSION – ACCEPTING
CREDIT CARDS FOR PAYMENT
OF CITY SERVICES:**

City Manager Keith stated that the City is involved with a number of financial transactions with residents and customers that typically involve non-refundable fee transactions including but not limited to business license fees, copies, building permits and planning fees. Currently, the City does not accept credit cards as a form of payment. City customers however have expressed an interest in the convenience of using credit cards for certain payments. Staff's research has revealed that a large majority of cities accept credit/debit cards for payment of non-refundable fees. Staff recommends moving forward with a trial program for a period of one year with Wells Fargo Merchant Services.

DISCUSSION:

Councilmember Hale stated that credit cards are good for business because they eliminate the need to carry checks or cash.

Councilmember Lewis stated that the City does not lose any revenue by not accepting credit card because, unlike a business, the customer does not have a choice to go somewhere else, and that they are fees involved with credit cards.

Councilmember Hale stated that the City could charge a convenience fee for the use of credit cards and Councilmember Barakat agreed that convenience fees are standard.

City Manager Keith stated that we won't know for a year what the costs will be to the City, but as a City we have the ability to recover costs to be revenue neutral, however governments are different than businesses when it comes to convenience fees and other additional charges.

Mayor Lathrop felt that the City should have a policy encouraging payment by check to save the City money. Mayor Pro-Tem Pycz disagreed and felt that staff should encourage payment by credit cards to make money.

Councilmember Barakat inquired if the City could recover the start-up costs. City Manager Keith stated that the \$344 start-up cost could not be recovered, but the City will raise fees for business licenses, for example, with the next budget.

Councilmember Hale added that the credit card machines don't last very long and the City should build up revenue to replace the machine.

City Manager Keith stated that staff will work with the Finance Director, Lisa Bailey, to work out the details and calculated the costs associated with the acceptance of credit cards.

MOTION:

Following discussion, Councilmember Hale made a motion to authorize staff to move forward with a trial program for a period of one year with Wells Fargo Merchant Services to accept Discover, Visa and MasterCard for non-refundable fees. Mayor Pro-Tem Pycz seconded the motion, which was carried by the following roll call vote:

APPROVED:

AYES: Mayor Lathrop, Mayor Pro-Tem Pycz,
Councilmembers Barakat, Hale and Lewis

NOES: None

ABSENT: None

Motion passed 5:0

DISCUSSION: PURCHASE OF HDL BUSINESS LICENSE SOFTWARE

City Manager Keith stated that the City currently has no business license software. Staff has analyzed new software options available and determined that software proposed by HdL Software LLC would provide the greatest amount of efficiency to both the public and staff. This new software would also increase audit effectiveness by streamlining the outdated manual processing model that the City currently has in place.

The HdL program allows Business Licenses to be issued online, renewal notices could be sent out by email, information could be shared with the public and the software is compatible with the Franchise Tax Board (FTB) for submittal/exchange of data.

The proposed one time cost for the software is \$17,500 with a 20% of the purchase price for ongoing annual maintenance fees/licensing.

Utilizing a 5-year payment plan, the City would be paying \$340 per month for five years at which time the City owns the software.

Staff recommends moving forward with the 5-year payment plan. This plan is specific to Bradbury and will allow the City to utilize the equipment without having to finance the software up front all at once.

DISCUSSION:

Councilmember Lewis inquired about how many business licenses the City issues in one year. City Manager Keith replied about 130. The City's revenue budget for business licenses in FY 2012-2013 is \$18,000. Councilmember Hale stated that's about 2 business licenses per week. Councilmember Lewis stated that given the cost of the software that's pretty expensive for the number of licenses being issued. Councilmember Hale felt that acquiring such costly software looks bad for the UUT measure and sends the wrong message.

City Manager Keith stated that the monthly cost could be recouped with the issuance of additional business licenses. Mayor Lathrop wondered how many additional business it would take to recoup \$20,000.

Councilmember Hale suggested that staff work the guard house. City Manager Keith stated that staff is already working with the guard house to get more business licenses.

The City Council chose not to purchase the HdL software and work to improve the current practice of issuing business licenses.

LONG-TERM SOLUTIONS TO REDUCE TAXES IN BRADBURY FOR SUSTAINABLE VIABILITY AND/OR COST SAVINGS:

This item is on the agenda every month for the City Council to consider ideas and comments from residents regarding long-term solutions to the City's fiscal challenges, specifically potential strategies for enhancing and creating new revenue and/or cost savings.

City Manager Keith stated that there was nothing new to report.

MATTERS FROM THE CITY MANAGER:

City Manager Keith reminded the Council that FPPC Form 700 (Statement of Economic Interests) is due on April 1st and the Mayor Pro-Tem statements are due on April 3rd. Friday, April 5, is a furlough day.

Staff is working on a Memorandum of Understanding (MOU) for the EWMP (Enhanced Watershed Management Plan).

Anne McIntosh is working with Dave Meyer and staff on the transition to take over as City Planner. Dave Meyer is planning to retire in June.

Staff is working on the recruitment for a new Management Analyst. The current Management Analyst, Kevin Kearney, is leaving.

MATTERS FROM THE CITY COUNCIL:

MAYOR LATHROP: Nothing to report.

MAYOR PRO-TEM PYCZ: Nothing to report

COUNCILMEMBER BARAKAT: Nothing to report

COUNCILMEMBER HALE: Nothing to report

COUNCILMEMBER LEWIS: Nothing to report

ITEMS FOR FUTURE AGENDAS: Mayor Lathrop stated that he received a letter from State Senator Alex Padilla proposing a California earthquake early warning system and requested that this item be placed on the agenda for discussion.

CLOSED SESSION

CALL TO ORDER/ROLL CALL: Mayor Lathrop called the Closed Session to order at 8:20 p.m.

PRESENT: Mayor Lathrop, Mayor Pro-Tem Pycz, Councilmembers Barakat, Hale and Lewis

ABSENT: None

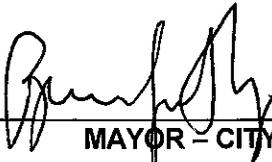
STAFF: City Manager Keith and City Attorney Reisman

PUBLIC COMMENT REGARDING CLOSED SESSION ONLY: None

CLOSED SESSION: Pursuant to California Government Code Section 54957 the City Council met in Closed Session to discuss Personnel:
A) City Manager – Evaluation of Performance

REPORT FROM CLOSED SESSION: City Attorney Reisman reported that the City Council did not take any formal action, but to continue the item to the next meeting.

ADJOURNMENT: At 8:25 p.m. Mayor Lathrop adjourned to the meeting to Tuesday, April 17, 2013 at 7:00 p.m. at the Bradbury Civic Center.



MAYOR – CITY OF BRADBURY

ATTEST:



CITY CLERK – CITY OF BRADBURY