



# A G E N D A



**IMPERIAL BEACH CITY COUNCIL  
REDEVELOPMENT AGENCY  
PLANNING COMMISSION  
PUBLIC FINANCING AUTHORITY**

**TUESDAY, JUNE 15, 2010**

**Council Chambers  
825 Imperial Beach Boulevard  
Imperial Beach, CA 91932**

**CLOSED SESSION MEETING – 5:30 P.M.  
REGULAR MEETING – 6:00 P.M.**

**THE CITY COUNCIL ALSO SITS AS THE CITY OF IMPERIAL BEACH REDEVELOPMENT AGENCY,  
PLANNING COMMISSION, AND PUBLIC FINANCING AUTHORITY**

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

**CLOSED SESSION CALL TO ORDER BY MAYOR**

**ROLL CALL BY CITY CLERK**

**CLOSED SESSION**

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Property: 550 State Route 75, Imperial Beach, CA 91932, APN 625-140-08-00

Agency Negotiator: City Manager and City Attorney

Negotiating Parties: D & A Semi Annual Mortgage Fund LP III

Under Negotiation: Instruction to Negotiator will concern price and terms of payment

Property: Adjacent property east of 550 State Route 75, Imperial Beach, CA 91932,  
APN 626-070-33-00

Agency Negotiator: City Manager and City Attorney

Negotiating Parties: D & A Semi Annual Mortgage Fund LP III

Under Negotiation: Instruction to Negotiator will concern price and terms of payment

**RECONVENE AND ANNOUNCE ACTION (IF APPROPRIATE)**

**REGULAR MEETING CALL TO ORDER BY MAYOR**

**ROLL CALL BY CITY CLERK**

**PLEDGE OF ALLEGIANCE**

**AGENDA CHANGES**

**MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/  
REPORTS ON ASSIGNMENTS AND COMMITTEES**

**COMMUNICATIONS FROM CITY STAFF**

**PUBLIC COMMENT** - *Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.*

**Any writings or documents provided to a majority of the City Council/RDA/Planning Commission/Public Financing Authority regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.**

## **PRESENTATIONS (1)**

None.

**CONSENT CALENDAR (2.1 - 2.8)** - All matters listed under Consent Calendar are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items, unless a Councilmember or member of the public requests that particular item(s) be removed from the Consent Calendar and considered separately. Those items removed from the Consent Calendar will be discussed at the end of the Agenda.

### **2.1 MINUTES.**

City Manager's Recommendation: Approve the minutes of the Regular City Council meeting of April 21, 2010.

### **2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)**

City Manager's Recommendation: Ratify the following registers: Accounts Payable Numbers 70154 through 70191, 70987 through 71002, and 71003 through 71053 with the subtotal amount of \$788,916.85 and Payroll Checks 42615 through 42678 for the pay period ending 05/20/10 with the subtotal amount of \$159,283.63, for a total amount of \$948,200.48.

### **2.3 ANNUAL FINANCIAL REPORT OF THE CITY COUNCIL OF IMPERIAL BEACH FOR THE YEAR ENDED JUNE 30, 2009. (0310-10)**

City Manager's Recommendation: Receive and file the audited City of Imperial Beach Financial Statements for the year ended June 30, 2009.

### **2.4 RESOLUTION NO. 2010-6903 – ADOPTING THE GANN SPENDING LIMIT FOR FISCAL YEAR BEGINNING JULY 1, 2010 AND ENDING JUNE 30, 2011. (0330-30)**

City Manager's Recommendation: Adopt resolution.

### **2.5 NOVEMBER 2, 2010 GENERAL AND SPECIAL MUNICIPAL ELECTION RESOLUTIONS. (0430-30 & 0430-40)**

City Manager's Recommendation: Adopt the following resolutions:

- Resolution No. 2010-6898 - calling and giving notice of the holding of a General Municipal Election on Tuesday, November 2, 2010 for the election of certain officers as required by the provisions of the laws of the State of California relating to general law cities;
- Resolution No. 2010-6899 - requesting the Board of Supervisors of the County of San Diego to conduct and consolidate a General Municipal Election to be held on Tuesday, November 2, 2010, with the Statewide General Election to be held on the same date pursuant to §10403 of the Elections Code and authorizes the Registrar of Voters to provide services;
- Resolution No. 2010-6900 - adopting regulations for candidates for elective office pertaining to candidate's statements submitted to the voters at an election to be held on Tuesday, November 2, 2010; and
- Resolution No. 2010-6901 - adopting a procedure to resolve tie votes by lot.

### **2.6 RESOLUTION NO. 2010-6905 – APPROVING AN AGREEMENT WITH THE SAN DIEGO UNIFIED PORT DISTRICT FOR PROMOTIONAL SERVICES AT THE 4<sup>TH</sup> OF JULY FIREWORKS SHOW IN CONJUNCTION WITH THE 10<sup>TH</sup> ANNUAL BIG BAY BOOM FIRE WORKS SPECTACULAR. (1040-10)**

City Manager's Recommendation: Adopt resolution.

### **2.7 RESOLUTION NO. 2010-6897 – AUTHORIZING THE EXPENDITURE PLAN FOR THE FY 2009-2010 SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING (SLESF) GRANT, ALSO KNOWN AS THE COPS GRANT. (0260-15 & 0390-86)**

City Manager's Recommendation: Adopt resolution.

### **2.8 RESOLUTION NO. 2010-6907 – AUTHORIZING RENEWAL OF PARTNERSHIPS WITH INDUSTRY (PWI) GROUP SERVICES AGREEMENT. (0920-20)**

City Manager's Recommendation: Adopt resolution.

**ORDINANCES – INTRODUCTION/FIRST READING (3)**

None.

**ORDINANCES – SECOND READING & ADOPTION (4.1 - 4.2)**

**4.1 SECOND READING AND ADOPTION OF ORDINANCE NO. 2010-1105 – AMENDING CHAPTER 10.28, SECTION 10.28.020, SPECIAL SPEED ZONE DESIGNATED. (0750-95)**

City Manager’s Recommendation:

1. Receive report;
2. Mayor calls for the reading of the title of Ordinance No. 2010-1105, “An Ordinance of the City Council of the City of Imperial Beach, California, AMENDING CHAPTER 10.28, SECTION 10.28.020, OF THE MUNICIPAL CODE OF THE CITY OF IMPERIAL BEACH RELATING TO SPECIAL SPEED ZONES DESIGNATED”;
3. City Clerk to read title of the Ordinance No. 2010-1105; and
4. Motion to dispense with the second reading and adopt Ordinance No. 2010-1105 by title only.

**4.2 SECOND READING AND ADOPTION OF ORDINANCE NO. 2010-1106 – APPROVING AND DESIGNATING A SKATEBOARD PARK IN THE CITY OF IMPERIAL BEACH AND AMENDING IMPERIAL BEACH MUNICIPAL CODE CHAPTERS 9.10 AND 12.56. (0920-40 & 0920-95)**

City Manager’s Recommendation:

1. Receive report;
2. Mayor calls for the reading of the title of Ordinance No. 2010-1106, “An Ordinance of the City Council of the City of Imperial Beach, California, AMENDING IMPERIAL BEACH MUNICIPAL CODE CHAPTER 9.10, RELATING TO SKATEBOARD AND ROLLER SKATE RIDING; AMENDING CHAPTER 12.56 RELATING TO USE OF PUBLIC PARKS AND FACILITIES; AND APPROVING AND DESIGNATING A SKATEBOARD PARK IN THE CITY OF IMPERIAL BEACH”;
3. City Clerk to read title of the Ordinance No. 2010-1106; and
4. Motion to dispense with the second reading and adopt Ordinance No. 2010-1106 by title only.

**PUBLIC HEARINGS (5)**

None.

**REPORTS (6.1 - 6.9)**

**6.1 MONTHLY UPDATE REPORT ON THE REDEVELOPMENT OF THE SEACOAST INN HOTEL. (0660-43)**

City Manager’s Recommendation: Receive the update report on the Seacoast Inn project and provide comment and input as necessary.

**6.2 RESOLUTION NO. 2010-6904 – AWARDED A CONTRACT FOR CERTAIN PUBLIC WORKS PROJECT – SEALING AND REPAIRING WET WELLS AND MANHOLES (CIP #W05-401). (0830-35)**

City Manager’s Recommendation: Receive report and adopt resolution.

**6.3 ITEM REMOVED.**

**6.4 RESOLUTION NO. 2010-6895 – APPROVING A FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND THE CITY OF IMPERIAL BEACH FOR THE PURPOSE OF EXTENDING THE AGREEMENT FOR ANIMAL CARE AND ON CALL ANIMAL CONTROL SERVICES. (0200-10)**

City Manager’s Recommendation: Adopt resolution.

*(Continued on Next Page)*

**REPORTS (Continued)**

- 6.5 RESOLUTION NO. R-10-223 – AUTHORIZING THE CITY MANAGER TO CONTRACT FOR BOND FINANCIAL CONSULTING SERVICES. (0340-10)**  
City Manager’s Recommendation: Adopt resolution.
- 6.6 RESOLUTION NOS. 2010-6902 AND R-10-222 – EXTENDING THE AUDIT SERVICES AGREEMENT THROUGH JUNE 30, 2012 WITH TWO ONE-YEAR OPTIONS. (0310-05)**  
City Manager’s Recommendation: Adopt resolution.
- 6.7 UPDATE REPORT – PORT COMMISSIONER APPOINTMENT PROCESS AD HOC COMMITTEE. (0150-70)**  
City Manager’s Recommendation: Receive report from ad hoc committee.
- 6.8 REDEVELOPMENT AGENCY PROGRESS REPORT. (0640-90)**  
City Manager’s Recommendation: Review report and give staff further direction as needed.

***Item No. 6.9 will be discussed at 7:00 p.m. – TIME SPECIFIC***

- 6.9 COMMERCIAL ZONING REVIEW – CONTINUED FOCUS DISCUSSION ON ACTIVE COMMERCIAL USE REQUIREMENTS. (0610-95)**  
City Manager’s Recommendation: City Council continue its discussion and provide any additional direction and input on the recommendation presented.

**ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)**

**ADJOURNMENT**

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City’s decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT [www.cityofib.com](http://www.cityofib.com).

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Jacqueline M. Hald, CMC  
City Clerk

**DRAFT**

**MINUTES**

**IMPERIAL BEACH CITY COUNCIL  
REDEVELOPMENT AGENCY  
PLANNING COMMISSION  
PUBLIC FINANCING AUTHORITY**

**APRIL 21, 2010**

**Council Chambers  
825 Imperial Beach Boulevard  
Imperial Beach, CA 91932**

**CLOSED SESSION MEETING – 5:30 P.M.  
REGULAR & SPECIAL MEETING – 6:00 P.M.**

**CALL TO ORDER**

MAYOR JANNEY called the Closed Session Meeting to order at 5:30 p.m.

**ROLL CALL**

Councilmembers present: Bragg, McCoy, Rose  
Councilmembers absent: None  
Mayor present: Janney  
Mayor Pro Tem present: King

Staff present: City Manager Brown; City Attorney Lyon; City Clerk Hald

**CLOSED SESSION**

**MOTION BY KING, SECOND BY BRAGG, TO ADJOURN TO CLOSED SESSION UNDER:**

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to Government Code section 54956.9(b)(3)(A)  
No. of Cases: 1

**MOTION CARRIED UNANIMOUSLY.**

MAYOR JANNEY adjourned the meeting to Closed Session at 5:30 p.m. and he reconvened the meeting to Open Session at 6:01 p.m. Reporting out of Closed Session, MAYOR JANNEY announced Council met earlier in Closed Session, received information from staff, and had no reportable action.

**REGULAR & SPECIAL MEETING CALL TO ORDER**

MAYOR JANNEY called the Regular and Special Meeting to order at 6:02 p.m.

**ROLL CALL**

Councilmembers present: Bragg, McCoy, Rose  
Councilmembers absent: None  
Mayor present: Janney  
Mayor Pro Tem present: King

Staff present: City Manager Brown; City Attorney Lyon; City Clerk Hald

**PLEDGE OF ALLEGIANCE**

MAYOR JANNEY led everyone in the Pledge of Allegiance.

### **AGENDA CHANGES**

None.

### **MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/ REPORTS ON ASSIGNMENTS AND COMMITTEES**

COUNCILMEMBER BRAGG announced her attendance at the League of California Cities Housing Committee and Economic Development meeting in Ontario and reported on the Assembly and Senate Bills supported by the League; she attended the IB Branch Library Volunteer Reception where County Supervisor Greg Cox reported on the future plans for the branch, and she announced the Relay for Life event is scheduled for May 15 and 16.

MAYOR JANNEY reported on his attendance at the League of California Cities Transportation Infrastructure Committee meeting in Ontario where they discussed SB 375 and AB 32; he discussed the San Diego region's proactive approach to incorporate requirements of these bills in the 2050 Regional Transportation Plan.

### **COMMUNICATIONS FROM CITY STAFF**

None.

### **PUBLIC COMMENT**

ED KRAVITZ spoke about his desire for City Council meetings to be video streamed and made available to citizens, media and specifically to saveib.com; he also wanted his request for access to City Council video/audio stream placed on a future agenda.

MAYOR JANNEY responded City Council recently took action to broadcast City Council meetings both live and recorded on Cox Cable Channel 24.

JACK DOYLE announced he is a candidate for State Assembly; and he congratulated the Mayor and City Council for doing a fine job at keeping the City looking nice during a difficult economic time.

TIM O'NEAL thanked Animal Control Officer Ashley Springfield for her efforts in saving an injured bird.

### **PRESENTATIONS (1.1)**

#### **1.1 RECYCLE ALL-STAR AWARD PRESENTATION FOR ENVIRONMENTAL AWARENESS MONTH. (0270-30)**

MAYOR JANNEY announced that in recognition of Environmental Awareness Month, there are four Recycle All Stars; he presented Recycle All-Star Award certificates and other premiums to Michelle Edlin, Marc Ruggirello, and Allan Spotts. Celia Aranda was not in attendance.

JOHN SNYDER, Vice President of EDCO, presented \$100 checks to Ms. Edlin, Mr. Ruggirello, and Mr. Spotts.

### **CONSENT CALENDAR (2.1 - 2.3)**

Resolution No. 2010-6882 was submitted as Last Minute Agenda Information for Item No. 2.1.

COUNCILMEMBER BRAGG announced she would recuse herself from voting on Item No. 2.1, as she had a potential conflict of interest due to the location of her previous employment.

CITY MANAGER BROWN noted that with regard to Resolution No. 2010-6882 for Item No. 2.1, submitted as Last Minute Agenda Information, each reference of April 26, 2010 should be corrected to May 10, 2010; with regard to Item No. 2.3, the contractor submitted a revised schedule that reflects a reduced cost to the City.

**MOTION BY ROSE, SECOND BY KING, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.2. AND 2.3. MOTION CARRIED UNANIMOUSLY.**

**WITH REGARD TO ITEM NO. 2.1, MOTION CARRIED BY THE FOLLOWING VOTE (INCLUDING REVISION TO RESOLUTION NO. 2010-6882 AS STATED BY THE CITY MANAGER):**

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>	<b>MCCOY, ROSE, KING, JANNEY</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>DISQUALIFIED:</b>	<b>COUNCILMEMBERS:</b>	<b>BRAGG (DUE TO POTENTIAL OF CONFLICT OF INTEREST)</b>

**2.1 FINAL MAP (TM 03-091) FOR THE REDEVELOPMENT OF THE SEACOAST INN, A PROPOSED 78 ROOM HOTEL LOCATED AT 800 SEACOAST DRIVE, IN THE C-2 (SEACOAST COMMERCIAL) ZONE. MF 661 (0660-430)**

Adopted Resolution No. 2010-6882, approving the Final Map for recordation along with the recordation of any required documents as security for the required improvements.

**2.2 RESOLUTION NO. R-10-219 – DECLARING THAT THE IMPERIAL BEACH REDEVELOPMENT AGENCY’S PLANNING AND ADMINISTRATIVE EXPENSES USING LOW AND MODERATE INCOME HOUSING FUND ARE NECESSARY FOR THE PRODUCTION, IMPROVEMENT, OR PRESERVATION OF LOW AND MODERATE INCOME HOUSING. (0640-05)**  
Adopted resolution.

**2.3 RESOLUTION NO. 2010-6879 – APPROVING A 3-YEAR EXTENSION TO THE ANNUAL 5-YEAR TREE TRIMMING SERVICES 2005 AGREEMENT. (0940-60)**  
Adopted resolution.

**ORDINANCES – INTRODUCTION/FIRST READING (3.1 - 3.2)**

**3.1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 2010-1102 AMENDING SECTION 3.24.150 (AUDIT AND AUDIT EXPENSES) OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO COLLECTION OF TRANSIENT OCCUPANCY TAXES. (0390-80)**

CITY MANAGER BROWN introduced the item.

CITY ATTORNEY LYON gave a report on the item.

COUNCILMEMBER BRAGG requested the subject of vacation rentals on south Seacoast Dr. be reconsidered for an interim basis until the Seacoast Inn Hotel is built.

MAYOR JANNEY referred the matter to staff for placement on a future agenda and he called for the reading of the title of Ordinance No. 2010-1102.

CITY CLERK HALD read the title of Ordinance No. 2010-1102, “An Ordinance of the City Council of the City of Imperial Beach, California, AMENDING SECTION 3.24.150 (AUDIT AND

AUDIT EXPENSES) OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO COLLECTION OF TRANSIENT OCCUPANCY TAXES.”

**MOTION BY MCCOY, SECOND BY KING, TO WAIVE FURTHER READING AND DISPENSE INTRODUCTION OF ORDINANCE NO. 2010-1102 BY TITLE ONLY AND SET THE MATTER FOR ADOPTION AT THE NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING. MOTION CARRIED UNANIMOUSLY.**

**3.2 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 2010-1101 AMENDING THE IMPERIAL BEACH MUNICIPAL CODE RELATING TO USE OF VETERANS PARK YOUTH SOCCER FIELD IN THE CITY OF IMPERIAL BEACH BY AMENDING SECTION 12.56.010 AND ADDING SECTION 12.56.065 TO CHAPTER 12.56. (0920-40 & 0920-95)**

CITY MANAGER BROWN reported on the item.

MAYOR JANNEY called for the reading of the title of Ordinance No. 2010-1101.

CITY CLERK HALD read the title of Ordinance No. 2010-1101, “An Ordinance of the City Council of the City of Imperial Beach, California, AMENDING THE IMPERIAL BEACH MUNICIPAL CODE RELATING TO USE OF VETERANS PARK YOUTH SOCCER FIELD IN THE CITY OF IMPERIAL BEACH BY AMENDING SECTION 12.56.010 AND ADDING SECTION 12.56.065 TO CHAPTER 12.56.”

**MOTION BY MCCOY, SECOND BY BRAGG, TO WAIVE FURTHER READING AND DISPENSE INTRODUCTION OF ORDINANCE NO. 2010-1101 BY TITLE ONLY AND SET THE MATTER FOR ADOPTION AT THE NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING. MOTION CARRIED UNANIMOUSLY.**

**ORDINANCES – SECOND READING & ADOPTION (4.1)**

**4.1 SECOND READING AND ADOPTION OF ORDINANCE NO. 2010-1100 AMENDING SECTIONS 9.08.020 AND 9.08.050 PERTAINING TO JUVENILE CURFEW. (0240-95)**

CITY MANAGER BROWN reported on the item.

MAYOR JANNEY called for the reading of the title of Ordinance No. 2010-1100.

CITY CLERK HALD read the title of Ordinance No. 2010-1100, “An Ordinance of the City Council of the City of Imperial Beach, California, AMENDING SECTIONS 9.08.020 AND 9.08.050 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO JUVENILE CURFEW.”

**MOTION BY BRAGG, SECOND BY ROSE, TO DISPENSE SECOND READING AND ADOPT ORDINANCE NO. 2010-1100 BY TITLE ONLY. MOTION CARRIED UNANIMOUSLY.**

**PUBLIC HEARINGS (5.1)**

**5.1 T-MOBILE WEST CORPORATION (APPLICANT)/PREBYS CONRAD TRUST (OWNER); CONDITIONAL USE PERMIT (CUP 100003), DESIGN REVIEW CASE (DRC 100004), AND SITE PLAN REVIEW (SPR 100005) TO INSTALL A TELECOMMUNICATIONS FACILITY ON A MULTI-FAMILY RESIDENTIAL APARTMENT BUILDING LOCATED AT 1471 GROVE AVENUE IN THE R-2000 (MEDIUM-DENSITY RESIDENTIAL) ZONE. MF 1033. (0600-20 & 0800-50)**

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

ASSOCIATE PLANNER FOLTZ gave a PowerPoint presentation on the item.

In response to Council's question regarding the delay in installing the telecommunications facility, Anne Wulftange of DePratti Incorporated, representing the applicant, stated the delay was a result of budget issues; some sites that were previously put on hold are now being reactivated.

MAYOR JANNEY closed the public hearing.

COUNCILMEMBER MCCOY expressed concern about the intrusion of the Federal government whereby according to the FCC there are no grounds by which the City Council can appeal the project; she expressed concern about potential effects on health, and spoke in opposition to the project.

**MOTION BY ROSE, SECOND BY KING, TO ADOPT RESOLUTION NO. 2010-6881 APPROVING CONDITIONAL USE PERMIT (CUP 100003), DESIGN REVIEW CASE (DRC 100004), AND SITE PLAN REVIEW (SPR 100005), WHICH MAKES THE NECESSARY FINDINGS AND PROVIDES CONDITIONS OF APPROVAL IN COMPLIANCE WITH LOCAL AND STATE REQUIREMENTS. MOTION CARRIED BY THE FOLLOWING VOTE:**

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>	<b>BRAGG, ROSE, KING, JANNEY</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>	<b>MCCOY</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>

**REPORTS (6.1 - 6.7)**

COUNCILMEMBER BRAGG announced she had a potential conflict of interest on Item Nos. 6.1 and 6.2 due to the location of her previous employment, and left Council Chambers at 6:35 p.m.

**6.1 ADOPTION OF RESOLUTION NOS. R-10-216 AND 2010-6877 APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH IMPERIAL COAST LIMITED PARTNERSHIP RELATING TO CONCEPTUAL AGREEMENT AND AGENCY FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF A NEW BEACH-FRONT HOTEL. (0660-43)**

Revised project schedules, revised page to the MOU, and timelines as presented at the 4/9/09 and 8/20/08 City Council meetings were submitted as Last Minute Agenda Information.

CITY MANAGER BROWN reported on the item; he noted that the items requested by Council at the previous meeting have been brought forward for Council's consideration tonight; he noted that with regard to Last Minute Agenda Information IV, Item a, the developer is no longer asking

for a change to Section 4b. Termination; he reported that if the developer proceeds in good faith as outlined in the project schedule and when it is time for the private sector lender to make their loan available, the City would provide a Redevelopment grant of \$6.7 million to finance the rest of the hotel; and he reviewed the timeline for the Owner Participation Agreement.

MAYOR JANNEY recognized and expressed appreciation for Charles Black, of CB Urban Development, who assisted with negotiations; and he recognized representatives of Pacifica who were in attendance.

SUSHIL ISRANI, Senior Vice President of Pacifica, thanked City Council and staff for their support; and he spoke about Pacifica's commitment to complete the project.

ALISON ROLFE, Project Manager for Pacifica, gave a PowerPoint presentation on the progress of the project; she noted that in accordance with the previously executed development agreement, Pacifica will continue to pay an in lieu fee for TOT until the certificate of occupancy for the new hotel is issued; and she gave a review of key dates listed on the project schedule.

JOHN CUNNINGHAM, Director of Finance for Pacifica, reported that he is working with different financial institutions to secure financing for the new hotel; he reviewed the cost breakdown.

ED TEEL indicated a neutral position (was not available to speak).

STEVE FUTTERMAN spoke in opposition to the item; he supported spending \$6.7 million on educating children; and he recommended development of a specialized university.

JOHN CARR questioned how committed Pacifica would be to the project without the RDA grant of \$6.7 million; and he spoke in opposition of the item.

TIM O'NEAL read from an article that appeared on [www.signonsandiego.com](http://www.signonsandiego.com) regarding deplorable conditions at the Seacoast Inn; he questioned if Pacifica would be a partner in good faith; since Pacifica cannot get funding for \$28 million, he suggested the design be modified to lower the cost.

ED KRAVITZ spoke about Pacifica's bad service and giving Imperial Beach a bad reputation; he questioned the \$6.7 million grant to complete the project and spoke in support of a recall of City Council if the grant is approved.

JOHN HAUPT spoke in support of overturning the ordinance that prohibits vacation rentals on south Seacoast Dr. to bring in tourists and provide the City with TOT; he spoke in opposition to the project, and he spoke in support of looking at short-term rentals on an interim basis.

BOB MILLER expressed his disappointment that the hotel was run poorly, despite the hotel operator having resources and he noted City Council, citizens and business owners on Seacoast Dr. have suffered because of this; he spoke of the importance of a first class operation in both design and management; and he spoke of the need for Pacifica to change as the City cannot afford to let this happen again.

City Council spoke about how the new hotel would bring economic benefit and job growth to the community; they discussed previous and current efforts on this project by City Council and the community; they spoke about how City Council is now in a situation to defend Pacifica's credibility due to the lack of progress on the project; they spoke about their satisfaction at

seeing concrete dates and progress since the last City Council meeting and their hope that Pacifica will redeem their credibility in the community; they spoke of the importance of demolishing the old hotel as a visible sign to the community that the project is moving forward; and there was a request for the number and types of jobs created with the hotel development and for hiring construction workers locally.

**MOTION BY KING, SECOND BY JANNEY, TO ADOPT RESOLUTION NOS. R-10-216 AND 2010-6877 – APPROVING AND AUTHORIZING THE CITY MANAGER/EXECUTIVE DIRECTOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) WITH IMPERIAL COAST LIMITED PARTNERSHIP RELATING TO CONCEPTUAL AGREEMENT AND AGENCY FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF A NEW BEACH-FRONT HOTEL. MOTION CARRIED BY THE FOLLOWING VOTE:**

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>	<b>MCCOY, ROSE, KING, JANNEY</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>DISQUALIFIED:</b>	<b>COUNCILMEMBERS:</b>	<b>BRAGG (DUE TO A POTENTIAL CONFLICT OF INTEREST)</b>

**6.2 OUTLINE OF PROCESS TO REVIEW SEACOAST INN DEVELOPMENT AGREEMENT. (0660-43)**

CITY MANAGER BROWN reported the item.

City Council discussed the process for development of the Owner Participation Agreement and there was support for monthly City Council updates on the progress of the Seacoast Inn Development project.

MAYOR JANNEY called a recess at 7:31 p.m. and he called the meeting to Open Session at 7:40 p.m.

**ROLL CALL**

Councilmembers present:	Bragg, McCoy, Rose
Councilmembers absent:	None
Mayor present:	Janney
Mayor Pro Tem present:	King

**6.3 MICHAEL AND SHANNON LEE (APPLICANT/OWNER): EMERGENCY COASTAL DEVELOPMENT PERMIT FOR REVETMENT REPAIR AT 1202 SEACOAST DRIVE. (0600-20).**

A memorandum, staff report and e-mail correspondence from the California Coastal Commission were submitted as Last Minute Agenda Information.

CITY MANAGER BROWN introduced the item and noted that City Council does not need to take action other than to receive and file the report.

COMMUNITY DEVELOPMENT DIRECTOR WADE gave background on the item and noted that the engineer determined that damage would likely occur to the property without repairs; and he reviewed the conditions of approval.

**6.4 RESOLUTION NO. 2010-6880 – AFFIRMING THE INTEGRATED SOLID WASTE MANAGEMENT SERVICES MAXIMUM FEE FOR FISCAL YEAR 2010-2011. (0270-40)**

MAYOR JANNEY announced he does business with EDCO and would therefore recuse himself from discussion on the item and left Council Chambers at 7:46 p.m.

CITY MANAGER BROWN introduced the item and noted that the franchise fee for FY 2010-11 will be 36% and the average rate payer bill will increase 9%.

PUBLIC WORKS DIRECTOR LEVIEN responded to Council's questions regarding the increased franchise fee and the associated increase in customer's Integrated Solid Waste Management Services fee.

In response to Council's concerns, JOHN SNYDER, Vice President of EDCO, stated he would provide a battery recycle tube for placement at City Hall and he announced that the Home Front Cleanup event is scheduled for May 1 at Mar Vista High School.

**MOTION BY MCCOY, SECOND BY ROSE, TO ADOPT RESOLUTION NO. 2010-6880 – AFFIRMING THE INTEGRATED SOLID WASTE MANAGEMENT SERVICES MAXIMUM FEE FOR FISCAL YEAR 2010-2011. MOTION CARRIED BY THE FOLLOWING VOTE:**

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>	<b>MCCOY, BRAGG, ROSE, KING</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>DISQUALIFIED:</b>	<b>COUNCILMEMBERS:</b>	<b>JANNEY (DUE TO A POTENTIAL OF CONFLICT OF INTEREST)</b>

MAYOR JANNEY returned to Council Chambers at 7:56 p.m.

**6.5 MEDICAL MARIJUANA UPDATE. (0610-95)**

MARCUS BOYD submitted the following documents as Last Minute Agenda Information:

- a. Americans for Safe Access letter, dated 3/30/10
- b. American Civil Liberties Union Foundation, dated 4/2/10
- c. E-mail correspondence from Marcus Boyd, dated 8/16/09
- d. Letter from Marcus Boyd, dated 10/7/09
- e. Letter from Marcus Boyd, dated 12/16/09
- f. Case Law interpreting California Health & Safety Code 11362.775

CITY MANAGER BROWN introduced the item; he noted that the Anaheim case has not been resolved and the voters in the state of California will be voting on whether or not to make marijuana use legal; the current moratorium runs through August of this year; given the uncertainties, he recommended that City Council have staff return with an extension of the moratorium that would run through August 2011.

CITY ATTORNEY LYON stated the item that will go before the voters deals with recreation use of marijuana; if the initiative passes, cities can regulate recreational use of marijuana; at that time City Council may want to consider regulations for both recreational use and medical use of marijuana as one package; she also noted the City of San Diego and the County of San Diego are looking at regulations for medical marijuana use.

MARCUS BOYD stated that the University of San Diego came out with a report that says medical cannabis is a first line of pain medication for multiple sclerosis; he asked for one

location where people can go to obtain medical marijuana; he spoke against recreational use of marijuana; he expressed his desire to be a provider of medical marijuana; he offered assistance with developing regulations for medical marijuana use; and he requested a response as to why the City has not moved forward with regulations (additional speaking time donated by Zeke Mazur).

COUNCILMEMBER MCCOY stated she has not made up her mind on the issue; she is waiting to see what happens, especially with regard to the Anaheim case; she commented on a Colorado mountain town with a population of 10,000 has seven dispensaries.

CITY ATTORNEY LYON spoke about the initiative that will go before the voters; City Council will continue to receive updates from the City Attorney; stated that as the City of San Diego and the County of San Diego work on medical marijuana regulations, it may be something for the City of Imperial Beach to watch and determine what is in the City of Imperial Beach's best interest for regulating medical marijuana.

MAYOR PRO TEM KING stated the City can't cater to one individual on this issue; and he suggested we begin looking at a draft ordinance.

COUNCILMEMBER ROSE noted that the medical use and recreational use are different issues; she said that it is too early to bring forward a draft ordinance; she would like to see how the City of San Diego and the County of San Diego handle the situation, as well as how the Anaheim case turns out; and she spoke in support for an extension of the moratorium.

MAYOR JANNEY concurred with Councilmember Rose; he noted his desire to see how a larger entity successfully tackles the issue; and he spoke in support of keeping Council updated on the issue.

CITY ATTORNEY LYON will bring forward an extension and a report in July.

**6.6 RESOLUTION NO. R-10-218 – AWARDING A CONTRACT AND AUTHORIZING A BUDGET AMENDMENT FOR CERTAIN PUBLIC WORKS PROJECT – VETERANS PARK MASTER PLAN – RDA (SOCCER FIELD PERIMETER FENCE) – CIP P03-502. (0920-70)**

CITY MANAGER BROWN reported the item.

**MOTION BY JANNEY, SECOND BY ROSE, TO ADOPT RESOLUTION NO. R-10-218 – AWARDING A CONTRACT AND AUTHORIZING A BUDGET AMENDMENT FOR CERTAIN PUBLIC WORKS PROJECT – VETERANS PARK MASTER PLAN – RDA (SOCCER FIELD PERIMETER FENCE) – CIP P03-502. MOTION CARRIED UNANIMOUSLY.**

**6.7 RESOLUTION NO. R-10-217 – AUTHORIZING THE THIRD CONTRACT AMENDMENT WITH EDWARDS&KELCEY IN THE AMOUNT OF \$23,000 TO PREPARE ADDITIONAL DESIGN PROTOTYPES FOR THE COMMERCIAL ZONING REVIEW. (0610-95)**

CITY MANAGER BROWN introduced the item.

COUNCILMEMBER ROSE requested visual representations on the proposed setbacks and stepbacks; and was not in support of 3D simulations.

COMMUNITY DEVELOPMENT DIRECTOR WADE stated that the consultants will proceed with design prototypes and come back with 3D simulations if directed by City Council.

COUNCILMEMBER BRAGG requested at least one 3D simulation.

**MOTION BY KING, SECOND BY MCCOY, TO APPROVE RESOLUTION NO. R-10-217 – AUTHORIZING THE EXECUTIVE DIRECTOR/CITY MANAGER TO EXECUTE A THIRD AMENDMENT TO A CONTRACT FOR PROFESSIONAL SERVICES WITH EDAW/AECOM INC. TO PREPARE ADDITIONAL DESIGN PROTOTYPES FOR THE CITY’S COMMERCIAL ZONING REVIEW AND THE REVISED SCOPE OF WORK AS PROPOSED IN ATTACHMENT 1 FOR THE PREPARATION OF ADDITIONAL DESIGN PROTOTYPES FOR THE COMMERCIAL ZONING REVIEW. MOTION CARRIED UNANIMOUSLY.**

COMMUNITY DEVELOPMENT DIRECTOR WADE stated at the May 4 meeting he would return with a review of the Land Use Table, new definitions, and new land use terminology; and at the June 4 meeting return with a tiered approach for incentives.

**ADJOURNMENT**

MAYOR JANNEY adjourned the meeting at 8:32 p.m.

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James C. Janney, Mayor

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Jacqueline M. Hald, CMC  
City Clerk



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY R. BROWN, CITY MANAGER

**MEETING DATE:** June 15, 2010

**ORIGINATING DEPT.:** Michael McGrane *mm*  
Finance Director

**SUBJECT:** RATIFICATION OF WARRANT REGISTER

**BACKGROUND:**

None

**DISCUSSION:**

As of April 7, 2004, all large warrants above \$100,000 will be separately highlighted and explained on the staff report.

Vendor	Check	Amount	Explanation
City of San Diego	71016	\$555,314.00	4 <sup>th</sup> Qtr Metro Sewer Charge

**ENVIRONMENTAL IMPACT**

Not a project as defined by CEQA.

The following registers are submitted for Council ratification.

**WARRANT #                      DATE                      AMOUNT**

**Accounts Payable**

70154-70191 (*)	06/03/10	\$	68,351.30
70987-71002	05/27/10		44,441.84
71003-71053	05/28/10		676,123.71
	<b>Sub-Total</b>	<b>\$</b>	<b>788,916.85</b>

(\*) Checks #70154-70191 are out of sequence due to check numbers assigned in error.

**Payroll Checks:**

42615-42678	P.P.E. 05/20/10	159,283.63
		\$ <b><u>159,283.63</u></b>
	<b>TOTAL</b>	\$ <b><u>948,200.48</u></b>

**FISCAL IMPACT:**

**Warrants are issued from budgeted funds.**

**DEPARTMENT RECOMMENDATION:**

**It is respectfully requested that the City Council ratify the warrant register.**

**CITY MANAGER'S RECOMMENDATION:**

**Approve Department recommendation**

  
\_\_\_\_\_  
Gary Brown, City Manager

**Attachments:**

**1. Warrant Registers**

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	INVOICE	PO #	PER/YEAR	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION					TRN AMOUNT
06/03/2010	70154	ACCOMTEMP	70				1,848.00
101-1210-413.21-01	05/03/2010	DIAZ, E W/E 04/30/10		31074744	010781	11/2010	888.00
101-1210-413.21-01	04/12/2010	DIAZ, E W/E 04/09/10		30964001	010781	10/2010	960.00
<b>VOIDED CHECK 70155</b>							
06/03/2010	70156	ALLIANT INSURANCE SERVICES	1193				2,339.90
101-1010-411.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	19.36
101-1020-411.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	34.44
101-1110-412.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	66.04
101-1130-412.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	20.54
101-1210-413.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	48.66
101-1230-413.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	23.70
101-3070-427.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	.63
101-3080-428.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	.63
101-1910-419.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	6.32
101-3010-421.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	11.00
101-3020-422.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	47.84
101-3030-423.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	38.49
101-3040-424.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	18.96
101-5020-432.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	50.56
101-5010-431.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	12.64
101-5040-434.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	3.93
101-6020-452.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	6.32
101-6010-451.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	3.16
101-6040-454.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	12.64
245-1240-413.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	6.32
405-1260-413.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	121.42
405-5030-433.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	6.32
601-5060-436.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	12.64
601-5050-436.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	17.00
501-1921-419.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	6.32
502-1922-419.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	7.43
503-1923-419.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	20.80
101-0000-209.01-13	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	2.00-
101-0000-209.01-14	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	.01-
101-3050-425.11-04	06/01/2010	FEB 10 DISABILITY/LIFE/		02-01-2010		12/2010	3.16
101-0000-209.01-13	06/01/2010	PR AP PPE 1/28/2010		20100204		12/2010	384.30
101-0000-209.01-14	06/01/2010	PR AP PPE 1/28/2010		20100204		12/2010	474.02
101-0000-209.01-13	06/01/2010	PR AP PPE 2/11/2010		20100218		12/2010	382.30
101-0000-209.01-14	06/01/2010	PR AP PPE 2/11/2010		20100218		12/2010	474.02
06/03/2010	70157	AT&T MOBILITY	1866				599.89
503-1923-419.27-05	05/23/2010	287015635717 ARP/MAY 10		X05232010		11/2010	353.39
101-1230-413.27-05	05/23/2010	287016633295 APR/MAY 10		X05232010		11/2010	108.60
101-3050-425.27-05	05/23/2010	287019473995 APR/MAY 10		X05232010		11/2010	137.90
06/03/2010	70158	BROKEN ARROW COMMUNICATIONS, I	2182				9,975.00
504-1924-419.20-06	05/14/2010	PALM FROND RETROFIT		20-1886-01	010656	11/2010	9,975.00
06/03/2010	70159	CHRISTOPHER G. HELMER	2027				25.00
601-5050-436.30-02	05/14/2010	REIMBURSE WORKSHOP FEE		217		11/2010	25.00

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	INVOICE	PO #	PER/YEAR	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION					TRN AMOUNT
06/03/2010	70160	CVA SECURITY	797				60.00
101-1910-419.20-23	04/01/2010	APRIL 2010 EOC		14787	010123	10/2010	30.00
101-1910-419.20-23	04/01/2010	APRIL 2010 PW DEPT		14867	010123	10/2010	30.00
06/03/2010	70161	COX COMMUNICATIONS	1073				600.00
503-1923-419.21-04	05/22/2010	05/25-06/24 3110039780701		06-15-2010	010309	11/2010	600.00
06/03/2010	70162	DEPARTMENT OF CORRECTIONS AND	169				4,599.90
101-6020-452.21-04	05/05/2010	JAN 2010		1800054898	010438	11/2010	4,599.90
06/03/2010	70163	DRUG TESTING NETWORK INC	1195				191.90
101-1130-412.20-06	05/20/2010	RANDOM DT FOR AMOELLER &		49126	F01113	11/2010	191.90
06/03/2010	70164	EDCO DISPOSAL CORPORATION	1205				128.96
408-1920-519.20-06	05/31/2010	MAY 2010		05-31-2010	010330	11/2010	128.96
06/03/2010	70165	GO-STAFF, INC.	2031				240.00
101-3040-424.21-01	05/25/2010	FERNANDEZ, A W/E 05/23/10		71926	010705	11/2010	240.00
06/03/2010	70166	GRAINGER	1051				1,261.67
601-5060-436.30-22	05/17/2010	VOLTAGE/CURRENT TESTER KI		9253740436	010076	11/2010	207.72
601-5060-436.30-02	05/17/2010	NAT, NONCONDUCTIVE 3X5		9253740444	010076	11/2010	117.41
601-5060-436.30-02	05/17/2010	LUBRICANT		9253740451	010076	11/2010	16.64
101-6020-452.28-01	05/18/2010	LAMP X 36		9255101652	010076	11/2010	95.13
101-1910-419.30-22	05/26/2010	HAMMERDRILL/DRIVER		9261599295	010076	11/2010	336.04
101-1910-419.30-02	05/26/2010	EMERGENCY EXIT FIXTURE/BA		9261599303	010076	11/2010	488.73
06/03/2010	70167	LEHIGH HANSON	48				871.09
101-1920-532.20-06	05/19/2010	8 CUBIC YARDS CONCRETE		492123	010124	11/2010	871.09
06/03/2010	70168	INTERSTATE BATTERY OF SAN	388				86.91
501-1921-419.28-16	05/10/2010	REPLACEMENT BATTERY #612		649005258	010063	11/2010	86.91
06/03/2010	70169	J. SIMMS AGENCY	1883				1,250.00
101-1920-419.20-06	05/31/2010	JUNE 2010		2607	010029	11/2010	1,250.00
06/03/2010	70170	KEYSER MARSTON ASSOC INC	620				424.54
405-1260-413.20-06	05/12/2010	APRIL 2010		0022272	080320	11/2010	424.54
06/03/2010	70171	MASON'S SAW & LAWNMOWER	923				736.05
101-6020-452.30-02	05/12/2010	HONDA EDGER PARKS		207345	010065	11/2010	736.05
06/03/2010	70172	MOBILE HOME ACCEPTANCE CORPORA	1533				299.06
408-5020-432.25-01	05/24/2010	06/07/10-07/06/10 PW TRAI		152402	010146	11/2010	299.06
06/03/2010	70173	NEXTEL OF CALIFORNIA	1465				1,102.46
101-3070-427.27-05	05/29/2010	04/26/2010-05/25/2010		896132755-034		11/2010	36.79
101-1010-411.27-05	05/29/2010	04/26/2010-05/25/2010		896132755-034		11/2010	32.89
101-5020-432.27-05	05/29/2010	04/26/2010-05/25/2010		896132755-034		11/2010	273.18

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
101-5020-432.21-25	05/29/2010		04/26/2010-05/25/2010	896132755-034	11/2010	660.93
101-3020-422.27-05	05/29/2010		04/26/2010-05/25/2010	896132755-034	11/2010	98.67
06/03/2010	70174	OFFICE DEPOT, INC	1262			32.27
101-5020-432.30-01	05/13/2010	NOTE PADS/PENS/KLEENEX	519048197001	010413	11/2010	32.27
06/03/2010	70175	PAUL HEISKALA CONSTRUCTION	2057			6,429.08
248-1920-519.20-06	05/13/2010	CLEAN&GREEN-976 HOLLY AVE	101	011094	11/2010	6,429.08
06/03/2010	70176	PMI	23			1,089.02
101-6040-454.30-02	05/18/2010	PROTECTIVE GLOVES	0230183	010068	11/2010	320.57
501-1921-419.30-02	05/07/2010	PROTECTIVE GLOVES	0228678	010068	11/2010	201.70
601-5060-436.30-02	05/25/2010	SAFEGRIP/DIAMOND GRIP GLO	0231251	010068	11/2010	566.75
06/03/2010	70177	PRAXAIR DISTRIBUTION INC	1652			97.37
501-1921-419.30-02	05/18/2010	REFILL WELDING TANK	36494086	010116	11/2010	97.37
06/03/2010	70178	PROTECTION ONE	69			264.18
601-5060-436.20-23	05/20/2010	JUNE 2010	77833169	010007	11/2010	264.18
06/03/2010	70179	RICHARD LONSDALE	2196			200.00
405-1260-413.20-06	05/26/2010	801 SEACOAST DR - ARCH DE	05/26/2010	F01116	11/2010	200.00
06/03/2010	70180	SAN DIEGO AREA CHAPTER OF	ICC 1			50.00
101-3040-424.28-12	05/26/2010	ADAME,R -2010 MEMBERSHIP	2010		11/2010	50.00
06/03/2010	70181	SDGE	289			7,307.13
101-6020-452.27-01	05/04/2010	0175 275 3776 04/01-05/03	05-19-2010		11/2010	325.40
101-5010-431.27-01	05/05/2010	0824 329 2041 04/01-05/03	05-20-2010		11/2010	307.73
101-6020-452.27-01	05/04/2010	2081 689 1273 04/01-05/03	05-19-2010		11/2010	282.77
101-6010-451.27-01	05/04/2010	2081 692 3399 04/01-05/03	05-19-2010		11/2010	18.05
101-6020-452.27-01	05/05/2010	2083 847 9032 04/01-04/03	05-20-2010		11/2010	51.25
101-6010-451.27-01	05/04/2010	3206 700 9265 04/01-05/03	05-19-2010		11/2010	82.74
101-5010-431.27-01	05/05/2010	3448 930 9646 03/31-04/30	05-20-2010		11/2010	10.10
101-6020-452.27-01	05/05/2010	5456 692 8951 04/01-05/03	05-20-2010		11/2010	104.54
101-6020-452.27-01	05/04/2010	6921 003 2109 04/01-05/03	05-19-2010		11/2010	470.24
101-5010-431.27-01	05/05/2010	7706 795 7872 04/01-05/03	05-20-2010		11/2010	11.88
101-6020-452.27-01	05/04/2010	9327 898 1346 04/01-05/03	05-19-2010		11/2010	279.55
101-5010-431.27-01	05/04/2010	9476 001 6989 04/01-05/03	05-19-2010		11/2010	638.68
101-6010-451.27-01	05/04/2010	9956 693 6272 04/01-05/03	05-19-2010		11/2010	209.02
405-1260-413.27-01	05/03/2010	0440 533 7641 03/31-04/30	05-18-2010		11/2010	200.67
101-5010-431.27-01	05/04/2010	0646 753 1938 03/31-04/30	05-19-2010		11/2010	10.10
101-5010-431.27-01	05/03/2010	1694 231 2432 03/31-04/30	05-18-2010		11/2010	26.04
101-5010-431.27-01	05/03/2010	1912 409 2723 03/29-04/28	05-18-2010		11/2010	9.63
101-6010-451.27-01	05/04/2010	2081 689 7619 04/01-05/03	05-19-2010		11/2010	429.01
101-5010-431.27-01	05/03/2010	2741 969 9359 03/31-04/30	05-18-2010		11/2010	149.30
215-6026-452.27-01	05/03/2010	2819 871 6315 03/31-04/30	05-18-2010		11/2010	1,926.77
101-5010-431.27-01	05/03/2010	3062 843 3719 03/31-04/30	05-18-2010		11/2010	12.30
101-5010-431.27-01	05/03/2010	5280 340 6641 03/29-04/28	05-18-2010		11/2010	103.53
101-5010-431.27-01	05/03/2010	5576 188 0541 03/29-04/28	05-18-2010		11/2010	9.94

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
601-5060-436.27-01	05/03/2010	8773 823 6424 03/31-04/30	05-18-2010		11/2010	1,555.62
405-1260-413.27-01	05/03/2010	8774 937 7894 03/31-04/30	05-18-2010		11/2010	57.61
405-1260-413.27-01	05/03/2010	9424 632 2704 03/31-04/30	05-18-2010		11/2010	24.66
06/03/2010	70182	SEAN FOREHAND PHOTOGRAPHY	1863			100.00
405-1260-413.20-06	05/27/2010	RDA -PICTURES FOR NEWSPRI	20	F01120	11/2010	100.00
06/03/2010	70183	SHARP REES-STEALY MEDICAL CNTR	390			395.00
601-5060-436.21-04	05/08/2010	BENNETT, ERIC	224	010035	11/2010	80.00
601-5060-436.21-04	05/08/2010	CASAS, MANUEL	224	010035	11/2010	95.00
101-1130-412.21-04	05/08/2010	CORRALES, LUIS	224	010041	11/2010	220.00
06/03/2010	70184	SIGNS BY MICKEY	2238			800.44
408-1920-519.20-06	05/21/2010	FACADE IMPRVMT-LETTERING	666998	011149	11/2010	800.44
06/03/2010	70185	SKS INC.	412			3,992.30
501-1921-419.28-15	05/27/2010	1292 G REG/200 G DIESEL	1233362-IN	010101	11/2010	3,992.30
06/03/2010	70186	SPRINT	2040			113.19
101-3020-422.27-05	05/29/2010	04/26/2010-05/25/2010	527638813-030		11/2010	73.20
503-1923-419.30-02	05/29/2010	04/26/2010-05/25/2010	527638813-030		11/2010	39.99
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101-0000-221.01-05	05/28/2010	REFUND BOND	TEP 04-44		11/2010	4,850.00
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101-5020-432.27-04	05/01/2010	030 480 7925 001	05-27-2010		11/2010	7.19
101-3020-422.27-04	05/01/2010	030 480 7925 001	05-27-2010		11/2010	22.11
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101-1110-412.27-04	04/15/2010	6194230314983	1302361		10/2010	138.43
101-5040-434.27-04	04/15/2010	6194231074813	1302362		10/2010	15.95
101-5040-434.27-04	04/15/2010	6194231675716	1302363		10/2010	15.95
601-5060-436.27-04	04/15/2010	6194232231359	1302364		10/2010	15.47
101-1210-413.27-04	04/17/2010	6194235034	1306048		10/2010	16.77
101-3020-422.27-04	04/17/2010	6194237246664	1305261		10/2010	79.69
101-3020-422.27-04	04/15/2010	6194238222636	1302365		10/2010	22.12
101-3020-422.27-04	04/15/2010	6194238225966	1302366		10/2010	201.33
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101-5020-432.27-04	04/15/2010	6194238311966	1302368		10/2010	369.29
101-3030-423.27-04	04/15/2010	6194238322966	1302369		10/2010	221.25
101-1130-412.27-04	04/15/2010	6194238617297	1302370		10/2010	72.50
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101-6030-453.27-04	04/11/2010	6194247077654	1286951		10/2010	78.44
101-3020-422.27-04	04/17/2010	6194247359125	1305262		10/2010	75.47
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101-3020-422.27-04	04/22/2010	6195750361567	1317222		10/2010	16.32
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101-3040-424.27-04	04/17/2010	6196281357370	1305265		10/2010	78.48
101-3070-427.27-04	04/17/2010	6196281359503	1305266		10/2010	45.17
101-1210-413.27-04	04/17/2010	6196281361675	1305267		10/2010	231.36
101-6010-451.27-04	04/17/2010	6196281385578	1305268		10/2010	56.71
101-3035-423.27-04	04/17/2010	6196281419922	1305269		10/2010	20.42
101-3010-421.27-04	04/13/2010	6196281485966	1296292		10/2010	41.45
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101-3070-427.27-04	03/17/2010	6196281359503	1240421	09/2010 44.76
101-1210-413.27-04	03/17/2010	6196281361675	1240422	09/2010 231.65
101-6010-451.27-04	03/17/2010	6196281385578	1240423	09/2010 58.06
101-3035-423.27-04	03/17/2010	6196281419922	1240424	09/2010 19.59
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101-1920-419.27-04	03/17/2010	6196282018442	1240425	09/2010 24.28
601-5060-436.27-04	03/15/2010	C602221236777	1237485	09/2010 224.21
05/27/2010	70990	AT&T MOBILITY	1866	1,759.38
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101-3050-425.27-05	03/23/2010	287019473995 FEB/MAR 10	X03232010	09/2010 144.23
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101-3030-423.27-02	05/07/2010	05-0155019-8	03/31-05/04	05-26-2010		11/2010	20.11
405-5030-433.27-02	05/10/2010	05-0155037-0	04/05-05/04	05-31-2010		11/2010	11.76
601-5050-436.27-02	05/10/2010	05-0392478-9	04/05-05/05	05-31-2010		11/2010	18.10
101-5020-432.27-02	05/18/2010	05-0424056-5	03/12-05/13	06-07-2010		11/2010	90.09
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601-5050-436.27-02	04/07/2010	05-0392478-9	03/03-04/05	04-26-2010		10/2010	14.93
05/27/2010	70993	GIFFORDS HAULING	2161				625.00
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408-1920-519.20-06	03/31/2010	HAULING&CLEANUP 9TH/PALM		03-31-2010	011085	09/2010	125.00
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101-3030-423.28-01	12/15/2009	LG TOWER LABOR		1066	011079	09/2010	375.00
05/27/2010	70995	JESSOP & SON LANDSCAPING	479				3,052.83
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101-1010-411.27-05	03/01/2010	01/26/2010-02/25/2010		896132755-031		09/2010	32.70
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101-5020-432.21-25	03/01/2010	01/26/2010-02/25/2010		896132755-031		09/2010	649.05
101-3020-422.27-05	03/01/2010	01/26/2010-02/25/2010		896132755-031		09/2010	98.10
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101-5020-432.27-05	04/29/2010	03/26/2010-04/25/2010	896132755-033	10/2010 279.26
101-5020-432.21-25	04/29/2010	03/26/2010-04/25/2010	896132755-033	10/2010 651.24
101-3020-422.27-05	04/29/2010	03/26/2010-04/25/2010	896132755-033	10/2010 98.70
05/27/2010 70997	PBS & J	1606		495.75
101-5060-564.20-08	05/25/2010	DEC 09 WATER QUALITY MONI	1067586	11/2010 495.75
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601-5060-436.20-23	04/20/2010	MAY 2010	77428204	010007 10/2010 264.18
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101-1910-419.27-01	04/08/2010	10087869371 03/02-03/31	04-24-2010	10/2010 183.22
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101-3030-423.27-05	04/15/2010	03/12/10-04/11/10	699898810-029	10/2010 382.50
05/27/2010 71001	SPRINT	2040		359.59
101-3020-422.27-05	03/01/2010	01/26/2010-02/25/2010	527638813-027	09/2010 74.01
503-1923-419.30-02	03/01/2010	01/26/2010-02/25/2010	527638813-027	09/2010 57.39
101-3020-422.27-05	03/29/2010	02/26/2010-03/25/2010	527638813-028	09/2010 75.20
503-1923-419.30-02	03/29/2010	02/26/2010-03/25/2010	527638813-028	09/2010 39.99
101-3020-422.27-05	04/29/2010	03/26/2010-04/25/2010	527638813-029	10/2010 73.01
503-1923-419.30-02	04/29/2010	03/26/2010-04/25/2010	527638813-029	10/2010 39.99
05/27/2010 71002	SPRINT	2040		451.09
101-3020-422.27-05	03/01/2010	01/26/2010-02/25/2010	594768811-027	09/2010 150.45
101-3020-422.27-05	03/29/2010	02/26/10-03/25/10	594768811-028	09/2010 149.96
101-3020-422.27-05	04/29/2010	03/26/2010-04/25/2010	594768811-029	10/2010 150.68
05/28/2010 71003	ACCUONTEMPS	70		5,604.00
101-1210-413.21-01	05/10/2010	DIAZ, E W/E 05/07/2010	31110798	010781 11/2010 960.00
101-1210-413.21-01	05/17/2010	DIAZ, E W/E 05/14/10	31148423	010781 11/2010 960.00
101-1210-413.21-01	04/20/2010	DIAZ, E W/E 04/16/10	31022334	010781 10/2010 876.00
101-1210-413.21-01	04/26/2010	DIAZ, E W/E 04/23/2010	31037730	010781 10/2010 960.00
101-1210-413.21-01	03/08/2010	DIAZ, E W/E 03/05/10	30791592	010781 09/2010 960.00

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-1210-413.21-01	03/16/2010	DIAZ, E W/E	03/12/10	30839393 010781 09/2010 888.00
05/28/2010 71004	ADT SECURITY SERVICES, INC.	103		75.08
101-6010-451.21-04	05/08/2010	JUNE 2010	24651855	010030 11/2010 75.08
05/28/2010 71005	AFFORDABLE PRINTER CARE	116		712.20
101-1210-413.30-01	05/11/2010	TONER CARTIDGES	65668	011064 11/2010 712.20
05/28/2010 71006	AFLAC	120		882.28
101-0000-209.01-13	05/13/2010	PR AP PPE 05/06/2010- MAY	20100513	11/2010 441.14
101-0000-209.01-13	05/27/2010	PR AP PPE 5/20/2010	309947	11/2010 441.14
05/28/2010 71007	AIMEE WILLIAMS	2235		17.00
101-3030-423.28-04	05/20/2010	REIMBURSE EMT RECERT FEE	449732	11/2010 17.00
05/28/2010 71008	AIRGAS WEST	129		378.09
601-5060-436.30-02	05/03/2010	TYVEK PANTS/SLOW-STOP PAD	103149746	010058 11/2010 247.19
501-1921-419.30-02	05/21/2010	FIRST AID SUPPLIES	103198350	010058 11/2010 130.90
05/28/2010 71009	ALTERNATIVE ENERGY TECHNOLOGIE	1971		7,168.92
248-1920-519.20-06	05/12/2010	CLEAN&GREEN-1213 8TH ST	7023266CI	011089 11/2010 7,168.92
05/28/2010 71010	AMERICAN EXPRESS	1895		116.67
101-6010-451.30-02	04/27/2010	SP CAFE SUPPLIES/RR SUPPL	504402	010034 10/2010 116.67
05/28/2010 71011	AT&T TELECONFERENCE SERVICES	1827		54.81
101-1110-412.28-04	05/01/2010	CONFERENCE CALL-GARY BROW	MMP6781	F01112 11/2010 54.81
05/28/2010 71012	AZTEC LANDSCAPING INC	310		1,540.00
101-5010-431.21-04	03/31/2010	MARCH 2010	0020427-IN	010790 09/2010 1,540.00
05/28/2010 71013	CALIFORNIA ALUMINUM & VINYL WI	1915		3,839.77
248-1920-519.20-06	05/04/2010	CLEAN&GREEN-373 ELDER AVE	5042010-4	011071 11/2010 390.00
248-1920-519.20-06	04/21/2010	CLEAN&GREEN-943 4TH ST	4212010-2	011060 10/2010 3,254.43
248-1920-519.20-06	05/12/2010	CLEAN&GREEN-BELTRAN/943 4	5122010-6	F01114 11/2010 195.34
05/28/2010 71014	CDW GOVERNMENT INC	725		343.87
503-1923-519.50-04	02/16/2010	IT LAPTOPS	RSX3188	010794 08/2010 1,612.45
503-1923-519.50-04	02/18/2010	IT LAPTOP	RTK0956	010794 08/2010 1,612.45
503-1923-419.21-04	03/11/2010	CREDIT FOR RETURNED ITEMS	CM RZX4643	10/2010 1,612.45-
503-1923-419.21-04	03/11/2010	CREDIT FOR RETURNED ITEMS	CM RZX4649	10/2010 1,612.45-
503-1923-419.50-04	03/22/2010	RMA SORSAIR SURVIVOR GT	SCX6548	10/2010 296.13-
503-1923-419.21-04	05/15/2010	SQL MEDIA AND LICENSE	SQZ6271	011065 11/2010 640.00
05/28/2010 71015	CHRISTINA MARIN	2		60.00
101-0000-121.00-00	05/24/2010	P51225	MR Refund	11/2010 60.00
05/28/2010 71016	CITY OF SAN DIEGO	896		555,314.00
601-5060-436.21-04	02/19/2010	FY 09/10 4TH QTR FUND	529797	11/2010 555,314.00
05/28/2010 71017	COLONIAL LIFE & ACCIDENT	941		266.88
101-0000-209.01-13	05/13/2010	PR AP PPE 05/06/2010	20100513	11/2010 133.44

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ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO # PER/YEAR TRN AMOUNT
101-0000-209.01-13	05/27/2010	PR AP PPE 5/20/2010	20100527	11/2010 133.44
05/28/2010 71018	COMPLETE OFFICE OF CALI	2051		924.10
101-1920-419.30-01	05/04/2010	COPY PAPER FOR CITY HALL	1206429-0	011063 11/2010 924.10
05/28/2010 71019	COX COMMUNICATIONS	1073		304.12
101-6010-451.29-04	05/09/2010	05/13-06/12 1311001531401	06-02-2010	010139 11/2010 125.12
601-5050-436.21-04	04/30/2010	3110091187001 05/04-06/03	05-25-2010	010139 10/2010 179.00
05/28/2010 71020	CULLIGAN WATER CO. OF SAN DIEG	1112		18.00
101-1230-413.30-02	05/17/2010	JUNE 2010	05871995	010138 11/2010 18.00
05/28/2010 71021	DATAQUICK	1134		89.00
101-1210-413.21-04	05/03/2010	APRIL 2010	B1-1775514	010230 11/2010 4.00
101-3020-422.21-04	05/03/2010	APRIL 2010	B1-1775514	010230 11/2010 11.00
101-3070-427.21-04	05/03/2010	APRIL 2010	B1-1775514	010230 11/2010 74.00
05/28/2010 71022	DEPARTMENT OF JUSTICE	1154		32.00
101-1130-412.21-04	05/05/2010	APRIL 2010 FINGERPRINT AP	790189	010038 11/2010 32.00
05/28/2010 71023	DG LANDSCAPE	1167		650.00
101-6020-452.21-04	05/19/2010	APRIL 2010 HWY 75/SEACOAS	1201	010136 11/2010 650.00
05/28/2010 71024	DKC ASSOCIATES, INC.	2187		3,200.00
101-1110-412.20-06	05/18/2010	05/07/10-05/18-10	193	010782 11/2010 1,065.60
405-1260-413.20-06	05/18/2010	05/07/2010-05/18/2010	193	010782 11/2010 1,065.60
502-1922-419.20-06	05/18/2010	05/07/2010-05/18/2010	193	010782 11/2010 1,068.80
05/28/2010 71025	DUNN EDWARDS CORPORATION	1197		1,148.42
101-1910-419.28-01	05/14/2010	GRAFFITI PAINT	2069014729	010129 11/2010 638.86
405-5030-433.30-02	05/04/2010	GRAFFITI PAINT	2069014561	010232 11/2010 509.56
05/28/2010 71026	EAGLE NEWSPAPER	1204		70.00
101-0000-221.01-02	04/08/2010	PUBLIC NOTICE-MF 1033	55599	11/2010 70.00
05/28/2010 71027	EBERHARD BENTON ROOFING	1745		9,489.00
248-1920-519.20-06	05/14/2010	CLEAN&GREEN-1258 11TH ST	11823-01	011086 11/2010 9,489.00
05/28/2010 71028	EYE/COMM	1891		67.80
101-5020-432.30-01	04/28/2010	AMOUNT OVER EYE/COMM'S QU	40284	F01108 10/2010 67.80
05/28/2010 71029	FEDERAL EXPRESS CORP.	911		33.49
101-1210-413.28-09	04/30/2010	EXPRESS MAIL FEES	7-073-75411	F01115 10/2010 33.49
05/28/2010 71030	GOOGLE, INC.	2009		280.00
503-1923-419.20-06	05/05/2010	APRIL 2010	1262635	010226 11/2010 280.00
05/28/2010 71031	VINYL MASTERS	2037		3,900.00
248-1920-519.20-06	05/17/2010	CLEAN&GREEN 976 HOLLY AVE	347552A	011088 11/2010 3,900.00
05/28/2010 71032	I B FIREFIGHTERS ASSOCIATION	214		216.50
101-0000-209.01-08	05/27/2010	PR AP PPE 5/20/2010	20100527	11/2010 216.50

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ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
05/28/2010 101-0000-209.01-10	71033 05/27/2010	ICMA RETIREMENT TRUST 457	242				5,265.12
		PR AP PPE 5/20/2010	20100527		11/2010		5,265.12
05/28/2010 248-1920-519.20-06	71034 05/26/2010	KENNEY ROOFING	2087				8,400.00
		CLEAN&GREEN-1213 8TH ST	05-26-2010	011083	11/2010		8,400.00
05/28/2010 101-1910-419.20-22	71035 04/08/2010	LLOYD PEST CONTROL	814				286.00
		APRIL 2010 SHERIFF DEPT	2620381	010013	10/2010		31.00
		APRIL 2010 SENIOR CENTER	2620477	010013	10/2010		47.00
		APRIL 2010 CITY HALL	2620158	010013	10/2010		31.00
		APRIL 2010	2620159	010013	10/2010		31.00
		APRIL 2010 PUBLIC WORKS	2606708	010013	10/2010		47.00
		APRIL 2010 DEMPSEY CTR	2607071	010013	10/2010		54.00
		APRIL 2010 SPORTS PARK	2604410	010013	10/2010		45.00
05/28/2010 101-1920-532.20-06	71036 04/30/2010	MIRELES LANDSCAPING	2107				900.00
		APRIL 2010	0428	010701	10/2010		900.00
05/28/2010 101-5020-432.30-01	71037 05/04/2010	OFFICE DEPOT, INC	1262				3,805.10
		RECORD BOOK/TAPE/PENCILS	517955303001	010413	11/2010		38.87
		CTY MANAGER/PRSONEL CHAIR	155295	010413	10/2010		3,766.23
05/28/2010 101-6040-454.21-04	71038 05/04/2010	PARTNERSHIP WITH INDUSTRY	1302				1,228.52
		P/E 04/30/2010	GS02833	010050	11/2010		1,228.52
05/28/2010 501-1921-419.28-16	71039 05/03/2010	RANCHO AUTO & TRUCK PARTS	1685				753.42
		WHEEL NUTS/FILTER KIT	7693-28570	010072	11/2010		42.73
		FILTERS/SOLVENT/WIPERS	7693-28265	010072	10/2010		47.59
		ROT ASSEMBLY OIL	7693-28692	010072	11/2010		115.36
		OIL/AIR FILTERS	7693-30246	010072	11/2010		268.74
		ANTIFREEZE	7693-30632	010072	11/2010		52.13
		RTN TRANSMISSION FULID	7693-30633	010072	11/2010		25.97-
		RADIATOR CAP #113	7693-28711	010072	11/2010		10.81
		RADIATOR #612	7693-29475	010072	11/2010		172.03
		TENSIONER #600	7693-29503	010072	11/2010		70.00
05/28/2010 101-5010-431.30-02	71040 02/09/2010	RCP BLOCK & BRICK INC	115				348.00
		TEMP ASPHALT PATCH	1275073	010084	09/2010		348.00
05/28/2010 248-1920-519.20-06	71041 05/14/2010	ROCK & ROSE LANDSCAPE	2060				6,685.00
		CLEAN&GREEN-943 4TH ST	54	011090	11/2010		2,350.00
		CLEAN&GREEN-976 HOLLY AVE	55	011092	11/2010		4,335.00
05/28/2010 101-1920-419.29-04	71042 04/02/2010	SAN DIEGO COUNTY ASSESSOR	2120				125.00
		JAN-MAR 2010 MPR EXTRACT	2009255	010016	10/2010		125.00
05/28/2010 101-3010-421.21-04	71043 04/23/2010	SAN DIEGO COUNTY SHERIFF	882				3,357.00
		JAN-JUN 2010 CAL-ID PROGR	04-23-2010	010406	10/2010		3,357.00
05/28/2010 101-6020-452.27-01	71044 04/02/2010	SDGE	289				6,931.12
		0175 275 3776 03/03-04/01	04-17-2010		10/2010		410.73

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #	CHECK AMOUNT		
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT
101-5010-431.27-01	04/05/2010	0824 329 2041 03/03-04/01	04-20-2010		10/2010	293.16
101-6020-452.27-01	04/02/2010	2081 689 1273 03/03-04/01	04-17-2010		10/2010	440.20
101-6010-451.27-01	04/02/2010	2081 692 3399 03/03-04/01	04-17-2010		10/2010	16.93
101-6020-452.27-01	04/05/2010	2083 847 9032 03/03-04/01	04-20-2010		10/2010	47.50
101-6010-451.27-01	04/02/2010	3206 700 9265 03/03-04/01	04-17-2010		10/2010	79.32
101-6020-452.27-01	04/02/2010	5456 692 8951 03/03-04/01	04-17-2010		10/2010	103.45
101-6020-452.27-01	04/02/2010	6921 003 2109 03/03-04/01	04-17-2010		10/2010	558.72
101-5010-431.27-01	04/07/2010	7706 795 7872 03/03-04/01	04-22-2010		10/2010	11.74
101-6020-452.27-01	04/02/2010	9327 898 1346 03/03-04/01	04-17-2010		10/2010	411.52
101-5010-431.27-01	04/05/2010	9476 001 6989 03/03-04/01	04-20-2010		10/2010	622.87
101-6010-451.27-01	04/02/2010	9956 693 6272 03/03-04/01	04-17-2010		10/2010	184.20
101-5010-431.27-01	04/01/2010	3448 930 9646 03/02-03/31	04-16-2010		10/2010	9.72
405-1260-413.27-01	04/01/2010	0440 533 7641 03/02-03/31	04-16-2010		10/2010	202.86
101-5010-431.27-01	04/02/2010	0646 753 1938 03/02-03/31	04-17-2010		10/2010	9.87
101-5010-431.27-01	04/01/2010	1694 231 2432 03/02-03/31	04-16-2010		10/2010	25.39
101-5010-431.27-01	03/31/2010	1912 409 2723 02/26-03/29	04-15-2010		10/2010	9.56
101-6010-451.27-01	04/02/2010	2081 689 7619 03/03-04/01	04-17-2010		10/2010	373.26
101-5010-431.27-01	03/31/2010	2741 969 9359 02/28-03/31	04-16-2010		10/2010	148.26
215-6026-452.27-01	04/01/2010	2819 871 6315 02/28-03/31	04-16-2010		10/2010	1,913.42
101-5010-431.27-01	04/01/2010	3062 843 3719 03/02-03/31	04-16-2010		10/2010	11.74
101-5010-431.27-01	03/31/2010	5280 340 6641 02/26-03/29	04-15-2010		10/2010	110.18
101-5010-431.27-01	03/31/2010	5576 188 0541 02/26-03/29	04-15-2010		10/2010	9.72
601-5060-436.27-01	04/01/2010	8773 823 6424 03/02-03/31	04-16-2010		10/2010	848.29
405-1260-413.27-01	04/01/2010	8774 937 7894 03/02-03/31	04-16-2010		10/2010	55.33
405-1260-413.27-01	04/13/2010	9424 632 2704 03/02-03/31	04-28-2010		10/2010	23.18
05/28/2010	71045	SEA BREEZE ELECTRIC	1969			2,500.00
248-1920-519.20-06	04/28/2010	CLEAN&GREEN-1258 11TH ST	440	011093	10/2010	2,500.00
05/28/2010	71046	SEIU LOCAL 221	1821			1,531.67
101-0000-209.01-08	05/27/2010	PR AP PPE 5/20/2010	20100527		11/2010	1,531.67
05/28/2010	71047	SKS INC.	412			16,986.55
501-1921-419.28-15	05/13/2010	936 G REGULAR FUEL	1233114-IN	010101	11/2010	2,668.54
501-1921-419.28-15	05/19/2010	1096.1 G REG/237 G DIESEL	1233212-IN	010101	11/2010	3,633.32
501-1921-419.28-15	05/06/2010	1146 GAL REG FUEL	1232969-IN	010101	11/2010	3,322.02
501-1921-419.28-15	04/15/2010	248 G DIESEL/1000 G REG	1232570-IN	010101	10/2010	3,605.07
501-1921-419.28-15	04/29/2010	1045 G REG/241.1 G DIESEL	1232824-IN	010101	10/2010	3,757.60
05/28/2010	71048	STAPLES ADVANTAGE	2114			40.74
101-5020-432.30-01	05/04/2010	MARKERS AND PENS FOR ST S	102145718	F01111	11/2010	40.74
05/28/2010	71049	TRACY MEHIK AND ANNA MARIE BAR	4			2,700.00
101-0000-221.01-05	05/25/2010	BOND REFUND - 1201-1207	TEP 05-16		11/2010	2,700.00
05/28/2010	71050	UNDERGROUND SERVICE ALERT OF	731			48.00
601-5060-436.21-04	04/01/2010	MARCH 2010	320100313	010008	10/2010	48.00
05/28/2010	71051	UNION BANK OF CALIFORNIA	735			875.00
101-1920-419.29-04	05/16/2010	FEB-APR 2010 QRTLTY FEES	612503	010620	11/2010	875.00

CHECK DATE	CHECK NUMBER	VENDOR NAME	VENDOR #				CHECK AMOUNT
ACCOUNT #	TRN DATE	DESCRIPTION	INVOICE	PO #	PER/YEAR	TRN AMOUNT	
05/28/2010	71052	WHITE CAP CONSTRUCTION SUPPLY	1434				256.59
101-5010-431.30-02	05/19/2010	TAPE MEASURE/SAFETY VEST	15040773	010071	11/2010		256.59
05/28/2010	71053	SAN DIEGO GAS & ELECTRIC	1399				16,304.88
101-3020-422.27-01	05/10/2010	10087869371 03/31-04/30	05-26-2010		11/2010		67.74
101-1910-419.27-01	05/10/2010	10087869371 03/31-04/30	05-26-2010		11/2010		166.70
101-5010-431.27-01	05/10/2010	10088604389 03/29-04/28	05-26-2010		11/2010		332.68
101-3020-422.27-01	05/10/2010	19807697764 03/31-04/30	05-26-2010		11/2010		2,171.22
601-5060-436.27-01	05/10/2010	52635219238 03/29-04/28	05-26-2010		11/2010		10.07
101-6020-452.27-01	05/10/2010	56497714749 04/01-05/03	05-26-2010		11/2010		10.10
101-5010-431.27-01	05/10/2010	56497714749 04/01-05/03	05-26-2010		11/2010		7,568.19
101-5010-431.27-01	05/10/2010	85075178464 03/31-04/27	05-26-2010		11/2010		113.92
601-5060-436.27-01	05/10/2010	85075178464 04/01-05/03	05-26-2010		11/2010		74.97
101-6020-452.27-01	05/10/2010	85075178464 04/01-04/30	05-26-2010		11/2010		848.66
601-5060-436.27-01	05/10/2010	85417701270 04/01-05/03	05-26-2010		11/2010		4,040.01
101-5020-432.27-01	05/10/2010	91692992261 03/29-04/28	05-26-2010		11/2010		900.62
DATE RANGE TOTAL *							788,916.85 *





**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL

**FROM:** GARY R. BROWN, CITY MANAGER

**MEETING DATE:** JUNE 15, 2010

**ORIGINATING DEPT.:** FINANCE DEPARTMENT *mm*

**SUBJECT:** ANNUAL FINANCIAL REPORT OF THE CITY OF IMPERIAL BEACH FOR THE YEAR ENDED JUNE 30, 2009

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**BACKGROUND:**

This report transmits the City of Imperial Beach's audited Financial Statements for Fiscal Year 2008-2009. A bound copy of the audited statements was presented to individual Council members and the same report is reproduced as an attachment following this report. The firm of Lance, Soll & Lunghard, LLP performed the City's audit. The auditors have issued an "unqualified" audit opinion, which means that City's financial statements "present fairly, in all material respects," the financial position of the City of Imperial Beach for the fiscal year ending June 30, 2009. Included with the financial statements is a letter from the auditors describing their audit scope and tests of internal control over financial reporting. This letter reports that the auditors did not find a material weakness in the City's internal controls.

**FISCAL ANALYSIS:**

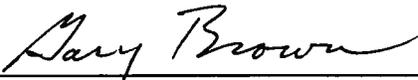
The City's consolidated Financial Statements, including the Redevelopment Agency, have assets totaling approximately \$99 million compared to \$29 million in liabilities. The City's largest fund, the General Fund, has unrestricted reserves of \$7 million.

**DEPARTMENT RECOMMENDATION:**

It is respectfully requested that the City Council receive and file the audited City of Imperial Beach Financial Statements for the year ending June 30, 2009.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary R. Brown, City Manager

**Attachments:**

1. City of Imperial Beach Financial Statements for the year ended June 30, 2009.
2. Report on Internal Controls over Financial Reporting
3. Audit Committee Letter



**CITY OF IMPERIAL BEACH, CALIFORNIA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2009**

Prepared By:  
FINANCE DEPARTMENT

**Lance Soll & Lunghard, LLP**

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CITY OF IMPERIAL BEACH, CALIFORNIA

FINANCIAL STATEMENTS

JUNE 30, 2009

CITY OF IMPERIAL BEACH  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

	<u>Page Number</u>
INDEPENDENT AUDITORS' REPORT .....	1
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Assets .....	3
Statement of Activities .....	4
Fund Financial Statements	
Balance Sheet - Governmental Funds .....	6
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets .....	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	12
Budgetary Comparison Statement - General Fund .....	13
Statement of Net Assets - Proprietary Funds .....	14
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds .....	15
Statement of Cash Flows - Proprietary Funds.....	16
Statement of Fiduciary Net Assets - Fiduciary Funds .....	17
Notes to Financial Statements.....	19

CITY OF IMPERIAL BEACH  
FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

	<u>Page Number</u>
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
Combining Balance Sheet - Nonmajor Governmental Funds .....	44
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	48
Budgetary Comparison Schedules - Special Revenue Funds	
Gas Tax .....	51
Prop A Tax .....	52
Residential Construction .....	53
CDBG Grant .....	54
Supplemental Law Enforcement .....	55
Local Law Enforcement Block Grant .....	56
Lighting District # 67 .....	57
Budgetary Comparison Schedules – Capital Project Funds	
Capital Projects .....	58
Housing Redevelopment .....	59
Capital Projects RDA .....	60
Combining Statement of Net Assets - Internal Service Funds .....	62
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets - Internal Service Funds .....	64
Combining Statement of Cash Flows - Internal Service Funds .....	66
Combining Statement of Changes in Assets and Liabilities - Agency Fund .....	67



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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Imperial Beach, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Imperial Beach, California, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Imperial Beach's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Imperial Beach as of June 30, 2009, and the respective changes in financial position and cash flows where applicable thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2010 on our consideration of the City of Imperial Beach's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The City has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

CITY OF IMPERIAL BEACH

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2009

	Program Revenues			
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 5,086,834	\$ 711,351	\$ 338,938	\$ -
Public safety	9,860,142	665,952	3,641,946	-
Parks, recreation and senior center	1,639,902	84,761	-	-
Public works	2,257,523	410,728	1,461,723	1,910,211
Interest on long-term debt	1,606,513	-	-	-
<b>Total Governmental Activities</b>	<b>20,450,914</b>	<b>1,872,792</b>	<b>5,442,607</b>	<b>1,910,211</b>
Business-Type Activities:				
Sewer	3,878,297	4,079,065	-	-
<b>Total Business-Type Activities</b>	<b>3,878,297</b>	<b>4,079,065</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 24,329,211</b>	<b>\$ 5,951,857</b>	<b>\$ 5,442,607</b>	<b>\$ 1,910,211</b>

**General Revenues:**

Taxes:

- Property taxes, levied for general purpose
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Business licenses taxes
- ABC Charges
- Motor vehicle in lieu, unrestricted
- Investment earnings
- Other

**Total General Revenues**

Change in Net Assets

Net Assets at Beginning of Year

Restatement of Net Assets

**Net Assets at End of Year**

<b>Net (Expenses) Revenues and Changes in Net Assets</b>		
<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (4,036,545)	\$ -	\$ (4,036,545)
(5,552,244)	-	(5,552,244)
(1,555,141)	-	(1,555,141)
1,525,139	-	1,525,139
(1,606,513)	-	(1,606,513)
<b>(11,225,304)</b>	<b>-</b>	<b>(11,225,304)</b>
-	200,768	200,768
<b>-</b>	<b>200,768</b>	<b>200,768</b>
<b>(11,225,304)</b>	<b>200,768</b>	<b>(11,024,536)</b>
11,080,327	-	11,080,327
182,063	-	182,063
867,847	-	867,847
805,892	-	805,892
347,634	-	347,634
1,988,080	-	1,988,080
95,861	-	95,861
2,115,069	64,567	2,179,636
334,277	234,200	568,477
<b>17,817,050</b>	<b>298,767</b>	<b>18,115,817</b>
6,591,746	499,535	7,091,281
55,058,491	7,588,949	62,647,440
231,520	46,338	277,858
<b>\$ 61,881,757</b>	<b>\$ 8,134,822</b>	<b>\$ 70,016,579</b>

CITY OF IMPERIAL BEACH

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2009

	Capital Projects Funds			Debt Service Fund
	General	Housing Redevelopment	Redevelopment Agency	Redevelopment Agency
<b>Assets:</b>				
Pooled cash and investments	\$ 14,626,717	\$ 6,865,784	\$ 2,379,106	\$ 5,138,631
Receivables:				
Accounts	254,992	-	750	-
Contract and notes	-	3,782,791	8,750	-
Accrued interest	107,109	-	-	-
Due from other governments	1,211,996	38,292	-	153,168
Advances to other funds	3,738,100	-	-	-
Inventories	3,559	-	-	-
Land held for resale	-	330,691	11,288,281	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	1,555,590
<b>Total Assets</b>	<b>\$ 19,942,473</b>	<b>\$ 11,017,558</b>	<b>\$ 13,676,887</b>	<b>\$ 6,847,389</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,560,968	\$ 606,433	\$ 518,577	\$ 1,243,041
Accrued liabilities	347,006	3,255	42,477	-
Deferred revenues	110,271	123,829	-	-
Unearned revenues	945,773	-	-	-
Deposits payable	429,331	-	8,695	-
Advances from other funds	-	-	3,738,100	-
<b>Total Liabilities</b>	<b>5,393,349</b>	<b>733,517</b>	<b>4,307,849</b>	<b>1,243,041</b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	679,512	21,319	229,666	-
Reserved for land held for resale	-	330,691	11,288,281	-
Reserved for loans receivable	-	3,658,962	8,750	-
Reserved for advances to other funds	3,738,100	-	-	-
Reserved for inventories	3,559	-	-	-
Reserved for capital projects	2,322,138	-	-	-
Unreserved:				
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Designated for capital improvement projects	-	6,273,069	-	-
Designated for debt service	-	-	-	5,604,348
Designated for OPEB	261,496	-	-	-
Undesignated	7,544,319	-	(2,157,659)	-
<b>Total Fund Balances</b>	<b>14,549,124</b>	<b>10,284,041</b>	<b>9,369,038</b>	<b>5,604,348</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 19,942,473</b>	<b>\$ 11,017,558</b>	<b>\$ 13,676,887</b>	<b>\$ 6,847,389</b>

CITY OF IMPERIAL BEACH

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2009**

	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>		
Pooled cash and investments	\$ 1,562,201	\$ 30,572,439
Receivables:		
Accounts	-	255,742
Contract and notes	-	3,791,541
Accrued interest	-	107,109
Due from other governments	287,905	1,691,361
Advances to other funds	-	3,738,100
Inventories	-	3,559
Land held for resale	-	11,618,972
Restricted assets:		
Cash and investments with fiscal agents	-	1,555,590
<b>Total Assets</b>	<b>\$ 1,850,106</b>	<b>\$ 53,334,413</b>
<b>Liabilities and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 321,275	\$ 6,250,294
Accrued liabilities	162	392,900
Deferred revenues	129,646	363,746
Unearned revenues	1,866	947,639
Deposits payable	-	438,026
Advances from other funds	-	3,738,100
<b>Total Liabilities</b>	<b>452,949</b>	<b>12,130,705</b>
<b>Fund Balances:</b>		
Reserved:		
Reserved for encumbrances	19,563	950,060
Reserved for land held for resale	-	11,618,972
Reserved for loans receivable	-	3,667,712
Reserved for advances to other funds	-	3,738,100
Reserved for inventories	-	3,559
Reserved for capital projects	-	2,322,138
Unreserved:		
Unreserved, reported in nonmajor:		
Special revenue funds	1,308,988	1,308,988
Capital projects funds	68,606	68,606
Designated for capital improvement projects	-	6,273,069
Designated for debt service	-	5,604,348
Designated for OPEB	-	261,496
Undesignated	-	5,386,660
<b>Total Fund Balances</b>	<b>1,397,157</b>	<b>41,203,708</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,850,106</b>	<b>\$ 53,334,413</b>

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**CITY OF IMPERIAL BEACH**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2009**

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Fund balances of governmental funds	\$ 41,203,708
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	33,795,392
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets.	379,988
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term liabilities	(19,540,524)
Compensated absences	(659,012)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.	(88,637)
Revenues reported as deferred revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	363,746
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.	<u>6,427,096</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 61,881,757</u></b>

CITY OF IMPERIAL BEACH

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009

	General	Capital Projects Funds		Debt Service Fund
		Housing Redevelopment	Redevelopment Agency	Redevelopment Agency
<b>Revenues:</b>				
Taxes	\$ 6,357,430	\$ 1,666,758	\$ -	\$ 4,931,764
Assessments	-	-	-	-
Licenses and permits	517,840	-	-	-
Intergovernmental	2,479,238	-	-	-
Charges for services	4,920,593	-	43,832	-
Use of money and property	1,063,452	210,688	206,053	358,756
Fines and forfeitures	224,134	-	-	-
Services provided	2,002,224	-	-	-
Miscellaneous	333,277	1,000	-	-
<b>Total Revenues</b>	<b>17,898,188</b>	<b>1,878,446</b>	<b>249,885</b>	<b>5,290,520</b>
<b>Expenditures:</b>				
Current:				
General government	2,356,939	280,603	2,237,848	12,319
Public safety	9,583,644	-	-	-
Parks, recreation and senior center	1,471,623	-	-	-
Public works	1,465,960	-	-	-
Capital outlay	2,450,838	-	1,512,715	-
Debt service:				
Principal retirement	-	83,000	-	332,000
Interest and fiscal charges	-	226,554	-	1,354,790
<b>Total Expenditures</b>	<b>17,329,004</b>	<b>590,157</b>	<b>3,750,563</b>	<b>1,699,109</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	569,184	1,288,289	(3,500,678)	3,591,411
<b>Other Financing Sources (Uses):</b>				
Transfers in	3,083,207	-	7,200,000	-
Transfers out	(593,000)	-	(2,347,773)	(7,200,000)
<b>Total Other Financing Sources (Uses)</b>	<b>2,490,207</b>	<b>-</b>	<b>4,852,227</b>	<b>(7,200,000)</b>
Net Change in Fund Balances	3,059,391	1,288,289	1,351,549	(3,608,589)
Fund Balances, Beginning of Year, as previously reported	11,334,056	8,995,752	8,017,489	9,212,937
Restatements	155,677	-	-	-
Fund Balances, Beginning of Year, as restated	11,489,733	8,995,752	8,017,489	9,212,937
<b>Fund Balances, End of Year</b>	<b>\$ 14,549,124</b>	<b>\$ 10,284,041</b>	<b>\$ 9,369,038</b>	<b>\$ 5,604,348</b>

CITY OF IMPERIAL BEACH

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009

	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>		
Taxes	\$ -	\$ 12,955,952
Assessments	10,736	10,736
Licenses and permits	5,500	523,340
Intergovernmental	1,530,201	4,009,439
Charges for services	4,000	4,968,425
Use of money and property	59,153	1,898,102
Fines and forfeitures	-	224,134
Services provided	-	2,002,224
Miscellaneous	-	334,277
<b>Total Revenues</b>	<b>1,609,590</b>	<b>26,926,629</b>
<b>Expenditures:</b>		
Current:		
General government	53,670	4,941,379
Public safety	162,880	9,746,524
Parks, recreation and senior center	23,944	1,495,567
Public works	374,350	1,840,310
Capital outlay	942,440	4,905,993
Debt service:		
Principal retirement	-	415,000
Interest and fiscal charges	-	1,581,344
<b>Total Expenditures</b>	<b>1,557,284</b>	<b>24,926,117</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	52,306	2,000,512
<b>Other Financing Sources (Uses):</b>		
Transfers in	43,635	10,326,842
Transfers out	(761,069)	(10,901,842)
<b>Total Other Financing Sources (Uses)</b>	<b>(717,434)</b>	<b>(575,000)</b>
Net Change in Fund Balances	(665,128)	1,425,512
Fund Balances, Beginning of Year, as previously reported	2,054,296	39,614,530
Restatements	7,989	163,666
Fund Balances, Beginning of Year, as restated	2,062,285	39,778,196
<b>Fund Balances, End of Year</b>	<b>\$ 1,397,157</b>	<b>\$ 41,203,708</b>

CITY OF IMPERIAL BEACH

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
JUNE 30, 2009

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Net change in fund balances - total governmental funds \$ 1,425,512

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 4,350,262

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 388,696

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 1,135

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (41,960)

Revenues reported as deferred revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. (35,019)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities. 503,120

**Change in net assets of governmental activities \$ 6,591,746**

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT  
GENERAL FUND  
YEAR ENDED JUNE 30, 2009**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1, as restated	\$ 11,489,733	\$ 11,489,733	\$ 11,489,733	\$ -
<b>Resources (Inflows):</b>				
Taxes	7,073,074	6,473,924	6,357,430	(116,494)
Licenses and permits	593,282	532,300	517,840	(14,460)
Intergovernmental	2,798,640	1,349,150	2,479,238	1,130,088
Charges for services	7,151,813	4,724,980	4,920,593	195,613
Use of money and property	1,058,872	913,472	1,063,452	149,980
Fines and forfeitures	421,600	335,900	224,134	(111,766)
Contributions	2,491,600	2,008,077	2,002,224	(5,853)
Miscellaneous	453,000	154,000	333,277	179,277
Transfers from other funds	2,519,847	3,045,713	3,083,207	37,494
<b>Amounts Available for Appropriation</b>	<b>36,051,461</b>	<b>31,027,249</b>	<b>32,471,128</b>	<b>1,443,879</b>
<b>Charges to Appropriation (Outflow):</b>				
General government				
Mayor/City Council	85,068	108,837	91,412	17,425
City Clerk's office	249,618	272,984	253,309	19,675
City Manager	280,763	235,351	236,986	(1,635)
Personnel	236,880	261,663	268,845	(7,182)
Administrative services	598,282	623,831	602,768	21,063
City Attorney	268,125	275,000	175,856	99,144
Community development	284,387	364,287	316,081	48,206
Facilities maintenance	261,224	261,224	223,032	38,192
Non-departmental	255,727	210,056	188,650	21,406
Public safety				
Law enforcement contract	6,180,541	6,077,875	5,683,606	394,269
Fire protection rescue	1,948,652	2,129,249	2,083,124	46,125
Ocean beach safety	1,199,355	1,236,355	1,250,758	(14,403)
Building inspection	312,911	336,241	283,066	53,175
Animal control	209,700	209,700	174,778	34,922
Disaster preparedness	36,706	54,706	34,520	20,186
Code enforcement	48,158	48,158	43,221	4,937
AVA program	39,061	39,061	30,571	8,490
Parks, recreation and senior center				
Recreation services and skatepark	240,984	241,184	240,908	276
Park maintenance	375,094	408,228	358,506	49,722
Senior services	27,527	27,527	26,250	1,277
Tidelands maintenance	886,966	896,576	845,959	50,617
Public works				
Street maintenance	723,576	819,546	781,153	38,393
Public works administration	444,797	513,044	439,383	73,661
Graffiti removal	-	-	665	(665)
Solid waste management	104,538	1,399,874	244,759	1,155,115
Capital outlay	132,695	239,788	2,450,838	(2,211,050)
Transfers to other funds	-	597,000	593,000	4,000
<b>Total Charges to Appropriations</b>	<b>15,431,335</b>	<b>17,887,345</b>	<b>17,922,004</b>	<b>(34,659)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 20,620,126</b>	<b>\$ 13,139,904</b>	<b>\$ 14,549,124</b>	<b>\$ 1,478,538</b>

CITY OF IMPERIAL BEACH

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 JUNE 30, 2009

	<u>Enterprise Fund</u>	<u>Governmental Activities- Internal Service Funds</u>
	<u>Sewer</u>	
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and investments	\$ 2,616,229	\$ 5,976,354
Receivables:		
Accounts	168,408	6,222
Due from other governments	250,172	18,475
Inventories	-	3,083
<b>Total Current Assets</b>	<b><u>3,034,809</u></b>	<b><u>6,004,134</u></b>
<b>Noncurrent Assets:</b>		
Capital assets - net of accumulated depreciation	5,237,829	994,648
<b>Total Noncurrent Assets</b>	<b><u>5,237,829</u></b>	<b><u>994,648</u></b>
<b>Total Assets</b>	<b><u>\$ 8,272,638</u></b>	<b><u>\$ 6,998,782</u></b>
<b>Liabilities and Net Assets:</b>		
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 16,537	\$ 54,124
Accrued liabilities	14,433	15,513
Accrued compensated absences	13,443	-
Accrued claims and judgments	-	625
<b>Total Current Liabilities</b>	<b><u>44,413</u></b>	<b><u>70,262</u></b>
<b>Noncurrent Liabilities:</b>		
Compensated absences	31,772	52,661
Claims payable	-	510,394
<b>Total Noncurrent Liabilities</b>	<b><u>31,772</u></b>	<b><u>563,055</u></b>
<b>Total Liabilities</b>	<b><u>76,185</u></b>	<b><u>633,317</u></b>
<b>Net Assets:</b>		
Unrestricted	8,196,453	6,365,465
<b>Total Net Assets</b>	<b><u>8,196,453</u></b>	<b><u>6,365,465</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 8,272,638</u></b>	<b><u>\$ 6,998,782</u></b>
<b>Reconciliation of Net Assets to the Statement of Net Assets</b>		
Net Assets per Statement of Net Assets - Proprietary Funds	\$ 8,196,453	
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds	(33,611)	
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds	(28,020)	
<b>Net Assets per Statement of Net Assets</b>	<b><u>\$ 8,134,822</u></b>	

CITY OF IMPERIAL BEACH

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2009

	<u>Enterprise Fund</u>	<u>Governmental Activities- Internal Service Funds</u>
	<u>Sewer</u>	
<b>Operating Revenues:</b>		
Sales and service charges	\$ 4,079,065	\$ 1,316,405
Miscellaneous	234,200	139,231
<b>Total Operating Revenues</b>	<b><u>4,313,265</u></b>	<b><u>1,455,636</u></b>
<b>Operating Expenses:</b>		
Services and supplies	3,201,752	489,485
Personnel and administrative	491,606	508,933
Claims expenses	-	517,831
Depreciation	156,919	190,337
<b>Total Operating Expenses</b>	<b><u>3,850,277</u></b>	<b><u>1,706,586</u></b>
Operating Income (Loss)	<u>462,988</u>	<u>(250,950)</u>
<b>Nonoperating Revenues (Expenses):</b>		
Interest revenue	64,567	151,050
Contribution from City	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b><u>64,567</u></b>	<b><u>151,050</u></b>
Income (Loss) Before Transfers	527,555	(99,900)
Transfers in	-	575,000
Changes in Net Assets	<u>527,555</u>	<u>475,100</u>
<b>Net Assets:</b>		
Beginning of Year, as previously reported	7,622,560	5,890,365
Restatements	46,338	-
Beginning of Fiscal Year, as restated	<u>7,668,898</u>	<u>5,890,365</u>
<b>End of Fiscal Year</b>	<b><u>\$ 8,196,453</u></b>	<b><u>\$ 6,365,465</u></b>
<b>Reconciliation of Changes in Net Assets to the Statement of Activities:</b>		
Changes in Net Assets, per the Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	\$ 527,555	
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds	<u>(28,020)</u>	
<b>Changes in Net Assets of Business-Type Activities per Statement of Activities</b>	<b><u>\$ 499,535</u></b>	

CITY OF IMPERIAL BEACH

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2009

	<u>Enterprise Fund</u>	<u>Governmental Activities- Internal Service Funds</u>
	<u>Sewer</u>	
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers and users	\$ 4,278,685	\$ -
Cash received from/(paid to) interfund service provided	-	1,476,163
Cash paid to suppliers for goods and services	(3,369,295)	(869,516)
Cash paid to employees for services	(488,729)	(502,180)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>420,661</b>	<b>104,467</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Cash transfers in	-	575,000
<b>Net Cash Provided (Used) by Non-Capital Financing Activities Capital and Related Financing Activities</b>	<b>-</b> <b>(41,344)</b>	<b>575,000</b> <b>(151,564)</b>
<b>Cash Flows from Investing Activities:</b>		
Interest received	64,567	151,050
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>64,567</b>	<b>151,050</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>443,884</b>	<b>678,953</b>
Cash and Cash Equivalents at Beginning of Year	2,172,345	5,297,401
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 2,616,229</b>	<b>\$ 5,976,354</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	\$ 462,988	\$ (250,950)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>		
Depreciation	156,919	190,337
(Increase) decrease in accounts receivable	(35,364)	(2,086)
(Increase) decrease in due from other governments	784	22,613
Increase (decrease) in accounts payable	(167,543)	9,215
Increase (decrease) in accrued liabilities	1,740	4,593
Increase (decrease) in claims and judgments	-	128,585
Increase (decrease) in compensated absences	1,137	2,160
<b>Total Adjustments</b>	<b>(42,327)</b>	<b>355,417</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 420,661</b>	<b>\$ 104,467</b>

CITY OF IMPERIAL BEACH

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2009

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and investments	<u>\$ 580,466</u>
<b>Total Assets</b>	<b><u>\$ 580,466</u></b>
<b>Liabilities:</b>	
Due to bondholders	<u>\$ 580,466</u>
<b>Total Liabilities</b>	<b><u>\$ 580,466</u></b>

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**CITY OF IMPERIAL BEACH**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**I. SIGNIFICANT ACCOUNTING POLICIES**

**Note 1: Summary of Significant Accounting Policies**

**a. Description of the Reporting Entity**

The City of Imperial Beach, California (the City), was incorporated July 18, 1956, and operates as a General Law City. The City operates under a Council-Manager form of government and provides the following services: general government, fire, highways and streets, planning and zoning, and public improvements. Police services are contracted through the San Diego Sheriff's Department. The City is not subject to federal or state income taxes.

As required by generally accepted accounting principles, these financial statements present the City of Imperial Beach (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of Imperial Beach's elected officials have a continuing full or partial accountability for fiscal matters of the other entities. The financial reporting entity consists of: 1) the City, 2) organizations for which the City is financially accountable, and 3) organizations for which the nature and significance of their relationship with the City are such that exclusions would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, component units' balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the City's or the component unit provides services almost entirely to the City. The following component units of the City have been included in the financial reporting entity as blended component units.

A description of these component units and the method of incorporating their financial information in the accompanying financial statements are summarized as follows:

**Blended Component Units**

Imperial Beach Redevelopment Agency

The Imperial Beach Redevelopment Agency (RDA) was activated in October 1995 pursuant to Section 33101 of the California Health and Safety Code. The purpose of the RDA is to eliminate deteriorating conditions and conserve, rehabilitate and revitalize project areas in accordance with the redevelopment plan. The RDA is designed to encourage cooperation and participation of residents, businesspersons, community organizations and public agencies in the revitalization area. The RDA has established an Amended Project Area that encompasses nearly the entire city. Separate financial statements for the Imperial Beach Redevelopment Agency of the City of Imperial Beach can be obtained at the City of Imperial Beach's City Hall.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Imperial Beach Public Financing Authority

The Imperial Beach Public Financing Authority was established on November 20, 2003, by a joint exercise of powers agreement between the City of Imperial Beach and the Imperial Beach Redevelopment Agency pursuant to the Community Redevelopment Law (commencing with Section 33000) of the Health and Safety Code of the State of California. Separate financial statements are not prepared for the Authority.

**b. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of gas tax which is 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. Fiduciary Funds are accounted for on a full accrual basis.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable; expenses are recognized when they are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned.

Private-sector standards of accounting and financial reporting issued prior to December 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.
- The Housing Redevelopment Capital Projects Fund accounts for the general activity of the Redevelopment Agency.
- The Redevelopment Agency Capital Projects Fund accounts for the general activity of the Redevelopment Agency.
- The Redevelopment Agency Debt Service Fund accounts for the general activity of the Redevelopment Agency.

The City reports the following major proprietary fund:

- The Sewer Fund is an enterprise fund that accounts for the revenues and expenses associated with providing wastewater treatment services to residents of the City.

Additionally, the City reports the following fund types:

- Internal Service Funds account for the financing of goods or services related to repair, replacement and maintenance of City-owned equipment, the City's self-insurance programs, the City's general information systems and telecommunications hardware, software and the repair, replacement and maintenance of City-owned facilities. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

- Agency Funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. They do not involve measurement of results of operations. The City's agency funds account for its special assessment districts.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

**d. Assets, Liabilities and Net Assets or Equity**

**Cash and Investments**

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the proprietary funds.

Investments for the City, as well as for its component units, are reported at fair value. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/due from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

**Functional Classifications**

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities that have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities that provide management or support services across more than one functional area.
- Public Safety includes those activities that involve the protection of people and property.
- Parks, Recreation and Senior Center include those activities that involve community park maintenance and recreational activities within the community.
- Public Works includes those activities that involve the maintenance and improvement of City streets, roads and park department development and maintenance.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

**Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. The General Fund inventory is accounted for on the consumption method and is equally offset by a reservation of fund balance in the fund-level statements, which indicates that it does not constitute “available spendable resources.”

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been reserved for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

**Capital Assets**

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired in prior and current years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	25 - 50
Improvements Other than Buildings	10 - 50
Sewer lines and Pump Stations	35 - 50
Equipment	3 - 20
Vehicles	5 - 10
<u>Infrastructure</u>	<u>Years</u>
Pavement	33
Curb and Gutter	50
Sidewalk	50

**Compensated Absences**

All permanent employees of the City are permitted to accumulate a maximum of two times their annual accrual rate (annual leave). Maximum sick leave accrual for miscellaneous employees is 1,000 hours and for safety employees is 1,400 hours. Upon termination of employment, an employee is paid for accumulated annual leave but forfeits accumulated sick leave unless the employee has over five years of service. After five years of service, upon termination, the employee is paid for half the accumulated sick leave. Compensated absences are paid out of the General Fund, Redevelopment Agency Capital Project Fund, Internal Service Funds and Enterprise Funds and are reported there as a liability when they have matured.

Accumulated vested sick pay and vacation pay at June 30, 2009, for employees of the proprietary funds have been accrued. All accumulated compensated absences are accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. The City uses a modified encumbrance system in which only significant, select encumbrances are carried over at year-end. All other encumbrances lapse at year-end and are re-encumbered in the following fiscal year.

**e. Reconciliation of Government-Wide and Fund Financial Statements**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes a reconciliation between fund balance-governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term debt and compensated absences that have not been included in the governmental fund activity." The detail of the \$(19,540,524) long-term debt difference is as follows:

Tax Allocation Bonds	\$ (19,805,000)
Unamortized Bond Discount	<u>264,476</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	<u>\$ (19,540,524)</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net changes in fund balances of total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

The details of this \$4,350,262 difference are as follows:

Capital Outlay	\$ 4,940,726
Depreciation Expense	<u>(590,464)</u>
Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 4,350,262</u>

**II. STEWARDSHIP**

**Note 2: Stewardship, Compliance and Accountability**

**a. General Budget Policies**

The two-year operating budget adopted by the City Council provides for the general operations of the City. It includes proposed expenditures and the means of financing them on a departmental basis. Budgets are legally adopted in the General Fund, special revenue funds, except for the Traffic Safety, Parks Grant and Prop 1B Funds, enterprise funds and the internal service funds.

The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. All amendments made during the year are included in the budgetary amounts reported herein. The "appropriated budget" covers all City expenditures, with the exception of debt service on bond issues and capital improvement projects carried forward from prior years, which expenditures constitute the legally authorized "non-appropriated budget." Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of control for the Capital Projects Funds. All other funds use the departmental level as the legal level of control.

Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations that are encumbered lapse at year-end and then are added to the following years' budgeted appropriations.

Budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 3: Cash and Investments (Continued)**

Capital projects are included in the City's multi-year capital budget and are appropriated on a project basis rather than a fiscal year basis. The capital budget has been excluded from these statements for comparability purposes.

Under Article XIII-B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset by a deficit in the following year. For the fiscal year ended June 30, 2009, based on calculations by City staff, proceeds of taxes did not exceed appropriations. Further, Section 5 of Article XIII-B allows the City to designate a portion of fund balance for general contingencies to be used for any purpose.

Appropriations lapse at the end of the fiscal year except for the capital projects funds, which may be carried over to the next fiscal year if not completed at year-end. Expenditures may not exceed budget appropriations at the department level for the General Fund and at the function level for the special revenue funds.

A project-length budget is adopted for the capital projects funds. The debt service fund is governed by bond covenants, therefore a formal budget is not adopted. Thus, the City does not show a budget comparison for these funds.

**b. Excess of Expenditures Over Appropriations are as Follows:**

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund:			
City Manager	\$ 236,986	\$ 235,351	\$ 1,635
Personnel	268,845	261,663	7,182
Ocean beach safety	1,250,758	1,236,355	14,403
Graffiti removal	665	-	665

**III. DETAILED NOTES ON ALL FUNDS**

**Note 3: Cash and Investments**

As of June 30, 2009, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 38,104,383
Business-Type activities	2,616,229
Fiduciary funds	<u>580,466</u>
Total Cash and Investments	<u><u>\$ 41,301,078</u></u>

The City follows the practice of pooling cash and investments of all funds except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest Income from cash and investments with fiscal agents is credited directly to the related fund.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 3: Cash and Investments (Continued)**

Deposits

At June 30, 2009, the carrying amount of the City's deposits was \$948,311 and the bank balance was \$1,031,390. The \$83,079 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a city's deposits by pledging government securities with a value of 110% of a city's deposits. California law also allows financial institutions to secure city deposits by pledging first trust deed mortgage notes having a value of 150% of a city's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository.

These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

Under provisions of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- U.S. Treasury Obligations (bills, notes and bonds)
- Bonds, notes or other evidence of indebtedness issued or guaranteed by agency of the United States government
- Certificates of Deposit or Time Deposits placed with commercial banks and savings and loans
- Medium-term Corporate Notes with an "A" or comparable ratings
- Instruments of other California Government Entities with an "A" or comparable rating
- Banker's Acceptances
- Repurchase Agreements
- Local Agency Investment Fund Demand Deposits (State Pool)
- County of San Diego Treasury (County Pool)
- California Arbitrage Management Program (Bond Pool)
- Passbook Savings Account Demand Deposits
- Money Market funds, which invest solely in securities issued by the U.S. Treasury and agencies of the Federal government, and repurchase agreements collateralized with U.S. Treasury and Federal agency obligations
- Overnight Sweep accounts as managed by the depository bank as part of the checking account packaged contracted by the City, provided the sweep account is collateralized in accordance with state law

**City of Imperial Beach**  
**Notes to Financial Statements (Continued)**

**Note 3: Cash and Investments (Continued)**

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement of No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated "AA" or higher by Standard and Poor's (S&P) or by Moody's. As of June 30, 2009, the City had no investments in medium-term notes. In addition, the City's investments in Federal Home Loan Bank, Federal Farm Credit Bank and Federal National Mortgage Association were rated "AAA" by Moody's and by S&P and the investment in Bank of America Corporation was rated "A" by S&P. All securities were investment grade and were legal under State law. Investments in U.S. Treasuries are not considered to have credit risk; therefore, their credit quality is not disclosed. As of June 30, 2009, the City's investments in external investment pools, money market mutual funds and investment agreements are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a specific policy addressing custodial credit risk.

As of June 30, 2009, none of the City's deposits or investments was exposed to custodial credit risk.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 3: Cash and Investments (Continued)**

Concentration of Credit Risk

The City's investment policy imposes restrictions for certain types of investments with any one issuer to 25% of the total investment pool. With respect to concentration risk, as of June 30, 2009, the City has not invested more than 25% of its total investments in any one issuer.

In addition, GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2009, the City has investments with the following issuers, which exceed 5% of the total investment value:

Federal Home Loan Bank	\$ 3,022,500	7.7%
Federal Farm Credit Bank	2,031,260	5.2%
Federal National Mortgage Association	2,000,000	5.1%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that the City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2009, the City had the following investments and original maturities:

Investment Type:	Investment Maturities (in Years)				Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	
California Local Agency Investment Fund	\$ 30,715,579	\$ -	\$ -	\$ -	\$ 30,715,579
Federal Farm Credit Bank	-	-	-	2,031,260	2,031,260
Federal Home Loan Bank	-	-	3,022,500	-	3,022,500
Federal National Meeting Association	-	-	-	2,000,000	2,000,000
Corporate Bonds	-	1,027,840	-	-	1,027,840
Money Market Mutual Funds - held by fiscal agent	1,555,588	-	-	-	1,555,588
	<u>\$ 32,271,167</u>	<u>\$ 1,027,840</u>	<u>\$ 3,022,500</u>	<u>\$ 4,031,260</u>	<u>\$ 40,352,767</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 4: Capital Assets**

Capital asset activity for the year ended June 30, 2009, was as follows:

	Beginning Balance	Adjustments*	Adjusted Beginning Balance	Transfers	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>							
Capital assets, not being depreciated:							
Land	\$ 1,638,532	\$ -	\$ 1,638,532	\$ -	\$ -	\$ -	\$ 1,638,532
Infrastructure right-of-way	12,406,327	-	12,406,327	-	-	-	12,406,327
Construction-in-progress	2,548,901	176,697	2,725,598	(812,477)	4,581,200	-	6,494,321
<b>Total Capital Assets, Not Being Depreciated</b>	<b>16,593,760</b>	<b>176,697</b>	<b>16,770,457</b>	<b>(812,477)</b>	<b>4,581,200</b>	<b>-</b>	<b>20,539,180</b>
Capital assets, being depreciated:							
Structures and improvements	4,954,597	-	4,954,597	812,477	254,157	-	6,021,231
Equipment and vehicles	3,661,965	-	3,661,965	5,813	207,815	65,237	3,810,356
Infrastructure	12,978,544	-	12,978,544	-	43,305	-	13,021,849
<b>Total Capital Assets, Being Depreciated</b>	<b>21,595,106</b>	<b>-</b>	<b>21,595,106</b>	<b>818,290</b>	<b>505,277</b>	<b>65,237</b>	<b>22,853,436</b>
Less accumulated depreciation:							
Structures and improvements	2,530,295	-	2,530,295	-	184,721	-	2,715,016
Equipment and vehicles	2,543,244	-	2,543,244	-	222,016	65,237	2,700,023
Infrastructure	2,813,473	-	2,813,473	-	374,064	-	3,187,537
<b>Total Accumulated Depreciation</b>	<b>7,887,012</b>	<b>-</b>	<b>7,887,012</b>	<b>-</b>	<b>780,801</b>	<b>65,237</b>	<b>8,602,576</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>13,708,094</b>	<b>-</b>	<b>13,708,094</b>	<b>818,290</b>	<b>(275,524)</b>	<b>-</b>	<b>14,250,860</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 30,301,854</b>	<b>\$ 176,697</b>	<b>\$ 30,478,551</b>	<b>\$ 5,813</b>	<b>\$ 4,305,676</b>	<b>\$ -</b>	<b>\$ 34,790,040</b>
<b>Business-Type Activities:</b>							
Capital assets, not being depreciated:							
Construction-in-progress	\$ 98,677	\$ -	\$ 98,677	\$ (107,867)	\$ 64,188	\$ -	\$ 54,998
<b>Total Capital Assets, Not Being Depreciated</b>	<b>98,677</b>	<b>-</b>	<b>98,677</b>	<b>(107,867)</b>	<b>64,188</b>	<b>-</b>	<b>54,998</b>
Capital assets, being depreciated:							
Sewer Lines and Pump Stations	8,164,234	-	8,164,234	102,054	29,307	-	8,295,595
<b>Total Capital Assets, Being Depreciated</b>	<b>8,164,234</b>	<b>-</b>	<b>8,164,234</b>	<b>102,054</b>	<b>29,307</b>	<b>-</b>	<b>8,295,595</b>
Less accumulated depreciation:							
Sewer Lines and Pump Stations	2,955,845	-	2,955,845	-	156,919	-	3,112,764
<b>Total Accumulated Depreciation</b>	<b>2,955,845</b>	<b>-</b>	<b>2,955,845</b>	<b>-</b>	<b>156,919</b>	<b>-</b>	<b>3,112,764</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>5,208,389</b>	<b>-</b>	<b>5,208,389</b>	<b>102,054</b>	<b>(127,612)</b>	<b>-</b>	<b>5,182,831</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 5,307,066</b>	<b>\$ -</b>	<b>\$ 5,307,066</b>	<b>\$ (5,813)</b>	<b>\$ (63,424)</b>	<b>\$ -</b>	<b>\$ 5,237,829</b>

\* Adjustments were to properly state capital asset balances.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 4: Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 63,674
Public Safety	34,823
Public Works	383,192
Parks, Recreation and Senior Center	108,775
Internal Service Funds	190,337
	<hr/>
Total Governmental Activities	<u>\$ 780,801</u>
Business-Type Activities:	
Sewer	<u>\$ 156,919</u>

**Note 5: Loans Receivable**

Loans receivable consist of the following:

Capital Project Funds

In November 2002, the Agency loaned \$25,000 to the Imperial Beach Community Clinic (IBCC) to be repaid on or before January 1, 2013. IBCC may receive credit toward the repayment of the Note in accordance with an Owner Participation Agreement (OPA) by and between the Agency and IBCC. The Agency will forgive \$2,500 of the loan for each year that IBCC complies with the OPA and operates the facility as a health clinic in substantially the same manner as on the date the OPA was executed (November 13, 2002). During fiscal year 2008-2009, \$2,500 of the debt was forgiven, leaving a balance of \$8,750.

Low and Moderate Income Housing Set-aside Funds

In April 2006, the Agency entered into a loan agreement for an amount not-to-exceed \$540,425 with South Bay Community Services (SBCS) to loan low and moderate income housing set-aside funds to rehabilitate a seven-unit apartment complex located at 1360 Hemlock Avenue. SBCC intends to rent all seven units to families earning 50% or below of the area median income, for a term of fifty-five years. Beginning May 31, 2006, and continuing through 2061, simple interest accrues at 3% per annum on the principal balance. Monthly principal and interest payments are not required to be paid if the rental and occupancy conditions are met for the property. All principal and accrued interest on the loan shall be due in full on (i) the date of any transfer not authorized by the Agency; (ii) the date of any default; or (iii) the expiration of the loan term, whichever occurs first. However, upon expiration of the loan term, the loan amount pursuant to the note and accrued interest shall be forgiven provided all covenants and conditions were met over the loan term. Accrued interest at June 30, 2009, amounts to \$46,946 and is offset by deferred revenue. The loan has not fully been disbursed at June 30, 2009. The outstanding balance at June 30, 2009, is \$653,758, including accrued interest.

In April 2006, the Agency entered into a loan agreement for an amount not-to-exceed \$491,271 with South Bay Community Services (SBCS) to loan low and moderate income housing set-aside funds to rehabilitate an eight-unit apartment complex located at 1260 Calla Avenue. SBCC intends to rent all seven units to families earning 50% or below of the area median income, for a term of fifty-five years. Beginning May 31, 2006, and continuing through 2061, simple interest accrues at 3% per annum on the principal

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 5: Loans Receivable (Continued)**

balance. Monthly principal and interest payments are not required to be paid if the rental and occupancy conditions are met for the property. All principal and accrued interest on the loan shall be due in full on (i) the date of any transfer not authorized by the Agency; (ii) the date of any default; or (iii) the expiration of the loan term, whichever occurs first. However, upon expiration of the loan term, the loan amount pursuant to the note and accrued interest shall be forgiven provided all covenants and conditions were met over the loan term. Accrued interest at June 30, 2009, amounts to \$42,306 and is offset by deferred revenue. The loan has not fully been disbursed at June 30, 2009. The outstanding balance at June 30, 2009, is \$528,761, including accrued interest.

In August 2008, the Agency entered into a loan agreement for an amount not-to-exceed \$1,945,000 with Beachwind Court, LP to loan low and moderate income housing set-aside funds to rehabilitate a fifteen-unit apartment complex located at 624 12th Street. Beachwind Court, LP intends to rent seven units to families earning 50% or below of the area median income and to rent all seven units to families earning 60% or below of the area median income, for a term of fifty-five years. Beginning on the date of disbursement, simple interest accrues at 3% per annum on the principal balance. Monthly principal and interest payments are required to be paid within 30 days of completion of the annual audit equivalent to 50% of the residual receipts generated by the projects audited records. Accrued interest at June 30, 2009, amounts to \$34,577 and is offset by deferred revenue. The loan has not fully been disbursed at June 30, 2009. The outstanding balance at June 30, 2009, is \$1,396,077, including accrued interest.

The Clean and Green Neighborhood Revitalization Program provides zero interest deferred payment loans for very low, low and moderate-income individuals and families to improve energy and water efficiency, health and safety, and/or enhance the physical appearance of their home and property. The loans are available to owner-occupants of single-family detached homes and manufactured homes on private lots. The loan is forgiven on a pro-rata basis over 15 years for each year of residency, with any balance due upon the sale, transfer to a new owner or lease to a tenant. The total of these loans and corresponding fund balance reservation as of June 30, 2009, amounts to \$620,695.

Total loans receivable at June 30, 2009, amounts to \$3,208,041.

**Note 6: Interfund Receivable, Payable and Transfers**

The composition of interfund balances as of June 30, 2009, is as follows:

Advances To/From Other Funds

<u>Funds</u>	<u>Advances from Other Funds</u>	<u>Total</u>
	Capital Projects Redevelopment	
Advances to Other Funds:		
General Fund	\$ 3,738,100	\$ 3,738,100
Total	<u>\$ 3,738,100</u>	<u>\$ 3,738,100</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 6: Interfund Receivable, Payable and Transfers (Continued)**

During the current and previous fiscal years, the City of Imperial Beach has made loans to the Agency. These loans bear interest at rates up to 12% per annum depending upon when the loan was initiated. The City may demand payment of all or a portion of the principal balance at any time as funds become available; however, such demands are not anticipated with the next fiscal year. As of June 30, 2009, loans made from the General Fund to the Redevelopment Agency Capital Projects Fund, including accrued unpaid interest owed on those loans, were \$3,738,100.

Interfund Transfers

	Transfers In				Total
	General Fund	Capital Projects Redevelopment	Internal Service Funds	Nonmajor Funds	
Transfers Out:					
General Fund	\$ -	\$ -	\$ 575,000	\$ 18,000	\$ 593,000
Capital Projects Redevelopment	2,322,138	-	-	25,635	2,347,773
Debt Service Redevelopment	-	7,200,000	-	-	7,200,000
Nonmajor Funds	761,069	-	-	-	761,069
Total	<u>\$ 3,083,207</u>	<u>\$ 7,200,000</u>	<u>\$ 575,000</u>	<u>\$ 43,635</u>	<u>\$ 10,901,842</u>

Transfers were made to fund capital projects in the non-major funds and to reimburse the General Fund and the non-major Funds for expenditures incurred for grants and special revenue fund programs.

**Note 7: Deferred Revenue and Unearned Revenue**

General Fund deferred revenue of \$94,645 relates to sales tax revenue and grant revenue accrued but not yet received within the recognition periods.

General Fund unearned revenue consists of \$820,000 relating to a lease with the Unified Port District of San Diego and \$125,773 of other miscellaneous grant revenues received but not earned. The City entered into an agreement with the Port District in 1993 whereby the Port District leases the Pier Plaza and a parking lot from the city. The District paid the City \$1,800,000 at the beginning of the lease. Each year of the 30-year contract, the City recognizes \$60,000 of income and reduces the unearned revenue. As of June 30, 2009, \$820,000 remains of this unearned lease revenue.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 8: Long-Term Debt**

**a. Governmental Long-Term Debt**

The following is a summary of changes in long-term debt of the City for the year ended June 30, 2009:

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009	Due Within One Year
Compensated Absences	\$ 667,551	\$ 121,439	\$ 77,317	\$ 711,673	\$ 156,564
Tax Allocation Bonds	20,220,000	-	415,000	19,805,000	430,000
Claims & Judgments	382,436	250,460	121,877	511,019	127,755
	<u>\$ 21,269,987</u>	<u>\$ 371,899</u>	<u>\$ 614,194</u>	21,027,692	<u>\$ 714,319</u>
			Less: Unamortized discount	<u>264,476</u>	
			Net Long-Term Debt	<u>\$ 20,763,216</u>	

**Tax Allocation Bonds**

In December 2003, the Imperial Beach Public Financing Authority issued \$22,765,000 Tax Allocation Revenue Bonds, 2003 Series A. The proceeds of the bonds were loaned to the Imperial Beach Redevelopment Agency to fund redevelopment activities, to provide for a reserve fund and to provide for the costs of issuance of the bonds. Although the bonds were issued by the Authority and loaned to the Redevelopment Agency, the loan transaction has been eliminated from these financial statements, as the Public Financing Authority does not have its own financial statements or fund, and certain revenues of the Redevelopment Agency are pledged for repayment of the debt. Interest on the bonds is payable semiannually and principal payments are due annually. Debt service payments occur from June 1, 2004 through June 1, 2033. Interest rates on the bonds range from 1.75% to 6.10% per annum.

**Debt Service Repayment Schedule**

Debt service payments on the tax allocation bonds are as follows:

	<u>2003 Tax Allocation Bonds, Series A</u>	
	<u>Principal</u>	<u>Interest</u>
2009-2010	\$ 430,000	\$ 1,118,454
2010-2011	450,000	1,102,329
2011-2012	470,000	1,083,204
2012-2013	490,000	1,061,584
2013-2014	510,000	1,037,574
2014-2019	2,990,000	4,768,235
2019-2024	3,915,000	3,839,475
2024-2029	5,185,000	2,561,768
2029-2034	<u>5,365,000</u>	<u>828,000</u>
Totals	<u>\$ 19,805,000</u>	<u>\$ 17,400,623</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 8: Long-Term Debt (Continued)**

The Agency's has pledged, as security for tax allocation bonds it has issued, a portion of tax increment revenues, including Low and Moderate Income Housing set-aside that it receives. These bonds were to provide financing for various capital projects and to accomplish Low and Moderate Income Housing projects. The Agency has committed to appropriate each year, from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$37,205,623 with debt service requirements as indicated below. For the current year, the total tax increment revenue, net of pass through payments, recognized by the Agency was \$6,647,579 and the debt service obligation on the bonds was \$1,547,771.

**b. Proprietary Fund Long-Term Debt**

The following is a summary of changes in Proprietary Fund long-term debt for the year ended June 30, 2009:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>	<u>Due Within One Year</u>
Enterprise Fund:					
Compensated absences	\$ 44,078	\$ 1,720	\$ 583	\$ 45,215	\$ 13,443

**c. Special Assessment Bonds**

The City has four assessment districts that issued bonds from 1981 through 2004 that are outstanding with no City obligation. The bonds were issued to finance alley paving within the City. The bonds are secured by the unpaid assessments levied against the private property within the assessment districts. The bonds are not general obligations of the City, and neither the faith and credit, nor the taxing power of the City, is pledged to the payment of the bonds.

**d. Limited Obligation Improvement Bonds**

On March 21, 2005, the City of Imperial Beach Assessment District No. 71 issued \$70,000 in limited obligation improvement bonds with interest rates varying from 5.00% to 5.50% pursuant to the provisions of the Improvement Bond Act of 1915. The bonds were issued to finance certain public improvements to benefit property within the City's Assessment District No. 71. The issues described above are not reflected in the liabilities on the statement of net assets because they are special obligations payable solely from and secured by specific revenue sources described in the resolutions and official statement of the issues. Neither faith and credit nor the taxing power of the City, the Redevelopment Agency, the State of California or any political subdivision thereof is pledged for the payment of these bonds.

**IV. OTHER INFORMATION**

**Note 9: City Employees Retirement Plan (Defined Benefit Pension Plan)**

Plan Description

The City of Imperial Beach contributes to the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, CA 95814.

Funding Policy

Participants are required to contribute 8% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate. The current rate is 12.816% for miscellaneous employees, 23.786% for fire employees and 16.025% for ocean lifeguards, of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For 2009, the City's annual pension cost of \$844,083 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method.

<u>Three-Year Trend Information for PERS</u>			
<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
<u>Miscellaneous Members</u>			
6/30/2007	\$ 387,164	100%	-
6/30/2008	450,619	100%	-
6/30/2009	462,229	100%	-
<u>Safety Members</u>			
6/30/2007	\$ 311,479	100%	-
6/30/2008	320,046	100%	-
6/30/2009	381,854	100%	-

For fiscal year 2008-2009, the City participated in risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all rate plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contribution rates are almost identical to what the rates would have been outside pools. Future rates will be based on the experience of each pool.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 9: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

Pooling will reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date, starting with the June 30, 2003 valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date.

**Note 10: Other Post Employment Benefits**

Plan Description

The City provides other postemployment benefits (OPEB) through a single-employer defined benefit healthcare plan by contributing up to a maximum of \$75.75 per month for of all premiums charged under the health benefit plan for all eligible employees and qualified family members. These benefits are provided per contract between the City and the employee associations. A separate financial report is not available for the plan.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or employee associations. Currently, contributions are not required from plan members. A contribution of \$2,888 was made during the 2008-2009 fiscal year and was not included in the September 1, 2009, actuarial study. The purpose of the contribution was to pay current year premiums for retirees.

As a result, the City calculated and recorded a Net OPEB Liability, representing the difference between the Annual Required Contribution (ARC) and actual contributions, as presented below:

Annual required contribution (ARC) *	\$ 31,066
Adjustment to ARC	-
Annual OPEB cost	31,066
Contributions made	<u>(2,888)</u>
(Decrease) increase in Net OPEB obligation	28,178
Net OPEB obligation (asset) - beginning of year	<u>-</u>
Net OPEB obligation (asset) - end of year	<u><u>\$ 28,178</u></u>

\* The actuarial valuation was valued at September 1, 2009. The ARC for fiscal year 2008-2009 was estimated at the same amount to be conservative.

The contribution rate of 9.3% is based on the ARC of \$31,066 an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the annual normal cost and the amortization of unfunded actuarial liabilities (or funding excess) over a thirty year period.

For the fiscal year 2008-2009, the City's annual OPEB cost (expense) of \$2,888 was less than the ARC. Since this fiscal year is the transition year, information on the annual OPEB cost, percentage of Annual OPEB cost contributed, and Net OPEB Obligation is only available for the current fiscal year, as presented below:

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 10: Other Post Employment Benefits (Continued)**

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2008-2009, and the two preceding years were as follows:

<u>Fiscal Year End</u>	<u>Annual OPEB Cost</u>	<u>Actual Contribution (Net of Adjustments)</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
6/30/2007	N/A	N/A	N/A	N/A
6/30/2008	N/A	N/A	N/A	N/A
6/30/2009	\$31,066	\$2,888	9.30%	\$28,178

**Funded Status and Funding Progress**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Only one year is presented as this is the first year of the plan.

<u>Type of Valuation</u>	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Interest Rate</u>	<u>Salary Scale</u>
Actual	9/1/2009	\$ -	\$ 264,384	\$ 264,384	0.0%	5.00%	5.00%

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 1, 2009, actuarial valuation, the level percentage of payroll actuarial cost method was used. The actuarial assumptions include a 5% investment rate of return, which is a blended rate of the expected long-term investment return on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and annual healthcare cost trend rate of 4%. The actuarial value of assets is set equal to the reported market value of assets. The UAAL is being amortized as a level dollar on an open basis. The remaining amortization period at June 30, 2009, was thirty years. The number of active participants is 78.

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 11: Self-Insurance Program**

General Liability

On August 8, 1990, the City became one of twelve (13) members of the San Diego Pooled Insurance Program Authority (SANDPIPA) and San Diego County Cities Risk Management Authority (SDCCRMA). These organizations were created by a joint powers authority (JPA) to provide liability, property and casualty coverage to its members. Under the joint powers agreement SANDPIPA provides liability insurance coverage for the City for the difference between \$2,000,000 and the individual self-insured retention of \$125,000 each occurrence, \$15,000,000 annual aggregate for the pool. Commercial excess liability insurance is provided from the \$2,000,000 up to \$35,000,000 per occurrence. The premiums billed by the JPA to member cities are planned to match the expenses of the self-insurance as well as the cost of providing the excess layer coverage and the cost of administering the plan.

In addition to its coverage through the JPA, effective July 1, 1993, the San Diego Unified Port District agreed to fund an Escrow Reserve Account of \$300,000 for the purpose of reimbursing the City for any claim costs not covered by the JPA insurance, provided they are directly related to services provided to the District and arising from incidents actually occurring on tidelands and/or lands leased by the City to the District.

Workers Compensation

The City is a member of CSAC Excess Insurance Authority. The City is self-insured for the first \$125,000 of workers' compensation claims. Claims between \$125,000 and \$5,000,000 are covered through the City's risk sharing membership in CSAC. Claims between \$5,000,000 and \$300,000,000 are covered by excess purchased insurance.

The City established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risk of loss when it became a member of SANDPIPA, SDCCRMA and CSAC for liability, property casualty and workers compensation coverage. All funds of the City participate in the program and make payments to the Self-Insurance Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. The estimated claims liability of \$487,633 reported at June 30, 2009, is based on the requirements of Governmental Accounting Standards Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The above amount includes an estimate for incurred but not reported claims.

During the last three fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

Changes in the reported liability for the last two fiscal years are as follows:

	<u>2007-2008</u>	<u>2008-2009</u>
Claims outstanding at beginning of year	\$ 546,256	\$ 382,436
Claims and changes in estimates	(73,559)	250,458
Claim payments	<u>(90,261)</u>	<u>(121,875)</u>
Claims outstanding at end of year	<u>\$ 382,436</u>	<u>\$ 511,019</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 12: Contingencies**

Litigation

The City is involved in various lawsuits of which the outcome was undetermined as of June 30, 2009. No amount has been accrued for these contingent amounts.

Major Service Contracts

The San Diego Unified Port District owns the beachfront and bayfront in the City of Imperial Beach. Starting in fiscal year 1989-1990, the City entered into a contractual agreement with the San Diego Unified Port District, whereby the Port District provides reimbursement to the City for costs incurred in the maintenance and public safety services for the over two million visitors to the Port's beach area. In October 2006, the City entered into a new contract with the San Diego Unified Port District whereby the Port District will provide reimbursement to the City for costs incurred relative to the beachfront from July 1, 2006 through June 30, 2009. This is a renewal of the previous contract which ended June 30, 2005. The new contract provides for cost reimbursement to the City of an amount not to exceed \$8,705,334 through June 30, 2009. A failure to renew the agreement either through the Port District's unwillingness or inability to do so would result in the City adjusting expenditures and service levels to meet the Port's level of reimbursement. There is no indication of any proposed substantial change to this contractual relationship. In fiscal year 2008-2009, the City received \$3,506,209 or 20% of its general fund revenue from the Port District.

**Note 13: Fund Equity**

a. Fund Equity and Net Assets Restatements

Beginning fund balance has been restated as follows:

Governmental Funds:

Major Governmental Funds:

General Fund	
To restate prior year developer deposits	\$ 46,834
To recognize deferred revenue recorded in prior years	108,843
	<u>155,677</u>

Non-Major Governmental Funds:

Capital Projects Redevelopment Agency	
To close out a fund that was no longer in use	7,989
	<u>\$ 163,666</u>

Enterprise Funds:

Sewer Fund	
To restate prior year accounts payable	<u>\$ 46,338</u>

**City of Imperial Beach  
Notes to Financial Statements (Continued)**

**Note 13: Fund Equity (Continued)**

Net assets have been restated as follows:

Governmental Activities:	
Governmental fund restatements from above	\$ 163,666
Correct deferred revenue recognized in prior years	(108,843)
To properly record capital assets	176,697
	<u>\$ 231,520</u>
Business-Type Activities:	
Enterprise fund restatements from above	<u>\$ 46,338</u>

**Note 14: Property Tax**

Property tax revenue is recognized on the basis of NCGA Interpretation No. 3; (adopted by GASB) that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of San Diego collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31.

**Note 15: Subsequent Events**

Local Government Revenues Withheld by the State of California

On July 24, 2009, the legislation approved the "borrowing" of up to 8 percent of the local property tax under Proposition 1A (2004). The City is a participant in the Proposition 1A Securitization Program offered by California Communities, a joint powers authority sponsored by the League of California Cities and California State Association of Counties. California Communities sold bonds on November 10, 2009, securitizing the future payments by the State and remit the proceeds of the bonds to the local governments who opt to participate in the program. The purchase price paid on the sale of the City's receivable is 100% or \$333,341. Participants of the Securitization program have no obligation on the bonds and no credit exposure to the State. Distribution of the proceeds to the participants is expected 50% on January 15, 2010 and 50% on May 3, 2010.

SERAF Tax Increment Revenue Shift for fiscal year 2009-2010 and 2010-2011

On July 23, 2009, the California Legislature passed SB 26, requiring a shift in tax increment revenues during fiscal years 2009-2010 and 2010-2011 to be deposited into the county "Supplemental" Educational Revenue Augmentation Fund (SERAF) and which is to be distributed to meet the State's Prop 98 obligations to schools. It is estimated that the Agency's share of the SERAF shift for fiscal year 2009-2010 and 2010-2011 will amount to approximately \$2,664,935 and \$548,663, respectively. In October 2009, the California Redevelopment Association and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid. As of the date of this report, no legal determination has been made by the courts on that action.

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CITY OF IMPERIAL BEACH

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2009

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Prop A Tax</u>	<u>Residential Construction</u>	<u>CDBG Grant</u>
<b>Assets:</b>				
Pooled cash and investments	\$ 708,519	\$ 483,008	\$ 179,258	\$ (89,986)
Due from other governments	97,528	-	-	90,377
<b>Total Assets</b>	<b><u>\$ 806,047</u></b>	<b><u>\$ 483,008</u></b>	<b><u>\$ 179,258</u></b>	<b><u>\$ 391</u></b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 24,486	\$ 21,383	\$ -	\$ 12,009
Accrued liabilities	-	93	-	69
Deferred revenues	-	-	-	90,377
Unearned revenues	-	-	-	-
<b>Total Liabilities</b>	<b><u>24,486</u></b>	<b><u>21,476</u></b>	<b><u>-</u></b>	<b><u>102,455</u></b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	17,287	1,075	-	-
Unreserved:				
Undesignated	764,274	460,457	179,258	(102,064)
<b>Total Fund Balances</b>	<b><u>781,561</u></b>	<b><u>461,532</u></b>	<b><u>179,258</u></b>	<b><u>(102,064)</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 806,047</u></b>	<b><u>\$ 483,008</u></b>	<b><u>\$ 179,258</u></b>	<b><u>\$ 391</u></b>

CITY OF IMPERIAL BEACH

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2009

(Continued)

	<u>Special Revenue Funds</u>			
	<u>Supplemental Law Enforcement</u>	<u>Local Law Enforcement Block Grant</u>	<u>Lighting District #67</u>	<u>Traffic Safety Fund</u>
<b>Assets:</b>				
Pooled cash and investments	\$ (34,504)	\$ 26,900	\$ 32,013	\$ 98
Due from other governments	100,000	-	-	-
<b>Total Assets</b>	<b><u>\$ 65,496</u></b>	<b><u>\$ 26,900</u></b>	<b><u>\$ 32,013</u></b>	<b><u>\$ 98</u></b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 95,738	\$ -	\$ 2,075	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	39,269	-	-	-
Unearned revenues	-	1,866	-	-
<b>Total Liabilities</b>	<b><u>135,007</u></b>	<b><u>1,866</u></b>	<b><u>2,075</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	-	-	-	-
Unreserved:				
Undesignated	(69,511)	25,034	29,938	98
<b>Total Fund Balances</b>	<b><u>(69,511)</u></b>	<b><u>25,034</u></b>	<b><u>29,938</u></b>	<b><u>98</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 65,496</u></b>	<b><u>\$ 26,900</u></b>	<b><u>\$ 32,013</u></b>	<b><u>\$ 98</u></b>

CITY OF IMPERIAL BEACH

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2009

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
	<u>Parks Grant Fund</u>	<u>Prop 1B</u>	<u>Capital Projects</u>	
<b>Assets:</b>				
Pooled cash and investments	\$ 87	\$ 134,835	\$ 121,973	\$ 1,562,201
Due from other governments	-	-	-	287,905
<b>Total Assets</b>	<b>\$ 87</b>	<b>\$ 134,835</b>	<b>\$ 121,973</b>	<b>\$ 1,850,106</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 112,217	\$ 53,367	\$ 321,275
Accrued liabilities	-	-	-	162
Deferred revenues	-	-	-	129,646
Unearned revenues	-	-	-	1,866
<b>Total Liabilities</b>	<b>-</b>	<b>112,217</b>	<b>53,367</b>	<b>452,949</b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	-	1,201	-	19,563
Unreserved:				
Undesignated	87	21,417	68,606	1,377,594
<b>Total Fund Balances</b>	<b>87</b>	<b>22,618</b>	<b>68,606</b>	<b>1,397,157</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 87</b>	<b>\$ 134,835</b>	<b>\$ 121,973</b>	<b>\$ 1,850,106</b>

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CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Prop A Tax</u>	<u>Residential Construction</u>	<u>CDBG Grant</u>
<b>Revenues:</b>				
Assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	5,500	-
Intergovernmental	701,209	357,239	-	389,429
Charges for services	-	4,000	-	-
Use of money and property	24,972	22,434	5,408	(8,716)
<b>Total Revenues</b>	<b>726,181</b>	<b>383,673</b>	<b>10,908</b>	<b>380,713</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	53,670
Public safety	-	-	19,699	-
Parks, recreation and senior center	-	-	-	-
Public works	74,537	299,813	-	-
Capital outlay	-	268,615	-	220,606
<b>Total Expenditures</b>	<b>74,537</b>	<b>568,428</b>	<b>19,699</b>	<b>274,276</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	651,644	(184,755)	(8,791)	106,437
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(571,069)	(190,000)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(571,069)</b>	<b>(190,000)</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	80,575	(374,755)	(8,791)	106,437
Fund Balances, Beginning of Year	700,986	836,287	188,049	(208,501)
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	700,986	836,287	188,049	(208,501)
<b>Fund Balances, End of Year</b>	<b>\$ 781,561</b>	<b>\$ 461,532</b>	<b>\$ 179,258</b>	<b>\$ (102,064)</b>

## CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009

(Continued)

	Special Revenue Funds			
	Supplemental Law Enforcement	Local Law Enforcement Block Grant	Lighting District #67	Traffic Safety Fund
<b>Revenues:</b>				
Assessments	\$ -	\$ -	\$ 10,736	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	62,331	19,993	-	-
Charges for services	-	-	-	-
Use of money and property	(771)	994	516	46
<b>Total Revenues</b>	<b>61,560</b>	<b>20,987</b>	<b>11,252</b>	<b>46</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	131,928	11,253	-	-
Parks, recreation and senior center	-	-	23,944	-
Public works	-	-	-	-
Capital outlay	-	8,740	-	-
<b>Total Expenditures</b>	<b>131,928</b>	<b>19,993</b>	<b>23,944</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,368)	994	(12,692)	46
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	18,000	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>18,000</b>	<b>-</b>
Net Change in Fund Balances	(70,368)	994	5,308	46
Fund Balances, Beginning of Year	857	24,040	24,630	52
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	857	24,040	24,630	52
<b>Fund Balances, End of Year</b>	<b>\$ (69,511)</b>	<b>\$ 25,034</b>	<b>\$ 29,938</b>	<b>\$ 98</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009

	Special Revenue Fund		Capital Projects Fund	Total Governmental Funds
	Parks Grant Fund	Prop 1B	Capital Projects	
<b>Revenues:</b>				
Assessments	\$ -	\$ -	\$ -	\$ 10,736
Licenses and permits	-	-	-	5,500
Intergovernmental	-	-	-	1,530,201
Charges for services	-	-	-	4,000
Use of money and property	-	12,584	1,686	59,153
<b>Total Revenues</b>	<b>-</b>	<b>12,584</b>	<b>1,686</b>	<b>1,609,590</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	53,670
Public safety	-	-	-	162,880
Parks, recreation and senior center	-	-	-	23,944
Public works	-	-	-	374,350
Capital outlay	-	444,479	-	942,440
<b>Total Expenditures</b>	<b>-</b>	<b>444,479</b>	<b>-</b>	<b>1,557,284</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(431,895)	1,686	52,306
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	25,635	43,635
Transfers out	-	-	-	(761,069)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>25,635</b>	<b>(717,434)</b>
Net Change in Fund Balances	-	(431,895)	27,321	(665,128)
Fund Balances, Beginning of Year	87	454,513	33,296	2,054,296
Restatements	-	-	7,989	7,989
Fund Balances, Beginning of Year, as Restated	87	454,513	41,285	2,062,285
<b>Fund Balances, End of Year</b>	<b>\$ 87</b>	<b>\$ 22,618</b>	<b>\$ 68,606</b>	<b>\$ 1,397,157</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
GAS TAX  
YEAR ENDED JUNE 30, 2009**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 700,986	\$ 700,986	\$ 700,986	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	609,292	564,300	701,209	136,909
Use of money and property	14,400	14,400	24,972	10,572
<b>Amounts Available for Appropriation</b>	<b>1,324,678</b>	<b>1,279,686</b>	<b>1,427,167</b>	<b>147,481</b>
<b>Charges to Appropriation (Outflow):</b>				
Public works	-	222,000	74,537	147,463
Transfers to other funds	578,700	480,075	571,069	(90,994)
<b>Total Charges to Appropriations</b>	<b>578,700</b>	<b>702,075</b>	<b>645,606</b>	<b>56,469</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 745,978</b>	<b>\$ 577,611</b>	<b>\$ 781,561</b>	<b>\$ 203,950</b>

CITY OF IMPERIAL BEACH

BUDGETARY COMPARISON SCHEDULE  
 PROP A TAX  
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 836,287	\$ 836,287	\$ 836,287	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,271,600	750,000	357,239	(392,761)
Charges for services	-	-	4,000	4,000
Use of money and property	60,000	17,500	22,434	4,934
<b>Amounts Available for Appropriation</b>	<b>2,167,887</b>	<b>1,603,787</b>	<b>1,219,960</b>	<b>(383,827)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public works	525,000	1,195,776	299,813	895,963
Capital outlay	-	-	268,615	(268,615)
Transfers to other funds	230,250	224,000	190,000	34,000
<b>Total Charges to Appropriations</b>	<b>755,250</b>	<b>1,419,776</b>	<b>758,428</b>	<b>661,348</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,412,637</b>	<b>\$ 184,011</b>	<b>\$ 461,532</b>	<b>\$ 277,521</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
RESIDENTIAL CONSTRUCTION  
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 188,049	\$ 188,049	\$ 188,049	\$ -
<b>Resources (Inflows):</b>				
Licenses and permits	100,000	27,400	5,500	(21,900)
Use of money and property	30,000	10,100	5,408	(4,692)
<b>Amounts Available for Appropriation</b>	<b>318,049</b>	<b>225,549</b>	<b>198,957</b>	<b>(26,592)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	50,000	-	19,699	(19,699)
<b>Total Charges to Appropriations</b>	<b>50,000</b>	<b>-</b>	<b>19,699</b>	<b>(19,699)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 268,049</b>	<b>\$ 225,549</b>	<b>\$ 179,258</b>	<b>\$ (46,291)</b>

CITY OF IMPERIAL BEACH

BUDGETARY COMPARISON SCHEDULE  
 CDBG GRANT  
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (208,501)	\$ (208,501)	\$ (208,501)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	447,037	136,099	389,429	253,330
Use of money and property	-	-	(8,716)	(8,716)
<b>Amounts Available for Appropriation</b>	<b>238,536</b>	<b>(72,402)</b>	<b>172,212</b>	<b>244,614</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	150,000	258,924	53,670	205,254
Capital outlay	-	43,175	220,606	(177,431)
<b>Total Charges to Appropriations</b>	<b>150,000</b>	<b>302,099</b>	<b>274,276</b>	<b>27,823</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 88,536</b>	<b>\$ (374,501)</b>	<b>\$ (102,064)</b>	<b>\$ 272,437</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
SUPPLEMENTAL LAW ENFORCEMENT  
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 857	\$ 857	\$ 857	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	110,200	100,000	62,331	(37,669)
Use of money and property	6,400	927	(771)	(1,698)
<b>Amounts Available for Appropriation</b>	<b>117,457</b>	<b>101,784</b>	<b>62,417</b>	<b>(39,367)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	100,000	100,000	131,928	(31,928)
<b>Total Charges to Appropriations</b>	<b>100,000</b>	<b>100,000</b>	<b>131,928</b>	<b>(31,928)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 17,457</b>	<b>\$ 1,784</b>	<b>\$ (69,511)</b>	<b>\$ (71,295)</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
LOCAL LAW ENFORCEMENT BLOCK GRANT  
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 24,040	\$ 24,040	\$ 24,040	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	200,000	50,400	19,993	(30,407)
Use of money and property	1,000	500	994	494
Transfers from other funds	19,550	-	-	-
<b>Amounts Available for Appropriation</b>	<b>244,590</b>	<b>74,940</b>	<b>45,027</b>	<b>(29,913)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	25,000	25,000	11,253	13,747
Capital outlay	-	-	8,740	(8,740)
<b>Total Charges to Appropriations</b>	<b>25,000</b>	<b>25,000</b>	<b>19,993</b>	<b>5,007</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 219,590</b>	<b>\$ 49,940</b>	<b>\$ 25,034</b>	<b>\$ (24,906)</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
LIGHTING DISTRICT #67  
YEAR ENDED JUNE 30, 2009**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 24,630	\$ 24,630	\$ 24,630	\$ -
<b>Resources (Inflows):</b>				
Assessments	75,000	12,000	10,736	(1,264)
Use of money and property	2,000	-	516	516
Transfers from other funds	65,200	18,000	18,000	-
<b>Amounts Available for Appropriation</b>	<b>166,830</b>	<b>54,630</b>	<b>53,882</b>	<b>(748)</b>
<b>Charges to Appropriation (Outflow):</b>				
Parks, recreation and senior center	30,000	30,000	23,944	6,056
<b>Total Charges to Appropriations</b>	<b>30,000</b>	<b>30,000</b>	<b>23,944</b>	<b>6,056</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 136,830</b>	<b>\$ 24,630</b>	<b>\$ 29,938</b>	<b>\$ 5,308</b>

CITY OF IMPERIAL BEACH

BUDGETARY COMPARISON SCHEDULE  
 CAPITAL PROJECTS  
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 41,285	\$ 41,285	\$ 41,285	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	3,793,692	-	-	-
Charges for services	191,163	-	-	-
Use of money and property	336,200	-	1,686	1,686
Miscellaneous	1,830,000	-	-	-
Transfers in	13,013,496	-	25,635	25,635
<b>Amounts Available for Appropriation</b>	<b>19,205,836</b>	<b>41,285</b>	<b>68,606</b>	<b>27,321</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 19,205,836</b>	<b>\$ 41,285</b>	<b>\$ 68,606</b>	<b>\$ 27,321</b>

CITY OF IMPERIAL BEACH

**BUDGETARY COMPARISON SCHEDULE  
HOUSING REDEVELOPMENT  
YEAR ENDED JUNE 30, 2009**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 8,995,752	\$ 8,995,752	\$ 8,995,752	\$ -
<b>Resources (Inflows):</b>				
Taxes	1,809,100	1,496,000	1,666,758	170,758
Use of money and property	71,300	58,800	210,688	151,888
Miscellaneous	-	-	1,000	1,000
Transfers in	114,130	-	-	-
<b>Amounts Available for Appropriation</b>	<b>10,990,282</b>	<b>10,550,552</b>	<b>10,874,198</b>	<b>323,646</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	230,830	2,167,059	280,603	1,886,456
Debt service:				
Principal retirement	83,000	83,000	83,000	-
Interest and fiscal charges	226,554	226,554	226,554	-
Transfers out	-	(960,000)	-	(960,000)
<b>Total Charges to Appropriations</b>	<b>540,384</b>	<b>1,516,613</b>	<b>590,157</b>	<b>926,456</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 10,449,898</b>	<b>\$ 9,033,939</b>	<b>\$ 10,284,041</b>	<b>\$ 1,250,102</b>

CITY OF IMPERIAL BEACH

BUDGETARY COMPARISON SCHEDULE  
 CAPITAL PROJECTS RDA  
 YEAR ENDED JUNE 30, 2009

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,017,489	\$ 8,017,489	\$ 8,017,489	\$ -
<b>Resources (Inflows):</b>				
Charges for services	-	16,338	43,832	27,494
Use of money and property	128,100	89,200	206,053	116,853
Miscellaneous	163,900	163,900	-	(163,900)
Transfers in	1,772,017	7,200,000	7,200,000	-
Other debts issued	800,000	-	-	-
<b>Amounts Available for Appropriation</b>	<b>10,881,506</b>	<b>15,486,927</b>	<b>15,467,374</b>	<b>(19,553)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	1,589,469	2,690,559	2,237,848	452,711
Capital outlay	398,350	431,350	1,512,715	(1,081,365)
Transfers out	-	10,000	2,347,773	(2,337,773)
<b>Total Charges to Appropriations</b>	<b>1,987,819</b>	<b>3,131,909</b>	<b>6,098,336</b>	<b>(2,966,427)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 8,893,687</b>	<b>\$ 12,355,018</b>	<b>\$ 9,369,038</b>	<b>\$ (2,985,980)</b>

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CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2009

	Governmental Activities - Internal Service Funds		
	Vehicle Replacement & Maintenance	Self-Insurance	Technology & Communication
<b>Assets:</b>			
Current:			
Cash and investments	\$ 1,413,477	\$ 3,477,069	\$ 750,859
Receivables (net of allowance for uncollectibles):			
Accounts	-	6,222	-
Due from other agencies	15,864	2,611	-
Inventories	3,083	-	-
<b>Total Current Assets</b>	<b>1,432,424</b>	<b>3,485,902</b>	<b>750,859</b>
Noncurrent:			
Capital assets - net of accumulated depreciation	940,720	-	53,928
<b>Total Noncurrent Assets</b>	<b>940,720</b>	<b>-</b>	<b>53,928</b>
<b>Total Assets</b>	<b>\$ 2,373,144</b>	<b>\$ 3,485,902</b>	<b>\$ 804,787</b>
<b>Liabilities and Net Assets:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 10,682	\$ 13,258	\$ 30,184
Accrued liabilities	5,391	6,774	3,348
Accrued claims and judgments	-	625	-
<b>Total Current Liabilities</b>	<b>16,073</b>	<b>20,657</b>	<b>33,532</b>
Noncurrent:			
Accrued compensated absences	39,107	8,586	4,968
Accrued claims and judgments	-	510,394	-
<b>Total Noncurrent Liabilities</b>	<b>39,107</b>	<b>518,980</b>	<b>4,968</b>
<b>Total Liabilities</b>	<b>55,180</b>	<b>539,637</b>	<b>38,500</b>
<b>Net Assets:</b>			
Unrestricted	2,317,964	2,946,265	766,287
<b>Total Net Assets</b>	<b>2,317,964</b>	<b>2,946,265</b>	<b>766,287</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,373,144</b>	<b>\$ 3,485,902</b>	<b>\$ 804,787</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2009

	<b>Governmental Activities - Internal Service Funds</b>	
	<b>Facilities Repair &amp; Maintenance</b>	<b>Totals</b>
<b>Assets:</b>		
Current:		
Cash and investments	\$ 334,949	\$ 5,976,354
Receivables (net of allowance for uncollectibles):		
Accounts	-	6,222
Due from other agencies	-	18,475
Inventories	-	3,083
<b>Total Current Assets</b>	<b>334,949</b>	<b>6,004,134</b>
Noncurrent:		
Capital assets - net of accumulated depreciation	-	994,648
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>994,648</b>
<b>Total Assets</b>	<b>\$ 334,949</b>	<b>\$ 6,998,782</b>
<b>Liabilities and Net Assets:</b>		
<b>Liabilities:</b>		
Current:		
Accounts payable	\$ -	\$ 54,124
Accrued liabilities	-	15,513
Accrued claims and judgments	-	625
<b>Total Current Liabilities</b>	<b>-</b>	<b>70,262</b>
Noncurrent:		
Accrued compensated absences	-	52,661
Accrued claims and judgments	-	510,394
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>563,055</b>
<b>Total Liabilities</b>	<b>-</b>	<b>633,317</b>
<b>Net Assets:</b>		
Unrestricted	334,949	6,365,465
<b>Total Net Assets</b>	<b>334,949</b>	<b>6,365,465</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 334,949</b>	<b>\$ 6,998,782</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2009

	Governmental Activities - Internal Service Funds		
	Vehicle Replacement & Maintenance	Self-Insurance	Technology & Communication
<b>Operating Revenues:</b>			
Sales and service charges	360,068	\$ 620,857	\$ 335,480
Miscellaneous	133,611	5,239	381
<b>Total Operating Revenues</b>	<b>493,679</b>	<b>626,096</b>	<b>335,861</b>
<b>Operating Expenses:</b>			
Services and supplies	205,599	7,542	206,251
Claims expense	-	517,831	-
Depreciation expense	122,896	-	67,441
Personnel and administrative	233,017	131,605	139,514
<b>Total Operating Expenses</b>	<b>561,512</b>	<b>656,978</b>	<b>413,206</b>
Operating Income (Loss)	(67,833)	(30,882)	(77,345)
<b>Nonoperating Revenues (Expenses):</b>			
Interest revenue	42,006	87,240	17,432
<b>Total Nonoperating Revenues (Expenses)</b>	<b>42,006</b>	<b>87,240</b>	<b>17,432</b>
Income (Loss) Before Transfers	(25,827)	56,358	(59,913)
Transfers in	-	300,000	75,000
Changes in Net Assets	(25,827)	356,358	15,087
<b>Net Assets:</b>			
Beginning of Year	2,343,791	2,589,907	751,200
<b>End of Fiscal Year</b>	<b>\$ 2,317,964</b>	<b>\$ 2,946,265</b>	<b>\$ 766,287</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
JUNE 30, 2009

	<b>Governmental Activities - Internal Service Funds</b>	
	<b>Facilities Repair &amp; Maintenance</b>	<b>Totals</b>
<b>Operating Revenues:</b>		
Sales and service charges	\$ -	\$ 1,316,405
Miscellaneous	-	139,231
<b>Total Operating Revenues</b>	<b>-</b>	<b>1,455,636</b>
<b>Operating Expenses:</b>		
Services and supplies	70,093	489,485
Claims expense	-	517,831
Depreciation expense	-	190,337
Personnel and administrative	4,797	508,933
<b>Total Operating Expenses</b>	<b>74,890</b>	<b>1,706,586</b>
Operating Income (Loss)	(74,890)	(250,950)
<b>Nonoperating Revenues (Expenses):</b>		
Interest revenue	4,372	151,050
<b>Total Nonoperating Revenues (Expenses)</b>	<b>4,372</b>	<b>151,050</b>
Income (Loss) Before Transfers	(70,518)	(99,900)
Transfers in	200,000	575,000
Changes in Net Assets	129,482	475,100
<b>Net Assets:</b>		
Beginning of Year	205,467	5,890,365
<b>End of Fiscal Year</b>	<b>\$ 334,949</b>	<b>\$ 6,365,465</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2009

	Governmental Activities - Internal Service Funds				
	Vehicle Replacement & Maintenance	Self-Insurance	Technology & Communication	Facilities Repair & Maintenance	Totals
<b>Cash Flows from Operating Activities:</b>					
Cash received from interfund service provided	\$ 519,782	\$ 620,520	\$ 335,861	\$ -	\$ 1,476,163
Cash paid to suppliers for goods and services	(213,561)	(388,611)	(187,326)	(80,018)	(869,516)
Cash paid to employees for services	(229,712)	(129,276)	(138,208)	(4,984)	(502,180)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>76,509</b>	<b>102,633</b>	<b>10,327</b>	<b>(85,002)</b>	<b>104,467</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Cash transfers in	-	300,000	75,000	200,000	575,000
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>-</b>	<b>300,000</b>	<b>75,000</b>	<b>200,000</b>	<b>575,000</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(113,882)	-	(37,682)	-	(151,564)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(113,882)</b>	<b>-</b>	<b>(37,682)</b>	<b>-</b>	<b>(151,564)</b>
<b>Cash Flows from Investing Activities:</b>					
Interest received	42,006	87,240	17,432	4,372	151,050
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>42,006</b>	<b>87,240</b>	<b>17,432</b>	<b>4,372</b>	<b>151,050</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>4,633</b>	<b>489,873</b>	<b>65,077</b>	<b>119,370</b>	<b>678,953</b>
Cash and Cash Equivalents at Beginning of Year	1,408,844	2,987,196	685,782	215,579	5,297,401
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 1,413,477</b>	<b>\$ 3,477,069</b>	<b>\$ 750,859</b>	<b>\$ 334,949</b>	<b>\$ 5,976,354</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ (67,833)	\$ (30,882)	\$ (77,345)	\$ (74,890)	\$ (250,950)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>					
Depreciation	122,896	-	67,441	-	190,337
(Increase) decrease in accounts receivable	4,136	(6,222)	-	-	(2,086)
(Increase) decrease in due from other agencies	21,967	646	-	-	22,613
Increase (decrease) in accounts payable	(7,962)	8,177	18,925	(9,925)	9,215
Increase (decrease) in accrued liabilities	498	4,121	161	(187)	4,593
Increase (decrease) in claims and judgments	-	128,585	-	-	128,585
Increase (decrease) in compensated absences	2,807	(1,792)	1,145	-	2,160
<b>Total Adjustments</b>	<b>144,342</b>	<b>133,515</b>	<b>87,672</b>	<b>(10,112)</b>	<b>355,417</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 76,509</b>	<b>\$ 102,633</b>	<b>\$ 10,327</b>	<b>\$ (85,002)</b>	<b>\$ 104,467</b>

CITY OF IMPERIAL BEACH

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUND  
 YEAR ENDED JUNE 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
<b><u>Special Assessment Districts</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 573,632	\$ 111,702	\$ 104,868	\$ 580,466
<b>Total Assets</b>	<b><u>\$ 573,632</u></b>	<b><u>\$ 111,702</u></b>	<b><u>\$ 104,868</u></b>	<b><u>\$ 580,466</u></b>
<b>Liabilities:</b>				
Due to bondholders	\$ 573,632	\$ 6,834	\$ -	\$ 580,466
<b>Total Liabilities</b>	<b><u>\$ 573,632</u></b>	<b><u>\$ 6,834</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 580,466</u></b>
<b><u>Totals - All Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 573,632	\$ 210,857	\$ 204,023	\$ 580,466
<b>Total Assets</b>	<b><u>\$ 573,632</u></b>	<b><u>\$ 210,857</u></b>	<b><u>\$ 204,023</u></b>	<b><u>\$ 580,466</u></b>
<b>Liabilities:</b>				
Due to bondholders	\$ 573,632	\$ 6,834	\$ -	\$ 580,466
<b>Total Liabilities</b>	<b><u>\$ 573,632</u></b>	<b><u>\$ 6,834</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 580,466</u></b>

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- Michael K. Chu, CPA
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A Professional Corporation
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council  
City of Imperial Beach, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Imperial Beach, California, (the City) as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 12, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control. We consider the following deficiencies described to be significant deficiencies in internal control:

Bank Reconciliations

During our test of the bank reconciliations, we noted inconsistencies between the general ledger and the bank reconciliation. The City is performing their bank reconciliation using a treasury fund that ideally pulls the cash balances from all funds. However, during our test work, we determined that the cash accounts in the treasury fund were not properly set up in the financial software. We recommend that the City complete a thorough review of the accounts in the treasury fund and ensure that they are properly set up and pulling the correct cash balances from each fund.



To the Honorable Mayor and Members of the City Council  
City of Imperial Beach, California

### Deferred Revenues and Unearned Revenues

During our audit we noted that deferred revenues and unearned revenues were not properly reconciled prior to our fieldwork. As a result, various audit adjustments were required to properly recognize revenues received in prior years. We recommend the City reconcile these accounts on an annual basis to ensure that all revenues are properly recognized.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, we believe that the significant deficiencies related to loans receivable and deferred and unearned revenues described above are material weaknesses.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* issued by the Comptroller General of the United States and under the Guidelines for Compliance Audits of California Redevelopment Agencies, issued by the State Controller:

In accordance with the California Health and Safety Code §33080.1, the Redevelopment Agency (Agency) is required to produce and present the following Annual Report (due six months following the end of the Agency's fiscal year-end date), to the State Controller's office and its legislative body:

- a. Independent auditor's report on financial statements.
- b. Independent auditor's report on legal compliance.
- c. Annual Report of Financial Transactions of Community Redevelopment Agencies.
- d. Housing activities report.
- e. Blight progress report specifying actions and expenditures made in the previous fiscal year to alleviate blight.
- f. Loan report identifying loans (receivable) which equal or exceed \$50,000 and that were found by the agency during the previous fiscal year to have either defaulted or not complied with the terms of the agreements approved by the agency.
- g. Property report which describes the properties owned by the agency and those acquired in the previous fiscal year.



To the Honorable Mayor and Members of the City Council  
City of Imperial Beach, California

The Agency prepared the required information for items (a) through (f) above and included them in its annual report submitted to the State Controller's office, however item (g) was not submitted. In addition, item (g) was not presented to its legislative body within six months following the end of the Agency's fiscal year-end, as required by the Code. We recommend that the Agency accomplish procedural steps necessary to comply with this section of the Code.

In accordance with Health & Safety Code §33334.3(d), the Agency is required to make a determination that planning and administrative expenses are necessary for the production, improvement, or preservation of low- and moderate-income housing. This determination was not made for the current fiscal year. We recommend that the Agency implement procedures to ensure that this determination is made on an annual basis.

This report is intended solely for the information and use of management, the City Council, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Lance, Soll & Lughard, LLP*

April 12, 2010

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- Shelly K. Jackley, CPA

April 12, 2010

To the Honorable Mayor and Members of the City Council  
City of Imperial Beach, California

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Imperial Beach, California (the City) for the year ended June 30, 2009, and have issued our report thereon dated April 12, 2010. Professional standards require that we provide you with the following information related to our audit.

**Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards**

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Significant deficiencies in such controls, if any, have been communicated to you by a separate letter.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements. Again, instances of non-compliance with provisions of laws, regulations, contracts and grants noted by us, if any, have been communicated to you by a separate letter.

**Planned Scope and Timing of the Audit**

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect error or fraud that is immaterial to the financial statements.



Honorable Mayor and Members of City Council  
City of Imperial Beach  
Page 2

During the audit, we obtained an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify significant deficiencies. Significant deficiencies in such controls, if any, have been communicated to you by a separate letter.

Our audit has been performed in phases which consisted of interim contact(s) during the fiscal year and a year-end contact which occurred after the fiscal year-end.

Had we noted any significant matters related to the financial statement audit that were, in our professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, we would have communicated those in a separate letter. We did not note any such matters. Generally accepted auditing standards do not require us to design procedures for the purpose of identifying other matters to communicate with those charged with governance.

### **Significant Accounting Policies**

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2009. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

### **Accounting Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Where applicable, the City utilized accounting estimates for depreciation on City assets, amortization of bond related issuance costs, premiums/discounts and gains/losses on bond defeasance and for reporting incurred but not reported amounts relating to the liability for claims and judgments. The City also used estimates for determining the OPEB liability. The methodology used during this audit is consistent with that of prior years. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

### **Financial Statements Disclosure**

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the financial statements are neutral, consistent, and clear.

### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.



Honorable Mayor and Members of City Council  
City of Imperial Beach  
Page 3

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. These differences are described below in the audit difference evaluation form. In addition, we detected misstatements as a result of audit procedures which were material, and were subsequently corrected by management. The details of these misstatements are described in a separate letter dated April 12, 2010.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated April 12, 2010.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Communications**

The Redevelopment Agency is required to adopt Implementation Plans, in accordance with the Health & Safety Code §33490, for each project area every five years. These plans should include specific references to goals and objectives of the Agency and an annual housing program. The next adoption date for the Agency is December 31, 2009. To avoid non-compliance, steps should be taken to ensure that the plan is available for adoption by that date.

The City implemented the following new Governmental Accounting Standards Board (GASB) pronouncements, which were effective for fiscal year 2008-2009 audits:

*GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.*



Honorable Mayor and Members of City Council  
City of Imperial Beach  
Page 4

*GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations.*

*GASB Statement No. 52, Land and Other Real Estate Held as Investments by Endowments.*

This information is intended solely for the use of the members of the City Council or individual(s) charged with governance and management of the City, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Lance, Soll & Loughard, LLP*

### Audit Difference Evaluation Form

Name of Governmental Unit: City of Imperial Beach

Date of Combined Balance Sheet: June 30, 2009

Opinion Unit, Fund Type or Fund: All Funds

**Instructions**

This form should be used to accumulate known audit differences by opinion unit, fund type or fund detected by non-sampling substantive tests (including differences in accounting estimates) and projected audit differences from substantive tests that used sampling. The current year effect of prior year uncorrected audit differences should also be summarized at the bottom of the form. This form should not include normal closing entries. At the end of the audit, the auditor should evaluate all uncorrected audit differences individually and in the aggregate, in the context of individual opinion and conclude whether they materially misstate the financial statement of an opinion unit. Thus, a separate Audit Difference Evaluation Form should be maintained for each opinion unit, fund type or fund.

Description (Nature) of Audit Difference	Cause	Workpaper Ref.	Amount
None			\$ -
<b>Total</b>			-
Less Audit Adjustments Subsequently Booked			-
Net Unadjusted Audit Differences - this year			-
Effect of Net Unadjusted Audit Difference - prior year			-
<b>Net Audit Differences</b>			<b>\$ -</b>



## STAFF REPORT CITY OF IMPERIAL BEACH

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY R. BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** FINANCE *MR*  
**SUBJECT:** GANN LIMIT

---

### **BACKGROUND:**

In November 1979, the voters of the state of California approved Prop 4 commonly known as the Gann Initiative. The proposition created Article XIII B of the State Constitution, placing the limits on the amount of revenue, which can be spent by all entities of government. Prop 4 became effective for the 1980/1981 fiscal year, but the formula was based on the 1978/1979 "base year" revenues.

A resolution must be adopted by Council annually to reflect the new Gann Spending Limit calculation as amended by the State Department of Finance. To comply, staff is requesting adoption of a resolution that reflects each year's actual changes. The annual changes to the limit are based on changes in population and per capita income, as provided by the State Department of Finance.

### **DISCUSSION:**

Attachment 1 shows the calculations of the Limit for the Fiscal Year 2010/2011.

### **FISCAL ANALYSIS:**

Last year's Gann spending limit of \$18,536,777 was updated by two factors provided by the State Department of Finance.

- |                                |         |
|--------------------------------|---------|
| 1. Change in Population        | 1.0116% |
| 2. Change in Per Capita Income | -2.54%  |

For the fiscal year 2010/2011 budget, the Gann Spending Limit and the proceeds of the taxes (revenue subject to the limit) analysis is as follows:

Revenues subject to the limit:       \$ 7,145,435  
Gann Spending Limit                   \$18,275,508

The City's fiscal year revenues (proceeds of taxes) subject to the limit are well under the City's Gann Spending Limit.

**FISCAL IMPACT:**

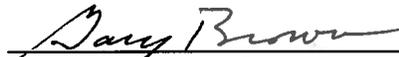
None.

**DEPARTMENT RECOMMENDATION:**

It is respectfully requested that the City Council approve the Gann Spending Limit Resolution.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary R. Brown, City Manager

Attachments:

1. Calculation of the Limit for 2010/2011
2. Resolution 2010-6903 approving the Gann Spending Limit.

### Calculation of the Gann Limit

	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
<b>LAST YEAR'S LIMIT</b>	15,694,262	16,469,123	17,283,044	18,330,903	18,536,777
<b>ADJUSTMENT FACTORS</b>					
1. Population %	1.0094	1.0050	1.0170	1.0050	1.0116
2. Per Capita Income %	1.0396	1.0442	1.0429	1.0062	0.9746
Total Adjustment %	1.0494	1.0494	1.0606	1.0112	0.9859
<b>ANNUAL ADJUSTMENT \$</b>	774,861	813,921	1,047,859	205,874	(261,269)
<b>OTHER ADJUSTMENTS:</b>					
Lost Responsibility (-)	-	-	-	-	-
Transfer to private (-)	-	-	-	-	-
Transfer to fees (-)	-	-	-	-	-
Assumed Responsibility (+)	-	-	-	-	-
Sub Total	-	-	-	-	-
<b>TOTAL ADJUSTMENTS</b>	774,861	813,921	1,047,859	205,874	(261,269)
<b>THIS YEAR'S LIMIT</b>	<b>16,469,123</b>	<b>17,283,044</b>	<b>18,330,903</b>	<b>18,536,777</b>	<b>18,275,508</b>
Appropriations Subject to Limit	7,997,027	7,758,993	8,223,086	7,145,435	7,154,464
<b>&lt;Under Appropriation Limit&gt;</b>	<b>(8,472,097)</b>	<b>(9,524,051)</b>	<b>(10,107,817)</b>	<b>(11,391,342)</b>	<b>(11,121,044)</b>

**RESOLUTION NO. 2010-6903**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING THE GANN SPENDING LIMIT FOR THE FISCAL YEAR BEGINNING JULY 1, 2010 AND ENDING JUNE 30, 2011**

**WHEREAS**, Prop 4 (commonly known as the Gann Spending Initiative) created Article XIII B of the State Constitution placing limits on the amount of revenue which can be spent by the City; and

**WHEREAS**, the City is annually required to calculate their Spending Limit and their appropriations subject to that limit; and

**WHEREAS**, the City recalculated the Gann Spending Limit as shown in an attachment to this resolution.

**NOW, THEREFORE, BE IT RESOLVED** the City Council of the City of Imperial Beach adopts the Spending Limit for fiscal year 2010/2011, not to exceed \$18,275,508. Revenue subject to the limit for FY 2010/2011 total \$7,154,464, leaving the City's expenditure budget well under the limit.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial Beach at its regular meeting held on the 15th day of June 2010, by the following roll call vote:

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

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**JAMES C. JANNEY, MAYOR**

**ATTEST:**

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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be a true and correct copy of Resolution No. 2010-6903 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, **ADOPTING THE GANN SPENDING LIMIT FOR THE FISCAL YEAR BEGINNING JULY 1, 2010 AND ENDING JUNE 30, 2011**

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
DATE



## STAFF REPORT CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL  
FROM: GARY BROWN, CITY MANAGER

MEETING DATE: JUNE 15, 2010  
ORIGINATING DEPT.: JACQUELINE M. HALD, CITY CLERK *JMH*

SUBJECT: NOVEMBER 2, 2010 GENERAL AND SPECIAL MUNICIPAL  
ELECTION RESOLUTIONS

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### **BACKGROUND & DISCUSSION:**

The City of Imperial Beach is scheduled to conduct a General Municipal Election on November 2, 2010 for the purpose of electing a Mayor and two Members of the City Council. Therefore, adoption of the attached resolutions is required to begin the election process and consolidate with the Statewide election to be held on the same date.

The Candidate Filing Period for the November election is from Monday, July 12, 2010 to Friday, August 6, 2010 at 5:00 p.m. In the event an incumbent does not file for a position, the filing period is extended to Wednesday, August 11, 2010 at 5:00 p.m.

\*\*\*NOTE: Due to the death of Councilmember Fred McLean, a vacancy was created for the remainder of his term expiring in November 2012. City Council filled the vacancy by appointing former Mayor Diane Rose to fill a portion of Councilmember McLean's remaining term, to serve until a Special Election can be held on November 2, 2010. Consequently, both a Special and Regular Election will be conducted on November 2, 2010.

The following resolutions are being presented for City Council's consideration:

**Resolution No. 2010-6898** calls and gives notice of the November 2, 2010 General Municipal Election for the purpose of electing a Mayor and two Members of the City Council of the City of Imperial Beach.

\*\*\*NOTE: Ordinance No. 2009-1087, adopted on June 3, 2009, calls and gives notice of the November 2, 2010 Special Municipal Election for the purpose of electing one Member of the City Council of the City of Imperial Beach for the remainder of a four-year term to expire November 2012.

**Resolution No. 2010-6899** requests the Board of Supervisors to conduct and consolidate the General Municipal Election with the Statewide General Election pursuant to Elections Code §10403 and authorizes the Registrar of Voters to provide services.

\*\*\*NOTE: Resolution No. 2009-6768, adopted June 3, 2009, requests the Board of Supervisors to conduct and consolidate the Special Municipal Election with the Statewide General Election pursuant to Elections Code §10403 and authorizes the Registrar of Voters to provide services.

**Resolution No. 2010-6900** pertains to regulations for Candidate's Statements. Candidates may file a Candidate's Statement for the voter's pamphlet and Council determines if the statement is to be 200 or 400 words. The Registrar of Voters' estimated cost for a 200 word statement is \$266.00 and \$382.00 for a 400 word statement. This resolution reflects a 200 word statement, which is one-half of a page and a lesser cost. The Federal Voting Rights Act requires voters' pamphlets to be translated in other languages as specified by the Registrar of Voters (Spanish, Vietnamese, Filipino).

**Resolution No. 2010-6901** regarding tie votes is **OPTIONAL** and is being provided to Council at this time for consideration. Resolution of a tie vote may be decided either by lot (e.g. tossing a coin) or by conducting a Special Runoff Election involving only those candidates who receive an equal number of votes and the highest number of votes.

If by lot, adoption of this Resolution would be appropriate. If Council should decide a Special Runoff Election be conducted, then the appropriate resolution would be brought back at the next meeting. According to the Registrar of Voters, the conservative estimate to conduct a Special Runoff Election is \$206,000.00 to \$215,000.

**FISCAL ANALYSIS:**

The Registrar of Voters estimates its fees to be approximately \$15,000.00 to \$17,000.00 for conducting both the General and Special Municipal Elections.

**DEPARTMENT RECOMMENDATION:**

That the City Council adopt the following resolutions:

1. Resolution No. 2010-6898 - calling and giving notice of the holding of a General Municipal Election on Tuesday, November 2, 2010 for the election of certain officers as required by the provisions of the laws of the State of California relating to general law cities;
2. Resolution No. 2010-6899 - requesting the Board of Supervisors of the County of San Diego to conduct and consolidate a General Municipal Election to be held on Tuesday, November 2, 2010, with the Statewide General Election to be held on the same date pursuant to §10403 of the Elections Code and authorizes the Registrar of Voters to provide services;
3. Resolution No. 2010-6900 - adopting regulations for candidates for elective office pertaining to candidate's statements submitted to the voters at an election to be held on Tuesday, November 2, 2010; and
4. Resolution No. 2010-6901 - adopting a procedure to resolve tie votes by lot.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.



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Gary Brown, City Manager

Attachments:

1. Resolution No. 2010-6898
2. Resolution No. 2010-6899
3. Resolution No. 2010-6900
4. Resolution No. 2010-6901

**RESOLUTION NO. 2010-6898**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES**

**WHEREAS**, under the provisions of the laws relating to General Law cities in the State of California, a General Municipal Election shall be held on November 2, 2010 for the election of Municipal Officers.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:**

**SECTION 1.** That pursuant to the requirements of the laws of the State of California relating to General Law cities, there is called and ordered to be held in the City of Imperial Beach, California, on Tuesday, November 2, 2010 a General Municipal Election for the purpose of electing a Mayor for the full term of four years and two Members of the City Council for a full term of four years.

**SECTION 2.** That the ballots to be used at the election shall be in form and content as required by law.

**SECTION 3.** That the City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

**SECTION 4.** That the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code §10242, except as provided in §14401 of the Elections Code of the State of California.

**SECTION 5.** That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

**SECTION 6.** That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form, and manner as required by law.

**SECTION 7.** That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**SECTION 8.** The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial Beach at its regular meeting held this 15<sup>th</sup> day of June 2010 by the following roll call vote:

**AYES: COUNCILMEMBERS:  
NOES: COUNCILMEMBERS:  
ABSENT: COUNCILMEMBERS:**

\_\_\_\_\_  
**JAMES C. JANNEY, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC  
CITY CLERK**



**RESOLUTION NO. 2010-6899**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO §10403 OF THE ELECTIONS CODE**

**WHEREAS**, the City Council of the City of Imperial Beach called a General Municipal Election to be held on Tuesday, November 2, 2010, for the purpose of the election of a Mayor and two Members of the City Council; and

**WHEREAS**, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the city the precincts, polling places and election officers of the two elections be the same, and that the Registrar of Voters of the County of San Diego canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:**

SECTION 1. That pursuant to the requirements of §10403 of the Elections Code, the Board of Supervisors of the County of San Diego is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 2, 2010 for the purpose of the election of a Mayor and two Members of the City Council.

SECTION 2. That the Registrar of Voters is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used.

SECTION 3. That the Board of Supervisors of the County of San Diego is requested to issue instructions to the Registrar of Voters to take any and all steps necessary for the holding of the consolidated election.

SECTION 4: That the City of Imperial Beach recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the County for any costs upon presentation of an invoice.

SECTION 5: That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Registrar of Voters of the County of San Diego.

SECTION 6: That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial Beach at its regular meeting held this 15<sup>th</sup> day of June 2010 by the following roll call vote:

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

---

**JAMES C. JANNEY, MAYOR**

**ATTEST:**

---

**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

**RESOLUTION NO. 2010-6900****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATE'S STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 2, 2010**

**WHEREAS**, §13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:**

**SECTION 1. GENERAL PROVISIONS.** That pursuant to §13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an Election to be held in the City of Imperial Beach, California on Tuesday, November 2, 2010, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

**SECTION 2. FOREIGN LANGUAGE POLICY.**

- A. Pursuant to the Federal Voting Rights Act, candidate's statements will be translated into all languages required by the County of San Diego. The County is required to translate candidate's statements into the following languages: Spanish, Vietnamese, and Filipino.
- B. The County of San Diego will print and mail sample ballots and candidate's statements in English to all voters in the County. The County will also mail a sample ballot with candidate's statements in Spanish, Vietnamese, and Filipino to voters who have requested to receive a sample ballot in one of those languages. In addition, registered voters who were born in Hispanic speaking countries, the Philippines, or Vietnam, the County of San Diego will also send a pamphlet in the language of the country in which voters were born. This action is in compliance with the Federal Voting Rights Act Extension of 2002.

**SECTION 3. PAYMENT.**

- A. Translations
  - 1. The candidate shall be required to pay for the cost of translating the candidate's statement into any required foreign language as specified in (A) of Section 2 above pursuant to Federal and/or State law.
- B. Printing
  - 1. The candidate shall be required to pay for the cost of printing the candidate's statement in English in the main voter pamphlet.
  - 2. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language required in (A) of Section 2 above.

The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the

candidate's statements filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share of \$266.00 as a condition of having his or her statement included in the voter's pamphlet. The estimated amount is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

**SECTION 4. MISCELLANEOUS.**

- A. All translations shall be provided by professionally certified translators.
- B. Candidate's statements shall be consistent with the standard formatting guidelines utilized by the County of San Diego Registrar of Voters.
- C. The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

**SECTION 5. ADDITIONAL MATERIALS.** No candidate will be permitted to include additional materials in the sample ballot package.

**SECTION 6.** That the City Clerk shall provide each candidate or candidate's representative with a copy of this resolution at the time nominating petitions are issued.

**SECTION 7.** That all previous resolutions establishing council policy on payment for candidate's statements are repealed.

**SECTION 8.** That this resolution shall apply only to the election to be held on November 2, 2010 and shall then be repealed.

**SECTION 9.** That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial Beach at its regular meeting held this 15<sup>th</sup> day of June 2010, by the following roll call vote:

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

---

**JAMES C. JANNEY, MAYOR**

**ATTEST:**

---

**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

**RESOLUTION NO. 2010-6901**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING A PROCEDURE TO RESOLVE TIE VOTES BY LOT**

**WHEREAS**, pursuant to §15651 of the Elections Code, the City Council may adopt a procedure to resolve a tie vote by lot or by conducting a special runoff election involving only those candidates who received an equal number of votes and the highest number of votes.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Imperial Beach as follows:

1. Pursuant to Elections Code §15651, if at any election, two or more persons receive an equal and the highest numbers of votes for an office to be voted upon in the City of Imperial Beach, the tie shall be resolved by lot.
2. Upon a tie vote, the City Council shall forthwith summon the candidates who have received the tie votes, whether upon the canvass of the returns by the Council or upon a recount by a court, to appear before the Council at a time and place to be designated by the Council. The Council shall at that time and place determine the tie by lot.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Imperial Beach at its regular meeting held this 15<sup>th</sup> day of June 2010 by the following roll call vote:

**AYES:            COUNCILMEMBERS:**  
**NOES:           COUNCILMEMBERS:**  
**ABSENT:        COUNCILMEMBERS:**

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**JAMES C. JANNEY, MAYOR**

**ATTEST:**

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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO: HONORABLE MAYOR AND CITY COUNCIL**  
**FROM: GARY BROWN, CITY MANAGER**

**MEETING DATE: JUNE 15, 2010**  
**ORIGINATING DEPT.: JACQUELINE M. HALD, CITY CLERK**

**SUBJECT: RESOLUTION NO. 2010-6905 – APPROVING AN  
AGREEMENT WITH THE SAN DIEGO UNIFIED PORT  
DISTRICT FOR PROMOTIONAL SERVICES AT THE 4<sup>TH</sup> OF  
JULY FIREWORKS SHOW IN CONJUNCTION WITH THE  
10<sup>TH</sup> ANNUAL BIG BAY BOOM FIREWORKS SPECTACULAR**

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**BACKGROUND:**

Through the Port of San Diego's Financial Assistance Program, the Port of San Diego gives back to the community by supporting the many activities and organizations that make San Diego Bay a vibrant and thriving community. The goal of the Financial Assistance Program is to provide funding to its five member cities as well as other organizations that promote recreation, commerce, navigation and fisheries along the tidelands of San Diego Bay.

On November 4, 2009, the City Council of the City of Imperial Beach authorized the City Manager to execute and submit the 2010-2011 Port of San Diego Financial Assistance Program application for funding assistance in the amount of \$40,000 for the City of Imperial Beach to participate in the 10<sup>th</sup> Annual Big Bay Boom 4<sup>th</sup> of July Fireworks Show. The Port of San Diego Board of Commissioners authorized financial assistance in the amount of \$15,000. City staff has obtained sponsorships in the amount of \$26,000.

**DISCUSSION:**

September 2009 marked the 16<sup>th</sup> annual City of Imperial Beach concert event. While a popular event, it has been repeatedly transformed over the years, assuming several different names in an effort to keep up with the varied tastes and desires of the community: Symphony on the Sand, Symphony by the Sea, Beach Blast, and finally the Annual Concert Event. The Annual Concert Event attracted people of all ages; however, we had difficulty choosing bands that would appeal to the wide variety of interests present within the community. Therefore, in the interest of appealing to a broader segment of the community, we believe that the Annual Concert Event has run its course and a new event, such as a fireworks show, is preferable.

This year the City of Imperial Beach will participate in the Big Bay Boom as the fifth site for the July 4<sup>th</sup> Fireworks Show. Fireworks placed on barges located strategically around the bay off Shelter Island, Harbor Island, the Embarcadero area, Seaport Village and the coast of Imperial Beach will be discharged simultaneously to music broadcast live from local radio stations. Free viewing locations in Imperial Beach will be situated at Portwood Pier Plaza and along the beachfront.

In order to receive the approved funding for the 10<sup>th</sup> Annual Big Bay Boom July 4<sup>th</sup> Fireworks Show, it is necessary to execute and submit the attached agreement between the San Diego Unified Port District and the City of Imperial Beach.

**FISCAL ANALYSIS:**

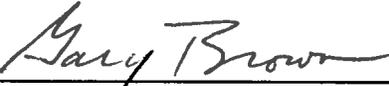
The estimated cost to participate in the 10<sup>th</sup> Annual Big Bay Boom July 4<sup>th</sup> Fireworks Show is \$37,000. The Port of San Diego Board of Commissioners authorized financial assistance in the amount of \$15,000. City staff has obtained sponsorships in the amount of \$26,000.

**DEPARTMENT RECOMMENDATION:**

1. Adopt Resolution No. 2010-6905 authorizing the City Manager to execute an agreement with the San Diego Unified Port District in the amount of \$15,000 for promotional services at the 4<sup>th</sup> of July Fireworks Show in conjunction with the 10<sup>th</sup> Annual Big Bay Boom Fireworks Spectacular.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary Brown, City Manager

Attachments:

1. Resolution No. 2010-6905
2. Agreement with Port of San Diego

**RESOLUTION NO. 2010-6905**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING AN AGREEMENT WITH THE SAN DIEGO UNIFIED PORT DISTRICT FOR PROMOTIONAL SERVICES AT THE 4TH OF JULY FIREWORKS SHOW IN CONJUNCTION WITH THE 10<sup>TH</sup> ANNUAL BIG BAY BOOM FIREWORKS SPECTACULAR**

**WHEREAS**, through the Port of San Diego’s Financial Assistance Program, the Port of San Diego gives back to the community by supporting the many activities and organizations that make San Diego Bay a vibrant and thriving community; and

**WHEREAS**, the goal of the Financial Assistance Program is to provide funding to its five member cities as well as other organizations that promote recreation, commerce, navigation and fisheries along the tidelands of San Diego Bay; and

**WHEREAS**, on November 4, 2009, the City Council of the City of Imperial Beach authorized the City Manager to execute and submit the 2010-2011 Port of San Diego Financial Assistance Program application for funding assistance for the City of Imperial Beach to participate in the 10<sup>th</sup> Annual Big Bay Boom 4<sup>th</sup> of July Fireworks Show.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Imperial Beach as follows:

1. The City Manager is authorized to enter into an agreement with the San Diego Unified Port District for promotional services at the 4<sup>th</sup> of July Fireworks Show in conjunction with the 10<sup>th</sup> Annual Big Bay Boom Fireworks Spectacular.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15<sup>th</sup> day of June 2010, by the following vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

\_\_\_\_\_  
**JAMES C. JANNEY, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC**  
**CITY CLERK**



**AGREEMENT BETWEEN  
SAN DIEGO UNIFIED PORT DISTRICT  
and  
CITY OF IMPERIAL BEACH  
for  
4<sup>TH</sup> OF JULY FIRE WORKS SHOW  
AGREEMENT NO. 42-2010**

The parties to this Agreement are the SAN DIEGO UNIFIED PORT DISTRICT, a public corporation, herein called "District" and the CITY OF IMPERIAL BEACH, a municipal corporation, herein called "City." Both parties agree to the following:

Recitals:

District and City desire to enter into an agreement for promotional services at the 4<sup>TH</sup> of July Fire Works Show.

1. **SCOPE OF SERVICES:** City shall furnish all technical and professional labor, and materials to satisfactorily comply with Attachment A, Scope of Services as requested by District. City shall keep the Executive Director of the District or his designated representative informed of the progress of said services at all times.
2. **TERM OF AGREEMENT:** This Agreement shall commence on July 1, 2010 and shall terminate on December 31, 2010, subject to earlier termination as provided below.
3. **COMPENSATION:** For performance of services rendered pursuant to this Agreement and as further described in Attachment B, Compensation and Invoicing; District shall compensate City based on the following, subject to the limitation of the maximum expenditure provided herein:
  - 3.1 **Maximum Expenditure.** The maximum expenditure under this Agreement shall not exceed \$15,000.00. Said expenditure shall include without limitation all sums, charges, reimbursements, costs and expenses provided for herein. City shall not be required to perform further services after compensation has been expended. In the event that the City

anticipates the need for services in excess of the maximum Agreement amount, the District shall be notified in writing immediately. District must approve an amendment to this Agreement before additional fees and costs are incurred.

**3.2 Payment Procedure.** For work performed on an hourly basis, City agrees to assign the person with the lowest hourly rate who is fully competent to provide the services required. If City finds it necessary to have work, which would usually be performed by personnel with a lower rate, performed by personnel paid at the higher hourly rate, City shall nevertheless, bill at the lower rate.

**3.3 Progress Documentation.** At the District's request, City shall provide District progress reports in a format and on a schedule as District directs. Progress reports shall include a description of work completed, cumulative dollar costs incurred, anticipated work for the next reporting period, percentage of work complete, and the expected completion date for remaining work. The report shall identify problem areas and important issues that may affect project cost and/or schedule. The report shall present actual percent completion versus planned percent completion.

**4. RECORDS:** In accordance with generally accepted accounting principles, City shall maintain full and complete records of the cost of services performed under this Agreement. Such records shall be open to inspection of District at all reasonable times in the City of San Diego and such records shall be kept for at least three (3) years after the termination of this Agreement.

Such records shall be maintained by City for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved, whichever is later.

City understands and agrees that District, at all times under this Agreement, has the right to review project documents and work in progress and to audit financial records, whether or not final, which City or anyone else associated with the work has prepared or which relate to the work which City is performing for District pursuant to this Agreement regardless of whether such records have previously been provided to District. City shall provide District at City's expense a copy of all such records within five (5) working days of a written request by District. District's right shall also include inspection at reasonable times of the City's office or facilities, which are engaged in the performance of services pursuant to this Agreement. City shall, at no cost to District furnish reasonable facilities and assistance for such review and audit. City's failure to provide the records within the time requested shall preclude City from receiving any compensation due under this Agreement until such documents are provided.

5. **CITY'S SUB-CONTRACTORS:** It may be necessary for City to sub-contract for the performance of certain technical services or other services for City to perform and complete the required services; provided, however, all City's sub-contractors shall be subject to prior written approval by District. The City shall remain responsible to District for any and all services and obligations required under this Agreement, whether performed by City or City's sub-contractors. City shall compensate each City's sub-contractors in the time periods required by law. Any City's sub-contractors employed by City shall be independent City's and not agents of District. City shall insure that City's sub-contractors satisfy all substantive requirements for the work set forth by this Agreement, including insurance and indemnification.

City shall also include a clause in its Agreements with City's sub-contractors which reserves the right, during the performance of this Agreement and for a period of three (3) years following termination of this Agreement, for a District representative to audit any cost, compensation or settlement resulting from any items set forth in this Agreement. This clause shall also require City's sub-

contractors to retain all necessary records for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved, whichever is later.

6. **COMPLIANCE:** In performance of this Agreement, City and City's sub-contractors shall comply with the California Fair Employment and Housing Act, the American with Disabilities Act, and all other applicable federal, state, and local laws prohibiting discrimination, including without limitation, laws prohibiting discrimination because of age, ancestry, color, creed, denial of family and medical care leave, disability, marital status, medical condition, national origin, race, religion, sex, or sexual orientation. City shall comply with the prevailing wage provisions of the Labor Code, and the Political Reform Act provisions of the Government Code, as applicable.

City shall comply with all Federal and State laws, and district Ordinances and Regulations applicable to the performance of services under this Agreement as exist now or as may be added or amended.

7. **INDEPENDENT ANALYSIS:** City shall provide the services required by this Agreement and arrive at conclusions with respect to the rendition of information, advice or recommendations, independent of the control and direction of District, other than normal contract monitoring provided, however, City shall possess no authority with respect to any District decision beyond rendition of such information, advice, or recommendations.
8. **ASSIGNMENT:** This is a personal services Agreement between the parties and City shall not assign or transfer voluntarily or involuntarily any of its rights, duties, or obligations under this Agreement without the express written consent of District in each instance.
9. **INDEMNIFY, DEFEND, HOLD HARMLESS:**

**9.1 Duty to Indemnify, duty to defend and hold harmless:** To the fullest extent provided by law, City agrees to defend, indemnify and hold harmless the District, its agents, officers or employees, from and against any claim, demand, action, proceeding, suit, liability, damage, cost (including reasonable attorneys' fees) or expense for, including but not limited to, damage to property, the loss or use thereof, or injury or death to any person, including City's officers, agents, subcontractors, employees, ("Claim"), caused by, arising out of, or related to the performance of services by City as provided for in this Agreement, or failure to act by City, its officers, agents, subcontractors and employees. The City's duty to defend, indemnify, and hold harmless shall not include any Claim arising from the active negligence, sole negligence or willful misconduct of the District, its agents, officers, or employees.

**9.2** The City further agrees that the duty to indemnify, and the duty to defend the District as set forth in 9.1, requires that City pay all reasonable attorneys' fees and costs District incurs associated with or related to enforcing the indemnification provisions, and defending any Claim arising from the services of the City provided for in this Agreement.

**9.3** The District may, at its own election, conduct its defense, or participate in the defense of any Claim related in any way to this Agreement. If the District chooses at its own election to conduct its own defense, participate in its own defense or obtain independent legal counsel in defense of any Claim arising from the services of City provided for in this Agreement, City agrees to pay all reasonable attorneys' fees and all costs incurred by District.

**10. INSURANCE REQUIREMENTS:** City shall at all times during the term of this Agreement maintain, at its expense, the following minimum levels and types of insurance:

**10.1** Commercial General Liability (including, without limitation, Contractual Liability, Personal and Advertising Injury, and Products/Completed Operations) coverages, with coverage at least as broad as Insurance Services Office Commercial General Liability Coverage (occurrence Form CG 0001 with limits no less than two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage.

A. The deductible or self-insured retention on this Commercial General Liability shall not exceed \$5,000 unless District has approved of a higher deductible or self-insured retention in writing.

B. The Commercial General Liability policy shall be endorsed to include the District; its agents, officers and employees as additional insureds in the form as required by the District. An exemplar endorsement is attached (Exhibit A, Certificate of Insurance).

C. The coverage provided to the District, as an additional insured, shall be primary.

**10.2** Commercial Automobile Liability (Owned, Scheduled, Non-Owned, or Hired Automobiles) written at least as broad as Insurance Services Office Form Number CA 0001 with limits of no less than two million dollars (\$2,000,000) per accident for bodily injury and property damage.

**10.3** Worker's Compensation in statutory required limits and Employer's Liability in an amount of not less than one million dollars (\$1,000,000) per accident for bodily injury or disease. This policy shall be endorsed to include a waiver of subrogation endorsement.

City shall furnish District with certificates of insurance coverage for all the policies described above upon execution of this Agreement and upon renewal of any of these policies. A Certificate of Insurance in the form acceptable to the District, an exemplar Certificate of Insurance is attached as Exhibit A and made a part

hereof, evidencing the existence of the necessary insurance policies and endorsements required shall be kept on file with the District. Except in the event of cancellation for non-payment of premium, in which case notice shall be 10 days, all such certificates shall indicate that the insurer must notify District in writing at least 30 days in advance of any change in, or cancellation of, coverage. City shall also provide notice to District prior to cancellation of, or any change in, the stated coverages of insurance.

The Certificate of Insurance must delineate the name of the insurance company affording coverage and the policy number(s) specifically referenced to each type of insurance, either on the face of the certificate or on an attachment thereto. If an addendum setting forth multiple insurance companies or underwriters is attached to the certificate of insurance, the addendum shall indicate the insurance carrier or underwriter who is the lead carrier and the applicable policy number for the CGL coverage.

Furnishing insurance specified herein by the District will in no way relieve or limit any responsibility or obligation imposed by the Agreement or otherwise on City or City's sub-contractors or any tier of City's sub-contractors. District shall reserve the right to obtain complete copies of any of the insurance policies required herein.

- 11. ACCURACY OF SERVICES:** City shall be responsible for the technical accuracy of its services and documents resulting therefrom and District shall not be responsible for discovering deficiencies therein. City shall correct such deficiencies without additional compensation. Furthermore, City expressly agrees to reimburse District for any costs incurred as a result of such deficiencies. City shall make decisions and carry out its responsibilities hereunder in a timely manner and shall bear all costs incident thereto so as not to delay the District, the project, or any other person related to the project, including the City or its agents, employees, or subcontractors.

- 12. INDEPENDENT CONTRACTOR:** City and any agent or employee of City shall act in an independent capacity and not as officers or employees of District. The District assumes no liability for the City's actions and performance, nor assumes responsibility for taxes, bonds, payments or other commitments, implied or explicit by or for the City. City shall not have authority to act as an agent on behalf of the District unless specifically authorized to do so in writing. City acknowledges that it is aware that because it is an independent contractor, District is making no deductions from its fee and is not contributing to any fund on its behalf. City disclaims the right to any fee or benefits except as expressly provided for in this Agreement.
- 13. ADVICE OF COUNSEL:** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties hereto. This Agreement shall not be construed in favor of or against either party by reason of the extent to which each party participated in the drafting of the Agreement. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California.
- 14. INDEPENDENT REVIEW:** Each party hereto declares and represents that in entering into this Agreement it has relied and is relying solely upon its own judgment, belief and knowledge of the nature, extent, effect and consequence relating thereto. Each party further declares and represents that this Agreement is being made without reliance upon any statement or representation not contained herein of any other party, or any representative, agent or attorney of any other party.
- 15. INTEGRATION AND MODIFICATION:** This Agreement contains the entire Agreement between the parties and supersedes all prior negotiations, discussion, obligations and rights of the parties in respect of each other regarding

the subject matter of this Agreement. There is no other written or oral understanding between the parties. No modifications, amendment or alteration of this Agreement shall be valid unless it is in writing and signed by the parties hereto.

- 16. OWNERSHIP OF RECORDS:** Any and all materials and documents, including without limitation drawings, specifications, computations, designs, plans, investigations and reports, prepared by City, if any, pursuant to this Agreement, shall be the property of District from the moment of their preparation and the City shall deliver such materials and documents to District at the Don L. Nay Port Administration Building (located at 3165 Pacific Highway, San Diego, California 92101) whenever requested to do so by District. However, City shall have the right to make duplicate copies of such materials and documents for its own file, or other purposes as may be expressly authorized in writing by District. Said materials and documents prepared or acquired by City pursuant to this Agreement (including any duplicate copies kept by the City) shall not be shown to any other public or private person or entity, except as authorized by District. City shall not disclose to any other public or private person or entity any information regarding the activities of District, except as expressly authorized in writing by District.
- 17. TERMINATION:** In addition to any other rights and remedies allowed by law, the Executive Director (President/CEO) of District may terminate this Agreement at any time with or without cause by giving thirty (30) days written notice to City of such termination and specifying the effective date thereof. In that event, all finished or unfinished documents and other materials shall at the option of District be delivered by City to the Don L. Nay Port Administration Building (located at 3165 Pacific Highway, San Diego, California 92101). Termination of this Agreement by Executive Director (President/CEO) as provided in this paragraph shall release District from any further fee or claim hereunder by City other than the fee earned for services which were performed prior to termination

but not yet paid. Said fee shall be calculated and based on the schedule as provided in this Agreement.

- 18. DISPUTE RESOLUTION:** If a dispute arises out of or relates to this Agreement, or the alleged breach thereof, and is not settled by direct negotiation or such other procedures as may be agreed, and if such dispute is not otherwise time barred, the parties agree to first try in good faith to settle the dispute amicably by mediation administered at San Diego, California, by the American Arbitration Association, or by such other provider as the parties may mutually select, prior to initiating any litigation or arbitration. Notice of any such dispute must be filed in writing with the other party within a reasonable time after the dispute has arisen. Any resultant Agreements shall be documented and may be used as the basis for an amendment or directive as appropriate.

If mediation is unsuccessful in settling all disputes that are not otherwise time barred, and if both parties agree, any still unresolved disputes may be resolved by arbitration administered at San Diego, California, by the American Arbitration Association, or by such other provider as the parties may mutually select, provided, however, that the Arbitration Award shall be non-binding and advisory only. Any resultant Agreements shall be documented and may be used as the basis for an amendment or directive as appropriate. On demand of the arbitrator or any party to this Agreement, sub-contractor and all parties bound by this arbitration provision agree to join in and become parties to the arbitration proceeding.

The foregoing mediation and arbitration procedures notwithstanding, all claim filing requirements of the Agreement documents, the California Government Code, and otherwise, shall remain in full force and effect regardless of whether or not such dispute avoidance and resolution procedures have been implemented, and the time periods within which claims are to be filed or presented to the District Clerk as required by said Agreement, Government Code, and otherwise, shall not be waived, extended or tolled thereby. If a claim is not timely filed or

presented, such claim shall be time barred and the above dispute avoidance and resolution procedures, whether or not implemented or then pending, shall likewise be time barred as to such claims.

- 19. PAYMENT BY DISTRICT:** Payment by the District pursuant to this Agreement does not represent that the District has made a detailed examination, audit, or arithmetic verification of the documentation submitted for payment by the City, made an exhaustive inspection to check the quality or quantity of the services performed by the City, made an examination to ascertain how or for what purpose the City has used money previously paid on account by the District, or constitute a waiver of claims against the City by the District. The District may in its sole discretion withhold payments or seek reimbursement from the City for expenses, miscellaneous charges, or other liabilities or increased costs incurred or anticipated by the District which are the fault of or as result of work performed or negligent conduct by or on behalf of the City. Upon five (5) day written notice to the City, the District shall have the right to estimate the amount of expenses, miscellaneous charges, or other liabilities or increased costs and to cause the City to pay the same; and the amount due the City under this Agreement or the whole or so much of the money due or to become due to the City under this Agreement as may be considered reasonably necessary by the District shall be retained by the District until such expenses, miscellaneous charges, or other liabilities or increased costs shall have been corrected or otherwise disposed of by the City at no expense to the District. If such expenses, miscellaneous charges, or other liabilities or increased costs are not corrected or otherwise disposed of at no expense to the District prior to completion date of the Agreement, the District is authorized to pay for such expenses, miscellaneous charges, or other liabilities or increased costs from the amounts retained as outlined above or to seek reimbursement of same from the City. It is the express intent of the parties to this Agreement to protect the District from loss because of conduct by or on behalf of the City.

**20. CAPTIONS:** The captions by which the paragraphs of this Agreement are identified are for convenience only and shall have no effect upon its interpretation.

**21. EXECUTIVE DIRECTOR'S SIGNATURE:** It is an express condition of this Agreement that said Agreement shall not be complete nor effective until signed by either the Executive Director (President/CEO) or Authorized Designee on behalf of the District and by Authorized Representative of the City.

**21.1** Submit all correspondence, including invoices, regarding this Agreement, including Insurance Certificates and Endorsements to:

Jim Hutzelman, Assistant Director  
Communications & Community Services  
San Diego Unified Port District  
P.O. Box 120488  
San Diego, CA 92112-0488  
Tel. (619) 686-6564  
Fax (619) 696-6373  
Email: [jhutzelm@portofsandiego.org](mailto:jhutzelm@portofsandiego.org)

**21.2** The City's Authorized Representative assigned below has the authority to authorize changes to the scope, terms and conditions of this Agreement:

Gary Brown, City Manager  
City of Imperial Beach  
825 Imperial Beach Boulevard  
Imperial Beach, CA 91932  
Tel. (619) 423-8303/  
Fax (619) 628-1395  
Email: [ibcmanager@cityofib.org](mailto:ibcmanager@cityofib.org)

\* \* \*END OF PAGE\* \* \*

**21.3** Written notification to the other party shall be provided, in advance, of changes in the name or address of the designated Authorized Representative.

**SAN DIEGO UNIFIED PORT DISTRICT**

**CITY OF IMPERIAL BEACH**

\_\_\_\_\_  
Ron Powell, Director  
Communications & Community Services

\_\_\_\_\_  
Gary Brown, City Manager  
City of Imperial Beach

PORT ATTORNEY

CITY ATTORNEY

\_\_\_\_\_

\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Jacqueline Hald, City Clerk

**ATTACHMENT A  
SCOPE OF SERVICES**

**San Diego Unified Port District**

City - through its program or event – will promote District and/or commerce, navigation, recreation, fisheries and tenant businesses on the District tidelands. This will be accomplished in the following manner:

- Conduct an event to view fireworks in conjunction with the Big Bay Boom Fireworks Spectacular on July 4, 2010 on the Imperial Beach oceanfront including at Portwood Pier Plaza
- In addition to the recognition for sponsorship received by the organizer of the fireworks barges - the Armed Forces YMCA – City will recognize District as a sponsor of the event through mention in the following City communications regarding the event:
  - City of Imperial Beach newsletter
  - City of Imperial Beach website
  - Promotions on the local government cable channel.

To ensure payment of City's invoice(s), City will forward to District proof that it provided the above-mentioned promotional services.

**ATTACHMENT B  
COMPENSATION & INVOICING  
San Diego Unified Port District**

**I. COMPENSATION:**

For the satisfactory performance and completion of the services under this Agreement, District shall pay City compensation as set forth hereunder.

- A. City shall be compensated and reimbursed by District on the basis of invoices submitted.

Each invoice shall include:

- Date work performed;
- Description of the work performed;

- B.

Services shall be invoiced in accordance with the following Rate Schedules:

<u>Description</u>	<u>Fee</u>
4 <sup>th</sup> of July Fire Works Show	\$15,000.00

**II. INVOICING:**

- A. **Payment Documentation.** As a prerequisite to payment for services, City shall invoice District for services performed and for reimbursable expenses authorized by this Agreement, accompanied by such records and receipts as required.

City shall include the following information on each invoice submitted for payment by District, in addition to the information required in Section I, above:

- 1) Agreement No. 42-2010
- 2) The following certification phrase, with printed name, title and signature of City's project manager or designated representative:

"I certify under penalty of perjury that the above statement is just and correct according to the terms of Document No. \_\_\_\_\_, and that payment has not been received."

- 3) Dates of service provided
- 4) Date of invoice
- 5) A unique invoice number

District shall, at its discretion, return to City, without payment, any invoice, which has been submitted without the above information and certification phrase.

- B. Invoices shall be mailed to the attention of: Jim Hutzelman, Communications & Community Services, P.O. Box 120488, San Diego Unified Port District, San Diego, CA 92112-0488.
- C. Should District contest any portion of an invoice, that portion shall be held for resolution, but the uncontested balance shall be processed for payment. District may, at any time, conduct an audit of any and all records kept by City for the Services. Any overpayment discovered in such an audit may be charged against the City's future invoices and any retention funds.
- D. City shall submit all invoices within thirty (30) days of completion of work represented by the request and within sixty (60) days of incurring costs to be reimbursed under the Agreement. Payment will be made to City within thirty (30) days after receipt by District of a proper invoice.
- E. City shall indicate on last invoice submitted for payment: FINAL INVOICE.

**EXHIBIT A  
CERTIFICATE OF INSURANCE  
San Diego Unified Port District**

**ONLY THIS CERTIFICATE OF INSURANCE WILL BE ACCEPTED**

By signing this form, the authorized agent or broker *certifies* the following:

- (1) The Policy or Policies described below have been issued by the noted Insurer(s) [Insurance Company(ies)] to the Insured and is (are) in force at this time.
- (2) As required in the Insured's Agreement(s) with the District, the policies include, or have been endorsed to include, the coverages or conditions of coverage noted on page 2 of this certificate.
- (3) Signed copies of *all* endorsements issued to effect require coverages or conditions of coverage are attached to this certificate.

**Return this form to: San Diego Unified Port District  
Attn: Audit, Risk Management & Safety  
P. O. Box 120488, San Diego, CA 92112-0488  
FAX: 866-875-1993**

Name and Address of Insured (Contractor or Vendor)			SDUPD Agreement Number _____ This certificate applies to all operations of named Insureds property in connection with all Agreements between the District and Insured.	
CO LTR	TYPE OF INSURANCE	POLICY NO.	DATES	LIMITS
	Commercial General Liability <input type="checkbox"/> Occurrence Form <input type="checkbox"/> Claims-made Form Retro Date _____ <input type="checkbox"/> Liquor Liability Deductible/SIR: \$ _____		Commencement Date: _____  Expiration Date: _____	Each Occurrence: \$ _____  General Aggregate: \$ _____
	Commercial Automobile Liability <input type="checkbox"/> All Autos <input type="checkbox"/> Owned Autos <input type="checkbox"/> Non-Owned & Hired Autos		Commencement Date: _____  Expiration Date: _____	Each Occurrence: \$ _____
	Workers Compensation – Statutory Employer's Liability		Commencement Date: _____  Expiration Date: _____	E.L. Each Accident \$ _____  E.L. Disease Each Employee \$ _____  E.L. Disease Policy Limit \$ _____
	Professional Liability <input type="checkbox"/> Claims Made Retro-Active Date _____		Commencement Date: _____  Expiration Date: _____	Each Claim \$ _____
	Excess/Umbrella Liability		Commencement Date: _____  Expiration Date: _____	Each Occurrence: \$ _____  General Aggregate: \$ _____
CO LTR	COMPANIES AFFORDING COVERAGE			BEST'S RATING
A				
B				
C				
D				
<b>A. M. Best Financial Ratings of Insurance Companies Affording Coverage Must be A- VII or Better unless Approved in Writing by the District.</b>				
Name and Address of Authorized Agent(s) or Broker(s)			E-Mail Address: _____	
			Phone: _____	Fax Number: _____
			Signature of Authorized Agent(s) or Broker(s)	
			Date: _____	

**SAN DIEGO UNIFIED PORT DISTRICT  
REQUIRED INSURANCE ENDORSEMENT**

<b><u>ENDORSEMENT NO.</u></b>	<b><u>EFFECTIVE DATE</u></b>	<b><u>POLICY NO.</u></b>
<b>NAMED INSURED:</b>		
<b>GENERAL DESCRIPTION OF AGREEMENT(S) AND/OR ACTIVITY(IES):</b> All written Agreements, contracts and leases with the San Diego Unified Port District and/or any and all activities or work performed on district premises		

All written Agreements, contracts, and leases with the San Diego Unified Port District and/or any and all activities or work performed on District owned premises.

**Notwithstanding any inconsistent statement in the policy to which this endorsement is attached or in any endorsement now or hereafter attached thereto, it is agreed as follows:**

1. The San Diego Unified Port District, its officers, agents, and employees are additional insureds in relation to those operations, uses, occupations, acts, and activities described generally above, including activities of the named insured, its officers, agents, employees or invitees, or activities performed on behalf of the named insured.
2. Insurance under the policy(ies) listed on this endorsement is primary and no other insurance or self-insured retention carried by the San Diego Unified Port District will be called upon to contribute to a loss covered by insurance for the named insured.
3. The policy(ies) listed on this endorsement will apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.
4. As respects the policy(ies) listed on this endorsement, with the exception of cancellation due to nonpayment of premium, thirty (30) days written notice by certified mail, return receipt requested, will be given to the San Diego Unified Port District prior to the effective date of cancellation, change in coverage, reduction of limits or non-renewal. In the event of cancellation due to nonpayment of premium, ten (10) days written notice shall be given.

Except as stated above, and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, Agreements or exclusions of the policy(ies) to which this endorsement applies.

---

(NAME OF INSURANCE COMPANY)

---

(SIGNATURE OF INSURANCE COMPANY AUTHORIZED REPRESENTATIVE)

**MAIL THIS ENDORSEMENT AND NOTICES OF CANCELLATION,  
LIMIT REDUCTIONS, AND CHANGES IN COVERAGE TO:**

**San Diego Unified Port District  
Audit, Risk Management & Safety  
P.O. Box 120488  
San Diego, CA 92112-0488**



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL

**FROM:** GARY BROWN, CITY MANAGER

**MEETING DATE:** June 15, 2010

**ORIGINATING DEPT.:** PUBLIC SAFETY <sup>75</sup>

**SUBJECT:** A RESOLUTION OF THE CITY COUNCIL OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE EXPENDITURE PLAN FOR THE FY 2009-2010 SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING (SLESF) GRANT ALSO KNOWN AS THE COPS GRANT

---

**BACKGROUND:**

The City of Imperial Beach has been receiving grant funds for the purposes of supplemental law enforcement activities for the past several years. This grant, known as the Supplemental Law Enforcement State Funding (SLESF), is often referred to as the COPS Grant. This grant's purpose is specifically targeted at adding additional law enforcement personnel within the jurisdictions that receive the funding. Since April 18, 2001, the City Council has authorized the expenditure of these grant funds for the purpose of partially funding the City's motorcycle traffic safety unit. Prior to the Council's action on April 18, 2001, the City had not had the services of a motorcycle traffic safety unit for many years. The City experiences many significant traffic related incidents. Motorcycle units are highly effective traffic safety resources that can be a very useful tool in attempting to curtail the traffic safety issues identified in the report.

**DISCUSSION:**

Staff has been notified that the City will receive \$100,000 SLESF funding for FY 2009-2010. Staff recommends that the entire \$100,000 be used to partially fund the cost of the motorcycle unit for FY 2009-2010. The annual cost for the motorcycle unit is approximately \$207,652.

**FISCAL IMPACT:**

This \$100,000 grant increases special revenue expenditures by \$100,000 for FY 2009-2010.

**DEPARTMENT RECOMMENDATION:**

Adopt Resolution No. 2010-6897 approving the proposed expenditure plan of SLESF (COPS) grant funds for FY 2009-2010

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary Brown, City Manager

**Attachments:**

1. Resolution No. 2010-6897

**RESOLUTION NO. 2010-6897**

**A RESOLUTION OF THE CITY COUNCIL OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE EXPENDITURE PLAN FOR THE FY 2009-2010 SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING (SLESF) GRANT ALSO KNOWN AS THE COPS GRANT**

The City Council of the City of Imperial Beach does hereby resolve as follows:

**WHEREAS**, the City received notice of grant award for \$100,000 from the Supplemental Law Enforcement State Funding (SLESF) Grant, with zero City matching funds required; and

**WHEREAS**, the City will use these funds to partially fund a motorcycle unit; and

**WHEREAS**, there is a need to adjust the two-year budget adopted by City Council to amend fiscal year 2009-2010 with an increase of said funds, and;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council authorizes the following expenditure budget amendment in the amount of **\$100,000**:

Budget Account #	Description of BA	Adjustment Amount
<b>Revenue - 212-0000-336-40-02</b>	<b>SLESF Grant</b>	<b>+\$100,000</b>
<b>Expenditure - 212-3036-421-20-06</b>	<b>SLESF Grant</b>	<b>+\$100,000</b>

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15<sup>th</sup> of June 2010, by the following roll call vote:

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

*JIM JANNEY*  


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**JIM JANNEY, MAYOR**

**ATTEST:**

*Jacqueline M. Hald*  


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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2010-6897 A RESOLUTION OF THE CITY COUNCIL OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE EXPENDITURE PLAN FOR THE FY 2009-2010 SUPPLEMENTAL LAW ENFORCEMENT STATE FUNDING (SLESF) GRANT ALSO KNOWN AS THE COPS GRANT

\_\_\_\_\_  
 CITY CLERK

\_\_\_\_\_  
 DATE



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** PUBLIC WORKS *Hob*  
**SUBJECT:** AUTHORIZATION TO RENEW THE PARTNERSHIPS WITH  
INDUSTRY (PWI) GROUP SERVICES AGREEMENT

---

**BACKGROUND:**

In July 1999, City Council, City of Imperial Beach, authorized an agreement with "Partnerships with Industry" (PWI) to provide limited maintenance services in the Tidelands area. This agreement has been renewed annually since that date. The current agreement expires June 30, 2010.

**DISCUSSION:**

Partnerships with Industry desires to continue the agreement with the City of Imperial Beach. Attachment (2) is the proposed agreement for FY 2010-2011. The services provided by PWI have proven to be very beneficial to the City. Staff recommends the program be continued for the next fiscal year. The program will be funded within the approved FY 2010/2011 budget.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

The cost of the Agreement for FY 2010/2011 is not to exceed \$31,500. The adopted two year FY 2009/2010 and 2010/2011 budgets included this agreement at a cost not to exceed \$36,000 per fiscal year. PWI agreement is submitted with a prevailing wage for the work as detailed in the contract at \$8.47 per employee.

**DEPARTMENT RECOMMENDATION:**

1. Receive this report.
2. Authorize the Public Works Director to execute the agreement with PWI.
3. Authorize the City Manager to approve a purchase order for the cost of the annual agreement with Partnerships with Industry.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.



\_\_\_\_\_  
Gary Brown, City Manager

**Attachments:**

1. Resolution 2010-6907
2. Exhibit A – Partnerships with Industry Group Services Agreement #1

**RESOLUTION NO. 2010-6907**

**A R SOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING RENEWAL OF THE AGREEMENT WITH PARTNERSHIPS WITH INDUSTRY FOR TIDELANDS MAINTENANCE SERVICES**

**WHEREAS**, in July 1999, City Council, City of Imperial Beach, authorized an agreement with "Partnerships With Industry" to provide limited maintenance services in Tidelands area; and

**WHEREAS**, annually the Agreement must be renewed to continue the service; and

**WHEREAS**, the service agreement expired June 30, 2010; and

**WHEREAS**, Partnerships With Industry desires to continue the agreement with the City of Imperial Beach for FY 2010-2011; and

**WHEREAS**, the services provided by Partnerships With Industry have proved to be very beneficial to the City; and

**WHEREAS**, the cost of the Agreement for FY 2010-2011 is not to exceed \$31,500.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. City Council, City of Imperial Beach, desires to continue the Agreement with Partnerships with Industry.
3. The Public Works Director is authorized to execute an agreement with Partnerships With Industry for the Services denoted in Exhibit A
4. The City Manager is authorized to approve the purchase order for the payment of the services provided in the Agreement.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15<sup>th</sup> day of June, 2010, by the following roll call vote:

**AYES:            COUNCILMEMBERS:**  
**NOES:           COUNCILMEMBERS:**  
**ABSENT:        COUNCILMEMBERS:**

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**JAMES C. JANNEY, MAYOR**

**ATTEST:**

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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

*Creating Jobs. Enhancing Lives.*



*PWI - South Bay Office*

*Group Services "GS"*

*Partnership Service Agreement With:*  
**IMPERIAL BEACH PUBLIC WORKS**

---

July 1, 2010

Director: Dalinda Zurita



# Partnerships With Industry

*An important and valuable labor source to our employment community,  
Bringing together employers and workers with developmental disabilities since 1985*

## Group Services Agreement # 1

PWI Office: South Bay Ph: (619) 424-2250  
Nonprofit Tax ID: 33-0169950 Fax: (619) 424-2258

Busn: Imperial Beach Public Works

Addr: 825 Imperial Beach Blvd.

C/S/Z: Imperial Beach, CA 91932

Contact: Hank Levien

Projected Start Date: Thursday, July 1, 2010

### Provisions of PWI Agreement/Understanding

The services will be performed by "PWI workers", also known as PWI clients. The work shall be completed under the supervision of a PWI staff member, referred to as the Employment Training Specialist (ETS) or Job Coach. The ETS will monitor production and quality. The work performed by the PWI workers will be:

Trash abatement throughout the beach and parks. Cleaning of park restrooms. Relining of trash cans with plastic liners throughout the beach. Sweeping and raking of park grounds and street ends.

This agreement reflects fiscal year 2010-2011. All invoices will summarize total by Lot/Project codes provided by City of Imperial Beach.

Days of Work - **Monday thru Friday**  
Work Schedule - **7:00am to 12:30pm** Lunch - **30 minutes**  
# of Workers - **3**

### Partnerships With Industry:

- Will be responsible for the assessment and placement of all PWI workers in the group.
- Will maintain accurate time and attendance records on each PWI worker.
- Carries Workers' Compensation and General Liability insurance on workers and PWI staff.
- PWI workers and staff members will follow rules provided by Imperial Beach Public Works.
- Will provide final compensation (i.e., payroll services) for the PWI workers and PWI staff.
- Is an independent contractor and not an employee or agent of Imperial Beach Public Works.

### Imperial Beach Public Works:

- Will provide PWI with the necessary tools and equipment to perform the tasks required.
- Will proactively inform PWI management and ETS of changes which affect the group's employment.
- Will address any performance concerns with the ETS and PWI management.
- Will work proactively w/PWI to ensure that all safety-related issues are addressed immediately.
- Will hold in confidence information regarding individuals who are PWI workers.
- Will offer the same break times and uniforms to the PWI workers as with all other employees.

## Compensation

Semi-monthly invoices will be based on the actual hours worked, with the annual compensation not to exceed \$31,500. The hours of operation are: Monday through Friday, 7:00am to 12:30pm, with a 30 minute lunch break. Please see attached holiday schedule. We will not be scheduled on these days.

Each worker's productivity will be time studied per U.S. Dept. of Labor (DOL) standards. This rate determines the 'norm' for individual pay. Norms are established by conducting time studies on experienced workers (i.e., received at least one pay increase and has worked at least six months). Individual pay is determined by assessing individual productivity and multiplying that by the 'prevailing wage' (i.e., wage earned by an 'experienced worker'). The following is an example of one worker's pay... (75% (productivity) X \$7.00 (prevailing wage) = \$5.25). Time studies are completed at least semi-annually. Changes in individual productivity will be reflected in subsequent invoices.

Annually, and when there is an increase in the minimum wage, the DOL requires that a new survey of 'prevailing wage' be conducted. PWI will conduct the prevailing wage survey (average pay of experience workers at similar businesses). If the prevailing wage changes, or the minimum wage increases, PWI will notify you. Any changes in minimum/prevailing wage will be reflected in subsequent invoices. The prevailing wage for the work as detailed in this contract is: \$8.47.

## Payment for Services / PWI Contact Information

PWI prepares invoices for service periods: 1st - 15th, and 16th through month's end. The invoice will also include actual and direct overhead expenses such as workers compensation and reasonable and necessary administrative support. Payment must be received within 30 days of the invoice date. If any questions, please contact Araceli Iruarte, PWI Group Services Manager - (619) 424-2250.

## Employment Training Specialist (Job Coaching) Support

The focus of the ETS is to work with each employee to develop work skills, encourage productivity, and ensure quality. The ETS should not be expected to perform work for the employer/contractor. The ETS's ongoing support and expertise is paid for by PWI. Due to PWI's funding by the State of California's Department of Rehabilitation, PWI must recognize certain holidays throughout the year. On these holidays, the group cannot work. A schedule of the holidays will be supplied by Partnerships With Industry.

## PWI's Goal and Mission

It is the goal of PWI for each PWI client/worker to attain the employment independence to the extent each person aspires. In addition to the PWI workers completing the work as stated in this agreement, the PWI Group is considered production and training opportunity. Workers who evidence the necessary work skills to advance their careers are encouraged to do so.

PWI's mission is to bring together businesses and workers with developmental disabilities. PWI is successful because of supportive employers, competent and dedicated PWI workers/clients, and because it's good business. This work opportunity will enable persons with developmental disabilities to earn an income, prove their worth as valued employees, and most importantly, satisfy your labor needs. We look forward to a long and mutually beneficial working partnership with Imperial Beach Public Works.

## Termination of Agreement

This agreement is ongoing and may be terminated upon twenty (20) calendar days prior written notice. PWI needs advance notice in order to most effectively and positively coordinate future services, funding, and support for the PWI workers impacted by an agreement ending.

Hank Levien

Employer Representative

Signature

Date

Vickie Cap

PWI - Associate Executive Director

Signature

Date

cc: original to PWI Accounting, copy to contractor, South Bay - PWI Director: Dalinda Zurita



## Partnerships With Industry

*An important and valuable labor source to our employment community,  
Bringing together employers and workers with developmental disabilities since 1985*

### Group Services Holiday Schedule

PWI Office: South Bay

Ph: (619) 424-2250

Busn: **Imperial Beach Public Works**

Addr: 825 Imperial Beach Blvd.

C/S/Z: Imperial Beach, CA 91932

Contact: Hank Levien

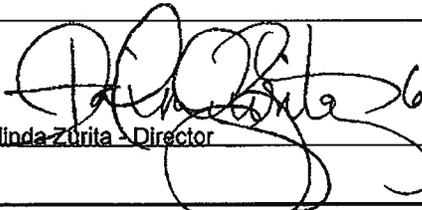
Projected Start Date: **Thursday, July 1, 2010**

New Years Day	Friday, January 1, 2010
Martin Luther King	Monday, January 18, 2010
President's Day	Monday, February 15, 2010
Memorial Day	Monday, May 31, 2010
Independence Day	Monday, July 5, 2010
Labor Day	Monday, September 6, 2010
Thanksgiving Day	Thursday, November 25, 2010
Day After Thanksgiving	Friday, November 26, 2010
Christmas Eve	Thursday, December 23, 2010
Christmas Day	Friday, December 24, 2010
New Year's Eve	Friday, December 31, 2010

PWI will be observing the holidays listed above.

Hank Levien

Hugo Martinez - Job Placement Specialist

6/9/10  6/9/10  
Date Dalinda Zurita - Director Date



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: GARY BROWN, CITY MANAGER**

**MEETING DATE: JUNE 15, 2010**

**ORIGINATING DEPT.: PUBLIC WORKS**

**SUBJECT: SECOND READING AND ADOPTION OF  
ORDINANCE NO. 2010-1105 – AMENDING CHAPTER 10.28,  
SECTION 10.28.020, SPECIAL SPEED ZONE DESIGNATED**

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**BACKGROUND:** On June 25, 2003, City Council adopted Ordinance No. 2003-1004 amending Chapter 10.28, Section 10.28.020 Special Speed Zone Designation following a speed survey study by Katz, Okitsu & Associates, the City's Traffic Safety Engineer Consultant. Katz, Okitsu & Associates conducted the survey, prepared a report of the survey results and made recommendations relative to maximum authorized speed on selected streets within the City. The study report was completed in April 2003. The speed survey expired in April 2010.

This expiration represents the 7 year allowable certification as stated in the California Vehicle Code (CVC). The CVC does allow for a re-certification of existing speed surveys up to 10 years (3 additional over the 7 currently) with a review and certification from a traffic engineer. The CVC states that if a registered engineer evaluates the roadway segment and determines that there no significant changes to the roadway or traffic conditions (i.e. changes in adjoining property, land use, roadway width or traffic volume), then the survey can be re-certified to the 10 year period.

Per the CVC Section § 22357. Increase of local limits - the City must adopt speed zones greater than 25 mph by ordinance. This section is copied below:

(a) Whenever a local authority determines upon the basis of an engineering and traffic survey that a speed greater than 25 miles per hour would facilitate the orderly movement of vehicular traffic and would be reasonable and safe upon any street other than a state highway otherwise subject to a prima facie limit of 25 miles per hour, the local authority may by ordinance determine and declare a prima facie speed limit of 30, 35, 40, 45, 50, 55, or 60 miles per hour or a maximum speed limit of 65 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe. The declared prima facie or maximum speed limit shall be effective when appropriate signs giving notice thereof are erected upon the street and shall not thereafter be revised except upon the basis of an engineering and traffic survey. This section does not apply to any 25-mile-per-hour prima facie limit which is applicable when passing a school building or the grounds thereof or when passing a senior center or other facility primarily used by senior citizens.

The City Council conducted the first reading of this ordinance at their meeting of June 2, 2010.

**DISCUSSION:** Staff has contracted with KOA, Incorporated to perform the re-certification for a 3-year extension. Their report was received Friday, May 21, 2010. The report shows that there were no significant changes to the roadway characteristics with the exception of Palm Avenue segment between Seacoast Drive and 3<sup>rd</sup> Street. The recent improvements in this segment required a separate certification with its own new speed survey. All other segments were re-certified for the next 3 years. See attachment 2. Because of the improvements to Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street a new survey was conducted. This new survey found that the 85<sup>th</sup> percentile within this segment remained 30 mph. See attachment 3.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

The contract for the 3-year speed survey update with KOA Corporation was \$4,400. This expenditure was paid from the Street Maintenance Division FY 2009/2010 O&M budget adopted by City Council in June 2009.

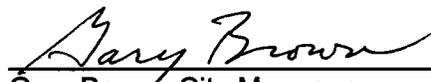
Since the speeds remain unchanged from the April 2003 Speed Survey, there will be no changes in street signage or striping, thus there are no new costs for the installation of signage or striping.

**DEPARTMENT RECOMMENDATION:**

1. Receive this report;
2. Mayor calls for reading of Ordinance No 2010-1105, "An Ordinance of the City Council of the City of Imperial Beach, California AMENDING CHAPTER 10.28, SECTION 10.28.020, OF THE MUNICIPAL CODE OF THE CITY OF IMPERIAL BEACH RELATING TO SPECIAL SPEED ZONES DESIGNATED";
3. City Clerk reads title of Ordinance No. 2010-1105; and
4. Motion to dispense with the second reading and adopt Ordinance No. 2010-1105 by title only.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary Brown, City Manager

**Attachments:**

1. Ordinance No. 2010-1105
2. KOA Corporation Letter dated May 20, 2010 Subject: 2010 Citywide Speed Survey Update
3. KOA Corporation Letter undated, Speed Survey Certification, Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street

**ORDINANCE NO. 2010-1105****AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AMENDING CHAPTER 10.28, SECTION 10.28.020, OF THE MUNICIPAL CODE OF THE CITY OF IMPERIAL BEACH RELATING TO SPECIAL SPEED ZONES DESIGNATED**

**WHEREAS**, the City of Imperial Beach desires to amend chapter 10.28, Section 10.28.020, of the municipal code relating to enforcement of special speed zones consistent with the 2010 Citywide Speed Survey Update dated May 20, 2010 and the Speed Survey Certification (Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street) of May 20, 2010.

**NOW, THEREFORE**, the City Council of the City of Imperial Beach hereby ordains as follows:

**SECTION 1:** Section 10.28.020 of Chapter 10.28 (Special speed zones designated) of the Imperial Beach Municipal Code is hereby amended to read as follows:

**10.28.020 Special Speed Zone Designated.**

It is determined that on the basis of engineering and traffic investigation conducted by Katz, Okitsu & Associates in April 2003, the KOA Corporation 2010 Citywide Speed Survey Update of May 20, 2010 and the Speed Survey Certification (Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street) of May 20, 2010, the prima facie speed limit shall be as set forth in this section on those streets or parts of the streets designated when signs are erected giving notice thereof:

<u>Name of Street or Portion Affected</u>	<u>Declared Prima Facie Speed Limit (In Miles per Hour)</u>
13 <sup>th</sup> Street from Palm Avenue to Imperial Beach Boulevard	35
13 <sup>th</sup> Street from Imperial Beach Boulevard to Iris Avenue	30
15 <sup>th</sup> Street from Imperial Beach Boulevard to Iris Avenue	30
9 <sup>th</sup> Street from Palm Avenue to Imperial Beach Boulevard	35
9 <sup>th</sup> Street from Imperial Beach Boulevard to Sea Park	30
Connecticut Street from Imperial Beach Boulevard to Elm Avenue	25
Elm Avenue from 7 <sup>th</sup> Street to East City Limits	30
Elm Avenue from Seacoast Drive to 7 <sup>th</sup> Street	25
Imperial Beach Boulevard from Seacoast Drive to 3 <sup>rd</sup> Street	35
Imperial Beach Boulevard from 3 <sup>rd</sup> Street to 9 <sup>th</sup> Street	35
Imperial Beach Boulevard from 9 <sup>th</sup> Street to East City Limits	35
Palm Avenue from Seacoast Drive to 3 <sup>rd</sup> Street	30
Palm Avenue from 3 <sup>rd</sup> Street to Delaware Avenue	35
Rainbow Drive from Highway 75 to Palm Avenue	30
Seacoast Drive from Palm Avenue to Imperial Beach Boulevard	25
Seacoast Drive from Imperial Beach Boulevard to Encanto (to the end)	25

Section 2: This ordinance shall become effective thirty (30) days following its passage and adoption.

**INTRODUCED AND FIRST READ** at a regular meeting of the City Council of the City of Imperial Beach, California, held the 2nd day of June 2010; and thereafter **PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Imperial Beach, California, held on the 15th day of June 2010, by the following roll call vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

---

**JAMES C. JANNEY, MAYOR**

**ATTEST:**

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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

**APPROVED AS TO FORM:**

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**JENNIFER LYON**  
**CITY ATTORNEY**

May 20, 2010  
B04070

Hank Levien, Public Works Director  
City of Imperial Beach  
495 Tenth Street  
Imperial Beach, CA 91932

**Subject: 2010 Citywide Speed Survey Update**

Dear Mr. Levien:

### ***Introduction***

To satisfy the requirements of Section 40802(b) of the California Vehicle Code (CVC), Engineering and Traffic Surveys are required by the State of California to establish speed limits and to enforce those limits using radar or other speed measuring devices. These surveys must be updated periodically (every five, seven or ten years, depending upon specific criteria) to ensure the speed limits reflect current conditions as dictated by the 2010 CVC. The surveys must be conducted in accordance with applicable provisions of the Section 627 of the CVC, following procedures outlined in the California Manual on Uniform Traffic Control Devices (CA-MUTCD) dated September 26, 2006 (FHWA's MUTCD 2003 Revision I, as amended for use in California), also called the California MUTCD.

The City of Imperial Beach's current speeds surveys for non-local roads were completed in 2003 and have expired as of April 2010. This expiration represents the 7 year allowable certification as stated in the California Vehicle Code (CVC). The CVC does allow for a re-certification of existing speed surveys up to 10 years (3 additional over the 7 currently) with a review and certification from a traffic engineer. The CVC states that if a registered engineer evaluates the roadway segment and determines that there are no significant changes to the roadway or traffic conditions (i.e. changes in adjoining property, land use, roadway width or traffic volume), then the survey can be re-certified to the 10 year time period.

### ***Speed Survey Segments***

There are currently 16 street segments that have certified speed surveys. Based on review of the surveyed streets, there is only one location where the roadway has changed such that a new speed survey should be completed. This segment, Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street, has experienced recent improvements that have changed the character of the road. There have also been recent improvements to a small portion of Seacoast Drive south of Palm Avenue, but these changes are not seen to have a significant effect to the segment's existing traffic conditions. The new survey for Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street will be included in a separate letter.

### ***Re-certification***

Each of the roadway segments were reviewed per the requirements of the CVC for any changes to the roadways that may affect the validity of the roadway conditions effecting driver's speeds. With the exception of the one new survey for Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street, there were no significant changes to the roadway characteristics. Based on this review, the existing speed surveys are recommended to remain valid for three more years until the speed surveys reach their 10-year limit.

### Summary

The following is a summary of the non-local road segments in Imperial Beach. Most are recommended for re-certification.

Segment No.	Street Name	Segment		Posted Speed Limit (MPH)	Change in Roadway?	Re-Certification?
		From	To			
1	13th Street	Palm Avenue	Imperial Beach Blvd	35	No	<b>Yes</b>
2	13th Street	Imperial Beach Blvd	Iris Avenue	30	No	<b>Yes</b>
3	15th Street	Imperial Beach Blvd	Iris Avenue	35	No	<b>Yes</b>
4	9th Street	Palm Avenue	Imperial Beach Blvd	35	No	<b>Yes</b>
5	9th Street	Imperial Beach Blvd	Sea Park Dr	30	No	<b>Yes</b>
6	Connecticut	Elm Avenue	Imperial Beach Blvd	25	No	<b>Yes</b>
7	Elm Avenue	7 <sup>th</sup> Street	East City Limits	30	No	<b>Yes</b>
8	Elm Avenue	Seacoast Drive	7 <sup>th</sup> Street	25	No	<b>Yes</b>
9	Imperial Beach Blvd	Seacoast Drive	3 <sup>rd</sup> Street	35	No	<b>Yes</b>
10	Imperial Beach Blvd	3 <sup>rd</sup> Street	9 <sup>th</sup> Street	35	No	<b>Yes</b>
11	Imperial Beach Blvd	9 <sup>th</sup> Street	East City limits	35	No	<b>Yes</b>
12	Palm Avenue*	Seacoast Drive	3 <sup>rd</sup> Street	30	<b>Yes</b>	No*
13	Palm Avenue	3 <sup>rd</sup> Street	Delaware Avenue	35	No	<b>Yes</b>
14	Rainbow Drive	Highway 75	Palm Avenue	30	No	<b>Yes</b>
15	Seacoast Drive**	Palm Avenue	Imperial Beach Blvd	25	<b>Yes**</b>	<b>Yes**</b>
16	Seacoast Drive	Imperial Beach Blvd	s/o IB Blvd (to the end)	25	No	<b>Yes</b>

\* This is a new survey. See separate letter for surveys.

\*\*This is a recertification of the original survey. Changes to the roadway have been noted but have been determined not to be significant to existing traffic conditions.

### Conclusion

Based on our review of the existing speed surveys, KOA recommends that all of the segments listed above, with the exception of Palm Avenue from Seacoast to 3<sup>rd</sup> Street, be certified for the next 3 years. The segment of Palm Avenue from Seacoast to 3<sup>rd</sup> Street will be certified as its own new speed survey, separate from this recertification letter. If you have any questions or need any additional information please contact me.

Sincerely,  
**KOA Corporation**  
 Joe De La Garza, P.E.

Senior Transportation Engineer



Attachments:  
 Pictures of survey segments

## Speed Survey Certification

### Palm Avenue

Between Seacoast Drive and 3<sup>rd</sup> Street

Date: 5/20/10

This certification constitutes an Engineering and Traffic Survey of the speed limit along Palm Avenue between Seacoast Drive and 3<sup>rd</sup> Street, within the City of Imperial Beach. The existing speed limit was reviewed for adequacy in terms of adjacent land use, functional classification, traffic demands and speed limit continuity with neighboring jurisdictions, as well as, traffic and roadside conditions not readily apparent to motorists.

The survey is in compliance with Division 17, Section 40802 of the California Vehicle Code. The following reference materials were used in the preparation of this Traffic and Engineering Survey:

1. *2010 California Vehicle Code* – California Department of Motor Vehicles, Sacramento.
2. *California Manual on Uniform Traffic Control Devices* (FHWA's MUTCD 2003 Revision I, as amended for use in California), also called the California MUTCD – California Department of Transportation (September 26, 2006).

All data utilized in this report is on file in the Department of Public works, City of Imperial Beach, 495 Tenth Street, Imperial Beach, CA 91932.

The firm of KOA Corporation, on behalf of the City of Imperial Beach, has prepared this document.

I, Joe De La Garza, P.E., do hereby certify that I am a Registered Traffic Engineer in the State of California. I have conducted this study for the City of Imperial Beach, and this report was prepared under my supervision. Its contents are true and accurate to the best of my knowledge.



\_\_\_\_\_  
Joe De La Garza Jr.  
RTE 2095, Exp. 6/30/11



## **APPENDIX A**

### **Speed Survey**

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#### **Segment Information**

- **Summary Sheet**
- **Segment Photos**
- **Speed Survey Data**

**Palm Avenue**  
Between Seacoast Drive and 3<sup>rd</sup> Street

<b>Street Name:</b> Palm Avenue		
<b>From Street:</b> Seacoast Drive	<b>To Street:</b> 3rd Street	
<b>Reviewed By:</b> Date:	JRD 05/20/10	
<b>Prevailing Speed Data</b>	<b>NB/EB</b>	<b>SB/WB</b>
Date of Survey	5/14/2010	
85th Percentile	31	30
10 MPH Pace	22-32	23-33
Percent in Pace	90%	88%
Posted Speed Limit	30	30
<b>Accident History</b>		
Period (From/To)	1/1/2006	12/31/2008
Speed-Related Accidents	0	
Total Accidents	9	
Acc./Mil. Vehicle Miles	3.39	
Expected Accident Rate	1.58	
<b>Traffic Factors</b>		
Average Daily Traffic	9,698	
Traffic Controls	4-way stop at 3rd	
Crosswalks	3rd Street	
Pedestrian/Bicycle Traffic	High, especially during weekends and school hours, near Seacoast	
On-Street Parking	Both sides	
Other (bike lanes, trucks, etc.)	None	
<b>Roadway Factors</b>		
Length of Segment, Feet	1,320	
Street Width, Feet (curb to curb)	54	
Number of Lanes	1 lane in each direction, with turn lane, marked on-street parking, raised median near 3rd Street	
Vertical Alignment	None	
Horizontal Alignment	None	
Sight Distance Restriction	None	
Surface Condition	Good	
Sidewalks/Driveways	Sidewalk on both sides, Commercial and residential driveways	
Other (speed bumps, R/R	None	
<b>Adjacent Land Uses</b>		
	Commercial and residential	
<b>Additional Remarks</b>		
	None	
<b>Recommendations</b>		
Recommended Speed Limit	30	
Speed Limit Change?	No, 85th percentile is similar to the posted speed.	
		2010 Imperial Beach Speed Survey May 20, 2010

# Palm Avenue

From: Seacoast Drive

To: 3<sup>rd</sup> Street



Looking East



Looking West

## Radar Speed Survey Data Collection Form

Jurisdiction: Imperial Beach  
 Street: Palm Avenue  
 Location: between Seacoast Drive and 3rd Street  
 Posted Speed: 30 mph (regulatory or warning speed)  
 Direction: Eastbound (Northbound or Eastbound)  
 Observer: Keith Feura  
 Road Conditions: Sunny (weather, visibility, accidents, other)  
 Date: 5/14/10

Note Time:	Veh.	Speed (mph)	Note Time:	Veh.	Speed (mph)	Note Time:	Veh.	Speed (mph)
10:06	1	27	10:22	36	27	10:37	71	26
10:06	2	22	10:22	37	25	10:37	72	28
10:07	3	27	10:23	38	30	10:38	73	22
10:07	4	22	10:24	39	30	10:39	74	25
10:08	5	23	10:24	40	33	10:39	75	27
10:09	6	24	10:24	41	29	10:39	76	29
10:09	7	23	10:24	42	28	10:40	77	28
10:10	8	28	10:25	43	28	10:40	78	28
10:10	9	27	10:25	44	31	10:41	79	30
10:11	10	38	10:26	45	23	10:41	80	28
10:11	11	30	10:27	46	31	10:42	81	24
10:12	12	28	10:27	47	26	10:42	82	26
10:12	13	24	10:28	48	29	10:42	83	30
10:13	14	26	10:29	49	25	10:43	84	33
10:13	15	31	10:29	50	32	10:43	85	24
10:13	16	24	10:30	51	35	10:44	86	23
10:14	17	26	10:30	52	27	10:44	87	30
10:14	18	27	10:30	53	29	10:44	88	28
10:15	19	23	10:31	54	30	10:45	89	18
10:15	20	30	10:31	55	26	10:45	90	23
10:15	21	32	10:31	56	25	10:46	91	25
10:16	22	32	10:31	57	29	10:46	92	27
10:16	23	31	10:32	58	23	10:47	93	32
10:17	24	31	10:32	59	31	10:48	94	31
10:17	25	30	10:32	60	28	10:48	95	28
10:17	26	25	10:33	61	28	10:49	96	26
10:18	27	29	10:33	62	29	10:49	97	25
10:18	28	24	10:33	63	26	10:49	98	28
10:18	29	33	10:34	64	31	10:49	99	27
10:19	30	25	10:34	65	28	10:51	100	26
10:19	31	28	10:35	66	22			
10:19	32	27	10:35	67	26			
10:20	33	23	10:35	68	26			
10:21	34	27	10:36	69	31			
10:22	35	23	10:37	70	26			

 **KOA CORPORATION**  
 PLANNING & ENGINEERING  
 5095 Murphy Canyon Road, Suite 330  
 San Diego, CA 92123

Average = 27.4 mph  
 Standard Deviation = 3.3 mph  
 85th Percentile = 31.0 mph  
 10 mph Pace = 22 - 32 mph  
 Current Posting = 30 mph

## Radar Speed Survey Data Collection Form

Jurisdiction: Imperial Beach  
 Street: Palm Avenue  
 Location: between Seacoast Drive and 3rd Street  
 Posted Speed: 30 mph (regulatory or warning speed)  
 Direction: Westbound (Southbound or Westbound)  
 Observer: Keith Feura  
 Road Conditions: Sunny (weather, visibility, accidents, other)  
 Date: 5/14/10

Note Time:	Veh.	Speed (mph)	Note Time:	Veh.	Speed (mph)	Note Time:	Veh.	Speed (mph)
10:59	1	24	11:18	36	29	11:34	71	28
11:00	2	28	11:18	37	24	11:36	72	24
11:01	3	21	11:19	38	26	11:36	73	30
11:01	4	30	11:20	39	30	11:37	74	26
11:01	5	26	11:20	40	23	11:37	75	30
11:02	6	25	11:20	41	21	11:38	76	28
11:02	7	33	11:21	42	24	11:38	77	26
11:03	8	29	11:22	43	24	11:38	78	26
11:04	9	30	11:22	44	29	11:39	79	33
11:04	10	23	11:23	45	25	11:39	80	22
11:05	11	32	11:23	46	28	11:39	81	29
11:05	12	26	11:24	47	29	11:40	82	30
11:05	13	26	11:24	48	25	11:40	83	27
11:06	14	24	11:25	49	27	11:41	84	27
11:07	15	19	11:25	50	32	11:41	85	32
11:07	16	26	11:25	51	30	11:41	86	30
11:08	17	27	11:26	52	20	11:42	87	21
11:09	18	27	11:26	53	25	11:42	88	26
11:09	19	20	11:26	54	24	11:44	89	27
11:09	20	27	11:26	55	27	11:44	90	35
11:10	21	24	11:27	56	22	11:44	91	23
11:10	22	25	11:27	57	25	11:45	92	25
11:11	23	23	11:27	58	28	11:45	93	28
11:11	24	31	11:28	59	30	11:46	94	25
11:11	25	24	11:29	60	26	11:47	95	27
11:12	26	29	11:29	61	23	11:47	96	31
11:13	27	30	11:29	62	26	11:48	97	26
11:13	28	26	11:30	63	33	11:48	98	26
11:13	29	38	11:30	64	39	11:48	99	23
11:13	30	25	11:31	65	27	11:49	100	31
11:15	31	38	11:31	66	27			
11:15	32	25	11:32	67	28			
11:16	33	28	11:32	68	30			
11:16	34	26	11:33	69	27			
11:17	35	28	11:34	70	26			



9123

Average = 27.0 mph  
 Standard Deviation = 3.7 mph  
 85th Percentile = 30.0 mph  
 10 mph Pace = 23 - 33 mph  
 Current Posting = 30 mph

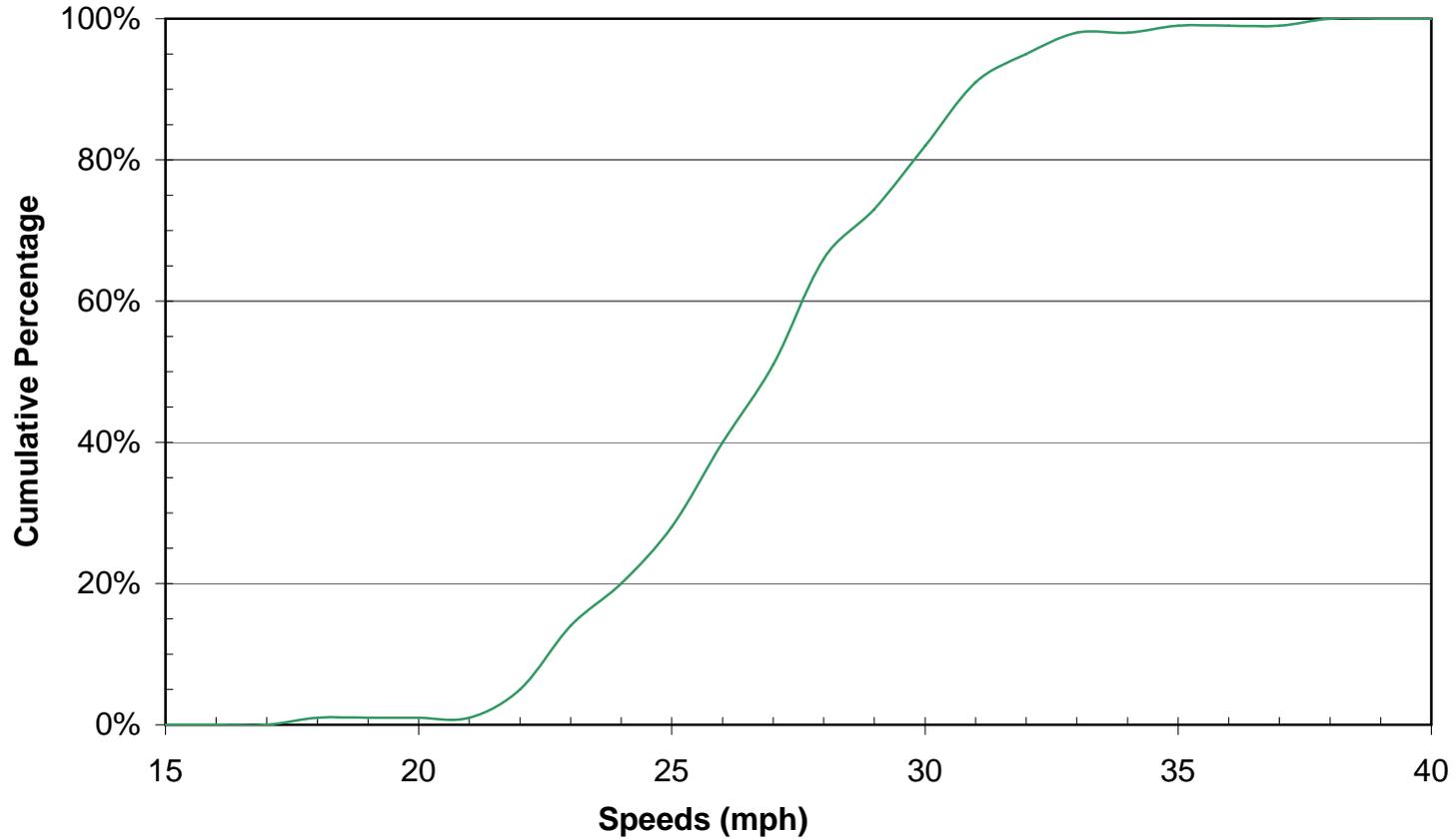
**Imperial Beach  
Palm Avenue between Seacoast Drive and 3rd Street  
Eastbound**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE		
	5	10	15	20	25	30								
50														
45														
40														
	X												1%	100%
35	X												1%	99%
	X	X	X										3%	98%
	X	X	X	X									4%	95%
	X	X	X	X	X	X	X	X	X				9%	91%
30	X	X	X	X	X	X	X	X	X				9%	82%
	X	X	X	X	X	X							7%	73%
	X	X	X	X	X	X	X	X	X	X	X	X	15%	66%
	X	X	X	X	X	X	X	X	X	X			11%	51%
	X	X	X	X	X	X	X	X	X	X	X		12%	40%
25	X	X	X	X	X	X	X						8%	28%
	X	X	X	X	X								6%	20%
	X	X	X	X	X	X	X	X					9%	14%
	X	X	X	X									4%	5%
20														
	X												1%	1%
15														
10														
5														
<b>TOTAL NUMBER OF VEHICLES</b>												<b>100</b>		

**Imperial Beach  
Palm Avenue between Seacoast Drive and 3rd Street  
Westbound**

MPH	NUMBER OF VEHICLES										PERCENT OF TOTAL	CUMULATIVE PERCENTAGE	
	5	10	15	20	25	30							
50													
45													
40													
	X											1%	100%
	X	X										2%	99%
35	X											1%	97%
	X	X	X									3%	96%
	X	X	X									3%	93%
	X	X	X									3%	90%
30	X	X	X	X	X	X	X	X	X	X		11%	87%
	X	X	X	X	X	X						6%	76%
	X	X	X	X	X	X	X	X				9%	70%
	X	X	X	X	X	X	X	X	X	X		12%	61%
	X	X	X	X	X	X	X	X	X	X	X	16%	49%
25	X	X	X	X	X	X	X	X	X			10%	33%
	X	X	X	X	X	X	X	X				9%	23%
	X	X	X	X	X							6%	14%
	X	X										2%	8%
	X	X	X									3%	6%
20	X	X										2%	3%
	X											1%	1%
15													
10													
5													
<b>TOTAL NUMBER OF VEHICLES</b>											<b>100</b>		

### Cumulative Frequency Distribution Curve Palm Avenue between Seacoast Drive and 3rd Street (Eastbound)

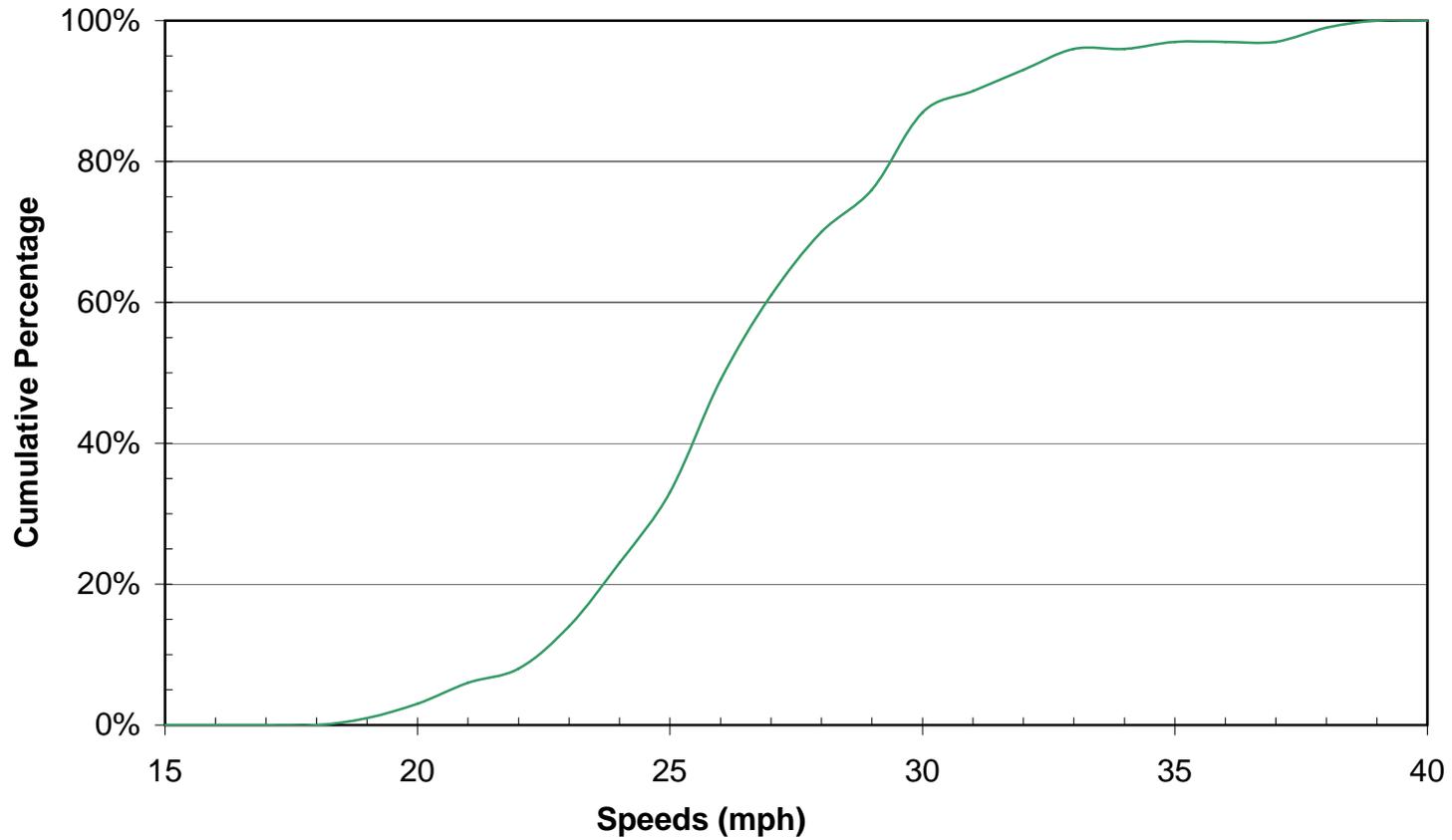


**Below 10mph Pace:** 1  
**Percentage:** 1%

**In 10mph Pace:** 94  
**Percentage:** 94%

**Above 10mph Pace:** 5  
**Percentage:** 5%

### Cumulative Frequency Distribution Curve Palm Avenue between Seacoast Drive and 3rd Street (Westbound)



<b>Below 10mph Pace:</b>	<b>8</b>	<b>In 10mph Pace:</b>	<b>88</b>	<b>Above 10mph Pace:</b>	<b>4</b>
<b>Percentage:</b>	<b>8%</b>	<b>Percentage:</b>	<b>88%</b>	<b>Percentage:</b>	<b>4%</b>



AGENDA ITEM NO. 4.2

**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: GARY BROWN, CITY MANAGER**

**DATE: JUNE 15, 2010**

**ORIGINATING DEPT.: HANK LEVIEN, PUBLIC WORKS DIRECTOR  
JENNIFER M. LYON, CITY ATTORNEY**

**SUBJECT: SECOND READING AND ADOPTION OF  
ORDINANCE NO. 2010-1106 – APPROVING AND  
DESIGNATING A SKATEBOARD PARK IN THE CITY OF  
IMPERIAL BEACH AND AMENDING IMPERIAL BEACH  
MUNICIPAL CODE CHAPTERS 9.10 AND 12.56**

---

**BACKGROUND:**

The City of Imperial Beach ("City"), together with its citizens, have worked for a number of years to create a publicly owned and publicly operated skateboard park to better serve the recreational interests of its citizens. In 2001, the City enacted an ordinance requiring that any person using a skateboard or skates in an area designated by the City for use of a skateboard or skates be required to wear appropriate elbow and kneepads and helmets.

The City has recently formulated rules and regulations to be applied to the Skateboard Park. These rules and regulations include the requirement that persons using a skateboard park wear elbow pads, kneepads, and helmets while using the park. The City intends to post signs containing these rules and regulations at the Skateboard Park.

The City Council conducted the first reading of this ordinance at their meeting of June 2, 2010.

**DISCUSSION:**

The only state law requirement for approving or designating a city owned or city operated skateboard park is the requirement to enact an ordinance requiring the use of helmets, kneepads and elbow pad and that signs be posted to give persons reasonable notice that this safety equipment is required. (California Health & Safety Code ("H&S"))

section 115800(b).) Imperial Beach has enacted the ordinance required under H&S section 115800(b) and is now in a position to designate areas as skateboard parks under the Imperial Beach Municipal Code ("IBMC") section 12.56.050.

In order to effect the designation of the Skateboard Park and regulate its use, certain chapters or sections of the IBMC will need to be amended or added to in order to provide the general public with a safe and enjoyable skateboard park.

**FISCAL IMPACT:**

Costs associated with the posting of signs containing the policies and regulations at the Skateboard Park. There will be a total of four signs, at \$500 each, for a total of \$2,000. There may also be enforcement costs.

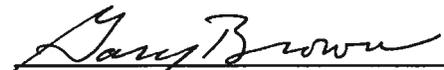
**DEPARTMENT RECOMMENDATION:**

Staff Recommends the Mayor and City Council:

1. Receive this report;
2. Mayor calls for the first reading of the title of Ordinance No. 2010-1106, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AMENDING IMPERIAL BEACH MUNICIPAL CODE CHAPTER 9.10, RELATING TO SKATEBOARD AND ROLLER SKATE RIDING; AMENDING CHAPTER 12.56 RELATING TO USE OF PUBLIC PARKS AND FACILITIES; AND APPROVING AND DESIGNATING A SKATEBOARD PARK IN THE CITY OF IMPERIAL BEACH;"
3. City Clerk to read Ordinance No. 2010-1106; and
4. Motion to dispense with the second reading and adopt Ordinance No. 2010-1106 by title only.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary Brown, City Manager

Attachment:

1. Ordinance No. 2010-1106

**ORDINANCE NO. 2010-1106**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
IMPERIAL BEACH, CALIFORNIA, AMENDING IMPERIAL BEACH  
MUNICIPAL CODE CHAPTER 9.10, RELATING TO SKATEBOARD AND  
ROLLER SKATE RIDING; AMENDING CHAPTER 12.56 RELATING TO  
USE OF PUBLIC PARKS AND FACILITIES; AND APPROVING AND  
DESIGNATING A SKATEBOARD PARK IN THE CITY OF IMPERIAL BEACH**

**WHEREAS**, the City of Imperial Beach ("City") intends to create a skate park to better serve the recreational interests of its citizens; and

**WHEREAS**, the City of Imperial Beach has enacted City of Imperial Beach Ordinance No. 2001-964, in conformity with California Health & Safety Code section 115800(b), requiring that a city seeking to create a skate park enact an ordinance requiring those using a skate park to wear appropriate elbow and kneepads and helmets; and

**WHEREAS**, in accordance with California Health & Safety Code section 115800(b), the City of Imperial Beach intends to post signs setting out Rules and Regulations for an unsupervised public skateboard park. Said signs shall include language affording reasonable notice that any person using the skate park must wear a helmet, elbow pads, and knee pads and that any person failing to do so will be subject to citation under the ordinance requiring the use of said safety gear.

**NOW, THEREFORE**, the City Council of Imperial Beach hereby ordains as follows:

SECTION 1. Section 12.56.010, of Chapter 12.56 of the Imperial Beach Municipal Code (Use of Public Parks and Facilities) is hereby amended to read:

**12.56.010. Definitions.**

For the purpose of this chapter, the following definitions shall apply:

"Camp" shall mean to reside in or use a park for living accommodation purposes, as exemplified by remaining for prolonged or repetitious periods of time not associated with ordinary recreational use of a park with one's personal possessions (including but not limited to clothing, sleeping bags, bedrolls, blankets, sheets, luggage, backpacks, kitchen utensils, cookware, and similar material), sleeping or making preparations to sleep, storing personal belongings as above defined, regularly cooking or consuming meals, or living in a parked vehicle. These activities constitute camping when it reasonably appears, in light of all the circumstances, that the participants, in conducting these activities, are in fact using the area as a living accommodation regardless of the intent of the participants or the nature of any other activities in which they may also be engaging.

“Public building” means any building owned or leased by the city.

“Public facility” means any place, structure, area or other facility, owned, maintained or controlled by the city, not including public streets and sidewalks.

“Public parking lot” means any place, structure or area owned or leased by the city and operated as an off-street parking facility.

“Public park” means and includes all dedicated parks and traffic islands maintained by the city, including the Sports Park, [the Skateboard Park](#), and the Veterans Park Youth Soccer Field as defined herein.

“Public playground” means a place, structure, area, or other facility under the jurisdiction of the government body of the city used for community recreation purposes such as playing fields or courts, swimming pools, gymnasiums, auditoriums and meeting places.

["Skateboard Park" means the skateboard park located at 425 Imperial Beach Boulevard immediately south of the Sports Park Recreation Center.](#)

“Sports Park” means the city’s Sports Park located at 425 Imperial Beach Boulevard.

“Soccer Field” means the city's Veterans Park Youth Soccer Field located at 1075 8<sup>th</sup> Street.

**SECTION 2.** Section 12.56.055 is hereby added to Chapter 12.56 (Use of Public Parks and Facilities) of the Imperial Beach Municipal Code to read as follows:

**12.56.055. Skateboard Park – Use and regulations.**

[In addition to the rules and regulations found in this Chapter 12.56 and Section 8.84.030\(12\) of Chapter 8.84, the following restrictions shall also apply to the use of the Skateboard Park:](#)

[A. No person shall use inline skates with more than 5 wheels. Only inline skates with no more than five \(5\) wheels and skateboards are to be used in the Skateboard Park.](#)

[B. No person shall enter, remain in, or use the Skateboard Park without wearing the required helmet, kneepads, and elbow pads that are commercially manufactured and designed for skateboarding or inline skating. This does not apply to any duly authorized city employee performing the duties of his or her job inside the Skateboard Park.](#)

[C. No person shall use skateboards or inline skates with metal wheels.](#)

D. No person shall use a bicycle or scooter in the Skateboard Park.

E. No formal contests of any kind are allowed in the Skateboard Park without the written approval of the City of Imperial Beach Parks and Recreation Department.

A.F. No unauthorized obstacles, equipment, materials, or apparatus may be brought into or used in the Skateboard Park.

G. Notwithstanding the provisions of Section 12.56.020(X), the hours of operation of the Skateboard Park shall be from 7:00 a.m. to sunset daily. No person shall use the Skateboard Park between the hours of sunset and 7:00 a.m.

H. At any time, the City Manager or his/her designee is authorized to create and post additional rules and regulations, the violation of which may be punishable by expulsion from the Skateboard Park.

SECTION 3. Section 9.10.040, Subsection (A) of Chapter 9.10 (Skateboard and Roller Skate Riding) of the Imperial Beach Municipal Code is hereby amended to read as follows:

**9.10.040. Ramps prohibited on public property.**

A. It is unlawful for any person to use, construct or place upon any public property a ramp, jump, platform or similar device intended for use by a person riding a bicycle, skateboard, roller skates or similar wheeled device. This section does not prohibit the city manager or his or her designee from constructing, improving, or maintaining any ramp, platform or similar device at an area approved by resolution or ordinance of the city council per Section 12.56.050. Nor does this section prohibit any person from using any ramp, platform, or similar device placed at any such area by the city manager or his or her designee, except that any person using such facility must wear the safety equipment designated in Section 12.56.050.

SECTION 4. The City Council hereby approves and designates the area located at 425 Imperial Beach Boulevard immediately south of the Sports Park Recreation Center and north of Sports Park baseball field "B" as the Skateboard Park pursuant to Imperial Beach Municipal Code 12.56.050.

SECTION 5. The City Clerk is directed to prepare and have published a summary of this ordinance no less than five days prior to the consideration of its adoption and again within 15 days following adoption indicating votes cast.

**EFFECTIVE DATE:** This Ordinance shall be effective thirty (30) days after its adoption.

**INTRODUCED AND FIRST READ** at a regular meeting of the City Council of the City of Imperial Beach, California, on the 2<sup>nd</sup> day of June 2010, and thereafter **PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Imperial Beach, California, held on the 15<sup>th</sup> day of June 2010 by the following vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

\_\_\_\_\_  
**JAMES C. JANNEY, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**JENNIFER M. LYON**  
**CITY ATTORNEY**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Ordinance No. 2010-1106, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AMENDING IMPERIAL BEACH MUNICIPAL CODE CHAPTER 9.10, RELATING TO SKATEBOARD AND ROLLER SKATE RIDING; AMENDING MUNICIPAL CODE CHAPTER 12.56 RELATING TO USE OF PUBLIC PARKS AND FACILITIES; AND APPROVING AND DESIGNATING A SKATEBOARD PARK IN THE CITY OF IMPERIAL BEACH**

\_\_\_\_\_  
JACQUELINE HALD, CITY CLERK

\_\_\_\_\_  
DATE



AGENDA ITEM NO. 6.1

**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL AND CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

**FROM:** GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR

**MEETING DATE:** JUNE 15, 2010

**ORIGINATING DEPT.:** COMMUNITY DEVELOPMENT DEPARTMENT  
GREG WADE, COMMUNITY DEVELOPMENT DIRECTOR *GW*

**SUBJECT:** MONTHLY UPDATE REPORT ON THE REDEVELOPMENT OF THE SEACOAST INN HOTEL

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**BACKGROUND:**

At the City Council meeting on Wednesday, April 21, 2010, the City Council approved a Memorandum of Understanding (MOU) between the City/Redevelopment Agency and the Developer/Property Owners of the Seacoast Inn (Imperial Coast Limited Partnership) outlining financial and other commitments for the redevelopment of the Seacoast Inn. Also approved as part of the MOU was a Project Schedule detailing important project milestones for the project's development.

At the meeting on April 21, 2010, the City Council also requested a monthly update report be made to advise the Council on progress made and compliance with the approved MOU and Project Schedule. As such, on Wednesday, May 19, 2010, City/Agency staff and representatives from Pacifica will make the first of these reports.

**DISCUSSION:**

At the City Council meeting on May 19, 2010, City staff and Pacifica presented the first of the requested monthly updates. Staff advised the City Council that the demolition permit had been issued and the building permit plans (structural and architectural) had been resubmitted for plan check. Pacifica advised the City Council on progress made with respect to the schedule contained in the Memorandum of Understanding (MOU). The City Council requested that, for future monthly updates, all information and/or schedule updates should be provided to the City Council with their agenda packages rather than at the time of the meeting as a last minute agenda item. Attachment 1, therefore, contains a letter from Pacifica indicating progress made along with an updated schedule.

**FISCAL ANALYSIS:**

No fiscal impact with this report.

**ENVIRONMENTAL REVIEW**

None required with this report.

**DEPARTMENT RECOMMENDATION:**

That the City Council/Redevelopment Agency receive the update report on the Seacoast Inn project and provide comment and input as necessary.

**CITY MANAGER'S RECOMMENDATION**

Approved Department recommendation.



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Gary Brown, City Manager/Executive Director

Attachments: 1. Letter from Pacifica, Updated Schedule and Miscellaneous Emails



June 8, 2010

Honorable Mayor Jim Janney,  
Members of the City Council  
City of Imperial Beach  
825 Imperial Beach Blvd.  
Imperial Beach, CA 91932

**RE: Seacoast Inn update**

Dear Mayor Janney and Councilmembers:

In anticipation of our progress report regarding Seacoast Inn to be given at the next City Council meeting this coming Tuesday the 15<sup>th</sup>, please find attached an updated project schedule. As you can see, many of the tasks have been completed. Bold/italicized tasks have not yet been completed although their estimated dates have passed.

These items cannot be completed until we secure financing for the project. Please be assured that our search for financing is not causing a delay, as Coastal Commission staff is still completing their review of our CC&Rs as well as our landscape plan. Also, the Department of Real Estate is still in the process of reviewing our CC&Rs. The completion of these tasks is expected to coincide with the establishment of a financing source.

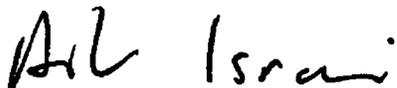
It has only been three weeks since our last update but we have been working diligently toward the goal of securing financing. We have three possible sources. The front runner is Wells Fargo. They are not issuing hotel loans at the moment, so a loan from them would be strictly relationship based. Citizens Business Bank is also interested, as is Bank of America. All three banks have encouraged us to approach their Community Investment Divisions. In order to do this we would have to use new markets tax credits as a part of project. Although this interests us, it would take too much time (4-6 months minimum), so we continue to push the banks to consider a loan through their Commercial Investment Divisions. We will continue to keep you apprised. Currently we are attempting to address the many questions all three banks have about the project and local economy.

1785 Hancock Street, Suite 100 • San Diego, CA 92110  
(619) 296-9000 • Fax (619) 296-9090  
[www.pacificahost.com](http://www.pacificahost.com) • [www.pacificacompanies.com](http://www.pacificacompanies.com)

Just for your interest and information, please find attached a sample of the many e-mails we receive from former guests of the Seacoast Inn anxiously awaiting the reopening of the hotel. We are as anxious to open our doors as you are.

Allison Rolfe will be at the City Council meeting on Tuesday to give you a complete update.

Sincerely,

A handwritten signature in black ink that reads "Ash Israni". The signature is written in a cursive style with a large initial "A" and a long, sweeping underline.

Ash Israni  
President  
Pacifica Companies

## PROJECT SCHEDULE

TASK	DESCRIPTION OF TASK (PACIFICA'S OBLIGATION UNLESS OTHERWISE NOTED)	DATE	COMMENT
1	Submit complete demolition permit application to City with all timely completion of all required coordination with APCD, SDG&E, etc. as necessary to accommodate City issuance of demolition permit	4/27/10	Complete
2	City issues demolition permit	4/30/10	Complete
3	Compliance with "prior to issuance condition."	---	---
3.1	Submit CC&Rs to Dept. of Real Estate	4/9/10	Complete
3.2	Submit CC&Rs to Coastal Commission	4/23/10	Complete
3.3	Record deed restriction with County	4/23/10	Complete
3.4	Submit final map to City with bond	4/20/10	Complete
3.5	County issues tax clearance certificate	5/13/10*	Complete
3.6	<i>Citibank issues subordination agreement</i>	5/7/10 *	
3.7	Final Map approved by City Council	4/21/10	Complete
3.8	<i>Final Map recorded</i>	<i>5/14/10* Map will be submitted for recordation within one day of completion of Tasks 3.5 and 3.6</i>	<i>*Actual date dependent upon 3.5 and 3.6 (not entirely within Pacifica's control).</i>
3.9	<i>Submit recorded Final Map to Coastal Commission</i>	<i>5/14/10*</i>	<i>*See 3.8.</i>
4	Submit payment for City's/Agency's staff and consultant	4/14/10	Complete
5	Submit payment for OPA legal fees	4/22/10	Complete
6	Submit payment to replenish deficient account	4/14/10	Complete
7	Submit evidence to reasonable satisfaction of City (i.e., copies of materials and list of lenders contacted/to be contacted) that it is pursuing construction financing for the project	4/19/10	Complete
8	Submit construction budget and supporting bid documents evidencing construction costs	4/14/10	Complete
9	Submit pro formas to City	4/14/10	Complete
10	<i>Submit all documentation to Coastal Commission necessary for approval of "prior to issuance conditions"</i>	<i>5/17/10* All documentation will be submitted to Coastal Commission within one day of completion</i>	<i>* Date dependent upon 3.5, 3.6, 3.8 and 3.9.</i>

		<i>of tasks 3.5, 3.6, and 3.8</i>	
<b>11</b>	<b><i>Coastal Commission approves "prior to issuance conditions"</i></b>	<b><i>5/28/10*</i></b>	<b><i>* Date dependent upon 3.5, 3.6, 3.8 and 3.9 and Coastal Commission turn-around time.</i></b>
<b>12</b>	<b>Coastal Commission extends CDP</b>	<b>5/14/10</b>	<b>Complete</b>
<b>13</b>	<b>Hazardous Materials abatement completed</b>	<b>6/1/10</b>	<b>Complete</b>
<b>14</b>	<b><i>Commence demolition</i></b>	<b><i>6/1/10 with 1 day extension for each day completion of Tasks 11 and 12 are delayed</i></b>	
<b>15</b>	<b>Completes demolition</b>	<b>6/30/10 with 1 day extension for each day completion of Tasks 14 is delayed</b>	
<b>16</b>	<b>Submit revised building permit plans (and fee) to City</b>	<b>5/16/10</b>	<b>Complete</b>
<b>16.1</b>	<b>Submit MEP plans to City</b>	<b>6/30/10</b>	
<b>17</b>	<b>Correction and resubmission to City of building permit application and portions thereof</b>	<b>Best efforts to resubmit within 15 days</b>	
<b>18</b>	<b>City/Agency submits draft OPA to Pacifica</b>	<b>6/22/10</b>	
<b>19</b>	<b>City/Agency approves OPA</b>	<b>7/22/10</b>	
<b>20</b>	<b>City issues building permit</b>	<b>5 days after plans are approved by Building Safety</b>	
<b>21</b>	<b>City issues redevelopment bonds</b>	<b>TBD by City</b>	
<b>22</b>	<b>Pacifica commences construction of project</b>	<b>45 days after completion of Tasks 19, 20 and 21</b>	

June 8, 2010

<b>23</b>	<b>Pacifica completes construction</b>	<b>18 months following completion of Task 22</b>	
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\* dates with asterisk are estimates only.

**Allison Rolfe**

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**From:**

**Sent:** Monday, June 07, 2010 10:54 AM

**To:** Allison Rolfe

**Subject:** Re: (no subject)

Thanks, I will call Cheryl. She had been sending me updates on the hotel because we were interested in buying a condo since that is what she said was going to happen. We will miss the Seacoast inn, we started going there 14 years ago and have a lot of great memories there with the kids.

## Allison Rolfe

---

**From:** Michael DeJesus  
**Sent:** Monday, January 18, 2010 1:31 PM  
**To:** Allison Rolfe  
**Subject:** FW: Seacoast Inn - Imperial Beach

-----Original Message-----

**From:** Susan A  
**Sent:** Monday, January 18, 2010 12:44 PM  
**To:** Michael DeJesus  
**Subject:** Seacoast Inn - Imperial Beach

My fiancée and I are planning a trip to San Diego to elope and spend a few days. I am a former IB resident and have stayed at the Seacoast before on other visits. I see on the website that the hotel is closed indefinitely. Any idea as to when it may be back up and running?

Thanks  
Susan Anderson  
Grant, Nebraska

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Wednesday, January 20, 2010 11:33 AM  
**To:** Allison Rolfe  
**Subject:** FW: Aug sand castle competition

-----Original Message-----

**From:** Chris L Douglas  
**Sent:** Wednesday, January 20, 2010 11:30 AM  
**To:** Michael DeJesus  
**Cc:**  
**Subject:** Aug sand castle competition

Mr. De Jesus,

My wife kids and I stayed at your hotel (Seacoast inn) for the competition last year 2009, it was our first time. We had a great time and plan to return this year and wanted to stay at the Seacoast in. Will you be re open by the competition or should we look elsewhere.

Thank you in advance for any info and I hope you re open, it was a little run down but we still had a great time at your hotel.

Chris Douglas  
Team Leader Pre - OA

American Express made the following annotations on Wed Jan 20 2010 12:30:17

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"This message and any attachments are solely for the intended recipient and may contain confidential or privileged information. If you are not the intended recipient, any disclosure, copying, use, or distribution of the information included in this message and any attachments is prohibited. If you have received this communication in error, please notify us by reply e-mail and immediately and permanently delete this message and any attachments. Thank you."

American Express a ajout? le commentaire suivant le Wed Jan 20 2010 12:30:17

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\*\*\*\*\*

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**Allison Rolfe**

---

**From:** Sixx Sixx  
**Sent:** Sunday, January 31, 2010 12:26 PM  
**To:** Allison Rolfe  
**Subject:** Seacoas Inn

Hello, I would like to know if there have been any updates regarding the construction/demolition of the SeaCoast Inn.

Thanks.

**Allison Rolfe**

---

**From:** Hernandez, Dianna  
**Sent:** Wednesday, February 10, 2010 1:58 PM  
**To:** Allison Rolfe  
**Subject:** RE: Seacoast reopening?

Thank you Allison for your speedy response. If it matters at all as a customer.. I would love to see the existing hotel be renovated with some improvements but keep the some layout. The rooms are just perfect wth the full functioning kitchenette, living room, ocean view bedrooms . It truly is a home away from home. We are really going to miss our stays at the Seacoast Inn. I look forward to whats to come.

*Thank you,*

*Dianna Hernandez*

*Liver Transplant Financial Coordinator  
Loma Linda University Medical Center*

---

**From:** Allison Rolfe [mailto:arolfe@pacificacompanies.com]  
**Sent:** Wednesday, February 10, 2010 13:36  
**To:** Hernandez, Dianna  
**Subject:** RE: Seacoast reopening?

Hi Dianna,

Thank you so much for your message.

We are currently in discussions with the City. The result will be the selection of one of two options:

- We'll break ground on a new 78-room full-service boutique hotel (with restaurant, spa, etc.), OR
- We'll do a major renovation of the existing 38-room hotel.

The sticking point right now is that no one will finance the construction of the 78-room hotel in today's market and the City would prefer that we not do a renovation of the existing building (they want to see the full-service, 78-room hotel built).

In either case, there will be a construction period.

Unfortunately, right now I don't have any dates to offer to you because the conversation is still ongoing.

Please feel free to check back in with me from time to time.  
Thanks!

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Thursday, September 24, 2009 3:13 PM  
**To:** Allison Rolfe  
**Subject:** FW: renovations

---

**From:** Waxler, Gillian W.  
**Sent:** Thursday, September 24, 2009 3:11 PM  
**To:** Michael DeJesus  
**Subject:** renovations

When do you expect renovations to be completed at the Seacoast Inn? I am hoping for summer 2010.

*Gil Waxler*

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Monday, November 16, 2009 1:02 PM  
**To:** Allison Rolfe  
**Subject:** FW: Seacoast Inn

---

**From:** Loretta DiLorenzo  
**Sent:** Monday, November 16, 2009 12:37 PM  
**To:** Michael DeJesus  
**Subject:** Seacoast Inn

*Do you know when it will reopen?*

Loretta J. Di Lorenzo  
Legal Assistant to John R. Hanson  
Worthe Hanson & Worthe  
1851 E. First Street, Ninth Fl.  
Santa Ana, CA 92705

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Wednesday, November 18, 2009 10:08 AM  
**To:** Allison Rolfe  
**Subject:** FW: Howdy

---

**From:** John and Becky Burgess  
**Sent:** Tuesday, November 17, 2009 9:55 PM  
**To:** Michael DeJesus  
**Subject:** Howdy

*Will the seacoast inn be ready for guests Jan 2010...*

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Tuesday, November 24, 2009 9:35 AM  
**To:** Allison Rolfe  
**Subject:** FW: seacoast inn

---

**From:** Matthew Hausrath  
**Sent:** Monday, November 23, 2009 9:13 PM  
**To:** Michael DeJesus  
**Subject:** seacoast inn

Hello,  
I was just wondering if the Seacoast inn is still closed? And if so, is there no way to get a room at all?  
Thank you,  
Matthew Hausrath

**Allison Rolfe**

---

**From:** Michael DeJesus  
**Sent:** Thursday, February 11, 2010 5:08 PM  
**To:** Allison Rolfe  
**Subject:** FW: imperial beach

---

**From:** Ronda  
**Sent:** Thursday, February 11, 2010 5:04 PM  
**To:** Michael DeJesus  
**Subject:** imperial beach

*To whom it may concern:*

We have been guests at the former seacoast inn in imperial beach and we were just trying to find out if the new construction will be finished this summer. Please send any information regarding this property. Thank you.  
Ronda West

-allison

Allison Rolfe  
Pacifica Companies  
1785 Hancock St., Suite 100  
San Diego, CA 92110  
619-296-9000 x118 ph  
619-296-9090 fax

---

**From:** Hernandez, Dianna  
**Sent:** Wednesday, February 10, 2010 1:09 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast reopening?

Hello Allison- My family and I have frequented the Seacoast Inn for the past 8 years now, it has become one of our favorite affordable get aways. The Seacoast is one of those perfect secret locations that just enough people know about, although you want to tell everyone about it... Can you tell me if the Hotel will eventually be reopened? If so, is there an approximate time?

*It would be tragic if the Seacoast Inn is no more.....*

I look forward to your response.

*Thank you,*

*Dianna Hernandez*  
*Liver Transplant Financial Coordinator*  
*Loma Linda University Medical Center*

**Allison Rolfe**

---

**From:** Ronda  
**Sent:** Thursday, February 11, 2010 5:08 PM  
**To:** Allison Rolfe  
**Subject:** imperial beach

we would like information on the opening of the under construction seacoast inn in imperial beach. when will construction be finished. Send any information regarding this property. thank you. Ronda W.

**Allison Rolfe**

---

**From:** Erika Wright  
**Sent:** Sunday, February 28, 2010 6:51 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn

I was wondering we were trying to make a trip to the Seacoast Inn this year in June but I see on the website that it is closed indefinitely for repairs. Does that mean it will never reopen? Or only after it is repaired? And when is it expected to reopen if you have an estimate. My family and I have loved going to Imperial Beach and the Seacoast Inn after many years of family vacations. This was our family destination of fun at the beach. Please let me know. I would greatly appreciate it and hope to hear that it will reopen soon.

Erika Wright

**Allison Rolfe**

---

**From:** Susie Randa

**Sent:** Monday, March 01, 2010 10:41 AM

**To:** Allison Rolfe

**Cc:**

**Subject:** Trying to reserve at the Seacoast Inn Imperial Beach, CA . . . .

Fort what ever reason, I cannot dial your 888- phone number from my phone.  
Can't find a LOCAL phone number so please ask your Res. person to call me  
at:

Thank you.

SUsie Cat. Fantuzzi (Randa)

**Allison Rolfe**

---

**From:** Luisa Bertolo  
**Sent:** Friday, March 12, 2010 2:28 AM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn Imperial Beach

Dear Sirs,  
could you please inform me about the opening date of the Seacoast Inn Imperial Beach?

**Thanks and Best Regards**  
**Luisa Bertolo**  
**Recherche Team**

*The leading cutting-edge source for hotel suppliers!*

---

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Web: [www.tophotelprojects.com](http://www.tophotelprojects.com) • E-Mail: [bertolo.l@tophotelprojects.com](mailto:bertolo.l@tophotelprojects.com)

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## Allison Rolfe

---

**From:** lou  
**Sent:** Wednesday, April 07, 2010 5:11 PM  
**To:** Allison Rolfe  
**Subject:** When?

My husband and I have vacationed at Seacoast Inn for years and would like to plan a vacation there when it re-opens. Do you have any indication of when it will be re-opening?

Thank You

Merrilou Long

**Allison Rolfe**

---

**From:** Robin Barnard  
**Sent:** Tuesday, June 01, 2010 5:07 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn - Imperial Beach CA

Please, can you tell me if it is still closed, and if so – when will it be open?

Thank you.  
Robin Barnard-Shafer  
Office Manager

**The Shannon S Martin Co. Inc**

[www.ShannonSMartin.com](http://www.ShannonSMartin.com)

**Allison Rolfe**

---

**From:** Angel Conaway  
**Sent:** Saturday, May 15, 2010 7:15 AM  
**To:** Allison Rolfe  
**Subject:** Re: Out of Office: Seacoast Inn

Any word on Seacoast Inn opening?

----- Original Message -----

**From:** Allison Rolfe  
**To:** Angel Conaway  
**Sent:** Friday, April 09, 2010 14:28  
**Subject:** Out of Office: Seacoast Inn

I am out of the office and will be returning on Tuesday, April 13th. I will respond as soon as possible.  
Thank you.  
-allison

**Allison Rolfe**

---

**From:** Sunshine Hensley  
**Sent:** Wednesday, May 12, 2010 5:40 AM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn

Hello Ms. Rolfe,

I am a long time customer of the Seacoast Inn and would like to know if there is any estimated date for completion of the remodel of the Hotel?

Regards,

Sunny Hensley  
Customer Service Coordinator  
Electronic Business Center  
Oakwood Worldwide  
8804 N 23rd Ave  
Phoenix, AZ 85021  
U.S.A.

[www.oakwood.com](http://www.oakwood.com)

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**Allison Rolfe**

---

**From:** brian avery

**Sent:** Saturday, May 08, 2010 1:26 PM

**To:** Allison Rolfe

**Subject:** hotel

when will seacoast inn reopen are ypu repairing it or tearing it down thanks Donna avery

**Allison Rolfe**

---

**From:** timothy lopez

**Sent:** Monday, May 03, 2010 6:59 PM

**To:** Allison Rolfe

**Do you know if the Seacoast Inn will be open by October of 2010?**

---

**Hotmail has tools for the New Busy. Search, chat and e-mail from your inbox. [Learn more.](#)**

**Allison Rolfe**

---

**From:** Julie Lacroix  
**Sent:** Tuesday, April 27, 2010 3:33 PM  
**To:** Allison Rolfe  
**Subject:** SeaCoast Inn

Hello,

After our vacation last summer at the Seacoast Inn, we made future plans for a week stay in July with another family. Could you please help me make sure the property is closed, and that my credit card number is secure and will not be charged?

---

Julie LaCroix

[www.powerconnectionsinc.com](http://www.powerconnectionsinc.com)



**Allison Rolfe**

---

**From:** Hernandez, Dianna  
**Sent:** Tuesday, April 20, 2010 10:46 AM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn's Future?

Hi Allison- I'm wondering if the city has decided what was going to happen with the Hotel? Are they rebuilding or renovating? Summer is getting closer and I'm already missing the idea of not spending time at the Seacoast Inn...It's very disappointing. We are never going to find a place like the Seacoast I'm afraid. This is a place we loved to take our kids in the summers...It's hard to believe it's no more.

*Thank you,*

*Dianna Hernandez*

*Liver Transplant Financial Coordinator  
Loma Linda University Medical Center*

**Allison Rolfe**

---

**From:** Angel Conaway  
**Sent:** Friday, April 09, 2010 2:29 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast inn

Hi - Do you know if Seacoast Inn will be opened this summer?

6/2/2010

**Allison Rolfe**

---

**From:** Maria D Flores |  
**Sent:** Tuesday, April 13, 2010 12:12 PM  
**To:** Allison Rolfe  
**Cc:**  
**Subject:** Seacoast Inn - Imperial Beach

**Attn: Allison Rolfe**

I just saw on your website that Seacoast Inn was closed indefinitely for repairs and wanted to know if there is any word on when or if it will re-open. I stayed there several years ago and was looking forward to visiting again in the near future. I really enjoyed my time there and have thought of that place often. I stayed in March of 2003 and stayed for almost a week and had a wonderful/peaceful time. I have not checked out your website for any other locations but I will soon. I just wanted to see if there was any type of an update for Seacoast Inn. I appreciate any info you can provide.

You can reply to this email address or better yet, my personal email at \_\_\_\_\_ . My work email is a little sensitive and sometimes we are not always able to receive incoming emails due to security reasons. Once again thank you for any info you can provide.

Thank you,

*Maria D. Flores*  
Division Order Analyst  
Plains Marketing L.P.  
P. O. Box 4648  
Houston, TX 77002

Toll Free: (800) 564-3036

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## Allison Rolfe

---

**From:** Alexandra Posner  
**Sent:** Monday, April 12, 2010 2:58 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn

Heartbreak! Just went to make reservations and was concerned by the message. I knew there would be some remodeling going on, but the page says closed indefinitely. Just wondering if you could tell me a little bit more about it. Will it reopen? Are they starting from the ground up?

Thanks for any info you can give me.

Alex

**Allison Rolfe**

---

**From:** Drea Rowe  
**Sent:** Tuesday, March 23, 2010 2:29 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn, Imperial Beach CA

March 23, 2010

Hello,

Can you tell me if the property located in Imperial Beach, Seacoast Inn, will ever be reopened for business, and if so, when?

Thank you,

Drea Rowe  
Receptionist  
Palm Springs Desert Resort Communities CVA  
70-100 Highway 111  
Rancho Mirage. CA 92270

**Allison Rolfe**

---

**From:** Eugene Barela  
**Sent:** Monday, March 22, 2010 3:30 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn

Hello,

I am originally from Imperial Beach but now living in New Mexico. I stay at the Seacoast Inn when I come for my "beach fix", but the web site says it is closed for renovations.

Is that true and if so, what else would you recommend.

Thank you,  
Robyn Barela

**Allison Rolfe**

---

**From:** Ben Lugo  
**Sent:** Thursday, March 11, 2010 1:05 PM  
**To:** Allison Rolfe  
**Subject:** Seacoast Inn reservation

To whom it may concern,

Hello, my name is Ben. Last year my family had a very nice vacation at your hotel Seacoast Inn at Imperial Beach. Unfortunately, at that time I did not make reservation for this year. Now that service is not available online. I would really appreciate if you let me know who to contact or how to make it happen. Also, please let me know wheter the hotel going to be available this season. I'm looking forward to hear from you soon. Thank you. Ben.

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**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** PUBLIC WORKS   
**SUBJECT:** RESOLUTION AWARDING A CONTRACT FOR CERTAIN PUBLIC WORKS PROJECT – SEALING & REPAIRING WET WELLS & MANHOLES (CIP# W05-401)

---

**BACKGROUND:** The Five-Year Capital Improvement Program Budget Fiscal Year 2004/2005 through Fiscal Year 2008/2009 adopted by Resolution No. 2005-6089 and as amended December 7, 2005 – Resolution No. 2005-6253 and February 6, 2008 – Resolution No. 2008-2008-6574 - included Sealing & Repairing Wet Wells & Manholes (W05-401), Sewer Manholes (W05-301) and Pump Station No. 7 Wet Well Replacement (W06-101) projects. In collaboration with the consultant – Tran Engineering – staff determined that there was economy and efficiency in combining these three CIP projects into one bid. Further the Consultant's evaluation of the Pump Station No. 7 replacement suggested that this improvement could be accomplished with less cost by making modifications to Pump Station # 7 infrastructure without having to replace the wet-well. Thus the attached resolution is proposing that City Council concur with combining the three CIP projects into one bid and combining the funds allocated for the three projects into this one bid award.

This project, if awarded, will seal 53 sewer man holes that are currently showing significant deterioration (53 of the City's 752 sewer manholes). It will seal the wet wells of Pump Stations 1A, 2, 3, 4, 5, and 6 (6 of the City's 11 sewer stations). This should extend the service life of these pump station wet well at least another 20 - 25-years.

**DISCUSSION:** The City solicited bids for the Sealing & Repairing Wet Wells & Manholes (CIP W05-401) project on April 29, 2010. Bids were open and evaluated on June 3, 2010.

The lowest responsive and qualified bidder for the Sealing & Repairing Wet Wells & Manholes was NeWest Construction Company, Inc. Their bid was \$656,515.00.

The contractors who submitted proposals are listed below along with their proposal amounts.

- NeWest Construction Company, Inc. \$ 656,515.00
- Charles King, Company, Inc. \$1,041,200.00

Engineer's Estimate for this project construction was \$670,895.00

As is shown below in the Fiscal Impact statement, the total estimated cost of the project exceeds the allocated funds by \$28,865. There are sufficient funds in the Sewer Enterprise Fund Reserve to cover these additional estimated costs.

**ENVIRONMENTAL DETERMINATION:**

Not a project as defined by CEQA. This project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15302(c): Replacement or Reconstruction of Existing Utility Systems and Facilities.

**FISCAL IMPACT:**

Budget Allocated from Sewer Enterprise Fund:

- Sealing & Repairing Wet Wells & Manholes (CIP W05-401) \$463,000
- Sewer Manholes (CIP W05-301) \$ 70,000
- Pump Station NO. 7 Wet Well Replacement (CIP W06-1101) \$221,000
- **TOTAL BUDGET ALLOCATED** **\$754,000**

Expenditure & Encumbrances

- Tran Engineering (design services) \$ 63,350
- NeWest Construction Company, Inc. \$656,515
- Project Administration \$ 63,000
- **ESTIMATED TOTAL PROJECT COST** **\$782,865**

Recommended budget amendment to cover the remaining cost of the project:

- Sewer Enterprise Fund \$ 35,000

**Total Sewer Enterprise Fund Allocation \$789,000**

**DEPARTMENT RECOMMENDATION:**

1. Receive this report.
2. Authorize the City Manager to combine the three projects - Sealing & Repairing Wet Wells & Manholes (W05-401), Sewer Manholes (W05-301) and Pump Station No. 7 Wet Well Replacement (W06-101) projects – into one bid award.
3. Adopt the attached resolution awarding a contract to the lowest, responsible qualified bidder.
4. Authorize the City Manager to sign a contract NeWest Construction Company, Inc.
5. Authorize the City Manager to approve a purchase order for the Sealing & Repairing Wet Wells & Manholes (W05-401) project with NeWest Construction Company, Inc.
6. Authorize the transfer of \$35,000 from the Sewer Enterprise Fund Reserve (601 Account) to the Sealing & Repairing Wet Wells & Manholes (W05-401) CIP project to cover the design, construction and project administration cost for the "Sealing & Repairing Wet Wells & Manholes (W05-401)" project.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.



\_\_\_\_\_  
Gary Brown, City Manager

Attachments:

1. Resolution No. 2010-6904

**RESOLUTION NO. 2010-6904**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AWARDING A CONTRACT FOR CERTAIN PUBLIC WORKS PROJECT – SEALING & REPAIRING WET WELLS & MANHOLES (CIP# W05-401)**

**WHEREAS**, the Five-Year Capital Improvement Program Budget Fiscal Year 2004/2005 through Fiscal Year 2008/2009 adopted by Resolution No. 2005-6089 and as amended December 7, 2005 – Resolution No. 2005-6253 and February 6, 2008 – Resolution No. 2008-2008-6574 - included Sealing & Repairing Wet Wells & Manholes (W05-401), Sewer Manholes (W05-301) and Pump Station No. 7 Wet Well Replacement (W06-101) projects; and

**WHEREAS**, in collaboration with the design consultant – Tran Engineering – staff determined that there was economy and efficiency in combining these three CIP projects into one bid; and

**WHEREAS**, the Consultant's evaluation of the Pump Station No. 7 replacement suggested that this improvement could be accomplished with less cost by making modifications to Pump Station # 7 infrastructure without having to replace the wet-well; and

**WHEREAS**, this resolution proposes that City Council concur with combining the three CIP projects into one bid and combining the funds allocated for the three projects into this one bid award; and

**WHEREAS**, this project will seal 53 sewer man holes that are currently showing significant deterioration (53 of the City's 752 sewer manholes); and

**WHEREAS**, this project will seal the wet wells of Pump Stations 1A, 2, 3, 4, 5, and 6 (6 of the City's 11 sewer stations); and

**WHEREAS**, the City solicited bids for the Sealing & Repairing Wet Wells & Manholes (CIP W05-401) project on April 29, 2010; and

**WHEREAS**, bids were open and evaluated on June 3, 2010 and the lowest responsive qualified bidder was NeWest Construction Company, Inc. at a bid price of \$656,515.00; and

**WHEREAS**, Engineer's Estimate for this project construction was \$670,895.00; and

**WHEREAS**, the total estimated cost of the project is \$782,865; and

**WHEREAS**, the total budget allocated to this project is \$754,000; and

**WHEREAS**, this project must have additional funding in order to cover the cost of the design, construction and administration; and

**WHEREAS**, there are sufficient funds in the Sewer Enterprise Fund Reserve to cover these additional estimated costs.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. This legislative body hereby rejects all proposals for bids except that identified as the lowest responsible qualified bid. The bid of the lowest, responsible

- qualified bidder will be on file with the transcript of these proceedings and open for public inspection in the City Clerk Department on file as Contract No. \_\_\_\_.
3. This legislative body authorizes the City Manager to combine the three projects - Sealing & Repairing Wet Wells & Manholes (W05-401), Sewer Manholes (W05-301) and Pump Station No. 7 Wet Well Replacement (W06-101) projects – into one bid award.
  4. This legislative body authorizes the City Manager to sign a contract NeWest Construction Company, Inc.
  5. This legislative body authorizes the City Manager to approve a purchase order for the Sealing & Repairing Wet Wells & Manholes (W05-401) project with NeWest Construction Company, Inc.
  6. This legislative body authorizes the transfer of \$35,000 from the Sewer Enterprise Fund Reserve (601 Account) to the Sealing & Repairing Wet Wells & Manholes (W05-401) CIP project to cover the design, construction and project administration cost for the "Sealing & Repairing Wet Wells & Manholes (W05-401)" project

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15th day of June 2010, by the following vote:

**AYES:                    COUNCILMEMBERS:**  
**NOES:                    COUNCILMEMBERS:**  
**ABSENT:                COUNCILMEMBERS:**

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**JAMES C. JANNEY, MAYOR**

**ATTEST:**

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**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

**Item No. 6.3**

**Item Removed**





**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: GARY BROWN, CITY MANAGER**

**MEETING DATE: JUNE 15, 2010**

**ORIGINATING DEPT.: PUBLIC SAFETY**

**SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING AN EXTENSION AND AMENDING THE AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND THE CITY OF IMPERIAL BEACH FOR THE PURPOSE OF PROVIDING ANIMAL CONTROL KENNEL AND CALL OUT SERVICES FOR FISCAL YEARS 2009-2011**

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**BACKGROUND:**

The City of Imperial Beach contracted with the City of Chula Vista for full animal control officer and kennel services, from October 1, 1999 to October 21, 2009. In 2009 City Council approved the Imperial Beach Animal Control Program which replaced the Chula Vista contracted animal control officer services with its own full-time ACO.

The IB program provides daily patrol and enforcement in the City of IB and continues contract services with the Chula Vista Animal Control Kennel to provide shelter services. Additionally, IB's program contracts for call out services from Chula Vista when our own officer is unavailable to respond due to another call, is on vacation, or "out sick".

**DISCUSSION:**

The agreement for the provision of animal control kennel services between the City of Imperial Beach and the City of Chula Vista expires June 30, 2010. The contract has an option to extend the agreement for two (2) additional one (1) year terms. Based on the satisfactory performance provided by the City of Chula Vista animal control kennel services from 1999 to the present, staff is recommending the continued use of their services through a one year agreement extension. The City also wishes to amend the current Agreement to clarify language on contract costs and to make other minor revisions to the Agreement.

The IB Animal Control Officer has proactively worked on reuniting animals and their guardians/owners to save both IB residents and the City the Chula Vista shelter intake costs. Even with these efforts, the Chula Vista Animal Control Shelter continues to see an increase of Imperial Beach animals. This year the number of animals has increased by 54 primarily due to the stray cat population. Staff is developing a program to actively promote the spaying of these animals.

In 2009 the Chula Vista Animal Care Facility had a total animal intake of 7,459. The breakdown for the City of Imperial Beach animals is as follows:

Year	Total Intake numbers	Dogs	Cats and Other Animals
2009	604	273	331
2008	550	260	290

Given these numbers, the City of Imperial Beach is now responsible for 8.098% of the Chula Vista Kennel Services costs. This number is up by more than 2% from last year's 6% cost to the City of Imperial Beach.

Additional costs accrued for Animal Control Officers responding to requested On Call Services will be billed on a monthly basis in addition to the regular billing identified in section 4.1 (A). The call back rate is \$50 plus a minimum of two hours of overtime per call back, at a rate of \$35.74 per hour.

**ENVIRONMENTAL IMPACT:**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

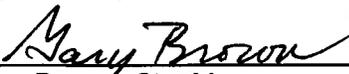
The Fiscal Budgets 2009-2011 list the annual cost for Animal Control Services at \$209,700. For Fiscal Year 2010-2011 the City of Chula Vista has proposed to provide animal control kennel and call-out services to the City of Imperial Beach, as detailed in the agreement, for \$166,815. A credit of \$14, 576 from previous Redemption Fees brings the total net cost to \$152,239. The cost for the Imperial Beach Animal Control Officer is approximately \$73,160 for a total cost of \$225,399. The difference of \$15,699 will be covered by parking citations and animal licensing fees.

**DEPARTMENT RECOMMENDATION:**

Review and adopt Resolution No. 2010-6895, which authorizes the City Manager to extend an agreement for animal control kennel and call-out services between the City of Imperial Beach and the City of Chula Vista for FY's 2010-2011.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary Brown, City Manager

Attachments:

1. Resolution 2010-6895
2. First Amendment to Agreement between City of Chula Vista and City of Imperial Beach Providing Animal Care and On Call Animal Control Services
3. Existing Agreement between the City of Chula Vista and the City of Imperial Beach providing animal control services.
4. Proposed costs for Fiscal Year 2010-2011 from the City of Chula Vista
5. Chula Vista Animal Care Facility Monthly Report with Year-to-Date totals for 2009

**RESOLUTION NO. 2010-6895**

**A RESOLUTION OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING A FIRST AMENDMENT TO AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND THE CITY OF IMPERIAL BEACH FOR THE PURPOSE OF EXTENDING THE AGREEMENT FOR ANIMAL CARE AND ON CALL ANIMAL CONTROL SERVICES**

**WHEREAS**, the City understands the need for an effective, efficient, and quality public safety animal control service; and

**WHEREAS**, the City of Imperial Beach desires to exercise its option to extend an Agreement with the City of Chula Vista for the purposes of providing animal control kennel and call out services within the City of Imperial Beach effective July 1, 2010 to June 30, 2011; and

**WHEREAS**, the City wishes to amend the current Agreement to clarify language on contract costs and to make other minor revisions to the Agreement; and

**WHEREAS**, the City of Chula Vista Animal Control Services will provide these services, as outlined in the agreement between the City of Imperial Beach and the City of Chula Vista for animal control kennel and call out services.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Imperial Beach authorizes the City Manager to execute the Agreement between the City of Chula Vista and the City of Imperial Beach for the purpose of providing animal control kennel and call out services for FY's 2010-2011.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15<sup>th</sup> day of June 2010, by the following roll call vote:

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

\_\_\_\_\_  
**JIM JANNEY, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC**  
**CITY CLERK**



**FIRST AMENDMENT TO AGREEMENT BETWEEN CITY OF CHULA VISTA AND CITY OF  
IMPERIAL BEACH PROVIDING ANIMAL CARE AND ON CALL ANIMAL CONTROL  
SERVICES**

This first Amendment to Agreement is made by and between the City of Imperial Beach ("Imperial Beach") and the City of Chula Vista ("City") for the purpose of extending the agreement for Animal Care and On Call Animal Control Services.

**RECITALS**

**WHEREAS**, on or about December 17, 2009, Imperial Beach and City entered into an Agreement to Provide Animal Care and On Call Animal Control Services; and

**WHEREAS**, the term of said Agreement was for one (1) year beginning July 1, 2009; and

**WHEREAS**, said Agreement provides that by mutual assent of both parties, Agreement may be extended for two (2) additional one (1) year periods.

**NOW, THEREFORE**, the parties agree as follows:

1. The above recitals are true and correct.
2. The parties agree that the provisions of the Agreement for Providing Animal Care and On Call Animal Control Services shall continue in full force and effect for one (1) year beginning July 1, 2010.
3. The parties agree to modify Article IV of the original Agreement for the purpose of providing a detailed breakdown of costs, to read as follows:

**ARTICLE IV. IMPERIAL BEACH OBLIGATIONS**

**4.1 Payment.** Imperial Beach shall pay the City the following in the amount and manner set forth herein

- (A) **Monthly Payments.** Commencing on July 1, 2010, Imperial Beach agrees to pay City \$152,239 for FY 2010-2011 in monthly payments of \$12,686.56
  - (1) **Invoices and Payment Date.** The City Finance Office shall submit the billing to Imperial Beach on or before the 10th day of the month following the billing period and that amount shall be due and payable within thirty (30) calendar days of the invoice date.
  - (2) **On Call Services Expenses for Animal Control Officers.** Costs accrued for Animal Control Officers responding to requested On Call Services will be billed on a monthly basis in addition to the regular billing identified in section 4.1 (A). The call back rate is \$50 plus a minimum of two hours of overtime per call back, at a rate of \$35.74 per hour.
  - (3) **Redemption Fees.** Monthly payments shall be reduced by any Redemption Fees collected under this agreement.

(4) **Late Payments:** A penalty of five percent (5%) will be assessed on late payments. Additionally, a one and one half (1 ½%) finance charge per month will be assessed on the original delinquent amount.

(B) **Pricing of Contract Extensions.** Pricing for contract extensions for each subsequent fiscal year shall be based on actual Animal Intakes from the preceding calendar year.

(1) No later than March 1 of each year, the City will notify Imperial Beach of the actual Animal Intakes for the preceding calendar year, and the proposed contract pricing for the upcoming fiscal year.

(2) If Imperial Beach desires to execute an option to extend, it shall notify City in writing no later than May 1 of each year that it accepts the proposed contract pricing for the upcoming fiscal year and, thereby, executes an option to extend the contract for a one (1) year term.

CITY OF IMPERIAL BEACH

Dated \_\_\_\_\_

\_\_\_\_\_  
Gary Brown  
City Manager

CITY OF CHULA VISTA

Dated: \_\_\_\_\_

\_\_\_\_\_  
Scott Tulloch  
Assistant City Manager

Attest:

\_\_\_\_\_  
Jacque Hald  
City Clerk

**AGREEMENT BETWEEN CITY OF CHULA VISTA AND  
CITY OF IMPERIAL BEACH  
PROVIDING ANIMAL CARE AND ON CALL ANIMAL CONTROL SERVICES**

This agreement ("Agreement"), dated \_\_\_\_\_, 20\_\_ for reference purposes only, and effective as of the date last executed is between the City of Chula Vista, ("City"), a chartered municipal corporation of the State of California, and Imperial Beach, a chartered municipal corporation of the State of California ("Imperial Beach"). The City of Imperial Beach may be referred to herein individually as "Party" and collectively as "Parties." This "Agreement" is made with reference to the following facts:

**RECITALS**

**WHEREAS**, City owns and operates an animal care facility, located at 130 Beyer Way, Chula Vista, California and provides a full range of animal control services to the citizens of Chula Vista; and,

**WHEREAS**, Imperial Beach desires to enter into an agreement with City, whereby City will provide animal shelter and On Call animal control services for the impounding, adoption, redemption, and the care and disposition of dogs, cats, and other small animals; and

**WHEREAS**, City has the authority to enter into contracts with other agencies to provide such services.

**NOW, THEREFORE**, in consideration of their mutual promises, and other good and valuable consideration, the Parties hereto do hereby agree as follows:

**ARTICLE I. TERM**

1.1 **Term.** This Agreement shall be for a two (2) years term commencing on the date of execution of this Agreement

(A) *Options to Extend.* Parties may extend the Agreement for two (2) additional one (1) year terms.

(B) *Notice.* Imperial Beach shall provide written notice to City at least sixty (60) calendar days, but no more than ninety (90) calendar days, prior to the expiration of the term of this Agreement expressing its intent to exercise an option.

**ARTICLE II. SCOPE OF SERVICES**

2.1 **General Services.** City shall provide on call animal control, general shelter, and related administrative services to the residents of Imperial Beach to the extent and

in the manner set forth herein.

(A) *Field Services*. City shall provide the “Field Services” in the type and manner provided for below.

- (1) **On Call Services**. When the Imperial Beach Animal Control officer is unavailable city will respond to the best of its ability to reported emergencies or other on call situations upon request of the City of Imperial Beach. Imperial Beach shall pay for any and all costs associated with such emergency responses in the manner set forth in Section 4.1(A)(2).
- (2) **Type of Services**. Except as provided in Article III, Field Services shall include emergency transportation of injured or sick animals, the issuance of citations for violations of state and local laws and ordinances, impounding of strays, investigation of biting incidents, vicious or dangerous animals complaints, trapping of animals, investigating humane complaints, investigating barking dog or animal noise complaints, picking up dead animals, and educating the public about pet responsibility.
- (3) **Responses to Requests for Service**. All requests for service will be handled in a reasonable time and manner and based on the priority system set forth below (see Priority Response Chart and Guidelines). City will employ staff as needed in emergency situations to assure reasonable response times.

(a) Priority Response Chart.

Type of Service	In Progress	Not in Progress
Dangerous Animal Threatening Human	1	3
Possible Rabid/Biter Animal at Large	1	3
Major Injury to Animal	1	3
Cruelty to Animal	1	3
Animal Inside Vehicle	1	3
Fighting Animals	1	3
Dog Harassing Livestock	1	3
Sick or Minor Injury to Animal	2	3
Animal Welfare Investigation	2	3
Quarantine Biter Animal	3	N/A
Confined Stay Animal	3	N/A
Field Relinquished Animal	3	N/A
Dog Running at Large	3*	4*

(b) Priority Level Response Guidelines

Level 1 First priority, Officer will respond ASAP

Level 2 Second priority, Officer will make every effort to respond within 12 hours of receipt

Level 3 Third priority, Officer will make every effort to respond within 24 hours of receipt

Level 4 Fourth priority, Officer will make every effort to respond within 72 hours of receipt

\*During normal business hours an Officer will respond ASAP

(4) **Additional Field Services.** City shall conduct the following additional field services as requested.

(a) On Call Service. City will provide animal control services when requested by the City of Imperial Beach under the On Call. In addition, City will provide coverage for Imperial Beach Animal Control officer off periods i.e. vacation, sick days, etc.

(b) Special Enforcement. City will conduct special enforcement animal control patrols as needed or as requested by Imperial Beach, provided there are no conflicts with the City's needs. This will include special animal control patrol hours, sweeps and enforcement. All overtime costs for special enforcement patrols will be paid in the amount and manner set forth by Section 4.1(A)(2).

(c) Special Events. City will provide Animal Control personnel for scheduled special events as requested, provided there are no conflicts with City's needs. These events will be performed on an overtime basis and all overtime costs for special events will be paid by Imperial Beach.

(5) **Livestock.** Livestock will be removed under contract with a separate agency chosen by the City Animal Care Facility. The contracting agency will be capable of removing livestock and will provide its own equipment and personnel. Actual trailering, board and other fees related to livestock will be paid by Imperial Beach.

(B) **Shelter Services.** City shall provide the shelter services to the residents of Imperial Beach in the manner and type described below:

- (1) **Shelter Location.** Shelter Services shall be provided at the facility located in the City of Chula Vista at 130 Beyer Way.
- (2) **Hours of Operation.** The facility hours are currently 10:00am to 5:00pm, Tuesday through Friday, and 10:00am to 4:00pm on Saturday. The facility will be closed on Sunday, Monday, and all major holidays.
  - (a) **Changes in Hours of Operation.** City shall notify Imperial Beach of changes to facility hours in advance of such changes.
- (3) **Types of Services.**
  - (a) **Strays.** City shall accept strays at no charge to the Imperial Beach residents.
  - (b) **Relinquishing Animals.** Imperial Beach residents may relinquish owned animals to the facility for euthanasia or adoption.
  - (c) **Redeeming Animals.** Imperial Beach residents may redeem animals from the facility.
  - (d) **Holding.** City agrees to hold all dogs and cats for the minimum holding period required by the California Food and Agricultural Code and other applicable state law. As per applicable state code sections, animals with communicable diseases and severe injuries or illness may be euthanized prior to the expiration of the normal holding period. Veterinary medical care will be provided as needed for all impounded animals for the duration of their hold period as needed. City will attempt to notify owners of identified animals that their animal is in the custody of the City Animal Care Facility and advise them of the holding period. Imperial Beach shall relinquish to City for disposition in accordance with all applicable laws, policies or procedures as deemed appropriate by the City Animal Care Facility Manager all animals held in the animal care facility and not claimed or adopted. Upon payment of all appropriate fees, City will release to the legal owner, any impounded domestic animal. City will have discretion without recourse to Imperial Beach to release animals under special circumstances regardless of payment of fees.
    - (i) **No Medical Research.** City will not sell or give any live or dead animal to a medical research facility at any time or from any jurisdiction.
  - (e) **Spaying and Neutering.** City will ensure all dogs, cats and rabbits adopted from the shelter are spayed or neutered at the time of

adoption or a spay/neuter deposit will be collected in accordance with state law. Additionally, the City Animal Care Facility will provide the public with low-cost spay/neuter information and assistance.

- (f) **Maintenance of Facility.** City shall maintain its facility in a humane manner and shall keep its facility in a sanitary condition at all times. All services furnished by City shall be provided in accordance with local laws and the laws of the State of California. City shall use humane methods in the care, euthanizing, and disposition of any animal coming under its jurisdiction.

(C) **Administrative Services.** City shall provide the following administrative services.

- (1) **Meetings.** City will provide a representative to attend any Imperial Beach meetings that involve animal control issues upon request and with reasonable notice.
- (2) **Meet and Confer.** A City representative will meet and confer in good faith with an Imperial Beach administrator over operational issues associated with the administration of this Agreement.
- (3) **Reports.** City will provide monthly reports to Imperial Beach. These reports will include the number of impounds, redemptions, euthanizations, service responses, and adoptions.
- (4) **Notification.** City shall establish a notification policy for its officers with the assistance of Imperial Beach officials. The policy shall identify the types of incidents for which City Animal Control will be required to notify designated Imperial Beach officials. Notification shall include the nature, circumstances, and status of the incident. City will also provide, if requested, copies of all supporting documents and information involving the incident. Imperial Beach will provide a list of its designated city officials to City and the recommended methods to contact the designated individuals.
- (5) **Testimony.** When requested Imperial Beach and at no additional cost, City shall make available its employees and/or other percipient witness under its control, for any challenge stemming from the services provided herein (including but not limited to Municipal Code citations) as needed to testify in a court of law, administrative or other proceeding. This duty shall survive the termination of this Agreement.

### ARTICLE III. EXCLUDED SERVICES

3.1 **Excluded Services.** The following services are not included in the Scope of Services covered under this Agreement

- (A) *Indigenous Animals.* City will not trap skunks, opossums or other indigenous small animals for the purpose of nuisance control. Wildlife will only be handled for purposes of public safety or for humane reasons. Cats, feral or tame, will only be trapped when a bite has occurred or to protect the public health or safety. Cats in traps will be removed from the National Estuarine Research Reserve bird sanctuary at Imperial Beach's request when staffing is available. Cat traps will be provided and monitored by Imperial Beach. City will remove only trapped cats. Only dangerous snakes will be removed from private property.
- (B) *Dead and Injured Animals.* Dead animals on private property are the responsibility of the property owner. Sick or injured animals are the responsibility of the animal owner.

### ARTICLE IV. IMPERIAL BEACH OBLIGATIONS

4.1 **Payment.** Imperial Beach shall pay the City the following in the amount and manner set forth herein.

- (A) *Monthly Payments.* Commencing on July 1, 2009, Imperial Beach agrees to pay City \$124,162 for FY 2009/2010 in monthly payments of \$10,347.
  - (1) **Invoices and Payment Date.** The City Finance Office shall submit the billing to Imperial Beach on or before the 10th day of the month following the billing period and that amount shall be due and payable within thirty (30) calendar days of the invoice date.
  - (2) **On Call Services Expenses for Animal Control Officers.** Regular or overtime costs for Animal Control Officers accrued in response to requested On Call Services will be billed on a monthly basis in addition to the regular billing identified in section 4.1 (A).
  - (3) *Redemption Fees.* Monthly payments shall be reduced by any Redemption Fees collected under this agreement.
  - (4) *Late Payments:* A penalty of five percent (5%) will be assessed on late payments. Additionally, a one and one half (1 ½%) finance charge per month will be assessed on the original delinquent amount.

(B) **Pricing of Contract Extensions.** Pricing for contract extensions for each subsequent fiscal year shall be based on actual Animal Intakes and Animal Control Calls for Service from the preceding calendar year.

(1) No later than March 1 each year, the City will notify Imperial Beach of the actual Animal Intakes for the preceding calendar year, and the proposed contract pricing for the upcoming fiscal year.

(2) If Imperial Beach desires to execute an option to extend, it shall notify City in writing no later than May 1 of each year that it accepts the proposed contract pricing for the upcoming fiscal year and, thereby, executes an option to extend the contract for a one (1) year term.

4.2 **Vehicles and Supplies:** City will provide its own vehicle and supplies when responding to an On Call.

4.3 **Support Services.**

(A) *Provision of Data.* Imperial Beach shall provide City with a current listing of all animal licenses issued, including permits or licenses for dogs, cats, dangerous dogs or animals, exotic animals, kennels, pet shops, ranches or farms, dog shows, obedience trials and circuses.

(B) *Notice of Scheduled Meetings.* Imperial Beach shall notify City at least 72 hours in advance of any animal-related issues, which are anticipated to be scheduled on an agenda for the City Council or any legislative or administrative body of Imperial Beach when City employees will be required to appear.

(C) *Police Services.* Imperial Beach shall provide all police services necessary to carry out its duties including police backup upon request of a City Animal Control Officer.

(D) *Weapons.* Imperial Beach shall permit City Animal Control Officers to carry and use tasers and tranquilizer guns within the City of Imperial Beach while on duty in their animal control uniform

(E) *Legal Representation.* Imperial Beach will provide legal representation in cases of public nuisance, dangerous and potentially dangerous animal cases, and for lawsuits, claims, or litigation pertaining to these cases.

## ARTICLE V. FEES

5.1 **Fees Charged Imperial Beach Residents.** Imperial Beach residents shall be required to pay fees for certain services provided for Animal Care and Control.

(A) *Relinquishment and Redemption.* Fees will be charged in accordance with City's master fee schedule unless otherwise agreed to separately with the City of Imperial Beach.

5.2 **Fee Updates.** On occasion, City may be required to update fees to account for increased costs. As new fees are adopted, for the purpose of this Agreement, such fees shall replace those currently in effect. The City of Imperial Beach will be consulted prior to any fee increase affecting the Imperial Beach residents.

## ARTICLE VI. INDEMNITY

6.1 **Imperial Beach to Indemnify.** Imperial Beach shall defend, indemnify, protect and hold harmless the City, its elected and appointed officers, employees, agents, and volunteers, from and against any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons in any manner arising out of, related to, or in connection with the destruction of any animal delivered to and accepted by the Animal Care Facility. In addition, this indemnity provision shall cover any alleged acts, omissions, negligence, or willful misconduct of Imperial Beach, its officials, officers, employees, agents, and volunteers. This indemnity provision, however, does not include any claims, damages, liability, costs and expenses (including without limitations, attorneys fees) arising from the sole negligence or sole willful misconduct of the City, its officers, employees, agents, and volunteers.

6.2 **City Duty to Indemnify.** City shall indemnify and hold Imperial Beach, its elected officials, employees, officers, agents and representatives harmless for any liability, including but not limited to claims asserted or costs, losses, attorney fees, or payments for injury to any person or property caused or claimed to be caused by the acts or omissions of the City, or its employees, agents, and officers, arising out of any services performed under this Agreement. City's duty to defend and indemnify shall not extend to any claims or liabilities arising from the sole negligence or sole willful misconduct of the City of Imperial Beach, its agents, officers or employees.

6.3 **Costs of Defense and Award.** Included in the obligations in Sections 6.1 and 6.2, above, is the Indemnitor's obligation to defend, at Indemnitor's own cost, expense and risk, any and all aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the Indemnitee, its directors, officials, officers, employees, agents and/or volunteers. Indemnitor shall pay and satisfy

any judgment, award or decree that may be rendered against Indemnitee, its directors, officials, officers, employees, agents and/or volunteers, for any and all legal expense and cost incurred by each of them in connection therewith.

- 6.4 **Insurance Proceeds.** Indemnitor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Indemnitee, its directors, officials, officers, employees, agents, and/or volunteers.
- 6.5 **Enforcement Costs.** Indemnitor shall pay any and all costs Indemnitee incurs enforcing the indemnity and defense provisions set forth in Article VI.
- 6.6 **Survival.** Indemnitor's obligations under Article VI shall survive the termination of this Agreement.

## **ARTICLE VII. FORCE MAJEURE**

- 7.1 **Definition.** An Event of Force Majeure means an occurrence beyond the control and without the fault or negligence of a Party, including but not limited to unusually severe weather, flood, earthquake, fire, lightning, and other natural catastrophes, acts of God or the public enemy, war, terrorist act, riot, insurrection, civil disturbance or disobedience, strike, labor dispute, road impediments, expropriation or confiscation of facilities, changes of applicable law, or sabotage of facilities, so long as such Party makes good faith and reasonable efforts to remedy the delays or failures in performance caused thereby.
- 7.2 **Force Majeure.** City shall be excused for any delay or failure to perform its duties and obligations under this Agreement to the extent that such failure or delay is caused by an Event of Force Majeure as set forth in section 7.1. Delay or failure in performance by a Party which is the result of an Event of Force Majeure set forth in section 7.1 shall be deemed excused for a period no longer than the delay or failure in performance caused by such Event.
- 7.3 **Notice.** City shall give written notice to Imperial Beach as soon after becoming aware of the delay or failure in performance caused by an Event of Force Majeure as is reasonably possible, but in any event within five (5) working days after City becomes aware of such delay or failure.
- 7.4 **No Adjustments.** No Event of Force Majeure shall be a basis for monetary adjustment to amounts payable under this Agreement.

## **ARTICLE VIII. TERMINATION OF AGREEMENT**

- 8.1 **Termination for Convenience.** Either Party may terminate this Agreement at any time and for any reason, by giving specific written notice of such termination and specifying the effective date thereof at least ninety (90) days before the effective date of such termination. If the Agreement is terminated by Imperial Beach as

provided for in this paragraph, City shall be entitled to receive just and equitable compensation for all services performed prior to the effective date of such termination.

- 8.2 **Termination for Cause.** If, through any cause, either party shall substantially fail to fulfill in a timely and proper manner any obligation under this Agreement, or violate any of its covenants, agreements or conditions, the Party not in breach shall have the right to terminate this Agreement by giving written notification of such termination and specifying the effective date thereof at least five (5) days before termination. If the Agreement is terminated by Imperial Beach as provided for in this paragraph, City shall be entitled to receive just and equitable compensation for all services performed prior to the effective date of such termination.

#### ARTICLE IX. NOTICES

- 9.1 **Method of Notification.** All notices and demands shall be given in writing by personal delivery or first-class mail, postage prepaid, addressed to the Administrator, or his/her designee, designated below for the respective party.

- 9.2 **Designation and Contact Information.** The following, including their respective addresses, are hereby designated as Administrators for the purposes of this Agreement only:

(A) City of Chula Vista  
Assistant City Manager, and/or his/her designee  
276 Fourth Avenue  
Chula Vista, CA 91910

(B) City Imperial Beach  
City Manager, and his/her designee  
825 Imperial Beach  
Imperial Beach, CA 91932

- 9.3 **Changes.** If the Administrator, designee or address of either party changes, notice of the change shall be sent to the other party. After the receipt of the notice of change, all future notices or demands shall be sent as required by the notice of change.

#### ARTICLE X. MISCELLANEOUS PROVISIONS

- 10.1 **Headings.** All article headings are for convenience only and shall not affect the interpretation of this Agreement.

- 10.2 **Gender & Number.** Whenever the context requires, the use herein of (i) the neuter gender includes the masculine and the feminine genders and (ii) the singular number includes the plural number.

- 10.3 **Reference to Paragraphs.** Each reference in this Agreement to a section refers, unless otherwise stated, to a section this Agreement.
- 10.4 **Incorporation of Recitals and Exhibits.** All recitals herein and exhibits attached hereto are incorporated into this Agreement and are made a part hereof.
- 10.5 **Covenants and Conditions.** All provisions of this Agreement expressed as either covenants or conditions on the part of the City or Imperial Beach shall be deemed to be both covenants and conditions.
- 10.6 **Integration.** This Agreement and any exhibits or references incorporated into this Agreement fully express all understandings of the Parties concerning the matters covered in this Agreement. No change, alteration, or modification of the terms or conditions of this Agreement, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both Parties or an amendment to this Agreement agreed to by both Parties. All prior negotiations and agreements are merged into this Agreement.
- 10.7 **Severability.** In the event that any phrase, clause, paragraph, section or other portion of this Agreement shall become illegal, null or void, or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void, against public policy, or otherwise unenforceable, the remaining portions of this Agreement shall not be affected and shall remain in force and effect to the fullest extent permissible by law.
- 10.8 **Drafting Ambiguities.** The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and the decision of whether or not to seek advice of counsel with respect to this Agreement is a decision that is the sole responsibility of each Party. This Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the Agreement.
- 10.9 **Conflicts Between Terms.** If an apparent conflict or inconsistency exists between the main body of this Agreement and any exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

- 10.10 **Compliance With Law.** The parties shall, at their sole cost and expense, comply with all the requirements of municipal, state, and federal authorities now in effect or which may hereafter be in effect related to this Agreement.
- 10.11 **Governing Law.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of California. This Agreement shall be deemed made and entered into in San Diego County, California.
- 10.12 **Administrative Claims Requirements and Procedures.** No suit or arbitration shall be brought arising out of this agreement, against the City unless a claim has first been presented in writing and filed with the City and acted upon by the City in accordance with the procedures set forth in Chapter 1.34 of the Chula Vista Municipal Code, as same may from time to time be amended, the provisions of which are incorporated by this reference as if fully set forth herein, and such policies and procedures used by the City in the implementation of same. Upon request by City, Imperial Beach shall meet and confer in good faith with City for the purpose of resolving any dispute over the terms of this Agreement
- 10.13 **Fees.** In the event any action or proceeding shall be instituted in connection with this Agreement, including without limitation the enforcement of any indemnification obligation contained herein, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' fees and costs incurred in bringing or defending such action or proceeding and/or enforcing any judgment granted.
- 10.14 **Jurisdiction and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action arising under or relating to this Agreement shall be brought only in the federal or state courts located in San Diego County, State of California, and if applicable, the City of Chula Vista, or as close thereto as possible. Venue for this Agreement, and performance hereunder, shall be the City of Chula Vista.
- 10.15 **Municipal Powers.** Nothing contained in this Agreement shall be construed as a limitation upon the powers of the City as a chartered city of the State of California.
- 10.16 **Assignment.** Imperial Beach shall not assign this Agreement or any right or privilege hereunder to any Party without the express written consent of the City. Consent to an assignment by the City shall not be deemed to be consent to any subsequent assignment. Any such assignment without such consent shall be void.
- 10.17 **No Waiver.** No failure of either Party to insist upon the strict performance by the other Party of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach

of such covenant, term or condition. No waiver of any default hereunder shall be implied from any omission to take any action on account of such default. The consent or approval to or of any act requiring consent or approval shall not be deemed to waive or render unnecessary future consent or approval for any subsequent similar acts. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.

- 10.18 **Additional Rights.** No rights other than those specifically identified herein shall be implied from this Agreement.
- 10.19 **Cumulative Remedies.** All rights, options, and remedies of City contained in this Agreement shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and City shall have the right to pursue any one or all of such remedies or to seek damages or specific performance in the event of any breach of the terms hereof or to pursue any other remedy or relief which may be provided by law or equity, whether or not stated in this Agreement.
- 10.20 **Independent Contractor.** Unless otherwise stated in this Agreement, all persons employed in the performance of services and functions for Imperial Beach under this Agreement shall be City employees, agents, or contractors thereof. No Imperial Beach employee shall perform services or functions that City is obligated to provide under this Agreement. All City employees who are employed by City to perform the services pursuant to this Agreement shall be entitled solely to the rights and privileges given to City employees and shall not be entitled, as a result of providing services pursuant to this Agreement, to any additional rights and privileges given to Imperial Beach employees. Imperial Beach shall not be liable for the direct payment of any salaries, wages, or the compensation to City personnel, agents, or contractors performing services pursuant to this Agreement, or any liability other than that provided for in this Agreement. Unless specified otherwise, Imperial Beach shall not be liable for compensation or indemnity to any City employee, agent, or contractor for injury or sickness or any other claims arising out of his or her employment. City is an independent contractor, and no agency relationship, either expressed or implied, is created by the execution of this Agreement.
- 10.21 **Good Faith.** The Parties promise to use their best efforts to satisfy all conditions to this Agreement and to take all further steps and execute all further documents reasonably necessary to put this Agreement into effect. Both Parties agree to meet and confer in good faith with City's Animal Care Facility Administrator regarding operational matters upon request.
- 10.22 **Signing Authority.** The representative for each Party signing on behalf of a corporation, partnership, joint venture or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership,



**SIGNATURE PAGE TO  
AGREEMENT BETWEEN CITY OF CHULA VISTA AND  
CITY OF [IMPERIAL BEACH  
PROVIDING FULL ANIMAL CONTROL SERVICES**

**CITY OF CHULA VISTA**

Date:

Approved as to form:

\_\_\_\_\_  
Bart Miesfeld  
City Attorney

\_\_\_\_\_  
Cheryl Cox  
Mayor

Attest:

\_\_\_\_\_  
Susan Bigelow  
City Clerk

**CITY OF IMPERIAL BEACH**

Date:

Approved as to form:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Manager

Attest:

\_\_\_\_\_  
City Clerk



## Imperial Beach

Direct Costs	FTE	Base Salary	2011 Budget	% Kennel	% Control	Total	Kennel
Animal Care Facility Manager (6001)	1	\$103,147	\$103,147	90%	10%	100%	\$92,832
Animal Control Officer (6001)	3	\$48,776	\$146,327	0%	100%	100%	\$0
Animal Adoption Counselor (6001)	1.5	\$48,474	\$72,711	100%	0%	100%	\$72,711
Sr. Animal Care Assistant (6001)	2	\$44,518	\$89,035	100%	0%	100%	\$89,035
Animal Care Assistant (6001)	1	\$40,647	\$40,647	100%	0%	100%	\$40,647
Animal Care Assistant (6001)	1	\$38,932	\$38,932	100%	0%	100%	\$38,932
Animal Care Assistant (6001)	1	\$38,084	\$38,084	100%	0%	100%	\$38,084
Animal Care Assistant (6001)	1	\$37,921	\$37,921	100%	0%	100%	\$37,921
Animal Care Assistant (6001)	1	\$34,276	\$34,276	100%	0%	100%	\$34,276
Sr. Office Specialist (6001)	0.75	\$43,872	\$32,904	90%	10%	100%	\$29,614
Office Specialist (6001)	2	\$39,883	\$79,766	90%	10%	100%	\$71,790
Office Specialist (6001)	1	\$39,883	\$39,883	10%	90%	100%	\$3,988
Registered Vet Tech (6001)	1	\$46,896	\$46,896	100%	0%	100%	\$46,896
Registered Vet Tech (6001)	1	\$44,494	\$44,494	100%	0%	100%	\$44,494
Veterinary Assistant (6001)	1	\$37,570	\$37,570	100%	0%	100%	\$37,570
Hourly Wages (6005)			\$132,953	90%	10%	100%	\$119,658
<b>Total Salaries &amp; Wages</b>			<b>\$1,015,547</b>	<b>79%</b>	<b>21%</b>	<b>100%</b>	<b>\$798,448</b>
<b>Total Overtime</b>			<b>\$39,125</b>	<b>10%</b>	<b>90%</b>	<b>100%</b>	<b>\$3,913</b>
<b>Total Benefits</b>			<b>\$577,636</b>	<b>79%</b>	<b>21%</b>	<b>100%</b>	<b>\$454,151</b>
Other Professional Services (6301)			\$11,000	100%	0%	100%	\$11,000
Other Contractual Services (6401)			\$247,000	100%	0%	100%	\$247,000
Laundry and Cleaning (6499)			\$11,572	50%	50%	100%	\$5,786
Specialized Services (6501)			\$200	100%	0%	100%	\$200
Cellular Phone Service (6506)			\$2,800	0%	100%	100%	\$0
Promotional Expense (6521)			\$500	50%	50%	100%	\$250
Printing and Binding (6531)			\$5,500	50%	50%	100%	\$2,750
Transportation Allow (6551)			\$800	100%	0%	100%	\$800
Phone Service (6571)			\$6,603	100%	0%	100%	\$6,603
Gas and Electric (6572)			\$38,667	100%	0%	100%	\$38,667
Water (6574)			\$5,250	100%	0%	100%	\$5,250
Maint - Off Equipt (6611)			\$1,814	100%	0%	100%	\$1,814
Maint - Other Equipt (6632)			\$500	100%	0%	100%	\$500
Fleet Maint Charges (6641)			\$30,044	0%	100%	100%	\$0
Office Supplies (6801)			\$10,500	100%	0%	100%	\$10,500
Janitorial Supplies (6811)			\$14,500	100%	0%	100%	\$14,500
Medical & Lab Supplies (6833)			\$125,365	100%	0%	100%	\$125,365
Book, Publications, Maps (6846)			\$519	50%	50%	100%	\$260
Animal & Adoption Supplies (6858)			\$22,850	100%	0%	100%	\$22,850
Small Tools (6861)			\$800	100%	0%	100%	\$800
Wearing Apparel (6881)			\$2,500	50%	50%	100%	\$1,250
Food Products (6882)			\$83,015	100%	0%	100%	\$83,015
Mats to Main-Bldgs & Grounds (6911)			\$7,000	100%	0%	100%	\$7,000
Credit Card Trans Fee (7021)			\$2,500	100%	0%	100%	\$2,500
<b>Total Supplies &amp; Services</b>			<b>\$631,799</b>	<b>93%</b>	<b>7%</b>	<b>100%</b>	<b>\$588,660</b>
<b>TOTAL BUDGET</b>			<b>\$2,264,107</b>				<b>\$1,845,171</b>

CWOH @ 26.9% of Salaries and Wages

\$214,782

**TOTAL CHARGEABLE KENNEL COSTS****\$2,059,954****SUMMARY**

Kennel @ 8.098% (proportioned based on percentage of animals taken in)

\$166,815

Less: Revenue Offset

(\$14,576)

**Total Annual Contract Cost****\$152,239****FY2011 Monthly Base Rate for Imperial Beach****\$12,686.56**



## CHULA VISTA ANIMAL CARE FACILITY MONTHLY REPORT

MONTH OF: DECEMBER 2009 Prepared by: Cindy Silvas

ANIMALS PROCESSED IN	CV	NC	IB	LG	TOTALS	2009 YTD TOTALS	2008 YTD TOTAL
DOGS IMPOUNDED	183	43	22	18	266	2,551	2,794
CATS IMPOUNDED	126	38	11	0	175	3,462	3,736
OTHERS IMPOUNDED	12	1	2	1	16	316	646
DOGS RELINQUISHED	39	9	5	9	62	718	660
CATS RELINQUISHED	17	1	1	1	20	362	351
OTHERS RELINQUISHED	1	1	0	0	2	50	104
<b>MONTHLY TOTALS</b>	<b>378</b>	<b>93</b>	<b>41</b>	<b>29</b>	<b>541</b>		
<b>YTD TOTAL</b>	<b>5,095</b>	<b>1,358</b>	<b>604</b>	<b>402</b>		<b>7,459</b>	<b>8,291</b>

ANIMALS PROCESSED OUT	CV	NC	IB	LG	TOTALS	2009 YTD TOTALS	2008 YTD TOTAL
DOGS REDEEMED	77	6	6	4	93	908	956
CATS REDEEMED	1	0	0	0	1	36	43
OTHERS REDEEMED	0	0	0	0	0	4	14
DOGS ADOPTED (EX RES)	62	16	14	4	96	893	830
RESCUE ADOPTED DOGS	34	8	4	3	49	488	456
<b>TOTAL DOGS ADOPTED</b>	<b>96</b>	<b>24</b>	<b>18</b>	<b>7</b>	<b>145</b>	<b>1381</b>	<b>1,286</b>
CATS ADOPTED (EX RES)	71	19	6	0	96	811	607
RESCUE ADOPTED CATS	29	1	6	0	36	386	469
<b>TOTAL CATS ADOPTED</b>	<b>100</b>	<b>20</b>	<b>12</b>	<b>0</b>	<b>132</b>	<b>1197</b>	<b>1,076</b>
OTHERS ADOPTED (EX RES)	2	1	1	0	4	103	170
RESCUE ADOPTED OTHERS	2	0	0	0	2	58	75
<b>TOTAL OTHERS ADOPTED</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>6</b>	<b>161</b>	<b>245</b>
DOGS EUTHANIZED(EX OR)	25	18	3	10	56	511	676
OWNER REQUEST DOGS	27	6	4	5	42	410	332
CATS EUTHANIZED (EX OR/FERAL)	26	5	3	0	34	1498	1,546
FERAL CATS EUTHANIZED	37	23	2	0	62	753	1,001
<b>TOTAL CATS EUTH INCL FERAL</b>	<b>63</b>	<b>28</b>	<b>5</b>	<b>0</b>	<b>96</b>	<b>2,251</b>	<b>2,547</b>
OWNER REQUEST CATS	7	1	0	1	9	137	123
OTHERS EUTHANIZED (EX OR)	7	1	1	0	9	123	128
OWNER REQUEST OTHERS	1	1	0	0	2	13	14
DIED IN KENNEL, ESCAPED	10	3	0	0	13	147	204
<b>MONTHLY TOTALS</b>	<b>418</b>	<b>109</b>	<b>50</b>	<b>27</b>	<b>604</b>		
<b>YTD TOTALS</b>	<b>4,951</b>	<b>1,335</b>	<b>602</b>	<b>391</b>		<b>7,279</b>	<b>7,644</b>

TRANSFER TO OTHER SHELTERS	TOTALS	2009 YTD TOTALS	2008 YTD TOTAL
DOGS FOR ADOPTION	0	14	84
DOGS OUT OF JURIS	6	66	97
CATS FOR ADOPTION	14	190	36
CATS OUT OF JURIS	0	25	63
OTHERS FOR ADOPTION	1	43	90
OTHER OUT OF JURIS	1	9	38

DOAS/DISPOSALS	CV	NC	IB	LG	TOTALS	2009 TOTAL	2008 TOTAL
11-44'S PICKED UP	33	0	1	11	45	472	376
11-44'S BROUGHT IN	12	0	0	1	13	159	202
DOA / DISPOSAL	44	0	1	12	57	600	584



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY R. BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** FINANCE  
**SUBJECT:** Selection of Redevelopment Bond Financial Consultant

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**BACKGROUND:** The City is assembling a team of consultants to begin the process to issue tax increment bonds. This team will consist of City staff, bond underwriters, bond attorneys, tax experts, and financial consultants. This report addresses the selection of a financial consultant.

**DISCUSSION:** The role of the financial consultant is to prepare an in depth analysis of the tax increment revenue generated in the redevelopment area. This analysis is used in the official bond statement. This analysis assures potential bond investors of the ability of the Redevelopment Agency to pay debt service costs on the new bonds. It also assures other local agencies that the new bond issue will not impact their ability to receive pass thru payments. Fraser & Associates has been recommended by both bond underwriters and bond counsel as a firm that has demonstrated their financial insights as well as providing information on time.

**FISCAL ANALYSIS:** The proposal to provide financial consulting services for the issuance of tax increment bonds is \$24,500. Funding is available in the Redevelopment Agency operating budget.

**DEPARTMENT RECOMMENDATION:**

It is respectfully requested that the City Council authorize the City Manager to contract with Fraser and Associates for financial consulting services related to a new tax increment bond issue.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary R. Brown, City Manager

**Attachments:**

- 1. Proposal for financial consulting services**
- 2. Redevelopment Agency Resolution R-10-223**

**FA FRASER & ASSOCIATES**

**Redevelopment and Financial Consulting**

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225 Holmfirth Court  
Roseville CA 95661

Phone: (916) 791-8958  
FAX: (916) 791-9234

June 4, 2010

Mr. Mike McGrane  
Finance Director  
City of Imperial Beach  
Redevelopment Agency  
825 Imperial Beach Blvd.  
Imperial Beach, CA 91932

**Dear Mr. McGrane:**

Fraser & Associates is pleased to provide this proposal for bond services to the Imperial Beach Redevelopment Agency (the "Agency"). Per my discussion with Bob Gamble from PFM, the Agency is considering the issuance of tax allocation bonds for the Imperial Beach Project Area (Project Area), and is requesting that Fraser & Associates provide fiscal consulting services.

Fraser & Associates is prepared to provide an in depth analysis of the tax increment revenues to be generated from the Project Area. In order to accomplish this, we recommend the following scope of services:

- 1) **Review of Historical Assessed Value & Revenues**: Fraser & Associates will review the growth in taxable values over the past five years and disclose any major reasons for changes in values. In addition, an analysis will be prepared of the actual tax increment receipts to the initial County levy in order to determine collection trends over the past five years.
- 2) **Current Year Revenue Estimate**: An estimate of the 2010-11 tax increment revenues expected to be received in the Project Area will be prepared based on actual 2010-11 values. Existing liens on tax increment will also be estimated in order to determine the amount of tax increment available for debt service. An estimate of pass through payments will be provided.
- 3) **Analysis of County Allocation Procedures**: A review of County procedures used for the calculation of tax increment, including tax increment from the application of tax rates to incremental value will be prepared for the current year.

**FA FRASER & ASSOCIATES**

Mr. Mike McGrane

06/04/10

Page 2

- 4) **Assessment Appeals**: An analysis of recently resolved and open appeals will be prepared. The analysis of appeals will be reflected in the tax increment projections.
- 5) **Tax Increment Projection**: A projection showing the tax increment revenues estimated to be annually allocated to the Agency for the Project Area will be prepared. The projections will include estimates of taxable value of developments identified by the Agency as completed or under construction but not yet on the assessment rolls. Potential reductions to the revenue stream due to appeals and residential Proposition 8 reviews will be incorporated into the projections. The tax increment projections will also include an analysis of the impact of low and moderate income housing set-asides and other senior liens on revenue available for debt service, including pass through payments.
- 6) **Housing Market Impact Analysis**: Recent volatility in the housing market has caused rating agencies and insurers to require additional information concerning housing prices and property transfers. As a result, the impact that housing price declines, if any, have had on the Project Area will be analyzed. In addition, we will review recent sales activity in the Project Area in comparison to tax roll values in order to get a general indication as to how sensitive the Project Area may be to future real estate valuation declines.
- 7) **Fiscal Consultants Report**: A Fiscal Consultants Report (FCR) will be prepared summarizing the analysis of historical, current and projected tax increment revenues and our methodology in preparing the tax increment study. The FCR will also include information on Redevelopment Plan limits; a breakdown of land uses by value; and the Top 10 assessees. The FCR is typically included as an appendix to the Official Statement for the bond issue.
- 8) **Official Statement Tables**: Fraser & Associates will provide tables on the revenues in the Project Area for inclusion in the offering document based on the data utilized in the services described above.
- 9) **Document Review**: Other documents (Official Statement; Indenture of Trust; etc.) will be reviewed and commented on by Fraser & Associates.

Services shall be compensated on the basis of a fixed fee of Eighteen Thousand Five Hundred Dollars (\$18,500) for service items 1 through 7. This includes attendance at one meeting in person with Agency staff and other members of the financing team.

Service items 8 through 10, plus additional meetings, will be compensated on a time and materials basis in the accordance with the following schedule:

President	\$200 per hour
Associate	140 per hour
Secretarial/Administrative	70 per hour

It is estimated that hourly rate services will not exceed Four Thousand Dollars (\$4,000). Expenses for acquisition of data, travel and other items are estimated at Two Thousand Dollars (\$2,000).

**FA FRASER & ASSOCIATES**

Mr. Mike McGrane

06/04/10

Page 3

We are available to begin the fiscal consulting work right away. However, given that the 2010-11 assessed value reports will be out in early July, we will wait for this data to run tax increment projections. We will transmit the projections within a week of receiving the 2010-11 assessed value. The financial advisor and underwriter can then use those numbers to size the bonds and also for purposes of requesting subordination of the AB 1290 statutory pass through payments. We estimate we can complete the draft FCR by the end of July (assuming Top 10 and other data is available).

We have also included the following list of data we will need to prepare our analysis:

- 1) A copy of the Redevelopment Plan and all amendments to the Plan, including the ordinances approving and amending the Plan. Please include any amendments done pursuant to the ERAF legislation.
- 2) A copy of the County's report of assessed values and calculations of tax increment and pass through payments to the Project Area for the period 2005-06 to 2009-10.
- 3) A copy of reported base year values for the Project Area.
- 4) Copies of the County's year end Trust Fund Summary for the period 2005-06 through 2009-10.
- 5) A copy of the most recent audit report with the management letter, the budget and the SOI for the Project Area.
- 6) A copy of the most recent Official Statement and Indenture for bonds that have been issued.
- 7) Copies of any other agreements that have created a lien on tax increment.
- 8) Data on new development that was recently completed or under construction. If none, please indicate so. This should include:
  - a) Scope: square footage or number of housing units
  - b) Assessor parcel number
  - c) Assumed construction start and completion

Fraser & Associates appreciates the opportunity to submit this proposal and looks forward to developing a relationship with the Agency.

Sincerely,



Donald J. Fraser

CC: Bob Gamble



**RESOLUTION NO. R-10-223**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING THE CITY MANGER TO CONTRACT FOR BOND FINANCIAL CONSULTING SERVICES**

The Redevelopment Agency of the City of Imperial Beach does hereby resolve as follows:

**WHEREAS**, the Redevelopment Agency plans to issue new tax increment bonds; and

**WHEREAS**, the Redevelopment Agency needs to assure investors and local agencies of the financial capabilities of redevelopment revenues; and

**WHEREAS**, the Fraser & Associates has experience in bond financial consulting services.

**NOW, THEREFORE, BE IT RESOLVED** by the Redevelopment Agency of Imperial Beach as follows:

1. The City Manager is authorized to contract with Fraser & Associates for bond financial consulting services for an amount not to exceed \$24,500.

**PASSED, APPROVED, AND ADOPTED** by the Redevelopment Agency of the City of Imperial Beach at its meeting held on the 15th day of June 2010, by the following roll call vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

**JAMES C. JANNEY, CHAIRPERSON**

**ATTEST:**

**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Resolution No. R-10-223 – A Resolution of the Redevelopment Agency of the City of Imperial Beach, California, **AUTHORIZING THE CITY MANGER TO CONTRACT FOR BOND FINANCIAL CONSULTING SERVICES**

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
DATE



**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY R. BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** FINANCE *md*  
**SUBJECT:** Audit Contract Extension with Lance, Soll & Lunghard, CPA's through June 30, 2012 and Two One-Year Options

---

**BACKGROUND:** The CPA firm of Lance, Soll & Lunghard, C.P.A.'s has been performing satisfactory professional audit services for the City and Redevelopment Agency. Their contract ended as of June 30, 2009. Staff is recommending extending this agreement for three years with two one year options.

**DISCUSSION:** Lance, Soll & Lunghard has been auditing the City since 2002. Staff is recommending the City retain our external auditors for three additional years. This will provide consistency in our audit programs and minimize staff time required when there is a conversion to new auditors.

**FISCAL ANALYSIS:** The City is currently paying \$32,536 for an audit of both the City and Redevelopment Agency. The proposal is for a three year contract with an option for 2 additional years. There is no increase for the first year. The second and third year will increase 3% per year. The proposal is attached.

**DEPARTMENT RECOMMENDATION:**

It is respectfully requested that the City Council approve a contract extension with Lance, Soll & Lunghard, CPA's for professional audit services, through June 30, 2012, with an option for two one-year extensions.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
\_\_\_\_\_  
Gary R. Brown, City Manager

Attachments:

1. City Resolution 2010-6902
2. Redevelopment Resolution R-10-222
3. Exhibit A – Proposal for Audit Services from Lance, Soll & Lunghard

RESOLUTION NO. 2010-6902

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, EXTENDING THE AUDIT SERVICES AGREEMENT THROUGH JUNE 30, 2012 WITH TWO ONE YEAR OPTIONS**

The City Council of the City of Imperial Beach does hereby resolve as follows:

**WHEREAS**, an external audit of the City is essential in providing assurances to the citizens of Imperial Beach of a fair representation of the financial position of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Imperial Beach as follows:

1. The City Manager is authorized to extend the audit services agreement to June 30, 2012 with two one year options with Lance, Soll, & Lunghard in the amount as shown on Exhibit A.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Imperial Beach at its meeting held on the 15th day of June 2010, by the following roll call vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

\_\_\_\_\_  
**JAMES C. JANNEY, MAYOR**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be a true and correct copy of Resolution No. 2010-6902 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, EXTENDING THE AUDIT SERVICES AGREEMENT THROUGH JUNE 30, 2012 WITH TWO ONE YEAR OPTIONS**

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
DATE



RESOLUTION NO. R-10-222

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, EXTENDING THE AUDIT SERVICES AGREEMENT THROUGH JUNE 30, 2012 WITH TWO ONE YEAR OPTIONS**

The Redevelopment Agency of the City of Imperial Beach does hereby resolve as follows:

**WHEREAS**, an external audit of the City is essential in providing assurances to the citizens of Imperial Beach of a fair representation of the financial position of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the Redevelopment Agency of the City of Imperial Beach as follows:

1. The City Manager is authorized to extend the audit services agreement to June 30, 2012 with two one year options with Lance, Soll, & Lunghard in the amount shown on Exhibit A.

**PASSED, APPROVED, AND ADOPTED** by the Redevelopment Agency of the City of Imperial Beach at its meeting held on the 15th day of June 2010, by the following roll call vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>

\_\_\_\_\_  
**JAMES C. JANNEY, CHAIRPERSON**

**ATTEST:**

\_\_\_\_\_  
**JACQUELINE M. HALD, CMC**  
**CITY CLERK**

I, City Clerk of the City of Imperial Beach, do hereby certify the foregoing to be an exact copy of Resolution No. R-10-222 – A Resolution of the Redevelopment Agency of the City of Imperial Beach, California, **EXTENDING THE AUDIT SERVICES AGREEMENT THROUGH JUNE 30, 2012 WITH TWO ONE YEAR OPTIONS**

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
DATE



• Brandon W. Burrows, C.P.A.  
• Donald L. Parker, C.P.A.  
• Michael K. Chu, C.P.A.  
• David E. Hale, C.P.A., C.F.P.  
A Professional Corporation  
• Donald G. Slater, C.P.A.  
• Richard K. Kikuchi, C.P.A.  
• Susan F. Matz, C.P.A.

August 28, 2009

Mr. Mike McGrane  
Finance Director  
City of Imperial Beach  
825 Imperial Beach Blvd  
Imperial Beach, CA 91932

Dear Mike:

As you are aware, our contract with the City of Imperial Beach for auditing services expires with the fiscal year ending June 30, 2009. Over the past few years, we have provided the City with auditing and accounting services which:

- Produced a Comprehensive Annual Financial Report (CAFR) quality Financial Statement for the City.
- Provided assistance and information to City staff when required and helpful recommendations to management.

We have made it an *absolute priority* to provide the City of Imperial Beach with the best service available and we would like to continue to provide this level of service to the City. Since we are familiar with your accounting system, we will be able to perform an efficient audit under the new *Auditing Standards*, which will benefit the City with continuity of firm personnel and minimal disruption to City staff during the audit. In addition, we have structured staff rotation on your engagement so that the City will always receive a fresh look at its system and records.

Towards this end, we would like to propose a new three year contract with two option years in order to provide continuous and uninterrupted auditing services to the City. As a part of our services, Lance, Soll & Lunghard, LLP will continue to provide extensive Government Accounting Standards Board (GASB) assistance to the City throughout the year.



City of Imperial Beach  
August 28, 2009

Please see the attached **Appendix A** for our proposed fees for the next five years. We have kept the first year constant and have then applied a modest Cost of Living Adjustment of 3% which accounts towards the significant increase of hours we are required to expend in the performance of the new *Auditing Standards* enacted in 2008. The services to be performed, fee structure and billing methods would remain unchanged from our original agreement.

Again, Lance, Soll & Lunghard, LLP looks forward to continue to provide quality services to the City of Imperial Beach. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the City have additional questions regarding this agreement, please do not hesitate to contact Rich Kikuchi, Partner at (714) 672-0022.

Very truly yours,

*Lance, Soll & Lunghard, LLP*

\_\_\_\_\_  
Mike McGrane, Finance Director

\_\_\_\_\_  
Date

Appendix A

City of Imperial Beach  
Lance, Soll & Lunghard, LLP - Quote for Audit Services

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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>Option Years</u>	
				<u>2012-13</u>	<u>2013-14</u>
City	\$ 27,199	\$ 28,015	\$ 28,855	\$ 29,721	\$ 30,613
Redevelopment Agency	5,337	5,497	5,662	5,832	6,007
Total	<u>\$ 32,536</u>	<u>\$ 33,512</u>	<u>\$ 34,517</u>	<u>\$ 35,553</u>	<u>\$ 36,620</u>





**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** GARY BROWN, CITY MANAGER  
**MEETING DATE:** JUNE 15, 2010  
**ORIGINATING DEPT.:** JACQUELINE M. HALD, CITY CLERK *JMH*  
**SUBJECT:** UPDATE REPORT – PORT COMMISSIONER APPOINTMENT  
PROCESS AD HOC COMMITTEE

---

**BACKGROUND:**

On March 17, 2010, City Council established a Port Commissioner appointment process to fill the vacancy scheduled for January 4, 2011. Subsequently, at their meeting of May 4, 2010, City Council revised the timeline whereby the new Port Commissioner appointment would take place at the same meeting as the applicant interviews on August 11, 2010.

**Port Commissioner Appointment Process Outline:**

July 6, 2010

- Post Vacancy at City Hall, Library and City website

July 8 and 15, 2010

- Advertise Vacancy in local paper

July 22, 2010 by 5:30 p.m.

- Deadline for each applicant to submit completed application to the City Clerk

July 26 through August 5, 2010

- Mayor screens the applicants with his top 3 choices interviewed by City Council at a City Council meeting

August 11, 2010

- City Council interviews finalists
- Mayor makes his recommendation to City Council for approval

Additionally, at their meeting of May 4, 2010, City Council approved the revised Port Commissioner Position Specifications that would attract applicants of executive management level and with regional board/commission experience.

On May 19, 2010, City Council created an ad hoc committee consisting of Mayor Janney and Councilmember Rose for the limited purpose of creating the application and questions for the Port Commissioner appointment process.

**DISCUSSION**

The ad hoc committee met on June 2, 2010 to create the application and questions for the Port Commissioner appointment process. The committee will give an update report at the next regular City Council meeting.

**ENVIRONMENTAL IMPACT**

Not a project as defined by CEQA.

**FISCAL IMPACT:**

No fiscal impact at this time.

**DEPARTMENT RECOMMENDATION:**

Receive a report from the ad hoc committee.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.



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Gary Brown, City Manager



AGENDA ITEM NO. 6.8

**STAFF REPORT  
IMPERIAL BEACH REDEVELOPMENT AGENCY**

**TO:** CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

**FROM:** GARY BROWN, EXECUTIVE DIRECTOR

**MEETING DATE:** JUNE 15, 2010

**ORIGINATING DEPT.:** COMMUNITY DEVELOPMENT DEPARTMENT  
GREG WADE, DIRECTOR *(Signature)*  
GERARD SELBY, REDEVELOPMENT COORDINATOR *(Signature)*

**SUBJECT:** REDEVELOPMENT AGENCY PROGRESS REPORT

**BACKGROUND**

The purpose of this progress update is to provide the Chair and Members of the Redevelopment Agency ("Agency") with an update on various Agency activities and projects from Fiscal Years 2008/2009 to the current fiscal year. Also, Attachment 1 is a list of all projects and programs funded by the Redevelopment Agency from July 1, 2003 to the present.

**DISCUSSION**

The following chart outlines the projects and activities that the Agency staff has completed since July 1, 2008:

PROJECT/PROGRAM	STATUS - COMPLETED
9 <sup>th</sup> & Palm Redevelopment Project	<ul style="list-style-type: none"> <li>▪ Developed Request for Qualifications/Proposals ("RFQ/P") Packet</li> <li>▪ Issued and Evaluated RFQ/P submittals</li> <li>▪ Completed purchase of North Island Credit Union ("NICU") and Miracle Shopping Center</li> <li>▪ Developed Request for Qualifications/Proposals ("RFQ/P") for Relocation Consultant</li> <li>▪ Entered into Exclusive Negotiation Agreement with Sudberry Development</li> <li>▪ Solicited and Evaluated proposals for</li> </ul>

	<p>Relocation Consultant</p> <ul style="list-style-type: none"> <li>▪ Entered into an agreement with Consultant</li> <li>▪ Developed specifications and solicited Request for Qualifications/Proposals for a Hazardous Materials Survey</li> <li>▪ Assisted in the development demolition specifications for the NICU site.</li> <li>▪ Completed Demolition of NICU structure</li> <li>▪ Entered into agreements with Mireles Landscaping for general clean-up and landscape maintenance at 9<sup>th</sup> &amp; Palm Redevelopment Project Site</li> </ul>
Beachwind Court (624 10 <sup>th</sup> Street)	<ul style="list-style-type: none"> <li>▪ Worked with affordable housing developer on a acquisition and rehabilitation project</li> <li>▪ Evaluated proposal</li> <li>▪ Entered into Rehabilitation Agreement with Chelsea Investment Corporation</li> <li>▪ Completed the rehabilitation of 15 affordable units</li> </ul>
Community Development Block Grants	<ul style="list-style-type: none"> <li>▪ Completed the necessary paper work to use grants funds for capital improvements and programs in the community. Completed Projects: Small Business Loan Program, (4) Residential Rehabilitation Loans, Teeple, Reama, and Sports Park Improvements,</li> </ul>
Clean & Green	<ul style="list-style-type: none"> <li>▪ 57 single-family homes have had energy and water efficient improvements in installed</li> </ul>
Façade Improvement Program	<ul style="list-style-type: none"> <li>▪ 64 Storefronts have been completed.</li> </ul>
Old Palm Streetscape Project	<ul style="list-style-type: none"> <li>▪ Completed</li> </ul>
Palm Avenue Commercial Master Plan	<ul style="list-style-type: none"> <li>▪ Completed</li> </ul>
5-Year Implementation Plan	<ul style="list-style-type: none"> <li>▪ Completed</li> </ul>
Farmer's Market	<ul style="list-style-type: none"> <li>▪ Completed</li> </ul>
Casa Estable I & II – Photovoltaic Systems & Community Room at Casa Estable 1 1360 Hemlock & 1260 Calla Avenues	<ul style="list-style-type: none"> <li>▪ Worked with South Bay Community Services to complete grant process for a photovoltaic systems at Casa Estable I &amp; II</li> <li>▪ Amended the Rehabilitation Loan Agreement to provide financial assistance for the establishment of community room</li> </ul>

The following describes the current status of the redevelopment projects & programs.

<b>PROJECT/PROGRAM</b>	<b>STATUS</b>
9 <sup>th</sup> & Palm Redevelopment Project	<ul style="list-style-type: none"> <li>▪ Working with the Caltrans, Community Development Department and the Developer to achieve approval for a direct access concept for 9<sup>th</sup> &amp; Palm</li> <li>▪ Working with the developer and development team to complete conceptual plan</li> <li>▪ Working with relocation consultant and City Attorney to relocate tenants</li> </ul>
Façade Improvement Program	<ul style="list-style-type: none"> <li>▪ 29 storefronts in progress</li> <li>▪ 10 Wait List</li> </ul>
Clean & Green	<ul style="list-style-type: none"> <li>▪ 9 homeowners in progress</li> <li>▪ 11 homeowners on wait List</li> </ul>
El Camino	<ul style="list-style-type: none"> <li>▪ Working with developer</li> </ul>
American Legion	<ul style="list-style-type: none"> <li>▪ Working with Hitzke Development Corporation for the development of affordable housing project</li> </ul>
CDBG 2009-2010- Civic Center Crosswalk Project	<ul style="list-style-type: none"> <li>▪ Coordinating the completion of the necessary documentation with the County</li> </ul>
CDBG-R 2009-2010 13 <sup>th</sup> St. ADA Ramps & Pop-outs	<ul style="list-style-type: none"> <li>▪ Coordinating the completion of the necessary documentation with the County</li> </ul>
EECDBG – Street Light Retrofit (Magnetic Induction Lights)	<ul style="list-style-type: none"> <li>▪ Coordinating the completion of the necessary documentation with the County</li> </ul>
CDBG 2010-2011 - Imperial Beach Blvd. & Loudon Lane Pedestrian Safety Traffic Calming	<ul style="list-style-type: none"> <li>▪ Waiting for confirmation of funding availability</li> </ul>
Trails Committee	<ul style="list-style-type: none"> <li>▪ Monitoring the development of California Coastal Trail</li> </ul>
Business Improvement District/Chamber of Commerce/Farmer's Market	<ul style="list-style-type: none"> <li>▪ Attend monthly meetings</li> <li>▪ Monitor the operation of the Farmer's Market</li> </ul>
Seacoast Inn	<ul style="list-style-type: none"> <li>▪ Working with Pacifica to complete development transaction and initiate development</li> </ul>

**DEPARTMENT RECOMMENDATION**

Staff recommends that the Redevelopment Agency review this report and give staff further direction as needed.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.



---

Gary Brown, City Manager

**Attachments:**

1. Redevelopment Agency Funded Projects and Programs

Redevelopment Agency Funded Projects and Programs  
July 1, 2003 to Present

Attachment 1

Housing Projects & Programs	Project Description	Project Cost
	Affordable Housing Projects	\$3,087,332
	Clean & Green Program	<u>\$982,689</u>
	<b>Subtotal</b>	<b>\$4,070,021</b>

Planning Projects	Project Description	Project Cost
	Commercial Zoning Review	\$311,916
	Palm Ave Com Corridor MP	\$77,592
	Eco-Tourism Study	<u>\$8,670</u>
	<b>Subtotal</b>	<b>\$398,178</b>

Commercial Projects & Programs	Project Description	Project Cost
	9th & Palm Redevelopment Project	\$11,674,566
	Façade Improvement Program	<u>\$733,425</u>
	<b>Subtotal</b>	<b>\$12,407,990</b>

Public Infrastructure & Facilities	Project Description	Project Cost
<b>Right-of-Way Improvements</b>	Street FY03/04 Project #1	\$52
	Street Improvement Phase I	\$1,446,551
	Street Improvement Phase II	\$1,408,006
	Street Improvement Phase III	\$898,414
	Sidewalk Infill/ADA Access	\$33,115
	Old Palm Avenue Improvement Project	\$616,571
	Eco-Bikeway 7th & Seacoast	\$370,720
	City of IB Entrance Monument SR75	\$46,754
	Blue Wave Sculpture	\$20,562
	Palm Ave Street End Plaza	\$12,368
	Date Ave Street End Improvement	\$60,589
	NOLF Entrance Reconfiguration	\$300
	Sidewalk Infill FY 2008	\$3,699
	Sidewalk Infill 2009	\$113
	13th St ADA Pedestrian Ramp	\$5,075
	Bayshore Bikeway Access	\$232,983
	Cross Street Archway	<u>\$71</u>
	<b>Subtotal</b>	<b>\$5,155,943</b>

Redevelopment Agency Funded Projects and Programs  
July 1, 2003 to Present

Attachment 1

<b>Parks</b>	Triangle Park Enhancement	\$1,689
	Veterans Park Master Plan Improvements	\$1,588,488
	Batting Cage: Sports Park	\$72,968
	Sports Park Master Plan Improvements	\$21,641
	Reama Park Master Plan Improvements	\$4,272
	Teeple Park Master Plan Improvements	\$8,396
	Sports Park Skate Park	\$33,636
	Sports Park Restroom Improvements	<u>\$131</u>
	<b>Subtotal</b>	<b>\$1,731,221</b>

<b>Sand Replacement</b>	Army Corp Sand Replenishment	\$20,100
	Reg Beach Sand Project 2	\$13,937
	Sand Compatibility (SCOUP)	\$100
	Regional Beach Sand PJ 2	<u>\$31,000</u>
	<b>Subtotal</b>	<b>\$65,137</b>

<b>Wet &amp; Dry Utilities</b>	9th Street Underground District	\$82,096
	Residential Citywide Lighting	\$5,871
	Elm Utility Underground	\$2,014
	Wet Well Replacement PS #7	\$62
	Annual 1 Main Repairs	\$4,128
	Storm Drain Channel W of 5th Street	\$4,327
	S/D Intercep @ 8th Calla	<u>\$42,165</u>
	<b>Subtotal</b>	<b>\$140,664</b>

<b>Alley Improvements</b>	Alley Assessment District #71	\$25,689
	Alley Assessment District Citywide	<u>\$413,630</u>
	<b>Subtotal</b>	<b>\$439,319</b>

<b>Public Facilities</b>	Civic Center Master Plan	<u>\$36,216</u>
	Dempsey Holder Center Improvements	\$424
	Marina Vista Master Plan Improvements	<u>\$66,680</u>
	<b>Subtotal</b>	<b>\$103,320</b>

Redevelopment Agency Funded Projects and Programs  
July 1, 2003 to Present

Attachment 1

<b>Public Safety</b>	Emergency Operations Center	\$18
	Emergency Generator	\$296,292
	Fire Department Station Remodel	<u>\$374,610</u>
	<b>Subtotal</b>	<b>\$670,920</b>

<b>Micellaneous</b>	Records Management	\$1,456
	GIS System	\$207,090
	Network Software Upgrades	\$14,911
	Network Infrastructure	\$3,414
	Server Upgrades	\$36,254
	Website Development	\$8,853
	Network Operations Center	<u>\$3,000</u>
	<b>Subtotal</b>	<b>\$274,978</b>

**TOTAL** **\$25,457,692**





**STAFF REPORT  
CITY OF IMPERIAL BEACH**

**TO:** HONORABLE MAYOR AND CITY COUNCIL/CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

**FROM:** GARY BROWN, CITY MANAGER/EXECUTIVE DIRECTOR

**MEETING DATE:** JUNE 15, 2010 – TIME SPECIFIC FOR 7:00 PM

**ORIGINATING DEPT.:** COMMUNITY DEVELOPMENT DEPARTMENT  
GREG WADE, DIRECTOR *GW*

**SUBJECT:** COMMERCIAL ZONING REVIEW – CONTINUED FOCUS DISCUSSION ON ACTIVE COMMERCIAL USE REQUIREMENTS

---

**BACKGROUND:**

At their meeting on March 17, 2010, the City Council/Redevelopment Agency spent much of the discussion on incentives for achieving additional height and density. An overview of the residential density incentive was also provided by City staff to detail how the density incentive had changed from previous Council action. After discussion, it was the general consensus of the City Council that a list or “menu” of potential incentives be provided within the zoning code from which developers could select for their projects in order to be considered for additional building height and/or residential density. A developer would then have to achieve the incentives to be granted additional height and/or density by the City Council. The following incentives have been presented as possibilities:

- Lot Consolidation
- Exceptional Architectural Design
- Green Building Design (LEED Certified or Equivalent)
- Active Street Level (Commercial) Use
- Retail Design
- Provision of 3-Bedroom Units
- Provision of Affordable For-Sale Units
- Provision of Open Space, Plaza Space Public/Community Amenities
- Public Right-of-Way Dedication
- Greater Upper Floor Stepback from Residential Property
- 15-foot First Floor Retail Ceiling Height

On May 4, 2010, staff presented the proposed Land Use Table and Use Definitions to the City Council. During this discussion, the City Council/Redevelopment Agency raised questions and expressed concerns about allowing exclusively multi-family residential (i.e., non-commercial) development in the City’s commercial zones. This concern led to a discussion about the proposed “minimum active commercial use requirements.” Staff explained the reasons for these requirements and stated that a separate focus discussion would be scheduled to discuss these requirements further. Other questions and concerns were raised about specific land use

definitions, the conditional use permit (CUP) requirements for residential use and the overall objective to preserve and enhance the commercial zones for commercial uses.

At the meeting on May 4<sup>th</sup>, staff agreed to return to the City Council in June to discuss the list or “menu” of development incentives for height and density. Staff also agreed to return to the City Council/Redevelopment Agency for further discussion on minimum active commercial use requirements. It is anticipated that that discussion will take place at the meeting on Tuesday, June 15, 2010.

**DISCUSSION:**

At the City Council meeting on June 2, 2010, the City Council reviewed and discussed proposed incentives that would allow project applicants to request an increase in building height from 30 feet to 35 feet and an increase in residential density from 29 dwelling units per acre to 36 dwelling units per acre in both the C-2 (C/MU-2) and C-3 (C/MU-3) zones. After this discussion, the Council recommended that the 15-foot first floor ceiling height be a requirement in all zones rather than an incentive. The Council also recommended that a menu list of additional incentives be provided from which an applicant must achieve two (2) of the listed incentives in order to achieve an increase in building height and residential density.

The following incentives were recommended for inclusion on the list:

- Lot Consolidation
- Green Building Design (LEED Certified or Equivalent)
- Increase in Active Commercial (Street Level) Use
- Provision of 3-bedroom units
- Provision of Open Space, Plaza Space Public/Community Amenities
- Public Right-of-Way Dedication
- Greater Upper Floor Stepback from Residential Property

Based on City Council direction, the following requirement would be mandated under the revised commercial zoning:

Incentive	Qualifier	Notes
<b>15-foot first floor retail ceiling height</b>	All commercial space on first floor must have a minimum 15-foot floor-to-ceiling height.	Achieves Primary objective of Commercial Zoning Review – to achieve viable commercial space

The following would be the list of incentives for considering proposed increases to building height and residential density:

**Incentive Options:**

A project applicant could be allowed up to 36 dwelling units per acre and up to 35 feet in building height for achieving *any two* (2) of the following:

Incentive	Qualifier	Notes
Three bedroom units	25% of the project must be 3 bedroom units.	This is most appropriate for an urban area trying to encourage families (like downtown SD). May be difficult to achieve on smaller lots
Green buildings (LEED or equivalent certification)	Entire project must be capable of achieving certification.	Administratively challenging. Many jurisdictions are requiring all new development to achieve this. New State Building Code is moving in this direction.
Lot Consolidation	Consolidated lot $\geq$ 20,000 square feet.	Practically and economically difficult to achieve with current property ownerships.
Provision of Public Open Space, Plaza Space, or Public/Community Amenities	Provide an additional 100 square feet of public open space, plaza space with minimum dimensions of 6 feet by 10 feet.	Depending on location or project characteristics, may not be feasible.
Public Right-of-Way Dedication	Dedicate a minimum of 1 ft of private property frontage to public use (creates a 1-foot front setback dedicated to public use).	Depending on location or project characteristics, may not be feasible.
Increase in Active Commercial (Street Level) Uses	Project proposes an increase in required percentage of Active Commercial Uses	Staff recommends making Active Commercial Use a requirement fronting commercial corridors rather than as an incentive.
Provision of Greater Upper Floor Stepback from Residential property	Floors above first floor provide additional setback feet beyond required stepback.	Setback and stepback distances not yet established. Awaiting prototype review/discussion.

Also at the meeting on June 2<sup>nd</sup>, the City Council requested an updated summary (matrix) of the proposed Commercial Zoning Review recommendations as well as a schedule for adoption of the proposed zoning amendments. An updated summary/matrix is provided in Attachment 1. A schedule for zoning amendment adoption, including environmental review, is included as Attachment 2.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):**

This discussion of the recommended zoning amendments is not, in itself, subject to CEQA.

**FISCAL IMPACT:**

None with this item.

**DEPARTMENT RECOMMENDATION:**

Staff recommends that the City Council continue its discussion and provide any additional direction and input on the recommendation presented.

**CITY MANAGER'S RECOMMENDATION:**

Approve Department recommendation.

  
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 Gary Brown, City Manager

- Attachments:            1. Updated Summary of Commercial Zoning Review Recommendations  
                                  2. Draft Schedule of Zoning Amendment Adoption/Environmental Review



**Summary of Recommendations from Commercial Zoning Review Working Paper #2 and Subsequent Council Direction**

March 2, 2010 – Updated to include direction from Council at February 17, 2010 meeting. Updates in red from meetings of March 17<sup>th</sup>, May 4<sup>th</sup>, and June 2<sup>nd</sup>

Topic	Area	Proposed Recommendation	Council Direction	Staff Notes
Building Height	C/MU-1	4 story/40' (no change in standard)	No change; At June 2 <sup>nd</sup> meeting, recommended requiring 15-foot ground floor commercial/retail ceiling height	Presented at October meetings. Remaining recommendations to be comprehensively discussed at future Council Meeting.  Council supported imposing the same development standards for the C/MU2 and C/MU3 zones.
		5 story/60' w/In Palm Ave. Height Overlay Zone with develop. Incentive	Removed from Consideration at October Council Meeting	
	C/MU-2	3 story/36' W. side of Seacoast	At October meeting, Council did not support this recommendation	
		3 story/40' E. side of Seacoast with develop. incentive	Action taken at October Council Meeting: Up to 35' to be considered on east side of Seacoast with incentives	
	C/MU-3	2 story/28'	At February 2010 meeting, Council supported 3 story/30', and up to 35' with development incentives.	
		4 story/40' with develop. Incentive	At February 2010 meeting, removed from consideration (see above).	
New Overlay Zone	C/MU-1	Create Palm Avenue Height Overlay Zone	Removed from Consideration at October Council Meeting	
Parking	C/MU-1	1 space/500 sf of comm'l	At November meeting, Council supported recommendation	Per Council comments at November meeting, a study of existing parking counts along Seacoast Drive may need to occur to facilitate approval of any changes to parking requirements, particularly during Coastal Commission review and certification.
		25% reduction for vertical mixed use	At November meeting, Council supported revisiting this item	
		Waiver for comm'l uses under 1,000 sf	At November meeting, Council supported recommendation	
		Development of shared parking code; add'l reduction for shared parking	At November meeting, Council supported recommendation if a study was done	
		Increase distance to off-site or shared parking facility from 500 ft to 1000 ft	Staff still recommends approval of this recommendation.	
	C/MU-2	1 space/1,000 sf of comm'l	At November meeting, Council supported recommendation.	
		Potential 25% reduction for vertical mixed use	At November meeting, Council supported revisiting this item	
		Potential waiver for comm'l uses under 1,000 sf	At November meeting, Council supported with recommendation.	
		Development of shared parking code; potential add'l reduction for shared parking	At November meeting, Council supported recommendation if a study was done	
		Increase distance to off-site or shared parking facility from 500 ft to 1000 ft	Staff still recommends approval of this recommendation.	
	C/MU-3	1 space/500 sf of comm'l	At November meeting, Council supported recommendation	
		Potential 25% reduction for vertical mixed use	At November meeting, Council supported revisiting this item	
		Potential waiver for comm'l uses under 1,000 sf	At November meeting, Council supported recommendation	
		Development of shared parking code; potential add'l reduction for shared parking	At November meeting, Council supported recommendation if a study was done	
		Increase distance to off-site or shared parking facility from 500 ft to 1000 ft	Staff still recommends approval of this recommendation.	
Density	C/MU-1	30 du/ac min.	Minimum densities removed from consideration at October Council Meeting	Maximum Densities presented at December meeting, but no action taken. Continuation expected at February Council Meeting.  Council supported imposing the same development standards for the C/MU2 and C/MU3 zones.  At June 2 <sup>nd</sup> meeting, Council recommended incentives to achieve additional residential density; further discussion on June 15 <sup>th</sup> .
		43 du/ac max. (no change in standard)	At February 2010 meeting, Council supported recommendation.	
		52 du/ac max. with 10%-20% develop. Incentive bonus with In Palm Ave. Height Overlay Zone	Removed from consideration at October Council Meeting, as it does not apply without height increase	
	C/MU-2	30 du/ac min.	Minimum densities removed from consideration at October Council Meeting	
		36 du/ac max.	At February 2010 meeting, Council supported maintaining current standard of 29 du/ac, and allowing 36 du/ac maximum only with development incentive.	
	C/MU-3	43 du/ac max. with 10-20% develop. Incentive bonus	At February 2010 meeting, removed from consideration.	
		30 du/ac min.	Minimum densities removed from consideration at October	

Topic	Area	Proposed Recommendation	Council Direction	Staff Notes
			Council Meeting	
		36 du/ac max.	At February 2010 meeting, Council supported a standard of 29 du/ac (same as C/MU-2), and allowing 36 du/ac maximum only with development Incentive.	
		43 du/ac max. with 10-20% develop. Incentive bonus	At February 2010 meeting, removed from consideration.	
FAR (Intensity)	C/MU-1	3.0 max.	At February 2010 meeting, Council supported revisiting this recommendation. <b>Eliminated from consideration at March 17<sup>th</sup> meeting.</b>	Presented at December meeting, but no action taken. Continuation expected at February Council Meeting. <ul style="list-style-type: none"> <li>A potential reduction to 2.5 FAR for east side of Seacoast Drive in C/MU-2, and C/MU-3, was presented at December meeting.</li> </ul> FAR's eliminated from consideration at March 17 <sup>th</sup> meeting; Too restrictive and/or difficult to apply and administer.
	C/MU-2	2.0 max. W. side of Seacoast Dr.	At February 2010 meeting, Council supported revisiting this recommendation. <b>Eliminated from consideration at March 17<sup>th</sup> meeting.</b>	
	C/MU-3	3.0 max. E. side of Seacoast Dr.	At February 2010 meeting, Council supported revisiting this recommendation. <b>Eliminated from consideration at March 17<sup>th</sup> meeting.</b>	
Stepbacks	C/MU-1	At 2 <sup>nd</sup> fl. and above, 5-10 ft. if abutting residential uses or zones	At February 2010 meeting, Council supported this recommendation.	Presented, but no action taken. Continuation expected at February Council Meeting. <ul style="list-style-type: none"> <li>Expanding the CMU-1 requirement to all locations within the C/MU-2 area was presented as an option at the December meeting.</li> </ul> Required stepbacks will again be discussed during prototype review.
	C/MU-2	Fronting Seacoast Dr., 5-10 ft. upper stories, for min. of 50% of street facing facades	At February 2010 meeting, Council supported this recommendation.	
	C/MU-3	None	At February 2010 meeting, Council supported having the same stepbacks as the C/MU-2 zone (5-10 ft. upper stories, for min. of 50% of street facing facades).	
Setbacks	C/MU-1	General: 0' front, 10' rear, 5' side, 0' street side Exception: 15' props. facing Donax or Calla Avenues		Required setbacks will again be discussed during prototype review.
	C/MU-2	0' all sides	At February 2010 meeting, Council supported imposing setbacks for property's abutting residential zones or uses.	
	C/MU-3	0' front, 10' rear, 5' side, 0' street side		
Lot Consolidation Incentive	C/MU-1	Lots 20-30k sf, 10% du bonus	Density bonus no longer applicable in C/MU-1.	Presented at December meeting, but no action taken. Continuation expected at February Council Meeting. At the meeting on March 17 <sup>th</sup> , density percentages were eliminated.
	C/MU-1	Lots >30k sf, 20% du bonus	Density bonus no longer applicable in C/MU-1.	
	C/MU-2	Lots 20-30k sf, 10% du bonus	Percentages eliminated; maximum density up to 36 du allowed on lots ≥ 20,000 sf	
	C/MU-2	Lots >30k sf, 20% du bonus	Percentages eliminated; maximum density up to 36 du allowed on lots ≥ 20,000 sf	
Exceptional Architectural Design Incentive	C/MU-1	Height Increase up to 60' in Palm Ave. height overlay zone and/or 10-20% density bonus up to 52 du/ac within Palm Ave. Height Overlay Zone	Removed from Consideration	Presented at December meeting, but no action taken. Continuation expected at February Council Meeting. Action taken at October and December Council Meeting: Council proposed up to 35' to be considered on east side of Seacoast with incentives
	C/MU-2	Height increase up to 40' (east side only)	Removed from consideration.	
	C/MU-3	Height Increase up to 40'	Removed from consideration.	
Green Building Incentive	C/MU-1	Height Increase up to 60' in Palm Ave. height overlay zone and/or	Removed from Consideration.	Discussed at December meeting; role of green Incentives may also depend on City's approach to Cal. Green Building Code. No action

Topic	Area	Proposed Recommendation	Council Direction	Staff Notes
		10-20% density bonus up to 52 du/ac within Palm Ave. Height Overlay Zone	Removed from Consideration, as it does not apply without height increase	taken, continuation expected at February Council Meeting. Green Building incentive included in menu per June 2 <sup>nd</sup> meeting.
	C/MU-2	Height increase up to 40' (east side only)	Removed from consideration.	Action taken at October and December Council Meeting: Council proposed up to 35' to be considered on east side of Seacoast with Incentives; Green Building Incentive included in menu per June 2 <sup>nd</sup> meeting.
	C/MU-3	Height increase up to 40'	Removed from consideration	Green Building Incentive included in menu per June 2 <sup>nd</sup> meeting.
Active Commercial Use Incentive	C/MU-1	Height Increase up to 60' in Palm Ave. height overlay zone and/or	Removed from Consideration	Discussion at December meeting indicated a desire to incorporate this Incentive in other ways. No action taken, continuation expected at February Council Meeting. At June 2 <sup>nd</sup> meeting, include on incentive menu.
		10-20% density bonus up to 52 du/ac within Palm Ave. Height Overlay Zone	Removed from Consideration, as it does not apply without height increase	
Additional Incentives	C/MU-1, C/MU-2, C/MU-3	Additional residential unit development up to a max. where add'l community Infrastructure Improvements provided	Community Infrastructure, plaza space, etc. Included in Incentive menu on June 2 <sup>nd</sup> .	Discussion at December meeting regarding other incentives Included provision of 3 bedroom units, provision of affordable for sale units, or provision of open space or other amenity. No action taken, continuation expected at February Council Meeting.  Incentives discussed on March 17 <sup>th</sup> ; On June 2 <sup>nd</sup> Council recommended 15-foot ground floor commercial/retail ceiling height be required and recommended achieving 2 of a list of other incentives to be eligible for height and density increases.
		Reduction of development processing or permit fees	Eliminated at meeting on March 17 <sup>th</sup> .	
		Reduction or expedited approval procedure timeline	Eliminated at meeting on March 17 <sup>th</sup> .	
		Provision of 3 bedroom units	Included In Incentive menu on June 2 <sup>nd</sup> .	
		Provision of affordable for sale units	Eliminated at meeting on June 2 <sup>nd</sup> .	
		Provision of open space, plaza space, or other amenities	Included In Incentive menu on June 2 <sup>nd</sup> .	
New Zones	C-1, R-1500/MU-1	Create C/MU-1		Presented, but no action taken. To be comprehensively presented at future Council Meeting. Council supported imposing the same development standards for the C/MU2 and C/MU3 zones.
	C-2, R-1500/MU-2	Create C/MU-2	Residential Overlay Zone to be included to allow free-standing single-family residential in old MU-2 Overlay Zone.	
	C-3	Create C/MU-3		
Use Regulations (See attached table)	C/MU-1, C/MU-2, C/MU-3	Add 12 new land uses, address uses in all proposed zones (i.e. assign a use permission for every zone), change use permissions	Presented to Council at May 4 <sup>th</sup> meeting; Council generally supportive but requested clarifications.	Concerns expressed about non-commercial development, multi-family development allowed in commercial zones; additional discussion during Active Commercial Use discussion at meeting on June 15, 2010.
Definitions	C/MU-1, C/MU-2, C/MU-3	Revise definition of measurement of height	Presented to Council at May 4 <sup>th</sup> meeting; Council supportive.	Some clarification on definitions required.
	C/MU-1, C/MU-2, C/MU-3	Add 27 new definitions	Presented to Council at May 4 <sup>th</sup> meeting; Council supportive.	
Min. Active Comm'l Use	C/MU-1	25% of frontage along Palm Ave.	Concerns expressed at May 4 <sup>th</sup> meeting.	Presented at October and December meetings. Remaining recommendations to be comprehensively discussed at future Council Meeting.  Additional discussion at meeting on June 15 <sup>th</sup> .
		60% of frontage within Palm Ave. Height Overlay Zone with develop. Incentive	Removed from consideration at October Council Meeting	
	C/MU-2	60% of frontage along Palm and Seacoast	Concerns expressed at May 4 <sup>th</sup> meeting.	
	C/MU-3	25% of frontage along IB Blvd. and along 13 <sup>th</sup> St.	Concerns expressed at May 4 <sup>th</sup> meeting.	
First Floor Height Requirement	C/MU-1, C/MU-2 C/MU-3	15' min. for mixed-use project with active comm'l use requirement	At December meeting, Council supported minimum floor heights ranging from 12' to 15' At June 2 <sup>nd</sup> meeting, Council directed this to be required in all commercial zones.	No official action yet taken on 20-foot minimum height for single-story commercial.
		20' min. for single story buildings		
Revised Design Guidelines	C/MU-1, C/MU-2, C/MU-3	Relationship of buildings to site and surrounding area		To be comprehensively presented at future Council Meeting.
		Commercial and mixed-use development		
		Ground floor uses and street-level design		
		Landscaping Improvements, open space, and exterior lighting		
		Circulation and parking		

Note: New recommendations since Commercial Working Paper #2 include Residential Overlay Zone and Bikeway Village rezoning classification.



## Attachment 2

Date	Milestone
10/20/2010	City Council finalizes concept commercial changes; city staff begins transposing changes into ordinance format
11/3/2010	RFP for EIR published; estimated bid about \$150,000
1/22/2011	proposals reviewed and selected
3/23/2011	EIR scoping meeting
4/22/2011	Notice of Preparation to OPR/Clearinghouse
7/21/2011	Administrative screencheck EIR to be submitted for city staff review
8/20/2011	comments due to consultant on screencheck EIR; proposed changes in ordinance format completed
9/19/2011	Notice of EIR completion to Clearinghouse; draft EIR and LCP/zoning amendments out for 45-day agency and public review
11/3/2011	comments due on EIR and LCP/zoning amendments
12/3/2011	responses to comments due; publish hearing notice
12/21/2011	City Council 1st reading hearing on LCP/zoning amendment and EIR
1/18/2012	City Council 2nd reading on amendment/certification of FEIR and adopt Mitigation Monitoring Reporting Program
2/17/2012	transmittal to Coastal Commission of LCP amendment certification request
5/17/2012	Coastal Commission hearing for certification of LCP amendment