



# City of Covina/ Covina Redevelopment Agency

Mayor Peggy Delach – Mayor Pro Tem John King  
Council Members Walt Allen, III – Bob Low – Kevin Stapleton

## REGULAR MEETING AGENDA 125 E College Street, Covina, CA Council Chambers of City Hall **Tuesday, May 18, 2010** 6:30 p.m.

- **The City Council/Redevelopment Agency will meet in closed session from 6:30 p.m.-7:30 p.m.**
- As a courtesy to Council/Agency Members, staff and attendees, everyone is asked to silence all pagers, cellular telephones and any other communication devices.
- Any member of the public may address the City Council, and Redevelopment Agency during both the public comment period and on any scheduled item on the agenda. Comments are limited to a maximum of five minutes per speaker unless, for good cause, the Mayor/Agency Chair amends the time limit. Anyone wishing to speak is requested to submit a yellow Speaker Request Card to the City Clerk; cards are located near the agendas or at the City Clerk's desk.
- Please provide 10 copies of any information intended for use at the City Council/Covina Redevelopment Agency meeting to the City Clerk prior to the meeting.
- **MEETING ASSISTANCE INFORMATION:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk Department at (626) 384-5430. Services such as American Sign Language interpreters, a reader during the meeting, and/or large print copies of the agenda are available. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are now available. Please see the City Clerk before the meeting or during a break for more information.
- **DOCUMENT AVAILABILITY:** Any writings or documents provided to a majority of the City Council/Redevelopment Agency regarding any item on this agenda will be made available for public inspection at the City Clerk counter at City Hall located at 125 E. College Street and the Reference Desk at the Covina Library located at 234 N. Second Avenue during normal business hours. In addition, such writings and documents are available in the City Clerk's office and may be posted on the City's website at <http://www.covinaca.gov/clerk/agendas.htm>.
- Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the City Council/Redevelopment Agency unless listed on agenda, which has been posted not less than 72 hours prior to meeting.
- The City Clerk of the Covina City Council hereby declares that the agenda for the **May 18, 2010**, Regular City Council meeting was posted on May 13, 2010 near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2 (a) of the Government Code.

**CITY COUNCIL/REDEVELOPMENT AGENCY**  
**JOINT MEETING—CLOSED SESSION**

**6:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency Members Allen, Low, Stapleton, Mayor Pro Tem/Vice Chairperson King, Mayor/Chairperson Delach.

**PUBLIC COMMENTS**

*The Public is invited to make comment on Closed Session items only at this time. To address the Council/Agency, please complete a yellow Speaker Request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each.*

**The City Council and Redevelopment Agency will adjourn to Closed Session for the following:**

**CLOSED SESSION**

- A. G.C. 54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR – NEGOTIATIONS TO INCLUDE BOTH PRICE AND TERMS:
- Covina Valley Unified School District – 120 East School Street (APN 8430-027-900)
  - Covina Valley Unified School District – Vacant Land South Side Puente Street at Third Avenue (APN: 8444-021-904)
  - The Olson Company – 116 East School Street – (APN 8430-027-009)
  - The Olson Company – 322 North Citrus Avenue (APN 8430-027-017)
  - The Olson Company – 316 North Citrus Avenue (APN 8430-027-907)
  - The Olson Company – 300 North Citrus Avenue (APN 8430-027-023)
  - The Olson Company – 115 East Italia Street (APN 8430-027-010)
  - The Olson Company – 125 East Italia Street (APN 8430-027-011)
  - The Olson Company – 117 East Italia Street (APN 8430-027-903, 904 & 905)
  - The Olson Company – 312 North Citrus Avenue (APN 8430-027-906)
  - RJS Financial – 1151 N. Azusa Ave. – (APN 8409-017-037)
  - Mercy Moreno – 147-151 E. College Street – (APN 8445-001-918)
  - Covina Redevelopment Agency – 611 S. Citrus Ave. (APN 8453-001-001)
  - Enterprise Rent a Car – 635 S. Citrus Ave. (APN 8453-001-906)
  - Jack In The Box – 602 S. Citrus Ave. (Northwest corner of APN 8451-001-911)
  - Covina Redevelopment Agency – 135 E. Badillo St. (APN 8445-009-910)
- B. G.C. 54956.9(b)—CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION: ONE (1)

**RECESS**

**CITY COUNCIL/REDEVELOPMENT AGENCY**  
**JOINT MEETING – OPEN SESSION**  
**7:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency Members Allen, Low, Stapleton, Mayor Pro Tem/Vice Chairperson King, Mayor/Chairperson Delach

**PLEDGE OF ALLEGIANCE**

Led by Council Member Low.

**INVOCATION**

Led by the Covina Police Chaplain Dave Truax.

**PRESENTATIONS**

None.

**PUBLIC COMMENTS**

*To address the City Council/Redevelopment Agency, please complete a yellow Speaker Request card located at the entrance and give it to the City Clerk/Agency Secretary. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Council/Agency Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each.*

**COUNCIL/AGENCY COMMENTS**

*Council/Agency Members wishing to make any announcements of public interest or to request that specific items be added to future City Council/Redevelopment Agency Agendas may do so at this time.*

**CITY MANAGER COMMENTS**

**CONSENT CALENDAR**

*All matters listed under consent calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Council/Redevelopment Agency votes on them, unless a member of the Council/Agency requests a specific item be removed from the consent calendar for discussion.*

- CC 1. City Council to approve the amended Minutes of the Tuesday, April 20, 2010 Regular City Council/Redevelopment Agency Meeting.
- CC 2. City Council to approve the Minutes of the Tuesday, May 4, 2010 Regular City Council/Public Financing Authority/Redevelopment Agency Meeting.
- CC 3. City Council to approve Payment of Demands in the amount of \$4,259,913.16.

**CONSENT CALENDAR CONT.**

- CC 4. City Council to receive and file the budget update report for the quarter ended March 31, 2010.
- CC 5. City Council to:
- a.) Adopt **Resolution No. 10-6831**, amending the Fiscal Year 2009 – 2010 Information Technology Budget for permitting system software upgrade; and
  - b.) Authorize the City Manager to negotiate a contract with Edgesoft, Inc. for an Enterprise Land Management System on a subscription model.
- CC 6. City Council to:
- a.) Adopt **Resolution No. 10-6832** of the City of Covina amending the Fiscal Year 2009 – 2010 Public Works Department, Transit Operations operating budget to reflect an appropriation of \$7,500 from Proposition A reserve funds to fund the City of Covina’s contribution to the Mid-Valley Corridor mobility plan; and
  - b.) Authorize the Director of Public Works to execute all necessary documents on the City’s behalf.
- CC 7. City Council to adopt **Resolution No. 10-6834**, declaring its intention to reimburse certain expenditures from the proceeds of a proposed tax-exempt financing.
- CC 8. City Council to:
- a.) Adopt **Resolution No. 10-6835**, ordering the City’s Licensed Engineer to prepare and file a report for levying assessments within the “Covina Landscaping District No. 1” for the 2010 – 2011 Fiscal Year; and
  - b.) Receive the Engineer’s Report and adopt **Resolution No. 10-6836** of the City Council of the City of Covina declaring its intention to levy and collect assessments on the “Covina Landscaping District No. 1” for the 2010 – 2011 Fiscal Year and appointing a time and place for hearing protests in relation thereto.
- CC 9. City Council to receive the Engineer’s Report and adopt **Resolution No. 10-6837** of the City Council of the City of Covina declaring its intention to levy and collect assessments on “Vehicle Parking District No. 1” for the 2010 – 2011 Fiscal Year and appointing a time and place for hearing protests in relation thereto.
- CC 10. City Council to:
- a.) Adopt **Resolution No. 10-6838**, ordering the City’s Licensed Engineer to prepare and file a report for levying proposed assessments within the “Covina Lighting District No. 1978-1979” for the 2010 – 2011 Fiscal Year; and
  - b.) Receive the Engineer’s Report and adopt **Resolution No. 10-6839** of the City Council of the City of Covina declaring its intention to levy and collect assessments on the “Covina Lighting District No. 1978-1979” for the 2010 – 2011 Fiscal Year and appointing a time and place for hearing protests in relation hereto.
- CC 11. City Council to receive and file the Public Works Department Monthly Activity Report.

## CONSENT CALENDAR CONT.

- CC 12. City Council to approve a CDBG Microenterprise grant of \$10,000 to Miguel A. Ayala, doing business as Hamilton Mens Shop Ltd. under Project 600289-09, and authorize the City Manager or his designee to execute the documents necessary to complete the grant transactions when all conditions are met.
- CC 13. City Council to approve a CDBG Microenterprise grant of \$10,000 to Valerie Rajcic Vargas and Lorenzo Vargas, doing business as Thematic Attic under Project 600289-09, and authorize the City Manager or his designee to execute the documents necessary to complete the grant transactions when all conditions are met.
- CC 14. Redevelopment Agency to approve Payment of Demands in the amount of \$355,048.43.
- CC 15. Redevelopment Agency to:
- a.) Approve the Agreement between Home Depot, U.S.A., Inc., a Delaware corporation, and the Covina Redevelopment Agency to design and construct a pylon sign at 963 W. Badillo Street; and
  - b.) Adopt **Agency Resolution No. 10-622**, amending the Fiscal Year 2009 – 2010 Redevelopment Budget.
- CC 16. Redevelopment Agency to adopt **Agency Resolution No. 10-624** pursuant to Health and Safety Code Section 33334.16, approving an extension of time to develop 147 – 151 East College Street for Low and Moderate Income Housing.

## JOINT PUBLIC HEARING

- JPH 1. Joint Public Hearing for sale of real property at Citrus Avenue at School and Italia Streets and Execution of Disposition and Development Agreement between the Covina Redevelopment Agency and Olson Land Project, LLC.

### City and Agency Staff Recommendation:

Adopt **Resolution No. 10-6840** and **Agency Resolution No. 10-623**, approving the sale of real property by the Covina Redevelopment Agency pursuant to that certain Disposition and Development Agreement (DDA) with Olson Land Projects, LLC and approve the transfer of Low-Moderate Income Housing Project Area No. One Fund Balance funds for affordable housing assistance for the Developer.

## ADJOURNMENT

The Covina City Council/Redevelopment Agency will adjourn the next Regular Meeting to be held on **Tuesday, June 1, 2010 at 6:30 p.m.** in the Council Chambers of City Hall, 125 E College Street, Covina, CA 91723.



**MINUTES OF THE APRIL 20, 2010 REGULAR MEETING OF THE COVINA CITY COUNCIL/REDEVELOPMENT AGENCY HELD IN THE COUNCIL CHAMBERS OF CITY HALL, 125 EAST COLLEGE STREET AT 7:30 P.M.**

**CALL TO ORDER**

Mayor Delach called the City Council meeting to order at 7:32 p.m.

**ROLL CALL**

Council Members Present: Allen, Delach, King, Low, Stapleton  
Council Members Absent: None  
Other Elected Officials Present: City Clerk

Staff Members Present: City Manager, Assistant City Manager, City Attorney, Chief of Police, Police Captain, Finance Director, Finance Manager, Human Resources Director, Public Works Director, Community Development Director, Parks & Recreation Director, Deputy City Clerk/Agency Secretary, Public Information Supervisor, City Planner, Management Analyst, Sr. Redevelopment Manager, Redevelopment Manager

**AGENDA POSTING DECLARATION**

The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the April 20, 2010 Regular City Council meeting was posted on April 13, 2010 near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2 (a) of the Government Code.

**CLOSED SESSION**

- A. G.C. 54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR – NEGOTIATIONS TO INCLUDE BOTH PRICE AND TERMS:
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**ATTORNEY ANNOUNCEMENT**

City Attorney Edward Lee stated there were no reportable items from closed session.

**PLEDGE OF ALLEGIANCE**

Council Member Allen led the Pledge of Allegiance.

**INVOCATION**

Covina Police Chaplain Pat Cross gave the invocation.

**PRESENTATIONS**

Police Chief Kim Raney introduced and presented Cheron Collins with a certificate recognizing her as the 2010 School Crossing Guard of the Year.

Mayor Delach introduced and presented the 2009 Charter Oak High School Varsity Football Team and the coaching staff with certificates recognizing their back-to-back CIF championships. Mayor Pro Tem King also recognized and commended the work that head coach Lou Farrar and his family do for the students in the City.

**PUBLIC COMMENTS**

Linda Alegria welcomed everyone to visit the new restaurant and café called the Flavr Lounge located at 818 N. Glendora Ave. in Covina.

Rick Forintos, a representative of the Prospero Park Association, inquired on when the ordinance concerning business licenses and regulations pertaining to rental housing would go into affect; what the costs would be for the annual inspections; if any comparisons were done with other cities; and also asked if it was possible to have more time to review the ordinance.

Mayor Delach responded to Mr. Forintos by letting him know that the City is here to work with the Prospero Park Association and Council did not have to move forward right away with the ordinance until the Association came back to Council with their input regarding the ordinance.

Mercedes Garrett, president of the Prospero Park Association, thanked Council for working with the Association and its residents. She also expressed that the ordinance is a positive step. Ms. Garrett informed the Council of issues which she believed they should consider while adopting the ordinance. These issues included having the Crime Free Multi Housing Program be a part of the ordinance in regard to inspection fees and also asked if inspectors could notify the owners first before the tenants upon entering properties if a potential problem is suspected.

Mayor Delach advised Ms. Garrett to inform the City Manager if any other issues should arise.

**COUNCIL  
COMMENTS**

Council Member Stapleton asked Police Chief Raney to speak on the annual Baker to Vegas Run which the Covina Police Department participated in.

Chief Raney informed Council that 250 law enforcement agencies participated in the Baker to Vegas Run event. He also stated that the Covina Police Department finished in 4<sup>th</sup> place in the division they participated in. Chief Raney stated that every member who represented the City's police department did a fantastic job and represented the organization well.

Council Member Allen asked Council to adjourn the City Council meeting in memory of Los Angeles Police Department Police Chief Daryl Gates.

Council Member Low gave some personal background on Police Chief Daryl Gates. He also seconded the motion to adjourn the City Council meeting in memory of Police Chief Daryl Gates.

Mayor Pro Tem King complimented and thanked Parks & Recreation Director Amy Hall-McGrade and the Library on a job well done with the 9<sup>th</sup> Annual Covina Showdown Quiz Literacy Fundraiser which was held on Tuesday, April 13, 2010 at Nick's Tase of Texas.

Mayor Delach also complimented the Parks & Recreation Director and the Library on the fundraiser. She also announced that the winning team of the showdown was the Covina Women's Club. Parks & Recreation Director stated that \$3,500 was raised from this fundraiser.

Council Member Allen stated that a representative named Jessica from IKEA would like to speak with the Parks & Recreation Director to present her with a grant for the literacy program.

Mayor Delach made the following community announcements: New Hours for the Covina Public Library are Sunday & Monday: CLOSED, Tuesday & Wednesday: Noon – 8 p.m., Thursday & Friday: 11 a.m. – 6 p.m., and Saturday: 10 a.m. – 5 p.m.; Special Free Children's Program at the Library sponsored by the Friends of the Covina Public Library will be held on Thursday, April 22, 2010 at 4 p.m.; Annual Safety Fair will be held on Saturday, May 22, 2010 from 9 a.m. – 2 p.m. at Civic Center Park; Teen Battle of the Bands will be held on Saturday, May 22, 2010 from 4:30 p.m. – 7:30 p.m. at the Covina Park bandshell.

Council Member Low introduced a book called The Guernsey Literary and Potato Peel Pie Society authored by Mary Ann Shaffer and Annie Barrows. He also stated that a copy of the book was donated to the City's Library by Joanne Spring, a resident of Monterey Park and a promoter of children's literature. Council Member Low also reminded everyone about the importance of wearing seat belts due to a recent traffic accident he witnessed on Azusa Ave.

***Amended verbatim comment from Council Member Low regarding the book portion of the above paragraph:***

*"I'd like, uh, to make an announcement. I have a book here that I would like to read tonight. The book is called The Guernsey Literacy and Potato Peel Society. Uh, there's a lady named Joanne Spring that lives in Monterey Park. She's, uh, a very avid promotion...promoter of children's literature and she thought so highly of this book that she*

**AMENDED**

*bought five copies of it and donated it to the library. It's a fantastic book. It was written by a man...a lady named Mary Ann Shaffer. She had spent her life wanting to write a book but near the end of her life she finally sat down and wrote this book. But she didn't finish it. She grew very ill as she was nearing completion. And before it was finished she passed away but she asked her niece to finish it for her, which she did. And it became a tremendous success. It has been published in ten languages. And it's about the occupation on the island of Guernsey during World War II. And it's a fantastic story and it would inspire a lot of people to become readers."*

**CITY MANAGER  
COMMENTS**

City Manager Daryl Parrish advised Council that a date was needed for the upcoming Strategic Planning Session. City Manager gave the tentative date of Monday, June 7, 2010 and asked Council to check their calendars to see if this date was possible.

**CONSENT  
CALENDAR**

On a motion by Mayor Pro Tem King and seconded by Council Member Stapleton, the City Council approved Consent Calendar items CC 1, CC 2, CC 3, CC 5, CC 6, CC 7, CC 9, CC 10, CC 11, CC 12 and CC 13. Motion carried by a vote of 5-0.

**APRIL 6, 2010 REGULAR  
CITY COUNCIL/  
REDEVELOPMENT  
AGENCY MEETING  
MINUTES  
CC 1**

City Council approved the Minutes of the Tuesday, April 6, 2010 Regular City Council/Redevelopment Agency Meeting.

**PAYMENT OF DEMANDS  
CC 2**

City Council approved Payment of Demands in the amount of \$3,267,526.70.

**BANK OF THE WEST  
AGREEMENT  
CC 3**

City Council approved the amendment to the cash management services agreement with Bank of the West and authorize the City Manager to execute said agreement.

**LICENSE TAX  
EXEMPTION  
CC 5**

City Council approved Power Environmental & Energy Research Institute business license tax exemption request since the organization appears to have complied with the Covina Municipal Code exemption requirements.

**PUBLIC WORKS  
DEPARTMENT'S 2009  
ANNUAL REPORT  
CC 6**

City Council received and filed the Public Works Department's Calendar Year 2009 Annual Report.

**PUBLIC WORKS  
DEPARTMENT  
MONTHLY ACTIVITY  
REPORT  
CC 7**

City Council received and filed the Public Works Department Monthly Activity Report.

**EARTH DAY  
RESOLUTION NO. 10-6829  
CC 9**

City Council adopted **Resolution No. 10-6829**, proclaiming April 22, 2010 as Earth Day in the City of Covina.

**LEAGUE OF CA CITIES  
TRAINING  
CONFERENCE  
CC 10**

City Council received and filed the report on the 2010 League of California Cities, Public Works Officers Institute Training Conference attended by the Public Works Manager.

**LETTER OF  
RESIGNATION BY  
RICHARD DEAN  
CC 11**

City Council accepted the letter of resignation of Richard Dean of the Cultural Arts Advisory Commission.

**AGENCY PAYMENT  
OF DEMANDS  
CC 12**

Redevelopment Agency approved Payment of Demands in the amount of \$238,743.54.

**CRA CONFERENCES &  
TRAINING SEMINAR  
CC 13**

Redevelopment Agency received and filed report on the Redevelopment Agency Conferences and Training Seminar.

**LETTER OF  
ENGAGEMENT FOR  
AUDITING SERVICES  
CC 4**

Council Member Stapleton inquired on who the current auditor was for the City and stated that he was glad to see a reduction in auditing fees.

City Manager informed Council Member Stapleton that the current auditor was Macias Gini & O'Connell.

On a motion by Council Member Stapleton and seconded by Mayor Pro Tem King, the City Council approved the Letter of Engagement for auditing services for fiscal year ended June 30, 2010 and authorized the City Manager to execute the agreement. Motion carried by a vote of 5-0.

**AMENDMENT OF  
TITLE 13 OF THE  
MUNICIPAL CODE  
ORDINANCE NO.  
10-1982  
CC 8**

Council Member Stapleton stated that the the adoption of this ordinance was not being done by the City but by mandates put on the City by the State of California and the Federal Government. He expressed that he was not happy about passing this ordinance but was an action which needed to be done.

Mayor Pro Tem King asked what the repercussions would be if this ordinance was not passed.

Public Works Director Steve Henley informed Council that the repercussions of not passing this ordinance could include the standard \$10,000 a day fine; action taken against the City by the State Water Resources Board and various other agencies; and lawsuit litigation against the City by anyone who believes that the City is not in compliance with California statues.

Mayor Pro Tem King asked if there was information which Council could distribute to business owners regarding assistance in offsetting the increased costs brought on by the passage of this ordinance.

Public Works Director stated he was not aware of any grant programs or state and federal assistance which can assist in offsetting these increased costs. He informed Council that the City could assist businesses in complying with regulations at lower costs by implementing more cost affective methods by doing minor work.

Council Member Allen expressed that this is the reason why smaller and bigger businesses do not want to do business in California due to these regulations.

Mayor Delach agreed with Council Member Allen and stated that businesses are being strangled with the compound complexities which are given to them to run a business.

Council Member Stapleton declared that the agencies which pass these mandates are not responsive to the public.

On a motion by Council Member Stapleton and seconded by Council Member Allen, the City Council adopted **Ordinance No. 10-1982**, amending Title 13 of the Covina Municipal Code pertaining to sanitary sewers, industrial wastes and the control of fats, oils and greases in the sanitary sewer system. Motion carried by a vote of 5-0.

Council Member Stapleton asked if he could view what the project will look like before he voted on the appropriation of funds.

Community Redevelopment Director Robert Neuber stated that the current item to be voted by Council was to approve the start of the project and provide the funds needed to begin the project. He informed Council that this item would be coming back many times to Council for more consideration and Council would have the opportunity to view and approve project designs and concepts at a later date. Community Redevelopment Director also expressed that part of the improvements to Civic Center Park was to maintain as many of the Heritage trees which currently exist on the project site and make the park more usable for the public.

Council Member Low stated he was in favor of parks but currently there are limited resources. He expressed that prioities should be put on library use, reading and school districts. He believed that the needs of the library were being ignored. Council Member Low commented that he could not support the passage of this item.

Council Member Allen expressed that redevelopment funds cannot be used for the Library because it is not a project area.

Council Member Low proposed an alternative plan to have the Olson project incorporate the Library facility into the project but stated that this plan has been ignored.

**APPROPRIATION OF  
FUNDS FOR CAPITAL  
IMPROVEMENTS OF  
CIVIC CENTER PARK  
RESOLUTION NO. 10-621  
CC 14**

***Amended verbatim comment from Council Member Low regarding an alternative plan to the Olson project:***

*“I propose an alternative, Councilmen Allen. And that is that this be incorporated some way in the Olson project and that has been ignored. So, there is a way of using Redevelopment funds to improve the library facility. The library is short of space and additional space could be developed in the project area using CRA money. So the money is available.”*

Mayor Delach stated redevelopment funds could not be used on the library.

Council Member Low stated he spoke to Scott from the Olson Company and expressed his plan but the Olson Company was uninterested.

Mayor Delach explained that if there was a better market, developers would be more amenable in helping the City.

On a motion by Mayor Delach and seconded by Council Member Stapleton, the Redevelopment Agency adopted **Resolution No. 10-621**, amending the Fiscal Year 2009 – 2010 Covina Redevelopment Agency operating budget to reflect an appropriation of \$1,057,000 from Project Area Two, Public Purpose Bond, Undesignated, to complete capital improvements at Civic Center Park. Motion carried by a vote of 4-1 with Council Member Low in opposition.

City Manager introduced the update on General Fund Revenues and Expenditures as of March 31, 2010.

Finance Director Dilu De Alwis stated the update was not the usual quarterly update. This update is a snapshot of the General Fund as of March 31, 2010. The Finance Director gave the following updates on the current General Fund:

- General Fund (excluding the one time transfer of \$5.8 million to the internal service fund reserves): \$21 million in expenditures.
- Revenues: \$18 million.
- Property tax return is lower on what was anticipated.
- Sales tax is the only major revenue impact.
- \$80,000 impact on budget from franchise fees from the Gas Company.
- Through salary savings, City will be able to offset 75% on the down turn on sales tax revenue.
- Savings of over \$1 million in the coming fiscal year due to personnel changes.

**GENERAL FUND  
REVENUES AND  
EXPENDITURES  
NB 1**

Finance Director also commented that there is anticipation of bridging the \$3.8 million gap for the 2010 – 2011 budget year and be able to present Council with a balanced budget.

Mayor Pro Tem King expressed that the budget looks worse than what was previously presented. He also commented that the budget is 60% towards the goal of closing the budget's gap but the City is still behind. Mayor Pro Tem King also inquired on the total taxes collected.

Finance Director explained how the City receives its Property Tax and In-Lieu Tax revenue and stated that these taxes have not yet been received.

City Manager expressed that a budget workshop with the Long Term Fiscal Stability Review Committee will be conducted near the end of May 2010 prior to bringing the budget back to City Council for approval.

On a motion by Council Member Stapleton and seconded by Council Member Allen, the City Council received and filed the update on General Fund Revenues and Expenditures as of 3/31/10. Motion carried by a vote of 5-0.

**SCHEDULING OF  
PUBLIC HEARING  
FOR NEW TIERED  
WATER SERVICE  
RATES  
NB 2**

City Manager introduced the item of scheduling a public hearing for the adoption of new tiered water service rates.

Public Works Director gave a PowerPoint presentation on the new proposed tiered water service rates.

City Council members gave comments and concerns regarding the proposed tiered water service rates.

City Attorney gave an example on how the Coca Cola Company conserves water through the use of a U.V. air pressure system which saves on their consumption of water.

Public Works Director answered the following six specific Council questions which were asked during the workshop which was held regarding the proposed tiered water service rates:

Question #1: *What was the debt service rate used to develop the rates?*

The debt service rate used was the conservative rate of 6½% over 30 years.

Question #2: *Can a subsidy be offered for low-income assistance?*

Yes, there is assistance which can be offered but it would need to come from the City's General Fund due to Proposition 218 regulations.

Question #3: *Is it possible to reduce the monthly meter charges for smaller users and not reduce for the larger users?*

Yes, it can be done.

Question #4: *Is it possible to spread the increase out more evenly over time?*

This is not possible because insufficient revenue is generated each year to keep the 125% debt coverage ratio and this cannot be done if the increase is spread out over time.

Question #5: *What costs were attributed to the rates?*

41% - Base Activities  
26% - System Costs  
16% - Customer Account Costs  
16% - Meters and Services

Question #6: *Is it possible to add solar photovoltaic?*

Yes, and it has been done as part of the process.

City Manager stated that cash balances will continue to decline as costs go up if rates are not adjusted. He also explained that if rates are not adjusted, the cash problem will go from the water fund into the general fund.

Council Member Allen expressed that he believed in disaster preparedness and that it was a matter of time that the San Gabriel Valley will be hit with a severe earthquake. In order for the City to survive such a disaster, it is necessary to have a cash balance reserve.

Public Works Director stated that this was a bad time to be implementing these proposed rates but if they are not implemented, the alternative will be bad. He explained that there would be water shut offs if there is no money to buy water.

City Manager asked if there were any other cities which have been hit by mandatory shut offs.

Public Works Director shared that the City of South El Monte had implemented such shut offs during the mid to late 1980's.

Mayor Delach also commented that Atlanta, Georgia also had mandatory shut offs during a time period last year.

Council Member Low inquired on the meter rates located on Exhibit I found in the staff report.

Public Works Director explained that these rates were for fiscal year 2011.

On a motion by Council Member Stapleton and seconded by Mayor Delach, the City Council scheduled a public hearing on Tuesday, June 15, 2010 to consider the adoption of new tiered water service rates. Motion carried by a vote of 5-0.

COUNCILMANIC  
APPOINTMENTS  
RESOLUTION NO. 10-  
6830  
NB 3

Mayor Delach made the councilmanic appointments for the following agencies:

*Sanitation Districts of Los Angeles County*

Delegate: Mayor Delach

Alternate: Mayor Pro Tem King

*League of California Cities*

Delegate: Mayor Delach

Alternate: Council Member Allen

*City Selection Committee & LAFCO*

*L.A. County Commission Services*

Delegate: Mayor Delach

Alternate: Council Member Allen

On a motion by Council Member Stapleton and seconded by Mayor Pro Tem King, the City Council approved the Mayor's amended designation of delegates and alternates to Regional and City Boards and Commissions and approved **Resolution No. 10-6830**, appointing the City's Representative and Alternate to act on behalf of the City at meetings of the City Selection Committee. Motion carried by a vote of 4-1 with Council Member Low in opposition.

ADJOURNMENT

At 9:25 p.m., Mayor Delach adjourned the City Council/Redevelopment Agency meeting in memory of Police Chief Daryl Gates to the next Regular meeting to be held on May 4, 2010 at 6:30 p.m. at the City Hall Council Chambers.

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Rosalia A. Conde, CMC  
Deputy City Clerk/Agency Secretary

Approved this 18<sup>th</sup> day of May, 2010.

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Peggy Delach, Mayor



**MINUTES OF THE MAY 4, 2010 REGULAR MEETING OF THE COVINA CITY COUNCIL/PUBLIC FINANCING AUTHORITY/REDEVELOPMENT AGENCY HELD IN THE COUNCIL CHAMBERS OF CITY HALL, 125 EAST COLLEGE STREET AT 7:30 P.M.**

**CALL TO ORDER**

Mayor Delach called the City Council meeting to order at 7:32 p.m.

**ROLL CALL**

Council Members Present: Delach, King, Low, Stapleton  
 Council Members Absent: Allen (Excused absence)  
 Other Elected Officials Present: City Clerk

Staff Members Present: City Manager, City Attorney, Chief of Police, Police Captain, Finance Director, Public Works Director, Community Development Director, Deputy City Clerk/Agency Secretary, Public Communications Manager, Sr. Redevelopment Manager, Redevelopment Manager

**AGENDA  
 POSTING  
 DECLARATION**

The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the May 4, 2010 Regular City Council/Public Finance Authority/Redevelopment Agency meeting was posted on April 29, 2010 near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2 (a) of the Government Code.

**CLOSED  
 SESSION**

**A. G.C. 54956.8 - CONFERENCE WITH REAL PROPERTY NEGOTIATOR – NEGOTIATIONS TO INCLUDE BOTH PRICE AND TERMS:**

- Covina Valley Unified School District – 120 East School Street (APN 8430-027-900)
- Covina Valley Unified School District – Vacant Land South Side Puente Street at Third Avenue (APN 8444-021-904)
- The Olson Company – 116 East School Street – (APN 8430-027-009)
- The Olson Company – 322 North Citrus Avenue (APN 8430-027-017)
- The Olson Company – 316 North Citrus Avenue (APN 8430-027-907)
- The Olson Company – 300 North Citrus Avenue (APN 8430-027-023)
- The Olson Company – 115 East Italia Street (APN 8430-027-010)
- The Olson Company – 125 East Italia Street (APN 8430-027-011)
- The Olson Company – 117 East Italia Street (APN 8430-027-903, 904 & 905)
- The Olson Company – 312 North Citrus Avenue (APN 8430-027-906)
- RJS Financial – 1151 N. Azusa Ave. – (APN 8409-017-037)

**B. G.C. 54956.9(b) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: ONE (1)**

**PLEDGE OF  
 ALLEGIANCE**

Council Member Stapleton led the Pledge of Allegiance.

**INVOCATION**

Covina Police Chaplain David Truax gave the invocation.

**PRESENTATIONS**

Mayor Delach recognized Covina Volunteer Ann McGlade for receiving Congresswoman Judy Chu's "Women of Distinction of the 32<sup>nd</sup> Congressional District Award."

Mayor Delach asked Christina Duke, Miss Covina 2009 to come forward and introduce Miss Covina 2010 and two outstanding local teens. Christina Duke formally introduced Lauren Smolka as Miss Covina 2010, Ashley Dennis as Miss Covina Valley Outstanding Teen and Taylor Moore as Miss Covina Outstanding Teen. Mayor Delach presented certificates to all three ladies.

**PUBLIC COMMENTS**

Bob Gorski spoke on the upcoming Spring Concert by the Covina Concert Band which will be held on Sunday, May 16, 2010 at the Covina Woman's Club. He also invited the community to the upcoming Swing Band Festival which will be held in September 2010. Mr. Gorski also thanked the City Council and staff for the continuous support which has been given to the Covina Concert Band.

**COUNCIL  
COMMENTS**

Council Member Stapleton thanked the Noon Rotary Club along with the Parks & Recreation and Public Works Departments on the paint job done on the museum located at City Hall. He also spoke on the upcoming landscaping project to be done on Heritage House which will be led by the Sunrise Rotary Club. Council Member Stapleton also announced that at the Sunrise Rotary Club Annual Bash held on Saturday, May 1, 2010, George and Linda Peterson, owners of Giovanni's Restaurant, sold Sugar Bowl T-shirt's for \$10.00. The proceeds from the sale of these T-shirts were donated to the Historical Society.

Council Member Low spoke on his attendance at the memorial for Corporal Matthew Creed and commended Covina Police Chief Kim Raney for his careful selection of staff and ability to cultivate these individuals into outstanding police officers.

Mayor Pro Tem King also commended the Covina Police Department in honoring the memory of Corporal Matthew Creed. Mayor Pro Tem King announced that the Methodist Church, Covina Assembly of God Church, Presbyterian Church and the Baptist Church will collaborate on Community Service Day to have volunteers go out into the community to assist in a variety of projects throughout the City. On a personal note, Mayor Pro Tem King announced that his daughter will be attending California State University, Long Beach.

Mayor Delach announced that the Covina Assembly of God Church recently opened a slightly used clothing shop and food bank to serve the needs of the community. Mayor Delach re-opened Public Comments to allow a late public comment item to be heard.

**PUBLIC  
COMMENTS**

Linda Alegria, owner of Flavr Lounge, inquired on any existing City programs which help new businesses get established. Ms. Alegria also informed the public that the Flavr Lounge was having a Cinco de Mayo Celebration.

Mayor Delach directed Ms. Alegria to speak with Community Development Director Robert Neuber on options which could assist her and her business.

**CITY MANAGER  
COMMENTS**

City Manager Daryl Parrish spoke on the court ruling of the State's take of Redevelopment funds. City Manager stated that the City of Covina would need to transfer 2.5 million dollars this year and another half a million dollars next year to the State. The first transfer of funds will need to be made by Monday, May 10, 2010. City Manager also announced that the new business of Lowe's would be coming into town and will be located between Azusa Ave. and Arrow Highway. He also stated that a change needed to be made to Consent Calendar item #2 – Quarterly Report of the Treasurer.

**COUNCIL  
COMMENTS**

Mayor Delach made the following community announcements: Community Concert Series continues with the next free concert with Jay Munns, on Wednesday, May 12, 2010 at 7:00 p.m. at the Covina Woman's Club, sponsored by the Covina Cultural Arts Commission, the Covina Woman's Club and the Covina Parks and Recreation Department; Annual Covina Police Department Safety Fair in conjunction with the annual Pancake Breakfast on Saturday, May 22, 2010 from 9:00 a.m. to 2:00 p.m. at Civic Center Park; Pancake Breakfast hosted by the Kiwanis Club of South Hills will be from 7:30 a.m. to noon; Teen Battle of the Bands will be held on Saturday, May 22, 2010 from 4:30 p.m. to 7:30 p.m. at the Covina Park bandshell.

**CONSENT  
CALENDAR**

On a motion by Council Member Stapleton and seconded by Mayor Pro Tem King, the City Council approved Consent Calendar items CC 3, CC 4, CC 5 and CC 8. Motion carried by a vote of 4-0.

**ALLANA BUICK & BERS,  
INC. AGREEMENT  
CC 3**

City Council approved an amendment to the Professional Services Agreement with Allana Buick & Bers, Incorporated to perform additional architectural engineering services in the amount of \$73,710, for the repair and renovation of the Joslyn Senior Center, CDBG Project 601199-09, and authorize the City Manager or his designee to execute related documents.

**SAP REPORT  
CC 4**

City Council received and filed the report to Council on staff's participation in the Governor's Office of Emergency Services Disaster Preparedness, Safety Assessment Program (SAP).

**AGENCY TREASURER  
QUARTERLY REPORT  
CC 5**

Redevelopment Agency received and filed the Quarterly Report of the Treasurer for the Quarter Ended March 31, 2010.

**PUBLIC FINANCING  
AUTHORITY ANNUAL  
REPORT  
CC 8**

Public Financing Authority received and filed the annual report for the Covina Public Financing Authority.

**APRIL 20, 2010 REGULAR  
CITY COUNCIL/  
REDEVELOPMENT  
AGENCY MEETING  
MINUTES  
CC 1**

Council Member Low indicated that on page 3, paragraph 7 of the April 20, 2010 City Council/CRA meeting minutes were incorrect because he stated that he did not make the statements of Joanne Spring being a resident of Monterey Park and her donation of a book to the City's library. Council Member Low also indicated that on page 6, paragraph 6 of the same minutes, he did not make any suggestion to incorporate the library facility into the Olson project.

Mayor Pro Tem King suggested to strike the language in the minutes containing Council Member Low's statements.

Mayor Delach asked that the audio be reviewed regarding Council Member Low's statements and to have the appropriate corrections made for Council to vote on the passage of the April 20, 2010 minutes at the next City Council meeting.

**TREASURER  
QUARTERLY REPORT  
CC 2**

City Manager announced the following date corrections on exhibits attached to the Quarterly Report of the Treasurer:

Exhibit A – Report of the City Treasurer to the City Council

RECEIPTS	1/1/09-3/31/09	<i>(Change to 1/1/10-3/31/10)</i>
DISBURSEMENTS	1/1/09-3/31/09	<i>(Change to 1/1/10-3/31/10)</i>
CASH BALANCE	3/31/09	<i>(Change to 3/31/10)</i>
CASH AND INVESTMENT BALANCE	3/31/09	<i>(Change to 3/31/10)</i>
TOTAL CASH AND INVESTMENT BALANCE	3/31/09	<i>(Change to 3/31/10)</i>

Exhibit A-1 – Quarterly Treasurer's Report – December 31, 2009

Date of December 31, 2009 should read March 31, 2010.

On a motion by Council Member Stapleton and seconded by Mayor Pro Tem King, the City Council received and filed the Quarterly Report of the Treasurer for the Quarter Ended March 31, 2010. Motion carried by a vote of 4-0.

**PRY PROPERTIES  
LEASE AGREEMENT  
CC 6**

Agency Member Low stated that no information could be found in the proposals for PRY Properties and SAI Auto Group, LLC to justify an adjustment in their rental rates. Agency Member Low also stated that KIA sales were up 17% nationwide.

Deputy Executive Director Robert Neiuber stated he could not comment on the latest sales tax projections for the properties but informed Council that reductions to PRY Properties and SAI Auto Group, LLC rental rates were based on previous sales tax dollars.

Chairperson Delach commented that these proposals were good investments.

On a motion by Vice Chairperson King and seconded by Chairperson Delach, the Redevelopment Agency approved the Amendment to the Lease Agreement between the Agency and tenant PRY Properties, for a reduction in base rent by 40% per month on a deferral basis. Motion carried by a vote of 3-1 with Agency Member Low in opposition.

**SAI AUTO GROUP, LLC  
LEASE AGREEMENT  
CC 7**

On a motion by Vice Chairperson King and seconded by Chairperson Delach, the Redevelopment Agency approved the Amendment to the Lease Agreement between the Agency and tenant SAI Auto Group, LLC, for a reduction in base rent by 40% per month on a deferral basis. Motion carried by a vote of 3-1 with Agency Member Low in opposition.

**MESSAGE  
ESTABLISHMENTS  
URGENCY  
ORDINANCE NO. 10-  
1983  
NB 1**

City Manager explained that the urgency ordinance allowed an initial 45 day moratorium for particular use of massage establishments and massage technicians within the City. He also stated that this urgency ordinance gave the City time to review and update Section 5.36 of the City's Municipal Code in light of recent state law which passed as SB 731 pertaining to the regulation of massage therapy.

On a motion by Council Member Stapleton and seconded by Mayor Pro Tem King, the City Council approved the following:

- a.) Adopt interim **Urgency Ordinance No. 10-1983**, placing a moratorium on the issuance of approval of new permits, licenses or other entitlements to establish or operate massage establishments and to operate as a massage technician within the City for a period of 45 days, pending the adoption of any and all necessary amendments to the City's massage establishment and technician regulations to account for the legal effects of California Senate Bill 731, and setting forth the factual basis for same as an urgency ordinance; and
- b.) Direct staff to study revisions to the City's existing massage regulations in light of the passage of SB 731.

Motion carried by a vote of 4-0.

**ADJOURNMENT**

At 8:08 p.m., Mayor Delach adjourned the City Council/Public Financing Authority/Redevelopment Agency meeting to the next Regular meeting to be held on Tuesday, May 18, 2010 at 6:30 p.m. at the City Hall Council Chambers.

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Rosalia A. Conde, CMC  
Deputy City Clerk/Agency Secretary

Approved this 18<sup>th</sup> day of May, 2010.

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Peggy Delach, Mayor

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 3

**STAFF SOURCE:** Dilu De Alwis, Finance Director

**ITEM TITLE:** Payment of Demands

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**STAFF RECOMMENDATION:**

Approve Payment of Demands in the amount of: **\$4,259,913.16**

**BACKGROUND:**

Attached list of warrants, demands, which are being presented for approval for March 2010 are summarized as follows:

<u>DATE OF DEMANDS</u>	<u>DEMAND NUMBERS</u>	<u>AMOUNT</u>
<b>ACCOUNTS PAYABLE WARRANTS</b>		
March 2, 2010	82350-82532	\$351,166.54
March 3, 2010	82533-82556	\$184,878.12
March 9, 2010	82557-83682	\$197,852.36
March 16, 2010	83683-83797	\$1,118,050.37
March 17, 2010	83798-83819	\$195,625.19
March 23, 2010	83820-83930	\$198,355.73
March 23, 2010	83931	\$41,865.05
March 25, 2010	83932-83934	\$255,000.00
March 30, 2010	83935-83994	\$327,614.84
March 31, 2010	83995-84018	\$199,923.90
<b>PAYROLL</b>		
March 4, 2010 PAYROLL ADVANCE		\$391,000.00
March 4, 2010		\$162,252.45
March 18, 2010 PAYROLL ADVANCE		\$418,000.00
March 18, 2010		\$181,379.78
<b>VOIDS</b>		
March 4, 2010	80628	(\$38.41)
March 31, 2010	81797,82472,83982	(\$370.50)
<b>WORKERS COMPENSATION</b>		
March 1, 2010	19755-19792	\$16,248.28
March 8, 2010	19793-19856	\$9,248.56
March 15, 2010	19857-19898	\$7,741.84
March 22, 2010	19899-19920	\$4,119.06

**GRAND TOTAL:**

**\$4,259,913.16**

**EXHIBITS:**

**A. ACCOUNTS PAYABLE REGISTER**

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

Check ID	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00082350	10-8 RETROFIT	03/02/10	567.77	MW	OH	
AP00082351	A-THRONE	03/02/10	1,044.77	MW	OH	
AP00082352	ADVANCED BATTERY SYSTEMS	03/02/10	107.56	MW	OH	
AP00082353	ADVANCED RESTORATION	03/02/10	175.00	MW	OH	
AP00082354	ADVANTAGE ARCHERY	03/02/10	367.50	MW	OH	
AP00082355	AFLAC	03/02/10	450.00	MW	OH	Payee Name different in Check DB
AP00082356	AGI ACADEMY	03/02/10	116.67	MW	OH	
AP00082357	AGUILAR, LOURDES	03/02/10	294.00	MW	OH	
AP00082358	AIRGAS-WEST	03/02/10	220.80	MW	OH	
AP00082359	ALAS, NINA	03/02/10	150.50	MW	OH	
AP00082360	ALL CITY MANAGEMENT SVC	03/02/10	4,503.60	MW	OH	
AP00082361	ALL STAR GLASS	03/02/10	225.00	MW	OH	
AP00082362	AMERICAN RED CROSS	03/02/10	593.00	MW	OH	
AP00082363	AMERICAN TRAFFIC SOLUTIONS	03/02/10	32,370.00	MW	OH	Payee Name different in Check DB
AP00082364	ANEL CAMACHO	03/02/10	60.00	MW	OH	
AP00082365	ANGELES, LEAH	03/02/10	285.84	MW	OH	
AP00082366	ARMORCAST PRODUCTS COMPANY	03/02/10	473.26	MW	OH	
AP00082367	AVILA, MONIQUE	03/02/10	72.22	MW	OH	
AP00082368	AYRES SUITES	03/02/10	1,215.08	MW	OH	
AP00082369	BAKER AND TAYLOR INC	03/02/10	2,234.45	MW	OH	
AP00082370	BANK OF THE WEST	03/02/10	9,395.07	MW	OH	
AP00082371	BARON PALACIOS	03/02/10	60.00	MW	OH	
AP00082372	BELL BUILDING MAINTENANCE CO	03/02/10	5,625.00	MW	OH	
AP00082373	BERLITZ	03/02/10	50.00	MW	OH	
AP00082374	BEST BEST & KRIEGER LLP	03/02/10	31,454.56	MW	OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00082375	V07139	BETHKE, BETTY JO	03/02/10	89.84	MW	OH		
AP00082376	V06212	BIG BELLY SOLAR	03/02/10	8,376.77	MW	OH		Payee Name different in Check DB
AP00082377	V05332	BMI GENERAL LICENSING	03/02/10	214.00	MW	OH		
AP00082378	V06822	BON FAMILY CLOGGERS	03/02/10	200.00	MW	OH		
AP00082379	V06632	BRIGHT STARS ACADEMY	03/02/10	599.23	MW	OH		
AP00082380	V00127	BRODART CO	03/02/10	109.31	MW	OH		
AP00082381	V00254	BRUNSWICK COVINA BOWL	03/02/10	245.00	MW	OH		Payee Name different in Check DB
AP00082382	V03529	BUSY BEE PEST CONTROL INC	03/02/10	235.00	MW	OH		Payee Name different in Check DB
AP00082383	V01658	CAL POLY POMONA FOUNDATION	03/02/10	360.00	MW	OH		
AP00082384	V07038	CALLANDRILLO JR., GEORGE	03/02/10	126.00	MW	OH		
AP00082385	V07156	CALLISON, JACQUELYN	03/02/10	106.17	MW	OH		
AP00082386	V01628	CARTER, ALAN	03/02/10	14.25	MW	OH		Payee Name different in Check DB
AP00082387	V07155	CASTILLO, LOVRINA	03/02/10	140.00	MW	OH		
AP00082388	V07334	CECILIA CAMACHO	03/02/10	40.00	MW	OH		
AP00082389	V05302	CELAYA, VERA FLORES	03/02/10	154.00	MW	OH		Payee Name different in Check DB
AP00082390	V04253	CHARLES E THOMAS COMPANY	03/02/10	1,341.59	MW	OH		
AP00082391	V00190	CHARTER OAK GYMNASTICS INC	03/02/10	1,156.05	MW	OH		
AP00082392	V05555	CINTAS CORP #693	03/02/10	110.69	MW	OH		
AP00082393	V03592	CITRUS AUTO UPHOLSTERY	03/02/10	197.45	MW	OH		
AP00082394	V00208	CLINICAL LAB OF SAN BERNARDIN	03/02/10	427.50	MW	OH		
AP00082395	V06757	COLE, PATRICIA	03/02/10	1,762.50	MW	OH		
AP00082396	V06072	COLLEY AUTO CARS INC.	03/02/10	65.85	MW	OH		
AP00082397	V03950	COMMERCIAL ELECTRIC SYSTEMS	03/02/10	368.75	MW	OH		
AP00082398	V00240	COMPUTER SERVICE COMPANY	03/02/10	8,256.42	MW	OH		
AP00082399	V05948	CORBIN, CLARA	03/02/10	1,411.66	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00082400	V07132	CORNERSTONE COMMERCIAL	03/02/10	150.80	MW	OH		
AP00082401	V00256	COVINA DISPOSAL CO	03/02/10	9,845.66	MW	OH		Payee Name different in Check DB
AP00082402	V00686	COVINA SUNRISE ROTARY	03/02/10	68.00	MW	OH		Payee Name different in Check DB
AP00082403	V00837	COVINA WATER & REFUSE, CITY O	03/02/10	83.03	MW	OH		Payee Name different in Check DB
AP00082404	V00265	COVINA WELDING AND SHEET MTL	03/02/10	82.31	MW	OH		
AP00082405	V02742	CRAIG'S CPR&FIRST AID TRAININ	03/02/10	192.50	MW	OH		
AP00082406	V06792	DAPEER ROSENBLIT & LITVAK LLP	03/02/10	9.54	MW	OH		
AP00082407	V00211	DH MAINTENANCE SERVICES	03/02/10	5,910.04	MW	OH		
AP00082408	V07016	DOMINAIDE	03/02/10	49.59	MW	OH		
AP00082409	V06344	E.G. BRENNAN & CO. LLC	03/02/10	725.00	MW	OH		
AP00082410	V00199	EAST DISTRICT SUPERIOR COURT	03/02/10	27,074.00	MW	OH		Payee Name different in Check DB
AP00082411	V00199	EAST DISTRICT SUPERIOR COURT	03/02/10	228.00	MW	OH		Payee Name different in Check DB
AP00082412	V00175	EDISON CO	03/02/10	2,145.40	MW	OH		
AP00082413	V06020	EL NATIVO GROWERS INC.	03/02/10	315.20	MW	OH		
AP00082414	V07350	ELISA ORTEGA	03/02/10	60.00	MW	OH		
AP00082415	V07328	ESTAVILLO, ROBERT	03/02/10	65.00	MW	OH		
AP00082416	V07349	EZCRUIEL VARELLA	03/02/10	30.00	MW	OH		
AP00082417	V00176	FEDEX	03/02/10	109.40	MW	OH		
AP00082418	V07345	FERNANDO CASTILLO	03/02/10	70.00	MW	OH		
AP00082419	V00339	FOOTHILL PRESBYTERIAN HOSPITA	03/02/10	75.07	MW	OH		Payee Name different in Check DB
AP00082420	V00345	FUTURE AMERICA	03/02/10	166.45	MW	OH		
AP00082421	V00350	GAS COMPANY, THE	03/02/10	2,250.29	MW	OH		Payee Name different in Check DB
AP00082422	V07330	GEE, WILLIAM	03/02/10	13.48	MW	OH		
AP00082423	V06554	GIAMMARCO, ANTHONY	03/02/10	104.30	MW	OH		
AP00082424	V04325	GONZALES, RICHARD	03/02/10	136.50	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00082425	V00375	GRAND PRINTING	03/02/10	148.60	MW	OH		
AP00082426	V07359	GRAY, JERENE	03/02/10	150.00	MW	OH		
AP00082427	V03087	GRISWOLD INDUSTRIES	03/02/10	639.19	MW	OH		
AP00082428	V00212	HAAKER EQUIPMENT CO	03/02/10	58.90	MW	OH		
AP00082429	V00409	HINDERLITER DELLAMAS & ASSOC	03/02/10	164.17	MW	OH		Payee Name different in Check DB
AP00082430	V07294	HOLLIDAY ROCK CO INC	03/02/10	950.71	MW	OH		
AP00082431	V00006	HOME DEPOT	03/02/10	204.56	MW	OH		
AP00082432	V00417	HUNTINGTON COURT REPORTERS	03/02/10	355.12	MW	OH		Payee Name different in Check DB
AP00082433	V05134	HUTCHINSON, DIANE	03/02/10	23.03	MW	OH		Payee Name different in Check DB
AP00082434	V00233	HYDRO CONNECTIONS	03/02/10	104.32	MW	OH		Payee Name different in Check DB
AP00082435	V07329	ILAGAN, JEANETTE	03/02/10	9.48	MW	OH		
AP00082436	V05814	INFOBASE PUBLISHING	03/02/10	963.00	MW	OH		
AP00082437	V05607	INGERSOLL, SCOTT	03/02/10	445.67	MW	OH		
AP00082438	V00425	INGRAM DIST GROUP	03/02/10	605.15	MW	OH		
AP00082439	V00213	INLAND EMPIRE STAGES	03/02/10	624.00	MW	OH		
AP00082440	V04139	INTERVIEWS & INTERROGATIONS	03/02/10	368.00	MW	OH		
AP00082441	V06049	JATME, SANDRA	03/02/10	215.95	MW	OH		
AP00082442	V07351	JAYASRI FERNANDO	03/02/10	30.00	MW	OH		
AP00082443	V00448	JOHNNY'S POOL SERVICE	03/02/10	250.00	MW	OH		Payee Name different in Check DB
AP00082444	V02427	JOHNSON'S NUMBERING SERVICE	03/02/10	32.00	MW	OH		
AP00082445	V07325	JOSEPH ESCOBEDO	03/02/10	112.00	MW	OH		Payee Name different in Check DB
AP00082446	V05490	JS CONSULTANTS	03/02/10	33,856.38	MW	OH		
AP00082447	V00441	JW LOCK CO INC	03/02/10	203.16	MW	OH		
AP00082448	V00451	KELLY PAPER CO	03/02/10	141.85	MW	OH		
AP00082449	V04311	KERNS, JASON	03/02/10	76.50	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00082450	V02741	KYLE, PATRICIA	03/02/10	532.00	MW	OH		
AP00082451	V00475	LA CNTY DEPT OF ANIMAL CARE	03/02/10	11,077.19	MW	OH		Payee Name different in Check DB
AP00082452	V05585	LAM, LY CHOU	03/02/10	401.10	MW	OH		
AP00082453	V01499	LANDSCAPE STRUCTURES INC	03/02/10	371.53	MW	OH		Payee Name different in Check DB
AP00082454	V07017	LARSEN, MICHAEL	03/02/10	88.67	MW	OH		
AP00082455	V06495	LIBRARY ADVANTAGE	03/02/10	390.00	MW	OH		
AP00082456	V00501	LIEBERT CASSIDY WHITMORE	03/02/10	9,097.00	MW	OH		Payee Name different in Check DB
AP00082457	V00503	LIGHTHOUSE INC, THE	03/02/10	1,767.34	MW	OH		Payee Name different in Check DB
AP00082458	V00515	LOS ANGELES TIMES	03/02/10	48.00	MW	OH		
AP00082459	V01476	LOS ANGELES TIMES	03/02/10	24.96	MW	OH		
AP00082460	V07353	MADELI MARQUEZ	03/02/10	60.00	MW	OH		
AP00082461	V07352	MARINA MEADOWS	03/02/10	60.00	MW	OH		
AP00082462	V07337	MARIO CALDERON	03/02/10	5.00	MW	OH		
AP00082463	V07347	MARK LOTTIE	03/02/10	10.00	MW	OH		
AP00082464	V03908	MARK-IT	03/02/10	39.95	MW	OH		
AP00082465	V07343	MARLENA VELA	03/02/10	60.00	MW	OH		
AP00082466	V07338	MATTHEW ALDERETE	03/02/10	60.00	MW	OH		
AP00082467	V04229	MERRIMAC ENERGY GROUP	03/02/10	21,593.67	MW	OH		
AP00082468	V07344	MICHAEL SPRINGER	03/02/10	30.00	MW	OH		
AP00082469	V02581	MICRO FOCUS INC	03/02/10	2,630.78	MW	OH		
AP00082470	V00551	MILLERS & ISHAMS FIRE	03/02/10	110.65	MW	OH		Payee Name different in Check DB
AP00082471	V01240	MISSION LINEN SUPPLY	03/02/10	211.67	MW	OH		
AP00082472	V03039	MONROVIA, CITY OF	03/02/10	30.00	MW	OH		
AP00082473	V07131	MUNICIPAL BUDGET AND	03/02/10	6,153.85	MW	OH		
AP00082474	V07326	NOAH'S PROTECTIVE	03/02/10	650.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00082475	V01721	NOLO PRESS OCCIDENTAL	03/02/10	28.57	MW	OH	
AP00082476	V01136	OFFICE DEPOT	03/02/10	131.39	MW	OH	
AP00082477	V00895	ORANGE COUNTY SHERIFFS DEPT	03/02/10	30.00	MW	OH	Payee Name different in Check DB
AP00082478	V07357	PADILLA, ANNA	03/02/10	70.00	MW	OH	
AP00082479	V07018	PARADA, MIGUEL	03/02/10	461.57	MW	OH	
AP00082480	V04971	PARS	03/02/10	5,250.00	MW	OH	
AP00082481	V05850	PEARCE, KENNETH	03/02/10	200.00	MW	OH	
AP00082482	V01636	PEREZ, MARIBEL	03/02/10	76.50	MW	OH	Payee Name different in Check DB
AP00082483	V06256	PETERSON, PAULINE	03/02/10	51.00	MW	OH	
AP00082484	V01097	PROSE GRANTWRITING SERVICES	03/02/10	800.00	MW	OH	Payee Name different in Check DB
AP00082485	V07327	PRUDENTIAL REALTY	03/02/10	54.64	MW	OH	
AP00082486	V05877	PUMP IT UP	03/02/10	25.00	MW	OH	
AP00082487	V07288	QUALITY IMAGING SUPPLIES INC.	03/02/10	664.24	MW	OH	
AP00082488	V07297	R.J.N. INVESTIGATIONS	03/02/10	3,812.20	MW	OH	
AP00082489	V05299	RAMOS, VERONICA	03/02/10	423.60	MW	OH	
AP00082490	V00666	RANDOM HOUSE INC	03/02/10	221.25	MW	OH	
AP00082491	V07339	RAYMOND DIAZ	03/02/10	60.00	MW	OH	
AP00082492	V00668	RECORDED BOOKS LLC	03/02/10	43.61	MW	OH	Payee Name different in Check DB
AP00082493	V06114	REPUBLIC MASTER CHEFS	03/02/10	107.39	MW	OH	
AP00082494	V04793	RODRIGUEZ, DAVID	03/02/10	76.50	MW	OH	
AP00082495	V00880	SERESINGHE, AJITH	03/02/10	1,162.63	MW	OH	Payee Name different in Check DB
AP00082496	V02292	SEVOLD, CHERYL	03/02/10	784.00	MW	OH	
AP00082497	V00727	SMART AND FINAL IRIS CORP	03/02/10	164.22	MW	OH	
AP00082498	V06146	SMITH, CRYSTAL	03/02/10	76.50	MW	OH	
AP00082499	V00737	SPARKLETTES	03/02/10	106.03	MW	OH	

Check	Payee ID	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00082500	V06071	STAPLES BUSINESS ADVANTAGE	03/02/10	159.15	MW	OH		
AP00082501	V06661	STEVENSON, ROY	03/02/10	333.20	MW	OH		
AP00082502	V00755	SUTTON PLUMBING SERVICE	03/02/10	55.64	MW	OH		
AP00082503	V07340	SYLVIA NIGHTWALKER	03/02/10	60.00	MW	OH		
AP00082504	V03066	TASER INTERNATIONAL	03/02/10	713.38	MW	OH		
AP00082505	V07335	TERRY ADOMEIT	03/02/10	40.00	MW	OH		
AP00082506	V04501	THOMAS, TERRI	03/02/10	1,164.33	MW	OH		
AP00082507	V00765	THREE VALLEYS MUNICIPAL	03/02/10	6,694.56	MW	OH		
AP00082508	V05776	TOSHIBA BUSINESS SOLUTIONS	03/02/10	648.34	MW	OH		
AP00082509	V00772	TRI-XECUTEX CORP	03/02/10	282.80	MW	OH		
AP00082510	V05054	TRIFYTT SPORTS	03/02/10	698.17	MW	OH		
AP00082511	V07019	TRUJILLO WORDEN-WEACHAM,	03/02/10	138.54	MW	OH		
AP00082512	V00975	TT MAILING SERVICE	03/02/10	220.00	MW	OH		
AP00082513	V05462	UNITED TRAFFIC	03/02/10	94.60	MW	OH		
AP00082514	V03858	UPS	03/02/10	20.03	MW	OH		
AP00082515	V00229	US POSTMASTER	03/02/10	706.86	MW	OH		
AP00082516	V03305	V & V MANUFACTURING	03/02/10	26.18	MW	OH		
AP00082517	V07356	VAN LEEUWEN, JOACHIM	03/02/10	46.67	MW	OH		
AP00082518	V07341	VANESSA TARACENA	03/02/10	120.00	MW	OH		
AP00082519	V00177	VERIZON CALIFORNIA	03/02/10	523.19	MW	OH		Payee Name different in Check DB
AP00082520	V06297	VERIZON WIRELESS	03/02/10	5,095.70	MW	OH		
AP00082521	V06785	VISION SERVICE PLAN (CA)	03/02/10	16.98	MW	OH		
AP00082522	V00158	VULCAN MATERIALS COMPANY	03/02/10	784.05	MW	OH		
AP00082523	V07358	WAKAYAMA, ASHLEY	03/02/10	91.47	MW	OH		
AP00082524	V00232	WESTERN WATER WORKS SUPPLY	03/02/10	1,999.31	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00082525	V01741	WEYNSCHENK, AMANDA	03/02/10	34.44	MW	OH	
AP00082526	V03419	WHITE, SHELBY	03/02/10	448.00	MW	OH	
AP00082527	V06524	WILLDAN FINANCIAL SERVICES	03/02/10	1,500.00	MW	OH	
AP00082528	V00821	WILLDAN	03/02/10	46,694.57	MW	OH	Payee Name different in Check DB
AP00082529	V07346	XOCHIGUETZAL CASTILLO	03/02/10	60.00	MW	OH	
AP00082530	V00831	Y TIRE SALES	03/02/10	2,321.20	MW	OH	
AP00082531	V07333	YASHAMA WARTHEN	03/02/10	40.00	MW	OH	
AP00082532	V07336	YVONNE HUANTE	03/02/10	40.00	MW	OH	

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	351,166.54	Number of Checks Processed:	183
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>351,166.54</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00082533	V06191	AFLAC ACCT# Yq792	03/03/10	3,637.44	MW	OH	Payee Name different in Check DB
AP00082534	V07259	AFLAC	03/03/10	36.00	MW	OH	Payee Name different in Check DB
AP00082535	V01695	AFSCME	03/03/10	920.00	MW	OH	
AP00082536	V01681	CALIFORNIA PUBLIC EMPLOYEES'	03/03/10	52,812.72	MW	OH	Payee Name different in Check DB
AP00082537	V07287	CITY OF COVINA-FSA	03/03/10	2,029.00	MW	OH	
AP00082538	V01686	COVINA POLICE ASSOCIATION	03/03/10	2,004.00	MW	OH	
AP00082539	V02095	COVINA POLICE ASSOCIATION	03/03/10	360.00	MW	OH	
AP00082540	CRA	COVINA REDEVELOPMENT AGENCY	03/03/10	1,000.00	MW	OH	
AP00082541	V01697	COVINA, CITY OF	03/03/10	6,484.76	MW	OH	
AP00082542	V02879	COVINA, CITY OF	03/03/10	39.80	MW	OH	
AP00082543	V05506	COVINA, CITY OF	03/03/10	45,530.20	MW	OH	
AP00082544	V06385	CSAC-EIA	03/03/10	4,737.48	MW	OH	
AP00082545	V06386	CSAC-EIA	03/03/10	1,399.97	MW	OH	
AP00082546	V05186	DELTA DENTAL OF CALIFORNIA	03/03/10	5,743.28	MW	OH	
AP00082547	V01692	GREAT WEST LIFE & ANNUITY	03/03/10	3,671.51	MW	OH	
AP00082548	V01694	HARTFORD LIFE INS	03/03/10	9.68	MW	OH	Payee Name different in Check DB
AP00082549	V01691	ICMA RETIREMENT TRUST-457	03/03/10	6,423.32	MW	OH	
AP00082550	V07302	ICMA RETIREMENT TRUST-401	03/03/10	680.45	MW	OH	
AP00082551	V01690	NATIONAL DEFERRED COMPENSATIO	03/03/10	4,502.50	MW	OH	Payee Name different in Check DB
AP00082552	V01693	PERS LONG TERM CARE PROGRAM	03/03/10	390.99	MW	OH	
AP00082553	V01687	PERS	03/03/10	39,793.50	MW	OH	
AP00082554	V04828	UNION BANK OF CALIFORNIA	03/03/10	2,044.58	MW	OH	
AP00082555	V01696	UNITED WAY OF GREATER LA	03/03/10	57.91	MW	OH	Payee Name different in Check DB
AP00082556	V06785	VISION SERVICE PLAN (CA)	03/03/10	569.03	MW	OH	

Check Payee ID. Payee Name Date Check Amount Type Subs Rel To Note  
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Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
G R A N D T O T A L S:								
		Total Void Machine Written		0.00				Number of Checks Processed: 0
		Total Void Hand Written		0.00				Number of Checks Processed: 0
		Total Machine Written		184,878.12				Number of Checks Processed: 24
		Total Hand Written		0.00				Number of Checks Processed: 0
		Total Reversals		0.00				Number of Checks Processed: 0
		Total Cancelled Checks		0.00				Number of Checks Processed: 0
		Total EFTs		0.00				Number of EFTs Processed: 0
G R A N D T O T A L				184,878.12				

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083557	V04747	10-8 RETROFIT	03/09/10	155.46	MW	OH		
AP00083558	V06326	A & B ELECTRIC	03/09/10	90.00	MW	OH		
AP00083559	V00019	AARDVARK TACTICAL INC	03/09/10	127.99	MW	OH		
AP00083560	V00846	ADVANCED GRAPHIX INC	03/09/10	29.00	MW	OH		
AP00083561	V07320	ADVANCED TRAINING SYSTEMS INC	03/09/10	13,520.00	MW	OH		
AP00083562	V06428	ADVANCED	03/09/10	3,328.75	MW	OH		
AP00083563	V00040	AIRGAS-WEST	03/09/10	122.95	MW	OH		Payee Name different in Check DB
AP00083564	V00046	ALBERTSONS GROCERY WAREHOUSE	03/09/10	19.72	MW	OH		
AP00083565	V07268	ALLANA-BUIJCK-BERS	03/09/10	21,695.20	MW	OH		
AP00083566	V02224	AMERICAN WEST COAST SECURITY	03/09/10	155.00	MW	OH		
AP00083567	V07312	ANURA K. T. DESILVA	03/09/10	2,400.00	MW	OH		
AP00083568	V03128	ASTRA INDUSTRIAL SERVICES	03/09/10	691.73	MW	OH		
AP00083569	V01660	AT&T	03/09/10	357.67	MW	OH		
AP00083570	V01660	AT&T	03/09/10	74.14	MW	OH		
AP00083571	V06810	AUTOZONE INC.	03/09/10	83.34	MW	OH		
AP00083572	V05667	AYRES SUITES	03/09/10	202.52	MW	OH		
AP00083573	V05667	AYRES SUITES	03/09/10	607.56	MW	OH		
AP00083574	V05667	AYRES SUITES	03/09/10	405.08	MW	OH		
AP00083575	V01955	AZUSA PLUMBING & HEATING SUPPL	03/09/10	44.27	MW	OH		
AP00083576	V00088	AZUSA, CITY OF	03/09/10	433.66	MW	OH		Payee Name different in Check DB
AP00083577	V00089	B & K ELECTRIC WHOLESALE	03/09/10	48.95	MW	OH		Payee Name different in Check DB
AP00083578	V00090	BAKER AND TAYLOR INC	03/09/10	309.03	MW	OH		
AP00083579	V01518	BC CONTINENTAL FOOD SERVICE	03/09/10	1,041.25	MW	OH		
AP00083580	V07364	BEN SIMENSEN	03/09/10	287.31	MW	OH		
AP00083581	V02591	BEST BEST & KRIEGER LLP	03/09/10	2,171.63	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083582	V01823	C.L. NORTON CO INC.	03/09/10	430.14	MW	OH		Payee Name different in Check DB
AP00083583	V00139	CALIBER POOL AND SPA SVC	03/09/10	8,692.66	MW	OH		
AP00083584	V00159	CALSAFE	03/09/10	650.00	MW	OH		
AP00083585	V01595	CANON BUS SOLUTIONS INC	03/09/10	916.84	MW	OH		Payee Name different in Check DB
AP00083586	V01726	CCPOA	03/09/10	30.00	MW	OH		
AP00083587	V00186	CENTURY OFFICE PRODUCTS	03/09/10	105.60	MW	OH		
AP00083588	V02958	CERTIFIED UNDERCAR PARTS	03/09/10	283.84	MW	OH		
AP00083589	V07368	CHAMPION'S PLACE L.T.D	03/09/10	962.50	MW	OH		
AP00083590	V06964	CHIRON CONCEPTS	03/09/10	87.21	MW	OH		
AP00083591	V05555	CINTAS CORP #693	03/09/10	110.69	MW	OH		
AP00083592	V01472	CLARK, HUGH	03/09/10	40.00	MW	OH		
AP00083593	V03950	COMMERCIAL ELECTRIC SYSTEMS	03/09/10	5,869.98	MW	OH		
AP00083594	V00240	COMPUTER SERVICE COMPANY	03/09/10	2,220.43	MW	OH		
AP00083595	V02444	CONTEMPORARY INFO CORP	03/09/10	36.00	MW	OH		
AP00083596	V00262	COVINA RENTS	03/09/10	120.73	MW	OH		
AP00083597	V04027	CRAFCO INC	03/09/10	1,728.56	MW	OH		Payee Name different in Check DB
AP00083598	V06905	CROP PRODUCTION SERVICES	03/09/10	1,110.72	MW	OH		
AP00083599	V02667	CRUMP, ISOBEL	03/09/10	40.00	MW	OH		
AP00083600	V02665	CSK AUTO INC	03/09/10	8.78	MW	OH		Payee Name different in Check DB
AP00083601	V03550	DELACH, PEGGY	03/09/10	451.33	MW	OH		
AP00083602	V00282	DELL MARKETING L.P.	03/09/10	1,050.83	MW	OH		Payee Name different in Check DB
AP00083603	V02927	DF POLYGRAPH	03/09/10	125.00	MW	OH		
AP00083604	V06979	EAR PLUGS 4 U	03/09/10	109.25	MW	OH		
AP00083605	V00175	EDISON CO	03/09/10	27,873.35	MW	OH		
AP00083606	V00307	EDS AUTO PARTS	03/09/10	67.32	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083607	V001176	FEDEX	03/09/10	10.98	MW	OH		
AP00083608	V03124	FILLMORE & WESTERN RAILWAY CO	03/09/10	911.25	MW	OH		
AP00083609	V00342	FOX VALLEY SYSTEMS INC	03/09/10	291.52	MW	OH		
AP00083610	V00730	GOLDEN STATE WATER COMPANY	03/09/10	181.48	MW	OH		Payee Name different in Check DB
AP00083611	V00372	GOVT FINANCE OFCRS ASSOC	03/09/10	23.63	MW	OH		
AP00083612	V00374	GRAINGER	03/09/10	973.85	MW	OH		Payee Name different in Check DB
AP00083613	V00375	GRAND PRINTING	03/09/10	2,924.24	MW	OH		
AP00083614	V04530	HARRIS	03/09/10	3,027.36	MW	OH		
AP00083615	V00006	HOME DEPOT	03/09/10	325.98	MW	OH		
AP00083616	V00417	HUNTINGTON COURT REPORTERS	03/09/10	2,282.16	MW	OH		Payee Name different in Check DB
AP00083617	V05336	HYATT REGENCY SUITES	03/09/10	444.08	MW	OH		
AP00083618	V00233	HYDRO CONNECTIONS	03/09/10	54.46	MW	OH		Payee Name different in Check DB
AP00083619	V07367	IDS PROPERTY CASUALTY COMPANY	03/09/10	1,192.70	MW	OH		
AP00083620	V00425	INGRAM DIST GROUP	03/09/10	121.18	MW	OH		
AP00083621	V00213	INLAND EMPIRE STAGES	03/09/10	1,842.00	MW	OH		
AP00083622	V04139	INTERVIEWS & INTERROGATIONS	03/09/10	184.00	MW	OH		
AP00083623	V00777	J.G. TUCKER AND SON	03/09/10	270.81	MW	OH		Payee Name different in Check DB
AP00083624	V01174	JACOBS, DANIEL	03/09/10	51.00	MW	OH		Payee Name different in Check DB
AP00083625	V07083	KANDID GRAPHICS	03/09/10	647.53	MW	OH		
AP00083626	V00458	KEYSTONE UNIFORM DEPOT	03/09/10	93.18	MW	OH		Payee Name different in Check DB
AP00083627	V00463	KING BOLT CO	03/09/10	59.03	MW	OH		
AP00083628	V03514	KLYMKIW, MARIE	03/09/10	56.00	MW	OH		
AP00083629	V00479	LA CNTY MTA	03/09/10	434.00	MW	OH		Payee Name different in Check DB
AP00083630	V00480	LA CNTY PUBLIC WORKS DEPT	03/09/10	3,382.80	MW	OH		Payee Name different in Check DB
AP00083631	V07366	LAUREN BECKER	03/09/10	35.92	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083632	V02992	LEARNING FOR LIFE	03/09/10	69.60	MW	OH		
AP00083633	V00496	LEWIS ENGRAVING INC	03/09/10	38.41	MW	OH		
AP00083634	V00503	LIGHTHOUSE INC, THE	03/09/10	49.85	MW	OH		Payee Name different in Check DB
AP00083635	V07365	MAI MORRIS	03/09/10	233.65	MW	OH		
AP00083636	V05808	MELNYK, JOSEPH	03/09/10	76.50	MW	OH		
AP00083637	V01210	MERCURY FENCE CO INC	03/09/10	825.00	MW	OH		Payee Name different in Check DB
AP00083638	V00551	MILLERS & ISHAMS FIRE	03/09/10	215.91	MW	OH		Payee Name different in Check DB
AP00083639	V01240	MISSION LINEN SUPPLY	03/09/10	336.42	MW	OH		
AP00083640	V01160	MITCHELL REPAIR	03/09/10	65.00	MW	OH		
AP00083641	V07313	MORALES, BELINDA	03/09/10	5.99	MW	OH		
AP00083642	V06687	NEWPORT FARMS INC	03/09/10	260.91	MW	OH		
AP00083643	V01136	OFFICE DEPOT	03/09/10	157.58	MW	OH		
AP00083644	V00797	OFFICE DEPOT	03/09/10	82.83	MW	OH		Payee Name different in Check DB
AP00083645	V00895	ORANGE COUNTY SHERIFFS DEPT	03/09/10	30.00	MW	OH		Payee Name different in Check DB
AP00083646	V04312	OSTARCEVIC, IVAN	03/09/10	7.60	MW	OH		
AP00083647	V06145	PETTINGER, ERIC	03/09/10	76.50	MW	OH		
AP00083648	V00909	PRIORITY MAILING SYSTEMS	03/09/10	268.72	MW	OH		
AP00083649	V07288	QUALITY IMAGING SUPPLIES INC.	03/09/10	390.02	MW	OH		
AP00083650	V06114	REPUBLIC MASTER CHEFS	03/09/10	113.92	MW	OH		
AP00083651	V04793	RODRIGUEZ, DAVID	03/09/10	7.60	MW	OH		
AP00083652	V02873	S & J SALES	03/09/10	7,681.90	MW	OH		
AP00083653	V07363	SANTA MONICA FORD	03/09/10	25,904.29	MW	OH		
AP00083654	V07321	SANTIAM EMERGENCY	03/09/10	2,466.99	MW	OH		
AP00083655	V01643	SANTOS, ROGER	03/09/10	93.60	MW	OH		Payee Name different in Check DB
AP00083656	V05429	SECOM INTERNATIONAL INC	03/09/10	1,325.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083657	V04066	SECURITAS SECURITY SERVICES	03/09/10	3,280.50	MW	OH		
AP00083658	V00727	SMART AND FINAL IRIS CORP	03/09/10	30.60	MW	OH		
AP00083659	V00734	SOUTHEAST CONSTRUCTION INC	03/09/10	407.62	MW	OH		
AP00083660	V06163	SOUTHLAND TRANSIT	03/09/10	5,484.87	MW	OH		
AP00083661	V00007	STAPLES INC	03/09/10	71.28	MW	OH		
AP00083662	V00110	SUNGARD BI-TECH INC	03/09/10	320.00	MW	OH		Payee Name different in Check DB
AP00083663	V05257	TASTE OF TEXAS	03/09/10	170.11	MW	OH		
AP00083664	V04614	THE FINALS	03/09/10	245.78	MW	OH		
AP00083665	V00872	THEMATIC ATTIC	03/09/10	79.84	MW	OH		
AP00083666	V00346	THOMSON GALE	03/09/10	34.18	MW	OH		Payee Name different in Check DB
AP00083667	V07008	TIME WARNER CABLE	03/09/10	146.23	MW	OH		
AP00083668	V06066	TRAINING FOR SAFETY INC	03/09/10	285.00	MW	OH		
AP00083669	V00230	UNDERGROUND SERVICE ALERT	03/09/10	78.00	MW	OH		
AP00083670	V05461	URBAN GRAFFITI ENTERPRISES IN	03/09/10	10,000.00	MW	OH		
AP00083671	V00229	US POSTMASTER	03/09/10	2,816.84	MW	OH		
AP00083672	V01408	VELAZCO, MADELINE	03/09/10	96.66	MW	OH		Payee Name different in Check DB
AP00083673	V07141	VELOSA-REDENIUS, AMANDA	03/09/10	8.00	MW	OH		
AP00083674	V06910	VENTEK INTERNATIONAL	03/09/10	1,075.84	MW	OH		
AP00083675	V00177	VERIZON CALIFORNIA	03/09/10	1,029.63	MW	OH		Payee Name different in Check DB
AP00083676	V00158	VULCAN MATERIALS COMPANY	03/09/10	599.73	MW	OH		Payee Name different in Check DB
AP00083677	V01119	WARREN DISTRIBUTING INC	03/09/10	646.06	MW	OH		Payee Name different in Check DB
AP00083678	V00232	WESTERN WATER WORKS SUPPLY	03/09/10	657.22	MW	OH		Payee Name different in Check DB
AP00083679	V01741	WEYNSCHENK, AMANDA	03/09/10	24.00	MW	OH		
AP00083680	V06524	WILLDAN FINANCIAL SERVICES	03/09/10	7,090.00	MW	OH		
AP00083681	V00829	XEROX CORPORATION	03/09/10	89.76	MW	OH		

CITY OF COVINA 03/09/10 C H E C K R E G I S T E R CHECK REGISTER Page 6  
 TUE, MAR 09, 2010, 7:50 AM --req: SSWANSON--leg: GL JL--loc: ADMIN-----job: 452603 #S022-----prog: CK200 <1.38>---report id: CKREG---  
 Check Payee ID. Payee Name Date Check Amount Type Subs Rel To Note  
 AP00083682 V00831 Y TIRE SALES 03/09/10 955.71 MW OH

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	197,852.36	Number of Checks Processed:	126
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
G R A N D T O T A L	197,852.36		

Check	Payee ID	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083683	V04747	10-8 RETROFIT	03/16/10	381.95	MW	OH		
AP00083684	V05630	A-1 POWER SWEEPING CO INC	03/16/10	600.00	MW	OH		
AP00083685	V06990	ADVANCED BATTERY SYSTEMS	03/16/10	408.16	MW	OH		
AP00083686	V00040	AIRGAS-WEST	03/16/10	223.80	MW	OH		Payee Name different in Check DB
AP00083687	V00809	ALBERT WEBB AND ASSOC	03/16/10	390.00	MW	OH		Payee Name different in Check DB
AP00083688	V04434	ALL CITY MANAGEMENT SVC	03/16/10	4,503.60	MW	OH		
AP00083689	V07381	ALTA PLANNING & DESIGN	03/16/10	8,106.40	MW	OH		
AP00083690	V07379	AMERICAN INDUSTRIAL SUPPLY IN	03/16/10	1,356.05	MW	OH		
AP00083691	V07374	AMERICAN POLICE HALL OF FAME	03/16/10	100.00	MW	OH		
AP00083692	V02224	AMERICAN WEST COAST SECURITY	03/16/10	100.00	MW	OH		
AP00083693	V06810	AUTOZONE INC.	03/16/10	100.90	MW	OH		
AP00083694	V01955	AZUSA PLUMBING & HEATNG SUPPL	03/16/10	25.49	MW	OH		
AP00083695	V00089	B & K ELECTRIC WHOLESALE	03/16/10	25.24	MW	OH		Payee Name different in Check DB
AP00083696	V00090	BAKER AND TAYLOR INC	03/16/10	918.90	MW	OH		
AP00083697	V05637	BANK OF THE WEST	03/16/10	4,219.38	MW	OH		
AP00083698	V06613	BARR LUMBER COMPANY	03/16/10	2.97	MW	OH		
AP00083699	V00127	BRODART CO	03/16/10	89.95	MW	OH		
AP00083700	V04061	BROWN MOTOR WORKS INC	03/16/10	59.16	MW	OH		
AP00083701	V00133	BUSINESS CREDIT SOLUTIONS	03/16/10	150.00	MW	OH		
AP00083702	V00151	CALIF, STATE OF	03/16/10	459.00	MW	OH		
AP00083703	V00149	CALIF, STATE OF	03/16/10	11,353.00	MW	OH		
AP00083704	V05564	CALIFORNIA LANGUAGE LABS	03/16/10	520.30	MW	OH		
AP00083705	V00186	CENTURY OFFICE PRODUCTS	03/16/10	83.60	MW	OH		
AP00083706	V02958	CERTIFIED UNDERCAR PARTS	03/16/10	283.14	MW	OH		
AP00083707	V04535	CERTIFION CORP	03/16/10	75.00	MW	OH		

Check	Payee ID	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083708	V07368	CHAMPION'S PLACE L.T.D	03/16/10	1,087.50	MW	OH		
AP00083709	V04824	CHARTER OAK HARDWARE	03/16/10	50.38	MW	OH		
AP00083710	V05555	CINTAS CORP #693	03/16/10	110.69	MW	OH		
AP00083711	V00962	CITRUS CAR WASH	03/16/10	119.10	MW	OH		
AP00083712	V00208	CLINICAL LAB OF SAN BERNARDIN	03/16/10	840.00	MW	OH		
AP00083713	V00237	COMMUNICATIONS CENTER	03/16/10	709.80	MW	OH		
AP00083714	V04222	CONOCO PHILLIPS FLEET	03/16/10	170.43	MW	OH		
AP00083715	V04024	CONTROL AUTOMATION DESIGN INC	03/16/10	7,350.00	MW	OH		
AP00083716	V00256	COVINA DISPOSAL CO	03/16/10	182,378.55	MW	OH		
AP00083717	V00234	COVINA IRRIGATING CO	03/16/10	92,756.90	MW	OH		
AP00083718	V00262	COVINA RENTS	03/16/10	482.90	MW	OH		
AP00083719	V00839	COVINA, CITY OF	03/16/10	3,952.22	MW	OH		Payee Name different in Check DB
AP00083720	V07376	CROMIE, RICHARD	03/16/10	75.84	MW	OH		
AP00083721	V06905	CROP PRODUCTION SERVICES	03/16/10	409.73	MW	OH		
AP00083722	V07370	D & V HAIR DESIGN	03/16/10	140.80	MW	OH		
AP00083723	V00282	DELL MARKETING L.P.	03/16/10	605.75	MW	OH		Payee Name different in Check DB
AP00083724	V04491	DURAN, ARCELIA	03/16/10	17.49	MW	OH		
AP00083725	V00175	EDISON CO	03/16/10	2,589.37	MW	OH		
AP00083726	V00322	ESGIL CORPORATION	03/16/10	250.54	MW	OH		
AP00083727	V00176	FEDEX	03/16/10	31.11	MW	OH		
AP00083728	V00719	GE GOVERNMENT FINANCE INC	03/16/10	9,316.01	MW	OH		Payee Name different in Check DB
AP00083729	V02926	GLENDORA, CITY OF	03/16/10	60.00	MW	OH		
AP00083730	V02471	GOLDEN STATE OVERNIGHT	03/16/10	8.21	MW	OH		
AP00083731	V02950	GOLDEN WEST COLLEGE	03/16/10	217.00	MW	OH		
AP00083732	V00374	GRAINGER	03/16/10	904.77	MW	OH		Payee Name different in Check DB

Check	Payee ID	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00083733	V00378	GREENS LOCK AND SAFE	03/16/10	66.83	MW	OH	
AP00083734	V03659	HAEBE, CYNTHIA	03/16/10	4,510.00	MW	OH	
AP00083735	V07372	HERNANDEZ, ANDREA	03/16/10	51.66	MW	OH	
AP00083736	V07294	HOLLIDAY ROCK CO INC	03/16/10	1,257.20	MW	OH	
AP00083737	V00006	HOME DEPOT	03/16/10	838.22	MW	OH	
AP00083738	V07289	HUMANSKALE	03/16/10	341.14	MW	OH	
AP00083739	V06112	IDVILLE	03/16/10	220.95	MW	OH	
AP00083740	V00425	INGRAM DIST GROUP	03/16/10	1,205.47	MW	OH	
AP00083741	V03561	INTERSTATE BATTERY SYSTEM	03/16/10	83.72	MW	OH	
AP00083742	V00985	JIRAH PRINTING	03/16/10	2,876.36	MW	OH	
AP00083743	V00441	JW LOCK CO INC	03/16/10	75.23	MW	OH	
AP00083744	V00463	KING BOLT CO	03/16/10	13.04	MW	OH	
AP00083745	V00478	LA CNTY FIRE DEPARTMENT	03/16/10	653,757.40	MW	OH	Payee Name different in Check DB
AP00083746	V01499	LANDSCAPE STRUCTURES INC	03/16/10	283.81	MW	OH	Payee Name different in Check DB
AP00083747	V06324	LANGUAGE LINE SERVICES INC	03/16/10	6.58	MW	OH	
AP00083748	V00496	LEWIS ENGRAVING INC	03/16/10	84.51	MW	OH	
AP00083749	V00497	LEWIS SAW AND LAWNMOWER	03/16/10	231.74	MW	OH	Payee Name different in Check DB
AP00083750	V05351	LY, NGUYEN	03/16/10	120.25	MW	OH	Payee Name different in Check DB
AP00083751	V05453	MCCORD, MAURY	03/16/10	52.52	MW	OH	
AP00083752	V06782	METRON FARNIER LLC	03/16/10	11,960.10	MW	OH	
AP00083753	V01240	MISSION LINEN SUPPLY	03/16/10	275.14	MW	OH	
AP00083754	V07131	MUNICIPAL BUDGET AND	03/16/10	7,058.85	MW	OH	
AP00083755	V07371	NEPTUNE TECHNOLOGY GROUP INC	03/16/10	19,491.60	MW	OH	
AP00083756	V06687	NEWPORT FARMS INC	03/16/10	152.28	MW	OH	
AP00083757	V06995	NINE ONE ONE INC	03/16/10	146.00	MW	OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083758	V00589	NOLO PRESS	03/16/10	26.04	MW	OH		
AP00083759	V01136	OFFICE DEPOT	03/16/10	931.82	MW	OH		
AP00083760	V00797	OFFICE DEPOT	03/16/10	9.65	MW	OH		Payee Name different in Check DB
AP00083761	V04971	PARS	03/16/10	367.71	MW	OH		
AP00083762	V00615	PATTON SALES CORP	03/16/10	167.92	MW	OH		
AP00083763	V04276	POLLARD SWAIN INC	03/16/10	331.85	MW	OH		
AP00083764	V02438	PROSPERO PARK OWNERS	03/16/10	7,388.36	MW	OH		
AP00083765	V01169	RADISSON HOTEL	03/16/10	2,270.03	MW	OH		
AP00083766	V03295	RANDALL, KYLE	03/16/10	157.50	MW	OH		
AP00083767	V00666	RANDOM HOUSE INC	03/16/10	32.93	MW	OH		
AP00083768	V07373	RCI IMAGE SYSTEMS	03/16/10	131.92	MW	OH		
AP00083769	V02043	REGAN, DAN	03/16/10	86.75	MW	OH		
AP00083770	V07106	REGIONAL TAP SERVICE CENTER	03/16/10	892.40	MW	OH		
AP00083771	V06114	REPUBLIC MASTER CHEFS	03/16/10	97.61	MW	OH		
AP00083772	V00676	REYNOLDS BUICK INC	03/16/10	1,026.51	MW	OH		Payee Name different in Check DB
AP00083773	V04066	SECURITAS SECURITY SERVICES	03/16/10	3,311.78	MW	OH		
AP00083774	V06095	SGV EXAMINER	03/16/10	603.30	MW	OH		
AP00083775	V06231	SIGUENAS, SONIA	03/16/10	24.00	MW	OH		
AP00083776	V00727	SMART AND FINAL IRIS CORP	03/16/10	149.29	MW	OH		
AP00083777	V01301	SMITH, STEVEN	03/16/10	57.90	MW	OH		
AP00083778	V00734	SOUTHEAST CONSTRUCTION INC	03/16/10	6.26	MW	OH		
AP00083779	V06163	SOUTHLAND TRANSIT	03/16/10	19,107.95	MW	OH		
AP00083780	V00007	STAPLES INC	03/16/10	75.68	MW	OH		
AP00083781	V02906	STAT EXTERMINATING INC	03/16/10	189.00	MW	OH		
AP00083782	V00756	SWANK MOTION PICTURES INC	03/16/10	321.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083783	V03248	THERMAL COMBUSTION INNOVATORS	03/16/10	105.20	MW		OH	
AP00083784	V07375	TORRES, MARIA D	03/16/10	236.00	MW		OH	
AP00083785	V05776	TOSHIBA BUSINESS SOLUTIONS	03/16/10	65.21	MW		OH	
AP00083786	V06066	TRAINING FOR SAFETY INC	03/16/10	285.00	MW		OH	
AP00083787	V02526	TRIANGLE TRUCK PARTS	03/16/10	72.49	MW		OH	
AP00083788	V00776	TRUGREEN LANDSCAPE	03/16/10	8,147.21	MW		OH	
AP00083789	V05462	UNITED TRAFFIC	03/16/10	44.54	MW		OH	
AP00083790	V00229	US POSTMASTER	03/16/10	807.74	MW		OH	
AP00083791	V05896	VAL-U-CHEM INC.	03/16/10	508.14	MW		OH	
AP00083792	V07141	VELOSA-REDENIUS, AMANDA	03/16/10	666.36	MW		OH	
AP00083793	V00177	VERIZON CALIFORNIA	03/16/10	849.15	MW		OH	Payee Name different in Check DB
AP00083794	V06602	WELLDYNERX	03/16/10	133.71	MW		OH	
AP00083795	V04643	WELLS FARGO FINANCIAL LEASING	03/16/10	1,410.63	MW		OH	
AP00083796	V00812	WEST COAST ARBORISTS INC	03/16/10	1,444.60	MW		OH	
AP00083797	V00821	WILLDAN	03/16/10	21,177.55	MW		OH	Payee Name different in Check DB

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	118,050.37	Number of Checks Processed:	115
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>118,050.37</b>		

CHECK REGISTER

Check ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083798 V06191	AFLAC ACCT# Y0792	03/17/10	3,637.44	MW	OH		Payee Name different in Check DB
AP00083799 V01695	AFSCME	03/17/10	880.00	MW	OH		
AP00083800 V01681	CALIFORNIA PUBLIC EMPLOYEES'	03/17/10	52,812.72	MW	OH		Payee Name different in Check DB
AP00083801 V07287	CITY OF COVINA-FSA	03/17/10	2,029.00	MW	OH		
AP00083802 V01686	COVINA POLICE ASSOCIATION	03/17/10	1,983.00	MW	OH		
AP00083803 V02095	COVINA POLICE ASSOCIATION	03/17/10	1,000.00	MW	OH		
AP00083804 V01697	COVINA, CITY OF	03/17/10	6,436.44	MW	OH		
AP00083805 V02879	COVINA, CITY OF	03/17/10	39.80	MW	OH		
AP00083806 V05506	COVINA, CITY OF	03/17/10	49,691.97	MW	OH		
AP00083807 V06385	CSAC-EIA	03/17/10	4,715.43	MW	OH		
AP00083808 V06386	CSAC-EIA	03/17/10	1,375.15	MW	OH		
AP00083809 V05186	DELTA DENTAL OF CALIFORNIA	03/17/10	5,660.17	MW	OH		
AP00083810 V01692	GREAT WEST LIFE & ANNUITY	03/17/10	3,575.00	MW	OH		
AP00083811 V01694	HARTFORD LIFE INS	03/17/10	9.67	MW	OH		Payee Name different in Check DB
AP00083812 V01691	ICMA RETIREMENT TRUST-457	03/17/10	10,321.04	MW	OH		
AP00083813 V07302	ICMA RETIREMENT TRUST-401	03/17/10	680.44	MW	OH		
AP00083814 V01690	NATIONAL DEFERRED COMPENSATIO	03/17/10	4,502.50	MW	OH		Payee Name different in Check DB
AP00083815 V01693	PERS LONG TERM CARE PROGRAM	03/17/10	390.93	MW	OH		
AP00083816 V01687	PERS	03/17/10	43,467.46	MW	OH		
AP00083817 V04828	UNION BANK OF CALIFORNIA	03/17/10	1,802.50	MW	OH		
AP00083818 V01696	UNITED WAY OF GREATER LA	03/17/10	57.91	MW	OH		Payee Name different in Check DB
AP00083819 V06785	VISION SERVICE PLAN (CA)	03/17/10	556.62	MW	OH		

Check Payee ID. Payee Name Date Check Amount Type Subs Rel To Note  
 ===== Payee Name ===== Date ===== Check Amount Type Subs Rel To Note =====

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
G R A N D T O T A L S:							
		Total Void Machine Written		0.00			Number of Checks Processed: 0
		Total Void Hand Written		0.00			Number of Checks Processed: 0
		Total Machine Written		195,625.19			Number of Checks Processed: 22
		Total Hand Written		0.00			Number of Checks Processed: 0
		Total Reversals		0.00			Number of Checks Processed: 0
		Total Cancelled Checks		0.00			Number of Checks Processed: 0
		Total EFTs		0.00			Number of EFTs Processed: 0
G R A N D T O T A L				195,625.19			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083820	V00022	ABORTA BUG INC	03/23/10	65.00	MW	OH		
AP00083821	V07390	ABRAMIAN, PATRICK	03/23/10	6.97	MW	OH		
AP00083822	V07080	ADVANCED RESTORATION	03/23/10	175.00	MW	OH		
AP00083823	V07381	ALTA PLANNING & DESIGN	03/23/10	4,790.00	MW	OH		
AP00083824	V07312	ANURA K. T. DESILVA	03/23/10	2,400.00	MW	OH		
AP00083825	V07382	ASSOCIATION OF CALIFORNIA	03/23/10	100.00	MW	OH		
AP00083826	V01660	AT&T	03/23/10	787.96	MW	OH		
AP00083827	V06196	AVILA, BRANDON	03/23/10	79.50	MW	OH		
AP00083828	V05667	AYRES SUITES	03/23/10	101.26	MW	OH		
AP00083829	V00090	BAKER AND TAYLOR INC	03/23/10	1,121.00	MW	OH		
AP00083830	V02591	BEST BEST & KRIEGER LLP	03/23/10	16,943.07	MW	OH		
AP00083831	V04251	BIG D'S BILLARDS	03/23/10	1,575.00	MW	OH		Payee Name different in Check DB
AP00083832	V00114	BLAKE PAPER CO	03/23/10	113.57	MW	OH		
AP00083833	V07218	BLUE SHIELD OF CALIFORNIA	03/23/10	433.18	MW	OH		
AP00083834	V05332	BMI GENERAL LICENSING	03/23/10	3.10	MW	OH		Payee Name different in Check DB
AP00083835	V00159	CALSAFE	03/23/10	650.00	MW	OH		
AP00083836	V01595	CANON BUS SOLUTIONS INC	03/23/10	495.00	MW	OH		Payee Name different in Check DB
AP00083837	V06267	CASTRO, VIVIAN	03/23/10	121.00	MW	OH		
AP00083838	V07389	CAT LADIES PRODUCTIONS	03/23/10	108.00	MW	OH		
AP00083839	V00193	CHEVRON PRODUCTS COMPANY	03/23/10	695.10	MW	OH		
AP00083840	V06964	CHIRON CONCEPTS	03/23/10	67.10	MW	OH		
AP00083841	V05555	CINTAS CORP #693	03/23/10	113.69	MW	OH		
AP00083842	V03950	COMMERCIAL ELECTRIC SYSTEMS	03/23/10	350.00	MW	OH		
AP00083843	V00237	COMMUNICATIONS CENTER	03/23/10	834.80	MW	OH		
AP00083844	V06119	COMMUNITY ACTION EAP	03/23/10	350.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note	Payee Name different in Check DB
AP00083845	V00248	COUNSELLING TEAM, THE	03/23/10	660.00	MW	OH		
AP00083846	V00262	COVINA RENTS	03/23/10	77.00	MW	OH		
AP00083847	V00837	COVINA WATER & REFUSE, CITY OF	03/23/10	1,018.60	MW	OH		Payee Name different in Check DB
AP00083848	V00838	COVINA, CITY OF	03/23/10	323.88	MW	OH		Payee Name different in Check DB
AP00083849	V00838	COVINA, CITY OF	03/23/10	94.00	MW	OH		Payee Name different in Check DB
AP00083850	V06905	CROP PRODUCTION SERVICES	03/23/10	1,843.80	MW	OH		
AP00083851	V06385	CSAC-EIA	03/23/10	9.04	MW	OH		
AP00083852	V06386	CSAC-EIA	03/23/10	12.00	MW	OH		
AP00083853	V02665	CSK AUTO INC	03/23/10	96.89	MW	OH		Payee Name different in Check DB
AP00083854	V07384	CYNTHIA MARTINEZ	03/23/10	2.00	MW	OH		
AP00083855	V04054	D-PREP LLC	03/23/10	674.00	MW	OH		
AP00083856	V06152	DEB'S BOOKKEEPPLUS	03/23/10	1,770.00	MW	OH		
AP00083857	V05186	DELTA DENTAL OF CALIFORNIA	03/23/10	422.35	MW	OH		
AP00083858	V00211	DH MAINTENANCE SERVICES	03/23/10	6,671.70	MW	OH		
AP00083859	V00175	EDISON CO	03/23/10	39,907.98	MW	OH		
AP00083860	V00176	FEDEX	03/23/10	47.87	MW	OH		
AP00083861	V07385	FIELDS, MARILYN	03/23/10	52.00	MW	OH		
AP00083862	V00339	FOOTHILL PRESBYTERIAN HOSPITAL	03/23/10	25.00	MW	OH		Payee Name different in Check DB
AP00083863	V02985	FRANCO, STACY	03/23/10	40.00	MW	OH		
AP00083864	V00730	GOLDEN STATE WATER COMPANY	03/23/10	45.37	MW	OH		Payee Name different in Check DB
AP00083865	V00374	GRAINGER	03/23/10	96.10	MW	OH		Payee Name different in Check DB
AP00083866	V07294	HOLLIDAY ROCK CO INC	03/23/10	372.60	MW	OH		
AP00083867	V00006	HOME DEPOT	03/23/10	467.44	MW	OH		
AP00083868	V05888	HONISH, KALIEH	03/23/10	854.00	MW	OH		
AP00083869	V00417	HUNTINGTON COURT REPORTERS	03/23/10	307.38	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083870	V00425	INGRAM DIST GROUP	03/23/10	404.70	MW	OH		
AP00083871	V06816	INTER-CON SECURITY SYSTEMS IN	03/23/10	4,633.20	MW	OH		Payee Name different in Check DB
AP00083872	V00448	JOHNNY'S POOL SERVICE	03/23/10	47.80	MW	OH		Payee Name different in Check DB
AP00083873	V00441	JW LOCK CO INC	03/23/10	52.73	MW	OH		Payee Name different in Check DB
AP00083874	V00475	LA CNTY DEPT OF ANIMAL CARE	03/23/10	4,066.61	MW	OH		Payee Name different in Check DB
AP00083875	V00479	LA CNTY MTA	03/23/10	14.00	MW	OH		Payee Name different in Check DB
AP00083876	V00479	LA CNTY MTA	03/23/10	519.80	MW	OH		Payee Name different in Check DB
AP00083877	V02760	LA WORKS	03/23/10	5,189.73	MW	OH		Payee Name different in Check DB
AP00083878	V00496	LEWIS ENGRAVING INC	03/23/10	245.57	MW	OH		
AP00083879	V07378	LINKS SIGN LANGUAGE	03/23/10	136.00	MW	OH		
AP00083880	V07380	LORD & COOK VENTURES	03/23/10	22,539.30	MW	OH		
AP00083881	V03607	McClain, Flent	03/23/10	68.38	MW	OH		
AP00083882	V00594	MICHAEL J O'DAY AMD ASSOC	03/23/10	495.00	MW	OH		Payee Name different in Check DB
AP00083883	V01240	MISSION LINEN SUPPLY	03/23/10	10.80	MW	OH		
AP00083884	V06687	NEWPORT FARMS INC	03/23/10	115.21	MW	OH		
AP00083885	V06995	NINE ONE ONE INC	03/23/10	14,177.81	MW	OH		
AP00083886	V01136	OFFICE DEPOT	03/23/10	100.08	MW	OH		
AP00083887	V00797	OFFICE DEPOT	03/23/10	513.29	MW	OH		Payee Name different in Check DB
AP00083888	V07387	PAUL K KIM SOLE PROP	03/23/10	235.75	MW	OH		
AP00083889	V05301	PEST OPTIONS INC	03/23/10	265.00	MW	OH		
AP00083890	V06145	PETTINGER, ERIC	03/23/10	30.38	MW	OH		
AP00083891	V01097	PROSE GRANTWRITING SERVICES	03/23/10	800.00	MW	OH		Payee Name different in Check DB
AP00083892	V01949	RANDALL, KYLE	03/23/10	40.00	MW	OH		
AP00083893	V00668	RECORDED BOOKS LLC	03/23/10	166.94	MW	OH		Payee Name different in Check DB
AP00083894	V06114	REPUBLIC MASTER CHEFS	03/23/10	108.26	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083895	V01638	RIOS, ARVENA	03/23/10	8.00	MW	OH		Payee Name different in Check DB
AP00083896	V05228	ROSSI, STEVE	03/23/10	10.00	MW	OH		
AP00083897	V05102	SANTA ANITA FAMILY SERVICE	03/23/10	480.00	MW	OH		
AP00083898	V05740	SCPMA-HR	03/23/10	150.00	MW	OH		
AP00083899	V01546	SEE'S CANDIES	03/23/10	504.30	MW	OH		
AP00083900	V07386	STSELLE AUTOMOTIVE	03/23/10	52.00	MW	OH		
AP00083901	V00727	SMART AND FINAL IRIS CORP	03/23/10	335.07	MW	OH		
AP00083902	V06146	SMITH, CRYSTAL	03/23/10	30.38	MW	OH		
AP00083903	V01301	SMITH, STEVEN	03/23/10	44.55	MW	OH		
AP00083904	V01190	SNAP ON TOOLS	03/23/10	104.26	MW	OH		
AP00083905	V06163	SOUTHLAND TRANSIT	03/23/10	24,578.87	MW	OH		
AP00083906	V00737	SPARKLETT'S	03/23/10	70.23	MW	OH		
AP00083907	V00007	STAPLES INC	03/23/10	21.93	MW	OH		
AP00083908	V00754	SUPERB GRAPHICS INC	03/23/10	71.34	MW	OH		
AP00083909	V07188	SYNTECH	03/23/10	1,664.65	MW	OH		Payee Name different in Check DB
AP00083910	V00346	THOMSON GALE	03/23/10	44.34	MW	OH		
AP00083911	V00765	THREE VALLEYS MUNICIPAL	03/23/10	6,694.56	MW	OH		
AP00083912	V06066	TRAINING FOR SAFETY INC	03/23/10	95.00	MW	OH		
AP00083913	V00772	TRI-XECUTEX CORP	03/23/10	250.00	MW	OH		Payee Name different in Check DB
AP00083914	V00975	TT MAILING SERVICE	03/23/10	210.81	MW	OH		
AP00083915	V03016	UPSTART	03/23/10	5.49	MW	OH		
AP00083916	V05461	URBAN GRAFFITI ENTERPRISES IN	03/23/10	5,000.00	MW	OH		
AP00083917	V00229	US POSTMASTER	03/23/10	1,437.94	MW	OH		Payee Name different in Check DB
AP00083918	V04113	USA MOBILITY WIRELESS INC	03/23/10	39.76	MW	OH		
AP00083919	V00791	VALLEY TROPHY	03/23/10	645.00	MW	OH		

C H E C K R E G I S T E R  
 CHECK REGISTER

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00083920	V06297	VERIZON WIRELESS	03/23/10	5,052.71	MW	OH	
AP00083921	V02304	VICTORY EXTERMINATING INC	03/23/10	50.00	MW	OH	
AP00083922	V04820	VILLALPANDO, MELISSA	03/23/10	51.00	MW	OH	
AP00083923	V06785	VISION SERVICE PLAN (CA)	03/23/10	21.23	MW	OH	
AP00083924	V00158	VULCAN MATERIALS COMPANY	03/23/10	958.58	MW	OH	Payee Name different in Check DB
AP00083925	V02025	WARD, SHERYL	03/23/10	118.91	MW	OH	
AP00083926	V00232	WESTERN WATER WORKS SUPPLY	03/23/10	438.23	MW	OH	
AP00083927	V02141	WILLIAMS, SHELBY	03/23/10	10.00	MW	OH	
AP00083928	V06911	XO COMMUNICATIONS SERVICES IN	03/23/10	4,786.37	MW	OH	
AP00083929	V00432	YMCA INTERVALE SENIOR SERVICE	03/23/10	885.47	MW	OH	Payee Name different in Check DB
AP00083930	V01201	ZUMWALT, JOHN	03/23/10	88.11	MW	OH	

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	198,355.73	Number of Checks Processed:	111
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>198,355.73</b>		

Check Payee ID. Payee Name Date Check Amount Type Subs Rel To Note  
 =====  
 AP00083931 V07268 ALLANA-BUICK-BERS 03/23/10 41,865.05 MW OH  
 =====

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	41,865.05	Number of Checks Processed:	1
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
G R A N D T O T A L	41,865.05		

C H E C K R E G I S T E R

C H E C K R E G I S T E R

C H E C K R E G I S T E R

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00083932	V07396	COMBINED GRAPHICS	03/25/10	40,000.00	MW	OH	
AP00083933	V07397	GROVER'S INTERIORS INC	03/25/10	15,000.00	MW	OH	
AP00083934	V07395	SAI AUTO GROUP INC	03/25/10	200,000.00	MW	OH	
G R A N D T O T A L S:							
		Total Void Machine Written		0.00			Number of Checks Processed: 0
		Total Void Hand Written		0.00			Number of Checks Processed: 0
		Total Machine Written		255,000.00			Number of Checks Processed: 3
		Total Hand Written		0.00			Number of Checks Processed: 0
		Total Reversals		0.00			Number of Checks Processed: 0
		Total Cancelled Checks		0.00			Number of Checks Processed: 0
		Total EFTs		0.00			Number of EFTs Processed: 0
		G R A N D T O T A L		255,000.00			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00083935	V04342	ACE-1 AUTO SERVICE	03/30/10	1,381.33	MW	OH	
AP00083936	V04434	ALL CITY MANAGEMENT SVC	03/30/10	5,004.00	MW	OH	
AP00083937	V00058	AMERICAN PUBLIC WORKS ASSOC	03/30/10	650.00	MW	OH	
AP00083938	V07392	ATKINSON, ANDELSON, LOYA,	03/30/10	3,000.00	MW	OH	
AP00083939	V06683	BUILDING ELECTRONIC CONTROLS	03/30/10	75.00	MW	OH	
AP00083940	V05078	CDCE INC	03/30/10	44,122.44	MW	OH	
AP00083941	V04253	CHARLES E THOMAS COMPANY	03/30/10	194.12	MW	OH	
AP00083942	V07398	CHASE HOME FINANCE LLC	03/30/10	100.00	MW	OH	
AP00083943	V00240	COMPUTER SERVICE COMPANY	03/30/10	2,900.78	MW	OH	
AP00083944	V06792	DAPEER ROSENBLIT & LITVAK LLP	03/30/10	217.64	MW	OH	
AP00083945	V02927	DF POLYGRAPH	03/30/10	250.00	MW	OH	
AP00083946	V04529	EAGLE GRAPHICS	03/30/10	833.03	MW	OH	Payee Name different in Check DB
AP00083947	V00175	EDISON CO	03/30/10	2,388.65	MW	OH	
AP00083948	V00307	EDS AUTO PARTS	03/30/10	208.96	MW	OH	
AP00083949	V00350	GAS COMPANY, THE	03/30/10	1,737.40	MW	OH	Payee Name different in Check DB
AP00083950	V00374	GRAINGER	03/30/10	182.30	MW	OH	Payee Name different in Check DB
AP00083951	V00375	GRAND PRINTING	03/30/10	237.06	MW	OH	
AP00083952	V00212	HAAKER EQUIPMENT CO	03/30/10	220.22	MW	OH	
AP00083953	V04131	HERTZ	03/30/10	2,756.80	MW	OH	
AP00083954	V00006	HOME DEPOT	03/30/10	379.38	MW	OH	
AP00083955	V02427	JOHNSON'S NUMBERING SERVICE	03/30/10	20.00	MW	OH	
AP00083956	V05490	JS CONSULTANTS	03/30/10	22,948.63	MW	OH	
AP00083957	V00496	LEWIS ENGRAVING INC	03/30/10	374.25	MW	OH	
AP00083958	V00497	LEWIS SAW AND LAMMOWER	03/30/10	142.48	MW	OH	Payee Name different in Check DB
AP00083959	V00501	LIEBERT CASSIDY WHITMORE	03/30/10	136.00	MW	OH	Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083960	V00502	LIFE ASSIST INC	03/30/10	592.65	MW	OH		
AP00083961	V05407	LIFELOC TECHNOLOGIES INC	03/30/10	37.19	MW	OH		
AP00083962	V07394	MARBURY PARK GROUP	03/30/10	14.68	MW	OH		
AP00083963	V04229	MERRIMAC ENERGY GROUP	03/30/10	23,546.64	MW	OH		
AP00083964	V01240	MISSION LINEN SUPPLY	03/30/10	290.94	MW	OH		
AP00083965	V07131	MUNICIPAL BUDGET AND	03/30/10	6,153.85	MW	OH		
AP00083966	V00573	MAPA AUTO PARTS	03/30/10	15.34	MW	OH		
AP00083967	V06687	NEWPORT FARMS INC	03/30/10	169.62	MW	OH		
AP00083968	V00894	OCLA-INDEPENDENT	03/30/10	453.45	MW	OH		Payee Name different in Check DB
AP00083969	V01136	OFFICE DEPOT	03/30/10	88.84	MW	OH		
AP00083970	V00602	ORKIN PEST CONTROL	03/30/10	79.20	MW	OH		
AP00083971	V06892	PENNZOIL-QUAKER STATE CO	03/30/10	140.00	MW	OH		
AP00083972	V06137	POMONA TRUCK & AUTO SUPPLY	03/30/10	186.56	MW	OH		
AP00083973	V04883	POWER DISTRIBUTORS INC	03/30/10	1,597.47	MW	OH		
AP00083974	V05687	PROFORCE LAW ENFORCEMENT	03/30/10	8,968.77	MW	OH		
AP00083975	V06936	REAM, DEBBIE	03/30/10	30.00	MW	OH		
AP00083976	V06114	REPUBLIC MASTER CHEFS	03/30/10	96.90	MW	OH		
AP00083977	V00676	REYNOLDS BUICK INC	03/30/10	179,058.40	MW	OH		Payee Name different in Check DB
AP00083978	V06642	ROMO PLANNING GROUP INC	03/30/10	1,625.00	MW	OH		
AP00083979	V07377	SAMY'S CAMERA	03/30/10	584.02	MW	OH		
AP00083980	V00727	SMART AND FINAL IRIS CORP	03/30/10	175.89	MW	OH		
AP00083981	V00916	SPICERS PAPER INC	03/30/10	1,030.16	MW	OH		Payee Name different in Check DB
AP00083982	V00007	STAPLES INC	03/30/10	246.90	MW	OH		
AP00083983	V00755	SUTTON PLUMBING SERVICE	03/30/10	288.16	MW	OH		
AP00083984	V07264	TREE OF LIFE NURSERY	03/30/10	3,293.34	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00083985	V02526	TRIANGLE TRUCK PARTS	03/30/10	75.19	MW	OH	
AP00083986	V03858	UPS	03/30/10	34.13	MW	OH	
AP00083987	V00229	US POSTMASTER	03/30/10	618.20	MW	OH	
AP00083988	V03305	V & V MANUFACTURING	03/30/10	82.31	MW	OH	
AP00083989	V00177	VERIZON CALIFORNIA	03/30/10	815.11	MW	OH	Payee Name different in Check DB
AP00083990	V01119	WARREN DISTRIBUTING INC	03/30/10	1,117.37	MW	OH	Payee Name different in Check DB
AP00083991	V00812	WEST COAST ARBORISTS INC	03/30/10	645.00	MW	OH	
AP00083992	V00821	WILLDAN	03/30/10	2,055.00	MW	OH	Payee Name different in Check DB
AP00083993	X1622	WOOTEN, HUBERT	03/30/10	234.60	MW	OH	Payee Name different in Check DB
AP00083994	V00831	Y TIRE SALES	03/30/10	2,713.49	MW	OH	

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	327,614.84	Number of Checks Processed:	60
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>327,614.84</b>		

Check ID	Payee ID	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00083995	V06191	AFLAC ACCT# YQ792	04/01/10	3,637.44	MW	OH		Payee Name different in Check DB
AP00083996	V01695	AFSCME	04/01/10	800.00	MW	OH		
AP00083997	V01681	CALIFORNIA PUBLIC EMPLOYEES'	04/01/10	52,599.46	MW	OH		Payee Name different in Check DB
AP00083998	V07287	CITY OF COVINA-FSA	04/01/10	2,029.00	MW	OH		
AP00083999	V01686	COVINA POLICE ASSOCIATION	04/01/10	1,983.00	MW	OH		
AP00084000	V02095	COVINA POLICE ASSOCIATION	04/01/10	1,000.00	MW	OH		
AP00084001	CRA	COVINA REDEVELOPMENT AGENCY	04/01/10	1,000.00	MW	OH		
AP00084002	V01697	COVINA, CITY OF	04/01/10	6,432.28	MW	OH		
AP00084003	V02879	COVINA, CITY OF	04/01/10	39.80	MW	OH		
AP00084004	V05506	COVINA, CITY OF	04/01/10	45,515.80	MW	OH		
AP00084005	V06385	CSAC-EIA	04/01/10	4,665.38	MW	OH		
AP00084006	V06386	CSAC-EIA	04/01/10	1,649.28	MW	OH		
AP00084007	V05186	DELTA DENTAL OF CALIFORNIA	04/01/10	5,574.35	MW	OH		Payee Name different in Check DB
AP00084008	V07259	FLEX ONE	04/01/10	30.00	MW	OH		
AP00084009	V01692	GREAT WEST LIFE & ANNUITY	04/01/10	18,430.00	MW	OH		Payee Name different in Check DB
AP00084010	V01694	HARTFORD LIFE INS	04/01/10	9.68	MW	OH		
AP00084011	V01691	ICMA RETIREMENT TRUST-457	04/01/10	6,462.25	MW	OH		
AP00084012	V07302	ICMA RETIREMENT TRUST-401	04/01/10	680.44	MW	OH		
AP00084013	V01690	NATIONAL DEFERRED COMPENSATIO	04/01/10	4,502.50	MW	OH		Payee Name different in Check DB
AP00084014	V01693	PERS LONG TERM CARE PROGRAM	04/01/10	390.99	MW	OH		
AP00084015	V01687	PERS	04/01/10	39,805.97	MW	OH		
AP00084016	V04828	UNION BANK OF CALIFORNIA	04/01/10	2,067.82	MW	OH		
AP00084017	V01696	UNITED WAY OF GREATER LA	04/01/10	57.91	MW	OH		Payee Name different in Check DB
AP00084018	V06785	VISION SERVICE PLAN (CA)	04/01/10	560.55	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note	Number of Checks Processed:
G R A N D T O T A L S:								
		Total Void Machine Written		0.00				0
		Total Void Hand Written		0.00				0
		Total Machine Written		199,923.90				24
		Total Hand Written		0.00				0
		Total Reversals		0.00				0
		Total Cancelled Checks		0.00				0
		Total EFTs		0.00				0
G R A N D T O T A L				199,923.90				

Check AP00080628 V00496 Payee ID. Payee Name LEMIS ENGRAVING INC Date 11/23/09 Check Amount 38.41 Type RV Subs TR Rel To Note Reversed

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	0.00	Number of Checks Processed:	0
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	38.41	Number of Checks Processed:	1
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
G R A N D T O T A L	38.41		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00081797	V01643	SANTOS, ROGER	01/27/10	93.60	RV	TR	Payee Name different in Check DB
AP00082472	V03039	MONROVIA, CITY OF	03/02/10	30.00	RV	TR	Reversed
AP00083982	V00007	STAPLES INC	03/30/10	246.90	RV	TR	Reversed

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	0.00	Number of Checks Processed:	0
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	370.50	Number of Checks Processed:	3
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>370.50</b>		

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 4

**STAFF SOURCE:** Dilu de Alwis, Finance Director *DD*  
Steven Smith, Management Analyst

**ITEM TITLE:** FY 2009-10 3<sup>rd</sup> Quarter Update on Major Funds

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**STAFF RECOMMENDATION**

Receive and file the budget update report for the quarter ended March 31, 2010.

**FISCAL IMPACT**

None.

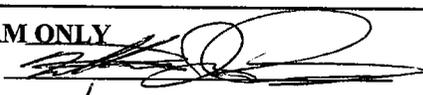
**BACKGROUND**

The current City of Covina Budget Policy requires staff to provide quarterly reports to the City Council on the status of budgeted revenues and expenditures. On April 6, 2010, staff brought a preliminary quarterly report that showed revenues and expenses as of March 31, 2010. Those figures represented only what had actually been recorded as of that date. For the current report, as with previous quarterly reports, we have attempted to capture all revenues *earned* through March 31, 2010, as well as any expenses that were *incurred* during the same period.

For analysis purposes, we used 75% of budget to determine whether revenues and expenditures are trending over or under budget. Of the major funds presented in the report, CRA and Enterprise Fund expenditures are below the 75% guideline for the quarter, and General Fund expenditures are right at 75%. Overall General Fund revenues are at 68.1% of budget.

**EXHIBITS**

A. Budget Report for Quarter Ended 3/31/10

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____



# City of Covina

## Quarterly Report

### Fiscal Year 2009-2010, Quarter Ended 3/31/10

May 2010

#### OVERVIEW

The accompanying financial report reflects the City's budget position for the quarter ended 3/31/10. Included in this report are the General Fund, Redevelopment Agency, and Enterprise Funds, with a more detailed focus on the General Fund.

Budgeted amounts include any revisions to the Adopted Budget based on Council action as of 3/31/10. As a general rule, we have used 75% of the total fiscal year budget as a guideline to determine whether revenues and expenditures are trending over or under budget. Every effort was made to capture revenues and expenditures through March 31 as accurately as possible, using an approximate accrual of both.

**The City's cash balance as of 3/31/10 is \$4,712,984.01.** This total includes the combined cash balances of all City funds and is not limited to the General Fund. **CRA's cash balance as of 3/31/10 is \$ 10,818,937.78** and includes the combined cash balances of all Redevelopment funds. The cash balances for both the City and Redevelopment Agency are strictly available cash and are exclusive of any long-term investments. **As a point of reference, the cash balances as of 3/31/09 was \$9,264,581.47 for the City and \$10,958,475.10 for CRA.** As the Council is aware, the 2009/10 budget was balanced by drawing on borrowing from the Central Equipment Fund, use of General Fund Reserves and General Liability/Workers Comp excess funds for a total of \$3.0 million. Additionally, the reduction in sales tax for the current year was greater than anticipated (\$960K), all of which partially accounts for this reduction in cash. Beyond the General Fund, it should also be noted that Covina's primary Enterprise Fund (Water Utility) is experiencing a significant reduction in its cash balance of almost \$1.0 million in the current fiscal year adding to the overall cash reduction.

#### GENERAL FUND

At the end of the second quarter of the fiscal year, General Fund revenues are at 46.7% of projections and expenditures are at 74.9% of budget.

##### Total Revenue and Expenditures

General Fund	Budget	YTD Actual	%
Revenue	30,436,832	20,724,069	68.1%
Expenditures	37,639,566	28,192,459	74.9%

The total of General Fund expenditures is generally where we would expect them to be at the end of the third quarter. The only cost center over the 75% guideline is "Public Safety." This is most likely due to the recognition of the inception of the capital lease for the City's new phone system. The City also recognized offsetting revenue for the lease, which ultimately has a net effect of "zero" on the overall budget. Staffing reduction action initiated by City Manager in March will result in savings by June 30, 2010 but is not reflected in this report.

As noted in the previous quarterly report, the actual dollar amounts in the "Other Financing/Transfers" cost center represents a one-time transfer of restricted General Funds to Internal Service Funds that are used to account for the mandated Worker's Compensation and Public Liability reserves. This is not an actual "expense" that was incurred and is not indicative of a cost overrun in that program.

**Expenditures by Program**

Expenditures	Budget	YTD Actual	% Expended
General Government	4,240,452	2,537,232	59.8%
Public Safety	21,458,931	16,524,927	77.0%
Public Works	841,110	356,734	42.4%
Culture & Recreation	3,801,633	2,735,949	72.0%
Community Development	629,050	431,315	68.6%
Non Departmental	77,170	10,819	14.0%
Debt Service	152,270	107,483	70.6%
Other Financing/Transfers	6,438,950	5,488,000	85.2%
<b>Total Expenditures</b>	<b>37,639,566</b>	<b>28,192,459</b>	<b>74.9%</b>

“Expenditures by Major Category” show most categories within the 75% guideline, though there is currently a slight overage in “Professional and Technical Services.” Two things to note: “Personal Services” show expenditures at 70.8% of budget and we expect to realize savings in this category at the end of the Fiscal Year. Also, Capital Outlay is at only 16.1% of budget. There are several budgeted projects that are currently being deferred due to the current state of revenues, as well as one project that will be requested to be carried over into the next Fiscal Year.

**Expenditures by Major Category**

Expenditures	Budget	YTD Actual	% Expended
Personal Services	18,889,760	13,367,855	70.8%
Professional & Technical	11,579,253	9,045,968	78.1%
Property Services	2,096,581	1,437,077	68.5%
Other Services & Charges	2,393,687	1,624,670	67.9%
Supplies	679,281	389,538	57.3%
Capital Outlay	494,362	79,639	16.1%
Debt Service	152,270	107,483	70.6%
Contingency	20,000	-	0.0%
Interdepartmental Charges	(5,205,410)	(3,347,771)	64.3%
Other Financing	6,539,782	5,488,000	83.9%
<b>Total Expenditures</b>	<b>37,639,566</b>	<b>28,192,459</b>	<b>74.9%</b>

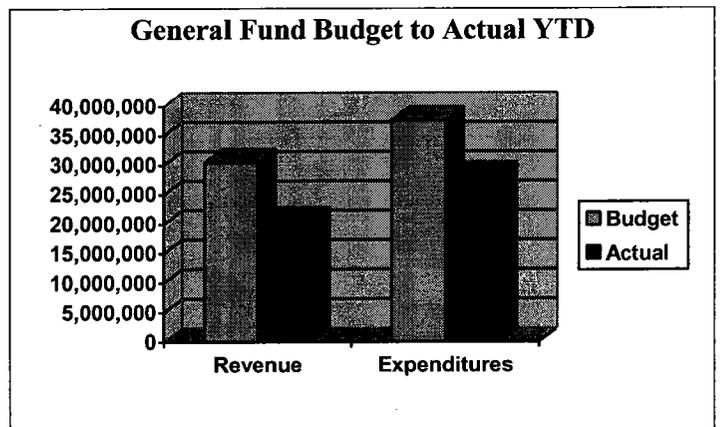
The City continues to face the challenge of decreased revenues, especially Sales Tax. The net of current Sales Tax and In-Lieu of Sales Tax revenues are approximately \$970,000 lower than during the same period for Fiscal Year 08/09. Staff is also continuing to monitor Property Tax revenue, as the most recent remittance from the County trends that revenue down from what was originally projected.

As with the “Other Financing - Expenditures” category, “Other Financing - Revenues” are one-time transfers into the General Fund from other funds and also reflects the revenue that was recognized from the inception of the capital lease.

It should be noted that the City is still waiting for three large tax remittances that are anticipated for the last quarter of the year: Property Tax In-Lieu; Sales Tax In-Lieu; and the final payment of the City’s Proposition 1A Securitization Loan. The sum of these three payments should total approximately \$2.9 million.

**Revenues by Major Category**

Revenue	Budget	YTD Actual	% Received
Taxes	23,664,780	15,096,559	63.8%
Licenses & Permits	376,990	298,938	79.3%
Intergovernmental	866,732	526,813	60.8%
Charges for Services	1,665,480	1,315,348	79.0%
Fines & Forfeits	684,500	602,004	87.9%
Investment Earnings	343,390	314,488	91.6%
Miscellaneous	120,690	50,064	41.5%
Other Financing Sources	2,714,270	2,519,855	92.8%
<b>Total Revenues</b>	<b>30,436,832</b>	<b>20,724,069</b>	<b>68.1%</b>



**REDEVELOPMENT AGENCY**

**Redevelopment Agency Budget Condition:** The Redevelopment Agency consists of three major components: Low-Moderate Income Housing, Tax Allocation Debt, and Redevelopment.

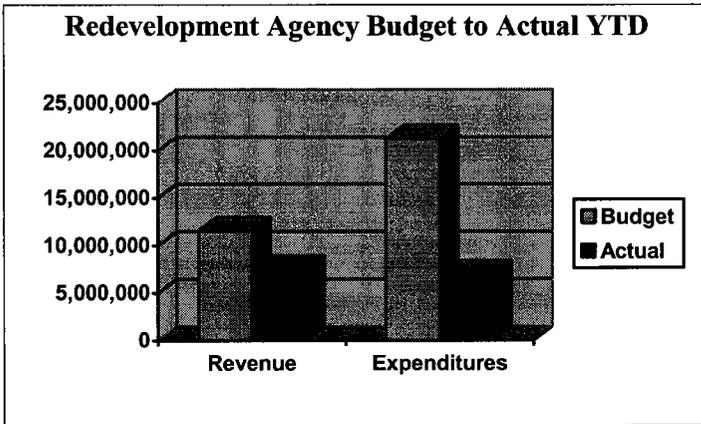
At the end of the second quarter of the fiscal year, CRA revenues are at 64.8% and expenditures are 32.8% of budget.

Redevelopment	Budget	YTD Actual	%
Revenue	11,501,380	7,458,351	64.8%
Expenditures	21,263,630	6,966,330	32.8%

CRA expenditures being at only 32.8% of budget - well below the 75% guideline for the quarter - is largely due to the carry over of appropriations from FY 08/09 and budget increases approved by the Agency. These appropriations are related to ongoing projects and have yet to be expended.

Expenditures	Budget	YTD Actual	% Expended
Low-Moderate Income	8,079,830	914,083	11.3%
Tax Allocation	6,384,280	3,214,116	50.3%
Redevelopment	6,799,520	2,837,411	41.7%
<b>Total Redevelopment</b>	<b>21,263,630</b>	<b>6,965,610</b>	<b>32.8%</b>

Redevelopment Agency revenues are 64.8% of budget – However, as previously reported, the Redevelopment Agency will lose an estimated \$3,060,100 to the State of California over the next two fiscal years. A lawsuit filed by the California Redevelopment Agency to stop the SERAF shift was adjudicated in favor of the State of California and a stay was denied. The first payment to the County Auditor was due by May 10, 2010.



**ENTERPRISE FUNDS**

**Enterprise Fund Budget Condition:** The City maintains two Enterprise Funds (a fund established to account for operations financed and operated in a manner similar to private business enterprise). For the City of Covina, these two funds are the Water Utility and Environmental Services Funds.

Enterprise Funds	Budget	YTD Actual	%
Revenue	9,566,790	7,279,563	76.1%
Expenditures	13,223,712	8,479,915	64.1%

The combined Enterprise Fund expenditures are tracking at 64.1% of budget – below the 75% guideline. This is generally due to lower than anticipated expenses having been realized at this point in the year, as well as budgeted

capital outlay and debt service payments not having occurred by the end of the current quarter.

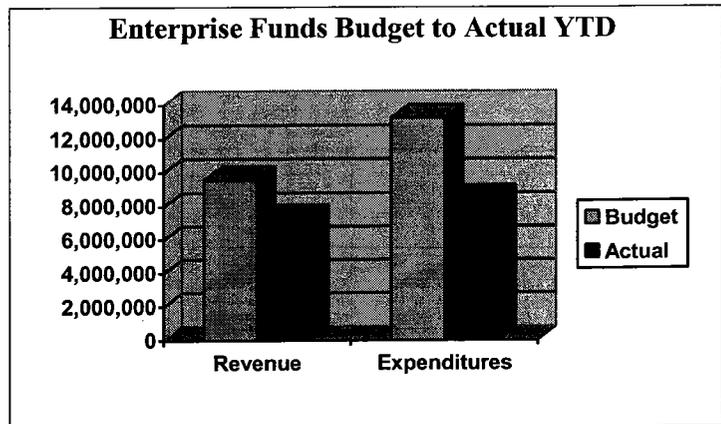
Expenditures	Budget	YTD Actual	% Expended
Water Utility	9,441,102	5,883,847	62.3%
Environmental Services	3,782,610	2,596,068	68.6%
<b>Total Enterprise Funds</b>	<b>\$ 13,223,712</b>	<b>\$ 8,479,915</b>	<b>64.1%</b>

The combined Enterprise Fund revenues are at 76.1% of budget – slightly above the 75% guideline. For the Water Utility, while revenues as a percentage are slightly over budget and expenditures as a percentage are under budget, revenues as a dollar amount are currently insufficient to cover ongoing operations.

At a March 23<sup>rd</sup> public study session, City Staff presented a draft report on the water rate analysis performed by Willdan Financial Services, which indicated that the current rate structure does not adequately provide the necessary revenues to cover ongoing and capital costs. The information was presented again at the regular Council Meeting on April 20, 2010, at which time Council voted to schedule a public hearing to consider the adoption of new water rates for June 15, 2010.

The parity in terms of dollars of Environmental Services revenues vs. expenditures shows that ongoing costs are being recovered by ongoing revenue. This is what we would normally expect to see in an Enterprise Fund.

Revenue	Budget	YTD Actual	% Received
Water Utility	5,958,700	4,578,563	76.8%
Environmental Services	3,608,090	2,700,955	74.9%
<b>Total Enterprise Funds</b>	<b>\$ 9,566,790</b>	<b>\$ 7,279,518</b>	<b>76.1%</b>





**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 5

**STAFF SOURCE:** Dilu de Alwis, Finance Director *DA*

**ITEM TITLE:** Authorize the City Manager to negotiate a contract with Edgesoft Inc. for an Enterprise Land Management System.

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**STAFF RECOMMENDATION**

- a.) Adopt **Resolution No. 10-6831**, amending the Fiscal Year 2009-2010 Information Technology Budget for permitting system software upgrade; and
- b.) Authorize the City Manager to negotiate a contract with Edgesoft, Inc. for an Enterprise Land Management System on a subscription model.

**FISCAL IMPACT**

Staff recommends a subscription model whereby there is a one-time payment of \$35,000 and a monthly payment of \$3,200 for all modules purchased. Based on the preferred model staff is recommending we will utilize a third party to host the software to minimize the impact to Information Technology Division of the Finance Department thereby reducing the need for additional hardware costs and staff time. Staff will research the most cost effective method in which to accomplish this task. It is anticipated that there would be an additional cost of \$50,000 for data conversion including data scrubbing to increase the integrity of the data going in to the new system and an amount not to exceed \$25,000 for project management by an independent consultant. Given this proposed change in software, there will be training costs involved and this will be budgeted in the fiscal year 2010/11 budget and staff anticipates a not to exceed amount of \$10,000.

Staff is requesting a budget transfer of \$35,000 from the Information Technology fund balance (an Internal Service Fund and not General Fund) for the one-time costs in the current year and will include the monthly subscription, project management and training costs in the upcoming fiscal year 2010/11 budget.

**BACKGROUND**

The City of Covina has been utilizing permitting software provided by HdL since June 2004. While their software has served us well these past eight years, new web based technology that is fully integrated is the wave of the future. Given the limitations of the current system and based on input from the users, a request for proposal process (RFP) to procure new software was undertaken. Utilizing an independent consultant that was on board, staff floated a RFP and mailed out packages to three vendors. These vendors

namely were – HdL Companies, Edgesoft and FastTrackGov. The packages were mailed electronically on March 18<sup>th</sup> with responses due back on March 31<sup>st</sup>. This date was further extended to April 7<sup>th</sup>.

FastTrackGov contacted the City and said it was not able to meet the requirements of the RFP specifically the need to have a software installation in the State of California. This is an important factor when it comes to networking with other agencies and participating in user group meetings to increase our knowledge of the software as well as increase efficiencies.

HdL Companies contacted the City and said it was not responding to the RFP as it felt that the proposal was geared towards a specific vendor and they were not able to meet the requirements. Staff feels that the consultant put together a fair set of requirements that was to maximize the benefit to the City of Covina and not to steer the process towards any particular vendor. Additionally HdL has informed the City that they anticipate releasing their enterprise software system during the 4<sup>th</sup> quarter of this year. This further delays the need for the City of Covina to move ahead with its vision of meeting its goals of implementing 21<sup>st</sup> century systems.

The new model for local government in this down economy is to utilize new technology to “do more with less”. It is with the directive to bring the City’s software systems to the 21<sup>st</sup> century that the staff undertook this task. The vision is to have a system that has modules that are fully integrated removing the dubious task of entering the same data into each module. Some of the features that were sought after were;

- Requires a dynamic relationship between modules to prevent duplicating data entry tasks to each module.
- Citizen access portal for residents and businesses to access and communicate with the city on a 24/7 basis.
- Management to access a dashboard and review the status of workflow.
- Not limited to the number that can access the system reducing licensing costs.
- Internet enabled services.

There are numerous other features to the Edgesoft system that will increase the City of Covina’s efficiency during the permitting process. Some of these efficiencies are;

- Integrated across Community Development, Public Works and Finance Departments making relevant data available to each department and with current and future standalone and web based applications.
- Provide better customer services to our citizens by reducing the time spent between submittal of plans and issuance of permits.
- Residents to have the ability to view, enter data, obtain permits and schedule appointments in their own comfort and receive work orders and view job details via a Citizen Access portal.

There were three options provided by the successful vendor;

Description	Option 1 – Outright purchase	Option – 2 Lease to own	Option – 3 Subscription
Down payment	\$115,000	\$35,000	\$35,000
1 <sup>st</sup> milestone – 4 <sup>th</sup> month	\$40,000	\$0	\$0
2 <sup>nd</sup> milestone – 8 <sup>th</sup> month	\$40,000	\$0	\$0
3 <sup>rd</sup> milestone – 12 <sup>th</sup> month	\$40,000	\$0	\$0
Annual maintenance	\$36,000	\$36,000	\$0
Monthly payment	\$0	\$TBD (based on length of lease & interest rate)	\$3,200
Annual maintenance	At delivery of software	At delivery of software	\$0
Term	N/A	Lease term 3-5 years	Commitment of 3 or 5 years

As noted in the fiscal impact section of the report, staff recommends Option 3 for this software use. Documents containing information from users defining the present system shortcomings which was a driving factor towards a new system are available for review in the City Clerk's office.

### EXHIBITS

A. Resolution No. 10-6831

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION NO. 10-6831**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF COVINA, CALIFORNIA, AMENDING THE  
FISCAL YEAR 2009-2010 INFORMATION  
TECHNOLOGY BUDGET FOR PERMITTING  
SYSTEM SOFTWARE UPGRADE**

WHEREAS, the City of Covina is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California ("City"); and

WHEREAS, the budget for the City of Covina for fiscal year commencing July 1, 2009 and ending June 30, 2010 was approved on June 20, 2009; and

WHEREAS, the approved budget is in accordance with all applicable ordinances of the City and all applicable statutes of the State; and

WHEREAS, the reallocation of the appropriations between departmental activities may be made by the City Manager, amendments (increases/decreases) to the Budget shall be by approval and Resolution of the City Council;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, as follows:

SECTION 1. Amend the fiscal year 2009-2010 Information Technology Budget as follows:

7200-6210-00-55700 \$35,000

SECTION 2. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 18th day of May, 2010.

\_\_\_\_\_  
Peggy Delach, Mayor

ATTEST:

\_\_\_\_\_  
Rosalia A. Conde, CMC  
Deputy City Clerk

APPROVED AS TO FORM;

\_\_\_\_\_  
Edward W. Lee, City Attorney

**EXHIBIT A-1 OF 1**

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 6

**STAFF SOURCE:** Steve Henley, Public Works Director   
Alex Gonzalez, Senior Management Analyst

**ITEM TITLE:** Agreement with the City of El Monte to Develop a Shared Corridor Mobility Plan for the Mid-Valley Transportation Corridor Rapid Bus Line in the Cities of El Monte, Baldwin Park, West Covina, Covina and Los Angeles County Unincorporated Areas.

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**STAFF RECOMMENDATION**

- a. Adopt **Resolution 10-6832** of the City of Covina amending the Fiscal Year 2009-2010 Public Works Department, Transit Operations operating budget to reflect an appropriation of \$7,500 from Proposition A reserve funds to fund the City of Covina's contribution to the Mid-Valley Corridor mobility plan.
- b. Authorize the Director of Public Works to execute all necessary documents on the City's behalf.

**FISCAL IMPACT**

The recommended action will appropriate \$7,500 from Proposition A reserve funds to Transit Operations-Professional Services (2400-4350-13-51990) for the completion of the Mid-Valley Corridor Mobility Plan. There will be no fiscal impact to the General Fund.

**BACKGROUND**

The Metro Rapid Bus Program was approved by the MTA Board in 1999 after a visit to Curitiba, Brazil by MTA Officials and City of Los Angeles staff to examine an operational Rapid Bus System. In 2000, the Rapid Bus Lines along Wilshire and Ventura Boulevards were initiated. These lines have been successful in reducing passenger travel time and increasing ridership. The Metro Orange Line is a fully developed Rapid Bus Line with dedicated right of way, and the Foothill Transit Silver Streak is an example of a rapid bus line without a dedicated right of way. Rapid Bus Lines maintain a limited schedule of stops, have reduced time (headway) between busses, coordinate signal timing and display real time information at stops to inform passengers of the next bus arrival.

The cities along the proposed Mid-Valley Transportation Corridor which is proposed to run along Ramona Boulevard and Badillo Street have formed a Coordinating Committee to prepare a Corridor Mobility Plan. The City Council of the City of Covina approved **Resolution No. 07-6588** on May 22, 2007 in support of the Mid-Valley Transportation Corridor and in February 2010 the City Manager of the City of Covina executed a letter in support of the cost sharing formula detailed in the attached agreement.

The Corridor Mobility Plan document may be used as a support document for funding requests for public improvements along the route.

**EXHIBITS:**

A. Resolution No. 10-6832

B. Agreement between the City of El Monte and the City of Covina

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**EXHIBIT A**

**RESOLUTION NO. 10-6832**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, TO AMEND THE FISCAL YEAR 2009-2010 PUBLIC WORKS DEPARTMENT, TRANSIT OPERATIONS OPERATING BUDGET TO REFLECT AN APPROPRIATION OF \$7,500.00 FROM PROPOSITION A RESERVE FUNDS TO FUND THE CITY OF COVINA'S CONTRIBUTION TO THE MID-VALLEY CORRIDOR MOBILITY PLAN

WHEREAS, the City of Covina is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California ("City"); and

WHEREAS, the budget for the City of Covina for fiscal year commencing July 1, 2009 and ending June 30, 2010 was approved on June 16, 2009; and

WHEREAS, the approved budget is in accordance with all applicable ordinances of the City and all applicable statutes of the State; and

WHEREAS, the reallocation of the appropriations between departmental activities may be made by the City Manager, amendments (increases/decreases) to the Budget shall be by approval and Resolution of the City Council; and

WHEREAS, the City of Covina wishes to participate in the development of a multi-agency coordinated shared corridor plan for a rapid bus line along the Ramona/Badillo corridor that may be used as a tool to generate future funding and development opportunities for the City of Covina.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, as follows:

SECTION 1. Amend the fiscal year 2009-2010 Public Works Department, Transit Operations operating budget as follows: \$7,500 from Proposition A Reserves (2400-4350-00) to Transit Operations-Professional Services (2400-4350-13-51990) for the completion of the Mid-Valley Corridor Mobility Plan.

SECTION 2. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this    day of            2010.

\_\_\_\_\_  
Peggy Delach, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM;

\_\_\_\_\_  
City Attorney

## **EXHIBIT B**

### **AGREEMENT WITH THE CITY OF EL MONTE TO DEVELOP A SHARED CORRIDOR MOBILITY PLAN FOR THE MID-VALLEY TRANSPORTATION CORRIDOR RAPID BUS LINE IN THE CITIES OF EL MONTE, BALDWIN PARK, WEST COVINA, COVINA AND LOS ANGELES COUNTY UNINCORPORATED AREAS.**

This Agreement ("Agreement") is entered into by and between the CITY OF COVINA ("Covina") and the CITY OF EL MONTE ("El Monte").

#### **RECITALS**

**WHEREAS**, traffic congestion in the San Gabriel Valley continues to increase, creating more delays, longer commutes, and loss of productive time; and

**WHEREAS**, the capacity of the freeways has not increased to meet the demand of more vehicles and more registered drivers, and furthermore, new freeway construction is not expected to match future demand; and

**WHEREAS**, the Cities of El Monte, Baldwin Park, Covina, West Covina, and County of Los Angeles Supervisorial District 1 and County of Los Angeles Supervisorial District 5 each contain a portion of Ramona Boulevard or Badillo Street, which taken together constitute a potential Mid-Valley Transportation Corridor ("MVTC") for public mass transit operations; and

**WHEREAS**, each of the Cities is currently engaged in planning for major redevelopment projects along the MVTC; and

**WHEREAS**, there are significant opportunities to improve the flow of traffic on the MVTC, including widening of roadways, construction of additional turn lanes, and synchronization of traffic signals to make bus operations more efficient and substantially reduce headway times during peak hours; and

**WHEREAS**, both CITY OF EL MONTE and METRO have established "Rapid Bus" programs that include interactive signalization, reduced numbers of stops, and other strategies designed to improve service and reduce travel time; and

**WHEREAS**, the western terminus for the MVTC is the El Monte Transit Center, which provides CITY OF EL MONTE and METRO with direct access to the El Monte Busway; and

**WHEREAS**, City of Covina, desires to develop a corridor mobility plan for the Ramona-Badillo corridor and to seek funding for improvements from Metro, the State of California, and the Federal Government herein referred to as “STUDY”; and

**WHEREAS**, City of Covina, desires to enter into a cost sharing agreement with the cities of El Monte, Baldwin Park, and West Covina, and the County of Los Angeles to conduct a joint planning and design feasibility study for a rapid bus route extending from the El Monte Bus Transit Center eastward on Ramona Boulevard also known as the Ramona-Badillo Corridor.

**WHEREAS**, the City of El Monte has the capabilities to provide contract manager role; and

**WHEREAS**, “COST OF STUDY” includes costs of collection and the analysis of existing transportation conditions, identification of preliminary alternative routes, forecasting of ridership for each preliminary alternative route, physical, operational and financial feasibility analyses, selection of locally preferred alternative and draft final report,; and

**WHEREAS**, the City of Covina is willing to participate in financing the COST OF STUDY along with the Cities of Baldwin Park, West Covina, El Monte, and the County of Los Angeles; and

**WHEREAS**, COST OF STUDY is not to exceed Seven Thousand Five Hundred Dollars (\$7,500).

**THEREFORE**, IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

**(1) CITY OF EL MONTE AGREES:**

- a. To perform contract managerial role in the STUDY to be performed by Transtech Engineers/Planners/Environment as described in Attachment A.**
- b. To submit quarterly update reports to the City of Covina concerning the status of the STUDY until completed.**
- c. To submit to the City of Covina all invoices with detailed itemization of costs incurred within thirty (30) calendar days of completion of the STUDY. Invoices shall be mailed to City of Covina 125 E. College Street, Covina, CA, 91723, ATTN: Public Works Department, Transportation Section.**

**(2) CITY OF COVINA AGREES:**

- a. To pay CITY OF EL MONTE a one (1)-time reimbursement for STUDY in an amount not to exceed Seven Thousand Five Hundred (\$7,500) dollars.**
- b. To obtain the Los Angeles County Metropolitan Transportation Authority's approval to expend Proposition A Local Return Transit funds to finance COST OF STUDY.**

**(3) IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:**

- a. CITY OF COVINA shall review all project billing invoices prepared by CITY OF EL MONTE and report in writing any discrepancies to CITY OF EL MONTE within thirty (30) calendar days. Undisputed charges shall be paid by CITY OF COVINA to CITY OF EL MONTE within sixty (60) calendar days of receipt of invoice.**
- b. CITY OF COVINA shall review all disputed charges and submit a written justification detailing the basis for those charges within thirty (30) calendar days of receipt of CITY OF EL MONTE written report. CITY OF COVINA shall then make payment of the previously disputed charges or submit justification within thirty (30) calendar days of receipt of CITY OF EL MONTE'S written justifications.**
- c. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:**

**City of El Monte:**

**Mr. Eugene Moy  
Director of Redevelopment  
11333ValleyBoulevard  
El Monte, CA 91731-3293**

**City of Covina:**

**Mr. Steve Henley  
Public Works Director  
125 E. College Street  
Covina, CA 91723**

- d. Neither CITY OF EL MONTE nor any officer, employee, or independent contractor of CITY OF EL MONTE shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of CITY OF COVINA under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY OF COVINA under this AGREEMENT. It is also understood and agreed that, pursuant to Government Code, Section 895.4, CITY OF COVINA shall fully indemnify, defend, and hold CITY OF EL MONTE, its officers, employees, and independent contractors harmless from any liability imposed for injury (as defined by Government Code, Section 810.8) occurring by reason of any acts or omissions on the part of CITY OF COVINA under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY OF COVINA under this AGREEMENT.
  
- e. Neither CITY OF COVINA nor any officer or employee of CITY OF COVINA shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of CITY OF EL MONTE, its officers, employees, or independent contractors under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY OF EL MONTE under this AGREEMENT. It is also understood and agreed that pursuant to Government Code, Section 895.4, CITY OF EL MONTE shall fully indemnify, defend, and hold CITY OF COVINA harmless from any liability imposed for injury (as defined by Government Code, Section 810.8) occurring by reason of any acts or omissions on the part of CITY OF EL MONTE under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY OF EL MONTE under this AGREEMENT.
  
- f. This AGREEMENT may be amended or modified only by mutual written consent of CITY OF COVINA and CITY OF EL MONTE.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed by their respective officers, duly authorized, by CITY OF EL MONTE on \_\_\_\_\_, 2010, and by the CITY OF COVINA on \_\_\_\_\_, 2010.

CITY OF EL MONTE

CITY OF COVINA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney's Office

\_\_\_\_\_  
City Attorney's Office

ATTEST:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Clerk

## ATTACHMENT A:



- Alhambra
- Big Bear Lake
- Long Beach
- Pasadena
- Riverside County
- San Bernardino
- San Diego County

[www.transtech.com](http://www.transtech.com)  
Toll-free: 1-888-821-3888

Transtech Engineering/Planning/Environment

# Mid-Valley Transportation Corridor Plan

Transit Feasibility Study Proposal

NOV 24 2009

624 Brea Canyon Road | Walnut CA 91789 | T 909 595 8599 | F 909 595 8863 | [Transtech.org](http://Transtech.org)

## **Mid-Valley Transportation Corridor Plan**

### **EXECUTIVE SUMMARY**

The Cities of Baldwin Park, Covina, El Monte, and West Covina intend to perform a study to examine the feasibility of establishing rapid transit services along the mid-valley, east-west, region of the San Gabriel Valley at the most efficient paths of travel that would generate highest levels of ridership and convenience. The study would also include evaluation of effective locations for the establishment of transit centers and park-and-ride lots at nexus points. In addition, pedestrian linkages will be examined to promote pedestrian-oriented urban design to further encourage transit use.

The study will entail 1) collection and the analysis of existing transportation conditions; 2) identification of preliminary alternative routes; 3) forecasting of ridership for each preliminary alternative route; 4) physical, operational and financial feasibility analyses; 5) selection of locally preferred alternative and draft final report; and 6) review and comment and final report.

Upon commencement, it is estimated that the study will take approximately three to four months. A compressed schedule is necessary due to the immediate need for a study report in order to effectively compete for future transportation funding. A more detailed study of each approved component can be further studied at a later date.

### **OBJECTIVE**

Conduct a joint study with the Cities of Baldwin Park, Covina, El Monte and West Covina to develop a corridor mobility plan for the Ramona-Badillo Corridor designed to address existing traffic congestion and to facilitate future rapid bus transit connecting major activity centers along the corridor. The initial phase of work is limited to identifying both the scope of a preliminary feasibility analysis and the financial resources to support its preparation. A second phase will consist of preparation of a written feasibility analysis. A third phase will encompass design and engineering, including any required environmental review, and preparation of a comprehensive corridor plan intended to serve as the basis for seeking funding for identified improvements from METRO, the State of California and the Federal Government beginning in the first quarter of 2009.

The Cities of Baldwin Park, Covina, El Monte, and West Covina intend to maximize the transportation and economic opportunities of the regional connector Metro El Monte Busway through the implementation of rapid transit services and transit infrastructures. This regional corridor would connect the western San Gabriel Valley at Metro El Monte

# Mid Valley Transportation Corridor Plan | Transit Feasibility Study

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Busway/I-10 with several mid-valley downtown transit, commuter, and commercial centers, including academic institutions such as California State Polytechnic University at Pomona and Mount San Antonio College located at the eastern San Gabriel Valley region.

## **BACKGROUND**

The Cities of El Monte, Baldwin Park, Covina and West Covina each contain a portion of Ramona Boulevard or Badillo Street, which taken together constitute a potential Mid Valley Transportation Corridor ("MVTC") that can create an additional alternative to the freeway system and enhance public mass transit bus operations. There are significant opportunities to improve the flow of traffic on the MVTC, including widening of roadways, construction of additional turn lanes and synchronization of traffic signals to make bus operations more efficient and substantially reduce headway times during peak hours.

In addition, both Foothill Transit and METRO have established "Rapid Bus" programs that include signal prioritization, reduced numbers of stops and other strategies designed to improve service and reduce travel time. Each of the Cities is currently engaged in planning for major redevelopment projects along the MVTC. Improved bus service has the potential to link together new development along the MVTC, thereby reducing roadway demand.

There are several potential sources of funding that could become available for the implementation of a corridor plan. The State Infrastructure Bond-Prop 1B (approved in 2006) and Southern California Association of Governments Overall Work Program funding are a few sources. METRO is expected to make available "Call for Projects" funds for the design and construction of transit corridor improvements such as the proposed MVTC in the next grant cycle, tentatively scheduled for 2009. Finally, the United States Congress is expected to reauthorize the Federal Transportation Enhancement Act in 2009 or 2010.

## **PURPOSE OF STUDY**

Due to a lack of transit connectivity, the potential of a major transportation corridor within the San Gabriel Valley region is not fully realized. Rising fuel prices have increased demand for alternative mode of transportation, including bus rapid transit (BRT).

The Cities of Baldwin Park, Covina, El Monte, and West Covina intend to enhance the quality of life in the San Gabriel Valley area region while protecting the environment and improving the region's air, water and land resources. The transit strategies will reduce energy consumption, protect existing residential neighborhoods, and improve access to jobs. Through the implementation of transit connections, transit service for the transit-dependent will improve as well as provide viable mass transit choice that provides rapid trips along the Ramona-Badillo corridor in both directions. The viability of the proposed transit strategies will encourage and support effective economic development.

The establishment of a bus rapid transit connectivity program would fill the current gap by linking major transportation hubs to commercial destinations. Bus Rapid Transit service will undoubtedly improve mobility for employees, residents, and visitors of certain areas and concurrently relieve traffic congestion, and promote economic development. The provision of direct and reliable transit services to link western San Gabriel Valley to Pomona will effectively connect offices, residences, shopping districts, parks, historic sites, greenways, and public and transportation facilities.

Bus Rapid services will provide access to attract people to travel to the commercial district thereby spurring renewed economic growth. It will also allow transit patrons to more easily ride the Metro Transit system to downtown Los Angeles and points West. Through the launch of a transit connectivity program, the County of Los Angeles and Metro's efforts to promote access to jobs will be achieved.

Representatives of the several communities are interested in a fast, efficient Rapid Service that would help promote a true "village" atmosphere where people live, work, shop, and enjoy leisure activities within relatively short distances of each other. Those who work and live in the Cities of Baldwin Park, Covina, El Monte, and West Covina and adjacent communities are primarily interested in a service that would provide fast, convenient service between the El Monte Transit Node and the eastern areas of San Gabriel Valley and Pomona.

In addition, pedestrian linkages will promote pedestrian-oriented urban design to further encourage transit use. The implementation of pedestrian-oriented street design and amenities such as attractive street furniture and street trees, wider articulated sidewalks, distinctly branded bus stops, and unique signage, will enhance transit user experience. In addition, the improved paths of travel to and from transit centers will activate the street thereby encouraging further patronage.

The feasibility study for Rapid Transit service coupled with transit infrastructures such as park-and-ride lots within transit centers as well as pedestrian linkages complement other planned transportation initiatives in the region. The feasibility study will ensure that the transit strategies are financially attainable and will meet public demand.

## SCOPE OF WORK

### Transit Feasibility Study

The Transit Feasibility Study will analyze the potential of a specialized Rapid Bus Service between the El Monte Busway to Pomona. It will also study the feasibility of establishing five (5) transit centers along the proposed corridors which include park-and-ride lots, information kiosks, pedestrian linkages, etc. The study will explore plans to provide dedicated 'articulated-type' rapid buses to service express runs between El Monte and Pomona along the Ramona-Badillo corridor during peak- and non-peak periods stopping only at major destination points.

The following tasks will be performed to complete a preliminary feasibility study to include analysis of specific transit corridors, identification of responsible parties to manage the proposed Rapid Bus services, determine demand to provide service, and analyze cost. In addition, the study will also analyze various locations for the proposed transit centers.

### PROPOSED TASKS

1. Collect existing data: This task includes research of existing reports from Metro, Foothill Transit, SCRRA and transit local service providers that are relative to the project area. Data gathering may include: transit routes and connections, transit ridership, traffic counts and parking demands, transit center locations, bus routing, transit stop locations and amenities and rapid bus regional systems integration.

Timeframe: January 25, 2010

2. Identify preliminary alternative routes: An analysis of Task 1 will be distributed to staff for input and comments. Several preliminary alternative routes and recommendations will be discussed for further study and inclusion into the final report.

Timeframe: March 1, 2010

Mid Valley Transportation Corridor Plan | Transit  
Feasibility  
Study

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3. Perform Government Relations Activities: Conduct agency meetings to understand the attitudes and opinions regarding the existing transportation options. Organize several meetings with the four local agencies as well as Foothill Transit and Metro staff to identify the public's transportation needs as well as solicit input regarding desired destination points and transportation goals.

Timeframe: March 30, 2010

4. Create model/review alternative routes: This task will build on the inputs from Task 2 and create several models (i.e., ridership, traffic, cost) to review and evaluate the selected alternative routes and develop bus ridership estimates for each of the preliminary routes.

Timeframe: April 15, 2010

5. Determine which alternatives are physically, operationally, and financially feasible: This task will analyze all the selected alternative routes and determine the most feasible and effective routing scenario and detail the physical routing, operational schedule and cost estimates for the service.

Timeframe: April 30, 2010

6. Determine service infrastructure needs: This task will develop a list of infrastructure needs that can complement the commencement of the Rapid Bus system. The list may include bus stop amenities, roadway widening, signal synchronization, bus priority systems, transit center developments, pedestrian/bikeway amenities, etc.

Timeframe: May 15, 2010

7. Draft report published: A draft report will be developed for staff to review and comment. Those comments will be incorporated into the final draft.

Timeframe: June 15, 2010

8. Final report published: Upon staff review and comment, a final report will be generated for publication. Five copies will be produced in addition to an electronic copy (produced on a CD) of the entire report and appendices.

Timeframe: August 1, 2010

Mid Valley Transportation Corridor Plan | **Transit  
Feasibility  
Study**

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**COMPENSATION/SCHEDULE**

For performing and completing all services pursuant to the above Scope of Services, compensation is at the rate and hours as described above and in the attachment (Fee Schedule Details) totaling \$60,800. Our services are eligible to utilize Proposition A/C and AB2766 funds.

Anticipated Commencement Date: January 2010  
Anticipated Completion Date: August 2010

**RESOURCES**

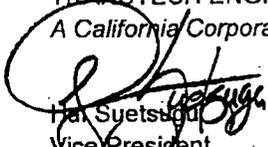
The following key staff members will be involved in the preparation of this study:

- Hal Suetsugu, Transportation Planning Manager
- Art Cueto, Senior Planner
- Fiona Diaz, Senior Planner
- Rod Goldman, Senior Planner
- Juliet Arroyo, Senior Planner
- Jana Robbins, Traffic Analyst
- Yunus Rahi, P.E., Traffic Engineer
- Mindy Belli, Research Analyst
- Melissa Sandoval/Aaron Mlynarski, Administrative Analyst

If you need additional information or have questions please feel free to contact Hal Suetsugu at (909)595-8599 ext. 143.

Sincerely,

TRANSTECH ENGINEERS, INC  
A California Corporation

  
Hal Suetsugu  
Vice President  
Engineering/Planning/Environment

## COST SCHEDULE

<u>Task #</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Cost</u>	<u>Totals</u>
1	Data collection				
	Senior Planner	40	\$ 140	\$ 5,600	
	Research/Traffic Analyst	60	\$ 100	\$ 6,000	
					\$11,600
2	Identify preliminary alternative routes				
	Senior Planner	20	\$ 140	\$ 2,800	
	Research/Traffic Analyst	40	\$ 100	\$ 4,000	
					\$ 6,800
3	Perform Outreach Activities				
	Senior Planner	25	\$ 140	\$ 3,500	
	Research/Traffic Analyst	25	\$ 100	\$ 2,500	
	Administrative Analyst	25	\$ 60	\$ 1,500	
					\$ 7,500
4	Create model/ review alternative routes				
	Senior Planner	20	\$ 140	\$ 2,800	
	Research/Traffic Analyst	30	\$ 100	\$ 3,000	
					\$ 5,800
5	Determine several alternatives				
	Senior Planner	30	\$ 140	\$ 4,200	
	Transportation Engineer	25	\$ 140	\$ 3,500	
					\$ 7,700
6	Determine service infrastructure needs				
	Senior Planner	40	\$ 140	\$ 5,600	
	Transportation Engineer	25	\$ 140	\$ 3,500	
					\$ 9,100
7	Develop draft report				
	Senior Planner	20	\$ 140	\$ 2,800	
	Research/Traffic Analyst	30	\$ 100	\$ 3,000	
	Transportation Engineer	15	\$ 140	\$ 2,100	
	Administrative Analyst	30	\$ 60	\$ 1,800	
					\$ 9,700
8	Develop final report				
	Senior Planner	10	\$ 140	\$ 1,400	
	Administrative Analyst	20	\$ 60	\$ 1,200	
					\$ 2,600
		530		Total	\$60,800





**CITY OF EL MONTE**  
**CITY MANAGER'S OFFICE**

René Bobadilla, P.E.  
*City Manager*

Danté G. Hall  
*Assistant City Manager*

February 10, 2010

Honorable Gloria Molina  
Los Angeles County Supervisor, 1<sup>st</sup> District  
856 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**RE: LETTER TO SUPPORT MID-VALLEY TRANSPORTATION CORRIDOR  
FEASIBILITY STUDY**

Dear Supervisor Molina:

Thank you for your continued interest and support in the joint transportation planning study with the Cities of El Monte, Baldwin Park, Covina, West Covina, and the County of Los Angeles to develop a corridor mobility plan for the Ramona-Badillo corridor and to seek funding for improvements from Metro, the State of California, and the Federal Government. The City of El Monte is willing to assume the contract management role for the transportation planning study and has obtained from the firm of Transtech Inc, a proposal dated November 24, 2009, attached. The total fee for the consultant's work is \$60,800. In prior discussions with the City and County staff, it has been tentatively suggested that the cost could be allocated as follows:

- |                                  |                  |
|----------------------------------|------------------|
| • Unincorporated LA County (SD1) | \$15,000 (25%)   |
| • Unincorporated LA County (SD5) | \$15,000 (25%)   |
| • City of Baldwin Park           | \$ 7,500 (12.5%) |
| • City of Covina                 | \$ 7,500 (12.5%) |
| • City of El Monte               | \$ 7,500 (12.5%) |
| • City of West Covina            | \$ 7,500 (12.5%) |

In order to begin the process, the City of El Monte respectfully requests your written concurrence for the above-suggested apportionment of funds from the County of Los Angeles Supervisorial District 1 in the amount of \$15,000. Upon your concurrence of the proposed cost-sharing schedule and of the City of El Monte's responsibility as the contract manager, we would issue a Notice to Proceed to the consultant, finalize a grant disbursement agreement with the County of Los Angeles for its share of the costs, and invoice each agency for their share of the costs as invoices are received from the consultant.

Honorable Gloria Molina  
February 10, 2010  
P. 2

The cities of El Monte, Baldwin Park, Covina, West Covina and the County of Los Angeles each contain a portion of Ramona Boulevard or Badillo Street, which constitute a potential Mid-Valley Transportation Corridor ("MVTC") that can create an additional alternative to the freeway system and enhance public transportation. There are significant opportunities to improve the flow of traffic on the MVTC, including the widening of roadways, construction of additional turn lanes, and synchronization of traffic signals to make bus operations more efficient and substantially reduce headway times during peak hours.

We understand that all participating cities passed resolutions in mid-2007 to support the Mid-Valley Transportation Corridor.

Subsequent to the execution of this letter of commitment, we will forward for execution a Memorandum of Understanding (MOU) for the joint participation of the cities of El Monte, Baldwin Park, Covina, West Covina and the County of Los Angeles.

Sincerely,



Rene Bobadilla, P.E.  
City Manager  
City of El Monte

Copy to: Nicole Englund, Senior Transportation and Planning Deputy

Attachments: Transtech proposal dated November 24, 2009

Concurrence with designation of City of El Monte as contract manager/lead agency and to cost-sharing formula above:

\_\_\_\_\_  
Honorable Gloria Molina  
Los Angeles County Supervisor

\_\_\_\_\_  
Date

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 7

**STAFF SOURCE:** Dilu de Alwis, Finance Director *DD*  
Steve Henley, Public Works Director

**ITEM TITLE:** Approval of a resolution to reimburse certain expenditures for water capital projects from the proceeds of a proposed tax-exempt financing.

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**STAFF RECOMMENDATION**

Adopt **Resolution No. 10-6834**, declaring its intention to reimburse certain expenditures from the proceeds of a proposed tax-exempt financing.

**FISCAL IMPACT**

There is no immediate fiscal impact with this action.

**BACKGROUND**

Staff is proposing a water rate increase which if approved will give the Covina Public Financing Authority the ability to issue bonds. The bond proceeds will be utilized for certain capital projects much needed to continue the integrity of the delivery of this life sustaining commodity.

There are certain expenditures that the water fund will incur prior to the bond issue that with the passage of this resolution enable the water fund to seem reimbursement from bond proceeds. This will enable the water fund to back-fill the depletion of the operating cash from bond proceeds. In the event that bonds are not issued, this resolution will be of no effect.

**EXHIBITS**

A. Resolution No. 10-6834

<b>REVIEW TEAM ONLY</b>	
City Attorney: <i>[Signature]</i>	Finance Director: <i>[Signature]</i>
City Manager: <i>[Signature]</i>	Other: _____

**RESOLUTION NO. 10-6834**

**A RESOLUTION OF THE CITY OF COVINA,  
CALIFORNIA, DECLARING ITS INTENTION TO  
REIMBURSE CERTAIN EXPENDITURES FROM  
THE PROCEEDS OF A PROPOSED TAX-EXEMPT  
FINANCING.**

WHEREAS, the City of Covina (the "City") is contemplating the issuance of tax-exempt obligations (the "Bonds") to fund certain improvements to the City's water system which include Charter Oak Tank Replacement, Cypress Reservoir Rehabilitation, Covina Town Center Rehabilitation, Zone 5 Auxiliary Pump Station, 40+ Street Main Line System Rehabilitation and Solar Photovoltaic Reservoir Installations etc. (the "Project"); and

WHEREAS, Project expenditures could occur prior to the date of issuance of the Bonds (the "Reimbursable Expenditures"); and

WHEREAS, section 1.150-2 of the Treasury Regulations (the "Treasury Regulations") promulgated under the Internal Revenue Code of 1986, as amended, requires that in order that an allocation of proceeds of the Bonds to an expenditure paid prior to the issuance of the Bonds be respected by the Internal Revenue Service, the Authority generally must no later than 60 days following such payment have declared its reasonable official intent to reimburse for such payment out of proceeds of the Bonds; and

WHEREAS, the City desires to facilitate the allocation of proceeds of the Bonds to the reimbursement for payment of all or portion of the Reimbursable Expenditures for the Project.;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City of Covina, as follows:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. This Resolution is adopted solely for purposes of establishing compliance with the requirements of section 1.150-2 of the Treasury Regulations. This Resolution does not obligate the City to make any expenditure, issue the Bonds, or proceed with the Project.

SECTION 3. The City hereby declares its reasonable official intention to issue Bonds or incur other obligations in an amount not to exceed \$11.0 million dollars, and apply a portion of the proceeds thereof to the reimbursement of the City (including the Water Department) for the prior payment of Reimbursable Expenditures. The City recognizes that under section 1.150-2 of the Treasury Regulations, the allocation of proceeds of the Bonds to Reimbursable Expenditures (other than certain de minimis or preliminary expenditures described in section 1.150-2 (f) of the Treasury Regulations) will be recognized only if (i) the Reimbursable Expenditures were paid not earlier than 60 days prior to the adoption of this Resolution and (ii) the allocation of proceeds of the

Bonds to such reimbursement is made not later than the later of (a) 18 months after the date of payment of the Reimbursable Expenditures or (b) 18 months after the date upon which the Project is placed in service or abandoned, but in no event more than three years after the date of the original expenditure of such moneys.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

SECTION 5. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 18th day of May, 2010.

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Peggy Delach, Mayor

ATTEST:

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Rosalia A. Conde, CMC  
Deputy City Clerk

APPROVED AS TO FORM;

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Edward W. Lee, City Attorney

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 8

**STAFF SOURCE:** Steve Henley, Director of Public Works   
Kalieh Honish, Public Works Manager  
Paul Hertz, Public Works Superintendent

**ITEM TITLE:** Adopt Resolutions for Landscaping District No. 1 for  
Fiscal Year 2010-11

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**STAFF RECOMMENDATION**

a. Adopt **Resolution No. 10-6835**, ordering the City's Licensed Engineer to prepare and file a report for levying assessments within the "Covina Landscaping District No. 1" for the 2010-2011 Fiscal Year; and

b. Receive the Engineer's Report and adopt **Resolution No. 10-6836** of the City Council of the City of Covina declaring its intention to levy and collect assessments on "the Covina Landscaping District No. 1" for the 2010-2011 Fiscal Year and appointing a time and place for hearing protests in relation thereto.

**FISCAL IMPACT**

The assessment of properties within the Landscaping District provides funding for the operation and maintenance of the District. Accordingly, if the assessments are ultimately approved, there is no fiscal impact to the City.

**BACKGROUND**

Each Fiscal Year, prior to making and collecting assessments within the "Covina Landscaping District No. 1", the City Council must adopt resolutions directing the City's Engineer to file a report regarding the proposed assessment for each district; confirming the Engineer's Report; and declaring the Council's intention to levy and collect assessments for the upcoming Fiscal Year. The attached resolutions fulfill these requirements.

**Zone No. 1 (Parque Xalapa area)** – This zone had a rate of \$56.55 per thousand square feet of land area for Fiscal Years 2005-06 through 2008-09. For Fiscal Year 2004-05 the rate was \$50.39. Prior to Fiscal Year 2004-05 the rate was \$56.55 since Fiscal Year 1995-96. It is recommended that the rate of \$56.55 per thousand square feet of land area continue to be imposed for Fiscal Year 2010-11. The total zone costs are \$109,611. The assessment will generate \$75,720. The balance of the funding necessary to fund the zone's operations will come from a transfer of \$33,891 from the zone's reserve funds; which will deplete the zone's reserve balance. Therefore, Fiscal Year 2011-2012 will require increased assessments, General Fund subsidies, or service reductions to balance future zone operational costs.

**Zone No. 2 (Arrow Grand Circle area)** – This zone had a rate of \$5.99 per thousand square feet of land area for Fiscal Years 2005-06 and 2006-07. The rate for Fiscal Year 2007-08 and 2008-09 was \$8.87. The maximum allowable is \$17.00. It is recommended that the maximum allowable rate of \$17.00 be assessed for the 2010-11 Fiscal Year. The total zone costs are \$26,965. The assessment will generate \$24,837 with the balance deducted from the reserve fund balance. The estimated ending reserve fund balance on June 30, 2011 will be \$33.

**Zone No. 3 (Golden Grove Way area)** – No assessments have been levied against this zone since its annexation to the district in 1983.

**Zone No. 4** – The assessment for this Zone has been \$21.90 since Fiscal Year 2006-07. The total zone costs are \$6,875. It is recommended that the assessment of \$21.90 be continued to generate \$5,299 and that the balance of \$1,526 be taken from the reserve fund; which will deplete the zone’s reserve balance. Therefore, Fiscal Year 2011-2012 will require increased assessments, General Fund subsidies, or further service reductions to balance future zone operational costs.

**Zone 5 (Azusa Avenue)** – The assessment for this Zone has been \$ 2.86 since Fiscal Year 2006-07. The maximum allowable is \$10.00. It is recommended that the maximum allowable rate of \$10.00 be assessed for the 2010-11 Fiscal Year. The total zone costs are \$77,858 for this year. The recommended assessment rate would generate \$69,656; with the balance of \$8,202 coming from the reserve fund balance which will deplete the reserve fund. Therefore, Fiscal Year 2011-2012 will require increased assessments, General Fund subsidies, or service reductions to balance future zone operational costs.

**EXHIBITS**

- A. Resolution No. 10-6835
- B. Resolution No. 10-6836
- C. Engineer’s Report Covina Landscape District
- D. Preliminary Assessment Roll – On file with City Clerk’s Office

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION 10-6835**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA,  
ORDERING THE CITY'S LICENSED ENGINEER TO PREPARE AND FILE A REPORT FOR  
LEVYING ASSESSMENTS WITHIN THE "COVINA LANDSCAPING DISTRICT NO. 1" FOR  
THE 2010/2011 FISCAL YEAR**

WHEREAS, the City of Covina, California, has a landscaping assessment district known as "COVINA LANDSCAPING DISTRICT NO. 1"; and

WHEREAS, the City Council of the City of Covina, California, proposes to levy and collect assessments for the fiscal year 2010/2011 within said "Covina Landscaping District No. 1," pursuant to "Landscaping and Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the City's Licensed engineer is hereby ordered to prepare and file a report in writing in accordance with Chapter 3, Part 2, "Landscaping and Lighting Act of 1972," being Division 15, Part 2, Streets and Highways Code of the State of California, for levying assessments within the "Covina Landscaping District No. 1" for the 2010/2011 fiscal year, all as set forth in this resolution.

Section 2. That a certified copy of this resolution be presented to the City's licensed Engineer for his information and guidance.

Section 3. The City Clerk shall certify to the passage and adoption of this resolution, shall cause the same to be entered in the book of original resolutions of said city, and shall make a minute of this passage and adoption thereof in the records of original resolutions of said city, and shall make a minute of this passage and adoption thereof in the records of the proceedings of the City Council of said city in the minutes of the meeting at which the same is passed and adopted.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of May, 2010.

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Peggy Delach

Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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City Attorney

**RESOLUTION 10-6836**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS ON "THE COVINA LANDSCAPING DISTRICT NO. 1" FOR THE 2010/2011 FISCAL YEAR AND APPOINTING A TIME AND PLACE FOR HEARING PROTESTS IN RELATION THERETO**

THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the public interest and convenience require, and it is the intention of the City Council of the City of Covina, California, to levy 'assessment on the Covina Landscaping District No. 1 for maintaining the landscaping of those certain areas of the city shown on the maps consisting of 70 sheets, which are on file in the office of the City Clerk and made a part hereof, for the 2010/2011 fiscal year.

The boundaries of the assessment district and any zones therein and the proposed assessments upon assessable lots and parcels of land within the district shall be in accordance with the report of the Engineer dated May 18, 2010 on file in the office of the City Clerk and which is hereby referred to and by this reference incorporated herein and made a part hereof.

Section 2. That said assessment district is all of that portion of the City of Covina shown on maps consisting of 70 sheets on file in the office of the City Clerk, on which said maps the extent of said assessment district is indicated, excepting from said district any portion of any public street or alley which may be included therein. Reference is hereby made to said maps for a complete and detailed description of said Covina Landscaping District No. 1. The said maps so on file shall govern for all details as to the extent of said assessment district.

Section 3. Any lots or parcels of land known as public property, as the same is defined in Section 22663, Part 2, Division 15, Streets and Highways Code, ("Landscaping and Lighting Act of 1972"), hereinafter referred to, which are. Included in the said assessment district shall be omitted and exempt from the assessment to be made to cover the costs and expenses of said district.

Section 4. The assessments contemplated by this Resolution of Intention shall be done under the provisions of the "Landscaping and Lighting Act of 1972," (Part 2 of Division 15, Section 22500 et seq., of the Streets and Highway Code of the State of California).

Section 5 That the proposed assessment rates are as followed: Zone No. 1 the assessment rate is \$56.55, with a maximum assessment rate of \$56.55, Zone No. 2 the assessment rate is \$17.00 with a maximum

assessment rate of \$17.00, Zone No. 3 the assessment rate is \$0.00 with maximum assessment rate of \$0.00, Zone No. 4 the assessment rate is \$21.90 with a maximum assessment rate of \$21.90 and Zone No. 5 the assessment rate is \$10.00 with a maximum assessment rate of \$10.00.

Section 6. That Tuesday, June 15th, at the hour of 7:30 P.M. of said day be, and the same is hereby, appointed as to time, and the Council Chamber, 125 East College Street, in the City of Covina, California, is hereby appointed as the place for hearing protests as to the question of levying and collecting assessment on the "Covina Landscaping District No. 1" for the fiscal year 2010/2011, in reference to said assessments.

Section 7. That the City Clerk is hereby authorized, designated and directed to give notice of said hearing in time, form and manner as required by law.

Section 8. That the "Highlander Press-Courier-Covina," a weekly newspaper of general circulation, adjudicated and circulated within the said City of Covina, California, is hereby designated as the newspaper in which such notice shall be published.

Section 9. That this resolution shall take effect immediately; and the City Clerk shall certify to the passage and adoption of this resolution, shall cause the original of the same to be entered among the original resolutions of said City Council of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes at which the same is passed and adopted.

APPROVED, PASSED AND ADOPTED this \_\_\_\_ day of May 2010.

\_\_\_\_\_  
Peggy Delach  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**CITY OF COVINA  
LMD 1  
ENGINEER'S REPORT**

**Fiscal Year 2010/2011**



**INTENT MEETING: May 18, 2010**  
**PUBLIC HEARING: June 15, 2010**



**Corporate Office:**

27368 Via Industria  
Suite 110  
Temecula, CA 92590  
Tel: (951) 587-3500  
Tel: (800) 755-6864  
Fax: (951) 587-3510

**Office Locations:**

Oakland, CA  
Sacramento, CA

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**ENGINEER'S REPORT AFFIDAVIT**  
*Establishment of Annual Assessments for the:*

***Covina Landscaping District No. 1***

City of Covina

Los Angeles County, State of California

This Report identifies the parcels within the District and all relevant zones therein, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Covina

By: \_\_\_\_\_

Stacey Reynolds  
District Administration Services

By: \_\_\_\_\_

Dick Kopecky  
R. C. E. #16742

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## I. OVERVIEW

### A. Introduction

The Covina Landscaping District No. 1 (hereafter referred to as "District") was formed April 6, 1981 pursuant to the provisions of the *California Streets and Highways Code, Division 15, Part 2, Landscaping and Lighting Act of 1972* (hereafter referred to as "1972 Act"), in order to provide and maintain public landscape improvements in specified areas within the City. Since formation of the District, the City of Covina (hereafter referred to as "City") has annually levied and collected special assessments upon properties within the District for the annual maintenance and operation the improvements that benefit those properties pursuant to the 1972 Act. The parcels included in the original district formation and all subsequent annexations thereto, are included within a specified benefit zone (hereafter referred to as "Zone") based on the specific development of those properties and the improvements and services from which they receive benefit.

This Engineer's Report (hereafter referred to as the "Report") describes the District, any proposed changes to the District and the assessments for Fiscal year 2010/2011. The proposed assessments are based on the City's estimated cost to maintain the improvements that provide special benefit to properties within the District. The various improvements within the District and the costs of those improvements are identified and budgeted separately for each Zone, including all expenditures, deficits, surpluses, revenues, and reserves. Each parcel within a Zone is assessed proportionately for only those improvements provided in that Zone from which the parcel receives special benefit.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessment Number by the Los Angeles County Assessor's Office. The Los Angeles County Auditor/Controller uses Assessment Numbers and specific Fund Numbers, to identify on the tax roll, properties assessed for special district benefit assessments.

Upon conclusion of a noticed Public Hearing, the City Council will consider all testimony and written protests presented and will direct any necessary modifications to the Report and approve the Report as submitted or amended. Following final approval of the Report, the City Council will by resolution, order the improvements to be made, and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessment rates and method of apportionment described in this Report as approved by the City Council defines the assessments to be applied to each parcel within the District for fiscal year 2010/2011. The assessments as approved will be submitted to the Los Angeles County Auditor/Controller to be included on the property tax roll for each parcel for the fiscal year.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County

Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this report and approved by the City Council.

## **B. District Background**

The Covina Landscaping District No. 1 was originally formed in 1981 with Zones 1 and 2 (only Zone 1 was assessed the first year). In fiscal year 1982-83 Zone 2 was assessed for the first time.

In fiscal year 1983-84 Zone 3 was established within the District. Properties within Zone 3 were levied an assessment that first fiscal year, but have not been levied an assessment since, because the association of the property owners along Golden Grove Way took over and currently provide for the maintenance of the landscape improvements originally associated with this Zone. These properties, the improvements and the Zone are no longer included as part of the District.

In 1985, the City began the process of annexing additional properties into the landscaping District that were being developed to ensure the General Fund would not be impacted by the expense of maintaining street landscaping within the City. Initially, annexation of properties to the District was done by petition (property owner consent and waiver), pursuant to Section 22608 of the 1972 Act. Through this process, the property owners signed a letter consenting to the annexation, which eliminated the lengthy process of resolutions, reports, publications, hearings, etc., otherwise required for the annexation of territory to the District. The properties annexed to the District were designated as either Zone 4 (single-family residences and condominium units) or Zone 5 (commercial/industrial developments).

In fiscal year 1986-87, Zones 4 and 5 were added to the District. The City annexed six properties on the south side of San Bernardino Road, west of Hollenbeck Avenue, in conjunction with the street widening that included street tree planting.

In 1988, the District was expanded again by annexing the properties east and west of Azusa Avenue from Arrow Highway to 600 feet south of Badillo Street in connection with the Azusa avenue beautification project. Subsequent annexations of properties to Zones 4 and 5 have been annexed via the petition of the property owners while others have been included via the public hearing process. This processes of annexation to the District continued up through fiscal year 1996-97 when Proposition 218 was approved.

In fiscal year 2008/2009, the City initiated and conducted a property owner protest ballot proceeding for a proposed assessment increase for each zone. The proposed assessment increase was not approved by property owners; therefore, the maximum assessment rates remained the same as previously approved.

**C. Compliance with the Current Legislation**

The District and all Zones therein have been formed pursuant to the 1972 Act. The City Council annually conducts a public hearing to accept public comments and testimony, to review the Engineer's Report and approve the annual assessments to be levied on the County tax roll for the fiscal year. All assessments described in this report and approved by the City Council have been prepared in accordance with the 1972 Act and are in compliance with the provisions of the California Constitutional Article XIID (hereafter referred to as the "Constitution"), which was enacted with the passage of Proposition 218 in November 1996.

Pursuant to the Constitution Article XIID Section 5, certain existing assessments (prior to the passage of Proposition 218) are exempt from the substantive and procedural requirements of the Article XIID Section 4 and the property owner balloting for the assessments is not required until such time that the assessments are increased. The City has made the following determinations with respect to the District assessments described in this Report:

The annual assessment originally established for Landscaping District No. 1-- Zones 1 and 2 were imposed in accordance with a consent and waiver as part of the original development approval for the properties within these areas.

Specifically for Zone 1:

- In the Participation, Disposition and Development Agreement dated October 13, 1977, the developer agreed to convey to the Covina Redevelopment Agency (CRA) certain areas within the site to be used as "landscaped open space," which is now known as Parque Xalapa. The developer also consented to the formation of landscape maintenance District to which the property owners of all properties within the site would be required to contribute to the maintenance and upkeep of the landscaped areas.
- In the Declaration of Covenants, Conditions and Restrictions recorded in Official Records of the L.A. County on September 1, 1978 as Instrument No. 78-973872, the developer agreed to grant to the CRA the "Open Space Area", acknowledged that the improvement and maintenance of the Open Space Area will be of benefit to the development and agreed that each owner of the development shall pay a percentage of the total annual costs of maintenance of the Open Space Area incurred by the CRA or by the City of Covina as successor in interest to the Open Space Area.

Specifically for Zone 2:

- In the Declaration of Covenants, Conditions and Restrictions for the Arrow Grand Business Park recorded in the Official Records of L.A. County on January 19, 1982 as Instrument No. 82-60228, the owners within the development area agreed to maintain the "Agency Open Space" until such time as an Assessment District could be formed by the City, acknowledging that the improvement and

maintenance of the Open Space Area benefit the development. The owners within the development area also agreed that each owner of the development should pay a percentage of the total annual costs of maintenance of the Open Space Area incurred by the City of Covina as successor in interest to the Open Space Area. The City owns fee title to the Agency Open Space. The CC&R's were signed by the owners of all of the parcels subject to the assessment including the Covina Redevelopment Agency.

Therefore, pursuant to Article XIIID Section 5b, all the property owners within Zones 1 and 2 approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts for these Zones (the maximum assessment rates identified in this Report) are exempt from the procedural requirements Article XIIID Section 4. However, any future assessment increases will be subject to the new requirements of this section of the Constitution.

Similar to Zones 1 and 2, many of the properties annexed to Zones 4 and 5 of the District and the imposition of an assessment were made in accordance with a consent and waiver as part of property development, although most of these annexations involved individual parcels rather than larger development areas. Regardless of the annexation size, pursuant to Article XIIID Section 5b the property owners through a consent and waiver process approved the imposition of their assessment (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessment amounts (the maximum assessment rates identified in this Report) for these properties are exempt from the procedural requirements Article XIIID Section 4.

Although many of the properties within Zones 4 and 5 were annexed to the District through a consent and waiver process, some parcels (specific development areas) were annexed to the District based on the statutory public hearing and protest provisions of 1972 Act. Since these annexations occurred prior to Proposition 218, property owner ballot proceedings were not required or conducted, but because the assessments are specifically used for the maintenance of street improvements, the existing assessments (approved prior to the passage of Proposition 218) are considered exempt from the procedural requirements of Article XIIID Section 4 pursuant to Section 5(a) of its text, "Any existing assessments used to finance capital and maintenance costs for sidewalks, streets....".

Therefore, the City has determined that pursuant to Section 5(a) and Section 5(b) of Article XIIID of the Constitution, the annual assessments for Zones 1, 2, 4 and 5 are exempt from the procedural requirements of the Article XIIID Section 4 unless the assessment rates are increased. Furthermore, it is the City's opinion that the maximum assessment rate approved for each Zone and outlined in this Report shall be based on the highest assessment rate previously established and adopted for that Zone prior to the passage of Proposition 218. Therefore, if the proposed annual assessment rate for a given Zone were less than the maximum rate then the assessment would be in compliance with the Constitution. However, future annexations to the District or an increase to the assessment rates greater than the

previously adopted maximum rates would be subject to both the substantive and procedural requirements of Article XIII D Section 4.

**D. Changes to the District**

In 1985, the city started annexation proceedings into the landscaping District for properties not already within Zones 1, 2 and 3. As previously indicated, initially the annexation of properties to the District was done by petition (property owner consent and waiver), pursuant to Section 22608 of the 1972 Act as part of various street widening and street tree planting projects and the Azusa Avenue beautification project. Over the course of several years however, the annexation of properties to both Zone 4 and Zone 5 included several new developments and individual residents that had filed for a building permit. This annexation process eventually created various inconsistencies in the benefit that properties received from the landscape improvements provided by the District. In response to this issue, in 2002 the City's assessment engineer evaluated the properties within the District and removed from both Zone 4 and Zone 5 those properties that do not receive special benefit from the improvements maintained and budgeted for the District. Although these properties have not been technically detached from the District, they are no longer included in either Zone 4 or Zone 5 and are not subject to the annual assessments for these Zones.

**II. DESCRIPTION OF THE DISTRICT AND SERVICES**

**A. District Zones**

The City annually levies and collects assessments in order to maintain and service specific improvements within the District based on the City's estimate of the costs associated with those improvements. The District is comprised of four (4) benefit Zones, which include specific properties and the improvements that benefit those properties. The District Zones are identified as:

**Zone 1**

Zone 1 is generally located in the southeast region of the City, south of Covina Hills Road; north of Holt Avenue and the San Bernardino Freeway, and east of Grand Avenue. The Zone was established in April 1981 and the annual assessments provide for the maintenance of landscaping in Parque Xalapa, Forest Hills Drive and Covina Hills Road Slope and Oak Tree Park. The City's Park and Recreation Department maintains the landscape improvements within this Zone.

**Zone 2**

Zone 2 is generally located in the north-central region of the City, south of Arrow Highway, north of Cienega and west of Grand Avenue. The Zone was established in April 1981 and the annual assessments for this Zone provide for the maintenance of landscaping at the entrances to Arrow Grand Circle off Arrow Highway and the north side of Cienega Street between Grand Avenue and Barranca Avenue that is

adjacent to the properties within the Zone. A private contractor hired by the City maintains the landscape improvements within this Zone.

**Zone 4**

Zone 4 is currently comprised of four (4) residential developments (single-family and condominiums) generally located south of Arrow Highway, north of Puente Street along the Azusa Avenue corridor. These four residential developments are inclusive of Tract 15506, Tract 14394, Tract 18642, Tract 33882 and Tract 34224. The annual assessments for Zone 4 provide for the maintenance of street landscaping (including street tree maintenance) associated with the properties as well as a portion of the maintenance costs of Azusa Avenue landscaping (15% of the costs).

**Zone 5**

Zone 5 is currently comprised of the commercial/industrial properties generally located south of Arrow Highway, north of Badillo Street along the Azusa Avenue corridor. The annual assessments for Zone 5 provide for the maintenance of street landscaping (including street tree maintenance) specifically associated with these properties including 85% of the maintenance costs of Azusa Avenue landscaping.

**B. District Improvements and Services**

As generally defined by the Act, the improvements and the associated assessment for each Zone may include the following:

- 1) The installation or planting of landscaping;
- 2) The installation, repair or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof; including but not limited to, grading, removal of debris, the installation or construction of curbs, gutters, retaining walls, sidewalks, stitch piers, paving, or water, irrigation, drainage, or electrical facilities.
- 3) The maintenance or servicing, or both, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including, but not limited to:
  - a) repair, removal, or replacement of all or any part of any improvements;
  - b) grading, clearing, removal of debris, the installation, repair or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;
  - c) providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
  - d) the removal of trimmings, rubbish, debris, and other solid waste;
  - e) the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti; and,
  - f) water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements;

- 4) Incidental expenses associated with the improvements including, but not limited to:
- a) the cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
  - b) the costs of printing, advertising, and the publishing, posting and mailing of notices;
  - c) compensation payable to the County for collection of assessments;
  - d) compensation of any engineer or attorney employed to render services;
  - e) any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements; and,
  - f) costs associated with any ballot proceedings held for the approval of a new or increased assessment.

### III. METHOD OF APPORTIONMENT

Pursuant to the 1972 Act, the costs of the District may be apportioned by any formula or method that fairly distributes the net amount to be assessed, among all assessable parcels in proportion to the estimated benefits to be received by each parcel from the improvements. The benefit formula used for the District should reflect the composition of the parcels, and the improvements and services provided, to fairly apportion the costs based on special benefit to each parcel.

The Method of Apportionment described for this Report utilizes commonly accepted assessment-engineering practices and have been established pursuant to the 1972 Act and the provisions of the Constitution. The method outlined for each Zone is based on the premise that each assessed parcel receives benefit from the improvements maintained and financed by the District's assessments. The desirability of properties within each Zone is enhanced by the presence of well-maintained landscaping in close proximity to those properties. The costs associated with the improvements within each Zone are equitably spread among the benefiting parcels within the Zone and the funds collected shall be dispersed and used for only the improvements and services provided by the District.

For Zones 1, 2 and 5 the assessments are based on the lot size of each parcel regardless of land use. For Zone 4 the assessments are based on per dwelling unit basis for each parcel. The annual cost of each Zone's improvements to be levied (Balance to Levy) is divided by the total number of assessment units (either lot square footage or dwelling units) calculated for the Zone to establish the annual assessment rate (Levy per 1,000 square feet of lot size or Levy per dwelling unit) for the fiscal year. These formulas are represented as follows:

#### Zones 1, 2 and 5:

$$\text{Balance to Levy} / \text{Total Number of 1,000 sq. ft.} = \text{Levy Per 1,000 sq. ft.}$$

The levy amount for each parcel is then calculated by multiplying the Levy per 1,000 sq. ft. (assessment rate) by the parcel's lot size (1,000 sq. ft. increments):

$$\text{Levy Per 1,000 sq. ft.} \times \text{Parcel sq. ft.} = \text{Parcel Levy Amount}$$

#### Zone 4:

$$\text{Balance to Levy} / \text{Total Number of Units} = \text{Levy Per Unit}$$

The levy amount for each parcel is then calculated by multiplying the Levy per Unit (assessment rate) by the number of units on each parcel:

$$\text{Levy Per Unit} \times \text{Number of units on Parcel} = \text{Parcel Levy Amount}$$

#### IV. DISTRICT BUDGETS

The following budgets for fiscal year 2010/2011 have been prepared pursuant to Chapter 1, Article 4 Section 22569 of the 1972 Act.

##### A. Zone 1 Budget, fiscal year 2010/2011

BUDGET ITEM	Zone 1 Budget
<b>ANNUAL MAINTENANCE (DIRECT COSTS)</b>	
<b>Landscape Maintenance Expenses</b>	
Landscape Maintenance and Appurtenant Facilities	\$85,000
Landscape Utilities (Water/Electricity)	15,096
Professional Services	4,500
<b>Total Annual Landscape Maintenance Expenses</b>	<b>\$104,596</b>
<b>ADMINISTRATION</b>	
Administration Overhead	\$5,000
County Administration Fee	15
Miscellaneous Administration Expenses	-
<b>Total Administration</b>	<b>\$5,015</b>
<b>Total Costs &amp; Expenses</b>	<b>\$109,611</b>
<b>LEVY ADJUSTMENTS</b>	
Reserve Fund (Transfer)	(\$33,891)
<b>Total Levy Adjustments</b>	<b>(\$33,891)</b>
<b>BALANCE TO LEVY</b>	<b>\$75,720</b>
<b>DISTRICT STATISTICS</b>	
Total Parcels	61
Parcels Levied	61
Total EBUs	1,339.00
Current Maximum Assessment per EBU	<b>\$56.55</b>
Proposed Assessment for FY 2010-2011	<b>\$56.55</b>
<b>FUND BALANCE INFORMATION</b>	
Previous Reserve Fund Balance	\$33,891
FY 2010-2011 Reserve Fund Transfer	(33,891)
<b>Estimated Ending Fund Balance (Reserves)</b>	<b>\$0</b>

**B. Zone 2 Budget, fiscal year 2010/2011**

BUDGET ITEM	Zone 2 Budget
<b>ANNUAL MAINTENANCE (DIRECT COSTS)</b>	
<b>Landscape Maintenance Expenses</b>	
Landscape Maintenance and Appurtenant Facilities	\$23,255
Landscape Utilities (Water/Electricity)	1,850
Professional Services	1,000
<b>Total Annual Landscape Maintenance Expenses</b>	<b>\$26,105</b>
<b>ADMINISTRATION</b>	
Administration Overhead	\$850
County Administration Fee	10
Miscellaneous Administration Expenses	-
<b>Total Administration</b>	<b>\$860</b>
<b>Total Costs &amp; Expenses</b>	<b>\$26,965</b>
<b>LEVY ADJUSTMENTS</b>	
Reserve Fund (Transfer)	(\$2,128)
<b>Total Levy Adjustments</b>	<b>(\$2,128)</b>
<b>BALANCE TO LEVY</b>	<b>\$24,837</b>
<b>DISTRICT STATISTICS</b>	
Total Parcels	38
Parcels Levied	38
Total EBUs	1,461.00
Current Maximum Assessment per EBU	<b>\$17.00</b>
Proposed Assessment for FY 2010-2011	<b>\$17.00</b>
<b>FUND BALANCE INFORMATION</b>	
Previous Reserve Fund Balance	\$2,161
FY 2010-2011 Reserve Fund Transfer	(2,128)
<b>Estimated Ending Fund Balance (Reserves)</b>	<b>\$33</b>

**C. Zone 4 Budget, fiscal year 2010/2011**

BUDGET ITEM	Zone 4 Budget
<b>ANNUAL MAINTENANCE (DIRECT COSTS)</b>	
<b>Landscape Maintenance Expenses</b>	
Landscape Maintenance and Appurtenant Facilities	\$5,414
Landscape Utilities (Water/Electricity)	1,000
Professional Services	-
<b>Total Annual Landscape Maintenance Expenses</b>	<b>\$6,414</b>
<b>ADMINISTRATION</b>	
Administration Overhead	\$350
County Administration Fee	61
Miscellaneous Administration Expenses	-
<b>Total Administration</b>	<b>\$411</b>
<b>Total Costs &amp; Expenses</b>	<b>\$6,825</b>
<b>LEVY ADJUSTMENTS</b>	
Reserve Fund (Transfer)	(\$1,526)
<b>Total Levy Adjustments</b>	<b>(\$1,526)</b>
<b>BALANCE TO LEVY</b>	<b>\$5,299</b>
<b>DISTRICT STATISTICS</b>	
Total Parcels	242
Parcels Levied	242
Total EBUs	242.00
Current Maximum Assessment per EBU	<b>\$21.90</b>
Proposed Assessment for FY 2010-2011	<b>\$21.90</b>
<b>FUND BALANCE INFORMATION</b>	
Previous Reserve Fund Balance	\$1,526
FY 2010-2011 Reserve Fund Transfer	(1,526)
<b>Estimated Ending Fund Balance (Reserves)</b>	<b>\$0</b>

**D. Zone 5 Budget, fiscal year 2010/2011**

BUDGET ITEM	Zone 5 Budget
<b>ANNUAL MAINTENANCE (DIRECT COSTS)</b>	
<b>Landscape Maintenance Expenses</b>	
Landscape Maintenance and Appurtenant Facilities	\$73,528
Landscape Utilities (Water/Electricity)	2,800
Professional Services	-
<b>Total Annual Landscape Maintenance Expenses</b>	<b>\$76,328</b>
<b>ADMINISTRATION</b>	
Administration Overhead	\$1,500
County Administration Fee	30
Miscellaneous Administration Expenses	-
<b>Total Administration</b>	<b>\$1,530</b>
<b>Total Costs &amp; Expenses</b>	<b>\$77,858</b>
<b>LEVY ADJUSTMENTS</b>	
Reserve Fund (Transfer)	(\$8,202)
<b>Total Levy Adjustments</b>	<b>(\$8,202)</b>
<b>BALANCE TO LEVY</b>	<b>\$69,656</b>
<b>DISTRICT STATISTICS</b>	
Total Parcels	131
Parcels Levied	121
Total EBUs	6,965.60
Current Maximum Assessment per EBU	<b>\$10.00</b>
Proposed Assessment for FY 2010-2011	<b>\$10.00</b>
<b>FUND BALANCE INFORMATION</b>	
Previous Reserve Fund Balance	\$8,202
FY 2010-2011 Reserve Fund Transfer	(8,202)
<b>Estimated Ending Fund Balance (Reserves)</b>	<b>\$0</b>

## V. DISTRICT DIAGRAM

An Assessment District Diagram has previously been prepared for the District in the format required pursuant to the 1972 Act. The Diagram is on file with the City Clerk and is, by reference, made part of this Report. The Assessment Diagram is available for inspection at the Office of the City Clerk, during normal business hours.

## VI. ASSESSMENT ROLL

Parcel identification, for each lot or parcel within the Covina Landscaping District No. 1 and the Zones therein, shall be the Assessor's Parcel Numbers (APN) recognized by the Los Angeles County Auditor/Controller for the fiscal year in which this Report is prepared and identified on the corresponding Los Angeles County Assessor's Parcel Maps. A listing of parcels within the District and assessed for fiscal year 2010/2011, along with the proposed assessment amounts, shall be submitted to the City Clerk either as part of this Report or under a separate cover, and shall be open to public inspection.

Non-assessable lots or parcels may include areas of public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, open space areas and rights-of-ways including public greenbelts and parkways; utility right-of-ways; common areas; landlocked parcels, small parcels vacated by the County, bifurcated lots, and any other property that cannot be developed. These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment. Properties outside the District boundary receive no direct or special benefits from the improvements provided by the District and are not assessed.

Approval of this Report (as submitted or as modified) confirms the method of apportionment and the assessment rates to be levied against each eligible parcel within the respective Zones and thereby constitutes the approved levy and collection of assessments for the fiscal year. The parcels and the amount of assessment to be levied shall be submitted to the County Auditor/Controller and included on the property tax roll for the fiscal year.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rates approved in this Report. Therefore, if a single parcel has changed to multiple parcels, the assessment amount applied to each of the new parcels shall be recalculated and applied according to the approved method of apportionment and assessment rate rather than a proportionate share of the original assessment.

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 9

**STAFF SOURCE:** Steve Henley, Director of Public Works   
Kalieh Honish, Public Works Manager  
Alex Gonzalez, Senior Management Analyst

**ITEM TITLE:** Adopt Resolution of Intent to Levy Assessments for Municipal Parking District No. 1 for Fiscal Year 2010-2011

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**STAFF RECOMMENDATION**

Receive the Engineer's Report and adopt **Resolution No. 10-6837** of the City Council of the City of Covina declaring its intention to levy and collect assessments on "Vehicle Parking District No. 1" for the 2010-2011 Fiscal Year and appointing a time and place for hearing protests in relation thereto.

**FISCAL IMPACT**

Legally required engineering, advertising and balloting costs for the District are included within the approved Fiscal Year 2009-10 budget and are funded by the District. Accordingly, the proposed action has no impact on the General Fund.

**BACKGROUND**

Each year state law requires an Engineer's Report be prepared prior to levying assessments for certain types of assessment districts. Attached for your review and consideration is the Engineer's Report for the Municipal Parking District No. 1 assessment for the 2010-11 Fiscal Year.

The assessment will provide funds for the operation and maintenance of existing public parking lots as well as for the future acquisition of properties for additional parking lots, as needed. The report recommends establishing an assessment rate on the applicable properties within the district of \$0.0875 per \$100 of assessed property valuation to provide approximately \$31,726 of revenue to this district. The recommended rate has been in existence and unchanged since 1982.

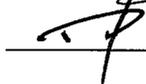
The total projected revenue for Fiscal Year 2010-11 is \$105,209. In addition to the funds generated through the district assessments the balance of the projected revenues derive from the sale of parking permits, parking meter revenues, interest earnings and leases with the Bank of America and Citrus Valley Health Partners. Total projected expenses for the fiscal year are \$139,400. \$41,400 will be transferred from the district's reserve balance to offset the difference between revenues and expenditures. The estimated balance on June 30, 2011 is \$125,748.

As detailed above, the District continues to operate on a deficit basis. As operational and maintenance costs continue to increase and revenues continue to decline, this deficit will escalate. If additional revenue sources or increased assessments are not provided, the existing

reserve funds will eventually be depleted; necessitating significant maintenance deferrals and service reductions to the point that the District may no longer be viable. While no action is being proposed to address these concerns at this time, they must be addressed in the near future to preclude further deterioration of the District's financial health and viability.

**EXHIBITS**

- A. Resolution No. 10-6837
- B. Engineer's Report
- C. Preliminary Assessment Roll – On file with City Clerk's Office

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

## RESOLUTION 10-6837

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS ON “VEHICLE PARKING DISTRICT NO. 1” FOR THE 2010/2011 FISCAL YEAR AND APPOINTING A TIME AND PLACE FOR HEARING PROTESTS IN RELATION THERETO**

THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the public interest and convenience require, and it is the intention of the City Council of the City of Covina, California, to levy assessment on the Vehicle Parking District No.1 for maintaining / improvement of the parking lots in said district and provide funds for acquisition of additional properties for parking lot purposes for the benefit of the properties within said Vehicle Parking District No. 1 shown on a map that is on file in the office of the City Clerk and made a part hereof, for the 2010/2011 fiscal year.

The boundaries of the assessment district and any zones therein and the proposed assessments upon assessable lots and parcels of land within the district shall be in accordance with the Engineer's Report dated May 18, 2010, on file in the office of the City Clerk and which is hereby referred to and by this reference incorporated herein and made a part hereof.

Section 2. That said assessment district is all of that portion of the City of Covina shown on the map on file in the office of the City Clerk, on which said map the extent of said assessment district is indicated, excepting from said district any portion of any public street or alley which may be included therein. Reference is hereby made to said map for a complete and detailed description of said Vehicle Parking District No.1. The said map so on file shall govern for all details as to the extent of said assessment district.

Section 3. The assessments contemplated by this Resolution of Intention shall be done under the provisions of the “Vehicle Parking District Law of 1943,” (Part 1 of Division 18, Section 31500 et seq., of the Streets and Highway Code of the State of California).

Section 4. That the proposed assessment rate for fiscal year 2010/2011 is \$0.0875 per hundred dollar of assessed valuation of the properties, which is the same as the 2009/2010 fiscal year rate.

Section 5. That Tuesday, the 15th day of June, 2010, at the hour of 7:30 P.M., of said day be, and the same is hereby, appointed as to time, and the Council Chamber, 125 East College Street, in the City of Covina, California, is hereby appointed as the place for hearing protests as to the question of levying and collecting assessment on the Vehicle Parking District No. 1 for the fiscal year 2010-2011, in reference to said assessments.

Section 6. That the City Clerk is hereby authorized, designated and directed to give notice of said hearing in time, form and manner as required by law.

Section 7. That the "Highlander Press-Courier-Covina," a weekly newspaper of general circulation, adjudicated and circulated within the said City of Covina, California, is hereby designated as the newspaper in which such notice shall be published.

Section 8. That this resolution shall take effect immediately; and the City Clerk shall certify to the passage and adoption of this resolution, shall cause the original of the same to be entered among the original resolutions of said City Council of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes at which the same is passed and adopted.

APPROVED, PASSED AND ADOPTED this \_\_\_\_ day of May, 2010.

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Peggy Delach  
Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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City Attorney

**VEHICLE PARKING DISTRICT NO. 1  
CITY OF COVINA  
ANNUAL REPORT  
FISCAL YEAR 2010/2011**



**INTENT MEETING: May 18, 2010**  
**PUBLIC HEARING: June 15, 2010**



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**ENGINEER'S REPORT AFFIDAVIT**

**Vehicle Parking District No. 1**

City of Covina  
Los Angeles County, State of California

This Report and the enclosed map defining the properties within the District identify the District boundaries, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Covina

By: \_\_\_\_\_

Stacey Reynolds  
Project Manager, District Administration Services

By: \_\_\_\_\_

Richard Kopecky  
R. C. E. # 16742

This is to verify that on \_\_\_\_\_, the Engineer's Report on 2010/2011 fiscal year Assessment for the Vehicle Parking District No.1 was received in the Office of the City Clerk in accordance with Section 31500-31519 of the California Streets and Highways Code.

\_\_\_\_\_  
City Clerk

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**I. BACKGROUND**

Vehicle Parking District No. 1 (hereafter referred to as “District”) was created on September 6, 1955 in accordance with California Streets and Highways Code Sections 31500-31519 entitled “Vehicle Parking District Law of 1943”. The District was created to provide a means for acquiring, improving, maintaining, operating and administering the off-street parking facilities for downtown Covina. Even though the District was organized in 1955, it was not until 1960 that an assessment was levied and bonds were sold to finance the purchase and improvement of two parking lots. The District was created with 40% protest from property owners. The current ad valorem assessment rate (special tax) was established in 1982 at \$0.0875 per \$100 assessed value of the properties in this District and produced \$31,726 of revenue in fiscal year 2010/2011.

Below are the current parking lots in this District with the corresponding space distribution:

Location	2 Hour	24 Hour	Hdcp	Leased	Total
West College St. (South)	56	31	4	5	96
West College St. (North)	55	42	5	15	117
150 West College	0	26	2	0	28
Cottage Dr.	13	24	2	0	39
Italia St. (North)	0	47	3	0	50
Italia St. (South)	38	65	5	0	108
Second Ave. North of College	4	9	1	0	14
S/E Badillo/Second	0	0	0	28	28
West Badillo	22	7	2	0	31
121 E. Badillo	9	8	1	0	18
124 E. College	41	16	3	0	60
<b>Total</b>	<b>238</b>	<b>275</b>	<b>28</b>	<b>48</b>	<b>589</b>

Attached in Appendix A is the list of properties that are currently in the District together with assessed valuations. There are a total of 130 properties with a total assessed valuation of \$36,257,808.

## II. CONSTITUTIONAL REQUIREMENTS

In November 1996, the California voters approved "The Right To Vote On Taxes Act", a State Constitutional Amendment known as Proposition 218, which established Articles XIII C and XIII D in the State Constitution. In the City Attorney's opinion, the existing Vehicle Parking District No. 1 assessments did not qualify for any of the tax or assessment exemption provisions contained in the Constitutional Amendment and therefore property owner approval was required to continue the ad valorem assessment of properties within the District. In 1997, the continuation of the ad valorem assessment (special tax) for the District was submitted to a vote of the affected property owners. The ballots resulted in 83% in favor of the continued assessment, in compliance with the provisions of the Constitution.

The Covina Municipal Code has the following provisions for properties within the District:

- a. The properties are deemed to have complied with the off-street parking requirements of the Covina Municipal Code to the extent that the properties have been originally assessed to provide for off-street parking.
- b. The properties receive additional credit toward off-street parking compliance for parking spaces purchased by the District from proceeds of the annual ad valorem assessment for parking expansion of parking.
- c. The properties that do not have adequate on-site parking may also receive credit toward compliance with parking requirements by contributing parking spaces on another parcel to the District, or by contributing money to the District sufficient for the District to purchase the spaces necessary to meet the parking requirements for such properties.
- d. The parking requirement for each use is approximately 10% less than for properties outside the District.

The above Municipal Code provisions constitute special benefit to the properties within the district that the properties outside the district do not have.

### III. PLAN AND SPECIFICATIONS

Attached in Appendix A is a copy of the boundary map defining the properties within Vehicle Parking District No. 1. The original boundary diagram and the corresponding current Los Angeles County Assessor's Maps for properties within the District are on file in the City of Covina Engineering Division's-office, and by reference are made part of this report.

### IV. REVENUE AND EXPENSE STATEMENT

Fiscal Year 2010/2011 Revenue	
Parking Permits	\$22,000
Property Rental	40,000
Parking Meter	1,000
Other Revenues including Interest	3,000
Assessment (Proposed)	32,000
<b>Total Revenue</b>	<b>\$98,000</b>

Fiscal Year 2010/2011 Expenses	
<b>Services &amp; Supplies</b>	
Repair and maintenance	\$75,000
Administrative Overhead	0
Engineering Services	2,800
Water	2,100
Electricity	10,000
Landscaping	6,500
Maintenance Equipment (Other)	7,000
Parking Control	36,000
Streets	0
Promotion Advertising	0
Sub-total	139,400
<b>Capital Improvements</b>	<b>0</b>
<b>Total Expenses</b>	<b>\$139,400</b>

## V. ASSESSMENT RATES AND REVENUE

Although the fund balance from the prior fiscal years is enough to cover the expenses for the 2010/2011 fiscal year, there is a continuous need to have greater funds than the expected routine expenses to provide funding for future acquisition of properties for additional parking lots and rehabilitation of existing parking lots. The Board of Parking Board Commissioners has determined that continued ad valorem assessment tax revenue is required to fund a portion of the Annual Expenses. However, it is also necessary to accumulate additional funds for Capital Expenses that will eventually be needed for future acquisitions and rehabilitation of existing parking facilities.

This report contains a proposal to assess the properties in the existing Vehicle Parking District to produce additional revenues necessary for annual operating expenses and future acquisition of lots for parking and rehabilitation of existing parking lots. The existing annual ad valorem assessment rate of \$0.0875 per \$100 of assessed value approved by the property owners in 1997 has not changed since 1982. It is not necessary to submit the rate to the vote of the property owners if the rate is the same or lower than the previous years.

Recommended Rate for fiscal year 2010/2011

$(\text{Assessed Value of Properties}) / (\$100 \text{ per Assessed Value}) \times (\$0.0875) = \text{Revenue}$

$(\$36,257,808) / (\$100 \text{ per assessed value}) \times (\$0.0875) = \$31,726 \text{ assessment revenue}$

APPENDIX A — DISTRICT DIAGRAM

MAP OF VEHICLE PARKING DISTRICT NO. 1



## **APPENDIX B — ASSESSMENT ROLL**

The proposed lighting district assessment roll for the fiscal year 2010/2011 is shown on the following pages:

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 10

**STAFF SOURCE:** Steve Henley, Director of Public Works   
Kalieh Honish, Public Works Manager  
Leo Tolentino, City Engineer

**ITEM TITLE:** Adopt Resolutions for Covina Lighting District No. 1978-1979 for  
Fiscal Year 2010-11

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**STAFF RECOMMENDATION**

- a. Adopt **Resolution No. 10-6838**, ordering the City's licensed engineer to prepare and file a report for levying proposed assessments within the "Covina Lighting District No. 1978-1979" for the 2010-2011 Fiscal Year; and
  
- b. Receive the Engineer's Report and adopt **Resolution No. 10-6839** of the City Council of the City of Covina declaring its intention to levy and collect assessments on the "Covina Lighting District No. 1978-1979" for the 2010-2011 Fiscal Year; and appointing a time and place for hearing protests in relation thereto.

**FISCAL IMPACT**

The assessment of properties within the Lighting District under the current assessment rates raises only a portion of the funds necessary to operate the District. Therefore the District must be subsidized by either Gas Tax funds, General Funds, or a combination thereof. If the proposed assessments are subsequently approved, the current financial status of the District will continue. However, if the proposed assessments are not approved, or are approved at lesser rates, the District would require increased subsidy from other fund sources.

**BACKGROUND**

Each Fiscal Year prior to making and collecting assessments within the "Covina Lighting District No. 1978-1979" the City Council must adopt a resolution ordering the City's Licensed Engineer to file a report regarding the assessments for the district and declaring an intention to levy assessments. The attached resolution directs the City's Licensed Engineer to file the report for the district for the 2010-11 Fiscal Year. Additionally, before any assessments may be made, the City Council must also adopt a resolution establishing a noticed public hearing to hear any protests against the assessment and for the approval of the Engineer's Report and adoption of a resolution ordering the levy of assessments for the 2010-11 Fiscal Year.

The rates of \$20.80 per unit for Zone A (single family homes and condominium units) and \$2.70 per thousand square feet of land area for Zone B (commercial and other areas) have not changed since the 1995-1996 Fiscal Year. The total costs for both zones are estimated to be \$262,573 for

Fiscal year 2010-2011. The assessments at the existing rates will generate \$124,990 with an unfunded balance of \$137,583.

**EXHIBITS**

- A. Resolution No. 10-6838
- B. Resolution No. 10-6839
- C. Engineer's Report - Covina Lighting District
- D. Preliminary Assessment Roll – On file with City Clerk's Office

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION 10-6838**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, ORDERING THE CITY'S LICENSED ENGINEER TO PREPARE AND FILE A REPORT FOR LEVYING ASSESSMENTS WITHIN THE "COVINA LIGHTING DISTRICT NO. 1978-1979" FOR THE 2010/2011 FISCAL YEAR**

WHEREAS, the City of Covina, California, has a lighting assessment district known as "COVINA LIGHTING DISTRICT NO. 1978-1979"; and

WHEREAS, the City Council of the City of Covina, California, proposes to levy and collect assessments for the Fiscal Year 2010/2011 within said "Covina Lighting District No. 1978-1979," pursuant to "Landscaping and Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the City's Licensed engineer is hereby ordered to prepare and file a report in writing in accordance with Chapter 3, Part 2, "Landscaping and Lighting Act of 1972," being Division 15, Part 2, Streets and Highways Code of the State of California, for levying assessments within the "Covina Lighting District No. 1978-1979" for the 2010/2011 fiscal year, all as set forth in this resolution.

Section 2. That a certified copy of this resolution be presented to the City's licensed Engineer for his information and guidance.

Section 3. The City Clerk shall certify to the passage and adoption of this resolution, shall cause the same to be entered in the book of original resolutions of said city, and shall make a minute of this passage and adoption thereof in the records of original resolutions of said city, and shall make a minute of this passage and adoption thereof in the records of the proceedings of the City Council of said city in the minutes of the meeting at which the same is passed and adopted.

PASSED, APPROVED AND ADOPTED this \_\_\_\_\_ day of May, 2010.

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Peggy Delach  
Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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City Attorney

**RESOLUTION 10-6839**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS ON THE “COVINA LIGHTING DISTRICT NO. 1978-1979” FOR THE 2010/2011 FISCAL YEAR AND APPOINTING A TIME AND PLACE FOR HEARING PROTESTS IN RELATION THERETO**

THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the public interest and convenience require, and it is the intention of the City Council of the City of Covina, California, to levy assessment on the Covina Lighting District No. 1978-1979 for furnishing the electrical energy and maintaining street lighting fixtures, appurtenances and appurtenant work thereof, to those certain areas of the city shown on the maps consisting of 81 sheets, which are on file in the office of the City Clerk and made a part hereof, for the 2010/2011 fiscal year.

The boundaries of the assessment district and any zones therein and the proposed assessments upon assessable lots and parcels of land within the district shall be in accordance with the report of the Engineer dated May 18, 2010, on file in the office of the City Clerk and which is hereby referred to and by this reference incorporated herein and made a part hereof.

Section 2. That said assessment district is all of that portion of the City of Covina shown on maps consisting of 81 sheets on file in the office of the City Clerk, on which said maps the extent of said assessment district is indicated, excepting from said district any portion of any public street or alley which may be included therein. Reference is hereby made to said maps for a complete and detailed description of said Covina Lighting District No. 1978-1979. The said maps so on file shall govern for all details as to the extent of said assessment district.

Section 3. Any lots or parcels of land known as public property, as the same is defined in Section 22663, Part 2, Division 15, Streets and Highways Code, ("Landscaping and Lighting Act of 1972"), hereinafter referred to, which are included in the said assessment district shall be omitted and exempt from the assessment to be made to cover the costs and expenses of said district.

Section 4. The assessments contemplated by this Resolution of Intention shall be done under the provisions of the "Landscaping and Lighting Act of 1972," (Part 2 of Division 15, Section 22500 et seq., of the Streets and Highway Code of the State of California).

Section 5. That the proposed assessment rates are the same as the 2009/2010 fiscal year rates.

Section 6. That Tuesday, June 15, 2010 at the hour of 7:30 P.M., of said day be, and the same is hereby, appointed as to time, and the Council Chamber, 125 East College Street, in the City of Covina, California, is hereby appointed as the place for hearing protests as to the question of levying and collecting assessment on the Covina Lighting District No. 1978-1979 for the fiscal year 2010/2011, in reference to said assessments.

Section 7. That the City Clerk is hereby authorized designated and directed to give notice of said hearing in time, form and manner as required by law.

Section 8. That the "Highlander Press-Courier-Covina," a weekly newspaper of general circulation, adjudicated and circulated within the said City of Covina, California, is hereby designated as the newspaper in which such notice shall be published.

Section 9. That this resolution shall take effect immediately; and the City Clerk shall certify to the passage and adoption of this resolution, shall cause the original of the same to be entered among the original resolutions of said City Council of said City; and shall make a minute

of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes at which the same is passed and adopted.

APPROVED, PASSED AND ADOPTED this \_\_\_\_ day of May 2010.

---

Peggy Delach

Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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City Attorney

**CITY OF COVINA  
ENGINEER'S REPORT  
COVINA LIGHTING DISTRICT NO. 1978-79  
Fiscal Year 2010/2011**



**INTENT MEETING: May 18, 2010**  
**PUBLIC HEARING: June 15, 2010**



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**ENGINEER'S REPORT AFFIDAVIT**  
*Establishment of Annual Assessments for the:*

*Covina Lighting District No. 1978-79*

City of Covina

Los Angeles County, State of California

This Report identifies the parcels within the District and all relevant zones therein, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Willdan Financial Services  
Assessment Engineer  
On Behalf of the City of Covina

By: \_\_\_\_\_

Stacey Reynolds  
District Administration Services

By: \_\_\_\_\_

Dick Kopecky  
R. C. E. #16742

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**VII. ASSESSMENT ROLL ..... 6**

## I. INTRODUCTION

The Covina Lighting District No. 1978-79 was formed on November 20, 1978 in conformity with the requirements of the California Streets and Highways Code, Division 15, Part 2, Landscaping and Lighting Act of 1972, to finance the energy and maintenance costs of new street lights installed by several commercial and residential developers. At that time, the commercial properties being developed were the Village Oaks site, the northeast corner of Citrus and Cypress, and the commercial area at the southwest corner of Azusa and Arrow. The residential properties being developed were the areas at the north side of Cypress Street 400 feet west of Bonnie Cove Avenue; the southwest corner of Traymore and Covina Boulevard; the east side of Citrus near Tudor Street; the south side of Walnut Creek Road at Hefner Hill Road; the northwest corner of Glendora and Wingate Street; and the southeast corner of Covina Boulevard and La Breda Avenue. The District was formed through a public hearing process and the properties within the District were designated Zone A for single-family residential and condominium units and Zone B for commercial, industrial and apartment properties.

In 1980, the City expanded the District to include all developments that may or may not be required to install new streetlights, but were required to construct public improvements adjacent to the property being developed, except when the development did not increase the existing floor area by fifty percent pursuant to the regulations of Chapter 11 of the Covina Municipal Code. Although a citywide District was not implemented, it was the City's intent to work toward incrementally expanding the District to cover the entire City.

In December 1988, the District was expanded by annexing (through public hearing proceedings) parcels east and west of Azusa Avenue from Arrow Highway to 600 feet south of Badillo Street. These properties included both residential and commercial development areas. A number of parcels were annexed to the District when streetlights were installed in conjunction with utility under-grounding projects such as in the downtown area along San Bernardino Road from Second Avenue to Grand Avenue and along San Bernardino Road from Rimsdale Avenue to west of Lark Ellen Avenue. Parcels were also annexed to the District in connection with City sponsored street projects such as along Cypress Street west of Sunflower Avenue; along San Jose Avenue from Badillo Street to Rowland Street; along Citrus Avenue from Puente Street to Rowland Street; and in the Prospero Drive area south of San Bernardino Road. These annexations were in areas where the property owners requested that streetlights be installed in their blocks with the owners paying for the installation of the streetlights. Subsequent annexations to the District included similar projects and developments, but also included various individual residential and commercial properties that were annexed to the District as a condition of property improvements (building permits). This process of annexation resulted in the existing District that represents approximately 35 percent of the parcels within the City.

Currently, the General Fund pays for the energy and maintenance costs of the streetlights that are not in the District (approximately \$180,000 a year) as well as contributing approximately \$137,583 towards the costs of streetlights within the District.

The City has determined that the existing District assessments are currently exempt from the procedural requirements of California Constitution Article XIIIID ("Proposition 218") based on the following findings:

Pursuant to Section 5(a) of the text of the California Constitution Article XIIIID, any existing assessments used to finance capital and maintenance costs for streets is exempt from the procedural requirements of Section 4. In *Howard Jarvis Taxpayers Association v. City of Riverside*, the Fourth District Court of Appeal concluded that streetlights fall under the definition of streets.

An additional exemption is granted by way of property owner petition. Those properties annexed to the District pursuant to property owner petition are also exempt from the procedures and approval process of Proposition 218 pursuant to Section 5(b) of its text.

According to California Government Code Section 53753.5(c)(2), the definition of procedural requirements set forth in Proposition 218 includes the requirement to separate general and special benefits. By virtue of this definition, a benefit analysis is not required for the Covina Lighting District until the assessments are increased.

This Engineer's Report (hereafter referred to as the "Report") describes the District, any proposed changes to the District and the assessments for Fiscal year 2010/2011. The proposed assessments are based on the City's estimated cost to maintain the improvements that provide special benefit to properties within the District. The various improvements within the District and the costs of those improvements are identified and budgeted separately for each Zone, including all expenditures, deficits, surpluses, revenues, and reserves. Each parcel within a Zone is assessed proportionately for only those improvements provided in that Zone from which the parcel receives special benefit.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessment Number by the Los Angeles County Assessor's Office. The Los Angeles County Auditor/Controller uses Assessment Numbers and specific Fund Numbers, to identify on the tax roll, properties assessed for special district benefit assessments.

Upon conclusion of a noticed Public Hearing, the City Council will consider all testimony and written protests presented and will direct any necessary modifications to the Report and approve the Report as submitted or amended. Following final approval of the Report, the City Council will by resolution, order the improvements to be made, and confirm the levy and collection of assessments pursuant to the 1972 Act. The assessment rates and method of apportionment described in this Report as approved by the City Council defines the assessments to be applied to each parcel within the District for fiscal year 2010/2011. The assessments as approved will be submitted to the Los

Angeles County Auditor/Controller to be included on the property tax roll for each parcel for the fiscal year.

If any parcel submitted for collection is identified by the County Auditor/Controller to be an invalid parcel number for the current fiscal year, a corrected parcel number and/or new parcel numbers will be identified and resubmitted to the County Auditor/Controller. The assessment amount to be levied and collected for the resubmitted parcel or parcels shall be based on the method of apportionment and assessment rate described in this report and approved by the City Council.

## **II. HISTORICAL BACKGROUND**

In fiscal year 2008/2009, the City initiated and conducted a property owner protest ballot proceeding for a proposed assessment increase. The proposed assessment increase was not approved by property owners; therefore, the maximum assessment rate remained the same as previously approved.

## **III. PLANS AND SPECIFICATIONS**

Maps consisting of 81 sheets defining areas to be assessed are on file in the office of Public Works and by reference are made part of this report. The areas shown on the maps are the original Covina Lighting District No. 1978-79 plus the areas included in Annexation Nos. 1 through 7, 9 through 21, 23 through 27, 29 through 33, 35 through 42, 44, 47, 51 through 59 and 61 through 77. The Los Angeles County Assessor's Maps, a copy of which is in the City of Covina Engineering Division's office are made a part hereof.

## **IV. ESTIMATE OF ASSESSMENT RATES**

There are two Zones in the Covina Lighting District No. 1978-79, designated as Zones A and B. Zone A is comprised of single family residences and condominium units. Zone B is comprised of commercial and industrial properties as well as apartments and similar multifamily residential properties. The assessments are for the costs of providing street lighting in these two zones.

This report proposes a \$137,583 contribution from the General Fund to the District to finance part of the 2010/2011 expenses. Without a General Fund contribution, an assessment increase (rate increase) would be required above the current maximum assessment rates approved and authorized. Any rate increase needs to be submitted to the affected property owners for approval. The proposed rates for fiscal year 2010/2011 are \$20.80 per unit for Zone A and \$2.70 per thousand square feet of land area for Zone B.

## V. BREAKDOWN OF EXPENSES

Energy & Maintenance	Unit Cost	Zone A		Zone B		Total Cost
		Units	Cost	Units	Costs	
Edison-owned						
5,800 Lumens	\$117	485	\$56,527	142	\$16,550	\$73,077
9,500 Lumens	132	28	3,704	136	17,993	21,697
16,000 Lumens	158	93	14,648	318	50,085	64,733
22,000 Lumens	181	7	1,264	90	16,254	17,518
25,500 Lumens	203	9	1,824	14	2,837	4,661
47,000 Lumens	212	0	0	0	0	0
<b>Sub-Total</b>		<b>622</b>	<b>\$77,967</b>	<b>700</b>	<b>\$103,719</b>	<b>\$181,686</b>
City-owned						
5,800 Lumens	\$117	0	\$0	0	\$0	\$0
9,500 Lumens	132	5	662	117	15,479	16,141
16,500 Lumens	158	4	630	22	3,465	4,095
22,000 Lumens	181	6	1,084	4	722	1,806
25,000 Lumens	203	8	1,621	12	2,432	4,053
47,000 Lumens	212	1	212	17	3,606	3,818
Lamp replacement	68	6	408	30	2,040	2,448
<b>Sub-Total</b>		<b>30</b>	<b>\$4,616</b>	<b>202</b>	<b>\$27,744</b>	<b>\$32,360</b>
<b>Energy &amp; Maintenance Total</b>		<b>652</b>	<b>\$82,583</b>	<b>902</b>	<b>\$131,463</b>	<b>\$214,046</b>
<b>Administration</b>						
Engineering Services			\$2,600		\$3,900	\$6,500
Administrative Overhead			16,283		24,244	40,527
Data Processing			0		0	-
Printing and Advertising			500		1,000	1,500
Miscellaneous			0		0	-
<b>Administration Total</b>			<b>19,383</b>		<b>29,144</b>	<b>48,527</b>
<b>Grand Total</b>			<b>101,966</b>		<b>160,607</b>	<b>262,573</b>

## VI. REVENUE AND EXPENSE STATEMENT

	Zone A	Zone B	Total
<b>Proposed Expenses</b>			
Energy and maintenance	\$82,583	\$131,463	\$214,046
Engineering Services	2,600	3,900	6,500
Administrative Overhead	16,283	24,244	40,527
Data Processing	0	0	0
Printing & Advertising	500	1,000	1,500
Miscellaneous	0	0	0
<b><i>Expense Total</i></b>	<b>\$101,966</b>	<b>\$160,607</b>	<b>\$262,573</b>
<b>Estimated Revenues</b>			
Proposed Assessment Revenue	\$49,400	\$75,590	\$124,990
General Fund Contribution	52,566	85,017	137,583
<b><i>Revenue Total</i></b>	<b>\$101,966</b>	<b>\$160,607</b>	<b>\$262,573</b>
Benefit Units	2,375	27,996	
Proposed Assessment Rate	<u>\$20.80</u>	<u>\$2.70</u>	
	Unit	1,000 S.F.	
<b>Fund Balances</b>			
Projected Balance, June 30, 2010			\$0
Estimated Revenues			\$262,573
Proposed Expenses			(\$262,573)
Estimated Balance, June 30, 2011			\$0

## VII. ASSESSMENT RATES AND REVENUE

Dividing the expense by the number of units, the rates and revenues for the lighting district for the fiscal year 2010/2011 would be:

	Revenue	Units	Rates
<b>Zone A =</b>	\$49,400 /	2,375 units =	\$20.80/unit
<b>Zone B =</b>	\$75,590 /	27,996 S.F. =	\$2.70/1,000 S.F.

## **VIII. ASSESSMENT ROLL**

The proposed lighting district assessment roll for the fiscal year 2010/2011 is shown on the following pages:

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 11

**STAFF SOURCE:** Steve Henley, Director of Public Works *SH*

**ITEM TITLE:** Public Works Department Monthly Activity Report

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**STAFF RECOMMENDATION**

Receive and file the Public Works Department Monthly Activity Report.

**FISCAL IMPACT**

This report is informational only and has no budgetary impact.

**BACKGROUND**

Attached for the City Council's review and information are the Public Works Department's Monthly Activity Report for April.

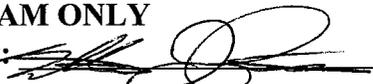
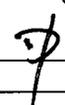
In conjunction with the implementation of a revised Zone Maintenance Program in 2007, the Department implemented a renewed focus on Key Performance Indexing (KPI). KPI is a useful tool for developing a measurement system of organizational effectiveness by identifying activities important to the community and tracking their output over time.

During April, the following trends were noted:

- Service levels for the Water Division have rebounded with the return of the regular Meter Reader from an industrial accident
- Service levels for Central Equipment, Environmental Services, and Building Maintenance are generally on par with their historical operational levels
- Engineering Inspection activities trended down slightly as the Construction Inspector was on vacation for one week during the reporting period
- Metrolink Shuttle passengers are continuing their upward trend

**EXHIBITS**

A. Public Works Department Monthly Activity Report – April 2010

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA  
PUBLIC WORKS DEPARTMENT MONTHLY ACTIVITY REPORT  
APRIL 2010**

<b>DIVISION</b>	<b>ACTIVITY</b>	<b>QUANTITY</b>
<b>Water Utility</b>	Meter reads	4,888
	Meter replacements	38
	Consumer responses	178
	Backflow tests	5
	Flushed blow-offs	3
	Service line repair/replace	9
	Main line repair/replace	2
	Fire hydrant repair/replace	8
	Isolation valves exercised	86
	Emergency call outs	6
<b>Equipment Maintenance</b>	Preventative Maintenance service	34
	Safety inspections	35
	Daily demand repairs	65
	Tire repairs	21
	Emergency call outs	5
<b>Street Maintenance</b>	Traffic sign remove/replace/install	49
	Potholes repaired	589
	Curb and gutter remove/replace (LF)	0
	Sidewalk remove/replace (SF)	96
	Curb painted (LF)	1,000
	Stop and Bars repainted	0
	Utility cuts repaired	3
	Trees trimmed	13
	Trees removed	4
Emergency call outs	5	
<b>Environmental Services</b>	Used oil containers distributed	14
	Compost bins distributed	3
	NPDES violations investigated	3
	Waste Management consumer responses	22
	Plans checked for environmental compliance	10
	Environmental legislation & regulations reviewed	46
	Special Waste collection events promoted	2
<b>Engineering Inspection</b>	Utility cuts inspections	8
	Sidewalk remove/replace/install inspections	6
	Driveway approach inspections	1
	Sanitary Sewer repair/install	1
	Traffic signal system install/modifications	0
	Job site meetings	4
	Construction site NPDES BMP compliance	3
	Street Paving / Patches	7
<b>Building Maintenance</b>	Service requests completed	35
	Facility heat/air conditioning repairs	5
	Facility lighting/electrical repairs	3
	Emergency call outs	0
<b>Special Activities of Note</b>	Illegal dumping debris pick-up	25
	Sidewalk displacements ramped	86
	Grand Avenue skin patched	
	Permits issued for Lowe's development	

**CITY OF COVINA  
PUBLIC WORKS DEPARTMENT MONTHLY ACTIVITY REPORT  
APRIL 2010**

<b>Transportation</b>	Bus passes sold	102
	Covina Transit passengers	1,636
	Metrolink Shuttle passengers	291
	Metrolink parking permits sold	763
	Municipal lots blue zone permits sold	101
	Municipal lots monthly machine revenues	\$730
<b>Building &amp; Safety</b>	Permits issued	81
	Inspections conducted	417
	Plan checks conducted	15
	Permit valuation	\$1,325,366
<b>Sewer Maintenance</b>	Manholes inspected	202
	Linear feet of main cleaned	85,338
	Hot-spot locations cleaned	35
	Sewer overflow responses	2
	Manholes treated for vermin infestation	13
	Manholes treated for rodent infestation	0
	Routine pump station checks	30

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 12

**STAFF SOURCE:** Robert Neiuber, Director of Community Development  
Dilu De Alwis, Director of Finance  
Nuala Gasser, Senior Redevelopment Manager

**ITEM TITLE:** Approval of use of funds from the Community Development Block Grant 2009-2010 funding allocation for Microenterprise Assistance for Hamilton Mens Shop Ltd.

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**STAFF RECOMMENDATION**

Approve a CDBG Microenterprise grant of \$10,000 to Michael Ayala, doing business as Hamilton Mens Shop Ltd. under Project 600289-09, and authorize the City Manager or his designee to execute the documents necessary to complete the grant transactions when all conditions are met.

**FISCAL IMPACT**

The loan/grant will be provided from the federal Community Development Block Grant Microenterprise Assistance Project 600289-09, Account 2100-4750-08. Sufficient funds remain in this project to fund the loan/grant.

**BACKGROUND**

The Microenterprise Program was established to provide a means to help disadvantaged persons become more economically self-sufficient. The program is available to small businesses of five or fewer employees, one or more of whom owns the enterprise. The owner of the business must meet national objective requirements under the limited clientele provision, which requires income documentation demonstrating qualification as a low-to moderate income household. The grant is forgiven one year after the participant meets program requirements.

Miguel Ayala owns Hamilton Mens Shop Ltd., a clothing and tailoring business located at 137 N. Citrus Avenue. Hamilton Mens Shop Ltd. has been in the area since 1984, and relocated in Covina in 2005, moving to its present location in 2007. In the current location in the Downtown, Hamilton's is expanding its tailoring clientele. The business is in need of funding for working capital and to buy inventory, and has requested a grant of \$10,000.

**Staff Review/Collateral**

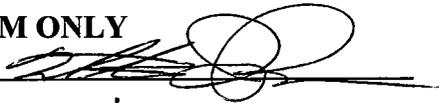
Staff has reviewed the application materials and is recommending funding in the amount of \$10,000 through the Microenterprise Assistance Program. Based on the application materials, the owner meets income qualifications for the Microenterprise Assistance Program. Staff recommendation of grant award is based on the need outlined in the application and the evaluated ability of the business owner to repay the loan in case of default.

Miguel Ayala, Owner, will execute a Personal Guarantee of Note for the amount of the loan/grant. Underwriting guidelines reveal that the project proposed above is a financially viable

project, meeting the requirements as outlined in Appendix A to Part 570 of the Code of Federal Regulations. Grant Agreements and Note are attached.

**EXHIBITS**

- A. Business Outline
- B. Confidential application information is on file in the CDBG office and is available for review by City Council members.

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

Hamilton Mens Shop Ltd  
Miguel Ayala  
137 N. Citrus Avenue  
Covina, CA 91723

To the City of Covina:

I have applied for a grant from the City of Covina, in the hope that both the City and myself benefit from the grant. It will increase additional sales taxes and create new jobs as my business increases. With local advertising with other businesses, this will increase retail sales for the City. With the help of the grant, a business that has been operating since 1967 will stay open. In these times, more vacancies occur in commercial areas as businesses fail. Please be so kind to consider the reasons to allow this grant. It will so much to my business and to the City as well.

Sincerely,

A handwritten signature in black ink, appearing to read 'Miguel Ayala', written in a cursive style.

Miguel Ayala

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 13

**STAFF SOURCE:** Robert Neiuber, Director of Community Development *fr*  
Dilu De Alwis, Director of Finance  
Nuala Gasser, Senior Redevelopment Manager

**ITEM TITLE:** Approval of use of funds from the Community Development Block Grant 2009-2010 funding allocation for Microenterprise Assistance for Thematic Attic

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**STAFF RECOMMENDATION**

Approve a CDBG Microenterprise grant of \$10,000 to Valerie Rajcic Vargas and Lorenzo Vargas, doing business as Thematic Attic under Project 600289-09, and authorize the City Manager or his designee to execute the documents necessary to complete the grant transactions when all conditions are met.

**FISCAL IMPACT**

The loan/grant will be provided from the federal Community Development Block Grant Microenterprise Assistance Project 600289-09, Account 2100-4750-08. Sufficient funds remain in this project to fund the loan/grant.

**BACKGROUND**

The Microenterprise Program was established to provide a means to help disadvantaged persons become more economically self-sufficient. The program is available to small businesses of five or fewer employees, one or more of whom owns the enterprise. The owner of the business must meet national objective requirements under the limited clientele provision, which requires income documentation demonstrating qualification as a low-to moderate income household. The grant is forgiven one year after the participant meets program requirements.

Valerie Rajcic Vargas and Lorenzo Vargas are partners in ownership of Thematic Attic, an educational store serving parents and teachers, and providing supplemental materials to aid in the education of children. The business has been in Covina since 1993, and has grown from its original location on College Street to its present location at 235 E. Badillo Street. In the current economic climate, the business is being modified to focus more on the parent customers and offering workshops and tutoring. "Science Fridays," demonstrating science experiments and showing that science can be fun, has developed a following of young people.

Thematic Attic has requested a grant of \$10,000 to buy inventory and provide working capital.

**Staff Review/Collateral**

Staff has reviewed the application materials and is recommending funding in the amount of \$10,000 through the Microenterprise Assistance Program. Based on the application materials, the owner meets income qualifications for the Microenterprise Assistance Program. Staff recommendation of grant award is based on the need outlined in the application and the evaluated ability of the business owner to repay the loan in case of default.

Valerie Rajcic Vargas and Lorenzo Vargas, Owners, will execute a Personal Guarantee of Note for the amount of the loan/grant. Underwriting guidelines reveal that the project proposed above is a financially viable project, meeting the requirements as outlined in Appendix A to Part 570 of the Code of Federal Regulations. Grant Agreements and Note are attached.

**EXHIBITS**

- A. Business Outline
- B. Confidential application information is on file in the CDBG office and is available for review by City Council members.

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

## **Thematic Attic 2010 Business Outline**

With the economic difficulty our state is facing and the layoffs of many teachers, we have been trying to modify our business to focus more on our parent customers. We have been offering in store workshops, tutoring and widening our selection of resources for parents and continuing education materials for adults. This summer we are launching a new website that will enable us to sell online. We hope to reach out to even more areas across our state and country.

We have been sending out flyers to the schools in the following districts: Azusa, Baldwin Park, Bassett, Bonita, Charter Oak, Covina, Duarte, El Monte, Glendora, Hacienda-La Puente, Monrovia, Mountain View, and Pomona; to notify students of our activities held at the store. On Fridays we have been doing "Science Fridays". Here we demonstrate science experiments and help students get a better understanding of science concepts and show that science can be fun. We have developed quite a following of young people. Parents whose children have been coming repeatedly have acknowledged that their children are doing better in school. We also offer art workshops. With the budget cuts many schools have not been able to teach art. We hold classes on the "7 Elements of Design" (Line, Shape, Texture, Color, Value, Form, and Space) and famous Artists and their techniques. Studies have shown that kids who make art read better and get better grades in science and mathematics. We feel that exposure to art promotes self esteem and nurtures inventiveness! We also have a book club for children. It meets weekly, we gather to discuss the book and usually do an art activity afterwards. With these activities we are hoping to create more weekly visits from our customers.

Tutoring is also being offered in the store to children and adults seeking to finish or further their education. Two of our employees, a college student and a teacher, are available to schedule appointments to meet individually. My husband Lorenzo and I are always available to help families with school projects: dioramas, science fair projects, mission and state reports... You would be surprised at how many people have no idea where to start, sometimes they just need a little help, and some creative thinking and they are on their way. We have been trying to expand our consumable workbook selection. With the schools doing more and more testing, teachers are recommending parents to find supplemental materials for their children to learn from. We have

been stocking more language, math and testing workbooks. In the summer we carry workbooks for children to review the grades they were just in or jump start the next grade level.

More and more people are using the internet and we have found that having a store front is just not enough. We are launching a new website the first of June. We are hoping to make shopping easier for our customers who are a little farther away. The new website will be much easier to use than our old one and we'll be able to sell on line. It is also a lot more attractive and exciting. We plan in the fall to go out to all the school districts in the Los Angeles and Orange county areas to reacquaint ourselves and let the schools know of our new website.

We have always tried to offer good customer service. Teachers have always been our best customers, but right now some are facing layoffs and it is causing others to be more hesitant in their purchases for their classrooms. Faced with this we are reaching out more to parents and are finding it rewarding to be here to help the community. Unfortunately parents do not buy as much as teachers, but they do need help. With the money from this grant we are hoping to use it to make more improvements in the areas I have mentioned.

**Lorenzo Vargas and Valerie Rajcic**

**Thematic Attic**

**COVINA REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 14

**STAFF SOURCE:** Dilu De Alwis, Finance Director

**ITEM TITLE:** Payment of Demands

**STAFF RECOMMENDATION:**

Approve Payment of Demands in the amount of **\$355,048.43**

**BACKGROUND:**

Attached list of warrants, demands, which are being presented for approval, for March 2010 are summarized as follows:

<u>DATE OF DEMANDS</u>	<u>DEMAND NUMBERS</u>	<u>AMOUNT</u>
<b>ACCOUNTS PAYABLE WARRANTS</b>		
March 10, 2010	5817-5838	\$141,126.00
March 18, 2010	5839-5848	\$145,453.78
March 25, 2010	5849-5854	\$46,612.67
March 3, 2010	(Reimburse PR Insurance)	\$2,855.68
March 16, 2010	(Reimburse PR Insurance)	\$2,828.96

**PAYROLL**

March 4, 2010	\$8,222.50
March 18, 2010	\$7,948.84

**VOIDS**

**GRAND TOTAL: \$355,048.43**

**EXHIBITS:**

A. ACCOUNTS PAYABLE REGISTER

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

CHECK REGISTER

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
RA00005817	CRA00545	AL-SAL OIL COMPANY INC	03/10/10	7,333.33	MW	OH		
RA00005818	CRA00626	ANDY GUMP INC	03/10/10	19.86	MW	OH		
RA00005819	CRA00543	BANK OF THE WEST	03/10/10	1,993.81	MW	OH		
RA00005820	CRA00646	BARCO PRODUCTS COMPANY	03/10/10	1,139.65	MW	OH		
RA00005821	CRA00549	BEST BEST & KRIEGER LLP	03/10/10	24,546.52	MW	OH		
RA00005822	CRA00516	COVINA CENTER FOR THE	03/10/10	46,552.00	MW	OH		
RA00005823	CRA00035	COVINA DISPOSAL CO	03/10/10	111.79	MW	OH		
RA00005824	CRA00129	COVINA WATER & REFUSE, CITY O	03/10/10	48.44	MW	OH		Payee Name different in Check DB
RA00005825	CRA00128	COVINA, CITY OF	03/10/10	52,048.69	MW	OH		Payee Name different in Check DB
RA00005826	CRA00034	DH MAINTENANCE SERVICES	03/10/10	345.00	MW	OH		
RA00005827	CRA00027	EDISON CO	03/10/10	53.13	MW	OH		
RA00005828	CRA00027	EDISON CO	03/10/10	45.95	MW	OH		
RA00005829	CRA00049	GEOGRAPHICS	03/10/10	628.00	MW	OH		Payee Name different in Check DB
RA00005830	CRA00057	HDL COREN & CONE	03/10/10	1,500.00	MW	OH		Payee Name different in Check DB
RA00005831	CRA00004	HOME DEPOT	03/10/10	36.65	MW	OH		
RA00005832	CRA00553	KEYSER MARSTAN ASSOCIATES INC	03/10/10	840.00	MW	OH		
RA00005833	CRA00088	OLIVER SANDIFER	03/10/10	97.00	MW	OH		Payee Name different in Check DB
RA00005834	CRA00515	R.P. LAURAIN & ASSOCIATES INC	03/10/10	900.00	MW	OH		
RA00005835	CRA00520	ROCKHURST UNIVERSITY	03/10/10	99.00	MW	OH		
RA00005836	CRA00437	SO CALIF GAS COMPANY	03/10/10	135.18	MW	OH		
RA00005837	CRA00394	VISTA POINTE APARTMENTS	03/10/10	1,452.00	MW	OH		
RA00005838	CRA00125	YMCA WINGS SHELTER	03/10/10	1,200.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
=====							
G R A N D T O T A L S:							
		Total Void Machine Written		0.00			Number of Checks Processed: 0
		Total Void Hand Written		0.00			Number of Checks Processed: 0
		Total Machine Written		141,126.00			Number of Checks Processed: 22
		Total Hand Written		0.00			Number of Checks Processed: 0
		Total Reversals		0.00			Number of Checks Processed: 0
		Total Cancelled Checks		0.00			Number of Checks Processed: 0
		Total EFTs		0.00			Number of EFTs Processed: 0
=====							
		G R A N D T O T A L		141,126.00			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel.	To Note
RA00005839	CRA000020	BANK OF NEW YORK MELLON	03/18/10	2,727.00	MW	OH		Payee Name different in Check DB
RA00005840	CRA00129	COVINA WATER & REFUSE, CITY OF	03/18/10	246.94	MW	OH		Payee Name different in Check DB
RA00005841	CRA00128	COVINA, CITY OF	03/18/10	140,867.88	MW	OH		Payee Name different in Check DB
RA00005842	CRA00653	DE ALWIS, DILU	03/18/10	64.00	MW	OH		
RA00005843	CRA00192	NEUBER, ROBERT	03/18/10	18.50	MW	OH		
RA00005844	CRA00650	OLIVE TREE APARTMENTS	03/18/10	350.00	MW	OH		
RA00005845	CRA00654	PARRISH, DARYL	03/18/10	9.00	MW	OH		
RA00005846	CRA00212	VERIZON CALIFORNIA	03/18/10	67.42	MW	OH		
RA00005847	CRA00394	VISTA POINTE APARTMENTS	03/18/10	726.00	MW	OH		
RA00005848	CRA00642	XO COMMUNICATIONS	03/18/10	377.04	MW	OH		

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	145,453.78	Number of Checks Processed:	10
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>145,453.78</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
RA00005849	CRA00549	BEST BEST & KRIEGER LLP	03/25/10	17,234.33	MW	OH		
RA00005850	CRA00249	BROWN-HEIGEL, HARRY	03/25/10	17,000.00	MW	OH		
RA00005851	CRA00128	COVINA, CITY OF	03/25/10	213.32	MW	OH		Payee Name different in Check DB
RA00005852	CRA00192	NEUBER, ROBERT	03/25/10	27.00	MW	OH		
RA00005853	CRA00273	UNITED SITE SERVICES OF CA IN	03/25/10	98.23	MW	OH		Payee Name different in Check DB
RA00005854	CRA00116	US BANK	03/25/10	12,039.79	MW	OH		

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	46,612.67	Number of Checks Processed:	6
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>46,612.67</b>		

# **COVINA REDEVELOPMENT AGENCY**

## **AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 15

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director  
Nuala Gasser, Sr. Redevelopment Manager

**ITEM TITLE:** Approval of an agreement between Home Depot U.S.A., Inc., and the Covina Redevelopment Agency to design and construct a pylon sign at 963 W. Badillo Street

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### **STAFF RECOMMENDATION**

- a. Approve the Agreement between Home Depot, U.S.A., Inc., a Delaware corporation, and the Covina Redevelopment Agency to design and construct a pylon sign at 963 W. Badillo Street.
- b. Adopt **Agency Resolution No. 10-622** amending the fiscal year 2009-2010 Redevelopment Budget

### **FISCAL IMPACT**

The recommended action will appropriate \$85,000 from Redevelopment Project Area One, Private Purpose Bond, Undesignated funds Account 5011-0000-00-33000, to Account 5011-4650-00-55200, Improvements/Not Buildings/Structures for the design and construction of the sign.

### **BACKGROUND**

The Home Depot home improvement store at 963 W. Badillo Street has one identifying monument sign on Badillo Street. The remaining identifying signs are located on the building. Prospective shoppers who are south-bound on Azusa Avenue sometimes pass the store without realizing it, because the sign on the store's east side is not visible to the south-bound driver.

A thirty-foot high pylon sign is proposed to be placed in the east landscape strip of the Home Depot site, along Azusa Avenue, housing the message "Welcome to Covina", and advertising "The Home Depot". This sign will bring attention to this retail site and ultimately, bring more sales tax dollars. The sign will also provide an additional identification at this gateway to a major thoroughfare on the south side of the City. The cost of the project, up to Eighty-Five Thousand Dollars (\$85,000) will be reimbursed by the Agency upon final inspection of the completed sign and receipt of invoices for actual costs incurred. This is a "Proposed Project and Program for Project Area 1" in the Five Year Implementation Plan FY 2009-2010 through 2013-2014.

The Agreement specifies that in the event the store closes in the five years following construction of the sign, Home Depot will reimburse the Agency a percent of the costs reimbursed. In the first year, fifty percent of the costs will be reimbursed; in year two, forty percent, in year three, thirty

percent, in year four, twenty percent and in the fifth year after completion of the sign, ten percent of the funds expended will be repaid to the Agency if Home Depot were to close at this site.

Home Depot will maintain the sign in good working order throughout the term of the Agreement.

**EXHIBITS**

Exhibit A—Resolution No. 10-622

Exhibit B--Draft Sign Agreement

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

EXHIBIT B

RESOLUTION NO. 10-622

A RESOLUTION OF THE COVINA REDEVELOPMENT AGENCY, TO AMEND THE FISCAL YEAR 2009-2010 COVINA REDEVELOPMENT AGENCY BUDGET TO REFLECT AN APPROPRIATION OF \$85,000 FROM PROJECT AREA ONE, PRIVATE PURPOSE BOND, UNDESIGNATED FUNDS TO COMPLETE CAPITAL IMPROVEMENTS AT 963 W. BADILLO STREET, COVINA

WHEREAS, the budget for the COVINA REDEVELOPMENT AGENCY (“Agency”) for Fiscal Year commencing July 1, 2009 and ending June 30, 2010 was approved on June 16, 2009; and

WHEREAS, the approved budget is in accordance with all applicable ordinances of the City and all applicable statutes of the State; and

WHEREAS, the reallocation of the appropriations between departmental activities may be made by the Executive Director, amendments (increases/decreases) to the Budget shall be by approval and resolution of the Agency Board; and

WHEREAS, the Agency wishes to expand opportunities to capture sales tax by providing increased visibility to the Home Depot store located at 963 W. Badillo Street, and to provide increased City identification and recognition at the gateway to a major thoroughfare in the City.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Redevelopment Agency of the City of Covina, as follows:

SECTION 1. Amend the fiscal year 2009-2010 Covina Redevelopment Agency operating budget as follows: \$85,000 from Project Area One, Private Purpose Bond, Undesignated Fund Balance Account 5011-0000-00-33000 to Account 5011-4650-00-55200, Improvements/Not Buildings/Structures for the design and construction of a pylon sign at 963 W. Badillo Street.

SECTION 2. The Agency Secretary shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 18<sup>th</sup> day of May, 2010.

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Peggy Delach, Chairman

ATTEST:

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Toni Taber, Agency Secretary

APPROVED AS TO FORM:

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Agency Counsel

## SIGN AGREEMENT

THIS SIGN AGREEMENT (“**Agreement**”) is made and entered into as of \_\_\_\_\_, 2010 (“**Effective Date**”), by and between **HOME DEPOT U.S.A., INC.**, a Delaware corporation (“**Home Depot**”), and the **COVINA REDEVELOPMENT AGENCY**, a public body corporate and politic (“**Agency**”), with reference to the following facts:

A. Home Depot is leasing approximately 12.52 acres of land located in the City of Covina, County of Los Angeles, State of California, and more particularly described in **Exhibit “A”** attached hereto (“**Premises**”) pursuant to that certain Lease dated as of September 22, 2006 (“as amended, **Lease**”) between Home Depot, as lessee, and Rich Covina, LLC, a California limited liability company (“**Rich Covina**”), predecessor-in-interest to UIMC Covina LLC, a California limited liability company (“**UIMC**”). Rich Covina has heretofore assigned all of its right, title and interest in and to the Lease to UIMC.

B. Home Depot desires to construct an approximately thirty foot (30’) free standing pylon sign substantially similar to the sign depicted on **Exhibit “B”** attached hereto (“**Pylon Sign**”) on a portion of the Premises identified as the “Sign Area” (“**Sign Area**”) on the site plan attached hereto as **Exhibit “C”** (“**Site Plan**”).

C. Agency desires to have the City of Covina (“**City**”) identified on the Pylon Sign and agrees to contribute toward Home Depot’s costs of designing and constructing the Pylon Sign.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Home Depot and Agency hereby agree as follows:

1. **Term of Agreement.** The term of this Agreement (“**Term**”) shall commence as of the Effective Date and expire ten (10) years thereafter.
2. **Construction of Pylon Sign.** Home Depot agrees to (i) cause to be prepared all necessary plans and specifications for the Pylon Sign (“**Pylon Sign Plans**”), (ii) submit the Pylon Sign Plans to all applicable governmental agencies and thereafter diligently process and obtain all necessary building permits for the Pylon Sign (“**Permits**”), no later than thirty (30) days following the Effective Date, and (iii) commence and diligently and continuously pursue to completion the construction of the Pylon Sign, no later than ninety (90) days following the Effective Date. Home Depot covenants to construct the Pylon Sign in conformance with all applicable laws and in a good and workmanlike manner. The Pylon Sign shall conform, to the extent practicable, to the style, color and materials of the existing monument sign depicted as “Existing Monument Sign” on the Site Plan. If existing trees need to be removed in order to

construct the Pylon Sign, Home Depot agrees to either relocate or replace such trees in an alternate location within the landscape area within the Premises along Azusa Avenue. Home Depot agrees to keep in place the existing shrubbery in or adjacent to the Pylon Sign Area to the greatest extent practicable.

3. Prevailing Wage Project. Home Depot acknowledges that the construction of the Pylon Sign is a “public work” as defined in California Labor Code Section 1720 *et seq.* and agrees to comply with all applicable prevailing wage statutes, including, without limitation, California Labor Code Section 1720 *et seq.* and the Federal Davis-Bacon Act (40 U.S.C. Section 276a), in effect during the period of construction.

4. Agency Reimbursement.

(a) Promptly following City’s final inspection of the construction of the Pylon Sign, Home Depot shall submit to Agency (i) written notice that Home Depot has completed the construction of the Pylon Sign and (ii) an invoice of actual costs incurred by Home Depot for which Home Depot is seeking reimbursement, together with supporting documentation for all items shown thereon (collectively, “**Invoice**”), including copies of invoices, change orders and canceled checks (front and back) evidencing Home Depot’s incurrence and payment of reasonable hard and soft costs in designing and constructing the Pylon Sign, including, without limitation, architect’s fees and permit fees (collectively, “**Home Depot’s Costs**”). Home Depot shall promptly provide Agency with any additional information reasonably requested by Agency to substantiate any items for which Home Depot is requesting reimbursement.

(b) Within twenty (20) calendar days following Agency’s receipt of the Invoice, Agency agrees to reimburse Home Depot for all such costs up to, but not exceeding, an amount equal to Eighty-Five Thousand and No/100 Dollars (\$85,000.00) (“**Agency Contribution**”) in consideration for the placement of “Welcome to Covina” on the sign.

(c) In the event the Invoice contains amounts disputed by Agency, Agency shall, within ten (10) calendar days following receipt by Agency of such Invoice, deliver to Home Depot a written notice of the disputed amounts and the basis for Agency’s dispute of same (“**Notice of Dispute**”). Notwithstanding any Notice of Dispute, the Agency shall pay all undisputed amounts as provided herein. Home Depot shall have ten (10) calendar days from receipt of a Notice of Dispute to respond to any Notice of Dispute in writing. The Parties shall then meet in good faith to resolve said disputed items.

(d) If Home Depot either (i) assigns all of its right, title and interest in and to the Lease to an unaffiliated third party, or (ii) permanently closes for business at the Premises for reasons other than as a result of a casualty or condemnation action (each, a “**Closure**”), then Home Depot shall, within thirty (30) days after any such Closure, reimburse Agency for a portion of the Agency Contribution, as follows:

(1) if the Closure occurs during the first year following the date of this Agreement, Home Depot shall reimburse Agency the sum of Forty-Two Thousand Five Hundred and No/100 Dollars (\$42,500.00);

(2) if the Closure occurs during the second year following the date of this Agreement, Home Depot shall reimburse Agency the sum of Thirty-Four Thousand and No/100 Dollars (\$34,000.00);

(3) if the Closure occurs during the third year following the date of this Agreement, Home Depot shall reimburse Agency the sum of Twenty-Five Thousand Five Hundred and No/100 Dollars (\$25,500.00);

(4) if the Closure occurs during the fourth year following the date of this Agreement, Home Depot shall reimburse Agency the sum of Seventeen Thousand and No/100 Dollars (\$17,000.00); and

(5) if the Closure occurs during the fifth year following the date of this Agreement, Home Depot shall reimburse Agency the sum of Eight Thousand Five Hundred and No/100 Dollars (\$8,500.00).

(e) Home Depot acknowledges and agrees the Pylon Sign shall be additional signage and that the previously existing, approved free-standing monument sign depicted as "Existing Sign" on the Site Plan ("**Existing Sign**") shall remain on the Premises throughout the Term. Agency shall have no obligation to reimburse Home Depot as provided herein if the Existing Sign is removed or materially modified without the express written consent of Agency, which consent shall not be unreasonably withheld, conditioned or delayed.

5. Maintenance of Pylon Sign. Home Depot agrees, at its sole cost and expense, to maintain, repair and replace, as necessary, the Pylon Sign in good working order throughout the Term.

6. Notices. All notices shall be in writing and shall be sent by either personal delivery, a reputable overnight courier which keeps receipts of delivery (such as UPS or Federal Express), through the facilities of the United States Post Office, postage prepaid, certified or registered mail, return receipt requested. Unless expressly provided to the contrary elsewhere in this Agreement, any such notice shall be effective upon delivery, if delivered by personal delivery or overnight courier, and on the date of the postmark, if sent by U.S. mail in accordance with the above. Notices to the respective parties shall be sent to the following addresses unless written notice of a change of address has been previously given pursuant hereto:

To Agency:

Covina Redevelopment Agency  
125 East College Street  
Covina, California 91723  
Attention: Deputy Executive Director

To Home Depot: Home Depot U.S.A., Inc.  
3800 West Chapman Avenue  
Orange, California 92868  
Attention: Legal Department

With a copy to: Beyer & Associates  
2029 Century Park East, Suite 2500  
Los Angeles, California 90067  
Attention: Kent S. Beyer, Esq.

For the purpose of this Agreement, Home Depot's counsel may provide notices to Agency on behalf of Home Depot and such notices shall be binding on Agency as if such notices have been provided directly by Home Depot.

7. Hold Harmless. Home Depot agrees to hold harmless Agency, its officers, employees and authorized agents (collectively, "**Agency Parties**") from (i) any claims, liabilities, penalties or fines, (ii) damages to any goods, properties or effects of any person whatsoever, or (iii) personal injuries to or deaths of persons caused by or resulting from any act or omission of Home Depot, its officers, employees, agents or representatives, except in each case above to the extent caused by the negligence or willful misconduct of any of the Agency Parties.

8. Compliance with Laws. Home Depot agrees to conform to, comply with and obtain all required permits, consents and licenses required by all restrictions, building laws, health codes, environmental regulations, safety rules, zoning and subdivision, and labor laws and regulations relating to Home Depot's design and construction of the Pylon Sign.

9. Attorneys' Fees. If any party to this Agreement brings an action against another party by reason of a breach or alleged violation of any covenant, term or obligation of this Agreement, or for the enforcement of any provision of this Agreement or otherwise arising out of this Agreement, the prevailing party in such action shall be entitled to its cost of suit and reasonable attorneys' fees, which shall be made part of any judgment rendered in such action.

10. Successors and Assigns. All covenants, promises, conditions, representations, and agreements herein contained shall be binding upon, apply and inure to the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

11. Governing Law. This Lease shall be construed under the laws of the State of California.

12. Relationship of Parties. Nothing contained in this Lease shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between Landlord and Tenant.

13. Entire Agreement. This Agreement (including the Exhibits attached hereto) contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous representations, statements, understandings, negotiations and agreements, oral or written, between the parties, if any, with respect thereto. None of the terms, covenants, conditions or provisions of this Agreement can be modified, deleted or added to except in writing signed by the parties hereto. All negotiations and oral agreements by the parties with respect to the subject matter hereof have been merged into and are included herein.

14. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed and original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Home Depot and Agency have executed this Agreement as of the date first above mentioned.

“Home Depot”

**HOME DEPOT U.S.A., INC.,**  
a Delaware corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

“Agency”

**COVINA REDEVELOPMENT**  
**AGENCY**, a public body corporate and  
politic

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

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**EXHIBIT "A"**

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

Parcel 1:

Lot 1 of Tract No. 43634, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 1052 Pages 85 and 86 of Maps, in the Office of the County Recorder of said County.

Together with the following:

All of that land situated in the City of Covina, County of Los Angeles, State of California, being a portion of Lot 1, Block 5 of the Phillips Tract, as per map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records of said County, described as follows:

Beginning at a point in the Southerly line of San Bernardino Road, 66 feet wide, which is distant thereon South 85° 34' 00" West 398.00 feet from the intersection of the Easterly prolongation of said Southerly line with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence South 0° 03' 20" East parallel with said Westerly line 7.02 feet to the true point of beginning, and the Southerly line of San Bernardino Road, 73 feet wide; thence continuing parallel with said Westerly line, South 0° 03' 20" East 353.83 feet; thence at right angles to said last mentioned course, South 89° 56' 40" West 100.00 feet; thence North 0° 03' 20" West 346.17 feet to a point in said last mentioned Southerly line of San Bernardino Road, distant thereon South 85° 34' 00" West 100.29 feet from the true point of beginning; thence along the last mentioned Southerly line, North 85° 34' 00" East 100.29 feet to the true point of beginning.

Together with the following:

All of that land situated in the City of Covina, County of Los Angeles, State of California, being a portion of Lot 1, Block 5 of the Phillips Tract, as per map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records of said County, described as follows:

Beginning at a point in the Southerly line of San Bernardino Road, 66 feet wide, that is distant thereon South 85° 34' 00" West 398.00 feet from the intersection of the Easterly prolongation of the Southerly line with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence South 0° 03' 20" East parallel with said Westerly side line 445.85 feet; thence at right angles to said parallel line South 89° 56' 40" West 100.00 feet to the true point of beginning; thence continuing South 89° 56' 40" West 137.36 feet to the Westerly line of said Lot 1; thence along the Westerly line

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of said Lot 1, North 0° 03' 56" West 420.62 feet to the Southerly line of San Bernardino Road, 73 feet wide, as said Southerly line is described in the deed to the County of Los Angeles as Instrument No. 3476 recorded in Book 51280 Page 176 of Official Records, of said County; thence along said Southerly line North 85° 34' 00" East 137.86 feet to a line which bears South 0° 03' 20" East and passes through the true point of beginning; thence South 0° 03' 20" East 431.17 feet to the true point of beginning.

Together with the following:

That portion of acreage Lot 1, in Block 5 of the Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as shown on a map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Commencing at the centerline intersection of Azusa Avenue, formerly known as Sierra Street and Badillo Street; thence along the centerline of said Azusa Avenue, North 00° 03' 39" West 327.00 feet; thence parallel with the centerline of said Badillo Street, North 89° 19' 54" West 50.00 feet to the Westerly line of the land described to the State of California by deed recorded August 22, 1957 as Instrument No. 1792, Official Records of said County Recorder; thence continuing along said parallel line North 89° 19' 54" West 113.00 feet; thence parallel with said centerline of Azusa Avenue, South 00° 03' 39" East, 86.98 feet to the Northeasterly corner of the land described in deed to Maurice E. Koeberle and wife, recorded in Book 28257 Page 225, Official Records of said County Recorder; thence parallel with said centerline of Badillo Avenue, North 89° 19' 54" West 266.87 feet to the intersection with a line parallel with said centerline of Azusa Avenue and passing through a point in the Southerly line of San Bernardino Road, 66 feet wide, distant South 85° 33' 58" West 398.00 feet from the intersection of the Easterly prolongation of said Southerly line of San Bernardino Road with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence along said parallel line North 00° 03' 39" West 285.18 feet to the true point of beginning; thence continuing along said line North 00° 03' 39" West 353.83 feet to the Southerly line of the land described in deed to the City of Covina, recorded April 3, 1967 as Instrument No. 1822, Official Records of said County Recorder; thence along said Southerly line North 85° 33' 58" East 143.54 feet to a line parallel with and 286.72 feet distant Westerly measured at right angles to said centerline of Azusa Avenue; thence along said parallel line, South 00° 03' 39" East 293.93 feet to a line perpendicular to said centerline of Azusa Avenue and passing through a point in said centerline of Azusa Avenue, North 00° 03' 39" West 601.53 feet from the centerline of said Badillo Street; thence continuing along said line South 00° 03' 39" East 70.91 feet; thence South 89° 56' 21" West 143.06 feet to the true point of beginning.

Pursuant to that certain Lot Line Adjustment No. 42, recorded October 30, 2007 as Instrument No. 20072450510 of Official Records.

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APN 8434-018-030, 033; portions of 029 and 036 (now known as 041)

Parcel 2:

That portion of acreage Lot 1 in Block 5 of the Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as shown on a map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Commencing at the centerline intersection of Azusa Avenue, formerly known as Sierra Street and Badillo Street; thence along the centerline of said Azusa Avenue, North 00° 03' 39" West 327.00 feet; thence parallel with the centerline of said Badillo Street, North 89° 19' 54" West 50.00 feet to the Westerly line of the land described to the State of California by deed recorded August 22, 1957 as Instrument No. 1792, Official Records of said County Recorder and the true point of beginning; thence continuing along said parallel line North 89° 19' 54" West 113.00 feet; thence parallel with said centerline of Azusa Avenue, South 00° 03' 39" East, 86.98 feet to the Northeasterly corner of the land described in deed to Maurice E. Koeberle and wife recorded in Book 28257 Page 225, Official Records of said County Recorder; thence parallel with said centerline of Badillo Avenue, North 89° 19' 54" West 266.87 feet to the intersection with a line parallel with said centerline of Azusa Avenue and passing through a point in the Southerly line of San Bernardino Road, 66 feet wide, distant South 85° 33' 58" West 398.00 feet from the intersection of the Easterly prolongation of said Southerly line of San Bernardino Road with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence along said parallel line North 00° 03' 39" West 285.18 feet, said point being North 00° 03' 39" West 525.18 feet from the centerline of said Badillo Street; thence North 89° 56' 21" East 143.11 feet to a line parallel with and 286.72 feet distant Westerly measured at right angles to said centerline of Azusa Avenue; thence along said parallel line, North 00° 03' 39" West 70.91 feet; thence along a line perpendicular to the centerline of Azusa Avenue North 89° 56' 21" East 236.72 feet to the Westerly line of said land described to the State of California; thence along said Westerly line, South 00° 03' 39" East 273.89 feet to the true point of beginning.

Pursuant to that certain Lot Line Adjustment No. 42 recorded October 30, 2007 as Instrument No. 20072450510 of Official Records.

APN portion of 8434-018-036 (now known as 040)

Parcel 3:

A nonexclusive perpetual easement for vehicular and pedestrian access ingress and egress over and across the common areas, and for vehicular access, ingress and egress over the "Access Drive", and certain easements

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for utilities and storm drainage and such other matters as more particularly granted and described in that certain declaration of Easement, covenants, conditions, and restrictions, dated May 12, 2000, executed by and between Evergreen-Oak Plaza, Limited Partnership, an Arizona Limited Partnership and Walgreen Co., an Illinois Corporation, and recorded May 12, 2000 as Instrument No. 00-738957, of Official Records.

Parcel 4:

That portion of Lot 1, Block 5 of Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records of said County, described as follows:

Beginning at a point in the Northerly line of that certain parcel of land described in Deed to the County of Los Angeles, recorded in Book 3237 Page 254 of Deeds, records of said County, distant thereon along said line and its Easterly prolongation North 89° 39' West 499 feet from the center of Azusa Avenue, thence North 0° 22' 30" West parallel with the Easterly line of said lot 1 a distance of 186.00 feet; thence North 89° 39' West parallel with the Southerly line of said lot 1, a distance of 72 feet; thence South 0° 22' 30" East parallel with the Easterly line of said lot 1 a distance of 186.00 feet to a point in the Northerly line of the aforementioned land conveyed to Los Angeles County; thence South 89° 39' East along said Northerly line a distance of 72 feet to the true point of beginning.

APN 8434-018-007

Parcel 5:

That portion of Lot 1, Block 5 of Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 9, Page 3 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Beginning at a point in the Northerly line of that certain parcel of land described in deed to the County of Los Angeles recorded in Book 3237, Page 254 of deeds, records of said County; distant thereon along said line and its Easterly prolongation North 89° 39' West 571.00 feet from the center line of Azusa Avenue; thence North 0° 22' 30" West parallel with the Easterly line of said Lot 1, a distance of 186.00 feet; thence North 89° 39' West parallel with the Southerly line of said Lot 1, a distance of 72.00 feet; thence South 0° 22' 30" East parallel with the Easterly line of said Lot 1, a distance of 186.00 feet to a point in the Northerly line of the aforementioned land conveyed to Los Angeles County; thence South 89° 39' East along said Northerly line 72.00 feet to the point of beginning.

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Except the minerals and ores thereof, as retained in the deed of partition between John Rowland and William Workman, recorded in Book 10, Page 39, of Deeds, records of said County.

APN 8434-018-008

Parcel 6:

That portion of Lot 1, in Block 5 of the Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 9, Page(s) 3 and 4 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Beginning at a point in the Southerly line of San Bernardino road, 66 feet wide, that is distant thereon South 85° 34' 00" West 398.00 feet from the intersection of the Easterly prolongation of said Southerly line with the Northerly prolongation of the Westerly side line of Azusa Avenue, 66 feet wide; thence South 0° 03' 20" East parallel with said Westerly side line 445.85 feet to the true point of beginning; thence at right angles to said parallel line South 89° 56' 40" West 237.36 feet to the Westerly line of said Lot 1; thence along the Westerly line of said Lot 1, South 0° 03' 56" East 383.20 feet to the Northerly line of Badillo Avenue 108 feet wide; thence along said last-mentioned Northerly line South 89° 19' 55": East 24.20 feet to the intersection with a line parallel with and distant 643.00 feet Westerly, as measured along the center line of said Badillo Avenue from the center line of said Azusa Avenue; thence along said last-mentioned parallel line North 0° 03' 20" West 186.00 feet to a line which is 240.00 feet Northerly and parallel with said center line of Badillo Avenue, 108 feet wide; thence South 89° 19' 55" East along last described parallel line 213.13 feet to the Northeasterly corner of the land described in deed to Maurice E. Koeberly and wife recorded in Book 28257, Page 225, of Official Records of said County; thence along a line parallel with the Westerly line of Azusa Avenue 66 feet wide North 0° 03' 20" West 200.17 feet to the true point of beginning.

APN 8434-018-022, 009

Parcel 7:

A non-exclusive easement for ingress and egress by vehicular and pedestrian traffic, and vehicular parking and other purposes over and across that portion of the common areas as set forth in that certain Reciprocal Easement Agreement, dated March 13, 2006 by and between Rich Covina, LLC, a California limited liability company, and J.W. Rich Investment, a California Corporation and Wells Fargo Bank, N.A., recorded March 24, 2006 as Instrument No. 06-0635738, of Official Records.

Parcel 8:

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Parcel A:

That portion of lot 1 in Block 5 of the Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 9, Pages 3 and 4 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Beginning at a point in the Southerly line of San Bernardino Road, 66 feet wide, which is distant South 85° 34' 00" West thereon 398.00 feet from the intersection of the Easterly prolongation of said Southerly line with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence parallel with said Westerly line of Azusa Avenue, South 0° 03' 20" East 360.85 feet to the true point of beginning; thence at right angles to said last mentioned course, South 89° 56' 40" West 100.00 feet; thence South 0° 03' 20" East 85.00 feet; thence North 89° 56' 40" East 100.00 feet to a line which is parallel with said Westerly line of Azusa Avenue and passes through the true point of beginning; thence along said last described parallel line, North 0° 03' 20": West 85.00 feet to the true point of beginning.

APN: portion 8434-018-038

Parcel B:

An easement for ingress and egress over that parcel of land described as follows:

That portion of Lot 1 in Block 5 of the Phillips Tract, in the City of Covina, County of Los Angeles, State of California, as per map recorded in Book 9 Pages 3 and 4 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Beginning at a point in the Southerly line of San Bernardino Road, 66 feet wide, which is distant South 85° 34' 00" West 398.00 feet from the Easterly prolongation of said Southerly line with the Northerly prolongation of the Westerly line of Azusa Avenue, 66 feet wide; thence South 0° 03' 20" East, parallel with and said Westerly line 7.02 feet to the Southerly line of San Bernardino road, 73 feet wide; thence along said last mentioned Southerly line, South 85° 34' 00" West, 100.29 feet to the true point of beginning; thence South 0° 03' 20" East 431.17 feet; thence South 89° 56' 40" 38.00 feet; thence North 0° 03' 20" West 428.26 feet to said last mentioned Southerly line; thence thereon North 85° 34' 00" East 38.11 feet to the true point of beginning.

Assessor's Parcel Number:

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8434-018-030/024/027/028/007/  
008/009/022/029/900

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**EXHIBIT "B"**

**DEPICTION OF PYLON SIGN**

**Sign Type E-2**

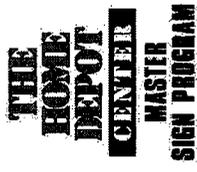
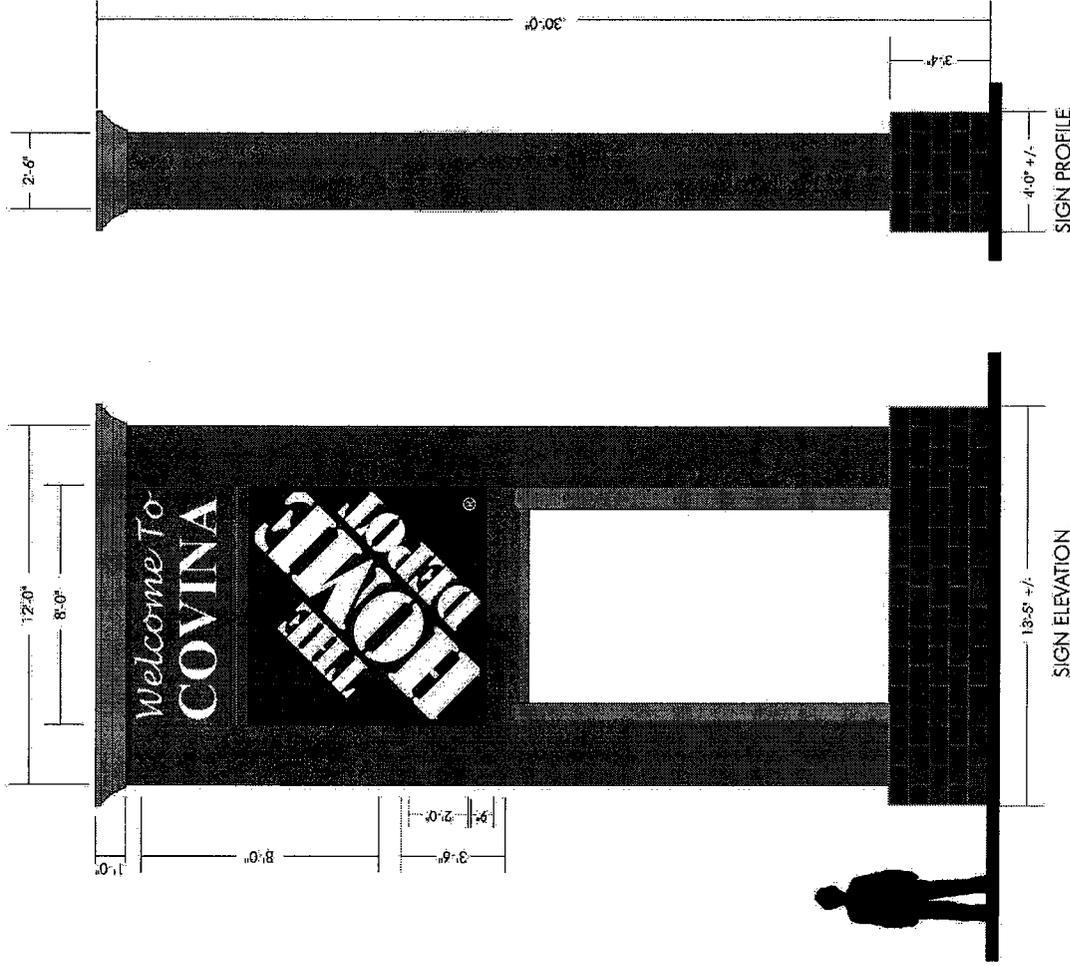
**FREESTANDING SIGN: PYLON**

- Quantity: One (1).
- Height: 30'feet.
- Area: 64.0 square feet (area of cabinet face only).
- Materials: Cabinet to be aluminum or metal fabrication with fully welded subframe. White Tut-Glas sign faces. The Home Depot faces to have applied Orange vinyl (Aston Orange #049) background, with insides of letters reverse welded to white. Pole covers to be fabricated from aluminum. Cornice to be aluminum or foam. City of Covina letters to be routed out of 1/8" thick aluminum, painted using project color 'G', and stud-mounted 1/2" off sign. City seal to be digitally printed vinyl applied to face of 1/8" thick routed aluminum circle, stud-mounted 1/2" off sign.

- Illumination: Internal fluorescent lamps within cabinet. Remaining portions of sign are non-illuminated.
- Finish: Cabinet and retainers to have automotive paint finish. Cornice and supports of sign to have Text-Cote paint finish to match corresponding building features.

**COLOURS & MATERIALS**

<b>Color A</b>	<b>Color E</b>
1/2" x 1/2" Pantone 690C	1/2" x 1/2" Pantone 690C
<b>Color B</b>	<b>Color F</b>
1/2" x 1/2" Pantone 690C	1/2" x 1/2" Pantone 690C
<b>Color C</b>	<b>Color G</b>
1/2" x 1/2" Pantone 690C	1/2" x 1/2" Pantone 690C
<b>Color D</b>	<b>Color H</b>
1/2" x 1/2" Pantone 690C	1/2" x 1/2" Pantone 690C
<b>Material L</b>	<b>Material M</b>
1/2" x 1/2" Pantone 690C	1/2" x 1/2" Pantone 690C



**Location:**  
 SWC N Azusa Ave., &  
 San Bernardino Rd.  
 Covina, CA 91722

**Date:**  
 January 22, 2009

**Scales:**  
 1/4" = 1'-0"



1749 E. 28th St.  
 Signal Hill, CA 92806  
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 Fax: (562) 427-8875  
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**Sign Type E-2**

**FREESTANDING SIGN:**  
 PYLON

**Exhibit D-2**

**EXHIBIT "C"**

**SITE PLAN**



**COVINA REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** CC 16

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director *RN*  
Nuala Gasser, Sr. Redevelopment Manager

**ITEM TITLE:** Approval of a time extension to develop 147-151 E. College Street under Health and Safety Code Section 33334.16

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**STAFF RECOMMENDATION**

Adopt **Resolution No. 10-624** pursuant to Health and Safety Code Section 33334.16 approving an extension of time to develop 147-151 East College Street for Low and Moderate Income Housing

**FISCAL IMPACT**

There is no fiscal impact to extend the time for an additional five years.

**BACKGROUND**

On May 20, 2005, the Redevelopment Agency closed escrow on the property at 147-151 E. College Street, Covina. The property was purchased as part of a land acquisition to facilitate a larger housing project to be located on the city block. The housing project did not proceed. The sale was completed with funds from the low-to moderate income housing fund in the amount of \$729,050.18.

Health and Safety Code Section 33334.16, Time Limit for Activities in Connection with Property Acquired with Low and Moderate Income Housing Fund, requires that activities consistent with the development of property for housing affordable to persons and families of low and moderate income must be initiated within five years from the date the Agency acquires the property. These activities may include, but are not limited to, zoning changes or agreements entered into for the development and disposition of the property. If these activities have not been initiated within this period, the legislative body may, by resolution, extend the period during which the agency may retain the property for one additional period not to exceed five years. The resolution of extension shall affirm the intention of the legislative body that the property be used for the development of housing affordable to persons and families of low and moderate income. In the event that physical development of the property for this purpose has not begun by the end of the extended period, or if the agency does not comply with this requirement, the property shall be sold and the moneys from the sale, less reimbursement to the agency for the cost of the sale, shall be deposited in the agency's Low and Moderate Income Housing Fund.

The Agency is in discussion regarding use of the property and in order to be in compliance with Section 33334.16 of Redevelopment Law, desire to extend the period by resolution for one additional period not to exceed five years. The Agency intends for the property to be used for the development of housing affordable to persons and families of low and moderate income.

In the event such a project is not forthcoming, the Agency will sell the property and repay the low and moderate income housing fund.

**EXHIBITS**

Exhibit A—Resolution No. 10-624

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

RESOLUTION NO. 10-624

A RESOLUTION OF THE COVINA REDEVELOPMENT  
AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 33334.16  
APPROVING AN EXTENSION OF TIME TO DEVELOP  
147-151 EAST COLLEGE STREET  
FOR LOW AND MODERATE INCOME HOUSING

WHEREAS, the COVINA REDEVELOPMENT AGENCY (“Agency”) on May 20, 2005, acquired 147-151 East College Street, an 8.747 square foot property with the use of the Agency’s Low and Moderate Income Housing Fund; and

WHEREAS, Health and Safety Code Section 33334.16 provides that within five years from the date a redevelopment agency first acquires an interest in real property using monies from the Low and Moderate Income Housing Fund, the agency shall “initiate activities consistent with the development of the property” for low and moderate income housing; and

WHEREAS, the Agency has initiated activities in the last five years, including discussion with developers, to build on the site; and

WHEREAS, the Agency desires to extend the period by resolution for one additional period not to exceed five years, and the Agency intends for the property to be used for the development of housing affordable to persons and families of low and moderate income.

WHEREAS, in the event such affordable housing project is not forthcoming, the Agency will sell the property and repay the low and moderate income housing fund.

NOW, THEREFORE, BE IT RESOLVED BY THE COVINA REDEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The recitals set forth above are true and correct, and are hereby incorporated herein by this reference as if fully set forth in their entirety.

SECTION 2. The Board hereby affirms the intention of the Agency that the real property located at 147-151 E. College Street be used for the development of housing affordable to persons and families of low and moderate income.

SECTION 3. Pursuant to the authority of the Health and Safety Code Section 33334.16, the Board hereby extends the period during which the Agency may retain the real property located at 147-151 E. College Street for an additional period of five (5) years, which additional period shall expire on May 20, 2015.

SECTION 4. The Secretary shall certify to the passage and adoption of this resolution and the same shall thereupon take effect and be in force.

PASSED, APPROVED AND ADOPTED this 18th day of May, 2010.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Agency Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Agency Counsel

**CITY OF COVINA/REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** May 18, 2010

**ITEM NO.:** JPH 1

**STAFF SOURCE:** Daryl Parrish, Executive Director <sup>DP</sup>  
Robert Neiuber, Deputy Executive Director <sup>RN</sup>  
Elizabeth Hull, Agency Counsel  
Lisa Brancheau, Redevelopment Manager

**ITEM TITLE:** Joint Public Hearing for sale of real property at Citrus Avenue at School and Italia Streets and Execution of Disposition and Development Agreement between the Covina Redevelopment Agency and Olson Land Projects, LLC

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**CITY AND AGENCY STAFF RECOMMENDATION**

Adopt **Resolution Nos. 10-6840 and 10-623**, approving the sale of real property by the Covina Redevelopment Agency pursuant to that certain Disposition and Development Agreement (DDA) with Olson Land Projects, LLC and approve the transfer of Low-Moderate Income Housing Project Area No. One Fund Balance funds for affordable housing assistance for the Developer.

**FISCAL IMPACT**

There is no General Fund impact. Under the DDA, the property will be conveyed to the Developer, Olson Land Projects, LLC for a Fair Market vacant land value of \$1,883,820 (\$20 per square foot) per appraisal dated April 21, 2010. Of this amount, \$128,460 will be credited to Low-Moderate Income Housing account no. 2051-4700-00-49700 for property located within the project site at 116 E. School Street. This is based on today's appraised value of \$20 per square foot of property for 6,423 square feet of land. The remaining amount of \$1,755,360 will be credited to Project Area No. 1 Land Proceeds account no. 5031-4450-00-49700.

Conveyance to the Developer will take place once the Agency has acquired the last two remaining parcels necessary to fully assemble the site. One remaining parcel is owned by the City Parking District and appraises for \$375,000. The second is owned by the Covina Valley Unified School District (CVUSD) and appraises for \$468,500. The Agency owns seven parcels, six of which were acquired over the last two years. The parcels are listed below:

115 E. Italia Street; 125 E. Italia Street; 300 N. Citrus Avenue; 312 N. Citrus Avenue; 316 N. Citrus Avenue; 322 N. Citrus Avenue; and 116 E. School Street

CRA Low-Moderate Income Housing Funds in the amount of \$930,820 will be provided to the Developer to be utilized for the construction of 8 for sale moderate workforce housing units within the project. This amount will be provided by Low-Moderate Income Housing Funds, account no. 2051-4700-00-53775. There is sufficient fund balance available for this increase in appropriation.

Exhibit C contains a Revenue and Expenditure report for the project which also shows anticipated revenues that are expected to be generated during the remaining 15 year life of the Redevelopment Agency.

**BACKGROUND**

The Agency Board extended an Exclusive Right to Negotiate with Olson Land Projects, LLC on September 1, 2009 for the Heritage Walk Project, renamed, Citrus Walk. The proposed project, is 94,141 square feet (2.14 acres) and will be developed at Citrus, Italia and School Streets. It will consist of a maximum of 52 townhome units, 8 of which are for-sale moderate workforce housing units. These units will be located above a maximum 8,300 square foot retail building located along Citrus Ave and the remainder of the homes will be constructed behind the retail units to the east. The alley east of Citrus Avenue and part of School Street will be vacated and made part of the development parcel.

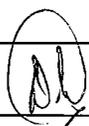
A provision of the DDA requires that public infrastructure improvements identified during the entitlement process be completed during construction by the Developer. Such improvements include, but are not limited to, any applicable street widenings, cul-de-sac improvements, installation of sidewalks and driveway approaches, street lights, and other like improvements. The Developer is aware of such requirements. In addition to public infrastructure improvements, the project will rejuvenate downtown and bring an average of 150 new residents to the area who will be able to enjoy the new and existing amenities. This is all in keeping with Town Center Specific Plan, Redevelopment Implementation Plan and General Plan goals.

The environmental document that will be filed for the project is a Notice of Exemption, prepared by the Agency. The project is categorically exempt from the requirements of CEQA because the project is characterized as in-fill development meeting the conditions described in CEQA Guidelines Section 15332.

If the DDA is approved, Agency staff will send notice to the retail tenants regarding relocation. A relocation specialist and fixture and equipment appraiser will be brought under contract to assess the benefits due to those tenants eligible for relocation.

**EXHIBITS**

- A. Resolution No. 10-6840
- B. Resolution No. 10-623
- C. Revenue and Expenditure Report
- D. Remaining documents are available at the Covina City Clerk's Office; 125 East College Street, 1<sup>st</sup> Floor

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

RESOLUTION NO. 10-6840

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA APPROVING THE SALE OF REAL PROPERTY BY THE COVINA REDEVELOPMENT AGENCY PURSUANT TO THAT CERTAIN DISPOSITION AND DEVELOPMENT AGREEMENT WITH OLSON LAND PROJECTS, LLC AND APPROVE THE TRANSFER OF LOW-MODERATE INCOME HOUSING PROJECT AREA NO. ONE FUND BALANCE FUNDS FOR AFFORDABLE HOUSING ASSISTANCE FOR THE DEVELOPER

WHEREAS, the COVINA REDEVELOPMENT AGENCY ("Agency") is engaged in activities necessary to execute and implement the Redevelopment Plan for the Project No. 2 ("Project");

WHEREAS, in order to implement the Redevelopment Plan, the Agency proposes to enter into a Disposition and Development Agreement of certain real property in the Project area, pursuant to the terms and provisions of the Disposition and Development Agreement ("Agreement") and which property is described in said Agreement (the "Property");

WHEREAS, Agency has appraised the real property and based upon such appraisal has prepared the Agreement to sell the Property to Olson Land Projects, LLC, a Delaware limited liability company ("Developer") pursuant to the terms of the Agreement;

WHEREAS, the proposed Agreement contains all the provisions, terms, conditions, and obligations required by state and local law;

WHEREAS, Developer possesses the qualifications and financial resources necessary to purchase the Property and develop the Property as described in the Agreement, in accordance with the purposes and objectives of the Redevelopment Plan;

WHEREAS, the Agency has prepared, and the City Council has reviewed and considered, a summary setting forth the cost of the Agreement to the Agency, the estimated value of the interests to be sold determined at the highest uses permitted under the Redevelopment Plan, and the fair market price for the uses permitted and made said summary available for public inspection in accordance with the California Community Redevelopment Law;

WHEREAS, the City Council has considered a Notice of Exemption completed by the Agency pertaining to said Agreement, use of Property, and improvement of the Property;

WHEREAS, said Notice of Exemption conforms to the requirements of the California Environmental Quality Act of 1970 (Public Resources Code, Section 21083, CEQA Guidelines Section 15332 urban infill development), the "Guidelines for the Implementation of the California Environmental Quality Act of 1970," as amended, adopted by the Secretary for

Resources of the State of California, and the Procedures for Implementation of the California Environmental Quality Act of 1970 adopted by resolution of the Agency;

WHEREAS, pursuant to provisions of the California Community Redevelopment Law, the Agency and the City Council held a duly noticed joint public hearing on the proposed sale of the Property and on the proposed Agreement; and

WHEREAS, the City Council has considered all terms and conditions of the proposed Agreement, and the use of the Property pursuant to the proposed Agreement is in the best interests of the City and in accord with the public purposes and provisions of applicable State and local laws.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COVINA AS FOLLOWS:

SECTION 1. Amend the fiscal year 2009 – 2010 Covina Redevelopment Agency operating budget as follows: Increase the budget for account no. 2051-4700-00-49700 by \$128,460 and increase account no. 5031-4450-00-49700 by \$1,755,360.

SECTION 2. Amend the fiscal year 2009 – 2010 Redevelopment Agency operating budget as follows: Increase appropriation in account no. 2051-4700-00-53770 by \$930,820.

SECTION 3. The City Council approves the information contained in the Notice of Exemption.

SECTION 4. The City Council hereby finds and determines that the consideration for sale of that certain real property described as the Property pursuant to the Agreement between the Agency and Olson Land Projects, LLC, is not less than fair market price in accordance with covenants and conditions governing such Agreement.

SECTION 5. The City Council further hereby finds and determines that the uses of the Property pursuant to the Agreement is consistent with the Implementation Plan and will assist in the elimination of blight.

SECTION 6. The sale of that certain real property by the Agency to Olson Land Projects, LLC and the Agreement as presented, are hereby approved as presented together with such changes to the Agreement as may be approved by the City Manager.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force.

APPROVED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2010.

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Mayor

ATTEST:

City Clerk

(SEAL)

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. 10-623

A RESOLUTION OF THE AGENCY BOARD OF THE CITY OF COVINA APPROVING THE SALE OF REAL PROPERTY BY THE COVINA REDEVELOPMENT AGENCY PURSUANT TO THAT CERTAIN DISPOSITION AND DEVELOPMENT AGREEMENT WITH OLSON LAND PROJECTS, LLC AND APPROVE THE TRANSFER OF LOW-MODERATE INCOME HOUSING PROJECT AREA NO. ONE FUND BALANCE FUNDS FOR AFFORDABLE HOUSING ASSISTANCE FOR THE DEVELOPER

WHEREAS, the COVINA REDEVELOPMENT AGENCY ("Agency") is engaged in activities necessary to execute and implement the Redevelopment Plan for the Project No. 2 ("Project");

WHEREAS, in order to implement the Redevelopment Plan, the Agency proposes to enter into a Disposition and Development Agreement of certain real property in the Project area, pursuant to the terms and provisions of the Disposition and Development Agreement ("Agreement") and which property is described in said Agreement (the "Property");

WHEREAS, Agency has appraised the real property and based upon such appraisal has prepared the Agreement to sell the Property to Olson Land Projects, LLC, a Delaware limited liability company ("Developer") pursuant to the terms of the Agreement;

WHEREAS, the proposed Agreement contains all the provisions, terms, conditions, and obligations required by state and local law;

WHEREAS, Developer possesses the qualifications and financial resources necessary to purchase the Property and develop the Property as described in the Agreement, in accordance with the purposes and objectives of the Redevelopment Plan;

WHEREAS, the Agency has prepared, and the Agency Board has reviewed and considered, a summary setting forth the cost of the Agreement to the Agency, the estimated value of the interests to be sold determined at the highest uses permitted under the Redevelopment Plan, and the fair market price for the uses permitted and made said summary available for public inspection in accordance with the California Community Redevelopment Law;

WHEREAS, the Agency Board has considered a Notice of Exemption completed by the Agency pertaining to said Agreement, use of Property, and improvement of the Property;

WHEREAS, said Notice of Exemption conforms to the requirements of the California Environmental Quality Act of 1970 (Public Resources Code, Section 21083, CEQA Guidelines Section 15332 urban infill development), the "Guidelines for the Implementation of

the California Environmental Quality Act of 1970," as amended, adopted by the Secretary for Resources of the State of California, and the Procedures for Implementation of the California Environmental Quality Act of 1970 adopted by resolution of the Agency;

WHEREAS, pursuant to provisions of the California Community Redevelopment Law, the Agency and the City Council held a duly noticed joint public hearing on the proposed sale of the Property and on the proposed Agreement; and

WHEREAS, the Agency Board has considered all terms and conditions of the proposed Agreement, and the use of the Property pursuant to the proposed Agreement is in the best interests of the City and in accord with the public purposes and provisions of applicable State and local laws.

NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY BOARD OF THE CITY OF COVINA AS FOLLOWS:

SECTION 1. Amend the fiscal year 2009 – 2010 Covina Redevelopment Agency operating budget as follows: Increase the budget for account no. 2051-4700-00-49700 by \$128,460 and increase account no. 5031-4450-00-49700 by \$1,755,360.

SECTION 2. Amend the fiscal year 2009 – 2010 Redevelopment Agency operating budget as follows: Increase appropriation in account no. 2051-4700-00-53770 by \$930,820.

SECTION 3. The City Council approves the information contained in the Notice of Exemption.

SECTION 4. The City Council hereby finds and determines that the consideration for sale of that certain real property described as the Property pursuant to the Agreement between the Agency and Olson Land Projects, LLC, is not less than fair market price in accordance with covenants and conditions governing such Agreement.

SECTION 5. The City Council further hereby finds and determines that the uses of the Property pursuant to the Agreement is consistent with the Implementation Plan and will assist in the elimination of blight.

SECTION 6. The sale of that certain real property by the Agency to Olson Land Projects, LLC and the Agreement as presented, are hereby approved as presented together with such changes to the Agreement as may be approved by the City Manager.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force.

APPROVED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2010.

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Agency Chair

ATTEST:

City Clerk

(SEAL)

APPROVED AS TO FORM:

City Attorney

# HERITAGE WALK

<u>EXPENDITURES</u>	<u>(AGENCY COSTS)</u>
<b>LAND ACQUISITION PRICE - (Parking District &amp; CVUSD Owned Properties)</b>	
147 E. Italia Street - Appraised Value (Parking District)	\$375,000
120 E. School Street - Appraised Value (CVUSD)	\$468,500
<b>TOTAL</b>	<b>\$843,500</b>
<b>LAND ACQUISITION PRICE (Agency Owned Properties)</b>	
<b>TOTAL</b>	<b>\$3,696,607</b>
<b>AGENCY AFFORDABLE HOUSING ASSISTANCE</b> (CRA Low-Moderate Income Housing Funds)	<b>\$930,820</b>
<b>ESTIMATED RELOCATION/GOODWILL/FIXTURES &amp; EQUIPMENT</b>	<b>\$700,000</b>
<b>OTHER COSTS (Estimated Demolition of Site, Legal Fees, Consultant Fees)</b>	<b>\$500,000</b>
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$6,670,927</u></b>
<b><u>REVENUES</u></b>	
<b><u>Covina Redevelopment Agency:</u></b>	
Land Sales - 94,191 sq. ft. of vacant land; alley, portion of School St. & park easement @\$20 per sq. ft. (Includes 116 E. School Street - 6,423 sq. feet @\$20 per sq. ft. = \$128,460 to reimburse Low Mod fund account)	\$1,883,820
<b>ESTIMATED TAX INCREMENT THROUGH 2028 - Housing Set Aside</b> (Net gain @ 2% annual growth)	\$1,117,639
<b>ESTIMATED TAX INCREMENT THROUGH 2028</b> (Net gain @ 2% annual growth)	\$1,334,328
<b>TOTAL CRA REVENUES:</b>	<b><u>\$4,335,787</u></b>
<b><u>City Special Funds and General Fund:</u></b>	
<b>RESIDENTIAL DEVELOPMENT IMPACT FEES (Includes Quimby Fees)</b>	\$469,229
<b>COMMUNITY FACILITIES DISTRICT (CFD): \$419.34 per 40 units (annually)</b>	\$251,604
<b>TIER 1 STATUTORY TAX SHARING PASS THROUGH (General Fund)</b> (Total amount generated FY 09/10 - FY24/25)	\$115,300
<b>ESTIMATED SALES TAX THROUGH 2025 (net gain @ 3% annual growth)</b>	\$17,293
<b>Bldg. Eng. &amp; Environmental Permit &amp; Inspection Fees</b>	\$197,379
<b>TOTAL CITY SPECIAL FUNDS AND GENERAL FUND REVENUES:</b>	<b><u>\$1,050,805</u></b>
<b><u>Parking District:</u></b>	
<b>Tier 1 STATUTORY TAX SHARING PASS THROUGH</b> (Total amount generated FY 09/10 - FY24/25)	\$21,216
Sale of Parking District Land	\$375,000
<b>VEHICLE PARKING DISTRICT NO. 1 ANNUAL ASSESSMENT (15 YEARS)</b>	\$213,098
<b>TOTAL PARKING DISTRICT REVENUES:</b>	<b><u>\$609,314</u></b>
<b>TOTAL REVENUES</b>	<b><u>\$5,995,906</u></b>
<b>TOTAL BENEFIT TO AGENCY*</b>	<b><u>-\$2,335,140</u></b>
<b>TOTAL BENEFIT TO CITY GENERAL FUND**</b>	<b><u>\$1,050,805</u></b>
<b>TOTAL BENEFIT TO PARKING DISTRICT #1**</b>	<b><u>\$609,314</u></b>

\* Over the life of the project area  
 \*\* Over first fifteen years of the project

**REMAINING DOCUMENTS ARE AVAILABLE AT THE  
COVINA CITYCLERK'S OFFICE  
125 EAST COLLEGE STREET, 1<sup>ST</sup> FLOOR**