

**MINUTES
REDEVELOPMENT AGENCY AND CITY COUNCIL
REGULAR MEETING
SEPTEMBER 28, 2010 - 6:00 p.m.**

CALL TO ORDER

The regular meeting of the City Council and Redevelopment Agency of the City of Highland was called to order at 6:00 p.m. by Mayor Lilburn at the Donahue Council Chambers, 27215 Base Line, Highland, California.

The invocation was given by Pastor Al LeBrun of Immanuel Baptist Church and the Pledge of Allegiance was led by Councilman Timmer.

ROLL CALL

Present: Jones, McCallon, Scott, Timmer, Mayor Lilburn
Absent: None

REPORT FROM CLOSED SESSION

No meeting.

SPECIAL PRESENTATIONS

Mayor Lilburn presented Mr. Sam Handley with a Certificate of Recognition recognizing him as a recipient of the Black Rose Award.

COMMUNITY INPUT

Mr. Ron Sellers stated he would like to make some comments regarding an article he read about obeying traffic laws regarding crosswalks and where the Police Department used a person dressed in a costume to walk into the crosswalk to see if cars would obey the traffic laws. According to the article approximately 51 drivers were issued a citation. He felt it was not right for the community of Highland to issue tickets for this. He felt a warning would be more sufficient for the situation.

Ms. Donna Gephart stated her mother and herself share a home in Highland and have resided there for approximately seven years. They have issues with a neighbor and have requested assistance from the City of Highland and have not received any assistance to date. There is a noise ordinance here in the city and it is not being enforced in their neighborhood. They have called the Sheriff's Department regarding the neighbor's parties which usually start in the middle of the night when the bars have closed for business. The Sheriff's Department has rarely issued any type of warnings to this neighbor and they do not write tickets to this individual.

Mayor Lilburn stated Captain Williams is present and will be speaking with Ms. Gephart regarding this issue.

Ms. June Gephart stated she feels as if they are not getting the support they need from the Police Department.

Ms. Renea Wickman stated she has some concerns which need to be addressed regarding school funding in the proposed budget which included a 20% cut to school bus transportation. She understands this means children ages 5 and up and walking to and from school alone and are forced to ride public transportation because they live too far away to walk to school. To have our children exposed and unprotected is unforgivable. There are reasonable and realistic solutions to the state budget crisis. The voters have to take a stand closing the exemption for purchases of commercial property will boost local revenue and help out citizens and cities function more effectively. She is running for Assembly because families are losing their jobs, losing their homes and now our children's lives are being put at risk because current leadership is busy working for big corporation and not working for us. She encourages voters to vote and let their voice be heard.

Ms. Teresa Cosato stated she is present to request assistance from the city. In 2004, the previous owner of her property pulled a permit to build a photography studio. Although the studio is completed, the City never followed up on this permit and no fees were paid, and the building was never approved. The next owners choose to finish off the studio and made it into a two bedroom cottage. He rented the cottage out and never completed the necessary paperwork nor paid any fees required by the City. At one time, subsequent to 2004, the City did come to do an inspection on other projects. One of these projects was an outdoor fireplace which was not more than five yards from their building but the inspector never noticed the studio. In 2008 when they toured the home, the cottage was rented out. They were informed the cottage was built to code. They purchased the home and approximately one year ago they rented the cottage to an older couple who were in financial straits. A couple of weeks after the couple moved in, Code Enforcement informed them the cottage was not permitted. In order to bring this cottage up to code, most of which are fire regulations put in place in the past five years, will cost them approximately \$15,000 to \$20,000. The city fees are in the neighborhood of \$20,000 not including the additional taxes they will need to pay. In this economy, \$40,000 is an insurmountable amount of money. They want to make the building legal and want to make the necessary improvements, however, they are not able to do so at this time. She would like to make a plea to the Council to reconsider the amount of fees they are required to pay. They would also like to request this building be grandfathered back to code regulations in place in 2004 which would make the improvements more feasible.

Mayor Lilburn stated City Council cannot take action on this item unless it is placed as an agenda item, therefore, she will refer this item to the Public Safety Subcommittee for further discussion.

Ms. Mary Long stated she is speaking on behalf of her mother and brother who have property on Osbun Road. They received a final notice for a Business License Renewal. This is the first notice she has received. The question she has is this is for a residential property which has two homes on it. She has noticed many empty homes in Highland and some homes have been used by others who are not the owners. Her tenants are currently not being charged rent due to their financial hardship. The home in the back is currently being renovated. She does not understand why citizens are being required to pay business tax on a residential property.

City Attorney Steele stated we cannot solve individual issues at this stage as we informed the prior speaker as these items are not on the agenda. The current status is staff is in the process of creating an affidavit which property owners can fill out if in fact the property is not being rented and not be used for rental purposes. There is going to be a form that the property owner can sign under penalty of perjury which will state this property is not being rented and the rental license fee would not apply. This form will be available at City Hall within the next few days and will be the way to deal with particular situations.

Mayor Pro Tem Jones stated he has sat on the Council for a number of years and has continually heard, as the Council has this evening, many, many individuals who have come before City Council, who are residents of the City of Highland and who are in fact the owners of the City; they and the other stakeholders. The owners hire the City Council by vote which is coming up soon on November 2. The Council then hires and directs the City Manager and then the City Manager hires the staff and directs the daily operations. These individuals then turn around and are supposed to serve the owners and stakeholders of the city. We all know this process well. The unfortunate thing that is occurring is that on the following list there are a number of individuals, who are residents and stakeholders within the city, and they have had various issues that they have come before Council with and have been treated fairly or unfairly depending upon the circumstance in each situation. He is going to simply say that the process where we say that we are business friendly is only business friendly if the individual leaves, that stakeholder, that owner, leaves with a good feeling in their heart that in fact they have been treated fairly and accurately according to the process. When the stakeholder no longer feels that this has not occurred then of course they say something's wrong. He knows city staff, city personnel and Council Members are desirous of having a great experience in the City of Highland for every one of our stakeholders and every one of our owners. The problem is the finishing touches are not being put on that. We go through the process and then that individual leaves with not a good feeling and if you notice his name is on there too. He had a lot split that should have taken less than two weeks, a staff decision that ended up taking two years. That process instead of costing \$10,000 or so ended up costing him \$70,000. He didn't build on that lot because of this. He said there is no way possible that he his going to be able to survive this process if in fact these things continue through the building process. He would like to propose to bring this back to an agenda item at a future Council meeting and let's talk about the finish process. How do we get the

owners and customers of the City of Highland, those who really are the stakeholders, to have a good feeling and be able to go out and tell everybody they love doing business in Highland. They treat me fairly, they don't shuffle me aside, they don't treat me wrong, they don't stall the project, they don't fine me double, they don't charge me this and they don't do that. So, this is his proposal.

CITY COUNCIL/REDEVELOPMENT AGENCY CONSENT CALENDAR

A MOTION was made by Councilman Timmer, seconded by Mayor Pro Tem Jones, to approve the consent calendar as submitted with the exception of Item #6 being pulled for further discussion and with Mayor Lilburn abstaining from Item #2. Motion carried on a roll call vote, 5-0.

1. Waive the Reading of All Ordinances
Waived the reading of all Ordinances in their entirety and read by title only.
2. Warrant Register
Approved Warrant Register No. 510 for September 28, 2010, in the amount of \$845,094.44 and Payroll of \$84,870.96.
3. Treasurer's Report for August
Received and filed Treasurer's Report for August 2010.
4. Year-End Budget Adjustments for Fiscal Year 2009/2010
Approved budget adjustments for fiscal year 2009/2010.
5. Conflict of Interest Code Update
Rescinded Resolution No. 2008-045 and adopted Resolution No. 2010-033, Conflict of Interest Code, pursuant to the Political Reform Act of 1974.

RESOLUTION NO. 2010-033

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, RESCINDING RESOLUTION NO. 2008-045
AND ADOPTING THE CITY'S CONFLICT OF INTEREST CODE

7. Bid Award – Bid No. 2010-06 "Pacific Street Rehabilitation Project" (Project No. ola09001)
Awarded contract for Bid No. 2010-06 "Pacific Street Rehabilitation Project" to Matich Corporation.
8. Easement Acceptance/Jae and Jin Kim (DRB 007-025)
 1. Accepted the Grants of Easement for Sidewalk Purposes, and Landscaping Purposes from Jae and Jin Kim; and
 2. Directed the City Clerk to record the Grants of Easement.

ITEMS PULLED FROM THE CONSENT CALENDAR

6. Resolution of Support for Business Friendly Principles as Part of SCAG's Development of a Southern California Economic Growth Strategy

Councilman Timmer stated he thinks all the things are well throughout and it is a good plan. The only thing he would like to see is if the State and Federal Government would adopt a similar resolution.

Councilman McCallon stated SCAG is asking all member cities to adopt this resolution because on December 2, 2010, there will be a meeting to discuss the Economic Development for Southern California. SCAG would like to have at this meeting the Governor Elect, who may it be at this time, Legislators and head of the Senate. SCAG would like to present ideas to them on what California needs to do to make California business friendly so we do not send our businesses out of State.

A MOTION was made by Councilman Timmer, seconded by Councilwoman Scott, to adopt Resolution No. 2010-034 in support of "Business Friendly Principles." Motion carried, 5-0.

RESOLUTION NO. 2010-034
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, IN SUPPORT OF "BUSINESS FRIENDLY PRINCIPLES"
AS PART OF SCAG'S DEVELOPMENT OF A SOUTHERN CALIFORNIA
ECONOMIC GROWTH STRATEGY

CITY COUNCIL/REDEVELOPMENT AGENCY PUBLIC HEARING

9. Ordinance No. 354 Establishing a Fee and Service Charge Revenue/Cost Comparison System and Resolution Establishing a Schedule of Fees and Charges for City Services

Mayor Lilburn opened the public hearing.

Director of Administrative Services Dantuono stated this is the bi-annual update of the city's fee for service. As you know this is done every two years on off budget years. Attachment one to the staff report shows the comparisons for the proposed fees versus the current fees. Tonight is the public hearing and the introduction of the ordinance. If introduced, the ordinance and resolution will be brought back on October 12, 2010, and then if approved on October 12, 2010, the fees will go into effect 60 days from this date. Staff presented this item to the Finance Subcommittee on September 14, 2010, and the Subcommittee's recommendation was introduction of the ordinance.

Councilwoman Scott stated the conditional use permit of the \$1,290. She thought there was something regarding the ABC License protest which would fall under this CUP and should we take care of that before we do this.

Mayor Lilburn stated this is only the first reading.

Councilwoman Scott asked will we have the recommendation for that.

Mayor Pro Tem Jones stated we will not address individual issues in regards to this ordinance. This ordinance stands by itself. Any additional issues can be discussed on another agenda item.

Mayor Lilburn stated and that is coming up as a separate item.

Councilwoman Scott stated no, it's coming up now and this is why she was thinking should we delay this until we do that so we can have it on there.

Mayor Pro Tem Jones stated no, it has nothing to do with it, other than Mr. Gill has entered an issue that he be required to deal with a CUP. This ordinance is simply updating of the fees for each of the fees we charge as a City.

Councilwoman Scott stated she realizes that and she realizes it will not have any effect on what has already been paid but it has been suggested that we review and redo.

City Manager Hughes stated what is being suggested in the recommendation really would not change the CUP requirement. It would change the elimination of the protest. We are modifying the process but a CUP would still be required.

Mayor Lilburn called for any speaker slips in favor or in opposition of this item. Hearing none, the public hearing is now closed.

Councilman McCallon stated the fees, if we look at them, some of them went up and some went down so it's pretty balanced. The fees reflect the cost to the City of doing whatever is being charged for such as an electrical inspection or processing minor variances or CUP's. The City makes no money from the fees, it just covers the cost of doing what has to be done. We raise some as the costs go up and lower others as the costs go down.

Councilman Timmer stated we are required by law that we have to review our fees and so forth. As a City we are not allowed to charge anything more than what it costs to produce that or process that permit or inspection or whatever.

A MOTION was made by Councilman Timmer, seconded by Councilwoman Scott, to introduce Ordinance No. 354 establishing a fee and service charge revenue/cost comparison system. Motion carried, 5-0.

City Clerk Hughes introduced Ordinance No. 354:

ORDINANCE NO. 354
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, AMENDING CHAPTER 2.36 ("FEES AND SERVICE CHARGES")
OF THE HIGHLAND MUNICIPAL CODE TO PROVIDE ADDITIONAL
CATEGORIES OF FEES AND CHARGES AND TO UPDATE AND AMEND
OTHER PROVISIONS AS APPROPRIATE

which title was read.

CITY COUNCIL/REDEVELOPMENT AGENCY LEGISLATIVE

10. Three Appointments to the Community Trails Committee (CTC)

City Clerk Hughes gave a brief review of the staff report.

Councilman McCallon nominated the two incumbents, Michael Haynes and Julio Silva, and new applicant Brent Merideth,

A MOTION was made by Councilman McCallon, seconded by Mayor Pro Tem Jones, to appoint three members of the public, two incumbents Michael Haynes and Julio Silva, and Brent Meredith, to the Community Trails Committee.

11. Measure I Transportation Programs (2010/2011 – 2015/2016)

City Engineer Wong gave a brief review of the staff report.

Councilman McCallon asked if the Council approves these resolutions tonight, are we committing to the 2/4 and if so where is it coming from.

City Manager Hughes stated we are committing to the money. As City Engineer Wong stated we do have other sources of revenue that we have set aside. It would require a loan from either the Redevelopment Agency or another city fund to the development impact fee fund.

Councilman Timmer asked does Council need to do this now or can this be done at a later time.

City Manager Hughes stated this can be done at a later time.

Councilman McCallon stated by approving these resolutions we are basically saying we will come up with the funds some way.

City Engineer Wong stated yes, that is correct.

A MOTION was made by Councilman McCallon, seconded by Councilman Timmer, to adopt Resolution No. 2010-035 adopting the Five-Year Capital Improvement Program (2010/2011 – 2014/2015) and Capital Improvement Plan Expenditure Strategy for the Measure I Local Street Program; and to adopt Resolution No. 2010-036 adopting the Five-Year Capital Project Needs Analysis (2011/2012 – 2015/2016) for Measure I Major Street Program and the Freeway Interchange Program. Motion carried, 5-0.

RESOLUTION NO. 2010-035
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT
PROGRAM FOR MEASURE I LOCAL STREET PROGRAM
(2010/2011 – 2014/2015)

RESOLUTION NO. 2010-036
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, ADOPTING THE FIVE-YEAR CAPITAL PROJECT NEEDS
ANALYSIS FOR MEASURE I VALLEY MAJOR STREET
AND FREEWAY INTERCHANGE PROGRAMS (2011/2012 – 2015/2016)

12. Update on SANBAG, SCAG, Omnitrans, Work Program and Regional/Legislative Issues/Development Issues/Subcommittees/AB 1234 Updates

Councilman McCallon stated he attended a SCAG meeting in Sacramento to testify at the Resources Board regarding the targets being proposed for greenhouse gas reductions in accordance with SB 375. SCAG had asked for the targets to be lower. SCAG asked for in 2020 to have 6% reduction and in 2035 to have an 8% reduction. After a great deal of public testimony, the draft targets which are 8% and 13%, were approved with a caveat that in February they will accept the conditions and also will re-evaluate the 2035 target.

Mayor Lilburn stated Omnitrans is still in negotiations with the two Labor Unions. Omnitrans should have an agreement by the end of the month.

City Manager Hughes stated we have received word from Orange County that the meeting has been rescheduled regarding Greenspot Property to November 9, 2010, at 9:30 a.m. at the County Administrative Building.

Mayor Pro Tem Jones stated he has been going westbound on Base Line for a number of days now and just as he approaches the median in the middle of Base Line, near the Valero Station, a number of citizens have chosen to make a left turn into the Valero Station. Unfortunately, it requires them to drive on the wrong side of the street to actually be able to enter the Valero Station driveway. There ought to be some delineators installed to prevent this from occurring. This is a safety issue.

Councilman Timmer stated he thinks the plan which is adopted will address this. However, putting up signage will be helpful.

Mayor Pro Tem Jones stated currently there is a political campaign going on and there is an individual who has taken it upon themselves to remove any and all campaign signs from resident's yards. This individual is cutting up signs and he would like to have the Sheriff's Department look into this.

Councilman McCallon stated not only is cutting up the smaller signs an issue, there also is an individual who is going on private property and destroying the larger campaign signs as well. Mayor Pro Tem Jones and he attended the League of California Cities Annual Conference in San Diego on September 15, 2010. It was a well attended conference and a number of issues were voted on in accordance of the Council's direction.

City Clerk Hughes stated she attended the Administrative Services meeting at the League of California Cities Annual Conference in San Diego as well as the City Clerk Meeting.

13. San Bernardino International Airport Authority and IVDA

None

ANNOUNCEMENTS

Tuesday, October 12, 2010, at 4:00 p.m.

Topping Off Ceremony – Highland Sheriff's Department

Tuesday, October 26, 2010

State of the Community Luncheon

CLOSED SESSION

None

ADJOURN

There being no further business, Mayor Lilburn adjourned the meeting at 7:07 p.m. in memory of Armando Ugalde.

Submitted by:

Approved by:

Betty Hughes, CMC
City Clerk

Penny Lilburn
Mayor