

CITY OF PERRIS

MINUTES: Joint City Council, Redevelopment Agency, PPFA & PPUA
Date of Meeting: 25 March 2003
Time of Meeting: 6:00 p.m.
Place of Meeting: City Council Chamber – City of Perris

1. CALL TO ORDER:

The Honorable Mayor Busch called the Joint City Council, Redevelopment Agency, PPFA and PPUA Meeting to order.

2. ROLL CALL:

Council Member Present: Rogers, Yarbrough, Landers, Motte.

Absent: Mayor Busch

Staff Member Present: Interim City Manager Apodaca, City Attorney Dunn, Finance Director Rogers-Elmore, Community Development Director Gutierrez, Public Services Director Owens, City Engineer Motlagh, Police Chief Kestell, and City Clerk Rey.

3. INVOCATION:

4. PLEDGE OF ALLEGIANCE:

5. PRESENTATIONS/ANNOUNCEMENTS: None

6. APPROVAL OF MINUTES:

A. Approval of meeting minutes for Special City Council Work Session of February 21, 2003.

M/S/C (ROGERS/YARBROUGH) To approve the meeting minutes for Special City Council Work Session of February 21, 2003.

AYES: Rogers, Yarbrough, Landers, Motte

NOES:

ABSENT: Busch

6:10 p.m. Called to Order

Four Councilmembers Present

Absent: Busch

Brother Johnson Gave Invocation

Councilmember Rogers Led the Pledge

Special City Council Work Session Minutes

Approved: 4-0

Absent: Busch

7. **CONSENT CALENDAR:**

Ms. Britten, 3263 Main Street, Perris, commented that not all the residents within her area had received notices in regards to what was transpiring within their area. With all the construction on Rider Street between Ramona Expressway and Perris Boulevard, the residents requested input on how they can get in and out of their area.

Ms. Britten's Comments

Mayor Pro Tem Motte pulled Items A and D.

*Mayor Pro Tem Motte
Pulled Items A & D*

A. To adopt, for second reading, Ordinance Number 1110, approving Development Agreement No. 03-0003 to implement the development of a Master Plan Community known as Villages of Avalon. Applicant: Barratt American.

*Ordinance Number 1110,
Approval of Development
Agreement 03-0003
Approved: 3-1
Noes: Motte
Absent: Busch*

To adopt Ordinance Number 1110 entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PERRIS AND BARRATT AMERICAN INCORPORATED TO IMPLEMENT THE DEVELOPMENT OF THE VILLAGES OF AVALON LOCATED ON THE SOUTH SIDE OF RAMONA EXPRESSWAY BETWEEN CAMLANN WAY AND RIDER STREET (DEVELOPMENT AGREEMENT 03-0003).

Mayor Pro Tem Motte commented that Council should reconsider the proposal because the other developers paid a fee of approximately \$3,000 per lot to waive the TUMF Fee. In the best interest of the City, the developers should be given equal treatment.

*Mayor Pro Tem Motte's
Comment Re: Equal
Treatment in of Fees
Paid*

M/S/C (LANDERS/ROGERS) To approve Item A, adoption of Ordinance Number 1110, approving Development Agreement No. 03-0003 and Item D, Ordinance Number 1113, (Case No. Development Agreement No. 03-0067), an amendment to an approved development agreement. Calendar.

*Ordinance Number 1110,
Approval of Development
Agreement 03-0003 &
Ordinance Number 1113,
Approval of Case No.
Development Agreement
03-0067
Approved: 3-1
Noes: Motte
Absent: Busch*

AYES: Rogers, Yarbrough, Landers
NOES: Motte
ABSENT: Busch

B. To adopt, for second reading Ordinance Number 1111, approving Development Agreement No. 03-0030 for the implementation of Tentative Tract Map 30662 and Tentative Tract Map 30958. Applicant: Classic Pacific.

*Ordinance Number 1111,
Development Agreement
No. 03-0030
Approved: 4-0
Absent: Busch*

To adopt Ordinance Number 1111 entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT WITH LAKESIDE VILLAGES COMMUNITIES, LLC FOR TENTATIVE TRACT 30662 AND TENTATIVE TRACT 30958, LOCATED AT THE SOUTHWEST CORNER OF GOETZ ROAD AND ETHANAC ROAD (DEVELOPMENT AGREEMENT 03-0030).

C. To adopt, for second reading, Ordinance Number 1112, approving Development Agreement No. 03-0049 to implement the development of Tract 31114 and Tract 31201. Applicant: Sunwest Enterprises.

*Ordinance Number 1112,
Development Agreement
No. 03-0039
Approved: 4-0
Absent: Busch*

To adopt Ordinance Number 1112 entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PERRIS AND JOHN J. REICHEL TO IMPLEMENT THE DEVELOPMENT OF TENTATIVE TRACT MAP 31114 LOCATED WEST OF REDLANDS AVENUE, BETWEEN METZ CHANNEL AND JARVIS STREET, AND TENTATIVE TRACT 31201 LOCATED EAST OF THE SANTA FE RAILROADS BETWEEN 11TH STREET AND ELLIS STREET (DEVELOPMENT AGREEMENT 03-0049).

- D. To adopt, for second reading, Ordinance Number 1113, (Case No. Development Agreement No. 03-0067), an amendment to an approved development agreement between the City of Perris and KB Home Coastal, Inc. for development of May Ranch Specific Plan. Applicant: KB Home Coastal, Inc.

***Ordinance Number 1113,
Approval of Case No.
Development Agreement
03-0067
Approved: 3-1
Noes: Motte
Absent: Busch***

To adopt Ordinance Number 1113 entitled:

AN ORDINANCE OF THE CITY COUNCIL, CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING AN AMENDMENT TO AN APPROVED DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PERRIS AND KB HOME COASTAL, INC. FOR DEVELOPMENT OF THE MAY RANCH SPECIFIC PLAN LOCATED SOUTH OF RAMONA EXPRESSWAY BETWEEN THE PERRIS VALLEY STORM DRAIN AND RIDER STREET AT THE INTERSECTION OF RAMONA EXPRESSWAY, AND NORTH OF PLACENTIA AVENUE (DEVELOPMENT AGREEMENT 03-0067).

- E. To adopt proposed Resolution Numbers 3075, 3076, and 3077, ordering preparation of the 2003/2004 Engineer's Report for City's Maintenance Districts.

***Resolution Numbers
3075, 3076 & 3077
Ordering Preparation of
2003/04 Engineer's
Report for City's
Maintenance Districts
Approved: 4-0
Absent: Busch***

To adopt Resolution Number 3075 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2003/2004 IN THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; APPOINTING THE ENGINEER OF WORK, AND ORDERING PREPARATION OF AN ENGINEER'S REPORT.

To adopt Resolution Number 3076 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2003/2004 IN THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; APPOINTING THE ENGINEER OF WORK, AND ORDERING PREPARATION OF AN ENGINEER'S REPORT.

To adopt Resolution Number 3077 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2003/2004 IN THE CITY OF PERRIS FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1 PURSUANT TO THE BENEFIT ZONE ASSESSMENT ACT OF 1982; APPOINTING THE ENGINEER OF WORK, AND ORDERING PREPARATION OF AN ENGINEER'S REPORT.

- F. To adopt proposed Resolution Numbers 3078, 3079 and 3080, for ordering preparation of Engineer's Report; preliminarily approval of the Engineer's Report and intention to annex Tract 30380 to Maintenance District Number 84-1 and setting a public hearing date of May 27, 2003. Applicant: Perris Partners LP.

*Resolution Numbers 3078, 3079 & 3080, Annexation of Tract 30380 to Maintenance District No. 84-1, Preliminary Approval of Engineer's Report & Setting a Public Hearing Date of May 27, 2003
Approved: 4-0
Absent: Busch*

To adopt Resolution Number 3078 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION TO MAINTENANCE DISTRICT NUMBER 84-1 (TRACT 30380).

To adopt Resolution Number 3079 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF TRACT 30380 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1.

To adopt Resolution Number 3080 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF TRACT 30380 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO.

- G. To adopt proposed Resolution Numbers 3081, 3082 and 3083, for ordering preparation of Engineer's Report; preliminarily approval of the Engineer's Report and intention to annex Tract 30380 to Landscape Maintenance District Number 1 and setting a public hearing date of May 27, 2003. Applicant: Perris Partners.

*Resolution Numbers 3081, 3082 & 3083, Annexation of Tract 30380 to Landscape Maintenance District No. 1; Preliminary Approval Engineer's Report; & Setting a Public Hearing Date of May 27, 2003
Approved: 4-0
Absent: Busch*

To adopt Resolution Number 3081 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 42 TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 (TRACT 30380).

To adopt Resolution Number 3082 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF TRACT 30380 TO BENEFIT ZONE 42, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1.

To adopt Resolution Number 3083 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 42, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 42, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF TRACT 30380 TO BENEFIT ZONE 42, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO.

- H. To adopt proposed Resolution Number 3084, a resolution of intention to annex Tract 30380 to Flood Control Maintenance District No. 1 and setting a public hearing date of May 27, 2003. Applicant: Perris Partners.

Resolution Number 3084, Annexation of Tract 30380 to Flood Control Maintenance District No. 1 & Setting a Public Hearing Date of May 27, 2003

To adopt Resolution Number 3084 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF TRACT 30380 TO BENEFIT ZONE 14, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO.

*Approved: 4-0
Absent: Busch*

- I. To adopt plans and specifications authorizing City Clerk to proceed with bid advertisement of Diana Street Improvements and signal; San Jacinto Avenue and Navajo Road sidewalk improvements.

*Diana Street Improvements, Approved: 4-0
Absent: Busch*

- J. To approve the painting project of City Buildings and authorize the City Clerk to advertise for bids.

*Painting Project of City Buildings Approved: 4-0
Absent: Busch*

- K. To approve the plans and specifications for the interior improvements to the Bob Glass Gymnasium and authorize the City Clerk to advertise for bids.

*Interior Improvements to Bob Glass Gymnasium & Approved: 4-0
Absent: Busch*

- L. To approve and execute the Supplemental Agreement for the Senior Home Repair Program between the City of Perris and Riverside County Economic Development Agency for Fiscal Year 2002/2003.

*Execute Senior Home Repair Program Supplemental Agreement for Fiscal Year 2002/03 Approved: 4-0
Absent: Busch*

M/S/C (ROGERS/LANDERS) To approve the Consent Calendar with the exception of Items A and D.

To approve the Balance of the Consent Calendar with Exception of Items A & D

AYES: Rogers, Yarbrough, Landers, Motte
ABSENT: Busch

*Approved: 4-0
Absent: Busch*

8. **PUBLIC HEARINGS:**

- A. Consideration and discussion on the annexation of Tract 26386 to the City's maintenance districts and to adopt proposed Resolution Number 3085, 3086 and 3087, ordering the annexation, giving final approval to the Engineer's Reports, and the levying of the 2002/2003 assessments. Applicant: Perris Associates.

*Adoption of Resolution Number 3085, Maintenance District No. 84-1; Resolution Number 3086, Landscape Maintenance District No.1; & Resolution Number 3087, Flood Control Maintenance District No. 1, Annexing Tract 26386 to the Districts & Levying of the 2002/03 Assessments
Approved: 4-0
Absent: Busch*

To adopt Resolution Number 3085 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF TRACT 26386 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2002-2003.

To adopt Resolution Number 3086 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF TRACT 26386 TO BENEFIT ZONE 41, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2002-2003.

To adopt Resolution Number 3087 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF TRACT 26386 TO BENEFIT ZONE 19, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2002-2003.

Ms. Shepherd, Shepherd & Staats, commented the proposal was for the annexation of Tract 26386 to the City's Maintenance District No. 84-1 for street lights/traffic signals; Landscape Maintenance District No. 1 for parkway/park landscaping; and Flood Control Maintenance District No. 1, for the flood control facilities that would benefit the development. The development consisted of 33 single-family homes. The maximum current annual assessments included the standard inflation factors and were: Maintenance District No. 84-1 was \$37.01; Landscape Maintenance District No. 1 was \$113.60; and Flood Control Maintenance District No. 1 was \$28.52. All three districts totaled \$180 per year. It was anticipated that the Landscape Maintenance District of \$113.60 would not be levied because the parkway was included in the homeowner's front yard, which would be maintained by the owner. However, it was still City property. Therefore, the assessment would be levied should there be a need for the City to maintain or trim trees. If the property owner had voted YES, then the three resolutions would be considered for approval, which would confirm the assessments for the three districts.

Shepherd & Staats, Ms. Shepherd's Presentation

PUBLIC COMMENT: None

CITY COUNCIL COMMENTS AND DISCUSSION:

Councilmember Rogers asked that instead of assessing the total amount for all three districts, two districts would be assessed at \$65.53 at this time and reserving the right. It was confirmed that Councilmember Rogers' statement was correct.

Councilmember Rogers' Query Re: Total Assessment & Rights Reserved

Mayor Pro Tem Motte called for City Clerk Rey to open the ballots.

Mayor Pro Tem Motte Called for Opening of Ballots

City Clerk Rey opened the ballots:

City Clerk Rey Opened & Cited the Ballots & Vote

City of Perris annexation of Tract 26386 to Benefit Zone 41, Landscape Maintenance District No. 1; ballot measure read YES.

City of Perris annexation of Tract 26386 to Benefit Zone 19, Flood Control Maintenance District No. 1; the assessment ballot read YES.

City of Perris annexation of Tract 26386 to Maintenance District No. 84-1; the assessment ballot read YES.

M/S/C (YARBROUGH/LANDERS) To approve the adoption of Resolution Numbers 3085, 3086 and 3087, ordering the annexation of Tract 26386 to Maintenance District No. 84-1, Landscape Maintenance District No. 1 and Flood Control Maintenance District No. 1, giving final approval to the Engineer's Reports, and the levying of the 2002/2003 assessments.

*Adoption of Resolution Number 3085, Maintenance District No. 84-1; Resolution Number 3086, Landscape Maintenance District No.1; & Resolution Number 3087, Flood Control Maintenance District No. 1, Annexing Tract 26386 to the Districts & Levying of the 2002/03 Assessments
Approved: 4-0
Absent: Busch*

AYES: Rogers, Yarbrough, Landers, Motte
NOES:
ABSENT: Busch

9. BUSINESS ITEMS (not requiring a 'Public Hearing'):

A. Consideration and discussion to adopt the traffic report, for Case Road Speed Survey and Safety Improvements, dated January 2003; and authorize RJ Noble to install the improvements as shown on Exhibit 'D' of the traffic report.

*Traffic Report (Case Road) & Authorize RJ Noble to Install Improvements as shown on Exhibit E
Approved: 4-0
Absent: Busch*

City Engineer Motlagh commented that the completed improvements to Case Road included the removal and replacement of existing pavement and minor widening. The existing bridges required additional improvements and a grant existed for the improvements. Because of the environmental issues and funding, it would take a year or two to commence. RK Engineering, City's traffic consultants, made recommendations, which were reflected within the Case Road Speed Survey and Safety Improvements, dated January 2003. Those

City Engineer Motlagh's Introduction

recommendations identified included: installation of additional barriers on both sides of the two bridges; installation of delineators for night vision; painting of the bridge decks to a color that would reflect at night; placement of RPMs (pavement markers) in the center line; installation of speed signs; and a three way stop sign at Goetz and Case Roads. All the recommendations were meant to control the speed; enforce speed; and prevented accidents. The cost was \$60,000 and was negotiated with the existing contractor, RJ Noble. City Engineer Motlagh recommended Council to approve the recommendations. The money was available for the work.

*Con't. City Engineer
Motlagh's Introduction*

PUBLIC COMMENT: None

CITY COUNCIL COMMENTS AND DISCUSSION:

Councilmember Yarbrough commented that there had been accidents at the bridges and were not designed for the traffic they carried. He thanked the City Engineer for the address of the improvements. The improvements were an important safety issue.

*Councilmember
Yarbrough's Comment
Re: Safety
Improvements*

M/S/C (YARBROUGH/MOTTE) To approve the Traffic Report as dated and authorize RJ Noble to install the improvements as shown on Exhibit E.

*Traffic Report (Case
Road) & Authorize RJ
Noble to Install
Improvements as shown
on Exhibit E
Approved: 4-0
Absent: Busch*

AYES: Rogers, Yarbrough, Landers, Motte
ABSENT: Busch

- B. Consideration and discussion to receive and file June 30, 2002 Annual Financial/Audit Report(s) and Single Audit Report on Federal Award Programs.

*Received & Filed 6/30/02
Annual Financial/Audit
Reports & Single Audit
Report on Federal Award
Programs*

Finance Director Rogers-Elmore commented that the General Fund ended the year with \$4.9 million, which was well above of what the City had experienced in ten years. Finance Director Rogers-Elmore distributed graphics that reflected the fund balance for the last eleven years. If all goes as expected for this year about \$6.1 million would be targeted at the end of June 2003. This was primarily due to the construction activity. A General Fund interest graphic was distributed for General Fund year to year revenue comparison. It compared eight months of the current fiscal year, eight months of the prior and the year before that. The increase in revenues by specific categories could be seen. The auditing firm Teaman, Ramirez & Smith were present to answer any questions Council had.

*Finance Director Rogers-
Elmore's Introduction*

PUBLIC COMMENT: None

CITY COUNCIL COMMENTS AND DISCUSSION:

Councilmember Landers requested a work session to review and discuss the budget material presented. The Council needed to fully understand the economics and what was occurring within the City.

*Councilmember Landers'
Request Re: Budget
Work Session*

Councilmember Rogers commented that the chart had \$4.9 million and asked what the 'un-audited' meant. Also, did the future projections at the end of this fiscal year take into consideration the massive state budget cuts expected or was it without that component added.

Councilmember Rogers' Queries Re: Definition of Un-Audited & State Budget Cuts

In response, Finance Director Rogers-Elmore said the number on the report was \$4.882 million, and until the audit, report was received and filed, it was technically 'un-audited'. The \$6.1 million took into consideration the mid-year adjustments that would come in the next agenda submittal. However, it did not address any state budget issues.

Finance Director Rogers-Elmore's Response

Councilmember Yarbrough voiced satisfaction of the report coming forward and commented that he was told there was a computer glitch and the report could not be generated. He indicated that he would like to know what caused the glitch. It was his understanding that the City would shortly use the County's Coronet System and did not know if it would interface with the City's system. In review of the auditor's report it was noticed there were comments in respect to inconsistencies and how do we address those issues? There was an article in the paper, which stated that one of the reasons the report was late was because the auditors were short on staff. If there was a problem that caused it needed to be known. The Council had the responsibility to make sure that the taxpayers' money was spent properly.

Councilmember Yarbrough's Comments Re: Computer Glitch; County's Coronet System; Audit Report Inconsistencies & How to Address; Council's Responsibility to the Taxpayers

In response, Mr. Teaman, Teaman, Ramirez & Smith the audit firm said in no way did their staffing issue affect the timeliness of the audit. The audit team was ready to proceed in October. As far as the reasons for the timing of the audit, there were a number of factors. In the prior year there were concerns addressed towards City staff in regards to certain accounts that required further review. The accounts were researched and some required a great deal of time; and were an accumulation of activity over a number of years. In some cases, some of the activities/accounts researched took place long before many of the City staff was employed. There was additional time required by the City's accounting staff to prepare for this year's audit. In addition, in the prior year the City had an outside CPA firm that did a number of account analysis in preparation for the audit and this year the City did not have that extra availability of manpower. Keep in mind that the work had to be done before the auditors reviewed. In the future, if Council had concerns they were welcomed to contact the audit firm.

Teaman, Ramirez & Smith, Mr. Teaman's Response: Audit Timeliness & Contributed Factors; Outside CPA Assistance not Available; Contact the Audit Firm in Regards to Concerns

Councilmember Yarbrough commented the audit was a responsibility that was taken very seriously. He looked forward to a staff report and indicated that he would be comfortable if it was followed up. Councilmember Yarbrough voiced support of a work session.

Councilmember Yarbrough's Comment Re: Audit & Work Session

Councilmember Landers commented that during the year he had asked for different reports and specifically a report on what was spent for consultants. He received a camouflaged report. It troubled Councilmember Landers that the reports were not up to date; maybe they were now. However, the reports needed to be kept up and made available to Council as they had an obligation to the citizens.

Councilmember Landers' Comment Re: Up Dated Reports

In response, Mr. Teaman agreed with Councilmember Landers, and indicated that Council should keep in mind that the auditors came in after the fact. The auditors kept Council up to date on the issuance of the year end report and relied on City's staff to be prepared for the auditors. City's staff dictated when the auditors could perform their duty. Part of the process for the year-end closed could not, totally, rely on computer reports as to what to actually analyze the accounts to make sure what was in there was there.

Teaman, Ramirez & Smith, Mr. Teaman's Response: Report Updates

Councilmember Rogers said that now all the data had been reconciled and the process was in place, perhaps the City should consider purchasing updated software. With the cushion in reserve this would be the time to implement in order to join the technology age. This also allowed Council to receive monthly or quarterly financial reports.

Councilmember Rogers' Comment Re: Updated Software

Finance Director Rogers-Elmore indicated that the accounting software had not been updated since 1994.

Finance Director Rogers-Elmore's Comment Re: Accounting Software

Mayor Pro Tem Motte asked if the City would flag, i.e. consultant cost or variances in order to adjust the budget.

Mayor Pro Tem Motte's Query Re: Flagging of Account Variances

In response, Mr. Teaman said that many cities produce quarterly or monthly reports and some were networked for review. The reports would reflect budget actual.

Teaman, Ramirez & Smith, Mr. Teaman's Response

Interim City Manager Apodaca commented that to resolve the issue was to set a system of quarterly analysis reconciliation and include a report from the Finance Department on the weekly update to Council.

Interim City Manager Apodaca's Comment Re: Weekly Update Report to Council

Mayor Pro Tem Motte confirmed that a work session would be scheduled.

Received & Filed 6/30/02 Annual Financial/Audit Reports & Single Audit Report on Federal Award Programs

- C. To approve the amendment of the current year budget as detailed in the Fiscal Year 2002-2003 Mid-Year Budget Amendment Itemized Listing; and approval of a salary adjustment of the Interim City Manager.

*Amendment to Current Year Budget as Detailed in Fiscal Year 2002-03 Mid-Year Budget Amendment; Salary Adjustment of Interim City Manager
Approved: 4-0
Absent: Busch*

Finance Director Rogers-Elmore commented the adjustment was based on February's actual. The budget amendment adjusted the General Fund Revenues upward by \$2 million, which was primarily due to the construction revenues. The expenditures were about \$100,000 more than what was anticipated when the original budget was approved, which was primarily due to a workers' compensation increase. The original budget for the compensation was \$85,000 based on prior year's exposure; and the increase came in at \$205,000. Other notable items in the General Fund Expenditures

Finance Director Rogers-Elmore's Introduction

were to establish an Emergency Operation Center Program; and NEPDES Administration program. In the Redevelopment Agency General Fund the largest item was to make the Educational Reimbursement Augmentation Fund contribution of \$97,000 to the State of California; and on the revenue side property was sold, which was donated to the City (PCM3 Properties). Therefore, staff requested Council to approve the budget amendments and to approve the salary adjustment for the Interim City Manager.

*Con't. Finance Director
Rogers-Elmore's
Introduction*

PUBLIC COMMENT: None

CITY COUNCIL COMMENTS AND DISCUSSION: None

M/S/C (ROGERS/ To approve the amendment of the current year budget to include adjustments to Revenues, Expenditures, and Intra-Fund Transfers as detailed in the Fiscal Year 2002-2003 Mid-Year Budget Amendment Itemized Listing; and approval of a salary adjustment of the Interim City Manager to Range 95 Step C retroactive to the date of appointment, February 25, 2003, and authorize the Finance Director to take the actions to carry the Council's actions out.

*Amendment to Current
Year Budget as Detailed
in Fiscal Year 2002-03
Mid-Year Budget
Amendment; Salary
Adjustment of Interim
City Manager
Approved: 4-0
Absent: Busch*

AYES: Rogers, Yarbrough, Landers, Motte
NOES:
ABSENT: Busch

10. PUBLIC COMMENT/CITIZEN PARTICIPATION:

Ms. Davis, representing Perris Valley Arts & Science Academy, commented that she had faxed a request letter and Councilmember Landers was requested to place her on the agenda. Ms. Davis said they were coordinating activities during the Spring Break for the Perris youth. Spring Break was April 19th through April 26th and Easter Sunday would be eliminated. Mr. Johnson would present the proposed activities.

Ms. Davis' Comment

Mr. Johnson commented on the first Spring Festival in the City. He hopes that this would be a yearly event. Mr. Johnson asked for the City's support and waiver of required fees; provide staff; maintenance; and chairs/tables. The committee would meet with the Police Chief's representative to request Police presence. Information would be provided for Council.

Mr. Johnson's Comment

11. COUNCIL COMMUNICATIONS:

Councilmember Landers commented on the Spring Break Event and indicated the request to place on the agenda was one day late. Therefore, the event was not agendized. Councilmember Landers apologized.

*Councilmember Landers'
Comment Re: Spring
Break Event*

Councilmember Yarbrough requested staff to provide Ms. Britten the names and addresses of all the residents that lived in the northeast end of the City. The comment was made in regards to noticing of projects. Also, provide the developers in that area with the names and addresses. Councilmember Yarbrough reported his attendance to the Building Industry Association Awards dinner where three of the City's developers were recognized. Barratt Homes was the finalist with fourteen categories on their projects; Chaparral Ridge won an award and Santa Fe Crossings was also a recipient. The awards comprised of developments from all over Southern California.

Councilmember Yarbrough's Comment Re: Providing Names & Addresses of the Residents in the Northeast end of the City & Attendance to the BIA Awards Dinner

Councilmember Rogers reported her attendance to the joint meeting of the Department of Community Action and the Board of Supervisors, which was held on March 17th. The new national logo for the Department of Community Action. In addition, on Saturday morning Councilmember Rogers attended the Third Annual Inland Empire Pastors' Breakfast, where a proclamation was presented on behalf of the City. Saturday afternoon she assisted in the presentation of 200 Basketball Trophies to the youth.

Councilmember Rogers' Report Re: Attendance of Meetings/Awards

Mayor Pro Tem Motte reported his attendance to the Basketball Trophy Dinner.

Mayor Pro Tem Motte's Report Re: Basketball Trophy Dinner

Councilmember Landers announced that the Cancer Society's Relay for Life was going well and there were over 1,000 team members. The funds provided many benefits for families of cancer victims. It was hoped to raise \$30,000 for the cause. The relay was on April 12th and 13th. Councilmember Landers gave appreciation to the participants and City.

Councilmember Landers' Announcement Re: Relay for Life; Appreciation to Participants & City

12. COUNCIL COMMITTEE REPORTS:

Councilmember Yarbrough reported his attendance to the RCTC meeting in the absence of Mayor Busch. The discussion was on the RCHCA, which overlooked the K-Rat Program, in joining collectively with the Multi-Species Program.

Councilmember Yarbrough's Report Re: Attendance of RCTC Meeting

13. CITY MANAGER'S/EXECUTIVE DIRECTOR'S REPORT:

Interim City Manager Apodaca reported that there would be a joint meeting of the City Council and Planning Commission on Friday, March 28th from 8:00 a.m. to 1:00 p.m. Ten planning zones throughout the City would be toured in the consideration of the General Plan Amendment. The tour gave Council the opportunity to continue their entrepreneurial spirit and promotion of the future prosperity of the City. There would be a Rotary Honors Gala at the Menifee Lake Country Club on March 28th from 5:00 p.m. to 7:00 p.m. Mr. McAleavy was present to give a presentation on the training for the Emergency Operations.

Interim City Manager Apodaca's Report: Joint Council & Planning Commission Meeting; Rotary Honors Gala; & Emergency Operations Training by Mr. McAleavy

Mr. McAleavy indicated the Certification Training for Emergency Operations was a three-day course. The training included fire prevention; medical operation; search and rescue; evaluation of building damage; and safely removal of people from buildings. There were four Citizens Patrol volunteers certified at this time; and two of them were Moreno Valley Employees. The certification was under FEMA and cost \$15. Mr. McAleavy and the four volunteers completed the course and were sworn in as FEMA volunteers.

Mr. McAleavy's Presentation

14. AGENDA ITEMS/MEETING REQUESTS AND REVIEW: None

15. CLOSED SESSION: None

16. ADJOURNMENT: By unanimous consent the Regular City Council, RDA, PPFA and PPUA adjourned at 7:25 p.m.

7:25 p.m. Regular City Council, RDA, PPFA & PPUA Adjourned

Respectfully Submitted,

Margaret Rey, City Clerk