



City of Covina/Covina Redevelopment
Agency/Covina Public Finance
Authority/Covina Housing Authority
Mayor John King – Mayor Pro Tem Kevin Stapleton
Council Members Walt Allen, III – Peggy Delach – Bob Low

REGULAR MEETING AGENDA
125 E. College Street, Covina, California
Council Chamber of City Hall
Tuesday, September 6, 2011
6:30 p.m.

- **The City Council/Redevelopment Agency/Public Finance Authority/Housing Authority will meet in closed session from 6:30 p.m.-7:30 p.m.**
- As a courtesy to Council/Agency/Authority 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 Council/Agency/Authority 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/Chairperson 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 Council/Agency/Authority 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's Office at (626) 384-5430. Services such as American Sign Language interpreters, a reader during the meeting, large print copies of the agenda and assisted listening devices are available. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.
- **DOCUMENT AVAILABILITY:** Any writings or documents provided to a majority of the Council/Agency/Authority 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 North 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 www.covinaca.gov.
- Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the City Council/Redevelopment Agency/Public Finance Authority/Covina Housing Authority unless listed on agenda, which has been posted not less than 72 hours prior to meeting.
- If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to raising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting.
- The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the **September 6, 2011**, meeting was posted on **September 1, 2011** near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2(a) of the California Government Code.

September 6, 2011

**CITY COUNCIL/REDEVELOPMENT AGENCY/
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY
JOINT MEETING—CLOSED SESSION
6:30 p.m.**

CALL TO ORDER

ROLL CALL

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

PUBLIC COMMENTS

The Public is invited to make comment on Closed Session items only at this time. To address the Council/Agency/Authority 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/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to Closed Session for the following:

CLOSED SESSION

- A. G.C. §54956.9(a) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Name of case: Leah Diane Sanders v. City of Covina: Case No. KCO59172

- B. G.C. §54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Negotiations to include both price and terms:
Property: Northeast corner San Bernardino Rd. and Park Ave. (APN 8430-024-012)
Negotiating parties: Hassen Development
Agency negotiator: Robert Neiuber, Community Development Director/CRA Deputy Director

- C. G.C. §54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Negotiations to include both price and terms of a back-up offer:
Property: Southwest corner San Bernardino Rd. and Hollenbeck Ave. (APN 8432-023-012)
Negotiating parties: The Curtis Company
Agency negotiator: Robert Neiuber, Community Development Director/CRA Deputy Director

RECESS

**CITY COUNCIL/REDEVELOPMENT AGENCY/
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY
JOINT MEETING—OPEN SESSION
7:30 p.m.**

CALL TO ORDER

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Led by Council Member Low

INVOCATION

Led by Covina Police Chaplain Dr. Patricia Venegas

PRESENTATIONS

- Recognition – Covina Assembly of God Church
- Recognition – Planning Commissioner George Chadwick
- Proclamation – Covina Chapter of NSDAR (National Society of the Daughters of the American Revolution) and recognizing Constitution Week

PUBLIC COMMENTS

To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk/Agency/Authority 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/Authority Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Council/Agency/Authority Members wishing to make any announcements of public interest or to request that specific items be added to future City Council/Redevelopment Agency/Public Finance Authority/Housing Authority 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/Public Finance Authority/Housing Authority votes on them, unless a member of the Council/Agency/Authority requests a specific item be removed from the consent calendar for discussion.

- CC 1.** City Council to approve the minutes of the August 16, 2011 regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.

- CC 2. City Council to approve the minutes of the August 25, 2011 special meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 3. City Council to approve the minutes of the August 25, 2011 adjourned regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 4. City Council to receive notification of the Covina Irrigation Company Annual Stockholders Meeting, confirmation of Board Nominees; and Designation of Proxy and Alternate Proxy.
- CC 5. City Council to adopt **City Resolution No. 11-7000**, designating certain officials as individuals authorized to execute applications and documents.
- CC 6. City Council to approve Public Works Personnel Adjustments.
- CC 7. City Council to award Bid for Resurfacing Residential Streets at Various Locations – Project No. P-1116 to Gentry Brothers, Incorporated; and adopt **City Resolution No. 11-7002**, appropriating \$340,000 in Measure R funds to the current fiscal year budget and allocating those funds to Account No. 2410-2200-00-55310 for expenditure.

PUBLIC HEARING

- PH 1. Public hearing of the City Council/Redevelopment Agency to consider Resolutions authorizing annexation of territory to City of Covina Community Facilities District No. 2007-1 (Public Services) (Annexation No. 5), and to call and hold a special election (Citrus Walk).

Staff Recommendation:

- a) City Council to open the public hearing and take public testimony; and
- b) City Council to adopt **City Resolution No. 11-7003**, authorizing the annexation of territory to Community Facilities District No. 2007-1 (Annexation No. 5), and authorizing the levy of special tax and submitting the levy of tax to the qualified electors; and
- c) City Council to adopt **City Resolution No. 11-7004**, calling a special election and submitting to the voters of Annexation No. 5 of City of Covina Community Facilities District No. 2007-1 (Public Services), propositions regarding the annual levy of special taxes within Annexation No. 5 to finance public services, and the establishment of an appropriations limits; and
- d) City Council to adopt **City Resolution No. 11-7005**, making certain findings, certifying the results of an election and adding property to Community Facilities District No. 2007-1 (Public Services), Annexation No. 5.

CONTINUED BUSINESS

CB 1. City Council to hold second reading to consider adoption of **Ordinance No. 11-1999**, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina.

Staff Recommendation:

a) That the City Council continues this item to a future date to be determined.

CB 2. City Council to hold second reading and adopt **Ordinance No. 11-2000**, amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating person performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations.

Staff Recommendation:

a) That the City Council pass and adopt **Ordinance No. 11-2000**, amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating person performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations.

CB 3. City Council to hold second reading and adopt **Ordinance No. 11-2001**, revising a schedule of fees for vehicle parking in municipal parking lots.

Staff Recommendation:

a) City Council to pass and adopt **Ordinance No. 11-2001**, revising a schedule of fees for vehicle parking in municipal parking lots within the City of Covina.

NEW BUSINESS

NB 1. City Council to introduce and waive further reading of **Ordinance No. 11-2002**; Amending Title 10 of the Covina Municipal Code pertaining to Vehicle and Traffic Regulations.

Staff Recommendation:

a) That the City Council introduce and waive further reading of **Ordinance No. 11-2002**; Amending Title 10 of the Covina Municipal Code pertaining to Vehicle and Traffic Regulations.

NB 2. City Council to seek input and discussion regarding resolutions that are to be voted on at the 2011 League of California Cities Annual Conference.

Staff Recommendation:

a) That the City Council discuss and provide input regarding resolutions that are to be voted on at the 2011 League of California Cities Annual Conference.

NB 3. City Council/Redevelopment Agency to adopt **City Resolution No. 11-6995** and **Agency Resolution No. 11-688**, adopting Investment Policies for Fiscal Year 2011-2012.

Staff Recommendation:

- a) That the City Council adopt **City Resolution No. 11-6995**, adopting an investment policy for the City's investment portfolio for Fiscal Year 2011-2012.
- b) That the Redevelopment Agency adopt **Agency Resolution No. 11-688**, adopting an investment policy for the Agency's investment portfolio for Fiscal Year 2011-2012.

ADJOURNMENT

The Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to its next regular meeting, **Tuesday, September 20, 2011** at 6:00 p.m. for closed session and at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.



MINUTES OF THE AUGUST 16, 2011 REGULAR MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor King called the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting to order at 6:36 p.m. City Attorney Marco Martinez announced the closed session items listed on the regular meeting agenda. There was no public comment.

ROLL CALL

Council Members Present: ALLEN, DELACH, KING, STAPLETON

Council Members Absent: LOW (with notice)

Elected Members Present: MANNING

Staff Members Present: City Manager, City Attorney, Police Chief, Fire Battalion Chief, Human Resources Director, Public Works Director, Community Development Director/CRA Deputy Director, Finance Director, Parks and Recreation/Library Director, Police Captain, Environmental Services Manager, Sr. Management Analyst, City Planner, Associate Planner and Deputy City Clerk

AGENDA POSTING DECLARATION

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the August 16, 2011 regular City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on August 11, 2011 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

CONVENED THE MEETING AND RECESSED TO CLOSED SESSION

- A. G.C. §54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Negotiations to include both price and terms:
 Property: Northeast corner San Bernardino Rd. and Park Ave. (APN 8430-024-012)
 Negotiating parties: Hassen Development
 Agency negotiator: Robert Neiuber, Community Development Director/CRA Deputy Director
- B. G.C. §54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Negotiations to include both price and terms of a back-up offer:
 Property: Southwest corner San Bernardino Rd. and Hollenbeck Ave. (APN 8432-023-012)
 Negotiating parties: The Curtis Company
 Agency negotiator: Robert Neiuber, Community Development Director/CRA Deputy Director

- C. G.C. §54957.6 - CONFERENCE WITH LABOR NEGOTIATORS
Agency representative: Anthony Arroyo, Director of Human Resources
Employee organization: American Federation of State, County and Municipal Employees, Executive Compensation Rules, Mid-Management and Confidential Employee Compensation Rules, Police Association of Covina, Police Management Group

CONVENE THE MEETING

The City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting reconvened at 7:35 p.m.

City Attorney Marco Martinez reported City/Agency/Authority met in closed session to discuss the items listed on the agenda with all members present except for Council Member Low. City Attorney Marco Martinez reported that there was no reportable action related to closed session items A through C.

PLEDGE OF ALLEGIANCE

Council Member Delach led the pledge of allegiance.

INVOCATION

Covina Police Chaplain, David Truax, lead the invocation.

PRESENTATIONS

Mayor King invited Boy Scouts with Troop 446, 448 and 489 to the lectern to assist him with presentations.

Mayor King invited Council Member Walter Allen and George Petersen, Covina Downtown Association President, to the lectern and presented them a proclamation recognizing September 17, 2011 as Pat Allen Day in Covina. An invitation was extended to the community to participate in the third annual Dare to Care cut-a-thon on September 17, 2011 with proceeds going to Citrus Valley Hospice.

PUBLIC COMMENTS

Michael Guerrero, Shepherd's Pantry, spoke about the organization, which began in 2004 delivering free emergency food service to residents in Glendora. They now operate out of 5,000 square-foot facility and have expanded services to include walk-in food service, clothing distribution center and tutoring program for children Mr. Guerrero noted the greatest number of people the Shepherd's Pantry serve come from the City of Covina. He explained that the Shepherd's Pantry would like to establish a relationship with the City of Covina and extended an invitation to their fall celebration fundraiser on September 24, 2011. Ticket donation is \$40 and for additional information contact (626) 852-7801.

Leonard Rose Jr. spoke on the Covina Assembly of God Church Back-2-School Blast, which will take place on August 17, 2011 from 5:00 p.m. to 7:30 p.m. at Covina Park. Mr. Rose

explained this year's event would include free haircuts, medical screening, and face painting in addition to the free school supplies given out. Mr. Rose thanked the Police Department volunteers that assist with the event.

Rony Kharrat spoke regarding the property he owns at 214 N. Citrus Avenue, explaining that he is having difficulties finding tenants when the leaseholder is required to meet requirements of the Covina Town Center Specific Plan and the cost associated through the permit process. Mayor King requested Mr. Kharrat contact Community Development Director/CRA Deputy Director Robert Neiuber, to assist with finding a business that fits the Town Center Specific Plan.

City Clerk Kay Manning announced the Second Annual Covina Yellow Ribbon car show is scheduled for Saturday, September 10, 2011 from 2:00 p.m. to 6:00 p.m. at Covina Park. Additional information is available at www.covinaca.gov.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Mayor Pro Tem Stapleton requested to adjourn the meeting in memory of retired Covina Fire Chief Carl Johnson who had a 37-year career in Covina. Chief Johnson will be honored in a flag ceremonial on Wednesday, August 31, 2011 at 11:00 a.m. at Station 154, 2nd Avenue and E. School Street.

Council Member Allen stated that the Dare to Care cut-a-thon for Citrus Valley Hospice would take place on Saturday, September 17, 2011. Additional information is available at www.cvhf.org and www.covinaca.gov. Council Member Allen extended a reminder for the Back-2-School Blast taking place tomorrow evening, 5:00 p.m. to 7:30 p.m. at Covina Park.

Council Member Delach noted that if you are not able to attend the Dare to Care cut-a-thon event, donations are still encouraged to the Citrus Valley Hospice.

Mayor King announced on Saturday, August 27, 2011, from 10:00 a.m. to 12:00 noon, residents are invited to how to save money, increase energy and water efficiency by attending the Energy Upgrade California kick-off event at Covina City Hall in the Council Chamber. To RSVP visit www.sgvco.org/energyupgrade or call (626) 457-1800.

Mayor King reminded residents to keep a lookout for the Fall issue of the City View, which will provide details of upcoming community events.

CITY MANAGER COMMENTS

City Manager Daryl Parrish stated that Consent Calendar item CC16 should be pulled for discussion so that the City Council could appoint a delegate to vote on six resolutions that would be coming before the League of California Cities general assembly conference on September 21, 2011. He added, at the September 6, 2011 meeting, an agenda item commentary would provide further details on the six resolutions in order for the entire council body to provide input. City Manager Parrish thanked those staff members who participated in the City's blood drive, which was held today in the Covina Public Library.

CONSENT CALENDAR

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar items CC1, CC2, CC3, CC4, CC5, CC9, CC10, CC11, CC12, CC13, CC14, CC15, CC17 and CC18. **Motion carried 4-0, with Council Member Low absent.** Consent Calendar items CC6, CC7, CC8 and CC16, were removed from the agenda for further discussion and consideration.

- CC 1. City Council approved the minutes of the July 19, 2011 regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 2. City Council approved Payment of Demands in the amount of \$4,171,691.35.
- CC 3. City Council awarded a contract for Workers' Compensation Claims Administration, Bill Review and Nurse Case Management Programs to Keenan and Associates and authorize the City Manager to enter into a three-year agreement.
- CC 4. City Council awarded a bid for Auxiliary Power Systems for Various Utility Sites and City Yard – Project No. F-1104 to A and B Electric as the lowest responsive and responsible bidder.
- CC 5. City Council awarded a bid for Resurfacing of Puente Street – Project No. P-1002, Federal Project No. STPL-5118(017) to Silvia Construction, Inc., as the lowest responsive and responsible bidder; and adopt **City Resolution No. 11-6999**, appropriating \$590,000 in Federal Surface Transportation Program-Local (STPL) funds to the current fiscal year budget.
- CC 6. City Council adopted **City Resolution No. 11-6987**, authorizing the destruction of obsolete records for the City Clerk's Office.

Mayor King inquired and Deputy City Clerk Cathy LaCroix responded the records set for destruction for the City Clerk's Office meet the City's record retention schedule are no longer needed for administrative or historical purposes.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar item CC6. **Motion carried 4-0, with Council Member Low absent.**

- CC 7. City Council adopted **City Resolution No. 11-6998**, authorizing the destruction of obsolete records covering the period of 1992-2002 for the Planning Division.

Mayor King inquired and City Manager Daryl Parrish responded the records set for destruction for the Planning Division meet the City's record retention schedule and are no longer needed for administrative or historical purposes.

On a motion made by Council Member Delach, seconded by Council Member Allen, the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority

approved Consent Calendar item CC7. **Motion carried 4-0, with Council Member Low absent.**

- CC 8.** City Council adopted **City Resolution No. 11-6994**, approving to reimburse certain expenditures for City Hall and Joslyn Center capital projects from the proceeds of a proposed tax-exempt financing.

Mayor Pro Tem Stapleton expressed a concern of authorizing up to \$5 million in expenditures without identifying exactly how the money is allocated and is not in support of the resolution.

City Manager Daryl Parrish explained the resolution is only a reimbursement resolution should the City issue bonds. There is no commitment to move forward with the proposed improvements.

Finance Director Dilu De Alwis reported that before the City can secure financing for improvements to City Hall and the Joslyn Center, there is a requirement to get cost estimates. He added, in order to acquire project costs, the City would incur consultant expenses and this resolution would help to recover those consultant fees. Finance Director De Alwis stated if the project does not occur because of excessive cost the consultant fees would then be taken from the City's general fund.

On a motion made by Council Member Delach, seconded by Council Member Allen, the City Council/Redevelopment Agency/Public Finance Authority/Hosing Authority approved Consent Calendar item CC8. **Motion carried 3-1, with Mayor Pro Tem Stapleton voting no and Council Member Low absent.**

- CC 9.** City Council adopted **City Resolution No. 11-6996**, amending the fiscal year Police Department 2011-2012 budget for traffic diagramming hardware and software equipment.
- CC 10.** City Council adopted **City Resolution No. 11-6997**, amending the fiscal year Police Department 2011-2012 budget for the purchase of digital photo evidence hardware and software equipment.
- CC 11.** City Council received and filed the monthly strategic plan update.
- CC 12.** City Council received and filed the Public Works Department monthly activity report.
- CC 13.** City Council received and filed the Quarterly Report of the Treasurer for the Quarter ended June 30, 2011.
- CC 14.** City Council approved the second amendment of the Professional Services Contract with Tyler Technologies.
- CC 15.** City Council approved the use of funds from the Community Development Block Grant 2011-2012 funding allocation for Special Economic Development.

CC 16. City Council designated the voting delegate and alternate for the League of California Cities Annual Conference.

Following a brief discussion and on a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, assigns Council Member Walter Allen as the voting delegate for the League of California Cities Annual Conference held on September 21-23, 2011. **Motion carried 4-0, with Council Member Low absent.**

CC 17. Redevelopment Agency approved Payment of Demands in the amount of \$923,403.23.

CC 18. Redevelopment Agency received and filed the Quarterly Report of the Treasurer for the Quarter ended June 30, 2011.

CONTINUED BUSINESS

CB 1. City Council to have second reading to consider adoption of **Ordinance No. 11-1999**, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina; approval of City and Agency Resolutions approving a Remittance Agreement pursuant to California Health and Safety Code Section 34194.2 and adopting a Resolution of the Covina Redevelopment Agency reducing its allocation to the Low and Moderate Income Housing Fund for the 2011-12 Fiscal Year and making certain findings and determinations.

Staff Recommendation:

- a) That the City Council pass and adopt **Ordinance No. 11-1999**, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina; and
- b) That the City Council and Redevelopment Agency approve a Remittance Agreement pursuant to California Health and Safety Code Section 34194.2; and
- c) That the City Council adopt **City Resolution No. 11-7000**, approving a Remittance Agreement pursuant to California Health and Safety Code Section 34194.2; and
- d) That the Redevelopment Agency adopt **Agency Resolution No. 11-689**, approving a Remittance Agreement pursuant to California Health and Safety Code Section 34194.2; and
- e) That the Redevelopment Agency adopt **Agency Resolution No. 11-687**, reducing its allocation to the Low and Moderate Income Housing Fund for the 2011-12 Fiscal Year and making certain findings and determinations.

City Manager Daryl Parrish reported that part of the court case that was filed by the California Redevelopment Agency and the League of California Cities, the court issued a stay on AB 27. He added that Continued Business item CB1 resolutions could not be acted upon until the stay is lifted or until the court rules on the matter because the City is not allowed to act as a Redevelopment Agency.

City Attorney Marco Martinez stated that last Thursday the California Supreme Court issued a partial stay of AB 26 and a stay of AB 27, which means that Council cannot take certain action between now and the time the City adopts a forcible obligation payment schedule. At the conclusion of the discussion/action, Council would have to agree on a date to hold a special meeting to adopt the forcible obligation payment schedule, which has to be adopted before August 27, 2011. City Attorney Martinez reported until the City adopts the forcible payment schedule, the City is prohibited from adopting any redevelopment agency actions.

Following a brief discussion and on a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, called for a regular adjourned meeting and a special meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting for Thursday, August 25, 2011 at 7:00 p.m., to bring forward second reading of Ordinance No. 11-1999 and the consideration of the Enforceable Obligation Payment Schedule pursuant to AB 1X 26. **Motion carried 4-0, with Council Member Low absent.**

CB 2. Mayor and City Council make appointments to City of Covina Boards, Commissions and Committees and/or schedule interviews.

Staff Recommendation:

- a) That the Mayor make appointments to the Library Board of Trustees and City Council to ratify said appointments by Mayor, or schedule interviews of applicants; and
- b) That the City Council make appointments to the Community Recognition Policy Committee, Cultural Arts Advisory Commission, Historic Preservation Board, Housing and Community Development Committee, Personnel Advisory Board, Planning Commission, Traffic Advisory Committee and Youth Accountability Board or schedule interviews of applicants.

Mayor King reported supplementary applications were received and placed on the dais for Anthony Peraza for Planning Commission and Cultural Arts Advisory Commission and Robert Moreno for Youth Accountability Board.

Mayor King appointed Jeanne McCabe and Bill Stoskopf to the Library Board of Trustees, and the City Council ratified said appointments. **Motion carried 4-0, with Council Member Low absent.**

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council appointed Michelle-Lynn Gallego to the Community Recognition Policy Committee and Housing and Community Development Committee; Anthony Peraza to the Cultural Arts Advisory Commission; Olga Lederer, Kevin Farrell Rader and Leona Ramirez to the Personnel Advisory Board; Daniel McMeekin and Brad Manning to the Planning Commission; confirming the five Planning Commission members to the Historic Preservation Board. **Motion carried 4-0, with Council Member Low absent.**

Following a brief discussion, on a motion made by Council Member Allen, seconded by Council Member Delach, the City Council appointed Geoffrey Cobbett, Bob Davis,

Daniel McMeekin and Bill Prescott to the Traffic Advisory Committee. **Motion carried 4-0, with Council Member Low absent.**

Following a brief discussion, on a motion made by Mayor King, seconded by Mayor Pro Tem Stapleton, the City Council appointed John Butterworth, Kay Manning, Henry Medina, Roxanne Medina, Bill Prescott and Robert Moreno to the Youth Accountability Board. **Motion carried 4-0, with Council Member Low absent.**

NEW BUSINESS

- NB 1.** City Council/Redevelopment Agency to adopt **City Resolution No. 11-6995** and **Agency Resolution No. 11-688**, adopting investment policies for Fiscal Year 2011-12 for the City of Covina and Covina Redevelopment Agency.

New Business Item NBI was removed from the agenda and is scheduled to return before City Council/Redevelopment Agency on September 6, 2011.

- NB 2.** City Council to introduce and waive further reading of **Ordinance No. 11-2000**, amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating persons performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations.

City Manager Daryl Parrish reported the proposed ordinance updates the City's waste management and recycling code with amendments that require any solid waste service provider would operate under an franchised agreement approved by the City Council and establishes a particular level of service in the community.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council introduced by title only and waived further reading of **Ordinance No. 11-2000**, amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating person performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations. **Motion carried 4-0, with Council Member Low absent.**

- NB 3.** City Council to introduce and waive further reading of **Ordinance No. 11-2001**, revising a schedule of fees for vehicle parking in municipal parking lots.

Sr. Management Analyst Alex Gonzalez reported the proposed ordinance would update parking fees for vehicle parking in the municipal parking lots based on parking technology improvements.

City Council inquired, and Sr. Management Analyst Alex Gonzalez confirmed, the employees that work in the downtown area would be able to purchase monthly municipal parking permit for any of the municipal lots.

Following a brief discussion and on a motion made by Council Member Allen, seconded by Mayor Pro Tem Stapleton, the City Council introduced by title only and waived further reading of **Ordinance No. 11-2001**, revising a schedule of fees for vehicle parking in municipal parking lots. **Motion carried 4-0, with Council Member Low absent.**

ADJOURNMENT

At 9:03 p.m., Mayor King adjourned the Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority in memory of retired Covina Fire Chief Carl Rodger Johnson to the adjourned regular meeting and special meeting to be held on **Thursday, August 25, 2011**, 7:00 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

Catherine M. LaCroix
Deputy City Clerk/Agency/Authority Secretary

Approved this 6th day of September, 2011.

John C. King, Mayor/Chairperson



MINUTES OF THE AUGUST 25, 2011 SPECIAL MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Pro Tem Stapleton called the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority special meeting to order at 7:01 p.m.

ROLL CALL

Council Members Present: ALLEN, LOW, STAPLETON
Council Members Absent: DELACH AND KING (with notice)
Elected Members Present: MANNING
Staff Members Present: City Manager, City Attorney, Finance Director, Community Development Director/CRA Deputy Director, Sr. Management Analyst, Redevelopment Manager and Deputy City Clerk

AGENDA POSTING DECLARATION

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the August 25, 2011 City Council/Redevelopment Agency/Public Finance Authority/Housing Authority special meeting was posted on August 24, 2011 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

PLEDGE OF ALLEGIANCE

Covina Police Chaplain, David Truax, led the pledge of allegiance.

INVOCATION

Covina Police Chaplain, David Truax, lead the invocation.

PUBLIC COMMENTS

Leonard Rose Jr. expressed his appreciation to Covina Assembly of God Church, Parks and Recreation Department, Covina Police Department and the volunteers who assisted with the Back-2-School Blast. Mr. Rose thanked Covina Taco Bell for serving over a thousand tacos at the event and noted that Channel 7 News attended.

COUNCIL/AGENCY/AUTHORITY COMMENTS

Council Member Low requested to adjourn the meeting in honor of Larry Smith of West Covina, who held deep roots and contributed to the City of Covina.

CITY MANAGER COMMENTS

None

NEW BUSINESS

NB 1. City Council/Redevelopment Agency to consider approving and adopting a resolution of the Redevelopment Agency of the City of Covina, approving and adopting an Enforceable Obligation Payment Schedule pursuant to AB 1X 26.

Staff Recommendation

- a) Redevelopment Agency to adopt **Agency Resolution No. 11-687**, approving and adopting an Enforceable Obligation Payment Schedule pursuant to AB 1X 26; and
- b) Redevelopment Agency to authorize the Executive Director to post the Enforceable Obligation Payment Schedule on the City's website and transmit to the Los Angeles County Auditor-Controller, the State Controller and the Department of Finance notification, by mail or electronic means, providing the website location of the posted enforceable obligation payment schedule and other information as required.

City Manager Daryl Parrish stated the reason for the special meeting tonight has to do with Assembly Bill 1X 26 and Assembly Bill 1X 27, as part of the California State budget, which would have the combined effect of abolishing every redevelopment agency unless the City participates in a voluntary payment program. Part of AB 1X 26 requires the submittal of an Enforceable Obligation Payment Schedule ("EOPS"), to the California Department of Finance, State Controllers Office and the County Auditor-Controller by August 27, 2011. City Manager Parrish reported the item before Council includes the EOPS, a list of all the items the Covina Redevelopment Agency contributes funding to.

Community Development Director/CRA Deputy Director Robert Neiuber reported there is an updated Enforceable Obligation Payment Schedule provided this evening on the dais.

Council Member Low inquired regarding his ability to participate in the recommended matter, to which City Attorney Elizabeth Hull responded that the EOPS addresses funding for a number of projects and there should be no conflict.

Council Member Allen expressed his concerns with what the State legislator is doing and urged the California Supreme Court to rule in favor of California cities.

Following a brief discussion, on a motion made by Council Member Allen, seconded by Low, the City Council adopted **Agency Resolution No. 11-687**, approving and adopting an Enforceable Obligation Payment Schedule pursuant to AB 1X 26. **Motion carried 3-0, with Council Member Delach and Mayor King absent.**

On a motion made by Council Member Low, seconded by Council Member Allen, the City Council authorized the Executive Director to post the Enforceable Obligation Payment Schedule on the City's website and transmit to the Los Angeles County Auditor-Controller, the State Controller and the Department of Finance notification, by mail or electronic means, providing the website location of the posted enforceable obligation payment schedule and other information as required. **Motion carried 3-0, with Council Member Delach and Mayor King absent.**

ADJOURNMENT

At 7:18 p.m., Mayor Pro Tem Stapleton adjourned the Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority to the special meeting of **Thursday, August 25, 2011** at 7:00 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

Catherine M. LaCroix
Deputy City Clerk/Agency/Authority Secretary

Approved this 6th day of September, 2011.

John C. King, Mayor/Chairperson



MINUTES OF THE AUGUST 25, 2011 ADJOURNED REGULAR MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA

CALL TO ORDER

Mayor Pro Tem Stapleton called the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority adjourned regular meeting to order at 7:19 p.m.

ROLL CALL

Council Members Present: ALLEN, LOW, STAPLETON

Council Members Absent: KING and DELACH (with notice)

Elected Members Present: MANNING

Staff Members Present: City Manager, City Attorney, Finance Director, Community Development Director/CRA Deputy Director, Sr. Management Analyst, Redevelopment Manager and Deputy City Clerk

AGENDA POSTING DECLARATION

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the August 25, 2011 adjourned regular City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on August 22, 2011 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

PUBLIC COMMENTS

None

CONTINUED BUSINESS

CB 1. City Council to have second reading to consider adoption of **Ordinance No. 11-1999**, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina.

Staff Recommendation:

a) That the City Council pass and adopt **Ordinance No. 11-1999**, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina.

Mayor Pro Tem Stapleton reported that this item would need to return before Council for second reading because of a lack of a quorum as Council Member Low has a conflict of interest and Council Member Delach and Mayor King's absence.

ADJOURNMENT

At 7:19 p.m., Mayor Pro Tem Stapleton adjourned the Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority in memory of Larry Smith. The next regular meeting will be held on **Tuesday, September 6, 2011** at 6:30 p.m. for closed session and at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

Catherine M. LaCroix
Deputy City Clerk/Agency/Authority Secretary

Approved this 6th day of September, 2011.

John C. King, Mayor/Chairperson

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 20, 2011

ITEM NO.: CC4

STAFF SOURCE: Daryl Parrish, City Manager 

ITEM TITLE: Notification of the Covina Irrigating Company Annual Stockholders Meeting; Confirmation of Board Nominees; and Designation of Proxy and Alternate Proxy.

STAFF RECOMMENDATION

- a) Receive notification of Annual Stockholders Meeting;
- b) Confirm nominees to the Board; and
- c) Designate City Attorney as Proxy and City Manager Daryl Parrish as Alternate Proxy.

FISCAL IMPACT

There is no fiscal impact to nomination process.

BACKGROUND

Each year the City of Covina is notified of the Annual Stockholders Meeting of the Covina Irrigating Company (CIC) to be held at the office at 146 E. College Street. The meeting is held to receive annual reports and to elect board members to serve for the following year. To serve on the Board, an individual must have a shareholder interest.

It is the City Council's option to nominate persons for consideration for the Board of Directors of CIC prior to the stockholder's meeting. If the person nominated does not personally have a share in the Company the City may assign, for the term of office, one share to meet the requirement. Nomination by the City does not guarantee election to the Board.

The current representatives and their years of service are as follows:

Geoffrey H. Cobbett - Appointed in 1995
John B Fielding - Appointed prior to 1992
Henry M. Morgan – Appointed for the second time in 2001
Ron Capotosto – Appointed for the second time in 2005
Richard Jett - Appointed in 2003

All current representatives have submitted letters for reconsideration.

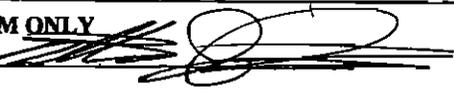
The Annual Stockholders Meeting has been scheduled for October 21, 2011.

RELEVANCE TO THE STRATEGIC PLAN

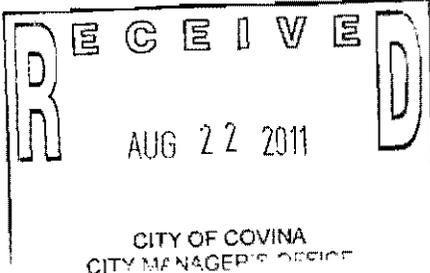
None

EXHIBITS

A. Letters of interest requesting consideration for nomination.

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

8/22
M
JACK, CC
BOARD APPOINTMENT
John King



August 17, 2011

City of Covina
Honorable Mayor John King
Mayor Pro-Tem Kevin Stapleton
Council Member Walter Allen III
Council Member Peggy De Lach
Council Member Bob Lowe

When you enjoy your work, when you see your efforts resulting in growth and setting new levels of success, you enjoy your work even more. In the 24 years that I have served on the Board I feel that the goals I set for myself were accomplished over and over by the capable employees of CIC. Their accomplishments will carry this company forward on a solid basis for years to come.

Representing the City of Covina on the Board of Directors of Covina Irrigating Company has allowed me to continue to set my goal, each year, to provide water that is high in quality with reliable delivery at a fair price based on prudent spending. These four steps have, over the years, assisted CIC in providing pure water to our customers which continually exceeds Department of Public Health requirements. These steps will continue to be met with great success and will help provide a very reliable future for CIC.

I continue to serve on the Audit and Investment Committee, The By-Laws and Insurance Committee, along with serving as a member of the San Gabriel River Water Committee at which I am the Financial and Audit Chair.

With your approval I will be very pleased to serve you and the City of Covina as a director of CIC.

Sincerely

John Fielding



First Choice Loans, Inc.

461 North Grand Covina, California 91723 (626) 257-3525 Fax: (626) 257-3531

To: City Manger Daryl Parish

Monday, August 15, 2011

City Manger Parish, I have served as a representative of the City of Covina on the Board of Covina Irrigation Company for several years, and totally enjoy the experience.

We are entering critical times for the water business. It is important the board has members who understand what's going on in Covina, and the water industry.

Some of the significant issues facing Covina Irrigation are a new filtration system in our Covina plant that will cost millions of dollars. This system is an advanced ultraviolet system. The system will enabling us to meet new requirements set down by the health department, as well as increase our ability to deliver water to new markets. This system will meet all current and hopefully future needs of the Company.

To pay for the new system we are looking to non returnable grants, and other business arrangements with other water companies not the stockholders.

In addition to our Covina plant we are looking to up date our Baldwin Park plant with anew filtration system, and equipment upgrades. One grant has already been obtained for sixty percent of cost and maintenance.

We are truly blessed in Covina that our founding fathers had the foresight to invest in Covina Irrigation.

I believe this company is one of the best managed companies in the water business, and I would be honored, and appreciate the opportunity to continue in my capacity as a Director looking out for the best interest of Covina.

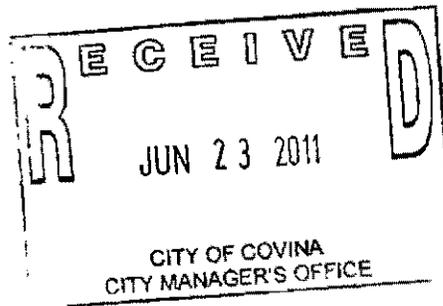
Sincerely


Ron Capotosto

First in Service, First in Performance, First in Satisfaction!

June 22, 2011

Mayor John C. King
Mayor Pro-Tem Kevin Stapleton
Council Member Walter Allen, III
Council Member Peggy A. Delach
Council Member Robert Low



Dear Mayor John C. King, Mayor Pro-Tem Kevin Stapleton and Fellow Council members:

It continues to be an honor to represent all of you and the community as a member of the Covina Irrigating Board of Directors. Since my initial appointment I have tried to represent you and the community by regularly participating in the board meetings, various committee meetings, attending outside educational seminars, and continually updating my knowledge about the delivery and treatment of water. Thank you for this opportunity to serve on the CIC Board.

It continues to be a learning experience and as we prepare for and install a UV system I am certain the next few years will be challenging but equally rewarding when completed. Each year the various governing agencies impose additional requirements to insure water continues to be delivered in a safe and contaminant free condition. This state of the art system will not only insure our quality of water but enable Covina Irrigating Company to treat more water, thus insuring that Covina continues to have the water it needs to meet your customers' needs. This new system will also help CIC continue to deliver water to Covina at a lower rate than any other source.

My involvement in Covina continues to be very active including Treasurer of the Covina Rotary Club, Chairman of the Citrus Valley Health Foundation Board of Trustees and on the Board of Directors for the Covina Valley Historical Society. Late last year the Champions ask me to be on the Covina Center of the Performing Arts Board of Directors and early this year I was elected Chairman. As you all know I am also one of your appointees to the Covina Finance Advisory committee.

Stellar Business Bank continues to progress and in April celebrated our 4 year anniversary. During the past year we have been able to make many loans to local businesses in Covina and our SBA Department enables us to better serve the loan needs of Covina's business community with competitive rates and terms..

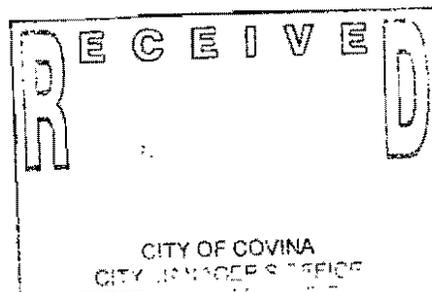
The above is not meant to impress but rather show that my heart and efforts remain in the City of Covina. I would appreciate you nominating me for another term on the Covina Irrigating Company's Board of Directors. I assure you that I would continue to represent the best interests of you, the City of Covina and its residents.

Sincerely,

A handwritten signature in black ink, appearing to read "Rich Jett".

Rich Jett
214 Via Catarina
San Dimas, CA. 91773
(909) 305-6715
cc: Daryl Parrish, City Manager

Geoffrey Cobbett
768 N Fourth Ave
Covina, CA 91723
June 22, 2011



Mayor Pro-Tem Kevin Stapleton
City of Covina
125 E College Ave
Covina, CA 91723

Dear: Mayor Pro-Tem Stapleton

I am writing this letter to inform you that I wish to continue being on the Board of Directors for Covina Irrigating Company. I have been a Director for many years and feel I am a very dedicated person. I have been appointed to be the Chief Financial Officer for Covina Irrigating Company.

Last year the Council made a decision to have a two year appointment for this position so I am just letting you know I wish to continue for the next year and many more at your pleasure.

Sincerely,

A handwritten signature in black ink, appearing to read "Geoffrey Cobbett".

Geoffrey Cobbett

HENRY M. MORGAN

**The Hon. John King
Mayor
City of Covina**

July 2011

Dear John,

As we near the Annual meeting of the Covina Irrigating Company, I am requesting re appointment as one of the City representatives on the board of directors of the Company.

We have completed the improvements to the delivery system feeding the filtration plant. The filtration plant will be modified including the use of Ultraviolet light treatment which will provide the ability to properly process water from virtually any source. The Company will be utilizing grants and our credit lines and the pay-as-you-go policy to fund the project at minimum interest costs.

Currently, our river reservoirs are full and they are continuing to feed the excess flows to ground water recharge and our water table is well over 200 feet above sea level and rising.

The Company's Baldwin Park well field is being upgraded to remove any potential perchlorates and other contamination from the ground water. These changes will provide our citizens with safe, reliable water into the future.

The Company has continued to plan for future regulations, growth impacts and opportunities. CIC continues to serve the City properly and is one of Covina's greatest assets.

I continue to serve as Secretary of the Board and I am confident my experience as a director of Covina Irrigating will be beneficial to the City and the Company in these challenging times.

I would be honored to continue to serve in behalf of the City of Covina.

Sincerely,


**Henry M. Morgan
(626) 339-1685**

**(626) 864-0700 (Call)
hm.morgan@verizon.net**

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CC5

STAFF SOURCE: Daryl J. Parrish, City Manager *DP*
Cathy LaCroix, Deputy City Clerk *CL*

ITEM TITLE: Adoption of **Resolution No. 11-7000**, designating certain officials as individuals authorized to execute applications and documents for the purpose of obtaining financial assistance under Public Law 93-288 (PL 93-228), the Robert T. Stafford Disaster Relief Act

STAFF RECOMMENDATION

Staff recommends that the City Council adopt **Resolution No. 11-7000**, designating certain officials as individuals authorized to execute applications and documents for the purpose of obtaining financial assistance under Public Law 93-288 (PL 93-288), the Robert T. Stafford Disaster Relief Act.

FISCAL IMPACT

The adoption of the resolution will allow the City to make applications for State and Federal financial assistance as a result of certain specified disasters. To the extent that financial assistance is received under the Public Law 93-288, either a portion or all of the funds expended by the City in a disaster could be recovered.

BACKGROUND

In the event of a natural disaster, damage may result in significant losses to the City of Covina generating the need for financial assistance from State and Federal sources. In order to obtain this assistance, one of the required elements is submission of certain specified documents that have been signed by City officials. Approval of this resolution will establish the identity of those individuals by their title.

RELEVANCE TO THE STRATEGIC PLAN

The adoption of this resolution will assist the City of Covina in establishing a program of disaster preparedness and set forth the appropriate authorized forms.

EXHIBITS

A. Resolution No. 11-7000

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

RESOLUTION NO. 11-7000

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA,
CALIFORNIA, DESIGNATING CERTAIN OFFICIALS AS
INDIVIDUALS AUTHORIZED TO EXECUTE APPLICATIONS AND
DOCUMENTS FOR THE PURPOSE OF OBTAINING FINANCIAL
ASSISTANCE UNDER PUBLIC LAW (PL 93-288)**

WHEREAS, a disaster, such as an earthquake, fire or flood, could occur in the City of Covina; and

WHEREAS, damage from such disaster may result in significant losses and the need for financial assistance from State and Federal sources; and

WHEREAS, designated officials must be authorized to sign and execute applications and documents for the purpose of obtaining certain Federal financial assistance under PL 93-288, as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or State financial assistance under the Natural Disaster Assistance Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Covina, California, that each of the following City officials is authorized to execute for and in behalf of the City of Covina, a public entity established under the laws of the State of California, this application and to file it in the Office of Emergency Services for the purpose of obtaining certain Federal financial assistance under PL 93-288, as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or State financial assistance under the Natural Disaster Assistance Act:

CITY MANAGER, OR
FINANCE DIRECTOR, OR
PUBLIC WORKS DIRECTOR

BE IT FURTHER RESOLVED that the City of Covina, a public entity established under the laws of the State of California, hereby authorizes its agents to provide the State Office of Emergency Services for all matters pertaining to such State disaster assistance the assurances and agreements required.

EXHIBIT A

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

John C King, Mayor

ATTEST:

Kay Manning, City Clerk

APPROVED AS TO FORM;

Marco A. Martinez, City Attorney

CERTIFICATION

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, California, do hereby certify that the forgoing Resolution No. 11-7000 was introduced and adopted by the Covina City Council at a regular meeting thereof held on the 6th day of September, 2011, by the following vote of the City Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the City of Covina, California, this 6th day of September, 2011.

Catherine M. LaCroix, Deputy City Clerk

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CC6

STAFF SOURCE: Steve Henley, Director of Public Works
Kalieh Honish, Assistant Director of Public Works 

ITEM TITLE: Approval of Public Works Personnel Adjustments

STAFF RECOMMENDATION

That Council:

- a. Approve upgrade of Administrative Technician position to Senior Administrative Technician position; and
- b. Approve upgrade of part-time Administrative Technician position to full-time Senior Administrative Technician position.

FISCAL IMPACT

The upgrade of these two positions has no impact to the General Fund. The cost increase from the change in the two positions will be approximately \$55,500. The Administrative Technician to Senior Administrative Technician will be approximately \$2,500 in the Water Administration Cost Center (6010-5000). The cost increase from part-time Administrative Technician to full-time Senior Administrative Technician will be approximately \$18,000 in the Sewer Fund (6300-2700), \$7,800 in the Equipment Fund (7010-6000), and \$11,000 in the Water Administration Cost Center (6010-5000). There may be a salary savings realized during recruitment of these positions. A budget amendment, if necessary, will be prepared once any salary savings are realized compared to any actual increased expenditure.

BACKGROUND

In an effort to centralize the Water Division's service to its water utility customers, the Public Works Department's location at the City Yard has become the primary in-person payment location. By providing a "one stop shop" for payments, as well as water service questions and other operational issues, the Department has streamlined and enhanced customer service. However, the effect on operations has been to decrease the amount of support available to other divisions. This reorganization is an attempt to provide the increased support needed for Water Utility Customers, while also balancing the remaining needs of the other Public Works Divisions located at the City Yard.

The Administrative Technician position, which is designed to primarily support the Street and Sewer Division and provide back-up support to the Water Division has actually been functioning as a 90% customer service support to the Water Division Utility Customers. Changes are needed to ensure that the administrative workloads in this area are equitable, and that the needs of all

Divisions are being met. The Administrative Technician position is being upgraded so that there is no inequity when sharing duties with the other Senior Administrative Technicians in this area.

The part-time position of Administrative Technician which is now funded by the Equipment Division, will be upgraded to a full-time Senior Administrative Technician that will also provide support to the Street and Sewer Division, as well as alternate as back-up customer service support for the Water Division.

RELEVANCE TO THE STRATEGIC PLAN

Both of the affected positions provide customer service and directly serve the public. By filling these positions based on the current Water Utility system, we hope to address the water customer needs more efficiently while also meeting the customer service needs of our other service areas. In this way, while not directly responsive to any of the currently identified objectives of the Strategic Plan, the activities which are reported on herein support both of the following Strategic Plan's Goals: Improve and promote customer service; and Provide efficient, visible and responsive public safety.

EXHIBITS

None

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CC7

STAFF SOURCE: Steve Henley, Director of Public Works
Kalieh Honish, Assistant Director of Public Works
Laura Lara, Assistant Civil Engineer

ITEM TITLE: Award Bid for Resurfacing Residential Streets at Various Locations –
Project No. P-1116

STAFF RECOMMENDATION:

a. Award the bid for Resurfacing of Residential Streets at Various Locations, Project No. P-1116, to Gentry Brothers, Incorporated as the lowest responsive and responsible bidder in the amount of \$299,600.

b. Adopt **Resolution No. 11-7002** appropriating \$340,000 in Measure R funds to the current fiscal year budget and allocating those funds to Account No. 2410-2200-00-55310 for expenditure.

FISCAL IMPACT:

The project will be funded with Measure R funds which have been accumulating for the past two years. The inclusion of the funds in the current fiscal year budget will increase overall budget expenditures while being equally offset by the additional revenues. As such, there will be no negative fiscal impacts. Any funds leftover upon the completion of the project will be returned to the Measure R reserve fund for future reprogramming for the rehabilitation of additional eligible roadways.

BACKGROUND:

Project P-1116 consists of the resurfacing of various residential streets as depicted within the attached Exhibit A.

The project was duly noticed and advertised, and bids for the project were received in the City Clerk's office on August 15, 2011. As shown on the attached Exhibit B, Gentry Brothers, Incorporated was determined to be the lowest responsive and responsible bidder with a bid of \$299,600. The highest bid was received by Shawana Construction Company in the amount of \$418,130. The Engineer's Estimate for the project was \$388,480.

RELEVANCE TO THE STRATEGIC PLAN:

The action being requested has no direct relevance to the Strategic Plan.

EXHIBITS:

- A. Project Scope of Work
- B. Bid Opening Summary
- C. Resolution No. 11-7002

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

**PROJECT NO. P-1116
SCOPE OF WORK**

STREET RESURFACING	
STREET	PROJECT LIMITS
Rimhurst Avenue	Ruddock Street to Northerly Terminus
Mangrove Avenue	Ruddock Street to Northerly Terminus
Edgecomb Street	Banna Avenue to Easterly Terminus
Edgecomb Street	Ruddock Street to Easterly Terminus
Palm Drive	Banna Avenue to Easterly Terminus
Adams Park Drive	Banna Avenue to Easterly Terminus
Wanamaker Drive	Banna Avenue to Easterly Terminus
Wanamaker Drive	Banna Avenue to Rimhurst Avenue
Kinsella Avenue	Wanamaker Drive to Southerly Terminus
Darfield Avenue	Ruddock Avenue to Southerly Terminus
Palm Drive	Darfield Avenue to Southerly Terminus
Rimhurst Avenue	Wanamaker Drive to Southerly Terminus
Mangrove Avenue	Wanamaker Drive to Southerly Terminus
Retford Street	Ivescrest Avenue to Westerly Terminus
Edgecomb Street	Ivescrest Avenue to Westerly Terminus

ITEM NO	DESCRIPTION	Qty.	Unit	Unit Price	Gentry Brothers	Hardy & Harper	Sully-Miller	Engineer's Total
AC REPAVING AT RIMHURST, MANGROVE, ET AL.								
1	Cold Mill exist Asphalt Concrete Pavement, 2" depth, edge to edge of gutter/curb to curb.	259,600	SF	0.15	\$38,940.00	\$49,324.00	\$49,324.00	\$77,880.00
2	2.00" Asphalt Concrete Pavement Overlay.	3,245	Tons	68.00	\$220,660.00	\$231,206.25	\$243,375.00	\$259,600.00
3	AC Leveling Course (if needed)	60	Tons	70.00	\$4,200.00	\$6,360.00	\$4,560.00	\$5,100.00
4	Adjust Sanitary Sewer Manhole to New Grade (Double Adjust per APWA)	30	EA	400.00	\$12,000.00	\$15,000.00	\$20,100.00	\$12,000.00
5	Truncated Domes, installed.	26	EA	300.00	\$7,800.00	\$8,970.00	\$10,530.00	\$13,000.00
6	Remove and replace 8" curb and 24" gutter per APWA Std. Plan No. 120-2 and match existing.	80	LF	50.00	\$4,000.00	\$4,000.00	\$8,000.00	\$2,400.00
7	8" Full depth AC Repair, 4" AC & 4" Crushed Aggregate Base.	500	SF	4.00	\$2,000.00	\$6,000.00	\$6,125.00	\$15,000.00
8	Striping & Markings per existing.	1	LS	10,000.00	\$10,000.00	\$9,139.75	\$1,786.00	\$3,500.00
	Construction Cost				\$299,600.00	\$330,000.00	\$343,800.00	\$388,480.00
	Other Bids Received							
	Silvia Construction				\$369,425.50			
	All-American				\$393,000.00			
	G.M.Sager Constr.				\$394,639.20			
	Shawnana				\$418,130.00			

RESOLUTION NO. 11-7002

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COVINA, CALIFORNIA, TO AMEND THE FISCAL YEAR 2011-2012
PUBLIC WORKS DEPARTMENT BUDGET TO REFLECT AN
APPROPRIATION OF \$340,000 FROM MEASURE R RESERVE FUNDS
FOR THE RESURFACING OF VARIOUS RESIDENTIAL STREETS
CITYWIDE – PROJECT NO. P-1116**

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 of the City of Covina for fiscal year commencing July 1, 2011 and ending June 30, 2012 was approved on June 21, 2011; 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 resurface various residential streets citywide.

NOW, THEREFORE, THE CITY COUNCIL of the City of Covina, California, does hereby resolve as follows:

SECTION 1. Amend the fiscal year 2011-2012 Public Works Department operating budget as follows: \$340,000 from Measure R Reserves to Public Works, Streets, Capital Outlay, Street Infrastructure, Account No. 2410-2200-00-55310 for the resurfacing of various residential streets citywide – Project No. P-1116.

SECTION 2. The City Clerk shall certify to the passage and adoption of this Resolution.

Passed, approved and adopted this _____ day of _____, 2011.

John C. King
Mayor

ATTEST:

Kay Manning, City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: PH1

STAFF SOURCE: Robert Neiuber, Director of Community Development^{RN}
Nuala Gasser, Senior Redevelopment Manager^{ny}

ITEM TITLE: Public Hearing to consider Resolutions authorizing annexation of territory to City of Covina Community Facilities District No. 2007-1 (Public Services) (Annexation No. 5), and to call and hold a special election (Citrus Walk)

STAFF RECOMMENDATION

- a. Adopt **Resolution No. 11-7003**, authorizing the annexation of territory to Community Facilities District No. 2007-1 (Annexation No. 5) and authorizing the levy of a special tax and submitting the levy of tax to the qualified electors; and
- b. Adopt **Resolution No. 11-7004**, calling a special election and submitting to the voters of Annexation No. 5 of City of Covina Community Facilities District No. 2007-1 (Public Services), propositions regarding the annual levy of special taxes within Annexation No. 5 to finance public services, and the establishment of an appropriations limit; and
- c. Adopt **Resolution No. 11-7005**, making certain findings, certifying the results of an election and adding property to Community Facilities District No. 2007-1 (Public Services), Annexation No. 5.

FISCAL IMPACT

The "Special Tax" authorized by the proposed Community Facilities District (CFD) will generate \$17,903.06 annually, based on forty-one condominium units at a tax rate of \$436.66 per unit and will be deposited to Account No. 2740-4800-00-45800. Eight affordable units are exempt from the CFD special tax. The Special Tax shall be used to pay for the following additional services in the District: police, fire protection and suppression, paramedic services, and park maintenance. The Special Tax will increase annually by the greater of two percent (2.00%), or the percentage change in the Consumer Price Index.

BACKGROUND

The purpose of the public hearing is to 1) authorize the annexation of territory to the CFD (Annexation No. 5); 2) call and hold an election of property owners within the CFD, and 3) authorize the levy of a special tax within Annexation No. 5 to the CFD. The related resolutions are hereby presented to the City Council, pursuant to the Conditions of Approval for forty-nine (49) condominiums to be built in the Citrus Walk development at Italia Street and Citrus Avenue, Covina, CA, Vesting Tract No. 71264.

Pursuant to the Conditions of Approval for development of forty-nine condominiums at Vesting Tract No. 71264, Covina, the applicant agreed to annex to the CFD, or to pay an in lieu fee based on the financial impact on Police, Fire, Emergency, and Parks services. The builder opted to annex into the CFD. Under the proposed CFD, in Fiscal Year 2011-2012, any newly constructed, non-exempted multi family or mixed-use units are charged \$436.66 per year for the following services: police, fire protection and suppression, paramedic services, and park maintenance. This Special Tax appears on the annual Property Tax bill for each unit. The Special Tax authorized by the CFD shall be levied on all units for which building permits were issued on or before May 1 of the preceding fiscal year.

The purpose of the CFD is to finance the aforementioned public safety and park services that are provided to the territory within the District beyond that provided by the City generally. In Fiscal Year 2011-2012 it has been determined that the cost of these services, for each additional multi-family home, is \$436.66 per year. This program has been conceived with the intention that all future residential development, which results in a net increase of non-exempted residential units, would be required to annex to the CFD. The project at Vesting Tract No. 71264, has a total of forty-nine (49) new residential units. Eight of the units are covenanted as affordable housing, and are exempt from the CFD tax. The special tax will be applicable to forty-one (41) units in Annexation No. 5.

At the July 19, 2011 City Council meeting, the Council adopted the boundary map showing territory proposed to be annexed as Annexation No. 5, and declared its intention to authorize the annexation of that territory to CFD No.2007-1 (Public Services).

RELEVANCE TO THE STRATEGIC PLAN

This action will assist the City to reach the goal of enhancing financial stability, as the special tax assessed on all future residential development will provide some of the needed funding to provide public safety and park services.

EXHIBITS

- A. Map of Vesting Tract No. 71264, Annexation No. 5
- B. Resolution No. 11-7003
- C. Resolution No. 11-7004
- D. Resolution No. 11-7005

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

EXHIBIT A

ANNEXATION MAP NO. 5 OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

SHEET 1 OF 1

FILED IN THE OFFICE OF THE CITY CLERK THIS _____
DAY OF _____, 2011.

CITY OF COMINA
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING ANNEXATION
MAP NO. 5 OF COMMUNITY FACILITIES DISTRICT NO. 2007-1
(PUBLIC SERVICES), CITY OF COMINA, COUNTY OF LOS
ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE
CITY COUNCIL OF THE CITY OF COMINA AT A REGULAR
MEETING THEREOF, HELD ON THE _____ DAY OF
_____, 2011, BY ITS RESOLUTION NO.
_____.

CITY CLERK
CITY OF COMINA

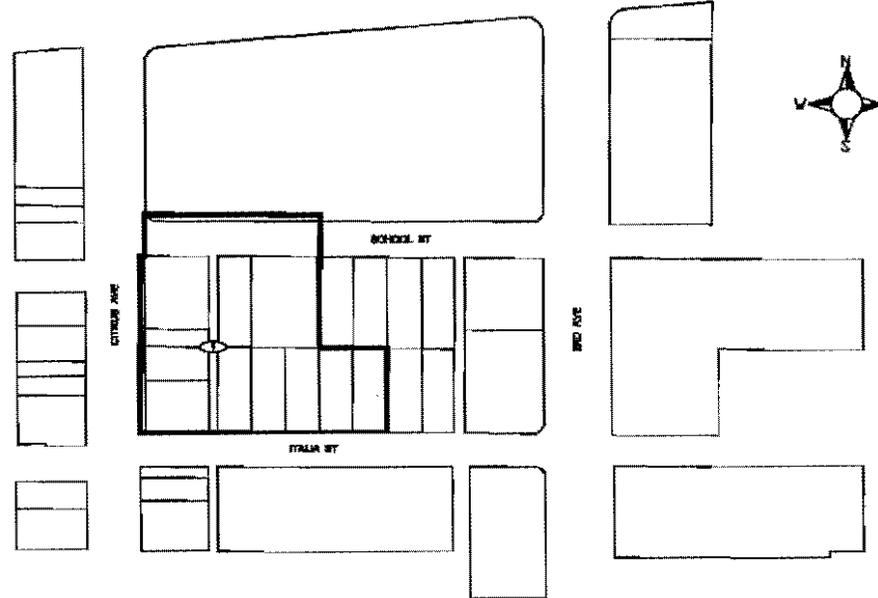
FILED THIS _____ DAY OF _____, 2011, AT THE HOUR OF _____
O'CLOCK _____ A.M. IN BOOK _____ PAGE _____ OF
MAPS OF ASSESSMENT AND COMMUNITY FACILITIES
DISTRICTS AND AS INSTRUMENT NO. _____ IN
THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA.

BY DEPUTY
COUNTY RECORDER
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF CITY OF
COMINA COMMUNITY FACILITIES DISTRICT NO. 2007-1
(PUBLIC SERVICES) RECORDED WITH THE LOS ANGELES
COUNTY RECORDERS OFFICE ON MAY 18, 2007, AS
DOCUMENT NO. 20071218007 IN THE BOOK OF MAPS OF
ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON
THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS
AS SHOWN ON THE LOS ANGELES COUNTY ASSESSORS
MAPS FOR THOSE PARCELS LISTED.

THE LOS ANGELES COUNTY ASSESSORS MAPS SHALL GOVERN
FOR ALL DETAILS CONCERNING THE LINES AND
DIMENSIONS OF SUCH LOTS OR PARCELS.



LEGEND

-  ANNEXATION BOUNDARY
-  MAP REFERENCE NUMBER

MAP REF. NO.	LEGAL DESCRIPTION
1	SECTION 13 TRACT NO. 71234, AS DEFINED IN THE OFFICIAL RECORDS OF THE LOS ANGELES COUNTY RECORDERS OFFICE, RECORDED ON JULY 7, 2011, IN MAP BOOK 1207 ON PAGES 7 THROUGH 11, AS DOCUMENT NO. 20110817730



EXHIBIT B

RESOLUTION NO. 11-7003

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AUTHORIZING THE ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2007-1 (ANNEXATION NO. 5) AND AUTHORIZING THE LEVY OF A SPECIAL TAX AND SUBMITTING THE LEVY OF TAX TO THE QUALIFIED ELECTORS

WHEREAS, this Council, on July 19, 2011, adopted Resolution No. 11-6991 (hereafter referred to as the "Resolution of Intention") stating its intention to annex territory to City of Covina Community Facilities District No. 2007-1 (Public Services) ("CFD No. 2007-1"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"); and

WHEREAS, a copy of the Resolution of Intention, which states the authorized services to be provided and financed by CFD No. 2007-1, and a description and map of the proposed boundaries of the territory to be annexed to CFD No. 2007-1 ("Annexation No. 5"), is on file with the City Clerk and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on the 6th of September, 2011, this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed annexation of territory to CFD No. 2007-1; and

WHEREAS, at said hearing all interested persons desiring to be heard on all matters pertaining to the annexation of territory to CFD No. 2007-1 and the levy of said special taxes within the area proposed to be annexed were heard and a full and fair hearing was held; and

WHEREAS, prior to the time fixed for said hearing, written protests had not been filed against the proposed annexation of territory to CFD No. 2007-1 by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in CFD No. 2007-1, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be annexed to CFD No. 2007-1, or (iii) owners of one-half or more of the area of land in the territory within CFD 2007-1 and not exempt from special tax, or (iv), owners of one-half or more of the area of land in the territory proposed to be annexed to CFD No. 2007-1 and not exempt from the special tax; and

WHEREAS, a boundary map for Annexation No. 5 to CFD No. 2007-1 has been filed with the County Recorder of the County of Los Angeles, which map shows the territory to be annexed in these proceedings, and a copy thereof is on file with the City Clerk.

NOW, THEREFORE, BE IT RESOLVED, determined and ordered by the City Council for the City of Covina Community Facilities District No. 2007-1, Annexation No. 5 as follows:

SECTION 1 Recitals. The above recitals are all true and correct.

SECTION 2 Authorization. All prior proceedings taken by this Council with respect to CFD No. 2007-1 and the proposed annexation of territory thereto have been duly considered and are hereby determined to be valid and in conformity with the Act.

SECTION 3 Boundaries. The description and map of the boundaries of the territory to be annexed to CFD No. 2007-1, on file with the City Clerk, are hereby finally approved, are incorporated herein by reference, and shall be included within the boundaries of CFD No. 2007-1, and said territory is hereby annexed to CFD No. 2007-1, subject to voter approval of the levy of the special taxes therein as hereinafter provided.

SECTION 4 Services. The services which CFD No. 2007-1 is authorized to finance are in addition to those provided in or required for the territory within CFD No. 2007-1 and the territory to be annexed to CFD No. 2007-1 and will not be replacing services already available. A general description of the services to be financed is as follows:

PUBLIC SERVICES

New police services, fire protection and suppression services, paramedic services, and park maintenance, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City staff that directly provide police services, fire protection and suppression services, paramedic services, and park maintenance respectively, and (iv) City overhead costs associated with providing such services within CFD No. 2007-1. The Special Tax provides only partial funding for Public Services.

SECTION 5 Special Taxes. It is the intention of this City Council that, except where funds are otherwise available, a special tax sufficient to pay for said services to be provided in CFD No. 2007-1 and the territory proposed to be annexed as part of Annexation No. 5, secured by recordation of a continuing lien against all non-exempt real property in Annexation No. 5, will be levied annually within the boundaries of Annexation No. 5 from and after the annexation of such property to CFD No. 2007-1. The special taxes shall be those as originally authorized through the formation of CFD No. 2007-1 and adopted by Ordinance of this legislative body, and no changes or modifications are proposed in the special taxes from those as originally set forth and made applicable to CFD No. 2007-1.

For particulars as to the rate and method of apportionment of the proposed special tax (the "RMA"), reference is made to the attached and incorporated Exhibit "A," which sets forth in sufficient detail the method of apportionment to allow each landowner or resident within Annexation No. 5 to clearly estimate the maximum annual amount that said person will have to pay on said special tax.

SECTION 6 Election. The provisions of the Resolution of Intention of the City, each as heretofore adopted by this Council, are by this reference incorporated herein as if fully set forth herein.

(a) Pursuant to the provisions of the Act, the proposition of the levy of the special tax within Annexation No. 5 shall be submitted to the voters within Annexation No. 5 at an election called therefore as hereinafter provided. This Council hereby finds that fewer than 12 persons have been registered to vote within Annexation No. 5 for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these annexation proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within Annexation No. 5 and that the vote shall be by said landowners, each having one vote for each acre or portion thereof such landowner owns in Annexation No. 5.

(b) Pursuant to Section 53326 of the Act, the election shall be conducted by mail ballot under applicable sections of the California Elections Code, commencing with Section 4000 of said code with respect to elections conducted by mail. The Council called a special election to consider the measures described and incorporated in the ballot, attached as Exhibit "B," which election was held on September 6, 2011, (hereafter referred to as "Election Day"). The City Clerk was the election official to conduct the election and provided each landowner in the territory to be annexed to CFD No. 2007-1, a ballot in the form of Exhibit "B", which form is hereby approved. The City Clerk has accepted the ballots of the qualified electors received prior to 7:30 p.m. on Election Day, whether received by mail or by personal delivery.

(c) This Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days to elapse before said election is for the protection of voters, has been waived by the voters and the date for the election hereinabove specified is established accordingly.

SECTION 7 The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

John King, Mayor

ATTEST:

Catherine LaCroix, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

CERTIFICATION

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, hereby CERTIFY that Resolution No. 11-7003 was adopted by the Covina City Council at a regular meeting of the City Council held this 6th day of September, 2011, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Catherine M. LaCroix
Deputy City Clerk

EXHIBIT A

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

CITY OF COVINA

COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

A special tax as hereinafter defined shall be levied on and collected for Community Facilities District No. 2007-1 (Public Services) of the City of Covina ("CFD No. 2007-1") each Fiscal Year, commencing in Fiscal Year 2007-2008, in an amount determined by the City Council of the City of Covina through the application of the appropriate Special Tax for "Developed Property," as described below. All of the real property in CFD No. 2007-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City of Covina, or designee thereof or both, to carry out the administration of CFD No. 2007-1 related to the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of a proportional share of salaries and benefits of any City employee whose duties are directly related to the administration of CFD No. 2007-1, fees and expenses for counsel, Special Tax consultant and other consultants hired by the City in relation to CFD No. 2007-1, costs associated with responding to public inquiries regarding CFD No. 2007-1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2007-1.

"Affordable Housing" means any Unit within CFD No. 2007-1 that is subject to a written and recordable covenant, deed restriction, resale restriction, regulatory agreement or similar agreement with either the City of Covina or the Redevelopment Agency of the City of Covina, which restricts the amount of rent for that Unit to "affordable rent" (as that term is defined in California Health and Safety Code Section 50053) for a period of not less than fifty-five (55) years, or which restricts the purchase price for that Unit to "affordable housing cost" (as that term is defined in California Health and Safety Code Section 50052.5) for a period of not less than forty-five (45) years. A Unit shall no longer be considered Affordable Housing following the expiration or termination of the applicable covenant, restriction or agreement.

"Annual Escalation Factor" means for the Special Tax, the greater of (i) two percent (2.00%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of CFD No. 2007-1.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“Base Year” means Fiscal Year ending June 30, 2008.

“Boundary Map” means the map of the boundaries for CFD No. 2007-1, as approved by the City Council, and recorded with the County in maps of assessments and community facilities districts.

“Building Permit” means a permit for new construction for a residential dwelling Unit. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirements and providing for the levy and collection of the Special Tax.

“CFD No. 2007-1” means Community Facilities District No. 2007-1 (Public Services) established by the City under the Act.

“City” means the City of Covina.

“City Council” means the City Council of the City, acting as the Legislative Body of CFD No. 2007-1, or its designee.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

“County” means the County of Los Angeles.

“Developed Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits were issued on or before May 1 preceding the Fiscal Year for which the Special Tax is being levied, provided that a Final Map was created on or before January 1 of the prior Fiscal Year and that each such Assessor’s Parcel is associated with a Lot, as determined reasonably by the City and/or CFD administrator.

“Exempt Property” means all Assessor’s Parcels within CFD No. 2007-1 designated as being exempt from the Special Tax as determined in Section F.

“Final Map” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could or has been issued.

“Maximum Special Tax” means the Maximum Special Tax determined in accordance with Section C, which can be levied by CFD No. 2007-1 in any Fiscal Year on Taxable Property within CFD No. 2007-1.

“Mixed-Use Property” means all Assessor’s Parcels of Developed Property for which Building Permit(s) have been issued for purposes of constructing Non-Residential Property and Residential Property. Residential Units on Mixed-Use Property shall be classified as Multi-Family Residential.

“Multi-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing a residential structure consisting of two or more residential Units that share common walls, including, but not limited to, duplexes, triplexes, town homes, condominiums, apartment Units, and residential Units on Assessor’s Parcels that are considered Mixed-Use Property.

“Non-Residential Property” means all Assessor’s Parcels for which a Building Permit was issued for any type of non-residential use.

“Public Property” means any property within the boundaries of CFD No. 2007-1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, CFD No. 2007-1, or other public agency. For purposes of this definition, property owned by the Redevelopment Agency of the City of Covina is not considered Public Property and any property owned by the Redevelopment Agency will be subject to the levy of a Special Tax in accordance with Sections C and D herein.

“Public Services” means new police services, fire protection and suppression services, paramedic services, and park maintenance, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and Fire District staff that directly provide police services, fire protection and suppression services, paramedic services, and park maintenance, and (iv) City and Fire District overhead costs associated with providing such services within CFD No. 2007-1. The Special Tax provides only partial funding for police, fire protection services, paramedic services, and park maintenance.

“Special Tax” means any special tax authorized to be levied by CFD No. 2007-1 pursuant to the Act to fund the Special Tax Requirement.

“Single-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one single-family residential dwelling Unit.

“Taxable Property” means all Assessor’s Parcels within CFD No. 2007-1 that are not exempt from the levy of the Special Tax.

“Tax Class” means any of the classes listed in Table 1 below.

“Undeveloped Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits have not been issued and that is not classified as Approved Property or Public Property.

“Unit” means any separate residential dwelling unit in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel within CFD No. 2007-1 shall be classified as Developed Property or Exempt Property. In addition, each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel of Developed Property shall be further classified as Single-Family Residential, Multi-Family Residential, or Mixed-Use Property.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Special Tax for each Assessor’s Parcel classified as Single-Family Residential, Multi-Family Residential, and Mixed-Use Property in Fiscal Year 2007-2008 shall be equal to the Maximum Special Tax set forth in Table 1.

TABLE 1
MAXIMUM ANNUAL SPECIAL TAX RATES
Fiscal Year 2007-2008

Tax Class	Description	Maximum Special Tax
1	Single-Family Residential	\$527 per Unit
2	Multi-Family Residential	\$395 per Unit
3	Mixed-Use Property	\$395 per Unit

For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax for each Assessor’s Parcel classified as Developed Property shall be adjusted by the Annual Escalation Factor.

Multiple Tax Classes

In some instances an Assessor’s Parcel may contain more than one Tax Class. The Maximum Special Tax levied on such Assessor’s Parcel shall be the sum of the Maximum Special Tax that can be imposed on all Tax Classes located on that Assessor’s Parcel.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing with Fiscal Year 2007-2008, and for each subsequent Fiscal Year, the Special Tax shall be levied on each Assessor’s Parcel of Developed Property at the applicable Maximum Special Tax as set forth in Section C.

E. TERMINATION OF SPECIAL TAX

The Special Tax shall be levied in perpetuity to fund Public Services provided to CFD No. 2007-1.

F. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Non-Residential Property, (iii) Undeveloped Property, (iv) Affordable Housing, or (v) Assessor's Parcels with public or utility easements making impractical their utilization for other purposes than those set forth in the easement.

G. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2007-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

H. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2007-1 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

EXHIBIT B
SAMPLE BALLOT



OFFICIAL BALLOT
SPECIAL ELECTION

City of Covina
Community Facilities District No. 2007-1
(Public Services)
Annexation No. 5

This ballot is for a special landowner election. You must return this ballot in the enclosed postage paid envelope to the Office of the City Clerk of the City of Covina no later than 7:30 p.m. on September 6, 2011, either by mail or in person. Ballots received after the special election with a postmark of the special election date, or earlier date, shall not be considered. The City Clerk's office is located at 125 East College Street, Covina, California, 91723.

To vote, mark a cross (X) in the voting square after the word "YES" or after the word "NO". All distinguishing marks otherwise made are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Covina and obtain another.

PROPOSITION A: Shall special taxes be levied annually on taxable property within the territory to be annexed into the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California ("Annexation No. 5"); and to levy and collect such special taxes so long as the special taxes are needed to pay for police services, fire protection and suppression services, paramedic services, and park maintenance at the special tax rates and pursuant to the method of apportioning the special taxes set forth in Exhibit "B" to the Resolution of Intention, Resolution No. 07-6578, adopted by the City Council of the City of Covina on May 1, 2007, and as amended by Resolution No. 09-6743?

Yes

No

PROPOSITION B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, be established for Annexation No. 5 to the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California, in the amount of \$1,000,000 per annum?

Yes

No

Number of votes: 3

Property Owner: THE OLSON COMPANY

By: _____

EXHIBIT C

RESOLUTION NO. 11-7004

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, CALLING A SPECIAL ELECTION AND SUBMITTING TO THE VOTERS OF ANNEXATION NO. 5 OF CITY OF COVINA COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES) PROPOSITIONS REGARDING THE ANNUAL LEVY OF SPECIAL TAXES WITHIN ANNEXATION NO. 5 TO FINANCE PUBLIC SERVICES, AND THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

WHEREAS, pursuant to Section 53339.7 of the California Government Code the City Council (hereafter referred to as the "City Council") of the City of Covina (the "City") has adopted the resolution authorizing the annexation of territory to City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California ("CFD No. 2007-1"); and

WHEREAS, by that resolution, the City Council called a special election on the propositions to be submitted to the voters of the territory proposed to be annexed to CFD No. 2007-1 ("Annexation No. 5") with respect to the levy of special taxes therein for the financing of public services within CFD No. 2007-1; and

WHEREAS, pursuant to Section 53326 of the California Government Code, it is necessary that the City Council submit to the voters of Annexation No. 5 the annual levy of special taxes on taxable property within Annexation No. 5; and

WHEREAS, pursuant to Section 53325.7 of the California Government Code and the provisions of said Code, the City Council may also submit to the voters of Annexation No. 5 a proposition for the establishment of an appropriations limit for Annexation No. 5; and

WHEREAS, less than twelve (12) registered voters have resided within the territory of Annexation No. 5 for each of the ninety (90) days preceding September 6, 2011.

NOW, THEREFORE, BE IT RESOLVED, determined and ordered by the City Council for the City of Covina Community Facilities District No. 2007-1, Annexation No. 5 as follows:

SECTION 1 Findings. The City Council finds that: (i) the foregoing recitals are true and correct; (ii) 12 persons have not been registered to vote within the territory to be annexed to CFD No. 2007-1 for each of the 90 days preceding the close of the public hearing on September 6, 2011; (iii) pursuant to Section 53326 of the California Government Code, as a result of the findings set forth in clause (ii) above, the vote in the special election called by this resolution shall be by the landowners of the territory to be annexed to CFD No. 2007-1, whose property would be subject to the special taxes if they

were levied at the time of the election, and each landowner shall have one vote for each acre, or portion thereof, which he or she owns within Annexation No. 5 which would be subject to the proposed special taxes if they were levied at the time of the election; (iv) the owners of all of the land in Annexation No. 5 by written consent (a) waived the time limits set forth in Section 53326 of the California Government Code for holding the election called by this resolution and the election on the propositions (b) consented to the holding of the election on September 6, 2011, (c) waived notice and mailed notice of the time and date of the election, (d) waived an impartial analysis by the City Attorney of the ballot propositions pursuant to Section 9280 of the California Elections Code and arguments and rebuttals pursuant to Sections 9281 to 9287, inclusive, and 9295 of that Code, and mailing of a statement pursuant to Section 9401 of that Code, and (e) waived a synopsis of the measures to be included in the official ballot for said elections pursuant to Section 12111 of that Code; and (v) the City Clerk (hereafter referred to as the "City Clerk") has consented to the holding of the election on September 6, 2011.

SECTION 2 Call of Election. The City Council hereby calls and schedules a election for September 6, 2011, on the proposition of the annual levy of special taxes on taxable property within Annexation No. 5 to CFD No. 2007-1 to finance public services within the CFD No. 2007-1, and on the proposition of the establishment of an appropriations limit for Annexation No. 5 to CFD No. 2007-1.

SECTION 3 Propositions. The propositions to be submitted to the voters of Annexation No. 5 at such special election shall be as follows:

Proposition A: Shall special taxes be levied annually on taxable property within the territory to be annexed into the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California ("Annexation No. 5"); and to levy and collect such special taxes so long as the special taxes are needed to pay for police services, fire protection and suppression services, paramedic services, and park maintenance at the special tax rates and pursuant to the method of apportioning the special taxes set forth in Exhibit "B" to the Resolution of Intention, Resolution No. 07-6578, adopted by the City Council of the City of Covina on May 1, 2007, and as amended by Resolution No. 09-6743.

Proposition B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, be established for Annexation No. 5 to the City of Covina Community Facilities District No. 2007-1 (Public Services), County of Los Angeles, State of California, in the amount of \$1,000,000 per annum?

The First Amended Rate and Method of Apportionment is attached as Exhibit A.

SECTION 4 Conduct of Election. Except as otherwise provided in Section 5 hereof, the special election shall be conducted by the City Clerk in accordance with the provisions of the California Elections Code governing mail ballot elections of cities, and in particular the provisions of Division 4 (commencing with Section 4000), of that Code, insofar as they may be applicable.

SECTION 5 Election Procedures. The procedures to be followed in conducting the special election on (i) the proposition with respect to the levy of special taxes on taxable property within Annexation No. 5 to CFD No. 2007-1 to pay for public services, and (ii) the proposition with respect to the establishment of an appropriations limit for Annexation No. 5 to CFD No. 2007-1 in the amount of \$1,000,000 shall be as follows:

(a) Pursuant to Section 53326 of the California Government Code, ballots for the special election shall be distributed to the qualified electors by the City Clerk by mail or by personal service.

(b) Pursuant to applicable sections of the California Elections Code governing the conduct of mail ballot elections of cities, and in particular Division 4 (commencing with Section 4000) of that Code with respect to election conducted by mail, the City Clerk, or designated official, shall mail or deliver to each qualified elector an official ballot in the appropriate form, and shall also mail or deliver to all such qualified electors a ballot pamphlet, instructions to voter, and a return identification envelope addressed to the City Clerk for the return of voted official ballots.

(c) The official ballot to be mailed or delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of, or other person affiliated with, the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the propositions set forth in the official ballot as marked thereon in the voting square opposite each such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within Annexation No. 5 to CFD No. 2007-1.

(d) The return identification envelope mailed or delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of the declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(e) The information to voter form to be delivered by the City Clerk to the landowner-voter shall inform them that the official ballot shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 7:30 p.m. on the 6th day of September, 2011; provided that if all qualified electors have voted, the election shall be closed with the concurrence of the City Clerk.

(f) Upon receipt of the return identification envelope, which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council as to the results of such canvass and the election on each proposition set forth in the official ballot.

SECTION 6 The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

John King, Mayor

ATTEST:

Catherine LaCroix, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

CERTIFICATION

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, hereby CERTIFY that Resolution No. 11-7004 was adopted by the Covina City Council at a regular meeting of the City Council held this 6th day of September, 2011, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Catherine M. LaCroix
Deputy City Clerk

EXHIBIT A

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

CITY OF COVINA

COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

A special tax as hereinafter defined shall be levied on and collected for Community Facilities District No. 2007-1 (Public Services) of the City of Covina ("CFD No. 2007-1") each Fiscal Year, commencing in Fiscal Year 2007-2008, in an amount determined by the City Council of the City of Covina through the application of the appropriate Special Tax for "Developed Property," as described below. All of the real property in CFD No. 2007-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any actual ordinary and necessary expense of the City of Covina, or designee thereof or both, to carry out the administration of CFD No. 2007-1 related to the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of a proportional share of salaries and benefits of any City employee whose duties are directly related to the administration of CFD No. 2007-1, fees and expenses for counsel, Special Tax consultant and other consultants hired by the City in relation to CFD No. 2007-1, costs associated with responding to public inquiries regarding CFD No. 2007-1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2007-1.

"Affordable Housing" means any Unit within CFD No. 2007-1 that is subject to a written and recordable covenant, deed restriction, resale restriction, regulatory agreement or similar agreement with either the City of Covina or the Redevelopment Agency of the City of Covina, which restricts the amount of rent for that Unit to "affordable rent" (as that term is defined in California Health and Safety Code Section 50053) for a period of not less than fifty-five (55) years, or which restricts the purchase price for that Unit to "affordable housing cost" (as that term is defined in California Health and Safety Code Section 50052.5) for a period of not less than forty-five (45) years. A Unit shall no longer be considered Affordable Housing following the expiration or termination of the applicable covenant, restriction or agreement.

"Annual Escalation Factor" means for the Special Tax, the greater of (i) two percent (2.00%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

"Assessor's Parcel" means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel number within the boundaries of CFD No. 2007-1.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“Base Year” means Fiscal Year ending June 30, 2008.

“Boundary Map” means the map of the boundaries for CFD No. 2007-1, as approved by the City Council, and recorded with the County in maps of assessments and community facilities districts.

“Building Permit” means a permit for new construction for a residential dwelling Unit. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirements and providing for the levy and collection of the Special Tax.

“CFD No. 2007-1” means Community Facilities District No. 2007-1 (Public Services) established by the City under the Act.

“City” means the City of Covina.

“City Council” means the City Council of the City, acting as the Legislative Body of CFD No. 2007-1, or its designee.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Los Angeles-Riverside-Orange County area.

“County” means the County of Los Angeles.

“Developed Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits were issued on or before May 1 preceding the Fiscal Year for which the Special Tax is being levied, provided that a Final Map was created on or before January 1 of the prior Fiscal Year and that each such Assessor’s Parcel is associated with a Lot, as determined reasonably by the City and/or CFD administrator.

“Exempt Property” means all Assessor’s Parcels within CFD No. 2007-1 designated as being exempt from the Special Tax as determined in Section F.

“Final Map” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could or has been issued.

“Maximum Special Tax” means the Maximum Special Tax determined in accordance with Section C, which can be levied by CFD No. 2007-1 in any Fiscal Year on Taxable Property within CFD No. 2007-1.

“Mixed-Use Property” means all Assessor’s Parcels of Developed Property for which Building Permit(s) have been issued for purposes of constructing Non-Residential Property and Residential Property. Residential Units on Mixed-Use Property shall be classified as Multi-Family Residential.

“Multi-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing a residential structure consisting of two or more residential Units that share common walls, including, but not limited to, duplexes, triplexes, town homes, condominiums, apartment Units, and residential Units on Assessor’s Parcels that are considered Mixed-Use Property.

“Non-Residential Property” means all Assessor’s Parcels for which a Building Permit was issued for any type of non-residential use.

“Public Property” means any property within the boundaries of CFD No. 2007-1 that is owned by or irrecoverably dedicated to the City, the federal government, the State of California, the County, CFD No. 2007-1, or other public agency. For purposes of this definition, property owned by the Redevelopment Agency of the City of Covina is **not** considered Public Property and any property owned by the Redevelopment Agency will be subject to the levy of a Special Tax in accordance with Sections C and D herein.

“Public Services” means new police services, fire protection and suppression services, paramedic services, and park maintenance, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and Fire District staff that directly provide police services, fire protection and suppression services, paramedic services, and park maintenance, and (iv) City and Fire District overhead costs associated with providing such services within CFD No. 2007-1. The Special Tax provides only partial funding for police, fire protection services, paramedic services, and park maintenance.

“Special Tax” means any special tax authorized to be levied by CFD No. 2007-1 pursuant to the Act to fund the Special Tax Requirement.

“Single-Family Residential” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one single-family residential dwelling Unit.

“Taxable Property” means all Assessor’s Parcels within CFD No. 2007-1 that are not exempt from the levy of the Special Tax.

“Tax Class” means any of the classes listed in Table 1 below.

“Undeveloped Property” means all Assessor’s Parcels within CFD No. 2007-1 for which Building Permits have not been issued and that is not classified as Approved Property or Public Property.

“Unit” means any separate residential dwelling unit in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel within CFD No. 2007-1 shall be classified as Developed Property or Exempt Property. In addition, each Fiscal Year, beginning with Fiscal Year 2007-2008, each Assessor’s Parcel of Developed Property shall be further classified as Single-Family Residential, Multi-Family Residential, or Mixed-Use Property.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Special Tax for each Assessor’s Parcel classified as Single-Family Residential, Multi-Family Residential, and Mixed-Use Property in Fiscal Year 2007-2008 shall be equal to the Maximum Special Tax set forth in Table 1.

**TABLE 1
MAXIMUM ANNUAL SPECIAL TAX RATES
Fiscal Year 2007-2008**

Tax Class	Description	Maximum Special Tax
1	Single-Family Residential	\$527 per Unit
2	Multi-Family Residential	\$395 per Unit
3	Mixed-Use Property	\$395 per Unit

For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax for each Assessor’s Parcel classified as Developed Property shall be adjusted by the Annual Escalation Factor.

Multiple Tax Classes

In some instances an Assessor’s Parcel may contain more than one Tax Class. The Maximum Special Tax levied on such Assessor’s Parcel shall be the sum of the Maximum Special Tax that can be imposed on all Tax Classes located on that Assessor’s Parcel.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing with Fiscal Year 2007-2008, and for each subsequent Fiscal Year, the Special Tax shall be levied on each Assessor’s Parcel of Developed Property at the applicable Maximum Special Tax as set forth in Section C.

E. TERMINATION OF SPECIAL TAX

The Special Tax shall be levied in perpetuity to fund Public Services provided to CFD No. 2007-1.

F. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Non-Residential Property, (iii) Undeveloped Property, (iv) Affordable Housing, or (v) Assessor's Parcels with public or utility easements making impractical their utilization for other purposes than those set forth in the easement.

G. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2007-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

H. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2007-1 may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations.

EXHIBIT D

RESOLUTION NO. 11-7005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, MAKING CERTAIN FINDINGS, CERTIFYING THE RESULTS OF AN ELECTION AND ADDING PROPERTY TO COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES), ANNEXATION NO. 5

WHEREAS, the City Council of the City of Covina (the “City Council”), has previously formed a Community Facilities District pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, said Article 3.5 thereof. The existing Community Facilities District being designated as Community Facilities District No. 2007-1 (Public Services) (hereafter referred to as CFD No. 2007-1); and,

WHEREAS, the City Council initiated proceedings to annex certain territory to Community Facilities District No. 2007-1 (Public Services), Annexation No. 5 (hereafter referred to as “Annexation No. 5”); and

WHEREAS, at this time the unanimous consent to the annexation of Annexation No. 5 has been received from the property owner or owners of such territory; and

WHEREAS, less than twelve (12) registered voters have resided within the territory of Annexation No. 5 for each of the ninety (90) days preceding September 6, 2011, therefore, pursuant to the Act the qualified electors of Annexation No. 5 shall be the “landowners” of Annexation No. 5 as such term is defined in Government Code Section 53317(f) and each such landowner who is the owner of record, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that she or he owns within; and

WHEREAS, the time limit specified by the Act for conducting an election to submit the levy of the special taxes on the property within Annexation No. 5 to the qualified electors of Annexation No. 5 and the requirements for impartial analysis and ballot arguments have been waived with the unanimous consent of the qualified electors of Annexation No. 5; and

WHEREAS, the City Clerk of the City of Covina has caused ballots to be distributed to the qualified electors of Annexation No. 5, has received and canvassed such ballots and made a report to the City Council regarding the results of such canvas, a copy of which is attached as Exhibit A hereto and incorporated herein by this reference; and

WHEREAS, at this time the measure voted upon and such measure did receive the favorable 2/3’s vote of the qualified electors, and the City Council desires to declare the results of the election; and

WHEREAS, a map showing the territory to be annexed and designated as Annexation No. 5 (hereafter referred to as the “Annexation Map”), a copy of which is attached as Exhibit B hereto and incorporated herein by this reference, and a list of Properties to be annexed and landowners, a copy of which is attached as Exhibit C hereto and incorporated herein by this reference, has been submitted to the City Council.

NOW, THEREFORE, BE IT RESOLVED, determined and ordered by the City Council for the City of Covina Community Facilities District No. 2007-1, Annexation No. 5 as follows:

SECTION 1 Recitals. The above recitals are all true and correct.

SECTION 2 Findings. This City Council does hereby determine as follows:

(a) The unanimous consent to the annexation of Annexation No. 5 to CFD No. 2007-1 has been given by all of the owners within Annexation No. 5 and such consent shall be kept on file in the Office of the City Clerk.

(b) Less than twelve (12) registered voters have resided within the territory of Annexation No. 5 for each of the ninety (90) days preceding September 6, 2011, therefore, pursuant to the Act the qualified electors of Annexation No. 5 shall be the “landowners” of such Annexation No. 5 as such term is defined in Government Code Section 53317(f).

(c) The qualified electors of Annexation No. 5 have unanimously voted in favor of the levy of special taxes within Annexation No. 5 upon its annexation to CFD No. 2007-1.

SECTION 3 Annexed Area. The boundaries and parcels of territory within Annexation No. 5 and on which special taxes will be levied in order to pay for the costs and expenses of authorized public services are shown on the Annexation Map as submitted to and hereby approved by this City Council.

SECTION 4 Declaration of Annexation. The City Council does hereby determine and declare that Annexation No. 5 is now added to and becomes a part of CFD No. 2007-1. The City Council, acting as the legislative body of CFD No. 2007-1, is hereby empowered to levy the authorized special tax within Annexation No. 5.

SECTION 5 Notice. Immediately upon adoption of this Resolution, notice shall be given as follows:

An Amendment to the Notice of Special Tax Lien (Notice of Annexation) shall be recorded in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

SECTION 6 The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011.

John King, Mayor

ATTEST:

Catherine LaCroix, Deputy City Clerk

APPROVED AS TO FORM:

City Attorney

CERTIFICATION

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, hereby CERTIFY that Resolution No. 11-7005 was adopted by the Covina City Council at a regular meeting of the City Council held this 6th day of September, 2011, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Catherine M. LaCroix
Deputy City Clerk

EXHIBIT A

CERTIFICATE OF ELECTION OFFICIAL AND STATEMENT OF VOTES CAST

CERTIFICATE OF ELECTION OFFICIAL AND STATEMENT OF VOTES CAST

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF COVINA)

The undersigned, ELECTION OFFICIAL OF THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DOES HEREBY CERTIFY that pursuant to the provisions commencing with Section 53326 of the Government Code of the State of California, I did canvass the returns of the votes cast at the

CITY OF COVINA
COMMUNITY FACILITIES DISTRICT NO. 2007-1
(PUBLIC SERVICES)
ANNEXATION NO. 5
SPECIAL ELECTION

in the City, held on September 6, 2011.

I FURTHER CERTIFY that this Statement of Votes Cast shows the whole number of votes cast in the area proposed to be annexed, Annexation No. 5 to Community Facilities District No. 2007-1 (Public Services) of the City of Covina for or against the Measure are full, true and correct.

VOTES CAST ON PROPOSITION A: YES _____
NO _____

VOTES CAST ON PROPOSITION B: YES _____
NO _____

WITNESS my hand this 6th day of September, 2011

City Clerk
City of Covina

EXHIBIT B
ANNEXATION MAP

ANNEXATION MAP NO. 5 OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (PUBLIC SERVICES)

CITY OF COVINA
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK THIS _____
DAY OF _____, 2011.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING ANNEXATION
MAP NO. 5 OF COMMUNITY FACILITIES DISTRICT NO. 2007-1
(PUBLIC SERVICES), CITY OF COVINA, COUNTY OF LOS
ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE
CITY COUNCIL OF THE CITY OF COVINA AT A REGULAR
MEETING THEREOF, HELD ON THE _____ DAY OF
_____, 2011, BY ITS RESOLUTION NO.
_____.

CITY CLERK
CITY OF COVINA

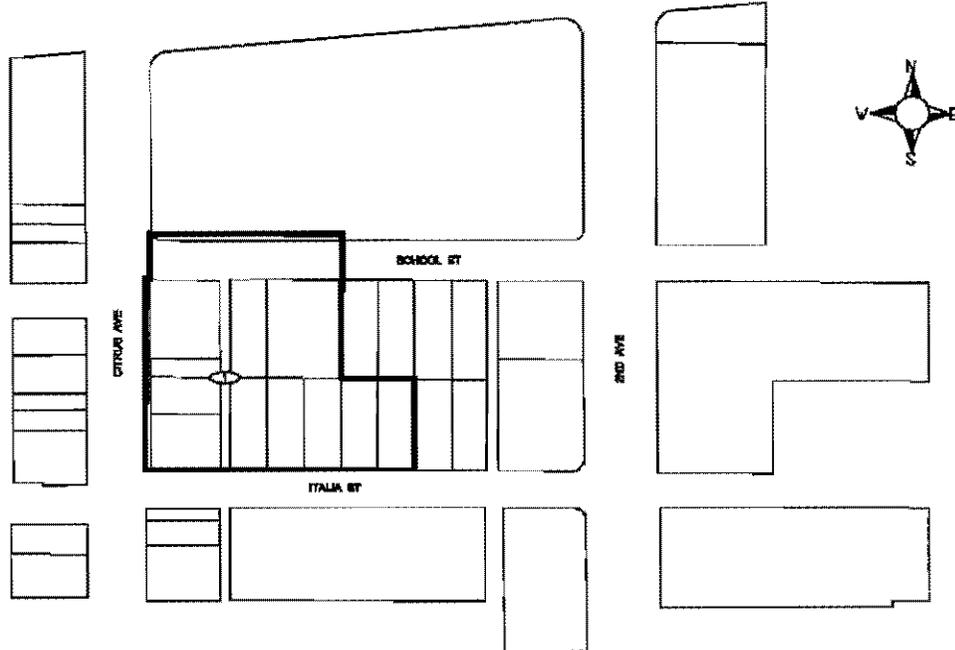
FILED THIS _____ DAY OF _____, 2011, AT THE HOUR OF _____
O'CLOCK _____ M. IN BOOK _____ PAGE _____ OF
MAPS OF ASSESSMENT AND COMMUNITY FACILITIES
DISTRICTS AND AS INSTRUMENT NO. _____ IN
THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA.

BY DEPUTY
COUNTY RECORDER
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

REFERENCE IS MADE TO THAT BOUNDARY MAP OF CITY OF
COVINA COMMUNITY FACILITIES DISTRICT NO. 2007-1
(PUBLIC SERVICES) RECORDED WITH THE LOS ANGELES
COUNTY RECORDER'S OFFICE ON MAY 18, 2007, AS
DOCUMENT NO. 20071218937 IN THE BOOK OF MAPS OF
ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS.

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON
THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS
AS SHOWN ON THE LOS ANGELES COUNTY ASSESSOR'S
MAPS FOR THOSE PARCELS LISTED.

THE LOS ANGELES COUNTY ASSESSOR'S MAPS SHALL GOVERN
FOR ALL DETAILS CONCERNING THE LINES AND
DIMENSIONS OF SUCH LOTS OR PARCELS.



LEGEND
 ANNEXATION BOUNDARY
 MAP REFERENCE NUMBER

MAP REF. NO.	LEGAL DESCRIPTION
1	VESTING TRACT NO. T1264, AS IDENTIFIED IN THE OFFICIAL RECORDS OF THE LOS ANGELES COUNTY RECORDER'S OFFICE, RECORDED ON JULY 7, 2011, IN MAP BOOK 1387 ON PAGES 7 THROUGH 11, AS DOCUMENT NO. 20110917739



EXHIBIT C
LIST OF PROPERTIES TO BE ANNEXED

LIST OF PROPERTIES TO BE ANNEXED

ANNEXATION #5

Citrus Walk Development at Italia Street and Citrus Avenue, Covina

Vesting Tract No.

71264

Landowner

OLSON-COVINA 5, LLC, a California limited liability company

BY: IN TOWN COMMUNITIES, LLC a California limited liability company, Its Member

BY: OLSON URBAN HOUSING, LLC, a Delaware limited liability company, Its Member

BY: IN TOWN LIVING, INC., a Delaware corporation, Its Managing Member

CITY OF COVINA/COVINA REDEVELOPMENT AGENCY
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CB 1

STAFF SOURCE: Robert Neiuber, Deputy Executive Director Redevelopment ^{FN}
Elizabeth Hull, Agency Attorney

ITEM TITLE: Second reading to consider adoption of Ordinance No. 11-1999 an Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina

STAFF RECOMMENDATION:

That the City Council continues this item to a future date to be determined.

FISCAL IMPACT:

Participation in the Voluntary Alternative Redevelopment Program ("Program") requires payment of \$2,817,817 dollars in the current fiscal year 2011-2012 and approximately \$700,000 every fiscal year thereafter adjusted for increases or decreases to gross tax increment received for the Covina Redevelopment Project Areas. This taking of local funds will also impact the City's General Fund in that the services the General Fund provides for the Agency will be reduced as the budget of the Agency is reduced. The General Fund could also be impacted if the City were to maintain the same level of service and personnel currently supported by the Agency.

BACKGROUND/ANALYSIS:

At its meeting on July 19, 2011, the City Council adopted Urgency Ordinance No. 11-1998 of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina. At the same meeting, the City Council also introduced Ordinance No. 11-1999, a regular Ordinance determining the same issues as the Urgency Ordinance. As a stay regarding aspects of AB 1x 26 and AB 1x 27 has been issued by the California Supreme Court pending their review of the laws, staff is recommending that this second reading be tabled to a date to be determined. The Urgency Ordinance was approved prior to the stay.

For added background leading up to this Ordinance, a copy of the July 19 Agenda Item Commentary is attached hereto as Exhibit B.

RELEVANCE TO THE STRATEGIC PLAN

This shift of local funds will have a detrimental effect on the community's ability to enhance the financial stability of the City. Agency funds used previously to eliminate blight, improve access to and create affordable housing, and create jobs will be lost to the community.

EXHIBITS

- A. Ordinance No. 11-1999 an Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina.
- B. Agenda Item Commentary for Ordinance No. 11-1999 from July 19, 2011 City Council/Agency Board meeting
- C. List of Current Covina Redevelopment Agency Projects and Services

REVIEW TEAM ONLY	
City Attorney: <u>Elizabeth Hull</u> <i>by KLC</i>	Finance Director: <u></u>
City Manager: <u></u>	Other: _____

ORDINANCE NO. 11-1999

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DETERMINING IT WILL COMPLY WITH THE VOLUNTARY ALTERNATIVE REDEVELOPMENT PROGRAM PURSUANT TO PART 1.9 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE IN ORDER TO PERMIT THE CONTINUED EXISTENCE AND OPERATION OF THE REDEVELOPMENT AGENCY OF THE CITY OF COVINA

WHEREAS, the City Council of the City of Covina (“City”) approved and adopted the Redevelopment Plan for the Covina Redevelopment Agency Project Area One, Project Area Two, and Project Area Two Amended Area (“Redevelopment Plan”) covering certain properties within the City (the “Project Areas”); and

WHEREAS, the Redevelopment Agency of the City of Covina (“Agency”) is engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, *et seq.*) (“CRL”); and

WHEREAS, since adoption of the Redevelopment Plan, the Agency has undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private industries to create jobs and expand the local economy; and

WHEREAS, over the next few years, the Agency hopes to implement a variety of redevelopment projects and programs to continue to eliminate and prevent blight, stimulate and expand the Project Area’s economic growth, create and develop local job opportunities and alleviate deficiencies in public infrastructure, to name a few; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature has recently enacted and the Governor has signed, companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, specifically, AB 1X 26 prohibits agencies from taking numerous actions, effective immediately, and additionally provides that agencies are deemed to be dissolved as of October 1, 2011; and

WHEREAS, AB 1X 27 provides that a community may participate in an “Alternative Voluntary Redevelopment Program,” in order to enable a redevelopment agency within that community to remain in existence and carry out the provisions of the CRL, by enacting an ordinance agreeing to comply with Part 1.9 of Division 24 of the Health and Safety Code; and

WHEREAS, the Alternative Voluntary Redevelopment Program requires that the community agree to remit specified annual amounts to the county auditor-controller; and

WHEREAS, under the threat of dissolution pursuant to AB 1X 26, and upon the contingencies and reservations set forth herein, the City shall make the Fiscal Year 2011-2012 community remittance, currently estimated to be Two Million Eight Hundred Forty Thousand Two Hundred Eighty Dollars (\$2,840,280), as well as the subsequent annual community remittances; and

WHEREAS, the City reserves the right to appeal the California Director of Finance's determination of the Fiscal Year 2011-12 community remittance, as provided in Health and Safety Code Section 34194; and

WHEREAS, City understands and believes that an action challenging the constitutionality of AB 1X 26 and AB 1X 27 will be filed on behalf of cities, counties and redevelopment agencies; and

WHEREAS, while the City currently intends to make these community remittances, they shall be made under protest and without prejudice to the City's right to recover such amounts and interest thereon, in the event that there is a final determination that AB 1X 26 and AB 1X 27 are unconstitutional; and

WHEREAS, the City reserves the right, regardless of any community remittance made pursuant to this Ordinance, to challenge the legality of AB 1X 26 and AB 1X 27; and

WHEREAS, if a court of competent jurisdiction grants a stay on the effectiveness of AB 1X 26 and AB 1X 27, the City shall not be obligated to make any community remittance for the duration of the stay; and

WHEREAS, all other legal prerequisites to the adoption of this Ordinance have occurred.

THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Participation in the Alternative Voluntary Redevelopment Program. In accordance with Health and Safety Code Section 34193, and based on the Recitals set forth above, the City Council hereby determines that the City shall comply with the provisions of Part 1.9 of Division 24 of the Health and Safety Code, as enacted by AB 1X 27.

Section 3. Payment Under Protest. Except as set forth in Section 4, below, and subject to annual City budget appropriations, the City Council hereby determines that the City shall make the community remittances set forth in Health and Safety Code section 34194 *et seq.* This determination is based on an estimated community remittance for Fiscal Year 2011-2012 of Two Million Eight Hundred Forty Thousand Two Hundred Eighty Dollars (\$2,840,280).

Section 4. Effect of Stay or Determination of Invalidity. If a court of competent jurisdiction stays the effectiveness of all or any portion of AB 1X 26 or AB 1X 27, pending resolution of one or more legal actions challenging the legality of some or all of such statutes, the City reserves the right to stay the City's participation in the Alternative Voluntary Redevelopment Program and shall not make any community remittance. Any community remittance shall be made under protest and without prejudice to the City's right to recover such amount and interest thereon in the event that there is a final determination that AB 1X 26 and AB 1X 27 are unconstitutional, illegal, invalid or otherwise unenforceable or inapplicable, for any reason or in any manner. If there is a final determination that AB 1X 26 and AB 1X 27 are illegal, invalid or otherwise unenforceable or inapplicable, for any reason or in any manner, this Ordinance shall be deemed to be null and void and of no further force or effect.

Section 5. Additional Understandings and Intent. It is the understanding and intent of the City Council that, once the Agency is again authorized to enter into agreements under the CRL, the City will enter into an agreement with the Agency as authorized pursuant to Section 34194.2, whereby the Agency will transfer annual portions of its tax increment to the City in amounts not to exceed the annual community remittance payments to enable the City, directly or indirectly, to make the annual remittance payments. The City Council does not intend, by enactment of this Ordinance, to pledge any of its general fund revenues or assets to make the remittance payments.

Section 6. Implementation. The City Council hereby authorizes and directs the City Manager to take any action and execute any documents necessary to implement this Ordinance, including but not limited to notifying the Los Angeles County Auditor-Controller, the Controller of the State of California, and the California Department of Finance of the adoption of this Ordinance and the City's agreement to comply with the provisions of Part 1.9 of Division 24 of the Health and Safety Code, as set forth in AB 1X 27.

Section 7. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings are based are located at the City Clerk's office located at 125 East College Street Covina CA 91723. The custodian for these records is the City Clerk.

Section 8. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

Section 9. Certification; Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published once within 15 days of adoption in a newspaper of general circulation printed and published within the City of Covina, and shall post a certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk in accordance with Government Code § 36933.

Section 10. Effective Date. This Ordinance shall become effective thirty (30) days from its adoption.

PASSED, APPROVED AND ADOPTED this 6th day of September, 2011, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Mayor

ATTEST:

Deputy City Clerk

APPROVED AS TO FORM;

City Attorney

CITY OF COVINA/COVINA REDEVELOPMENT AGENCY
AGENDA ITEM COMMENTARY

MEETING DATE: July 19, 2011

ITEM NO.: NB 1

STAFF SOURCE: Robert Neiuber, Community Development Director
Elizabeth Hull, Agency Attorney

ITEM TITLE: Adopt Urgency Ordinance No. 11-1998 an Urgency Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina, and Introduce and waive further reading of Ordinance No. 11-1999 an Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina

STAFF RECOMMENDATION

- 1.) Adopt Urgency Ordinance No. 11-1998 an Urgency Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina; and
- 2.) Introduce and waive further reading of Ordinance No. 11-1999 an Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina and schedule second reading and consideration of adoption of the Ordinance for August 16th.

FISCAL IMPACT

Participation in the Voluntary Alternative Redevelopment Program requires payment of approximately \$3 million dollars in the current fiscal year 2011-2012 and approximately \$700,000 every fiscal year thereafter adjusted for increases or decreases to gross tax increment received for the Covina Redevelopment Project Areas. With the adoption of a future remittance Agreement and resolution exempting the Agency from making the full fiscal year 2011-2012 allocation to Housing Set-Aside funds, which will be considered at the second reading of this Ordinance, the payments would first be drawn from funds that would otherwise be deposited in the Housing Set-Aside fund, as allowed in the current legislation, and any shortfall would be paid from unallocated redevelopment fund balance. In future years, the funds would be paid from redevelopment tax increment or other allowable redevelopment funds as determined yearly

by the City Council/Agency Board. This taking of local funds will also impact the City's General Fund in that the services the General Fund provides for the Agency will be reduced as the budget of the Agency is reduced. The General Fund could also be impacted if the City were to try to maintain the same level of service and personnel currently supported by the Agency.

BACKGROUND

The Governor signed several budget-related bills on June 29, 2011, including AB x1 26, which eliminates redevelopment agencies, and AB x1 27, which establishes a voluntary alternative redevelopment program whereby an agency can continue to exist upon the enactment of an ordinance by the City to comply with the provisions of AB x1 27, including payment of an annual remittance to the County Auditor-Controller. Under the legislation, the County Auditor-Controller would then allocate the funding to school districts, county offices of education, charter schools, and community college districts based on information provided by the County Superintendent of Schools. This is not new or additional funding for education; it simply relieves the State of their responsibility to pay these funds.

AB x1 26 and AB x1 27 became effective immediately upon being signed by the Governor. The Covina Redevelopment Agency is now prohibited from entering into any new agreements until the City Council enacts an ordinance committing to make the payments required by AB x1 27.

The State Director of Finance will notify the City of the voluntary payment amount due by August 1. We can appeal the amount due by August 15 if we believe the amount is incorrect based on the calculations contained in AB 1x 27. Staff estimates the FY 11-12 payment will be approximately \$3 million. Payments for FY 12-13 and beyond will change, but the FY 12-13 payment is estimated at \$700,000.

The proposed Ordinances (Exhibit A and B) provide the City will participate in the Alternative Voluntary Redevelopment Program, under certain conditions, in order to enable the Agency to remain in existence and carry out the provisions of the California Community Redevelopment Law. Payments under this Program will be made under protest and without prejudice to the City's right to recover the payments if AB x1 26 and 27 are overturned. As specified further in the Ordinances, the Agency and City may enter into an agreement at a later date whereby the Agency will transfer annual portions of its tax increment to the City to enable the City to use tax increment funds, rather than general funds, to make the payments. The Urgency Ordinance will be effective immediately, if adopted by a four-fifths vote. The second Ordinance will be effective thirty days from its adoption.

The California Redevelopment Association and the League of California Cities are preparing to file a lawsuit challenging the constitutionality of the State's recent actions. They also intend to seek an injunction, or stay, to enable agencies to continue operating without opting into the alternative voluntary redevelopment program while the case is being decided.

This "voluntary" shift of local funds that allows the State to erroneously claim it passed a balanced budget will have a detrimental effect on the FY 2011-12 operating budget of the City and Redevelopment Agency. Based on initial staff review there appears to be sufficient funds under the options allowed in the current legislation to pay the exorbitant 2011-2012 payment and the ongoing payments required by AB 1x 27.

Staff will put together for the City Council and Agency Board to consider at their August 16th meeting a list of possible budget cuts that will be necessitated by agreeing to the “voluntary” shift of local funds, and although this will severely limit the Agency in its future projects and programs, not approving the shift would lead to elimination of all the projects and programs and could lead to problems with a number of ongoing projects and programs that the City and Agency have previously approved as detailed below.

AB x1 26 would seek to set-aside certain Agency actions dating back to January 1, 2011. For the Covina Redevelopment Agency this means that the State could seek to overturn the transfer of funds and property to the Housing Authority, the repayment of tax increment secured loans between the City and the Agency, agreements for providing current and future services between the Agency and the City, and the transfer of public land such as the City Yard, parking lots, and Xalapa Park from the Agency to the City. Under AB x1 26 these actions could be reversed, the Agency land could be transferred to other public jurisdictions or sold, with proceeds from asset sales being transferred to the County auditor-controller for distribution as property tax proceeds, and Housing funds could be disbursed.

AB x1 26 could also cause the State to review and potentially overturn or impact various Agency actions such as the following:

- Community improvement projects including but not limited to the 1.3 million dollar joint partnership with the Covina Valley Unified School District to construct a new Industrial Arts Center to provide jobs and train people for better jobs;
- Public Improvement Projects including but not limited to (1) Heritage Plaza Park, which will include a beautified town square courtyard, a tot lot, new restroom facilities, a historical walk, and a platform for open-air performances, and (2) the Shoppers Lane parking lot sustainability project, which will result in lower maintenance costs and take advantage of the latest in green building standards like permeable concrete and solar lighting, and the construction jobs that those projects create;
- Affordable rental housing projects including but not limited to (1) 200 W. Rowland which will result in 89 new low, very low and moderate-income covenants and substantial rehabilitation of the site and construction jobs; and (2) the Habitat for Humanity low income house on Cypress, and (3) Agency assistance for transitional housing improvements that are part of a larger YWCA WINGS program to improve and provide transitional housing for victims of domestic abuse and the jobs those funds will create;
- The Agency’s support for a transitional homelessness facility that houses up to two families at a time and has a high success rate in helping mothers and their children transition out of homelessness and into jobs;
- The Agency’s Façade Improvement Program which is responsible for helping to eliminate blight in the City’s Downtown and retain and attract jobs.

Although staff believes these projects and the third party contracts that were entered into on these projects prior to the signing of this legislation are enforceable obligations under the law, these issues could result in litigation should the Council not agree to "voluntarily" enter into the Alternate Voluntary Redevelopment Program as allowed in AB x1 27.

By agreeing to the Alternate Voluntary Redevelopment Program as allowed in AB 1x 27 we will still retain the tools and some of the funding that could allow the City and Agency in the future to try to address blight such as the two large blighted former car dealership sites in Covina's Downtown that have been vacant and underutilized for a number of years. Without a local redevelopment agency, the City may not have a way to address this blighted area, create jobs, add additional affordable housing units, and work to incorporate this area into our transit oriented town center specific plan to meet State sustainability requirements.

The Ordinances are exempt from the requirements of the California Environmental Quality Act ("CEQA") in that they are not a "project," but instead consist of the creation and continuation of a governmental funding mechanism for potential future projects and programs, and do not commit funds to any specific project or program.

RELEVANCE TO THE STRATEGIC PLAN

This shift of local funds will have a detrimental effect on the community's ability to enhance the financial stability of the City. Agency funds used previously to eliminate blight, improve access to and create affordable housing, and create jobs will be lost to the community.

EXHIBITS

- A. Urgency Ordinance No. 11-1998 an Urgency Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina;
- B. Ordinance No. 11-1999 an Ordinance of the City Council of the City of Covina, California, determining it will comply with the Voluntary Alternative Redevelopment Program pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

Covina Redevelopment Agency Projects and Services

- Community improvement projects like the 1.3 million dollar Joint Partnership with the Covina Valley Unified School District to construct a new Industrial Arts Center that will provide jobs and train people for better jobs.
- Economic outreach and ombudsman programs that have assisted in the creation and retention of numerous local jobs at large businesses like the Home Depot and Lowe's Home Improvement and smaller businesses like Thematic Attic, Fonda Don Chon, and 3 Vinos.
- Public improvement projects in the Redevelopment Project Areas like Heritage Plaza Park, which will include a beautified town square courtyard, a tot lot, new restroom facilities, a historical walk, and a platform for open-air performances, and the Shoppers Lane parking lot sustainability project, which will result in lower maintenance costs and take advantage of the latest in green building standards like permeable concrete and solar lighting and the construction jobs that those projects create.
- Affordable rental housing projects like the one at 200 W. Rowland that will result in 89 new low, very low and moderate-income covenants and substantial rehabilitation of the site and construction jobs.
- Projects like our Habitat for Humanity house on Cypress and the low income housing it provides.
- Events like Thunderfest, which is partially funded by redevelopment to promote the project areas and assist in the elimination of blight.
- Assistance for transitional housing improvements that are part of a larger YWCA WINGS program to improve and provide transitional housing for victims of domestic abuse and the jobs those funds will create.
- The Agency supported transitional homelessness facility in Covina that houses up to two families at a time and has a high success rate in helping mothers and their children transition out of homelessness and into jobs.
- The Agency's Façade Improvement Program that is responsible for helping to eliminate blight in the City's Downtown and assists in the retention and attraction of jobs.
- Mixed-use and transit oriented developments like Citrus Walk and Vintage Walk and the construction jobs they provide and the affordable housing units that they will produce.
- The Agency's incentive programs designed to eliminate blight create jobs and promote economic development such as the broker incentive program and the environmental loan program.

There are two large blighted former car dealerships in Covina's Downtown that have been vacant and underutilized for a number of years. Having the tools provided by redevelopment may be the only way to address this blighted area, create jobs, add additional affordable housing units, and work to incorporate this area into our Town Center Specific Plan to meet State sustainability requirements.

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CB2

STAFF SOURCE: Daryl Parrish, City Manager
William J. Priest, Assistant City Attorney
Steve Henley, Director of Public Works
Vivian Castro, Environmental Services Manager

ITEM TITLE: Adoption of Ordinance No. 11-2000 amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating persons performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations.

STAFF RECOMMENDATION:

Adopt **Ordinance No. 11-2000** (attached as Exhibit "A") amending Chapters 8.08 and 8.09 of the Covina Municipal Code pertaining to mandatory solid waste service within the City, regulating persons performing special waste materials collection within the City, and updating certain terms, definitions and procedures to implement and enhance the City's solid waste operations.

FISCAL IMPACT:

None.

BACKGROUND/ANALYSIS:

On February 15, 2011, the Covina City Council approved the Amended and Restated Exclusive Franchise Agreement ("Agreement") between the City and Arakelian Enterprises, Inc., d/b/a/ Athens Services ("Athens"). The Council's action extended and refined the service arrangement that the City has had with Athens since 2001. Under the Agreement, Athens will continue to be the City's exclusive refuse, green waste and recycling service provider for at least the next 20 years.

The services Athens provides under the Agreement are comprehensive and apply to nearly all residential, commercial and industrial refuse, green waste and recyclables within the City. Only a limited list of solid waste may be collected, transported and disposed of by others. These include the following:

- hazardous waste (including e-waste);
- by-products of sewage treatment;
- certain construction and demolition debris removed from a construction site by the construction/demolition contractor, provided it is deposited at an Athens recycling facility and achieves a 50% diversion rate;

- green waste and other compostables removed by a gardening, landscaping or tree trimming contractor as part of the total service (not just as a hauling service);
- composting of an occupant's own green waste in accordance with applicable law; and
- sale or donation of household recyclables (bottles, cans, containers, cardboard, or paper).

Additionally, Staff was made aware, through an audit conducted by Athens, that approximately 390 businesses and property owners were not on Athens' customer list. Approximately 330 of these were illegally placing containers at their property for waste collection by Athens. Approximately 60 of these were either "self hauling" their waste to unknown locations or using "wildcat" (unfranchised) contractors to collect their waste. This has raised concerns because Staff cannot verify that this solid waste is being collected, transported, recycled or disposed of properly under the California Integrated Waste Management Act (the "Act").

In light of the above, the City's waste management and recycling Code (C.M.C. Chapters 8.08 and 8.09) is outdated and amendments are being proposed to address the following issues:

Realigning Which Solid Waste Services Are Governed by Agreement, Permit, Etc.:

Current Chapter 8.08 allows businesses to provide solid waste service within the City through either (i) a Council-awarded franchise agreement or (ii) a permit issued by the City Manager. However, given the City's exclusive arrangement with Athens, the permitting system has become both redundant and inconsistent with the Agreement. This ordinance eliminates the permitting system and related regulatory provisions. What remains is the requirement that any business wishing to provide solid waste service within the City must do so by franchise agreement approved by the City Council. This ordinance allows the City Council to award non-exclusive, partially exclusive or fully exclusive agreements. As noted above the current arrangement with Athens is exclusive. However, should the franchise agreement with Athens expire or terminate in the future, this ordinance authorizes the City Council to enter into a new agreement with another provider on a non-exclusive, partially exclusive or fully exclusive basis. Certain operating standards under the current Code have been eliminated (ie: signage, cleanliness and location of waste containers and trucks) since more detailed standards to that effect are provided in the Agreement.

Current Chapter 8.09 allows businesses to provide commercial recycling services through a permit issued by the Director of Public Works. However, this would also conflict with the exclusive arrangement with Athens since it covers collection, transport and recycling of commercial recyclable waste. This ordinance takes the existing regulatory system in Chapter 8.09 and limits its application to the collection, transport and disposal of hazardous waste, e-waste and certain construction and demolition debris not covered under the Agreement with Athens (termed "special waste materials" in this ordinance). Since "special waste materials" are not covered under the Agreement with Athens, this removes any inconsistency.

Mandatory Solid Waste Service At Least Weekly:

While the current Code does not specifically require weekly solid waste service, state diversion mandates and state and local health code requirements nevertheless necessitate that the City regulate the manner and frequency of disposal. This ordinance expressly requires all occupants or persons in control of property to arrange for solid waste service at least weekly through the City or the City's contracted service provider (currently Athens) and to pay the applicable charges for such service. Further, should weekly service be insufficient, that person must

arrange for more frequent service. With respect to “special waste materials”, the person must make arrangements as needed.

Limited “Self-Hauling” of Household Hazardous Waste, Household Recyclables and E-Waste:

The current Code allows a person to “self haul” solid waste from his or her residence or business to a public or legally operated private landfill in lieu of using City-contracted solid waste services. Further, the current Code contains no standards or procedures to verify that “self hauled” solid waste is collected, transported and disposed of in accordance with California law.

This ordinance requires all occupied property within the City to establish solid waste service through either the City or the City’s contracted service provider (currently Athens) and to pay the applicable charges for such service. Service may only be discontinued when a property is vacant. “Self hauling” is no longer permitted except for the limited cases below. This ensures that the Code is consistent with the exclusive waste hauling arrangement with Athens. It further ensures that solid waste is collected, transported and disposed of in accordance with California law, those standards being incorporated into the Agreement with Athens.

This ordinance includes limited exceptions that allow persons to “self haul” their own e-waste, household hazardous waste (ie: cleaners, paint, insecticides), and household recyclables (ie: bottles, cans, food containers). This is intended to permit Covina citizens to use local recycling centers and County household hazardous waste/e-waste “roundups”. This ordinance prohibits “self hauling” of other types of hazardous waste or construction/demolition debris without obtaining a special waste materials contractor permit under Chapter 8.09. Because the Agreement does not require that these wastes be collected and disposed of by Athens, there is no inconsistency.

Updated Terms and Definitions:

This ordinance updates terms and definitions that are either outdated or not addressed in the current Code, such as “e-waste” and “special waste materials”. This ordinance also removes or consolidates redundant and inconsistent terms. For example, the current Code uses four different terms to describe a solid waste container (“container”, “bin”, “barrel” and “receptacle”). This ordinance consolidates it to one term – “container”. This ordinance also adds regulations pertaining to use of commercial/industrial containers which are absent in the current Code.

Updated Standards and Procedures for Implementation/Enforcement:

In order to enhance the implementation and enforcement of the City’s solid waste operations, and to honor Constitutional due process, this ordinance augments the procedures for (i) issuance, suspension and revocation of special waste materials contractor permits and (ii) discontinuing a person’s solid waste service. Further, this ordinance adds procedures for the prompt removal and impound of unauthorized solid waste containers within the City. Staff believes that this will benefit the City by providing a quick and legal response to “wildcat” containers once they are discovered.

RELEVANCE TO THE STRATEGIC PLAN

This ordinance updates and enhances the City's standards for solid waste collection, transport, processing and disposal. It also helps to implement the Amended and Restated Exclusive Franchise Agreement with Athens Services. In doing so, this ordinance supports the City's goals of enhancing financial stability and becoming an environmentally sustainable community.

EXHIBITS

A. Ordinance No. 11-2000

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

ORDINANCE NO. 11-2000

AN ORDINANCE OF THE CITY OF COVINA CALIFORNIA AMENDING CHAPTERS 8.08 AND 8.09 OF TITLE 8 OF THE COVINA MUNICIPAL CODE PERTAINING TO MANDATORY SOLID WASTE SERVICE WITHIN THE CITY, REGULATING PERSONS PERFORMING SPECIAL WASTE MATERIALS COLLECTION WITHIN THE CITY, AND UPDATING CERTAIN TERMS, DEFINITIONS AND PROCEDURES TO IMPLEMENT AND ENHANCE THE CITY'S SOLID WASTE OPERATIONS.

THE CITY COUNCIL OF THE CITY OF COVINA HEREBY ORDAINS AS FOLLOWS:

Section 1. Chapter 8.08 of Title 8 of the Covina Municipal Code shall be amended to read as follows:

"Chapter 8.08

WASTE MANAGEMENT

8.08.010 Definitions.

For the purpose of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

A. "Acts" means (i) the California Integrated Waste Management Act of 1989, codified in part at Public Resources Code, Sections 40000 et seq. (and sometimes referred to as "AB 939") and (ii) the Solid Waste Per Capita Disposal Measurement Act, each as they may be amended from time to time.

AB. "Ashes" means the residue from the burning of wood, cardboard, paper, brush and similar material resulting from heating, cooking or disposing of waste combustible materials, but not including ashes resulting from industrial processes.

~~*B. "Barrel" means a receptacle with a capacity of greater than 20 gallons but less than 100 gallons, constructed of plastic, metal or fiberglass, having handles of adequate strength for lifting and having a tight fitting lid capable of preventing entrance into the container by vectors. The mouth of the barrel shall have a diameter greater than or equal to that of the base.*~~

~~*C. "Bin" means a metal receptacle designed to be lifted and emptied mechanically for use at residential, commercial, and industrial units.*~~

DC. "Bulky waste" means large items including, but not limited to stoves, refrigerators, water tanks, washing machines, furniture and other waste materials other than construction debris, hazardous special waste materials or stable matter with weights or volumes greater than those allowed for in bins and barrelscontainers.

D. "City Manager" means the City manager, or his or her designee.

E. "Collector" means any person authorized to collect, transport, process and/or dispose of refuse, green waste and/or recyclables within the City pursuant to an agreement with the City as set forth in Section 8.08.050 herein.

F. "Commercial refuse" means all bulky waste, garbage, rubbish and stable matter originating from stores, business offices, commercial warehouses, hospitals, educational, health care, military, and correctional institutions, nonprofit research organizations, and government offices and any other commercial unit. Commercial refuse does not include construction and demolition debris.

G. "Commercial unit" means a site zoned for a commercial business and which generates commercial refuse.

H. "Construction and demolition debris" means waste—building excess or remaining materials resulting from any commercial, industrial or residential construction, remodeling, repair or demolition operations, including but not limited to wood, glass, concrete, asphalt, electrical materials and metal.

I. "Container" means a plastic, metal or fiberglass receptacle designed to be lifted and emptied mechanically for use at residential, commercial, and industrial units and having a lid capable of preventing entrance by vectors. A container may be color-coded in blue/gray (recyclables), black (refuse) and green (green waste).

J. "E-Waste" means waste material previously used as a computer, server, monitor, printer, keyboard, mouse, telephone or similar telecommunications device (land-line or portable), radio or television, or other electronic device, or any part thereof, separated from refuse and recyclables which, due to the presence of certain chemicals, must be specially collected and processed for either recycling or disposal. The City may provide to occupants within the City a list of materials that qualify as e-waste under this ordinance.

K. "Garbage" means every accumulation of waste (animal, vegetable and/or other matter) that results from the preparation, processing, consumption, dealing in, handling, packing, canning, storage, transportation, decay or decomposition of meats, fish, fowl, birds, fruits, grains or other animal or vegetable matter (including, but not limited to, all putrescible or easily decomposable waste, animal matter or vegetable matter which is likely to attract flies or rodents); except (in all cases) any matter included in the definition of bulky waste, construction debris, hazardous waste, rubbish, special waste materials, or stable matter.

L. "Green waste" means yard waste and landscape debris such as grass clippings, leaves, weeds, tree trimmings and other plant materials separated from residential, commercial and industrial refuse.

JM. "Hazardous waste" means any chemical, compound, mixture, substance or article which is designated by the United States Environmental Protection Agency or appropriate agency of the state to be "hazardous" as that term is defined or pursuant to federal or state law, *including but not limited to flammable waste, liquid waste, sewage sludge, waste from pollution control processes, contaminated soil, explosive substances, poisonous chemicals, solvents, radioactive materials, infectious waste and medical waste.*

N. "*Household hazardous waste*" means any hazardous waste commonly used by the public, *including but not limited to cleaners, polishes, bleach, pool chemicals, herbicides, insecticides and insect repellants, rodenticides, fertilizers, batteries, thermostats, sealants, propane and other gas fuels, gasoline, kerosene, oils and lighter fluid.*

O. "*Household recyclables*" means commonly used plastic, glass or metal bottles, cans or containers, cardboard or paper, and similar recyclables separated from residential, commercial or industrial refuse.

KP. "Industrial refuse" means all garbage, rubbish, bulky waste, and stable matter originating from mechanized manufacturing facilities, factories, refineries, and publicly operated treatment works, *and any other industrial unit. Industrial refuse does not include construction and demolition debris.*

Q. "*Industrial unit*" means a site zoned for an industrial use and which generates industrial refuse.

R. "*Occupant*" means the property owner, tenant in lawful possession, service customer or other person responsible for the removal, collection, transportation, processing and disposal of refuse, green waste, special waste materials and recyclables from a residence, commercial unit or industrial unit.

LS. "Recyclable materials" or "recyclables" means materials *or by-products* such as metal, aluminum, glass, paper and plastic, or other materials *separated from refuse* which can be *collected and processed or transformed into a product that may be* used for constructive purposes rather than depositing them into a landfill *or refuse disposal facility and being counted as disposal under the Acts. "Recyclable materials" or "recyclables" does not include special waste materials.*

MT. "Refuse" means commercial refuse, residential refuse, *and industrial refuse—garbage, rubbish and stable matter.*

NU. "Residential refuse" means garbage, rubbish, bulky waste, and stable matter generated from single-family or multiple-family dwellings. *Residential refuse does not include construction and demolition debris.*

OV. "Rubbish" means all wood waste, wood products, tree trimmings, grass cuttings, dead plants, weeds, leaves, dead trees or branches thereof, chips, shavings, sawdust, printed matter, paper, pasteboard, rags, straw, used and discarded mattresses, used and discarded clothing, used and

discarded shoes and boots, combustible waste pulp and other products such as are used for packaging or wrapping crockery and glass, ashes, cinders, floor sweepings, mineral or metallic substances, and any and all other waste materials not included in the definition of bulky waste, **green waste**, **recyclable materials**, ~~construction debris~~, garbage, ~~hazardous waste~~, stable matter, or special wastes **materials**.

~~PW. "Special wastes **materials**" means flammable waste, containerized waste (e.g., a drum, barrel, portable tank, box, pail, etc.), waste transported in large containers, liquid waste, sewage sludge, waste from pollution control processes, residue and debris from the cleanup of a spill or release of chemical substances, commercial products, contaminated soil, dead animals, waste water, explosive substances, radioactive materials, infectious waste, hazardous materials, and medical waste. **construction and demolition debris collected and transported away from a construction/demolition site by a construction/demolition contractor's own vehicles and employees and delivered to a materials recovery facility owned or operated by a collector, hazardous waste and e-waste. Construction and demolition debris not collected and transported away from a construction/demolition site by a construction/demolition contractor's own vehicles and employees and delivered to a materials recovery facility owned or operated by a collector shall be deemed recyclables and not special waste materials.**~~

QX. "Stable matter" means all manure and other waste matter normally accumulated in or about a stable, or any animal, livestock or poultry enclosure, and resulting from the keeping of animals, poultry or livestock.

8.08.020 Adoption of county ordinance – **Private Refuse Disposal Facilities.**

For the purpose of prescribing regulations for the operation of private refuse disposal facilities ~~and private refuse collection~~ within the city and collecting fees from owners of private refuse disposal facilities ~~and private refuse collection firms~~, that certain Ordinance No. 11886 of the county of Los Angeles, entitled "An Ordinance Establishing the Solid Waste Ordinance of the County of Los Angeles and Amending the Administrative Code and Business License Ordinance Relating to the Regulation of Solid Waste Handling and Disposal," including amendments thereto, effective April 13, 1979, three copies of which are on file in the office of the city clerk for public record and inspection, is adopted by reference. Whenever in Ordinance No. 11886 reference is made to the unincorporated area of the county of Los Angeles, such area shall be deemed to include in its true geographical location the entire area of the city of Covina.

8.08.030 Promulgation and enforcement of waste management rules and regulations.

A. It shall be the duty of the city manager ~~or his or her designee~~ to enforce all provisions of this chapter and other laws, ordinances or regulations pertaining to the storage, collection, transportation, processing and disposal of refuse, green waste, **special waste materials**, and recyclables within the city. The city manager ~~or his or her designee~~ may adopt such rules and regulations as may be necessary and proper for the operation of ~~private refuse, green waste and recyclables collection services within the city and for the operation of the city's refuse, green waste and recyclables collection, transportation, processing and disposal services.~~ Such rules and regulations may include controls, restrictions, rules or regulations governing ~~the city refuse, green~~

~~waste and recyclables collection, *transportation, processing and disposal* services, private refuse, green waste and recyclables collection services; and the customers or users of both *such* services with regard to the storage, processing, collection, transportation and disposal of refuse, green waste, *special waste materials* and recyclables.~~

B. A copy of such rules and regulations, including the revisions thereof, shall be filed in the office of the city clerk, together with a copy of the resolution of the council approving the same.

~~C. Such rules and regulations shall first be enforced administratively by means of written notice to the private refuse, green waste and recyclables collection service at the address indicated on the permit required by CMC 8.08.090; or, in the case of customer violations, to the property owner, tenant, or other responsible person occupying or residing at the premises at which such violation is alleged to have occurred. The notice shall state the nature of the violation, the date thereof, and the necessary corrective action to be taken and shall demand that such corrective action be taken within three calendar days after the date of the notice. Such notice shall constitute a decision by the city manager or his or her designee that a violation of the rules and regulations has occurred.~~

~~D. In all instances where such inspections reveal a violation of this chapter, the rules and regulations authorized by this chapter, or any other law or regulation for the storage, collection, transportation, processing, or disposal of refuse, green waste and recyclables, the city manager or his or her designee shall issue a notice for each such violation in accordance with the procedures set forth in subsection (C) of this section.~~

~~E. In all cases, when the corrective measures have not been taken within the time specified, the city manager or his or her designee may suspend or revoke any permit or service involved in the violation.~~

~~8.08.040 — Appeal on suspension or revocation of permit or service.~~

~~A. In all cases where the city manager or his or her designee has suspended or revoked any permit or service pursuant to CMC 8.08.030(E), the permittee under CMC 8.08.090 or customer shall have the right of appeal to the city council by filing an appeal in writing in the office of the city clerk within 10 days following notification of such suspension or revocation. Such appeal shall be heard by the city council which may affirm, amend or reverse the decision of the city manager or his or her designee or take other action deemed appropriate.~~

~~B. The city clerk shall give 10 days' written notice of the time and place of the hearing to the appellant.~~

~~C. In conducting the hearing, the city council shall not be limited by the technical rules of evidence.~~

~~8.08.050040 Accumulation prohibited — *Mandatory Collection, Transportation, Processing and Disposal.*~~

A. It is unlawful for any person *occupant* to keep or accumulate, or cause or permit to be kept or accumulated, upon any premises owned, controlled or occupied by him or her in the city any refuse, green waste, *special waste materials* or recyclables which are putrid or offensive or which are a fire hazard, health menace or a public nuisance. It shall be the duty of each such person *occupant* to cause any such accumulation to be handled, treated, placed and disposed of as set forth in this chapter.

B. *It is mandatory for any occupant of an occupied residence, commercial unit or industrial unit within the City to arrange for the collection, transportation, processing and disposal of all refuse, green waste and recyclables on at least a weekly basis and pay the related charges described in Section 8.08.180. If a residence, commercial unit or industrial unit generates refuse, green waste and/or recyclables at a rate such that weekly collection, transport, processing and disposal is insufficient to prevent an accumulation that violates subsection (A) above, the city may require an occupant to arrange for such collection, transportation, processing and disposal more frequently than once weekly, as determined by the city manager.*

C. *Any occupant of a residence, commercial unit or industrial unit within the city shall arrange for the collection, transportation, processing and disposal of all refuse, green waste and recyclables from the residence, commercial unit or industrial unit with either of the following:*

- 1.** *the city; or*
- 2.** *with one or more collectors who, pursuant to Section 8.08.050, have entered into an approved agreement with the city for the collection, transportation, processing and disposal of refuse, green waste and recyclables.*

D. *Any occupant of a residence, commercial unit or industrial unit within the city shall, as needed, arrange for the collection, transportation, processing and disposal of all special waste materials from the residence, commercial unit or industrial unit and may do so only with a business permitted by the City to perform such services pursuant to chapter 8.09 of this Code. Notwithstanding the foregoing sentence, an occupant may, as needed, "self haul" e-waste or household hazardous waste to a public or legally operated private collection facility or recycling center without a permit, as more specifically set forth in Subsection 8.08.080(C). No occupant, under any circumstances, may "self haul" any other types of special waste materials without first obtaining a permit pursuant to chapter 8.09.*

8.08.050 Award of Agreement.

The City Council may, based upon the recommendation of the city manager, find that the public health, safety and welfare require that the city award a nonexclusive, partially exclusive, or wholly exclusive agreement with a collector for the collection, transportation, processing and disposal of refuse, green waste and recyclables, as defined in Section 40195 of the California Integrated Waste Management Act, for any given geographic area within the City. Should the City Council award such agreement(s), such collection, transportation, processing and disposal services must be provided in compliance with the Acts, all other applicable laws and the terms and conditions imposed by the City Council in any approved agreement with the collector.

8.08.060 Disposal – Permit Agreement required.

No person shall dump, deposit, place or bury refuse, green waste or recyclables on land within the city limits without obtaining **approval of** an ~~permit~~ **agreement** therefor from the city ~~council pursuant to Section 8.08.050 above~~ manager or his or her designee; ~~except, that written permission to operate a public or private landfill shall be obtained from the city council.~~ Residential composting of green waste does not require an **permit agreement**.

8.08.070 Deposit on public place.

It is unlawful for any person to deposit or to cause or permit to be deposited any refuse, green waste, **special waste materials** or recyclables upon or in any public street, alley or other public place, or upon any public premises in the city, except in the manner and at the time and place as provided in this chapter.

8.08.080 Collection, **transportation and processing** – Prohibitions and exceptions.

A. It is unlawful for any person to collect, process or transport, or to cause or permit to be collected, processed or transported, any refuse, green waste or recyclables within the city; provided, that the provisions of this section shall not apply to any person in the employ of the city who is assigned by the city to the work of refuse, green waste or recyclables collection, transportation, processing and disposal, or to any person with whom the city has entered into or may hereafter enter into an **agreement** ~~contract~~ for the collection, transportation, processing and disposal of refuse, green waste or recyclables or to any employee of such ~~contractor~~ **collector** during such time as such **agreement** ~~contract~~ is in force, ~~or to any person having a written permit for the collection, transportation, processing and disposal of refuse, green waste and recyclables issued and approved by the city manager or his or her designee or to any employee of such permittee.~~

B. It is unlawful for any person to collect, process or transport, or to cause or permit to be collected, processed or transported, any special waste materials within the city without first obtaining a permit from the City pursuant to chapter 8.09, provided however, an occupant may “self haul” e-waste and household hazardous waste without such a permit in accordance with Subsection (C) below.

BC. Nothing in this section shall preclude the occupant of a residence, commercial unit or industrial unit place of business from personally removing refuse, green waste or recyclables e-waste, household recyclables and household hazardous waste from the residence, commercial unit or industrial unit place of business occupied by him or her and transporting same to a public landfill or a legally operated private landfill collection facility or recycling center, provided that the occupant complies with the following:

1. All removal and transportation performed pursuant to this subsection (C) shall be accomplished by the occupant or by the occupant’s employees using the occupant’s own vehicles and equipment. No subcontracting of such work is permitted.

2. *Commercial or passenger motor vehicles may be used by a self-hauler in accordance with this subsection (C) only if the e-waste, household recyclables and household hazardous waste is so contained as to prevent it from leaking, dripping, falling, blowing, or scattering from the vehicle in which it is being transported.*

8.08.090 Collection, Transportation, Processing and Disposal – Permit Agreement required.
—Conditions

A. No person shall engage in the business of collection, transportation, processing or disposal of refuse, green waste or recyclables in the city from any premises in the city without *first entering into* a written permit *agreement* therefor issued and approved by the city manager or his or her designee, ~~unless under contract with the city for such business council pursuant to Section 8.08.050 of this chapter.~~ Any person desiring a permit required by this section shall make written application for the same to the city manager or his or her designee who shall make or cause to be made such investigation as he or she may consider necessary in order to determine whether or not public convenience and necessity require the granting of such permit. The application for a permit under this section shall set forth the name and address of the applicant; the trade name under which the applicant does or proposes to do business; the nature and character of the service the applicant proposes to render; the patrons for whom he or she proposes to render the service; the number of vehicles the applicant desires to operate; the class, size and design of such vehicles; the place and method of disposal to be practiced; and such other information as the city manager or his or her designee may require. If the permit is granted, the permittee shall obtain a business license in accordance with CMC 5.04.010 through 5.04.580

B. ~~A copy of each permit issued under this section shall be attached to the vehicles used for such purpose and shall be subject to inspection at all times. Every permittee under this section shall provide public liability insurance in the minimum amount of \$500,000 and property damage insurance in an amount not less than \$500,000 and shall maintain a local or toll free telephone number. —~~*No person shall engage in the business of collection, transportation, processing or disposal of special waste materials within the city without first obtaining a permit from the City pursuant to chapter 8.09.*

~~C. Each permit granted under this section shall be nontransferable and may be revoked and rescinded by the city manager or his or her designee with the consent of the city council at any time if the permittee has violated any of the provisions of this chapter. Each permittee shall abide by the rules for the collection, transportation, processing and disposal of refuse, green waste and recyclables established by the city manager or his or her designee in accordance with this chapter.~~

8.08.100 — Requirements — Private refuse collection service trucks and bins.

A. Permittee's Name.

~~1. Every permittee who receives a permit pursuant to CMC 8.08.090 shall print or paint his or her firm's name, telephone number, and street address in legible letters, not less than six inches in height, on both sides of all trucks used to collect or transport refuse, green waste and recyclables.~~

~~2. Every permittee shall place and maintain on the outside of all residential and commercial bins in legible letters and numerals not less than three inches in height, the permittee's firm's name and telephone number.~~

~~B. Cleanliness and Repairs. Every permittee shall keep at all times such refuse, green waste and recyclable bins and lids in good repair and maintained in a clean and sanitary condition to the satisfaction of the city manager or his or her designee.~~

~~C. Responsibility of Customers. It shall be the responsibility of the user of such refuse bins or other equipment to provide a safe, clean and sanitary area for the storage thereof and to maintain such area in a clean and sanitary condition at all times pursuant to the provisions of this chapter.~~

~~D. Responsibility of Permittee. It shall be the responsibility of the permittee to place and locate such refuse bins upon the property of the user and to locate such refuse bins off the public street and right of way, unless an encroachment permit is obtained through the public works department.~~

8.08.110100 Collection – Supervision.

The city manager or his or her designee shall supervise the collection, transportation, processing and disposal of all refuse, green waste, *special waste materials* and recyclables in the city. He or she shall ~~may~~ make such rules consistent with the provisions of this chapter *and with any approved agreement* as may be necessary, reasonable and proper to effect the expedient, economical and efficient collection of refuse, green waste, *special waste materials* and recyclables.

8.08.120110 Collection – Routes, days and hours establishment.

~~The city manager or his or her designee shall establish routes, days and hours for collection of refuse, green waste and recyclables, and may change the same from time to time. When such routes, days and hours are established or changed, the city manager or his or her designee shall give notice thereof.~~

8.08.130120 Residential Refuse Containers Receptacle – Requirements.

~~A. Separate residential containers Solid waste containers (receptacles), including but not limited to residential refuse containers, green waste containers and recyclable material containers, shall be furnished to each occupant by the city or its approved franchisee collector for green waste, recyclables, and all other residential refuse, unless otherwise exempted by this chapter or specifically approved by the city manager or his or her designee. Each container shall be kept clean and in a sanitary condition by the owner occupant or person in charge of the premises residence that said container serves.~~

~~B. The weight of each residential refuse, green waste and recyclable bin receptacle, together with its contents, shall not exceed 200 pounds.~~

~~C. All ashes, when placed in a refuse receptacle container, shall be cold, dampened and free from any fire, live coals or other substances capable of igniting or which might ignite other materials with which they come in proximity or contact.~~

~~DC.~~ Any residential refuse, *green waste or recyclables* that cannot be placed in a refuse, ~~green waste or recyclable receptacle container~~, as described in this chapter, may be placed for collection at curbside. Green waste *placed for collection at curbside* must be prepared in the following manner: It shall be securely tied in bundles not heavier than ~~75~~ **50** pounds nor more than four feet in length and ~~18 inches in diameter~~. Crating material such as cardboard or plywood shall be broken down.

~~ED.~~ It is unlawful for ~~an occupant~~ person occupying or having control of any premises to introduce *residential* refuse, contaminated material, hazardous materials *special waste materials*, green waste or any materials which are not recyclables into a solid waste container designed for recyclable materials.

~~EE.~~ It is unlawful for ~~an occupant~~ person occupying or having control of any premises to introduce *residential* refuse, contaminated material, hazardous materials *special waste materials, recyclables* or any materials which are not green waste into a solid waste container designed for green waste materials.

F. It is unlawful for an occupant to introduce green waste, special waste materials, recyclables or any materials which are not refuse into a container designed for refuse.

G. It is unlawful for any person to place for collection any *residential* refuse, *green waste or recyclables* on any premises other than the place from which such refuse, *green waste or recyclables* accumulated or was generated.

8.08.130 Commercial and Industrial Refuse Containers – Requirements.

A. Containers shall be furnished to each occupant by the city or its approved collector for commercial or industrial refuse, unless otherwise exempted by this chapter or specifically approved by the city manager. Each container shall be kept clean and in a sanitary condition by the occupant of the commercial unit or industrial unit that said container serves.

B. All ashes, when placed in a refuse container, shall be cold, dampened and free from any fire, live coals or other substances capable of igniting or which might ignite other materials with which they come in proximity or contact.

C. It is unlawful for a person occupying or having control of any commercial or industrial unit to introduce special waste materials or any materials that are not commercial or industrial refuse, green waste or recyclables into a container.

D. It is unlawful for any person to place for collection any commercial or industrial refuse, green waste or recyclables on any premises other than the place from which such refuse, green waste or recyclables accumulated or was generated.

8.08.140 Places for collection.

A. It shall be the duty of every occupant of a residence, *commercial unit* or *industrial unit* ~~place of business~~ placing refuse, green waste or recyclable receptacles *containers* for collection to place the same in the following manner:

1. ~~For residential collection, at the curb in front of the premises occupied by the person placing the same or at the curb at the side of the premises where such premises are adjacent to more than one street; except, that when the premises are adjacent to a public alley that is not closed at one end, such refuse, green waste or recyclable receptacles shall be placed within two feet of the rear property line of the premises and shall be readily accessible for collection from such alley. Receptacles~~ *Containers* shall be placed as close to the roadway as practical, with wheels against the curb and spaced at least one foot apart *to allow for mechanized collection*, without interfering with or endangering the movement of vehicles or pedestrians. No refuse, green waste or recyclable receptacles *containers* shall be placed in any other location for collection except by express approval of the city manager or his or her designee, *or as permitted by any applicable agreement*. No person occupant shall permit refuse, green waste or recyclable receptacles *containers* to remain at the place for collection for more than 24 hours before or after the time of collection.

2. *For commercial and industrial collection, containers shall be placed in a location that allows for mechanical collection and which minimizes interference with public rights-of-way, off-street parking and/or ingress and egress serving the premises. All other federal, state and local requirements pertaining to interference with the public right-of-way shall apply. Containers in enclosures shall comply with applicable requirements of chapters 17.72 and 17.76 of this Code.*

B. *Until refuse, green waste and/or recyclables have been picked up for collection, the occupant of the premises receiving such service shall clean up any and all refuse, green waste and/or recyclables spilled in any manner at the premises of which the occupant is in charge. This responsibility remains the sole responsibility of the occupant notwithstanding human or animal interference, wind or other natural forces. The lids to containers shall remain closed except for the time period it takes to deposit items into the container. Containers shall not be overfilled such that the lids cannot be completely closed.*

8.08.150 Unauthorized removal or use.

No person, other than the owner or occupant of the residence, *commercial unit* or *industrial unit* ~~place of business~~, his or her agents or employees, or an officer or employee of the city, or any person holding an *agreement* ~~contract~~ with the city or a permit from the city for collection, transportation, processing or disposal of refuse, green waste or recyclable materials, his or her agents or employees authorized for such purpose, shall tamper or meddle with or remove any receptacle *container* or refuse, green waste or recyclable materials. No employee of the city *or of any collector* shall remove or dispose of, for the employee's individual use or benefit, any refuse, green waste or recyclables or receptacle *container* used for the collection, transportation, processing or disposal of refuse, green waste or recyclables.

8.08.160 Service application – Form.

Before any refuse, green waste or recycling services will be supplied by the city *or by any collector* to any person, the ~~owner or~~ occupant of the *property residence, commercial unit or industrial unit* shall make a written application for such refuse, green waste or recyclable collection, transportation, processing and disposal service upon a form provided by the city ~~at the finance department~~ *or by the collector*.

8.08.170 California Integrated Waste Management Act/Solid Waste Per Capita Disposal Measurement Act – Imposition of charges.

This provision is enacted for the purpose of compliance with the ~~California Integrated Waste Management Acts of 1989 in accordance with California Public Resources Code Section 40000 et seq.~~ The city shall adopt a source reduction and recycling element and household hazardous waste element pursuant to said Acts which shall include the imposition of charges to fund the preparation, adoption and implementation of said elements. Such charges and method of collection shall be determined, fixed and established by the city council by *ordinance or* resolution duly and regularly adopted. Such charges and methods of collection may be changed by the city council from time to time by *ordinance or* resolution and shall respectively be applicable for the respective periods designated in or governed by such respective *ordinance or* resolution.

8.08.180 Charges – Imposition – Determination – Service discontinuance for nonpayment.

There are imposed charges for the collection, transportation, processing and disposal of refuse, green waste and recyclables by the city. *Each occupied residence, commercial unit and industrial unit within the City shall be responsible for the payment of these charges and be required to pay, at a minimum, for the level of service equivalent to other similar residences, commercial units and industrial units.* Such charges for collection, transportation, processing and disposal services rendered or to be rendered shall be those which the city council may from time to time determine, fix and establish by *ordinance or* resolution duly and regularly adopted by it. Such charges may be changed by the city council from time to time by *ordinance or* resolution and shall respectively be applicable for the respective periods designated in or governed by such respective *ordinances or* resolutions. A refuse bill shall be considered delinquent if the ~~customer~~ *occupant* fails to pay any refuse bill on or before 30 days after the date the bill is addressed to the ~~customer~~ *occupant* and posted in the United States mail.

8.08.190 Service discontinuance – Service restoration – Appeal.

A. An occupant who vacates a property shall notify the city or collector pursuant to the procedure in Section 8.08.220.

B. If the an occupant refuse customer receiving service fails to pay the delinquent bill within 30 days after it becomes delinquent, his or her refuse service shall be discontinued at the next regular pick-up day after 15 days 5 days from mailing of written notice to discontinue service, mailed to him or her at his or her last known place of residence or business. Any occupant refuse customer whose refuse service has been discontinued due to nonpayment shall make a cash deposit to the city or to the collector in a sum equal to four times the amount of the monthly charge for refuse service before service may be reinstated. If full payment of the delinquent bill is not made

and the deposit is not paid within fifteen (15) days following discontinuance of service, the city or the collector may cancel the account and recover any and all containers that previously served the residence, commercial unit or industrial unit.

C. If an occupant receiving service fails to comply with any other provisions of this chapter, the city manager shall so notify the occupant in writing. The notice shall be sent to the occupant's last known place of residence or business, shall state the nature of the violation(s) and the necessary corrective action to be taken and shall provide the occupant at least 15 days to correct the violation(s). The notice shall constitute the city manager's order to correct the violation(s). If the occupant fails to correct the violation(s) within the time specified in the notice, the city manager may order that the occupant's service be suspended or discontinued. If the service is discontinued, the city or the collector may recover any and all containers that previously served the occupant's residence, commercial unit or industrial unit. The city manager may order that service be subsequently restored, upon receiving satisfactory evidence that the violation(s) has/have been corrected and upon compliance upon such other reasonable conditions as he or she may place upon the occupant to prevent future violations.

D. Any occupant may appeal an order of the city manager pursuant to subsection (C) to the city council. Such appeal request shall be in writing and must be filed with the city clerk not less than 15 days following the date of the city manager's notice/order. The appeal request must indicate a return address and set forth the basis for the appeal. If the appeal deadline falls on a day City Hall is closed, then the deadline shall be extended until the next regular business day. Upon receipt of a timely appeal request, the city clerk shall fix a date, time and place for the city council to hear the appeal and shall notify the occupant in writing no less than 5 days before the hearing. The failure of the occupant to receive such notice shall not affect the validity of any proceedings under this Section. The city council shall conduct an orderly, fair hearing and accept evidence on which persons commonly rely in their ordinary business affairs. The city council shall not be bound by formal rules of evidence. The city council may affirm, reduce, reverse or modify the city manager's decision. The decision of the city council shall be final. Failure of an occupant to file an appeal and appear for a hearing in accordance with the provisions of this subsection (D) shall constitute a waiver of that person's rights to challenge the city manager's order and a failure to exhaust administrative remedies.

8.08.200 Cash deposit – Refund.

Any person who has made a cash deposit pursuant to CMC 8.08.190 may apply, in writing, to the ~~finance department of the city~~ *or the collector* for a refund of such deposit. No refund shall be made unless the person applying for the refund has maintained the ~~bimonthly~~ refuse bill account on a current basis for 12 continuous months preceding the date upon which the application for refund is received, and has, for the same 12 continuous months preceding the date upon which the application for refund is received, caused no more than one delinquency, as defined in CMC 8.08.180.

8.08.210 Delinquent bill – Deduction from deposit.

If the occupant ~~or business~~ receiving refuse, *green waste or recyclable* service has a deposit placed with the city *or the collector*, the amount of the delinquent bill may be deducted therefrom in which event the occupant or business shall be required to restore the deposit when the amount thereof has been deducted by the city *or the collector* and used in the liquidation of such bill. If the

deposit is not restored after 15 days from the mailing of written notice to restore the same, service shall be discontinued *as set forth in Section 8.08.190(B) above.*

8.08.220 Charge – Liability.

The city council finds and determines that the regular collection of refuse, green waste and recyclables, and transportation, processing and disposal thereof from all places in the city is beneficial to the inhabitants of the city and necessary for the public health, safety and general welfare of the citizens and is a service to the premises from which it is collected. All occupants of residences, *commercial units* and *industrial units* ~~places of business in the city placing refuse for collection by the city or by the city's contractor~~ are liable for the refuse, green waste and recyclable collection charges prescribed by this chapter. In the event that any occupant of any residence, *commercial unit* or *industrial unit* ~~place of business in the city~~ *will become vacant and the occupant* desires to discontinue such refuse, *green waste and/or recyclable collection*, transportation, processing and disposal service *to said residence, commercial unit or industrial unit*, it shall be the duty of such occupant to notify the city manager ~~or his or her designee or the collector~~ in writing of such *vacancy and the occupant's* desire to discontinue such refuse, green waste and recyclables collection, transportation and disposal service at least 30 days before such service is to be discontinued in order to be exempt from liability for the charges imposed in this chapter. *An occupant may not request discontinuance of service if the residence, commercial unit or industrial unit will remain occupied.*

8.08.230 Unauthorized Containers and Impoundment.

All containers used within the city shall be owned and/or operated by either (i) the city, (ii) an approved collector of the city, or (iii) a business that collects, processes or transports special waste materials within the city pursuant to a permit issued from the City under chapter 8.09 of this Code. All other containers are unauthorized and may be immediately removed and impounded by the city manager. In addition, the city manager may immediately remove and impound any container(s) that create a dangerous or hazardous condition constituting an immediate threat to public health or safety.

A. Upon the impoundment of a container, a written notice of such action shall be sent by certified mail, return receipt requested, to (i) the owner or person in charge of the container at the address identified on the container(s) and (ii) the occupant, within 3 days after the impoundment. The notice shall specify (i) the reason(s) why the container(s) is/are unauthorized, (ii) the location where the container(s) is/are impounded, (iii) that the owner or person in charge of the container(s), or the occupant (jointly and severally) will be responsible for the costs of removal and impound of the container(s), (iv) the right to appeal the city manager's decision to impound pursuant to subsection (B), and (v) that, unless the city manager's decision is appealed, any container(s) not retrieved within 30 days following the impound will be sold or disposed of by the city and the city may retain any proceeds. Failure of an owner or person in charge of an impounded container or occupant to receive written notice pursuant to this subsection shall not invalidate the impoundment.

B. The owner or person in charge of the container or the occupant may appeal the city manager's decision to impound the container to the city council within fifteen (15) days following the date of the impound notice, as provided in Section 8.08.190(D).

C. The owner or person in charge of the container or the occupant who provides sufficient proof of ownership or responsibility for the container may have such container returned within a reasonable time, not to exceed 15 days from the date of impoundment, or if an appeal is timely requested, within 15 days from the date the appeal becomes final. The container shall not be returned until the owner or person in charge of the container or the occupant pays an impound fee as established from time to time by resolution of the City Council, plus the reasonable cost of disposing of the contents of the container and the reasonable costs of impounding, removing, and storing the container, if any, in excess of the fee established by the City Council. If it is determined on appeal that the container was authorized to be used in the city, any impound fee and costs paid for the release of a container shall be refunded to the owner or person in charge of the container or to the occupant, whoever paid the impound fee.

D. If no appeal has been requested, or, if requested, has resulted in a final decision that the container was rightfully impounded, and if the impound fees and costs specified in this subsection have not been paid within 30 days following the impound, or if timely appealed, within 30 days following the city council's final decision, the city manager may sell or otherwise dispose of the container and retain the proceeds from any such sale or other disposition.

E. The city manager may delegate to a collector the authority to remove and impound unauthorized containers, to provide written notice to owners, persons in charge and occupants, to collect fees and costs, and to dispose of unclaimed containers, all as authorized by this Section 8.08.230. Prior to exercising such delegated authority, the collector shall enter into a written agreement, in a form satisfactory to the city, indemnifying and holding harmless the city against all claims and causes of action arising out of the collector's actions herein. The collector shall also agree to amend its operating agreement issued by the City pursuant to Section 8.08.050 to reflect that impoundments performed by the collector without full compliance with this section shall be deemed violations of the collector's operating agreement. The city manager may revoke this delegation of authority, in whole or in part, at any time in his or her sole discretion, and the collector shall acknowledge that any such revocation shall not be deemed a breach of the collector's operating agreement.

8.08.230240 Penalties for failure to comply with this chapter.

A. The violation of any provision of this chapter, or failure to comply with any of the requirements of this chapter, shall constitute a misdemeanor, which is punishable in accordance with Chapter 1.16 of this Code.

B. The violation of any provision of this chapter is also hereby declared to constitute a public nuisance, which may be abated by the city pursuant to the procedures set forth in Chapter 8.40 of this Code.

C. This chapter may also be enforced pursuant to the administrative citation procedure set forth in Chapter 1.26 of this Code.

D. The provisions of this section are cumulative to any other remedies authorized by law."

Section 2. Chapter 8.09 of Title 8 of the Covina Municipal Code shall be amended to read as follows:

"Chapter 8.09

**COMMERCIAL RECYCLING/SPECIAL WASTE MATERIALS COLLECTION – PERMIT
REQUIRED**

8.09.010 Definitions.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

A. "Acts" means (i) the California Integrated Waste Management Act of 1989, codified in part at Public Resources Code, Sections 40000 *et seq.* (and sometimes referred to as "AB 939") and (ii) the Solid Waste Per Capita Disposal Measurement Act, each as they may be amended from time to time.

AB. "City manager" means *the* city manager or his or her designee.

BC. "Collection" means the operation of gathering together ~~solid waste~~ *special waste* materials and transporting the same to the point of *processing or* disposal.

D. "Collector" means a person, company, or corporation entering into an agreement with the city for the collection and disposal of solid waste from within the city, pursuant to section 8.08.050 of this Code.

~~CE.~~ "Container" means a receptacle constructed of metal, plastic, or some other impervious material and having a lid and solid bottom *designed to contain and carry special waste materials.*

~~DF.~~ "Construction or demolition debris" means excess or remaining materials resulting from any commercial, *industrial* or residential construction, *remodeling, repair* or demolition operations, including but not limited to wood, *glass*, concrete, asphalt, electrical materials and metal.

~~E.~~ "Generators" mean producers of recyclable *special* materials using bins or barrels to dispose of solid waste.

FG. "Director" means the public works director or his or her designee.

H. "E-waste" means waste material previously used as part of a computer, server, monitor, printer, keyboard, mouse, telephone or similar telecommunications device (land-line or portable), radio or television, or other electronic device separated from refuse which, due to the presence of certain chemicals, must be specially collected and processed for either recycling or disposal. The City shall provide to occupants within the City a list of materials that qualify as e-waste under this ordinance.

~~EL. "Generators" mean producers of recyclable *special waste* materials using bins or barrels to dispose of solid waste.~~

~~GJ. "Graffiti" means a nonpermitted inscription or drawing, including tagging, written on a recycling receptacle *container* or a wall or surface enclosing a recycling receptacle *container containing special waste materials*.~~

~~HK. "Franchisee" means the person, company, or corporation entering into a contract with and receiving franchise for the collection and disposal of solid waste from within the city. *"Hazardous Waste" means any chemical, compound, mixture, substance or article which is designated by the United States Environmental Protection Agency or appropriate agency of the state to be "hazardous" as that term is defined or pursuant to federal or state law, including but not limited to flammable waste, liquid waste, sewage sludge, waste from pollution control processes, contaminated soil, explosive substances, poisonous chemicals, solvents, radioactive materials, infectious waste and medical waste.*~~

~~I. "Recyclable materials" means materials or by products generated by stores, business offices, commercial warehouses, hospitals, educational, health care, military, and correctional institutions, nonprofit research organizations, government offices, or multifamily complexes using bins or barrels to dispose of solid waste, which materials may be collected and processed or transformed into a product that is reintroduced as a new or reusable commodity with industrial, commercial or retail value such that the product is not disposed in a solid waste landfill and counted as disposal under the California Integrated Waste Management Act of 1989. Recyclable materials may include, but are not limited to, food waste, landscape debris, paper, glass, plastics, metals, construction and demolition debris, and any materials that may or may not possess a monetary value prior to processing.~~

~~J. "Recyclable materials contractor" means any person, sole proprietor, partnership or corporation that has obtained a permit from the city to transport recyclable materials from within the city.~~

~~KL. "Residue" means residual solid waste mixed with recyclable *special waste* materials that is unable to be recycled *or otherwise processed* and must therefore be taken to a permitted solid waste facility for disposal.~~

~~M. "*Special Waste Materials*" means construction and demolition debris collected and transported away from a construction/demolition site by a construction/demolition contractor's own vehicles and employees and transported to a materials recovery facility owned or operated by a collector, hazardous waste and e-waste. Construction and demolition debris not collected and transported away from a construction/demolition site by a construction/demolition contractor's own vehicles and employees and transported to a materials recovery facility owned or operated by a collector shall be deemed recyclable materials and may only be collected, transported and disposed by the city or a collector, pursuant to chapter 8.08 of this Code.~~

N. "Special waste materials contractor" means any person, sole proprietor, partnership or corporation that has obtained a permit from the city to transport special waste materials from within the city.

L.O. "Solid waste" means any material discarded by residents and businesses that is taken to a permitted solid waste facility for disposal.

8.09.020 Permit required.

No person, including any solid waste ~~franchise~~*collector*, shall engage in the business of collecting ~~recyclable~~ *special waste* materials within the city unless such person has first obtained from the city a permit as a ~~recyclable~~ *special waste* materials contractor. If issued, the permit shall be valid through December 31st of the calendar year in which the permit is issued. Permit renewal shall be valid for one year and shall be issued by the director. The initial application fee and annual permit fee shall be determined from time to time by resolution of the city council.

8.09.030 Permit application.

Applications for a ~~recyclable~~ *special waste* materials contractor permit shall be submitted to and on a form provided by the director. The application must be typewritten or legibly printed by hand, and must be accompanied by the required filing and processing fee. The application must be submitted fully completed, and must include at a minimum the information listed in CMC 8.09.040. Illegible information will be treated as incomplete, and may therefore serve as grounds for denial of the application.

8.09.040 Permit requirements.

Applications for a ~~recyclable~~ *special waste* materials contractor permit shall contain at least the following information:

A. The applicant's current business address, telephone number, facsimile number, or other contact information requested by the director; and

B. A list of each corporate officer or official of the applicant; and

C. An accurate statement of the business, occupation, or employment of the applicant for the two years immediately preceding the date the application is submitted; and

D. A list of any other permits, ~~franchise~~*contracts*, or licenses from any *Federal, state or local* agency for the provision of solid waste collection services, recyclable material collection services, *special waste material collection services*, or any similar services, held by the applicant for any period during the two years immediately preceding the date the application is submitted; and

E. A list of any revocation, suspension, denial, or other voluntary or involuntary surrender or termination of any of the permits, ~~franchise~~*contracts*, or licenses listed in response to subsection (D) of this section; and

F. A list of permitted solid waste facilities to which the applicant may take any residue (only permitted solid waste facilities may be used); and

G. A list of permitted recycling or processing facilities to which the applicant may take any special waste materials.

GH. Any other identification and information the director deems necessary to establish the truth of the information supplied in the application; or to determine if the applicant is likely to comply with the requirements of this chapter; or to meet public health, safety and welfare standards; or determine if the applicant's activities as a ~~recyclable~~ *special waste* materials contractor would be beneficial or detrimental to the city's programs and efforts to comply with the mandates of the ~~California Integrated Waste Management Act of 1989 (Public Resources Code Section 40000 et seq.)~~.

8.09.050 Permits – Evaluation, issuance, grounds for denial or revocation.

A. Completed applications for a ~~recyclable~~ *special waste* materials contractor permit shall be reviewed and evaluated by the director. The director shall use best efforts to complete the investigation and review of an application within 30 days after submission of the completed application by the applicant. If after review and investigation the application is found to meet the criteria of this chapter, the director shall issue the permit. Written notice of the approval or denial of the application shall be provided by first-class mail to the applicant at the address provided on the application. If the application is denied, the written notice shall contain a brief explanation of the reason or reasons why the application was denied. The decision to deny an application may be appealed to the city council by the same procedure given in CMC 8.09.160, within 10 business days of the mailing of the written notice of denial.

B. Applications for ~~recyclable~~ *special waste* materials contractor permits may be denied or revoked for any or all of the following reasons:

AI. Failure to submit a complete application. Illegible information will be deemed to be omitted. For the purpose of this section, a "complete application" is one which contains all of the information required by CMC 8.09.040.

B2. Making any false statement on or in connection with the permit application or permit.

C3. Based upon the information contained in the application or obtained during the investigation, a determination by the director that the applicant is unlikely to comply with the requirements of this chapter; or is unlikely to meet public health, safety and welfare standards; or that the applicant's activities as a ~~recyclable~~ *special waste* materials contractor would be detrimental to the city's programs and efforts to comply with the ~~mandates of the California Integrated Waste Management Acts of 1989 (Public Resources Code Section 40000 et seq.)~~.

D4. Proof of any revocation, suspension, denial, or other voluntary or involuntary surrender or termination of any of the permits, franchises~~contracts~~, or licenses listed in response to CMC 8.09.040(E) (regarding permits from other jurisdictions).

E5. Reapplication within six months after a previous application from the same applicant was denied; or within the time period that the ground(s) for the previous denial may still be considered valid ground(s) for denial under this chapter.

6. *Failure to obtain and maintain a valid city business license for the permitted period.*

7. *Failure to comply with federal, state and local requirements for collection, handling, processing, recycling and/or disposing of special waste materials.*

8.09.060 Exemption to permit requirement. *City business license required.*

~~A permit as a recyclable materials contractor shall not be required of any person who is engaging in the business of purchasing and selling recyclable materials as a commodities broker so long as those activities do not include collection of recyclable materials from generators within the city. Prior to performing any permitted services under this chapter, a special waste materials contractor shall obtain a city business license in accordance with chapter 5.04 of this Code. A special waste materials contractor shall maintain its city business license in good standing through the period it performs any permitted services under this chapter.~~

8.09.070 Separation *Solid waste service* required.

~~A. Any person within the city using the services of a recyclable materials contractor shall first separate such recyclable materials from all solid waste, as defined in CMC 8.09.010. Solid waste and recyclable materials shall not intentionally be mixed in the same container. All containers used for the storage of recyclable materials shall be clearly marked with the words, "Recyclable Materials Only," followed by a listing of the material types that may be deposited in the container.~~

~~B. Any person within the city using the services of a recyclable *special waste* materials contractor is required to (i) maintain *solid waste* service with the city, or (ii) maintain *solid waste service with the city's solid waste collector*. The trash service level shall be sufficient to store and dispose of solid waste that is not separated and recycled, and, at a minimum, must be equal to the franchisee's lowest level of service that is available through the franchisee's contract with the city.~~

8.09.080 Recyclable *Special waste* materials hauling and ~~purchase~~ *recycling* of materials.

Permitted recyclable *special waste* materials contractors shall be allowed to purchase and haul recyclable *special waste* materials, as defined under CMC 8.09.010, from any business location within the city, provided *that the special waste materials contractor complies with all federal, state and local requirements for collecting, handling, processing, recycling and/or disposing of said materials and that* not less than 90 ~~90~~ 80 percent of the material *construction and demolition debris and e-waste* removed is recycled, reused, transformed or taken to a recycling *or processing* center;

~~except in the case of construction or demolition debris, where the requirement shall be 80 percent recyclable. The above percentages are based on weight.~~

8.09.090 Recyclable *Special waste* materials hauling – Fee for service hauling – Permit required.

~~Permitted recyclable *special waste* materials contractors shall be allowed to charge a fee to haul recyclable *special waste* materials, as defined under CMC 8.09.010, from any business location within the city, provided not less than 90 percent of the *special waste* materials removed is recycled, reused, transformed or taken to a recycling or processing center, except in the case of construction or demolition debris, where the requirement shall be 80 percent recyclable. The above percentages are based on weight. In order to engage in such activity, the business entity which will be contracting with the recyclable materials contractor shall first obtain a fee for service recycling permit to be issued by the director. Each permit application shall be accompanied by a detailed explanation of the types of materials that will be hauled, the name of the recyclable materials contractor(s) that will be collecting the materials, and the recycling facility where the materials will be taken.~~

8.09.100 Compliance.

Recyclable *Special waste* materials contractors shall not knowingly transport loads containing more than 10 percent residue, or 20 percent in the case of construction or demolition debris, from any premises within the city, either free or on a fee-for-service basis, whether or not such contractors are picking up recyclable *special waste* materials from such premises. The above percentages are based on weight.

8.09.110 Quarterly recycling collection reporting.

A. On a quarterly basis, recyclable *special waste* materials contractors, *with the exception of construction and demolition debris contractors*, at their sole expense, shall furnish collection reports to the city, on a form provided by or acceptable to the director. These reports shall include the names and addresses of businesses generating the recyclable *special waste* materials, total number of tons collected from each business, the number of tons recycled *or processed* from each business, a breakdown of the type of recyclable *special waste* materials collected, and where the residue was disposed of during the previous quarter. These reports shall be furnished no later than 30 days following the last day of the calendar quarter covered by the report.

B. *Construction and demolition debris contractors shall furnish a diversion plan and diversion final report on forms provided by the director and accompanied by load characterization reports, recycling receipts, reuse documentation and other diversion information as necessary to ensure compliance with the recycling and diversion mandates specified in this chapter. For projects with a duration of 90 days or more, interim reports and accompanying documentation shall be furnished on forms provided by the director at the frequency specified by the director. The director may require a deposit be provided to ensure compliance with this section.*

8.09.120 Transfer of permits.

No permit issued under this chapter shall be assigned or otherwise transferred without the prior written approval of the city. Any transfer or assignment made without such approval shall be treated as null and void.

8.09.130 Maintenance of equipment –Vehicles to have name of ~~recyclable~~ *special* materials contractor on sides.

All equipment used in the collection of ~~recyclable~~ *special waste* materials shall conform to the highest industry standards, shall be maintained in a clean and efficient condition, and shall comply with all measures and procedures promulgated by all agencies with jurisdiction. All vehicles used by a ~~recyclable~~ *special waste* materials contractor shall be maintained in compliance with all applicable state and local laws, and shall abide by the following:

A. The name of the contractor or firm name, together with the phone number of the company, shall be printed or painted in legible letters, not less than three inches in height, on both sides of all trucks and conveyances used to collect or transport ~~recyclable~~ *special waste* materials within the city.

B. Each vehicle shall be constructed and used so that no material will blow, fall, or leak out of the vehicle. Any *special waste* materials dropped or spilled in collection or transfer shall immediately be cleaned up by the operator. *The clean up of any hazardous waste shall be conducted in accordance with all procedures and protocols established by Federal, state and local agencies with jurisdiction.* A broom, shovel, and spill kit shall be carried at all times on each vehicle for this purpose.

C. Should the city manager at any time give notification in writing to a permittee that any vehicle does not comply with the standards set forth herein, the vehicle shall immediately be removed from service in the city and shall not be used again until approved in writing by the city manager.

D. All equipment used to collect ~~recyclable~~ *special waste* materials, including vehicles and containers, shall be kept free of graffiti.

8.09.140 ~~Illegal recycling~~ *special waste materials* containers.

~~A.~~ Should the city become aware of any ~~recycling~~ *special waste materials container* which does not belong to any of the city's permitted ~~recyclable~~ *special waste* materials contractors or ~~generators~~ located on private property in the city, the city may cause removal *and impoundment* of such container. *Whenever removing and/or impounding a special waste materials container, the City shall follow the procedure set forth in Section 8.08.230 of this Code.*

~~B.~~ The city shall first provide a notice demanding that such container be removed. The city shall affix, in a plainly visible location, and shall also hand deliver a copy of such notice to the business or residence located at the property. If it is not possible to accomplish such hand delivery at

~~the time of the posting of such notice, the city may instead mail a copy of such notice, first class postage prepaid, to the owner of such business, as shown on the city's business license records, or to the owner or occupant of such residence, in which case notice shall be deemed completed upon the placing of such mailed notice in the mail.~~

~~_____ C. Such notice to remove shall state that:~~

~~_____ 1. The container is illegal, and the reason therefor;~~

~~_____ 2. The container must be removed within five days from the date of the notice;~~

~~_____ 3. If the container is not removed within five days of the date of the notice, the city may cause it to be removed to the location set forth in the notice;~~

~~_____ 4. If the city has to cause removal of the container, the business owner, or the owner and/or occupant (joint and severally) of the residence will be charged (as described below);~~

~~_____ 5. If the city has to cause removal of the container, the owner of the container will be charged (as described below);~~

~~_____ 6. If any container caused to be removed by the city is not retrieved within 30 days after its removal, the city will dispose of such container;~~

~~_____ 7. The city shall charge the owner of the business, or the owner and/or the occupant (jointly and severally) of the residence located at the property from which the container has been removed an amount equal to twice the city's authorized daily service rate charged for the subject size container (monthly rate/number of days in month), plus any disposal charges incurred by the hauler, from the date that the notice is first posted to the date that the container is removed from its service location.~~

~~_____ D. The owner of any container caused to be removed by the city may retrieve such container from the city by providing to the city proof of ownership and by paying to the city an impound charge in an amount that may be set from time to time by a resolution of the city council.~~

~~_____ E. The city may dispose of any container caused to be removed which is not retrieved from the city within 30 days after its removal. The city shall retain any funds collected in disposing of the container in order to recover costs incurred.~~

8.09.150 Suspension *or revocation* of permit by city manager.

Should the city manager find prima facie evidence that any recyclable *special waste* materials contractor has violated the provisions of this chapter, *he or she may suspend or revoke a special waste materials contractor permit.* ~~or~~ *Where a special waste materials contractor has acted in a manner which creates an immediate threat to public health, safety, or welfare concern, the city manager shall may immediately, and without hearing, suspend the permit of such contractor. For*

all other suspensions or revocations, the city manager make take such action only after conducting a hearing as follows:

The city manager shall send written notice to the special waste materials contractor describing the nature of the violation(s) and the necessary corrective action to be taken and shall provide the special waste materials contractor at least 15 days to correct the violation(s). The notice shall be sent to the special waste materials contractor's place of business, as indicated on the permit. The notice shall constitute the city manager's order to correct the violation(s). If the special waste materials contractor fails to correct the violation(s) within the time specified in the notice, the city manager shall set a time and place for a hearing on the suspension or revocation of its permit. The city manager shall notify the special waste materials contractor in writing no less than 5 days before the hearing. The failure of the special waste materials contractor to receive such notice shall not affect the validity of any proceedings under this section. The city manager shall conduct an orderly, fair hearing and accept evidence on which persons commonly rely in their ordinary business affairs. The city manager shall not be bound by formal rules of evidence. Following the hearing, the city manager may order the permit to be suspended or revoked. The city manager may also impose such other reasonable conditions upon the permit as he or she deems necessary to prevent future violations.

8.09.160 Appeal to city council.

A. Any ~~recyclable~~ *special waste* materials contractor whose permit has been suspended *or revoked* by the city manager under the provisions of CMC 8.09.150 may appeal such suspension *or revocation* to the city council.

B. Such appeal shall be in writing directed to the city clerk and shall be filed with the city clerk within 10 days from the mailing by the city manager of a notice of suspension *or revocation* pursuant to CMC 8.09.150. The appeal shall set forth in summary the position of the appellant with respect to the alleged violation(s) specified by the city manager as the grounds of suspension *or revocation*. The city clerk shall set the matter before the city council at a date and time not less than 10 nor more than 360 days following the filing of the appeal. The city clerk shall then notify the appellant, by mail, of the date, time and location of the hearing. The city council may continue the hearing date if necessary. The city council may, by resolution, establish a fee for the processing of the appeal in accordance with state law. At such hearing, the appellant shall be entitled to be present, to be represented by an attorney and to present witnesses and testimony in behalf of his appeal. Following completion of the hearing, if the city council shall find that the appellant violated the provisions of this chapter, the city council may ~~permanently revoke the permit of the appellant~~ *affirm the city manager's decision*, or take such *greater or* lesser punitive action as in its discretion it may deem proper under the circumstances. The decision of the city council shall be final. *Failure of a special waste materials contractor to file an appeal and appear for a hearing in accordance with the provisions of this subsection (B) shall constitute a waiver of that person's rights to challenge the city manager's order and a failure to exhaust administrative remedies.*

8.09.170 Penalty for violation of chapter.

~~Violation of this chapter shall be subject to CMC 1.16.015.~~

A. The violation of any provision of this chapter, or failure to comply with any of the requirements of this chapter, shall constitute a misdemeanor, which is punishable in accordance with Chapter 1.16 of this Code.

B. The violation of any provision of this chapter is also hereby declared to constitute a public nuisance, which may be abated by the city pursuant to the procedures set forth in Chapter 8.40 of this Code.

C. This chapter may also be enforced pursuant to the administrative citation procedure set forth in Chapter 1.26 of this Code.

D. The provisions of this section are cumulative to any other remedies authorized by law."

Section 3. The City Clerk shall certify to the passage of the ordinance, and cause same to be published in the manner prescribed by law.

Section 4. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

Section 5. Effective Date. This ordinance shall take effect thirty (30) days after its adoption.

Section 6. CEQA. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

PASSED, APPROVED, AND ADOPTED this 6th day of September, 2011 by the following vote:

AYES:
NOES:
ABSTAIN:
EXCUSED:

BY:

MAYOR JOHN C. KING

ATTEST:

Kay Manning, City Clerk

APPROVED AS TO FORM:

City Attorney

I, Kay Manning, City Clerk, City of Covina, California, certify that the foregoing Ordinance was adopted by the City Council at a regular meeting of the City Council held on the 6th day of September, 2011, and was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kay Manning, City Clerk

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: CB3

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

ITEM TITLE: Adopt Ordinance No. 11-2001 Revising a Schedule of Fees for Vehicle Parking in Municipal Parking Lots

STAFF RECOMMENDATION

Adopt **Ordinance No. 11-2001** revising a schedule of fees for vehicle parking in Municipal Parking Lots within the City of Covina.

FISCAL IMPACT

There will be no General Fund impact, with minimal to no impact to the Municipal Parking District fund.

BACKGROUND

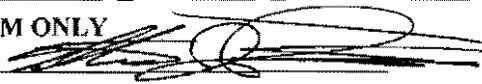
On August 16, 2011 the City Council introduced Ordinance No. 11-2001 revising a schedule of fees for vehicle parking in Municipal Lots within the City of Covina. Submitted for Council adoption at this time under second reading is Ordinance No. 11-2001.

RELEVANCE TO THE STRATEGIC PLAN

This item is directly related to the City's three year goal of "enhancing financial stability" by attempting to stabilize deficit spending in account 2600-2800-00.

EXHIBITS

A. Ordinance No. 11-2001

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

ORDINANCE NO. 11-2001

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, REVISING A SCHEDULE OF FEES FOR VEHICLE PARKING IN MUNICIPAL PARKING LOTS WITHIN THE CITY OF COVINA

WHEREAS, on September 15, 2009, the City Council established a schedule of fees for vehicle parking in Municipal Parking Lots within the City of Covina; and

WHEREAS, the City Council desires to revise the schedule of fees for vehicle parking within said parking zones to offset the per-transaction costs of new parking technology; and

WHEREAS, California Vehicle Code Section 22508 requires cities to fix the rate of fees for vehicle parking in metered parking zones by ordinance; and

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF COVINA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. The Schedule of Fees for vehicle parking in Municipal Parking Lots within the City of Covina is hereby revised at those locations and rates set forth on Schedule "A", attached hereto and incorporated herein by this reference.

Section 2. Certification. The City Clerk shall certify the passage of this Ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in local weekly newspaper of general circulation and which is hereby designated for that purpose.

Section 3. This Ordinance shall take effect thirty (30) days following its adoption by the City Council.

Section 4. If any section, sub-section, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have adopted the Ordinance and each section, sub-section, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases or portions to be declared invalid or unconstitutional.

Passed, approved and adopted this ____ day of _____, 2011, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

John C. King, Mayor

ATTEST:

Kay Manning, City Clerk

APPROVED AS TO FORM:

City Attorney

Schedule A: Municipal Parking Lot Fees

Fee or Service Name/Description	Current Fee	Proposed Fee	Account Number	Net Change
Municipal Lots - Daily After First 3 Hours (Except N. Italia)	\$1.00	ELIMINATE	1010-1300-00-43150	N/A
Municipal Lots - Daily After First 3 Hours (137 E Italia)	\$0.50	ELIMINATE	1010-1300-00-43150	N/A
24 Hour Blue Zone Monthly Permit	\$18.00	ELIMINATE	1010-1300-00-43119	N/A
24 Hour Blue Zone Quarterly Permit	\$45.00	ELIMINATE	1010-1300-00-44200	N/A
Municipal Lot - Monthly Permit (all lots 24 hrs. a day)	N/A	\$20.00	2600-2800-00-43280	\$2.00
Civic Center Parking Structure - Daily After First 4 Hours	\$1.00	\$2.00	2600-2800-00-43280	\$1.00
Civic Center Parking Structure - Overnight	N/A	\$3.00	2600-2800-00-43280	N/A

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: NB1

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

SH

ITEM TITLE: Introduction and Waiving of Further Reading of Ordinance No. 11-2002 Amending Title 10 of the Covina Municipal Code Pertaining to Vehicle and Traffic Regulations

STAFF RECOMMENDATION

Introduce and waive further reading of **Ordinance No. 11-2002** amending Title 10 of the Covina Municipal Code pertaining to vehicle and traffic regulations.

FISCAL IMPACT

The proposed Ordinance seeks to update and modernize the City's current vehicle and traffic regulations. The recommended action entails no fiscal impact.

BACKGROUND

Title 10 of the Covina Municipal Code, in general, establishes vehicular and traffic regulations within the city including, but not limited to, installation of official traffic control devices, assignment and regulation of parking public lot and street parking, development of loading zones, establishment of truck routes, city-specific traffic regulations, and valet parking. The vast majority of the City's regulations in this area date back to 1964; with the last major update of the overall regulations having occurred in 1979. While these regulations were sufficient at the time of their adoption, 30 years later they no longer adequately address the current-day issues related to vehicle and traffic regulation and the administration of the same.

To rectify the above-referenced situation and to bring the City's vehicle and traffic regulations up to current-day standards, staff has prepared Ordinance No. 11-2002, which is before you for consideration this evening. The proposed Ordinance updates and modernizes a variety of areas within the City's vehicle and traffic regulations. A few of the key points contained within the proposed Ordinance are as follows:

- Due to the City Engineer position becoming a part-time position the Director of Public Works is designated as the Traffic Engineer to maintain a full-time position presence.
- Authority for the installation of new traffic signals is vested in the City Council; not the Traffic Engineer.

- Legal authorities for the closure of public roadways for improvement and regulations related to their use while being improved are expanded and clarified.
- Public Works officials and employees are added to Police and Fire personnel as being authorized to direct or detour traffic and motorists are required to obey said direction.
- The repairing (except for emergencies) and washing of vehicles in the public roadway is prohibited.
- Authority for the installation of new crosswalks is vested in the City Council; not the Traffic Engineer.
- The pre-designation of potential one-way streets and alleys is eliminated.
- The pre-designation of potential through streets is eliminated.
- Owners of vehicles will be required to obtain a business license to park a vehicle for sale on a public roadway.
- The registration of bicycles and reporting of the sale or transfer of the same is eliminated.
- Recently approved parking fees are memorialized within the Ordinance to ensure that the same are codified and readily available for public review within the Municipal Code.

Public Works staff worked closely with representatives of the Police Department during the preparation of the proposed Ordinance and the Police Department has expressed satisfaction with the current draft. The City Attorney's office has also reviewed the Ordinance and approved its submittal for the Council's consideration.

RELEVANCE TO THE STRATEGIC PLAN

The proposed Ordinance has no direct relevance to the City's Strategic Plan

EXHIBITS

A. Ordinance No. 11-2002

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

ORDINANCE NO. 11-2002

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF COVINA, CALIFORNIA AMENDING TITLE 10 PERTAINING
TO VEHICLE AND TRAFFIC REGULATIONS**

THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA DOES HEREBY
ORDAIN AS FOLLOWS:

Section 1: Chapter 10.04 of Title 10 of the Covina Municipal Code is hereby
amended to read as follows:

**“Chapter 10.04
DEFINITIONS**

Sections:

- 10.04.010 Definitions generally.
- 10.04.020 Definitions – Vehicle Code definitions apply when.
- 10.04.030 Alley.
- 10.04.040 Bus loading zone.
- 10.04.050 City.
- 10.04.060 City Council.
- 10.04.070 City Manager.
- 10.04.080 Commercial loading zone.
- 10.04.090 Director of Public Works.
- 10.04.100 Highway.
- 10.04.110 Holidays.
- 10.04.120 Metered space.
- 10.04.130 Metrolink lot.
- 10.04.140 Metrolink structure.
- 10.04.150 Municipal parking district lot.
- 10.04.160 Official traffic control devices.
- 10.04.170 Official traffic signals.
- 10.04.180 Operator.
- 10.04.190 Park.
- 10.04.200 Parking meter.
- 10.04.210 Parking meter zone.
- 10.04.220 Parkway.
- 10.04.230 Passenger loading zone.
- 10.04.240 Pay-by-space machine.
- 10.04.250 Pay-and-display machine.
- 10.04.260 Pedestrian.
- 10.04.270 Person.
- 10.04.280 Police officer.
- 10.04.290 Public transit parking lots.
- 10.04.300 Roadway.

- 10.04.310 Safety zone.
- 10.04.320 Section.
- 10.04.330 Sidewalk.
- 10.04.340 Stop.
- 10.04.350 Stop or stand.
- 10.04.360 Street.
- 10.04.370 Traffic.
- 10.04.380 Vehicle.

10.04.010 Definitions generally.

For the purposes of this title, the following words and phrases shall have the meanings respectively ascribed to them in this chapter.

10.04.020 Definitions – Vehicle Code definitions apply when.

Whenever any words or phrases used in this title are not defined in this chapter but are defined in the Vehicle Code of the state, such definitions are incorporated in this title and shall be deemed to apply to such words and phrases used in this title as though set forth in this chapter in full.

10.04.030 Alley.

‘Alley’ means any highway, as defined in this chapter, unnamed and having a width of less than 25 feet, and not provided with a sidewalk or sidewalks.

10.04.040 Bus loading zone.

‘Bus loading zone’ means the space adjacent to the curb or edge of a roadway if no curb exists reserved for the exclusive use of buses during the loading or unloading or passengers.

10.04.050 City.

‘City’ means the city of Covina.

10.04.060 City Council.

‘City Council’ or ‘Council’ means the city council of the city of Covina.

10.04.070 City Manager.

‘City Manager’ means the city manager of the city of Covina or designee thereof.

10.04.080 Commercial loading zone.

‘Commercial loading zone’ means that space adjacent to a curb or edge of a roadway if no curb exists reserved for the exclusive use of commercial vehicles during the loading or unloading of passengers or materials marked and designated as hereinafter provided in this title.

10.04.090 Director of Public Works.

‘Director of Public Works’ or ‘Director’ means the director of public works of the city of Covina or designee thereof.

10.04.100 Highway.

'Highway' means every way or place of whatever nature, publicly maintained and set apart for public travel except bridle trails and footpaths.

10.04.110 Holidays.

'Holidays' means the first day of January, the third Monday in February, the last Monday in May, the fourth day of July, the first Monday of September, November 11th, the fourth Thursday in November, the Friday following the fourth Thursday in November, and the twenty-fifth day of December.

10.04.120 Metered space.

'Metered space' means any space within a parking meter zone, regulated by a parking meter, or controlled by a pay-by-space machine or pay-and-display machine, which is duly designated for the parking of a single vehicle by lines painted or otherwise durably marked on the curb or on the surface of the street, lot or structure.

10.04.130 Metrolink lot.

'Metrolink lot' means the parking lot adjacent to and servicing the Covina Metrolink Station, located at 600 North Citrus Avenue, Covina, California.

10.04.140 Metrolink structure.

'Metrolink structure' means the Covina Metrolink parking structure, located at 559 North Citrus Avenue, Covina, California.

10.04.150 Municipal parking district lot.

'Municipal parking district lot' means the public parking lots owned and operated by the city of Covina Vehicle Parking District No. 1 and the publicly owned and operated parking lot adjacent to the Shoppers Lane commercial area.

10.04.160 Official traffic control devices.

'Official traffic control devices' means all official traffic signs, signals, markings and devices not inconsistent with this title placed or erected by authority of a public body or official having jurisdiction for the purpose of regulating, warning or guiding traffic.

10.04.170 Official traffic signals.

'Official traffic signals' means any device whether manually, electrically, electronically or mechanically operated, by which traffic is alternately directed to stop and proceed and which is erected by authority of a public body or official having jurisdiction.

10.04.180 Operator.

'Operator' means any person who is in actual physical control of a vehicle.

10.04.190 Park.

'Park' means to stand or leave standing any vehicle, whether occupied or not, otherwise than temporarily for the purpose of and while actually engaged in loading or unloading of passengers or materials.

10.04.200 Parking meter.

'Parking meter' means any mechanical or electronic device or meter not inconsistent with this title which is designed to indicate the lawful parking of a vehicle within its individual corresponding metered space upon payment of the appropriate fee by United States coins or currency, credit card, debit card, or city prepaid parking card.

10.04.210 Parking meter zone.

'Parking meter zone' means any public roadway, right-of-way, lot, structure or area within the city designated by the city council pursuant to CMC 10.32.111 for public parking, which parking is regulated by parking meters, pay-by-space machines, or pay-and-display machines.

10.04.220 Parkway.

'Parkway' means that portion of a highway other than roadway or a sidewalk.

10.04.230 Passenger loading zone.

'Passenger loading zone' means that space adjacent to a curb or edge of a roadway if no curb exists reserved for the exclusive use of vehicles during loading and unloading of passengers, marked and designated as hereinafter provided in this title.

10.04.240 Pay-by-space machine.

'Pay-by-space machine' means any mechanical, electrical or electronic device not inconsistent with this title which is designated to regulate multiple metered spaces, without the dispensing of a receipt to be posted on the vehicle, and designed to indicate the lawful parking of vehicles within said metered spaces, upon payment of the appropriate fee by United States coins or currency, credit card, debit card, or city prepaid parking card.

10.04.250 Pay-and-display machine.

'Pay-and-display machine' means any mechanical or electronic device not inconsistent with this title which is designed to regulate multiple metered spaces and which, upon payment of the appropriate fee by United States coins or currency, credit card, debit card, or city prepaid parking card, dispenses a receipt to be posted in a vehicle parked in an identified metered space regulated by the pay-and-display machine.

10.04.260 Pedestrian.

'Pedestrian' means any person afoot or who is using a means of conveyance propelled exclusively by human power other than a bicycle.

10.04.270 Person.

'Person' means and includes every individual, firm and corporation.

10.04.280 Police officer.

'Police officer' means every officer of the police department of the city of Covina.

10.04.290 Public transit parking lots.

'Public transit parking lots' are those parking lots and/or parking structures owned by the city or any other public agency that are maintained for the primary purpose of allowing users of public transportation to park their motor vehicles during those times that they utilize public transportation to travel to another location.

10.04.300 Roadway.

'Roadway' means that portion of the highway between the regularly established curb lines or, when no curbs exist, that portion improved, designated, and ordinarily used for vehicular travel and parking.

10.04.310 Safety zone.

'Safety zone' means that portion of the roadway reserved for the exclusive use of pedestrians, marked and designated as hereinafter provided in this title.

10.04.320 Section.

'Section' means a section of the ordinance codified in this title unless some other ordinance or statute is specifically mentioned.

10.04.330 Sidewalk.

'Sidewalk' means that portion of a highway between the curb lines or outer edge of traversable roadway and the adjacent property lines, other than a parkway, and delineated for pedestrian travel.

10.04.340 Stop.

'Stop,' when required, means complete cessation of movement.

10.04.350 Stop or stand.

'Stop or stand,' when prohibited, means any stopping or standing of a vehicle, whether occupied or not, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or official traffic control device.

10.04.360 Street.

'Street' means the same as 'Roadway'.

10.04.370 Traffic.

'Traffic' means pedestrians, ridden or herded animals, vehicles, buses or other conveyances either singularly or together while using any highway for purposes of travel.

10.04.380 Vehicle.

'Vehicle' means every device or animal by which any person or property is or may be transported or drawn upon a highway, excepting devices moved exclusively by human power or used exclusively upon rails or tracks."

Section 2: Chapter 10.08 of Title 10 of the Covina municipal code is hereby amended to read as follows:

“Chapter 10.08

ADMINISTRATION

Sections:

- 10.08.010 Traffic division – Establishment.
- 10.08.020 Traffic division – Accident studies.
- 10.08.030 Traffic division – Accident reports.
- 10.08.040 Traffic engineer – Office established.
- 10.08.050 Traffic engineer – Designated.
- 10.08.060 Traffic engineer – Duties generally.

10.08.010 Traffic division – Establishment.

There is established in the police department of the city a traffic division to be under the control of a police officer appointed by and directly responsible to the police chief.

10.08.020 Traffic division – Accident studies.

The traffic division shall cooperate with the traffic engineer in conducting studies of accidents and determining remedial measures.

10.08.030 Traffic division – Accident reports.

The traffic division shall maintain a suitable system of filing traffic accident reports. Such reports shall be available for the use and information of the traffic engineer.

10.08.040 Traffic engineer – Office established.

The office of traffic engineer is established.

10.08.050 Traffic engineer – Designated.

The Director of Public Works shall serve as traffic engineer in addition to his or her other functions and shall exercise the powers and duties with respect to traffic as provided in this title. The Director may delegate any powers and duties conferred upon him or her as traffic engineer under this title to any other officer or employee of the city and, to the extent permitted by law, may recommend that the duties provided in CMC 10.08.060 be performed under contract.

10.08.060 Traffic engineer – Duties generally.

It shall be the duty of the traffic engineer:

- A. To determine the installation and proper timing and maintenance of official traffic control devices; and
- B. To conduct engineering analyses of traffic accidents and to devise remedial measures; and
- C. To conduct engineering investigations of traffic conditions; and
- D. To cooperate with other city officials in the development of ways and means to carry out the additional powers and duties imposed by this title and other ordinances of the city.”

Section 3: Section 10.12.030 of Chapter 10.12 of Title 10 of the Covina Municipal Code is hereby amended by adding thereto a new subsection C to read as follows:

“C. Employees of the public works department may direct or assist the police in directing traffic in the event of a fire or other emergency or in connection with or adjacent to infrastructure repair work being performed within the highway.”

Section 4: Section 10.12.040 of Chapter 10.12 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.12.040 Traffic direction – Obedience required.

No person shall willfully fail or refuse to comply with any lawful order of a police, fire department, or public works official when directing traffic.”

Section 5: Section 10.16.030 of Chapter 10.16 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.16.030 Obedience required.

The operator of any vehicle shall obey the instructions of any official traffic control device applicable thereto placed in accordance with this title and other traffic ordinances of the city unless otherwise directed by a police officer or other authorized official, subject to the exceptions granted the operator of an authorized emergency vehicle when responding to emergency calls.”

Section 6: Section 10.16.040 of Chapter 10.16 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.16.040 Official Traffic signals – Installation and Maintenance.

A. The traffic engineer shall install and maintain official traffic signals at those intersections and other places where the city council determines that traffic conditions are such as to require that the flow of traffic be alternately interrupted and released in order to prevent or relieve traffic congestion or to protect life or property.

B. The traffic engineer shall investigate and recommend the locations where such signals may be required by field observation, traffic counts and other traffic information as may be pertinent, and his or her determinations therefrom shall be made in accordance with those traffic engineering and safety standards and instructions set forth in the ‘Manual on Uniform Traffic Control Devices’ issued by the State Department of Transportation.

C. Whenever the traffic engineer installs and maintains an official traffic signal at any intersection, he or she shall likewise erect and maintain at such intersection street name signs visible to the primary flow of traffic unless such street name signs have previously been placed and are maintained at any such intersection.”

Section 7: Section 10.16.070 of Chapter 10.16 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.16.070 Use of distinctive roadway markings.

Whenever the State Department of Transportation designates a distinctive roadway marking which indicates no driving over such marking, the traffic engineer is authorized to designate by such markings those roadways or parts of roadways where the volume of traffic or the vertical or other curvature of the roadway renders it hazardous to drive on the left side of such markings or signs and markings. Such markings or signs and markings shall have the same effect as similar markings placed by the State Department of Transportation pursuant to provisions of the Vehicle Code of the state.”

Section 8: Chapter 10.24 of Title 10 of the Covina Municipal Code is hereby amended by deleting Section 10.24.020 therefrom in its entirety.

Section 9: Chapter 10.28 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“Chapter 10.28

ROADS UNDER CONSTRUCTION

Sections:

- 10.28.010 Closing of roadways during improvement work authorized when.
- 10.28.020 Signs required when roadways closed.
- 10.28.030 Operating vehicles on closed roadways prohibited.
- 10.28.040 Construction speed zones.
- 10.28.050 Injuring new pavement and painted markings.
- 10.28.060 Flagman where traffic control devices are inoperable.
- 10.28.070 Flagman at construction and maintenance areas.

10.28.010 Closing of roadways during improvement work authorized when.

Whenever any highway or portion thereof is under improvement, the Director of Public Works may, if he or she deems it necessary to avoid injury to or interference with such work or improvement, order such highway, or any portion thereof in length or width, closed to traffic during the course of such improvement, and the same shall remain closed to traffic until such improvement is completed or the Director orders the highway reopened.

10.28.020 Signs required when roadways closed.

Whenever any highway or portion thereof shall be closed to traffic under the provisions of Section 10.28.010, it shall be the duty of the contractor, engineer or other person in charge of the work being performed, to conspicuously post signage, barricades, delineators and other official traffic control devices as necessary to properly close the highway or portion thereof to traffic in a manner consistent with the provisions of the state’s Manual on Uniform Traffic Control Devices.

10.28.030 Operating vehicles on closed roadways prohibited.

No person shall operate any vehicle or walk upon any portion of the highway closed to traffic pursuant to Section 10.28.010 unless otherwise instructed to do so by authorized personnel of the police department, fire department or public works department.

10.28.040 Construction speed zones.

A. Construction speed zones and a construction speed zone speed limit of 25 miles per hour are hereby established and determined to be necessary to limit the risk of injury to workers and to limit the risk of injury to persons or property traveling through said construction areas during all hours of the day or night.

B. This section shall only be enforceable when traffic is regulated through or around the area, pursuant to Section 21367 of the Vehicle Code of the state and CMC 10.16.030, and highway construction or maintenance is actually being performed in the area by workers acting in their official capacity.

10.28.050 Injuring new pavement and painted markings.

When a barrier or sign is in place warning persons not to drive over or across any newly made pavement or any pavement under construction or any freshly painted markings upon any highway, a person shall not drive over such pavement or markings.

10.28.060 Flagmen where traffic control devices are inoperative.

Whenever the Director of Public Works determines that official traffic control devices are disabled or otherwise inoperable, he or she may regulate traffic by means of any person given temporary appointment for such duty.

10.28.070 Flagmen at construction or maintenance areas.

Whenever the Director of Public Works finds that the regulation of traffic is necessary at the site of highway construction or maintenance, he or she may regulate traffic by means of persons authorized for such duty.”

Section 10: Section 10.32.020 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.020 Parking Space – Marking - Compliance.

The traffic engineer is authorized to install and maintain parking space markings to indicate parking spaces adjacent to curbs and in off-street parking lots of the city where authorized parking is permitted.

When such parking space markings are placed, subject to other and more restrictive limitations, no vehicle shall be stopped, left standing or parked other than within a single space. No person shall use off-street parking lots of the city for purposes other than the parking of motor vehicles

Section 11: Section 10.32.030 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.030 Prohibition – Parkways and Sidewalks.

No person shall stop, stand or park a vehicle within any parkway or sidewalk.”

Section 12: Section 10.32.040 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.040 Prohibition – Where no parking signs posted.

The traffic engineer shall appropriately sign or mark places where no parking shall be permitted, and when so signed or marked no person shall stop, stand or park a vehicle in such places.”

Section 13: Section 10.32.050 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.050 Prohibition – Temporary no parking or tow-away zones.

A. The chief of police or traffic engineer is authorized to erect or cause to be placed temporary no parking signs, or temporary no parking and tow-away signs, on highways, or portions thereof, when he or she determines that emergency traffic congestion is likely to result from the holding of public or private assemblages, gatherings or functions; or from highway repairs or construction; or from the movements of equipment, articles or structures of unusual size; or from the use of such highways for authorized purposes other than the normal flow of traffic.

B. When signs authorized by the provisions of this section are in place giving notice thereof, no person shall operate, park or stand any vehicle contrary to the directions and provisions of such signs.

C. Any regularly employed officer of the police department is authorized to remove or cause the removal of any vehicle from any of such places signed or marked as a temporary no parking tow-away zone to a garage or other place of safety designated or maintained by the city. Such removal shall be accomplished pursuant to Section 22651 et seq. of the Vehicle Code of the state.”

Section 14: Section 10.32.060 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.060 Prohibition – Highways.

A. The traffic engineer is authorized to erect signs indicating no stopping or parking on any highway as designated in the master plan of streets and highways.

B. When official signs are erected indicating no parking or stopping upon any highway, no person shall stand, stop or park a vehicle in any such designated place.”

Section 15: Section 10.32.070 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.070 Prohibited parking – Authorized signs or curb markings.

When authorized signs or curb markings have been determined by the traffic engineer to be necessary and are in place giving notice thereof, no operator or any vehicle shall stop, stand or park such vehicle adjacent to any such legible curb marking or sign in violation thereof.”

Section 16: Section 10.32.080 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows”

“10.32.080 Municipal parking district lots – Time limit parking.

A. Notwithstanding any other part of this chapter, an operator of a motor vehicle shall not stop, stand, or park a motor vehicle within a municipal parking district lot for longer than four (4) hours in any twenty-four (24) hour time period unless a valid parking permit is properly affixed or displayed upon said vehicle.

B. The parking time limits specified in subsection “A” of this section shall only be effective between the hours of 8:00 a.m. and 8:00 p.m.; Saturdays, Sundays and holidays excluded.”

Section 17: Section 10.32.111 of Chapter 10.32 of Title 10 is hereby amended to read as follows:

“10.32.111 Parking meter zones designated.

The following areas within the city are designated as parking meter zones:

- A. The Town Center Specific Plan area;
- B. Covina Vehicle Parking District No. 1;
- C. The Shoppers Lane Parking Improvement Area; and
- D. Any future areas that may be designated by the city council by ordinance.”

Section 18: Subsection A of Section 10.32.114 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

A. When a vehicle is parked in any metered space, the operator of the vehicle shall, immediately after entering the metered space, deposit or cause to be deposited in the meter or machine controlling the space the proper United States coins or currency, credit card, debit card, or city prepaid card in the amount required by CMC 10.32.113(B) for the metered space. With respect to a parking meter or pay-by-space machine, the operator of the vehicle, after making the proper deposit, shall also immediately set in operation the timing mechanism, if any, in accordance with the posted directions of operation. With respect to a pay-and-display machine, the operator of the vehicle shall immediately cause the parking receipt provided by the machine to be placed face up on the driver’s-side dashboard of the vehicle.”

Section 19: Subsection B of Section 10.32.116 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

B. No person shall deposit in a parking meter, pay-by-space machine or pay-and-display machine any coins, currency, credit card, debit card, or city prepaid card, for the purpose

of extending the parking time period of a vehicle beyond the posted maximum time allowed for parking.”

Section 20: Section 10.32.140 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.140 Parking vehicles for sale or rent.

No person shall sell, rent, offer for sale or rent, give away, solicit the sale or rental of, or expose for sale or rent any vehicle upon any highway without first having obtained a business license to do so. Said business license shall be properly displayed on the vehicle at all times while such vehicle is offered for sale or rent while parked upon any highway.”

Section 21: Section 10.32.141 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.141 Offering vehicles for sale or rent from off-street parking facilities prohibited.

When signs not less than 17 inches by 22 inches in size with lettering not less than one inch in height have been erected on any off-street parking facility, whether privately or publicly owned, or adjacent to the driveways providing access thereto, giving notice of the prohibition contained in this section, it shall be unlawful for any person to park (as that term is defined in CMC 10.04.190) any motor vehicle upon any off-street parking facility, whether publicly or privately owned, for the purpose of selling, renting or offering the vehicle for sale or rent.

If a sign containing the words “for sale”, “for rent” or words of similar import is displayed on or within a motor vehicle parked upon an off-street parking facility, whether publicly or privately owned, it shall be presumed that the registered owner has parked the vehicle for the purpose of selling it or offering it for sale or rent.

Notice of violation of the provisions of this section shall be issued and prosecuted in accordance with Section 40200 et seq. of the Vehicle Code.”

Section 22: Section 10.32.160 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.160 Parking between curb and adjacent property line.

A person shall not park any motor vehicle between any curb and the adjacent property line except at those locations where the traffic engineer determines that such parking will not constitute a traffic hazard or public nuisance.”

Section 23: Section 10.32.180 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.180 All-night parking prohibited.

No person shall stop, stand or park a vehicle on any highway or in any off-street parking lot of the city for a period of time longer than 30 minutes between the hours of 2:00 a.m. and 4:00 a.m. of any day, excepting therefrom those streets abutting RD residential zone (multifamily) property, permissibly developed under prior zoning and building standards, where off-street parking no longer conforms to the provisions of CMC Title 17 (Zoning) and a ratio of 0.5 or less parking stalls per bedroom unit exists with a resultant acute shortage of off-street parking spaces. Also excepting therefrom those alleys that are not in conflict with traffic circulation. The city council finds that the following streets are exempt from the above restriction:

- A. That portion of Prospero Drive from a point 663 feet north of the centerline of Badillo Street to a point 1,530 feet north of the centerline of Badillo Street;
- B. That portion of Ruddock Street from Prospero Drive to the cul-de-sac east of the intersection with Vecino Drive;
- C. That portion of Italia Street from Prospero Drive to Vecino Drive;
- D. That portion of Vecino Drive between Italia Street and Ruddock Street;
- E. That portion of the north side of Cypress Street, starting 524 feet west of the centerline of Azusa Avenue and continuing for 415 feet;
- F. That north-south alley located 165 feet east of the centerline of Glendora Avenue south of Colver Place.”

Section 24: Subsection B of Section 10.32.185 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended and new subsections C, D, E and F are hereby added to read as follows:

“B. Municipal Parking District Lots All-Night Parking Exemptions. The provisions of CMC 10.32.180 shall not apply to persons that properly display a valid monthly municipal parking district permit.”

“C. Metrolink Lot: All-Night Parking Exemptions. The provisions of CMC 10.32.180 shall not apply to persons that properly display a valid monthly Metrolink Lot parking permit.

“D. Metrolink Structure: All-Night Parking Exemptions. The provisions of CMC 10.32.180 shall not apply to persons that properly display either a valid monthly Metrolink Structure parking permit or a valid overnight Metrolink Structure parking permit.

E. Civic Center Parking Structure: All-Night Parking Exemptions. The provisions of CMC 10.32.180 shall not apply to persons that properly display either a valid monthly or overnight parking permit for the Covina Civic Center Parking Structure at 124 E. College Street.

F. Notwithstanding the foregoing, neither a recreational vehicle nor a commercial vehicle as that term is defined in California Vehicle Code Section 260(a) or 15210(b) may be parked overnight in any off-street public parking lot or public transit parking lot.”

Section 25: Section 10.32.230 of Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.32.230 Schedule of fees – Vehicle parking in metered zones, municipal parking lots, and overnight parking lots and zones.

A. The schedule of fees for vehicle parking in metered zones, municipal parking lots, or overnight parking lots and zones is hereby established at those locations and rates set forth in this section as follows:

Fee or Service Name/Description	Fee
Municipal Lot – Monthly Permit (all lots 24 hrs. per day)	\$20.00
Civic Center Parking Structure – Daily after first 4 hours	\$2.00
Civic Center Parking Structure – Overnight	\$3.00
Metrolink Lot – Monthly Parking Pass – Covina Resident	\$20.00
Metrolink Lot – Monthly Parking Pass – Non-Covina Resident	\$45.00
Metrolink Structure – Daily	\$2.00
Metrolink Structure – Monthly Parking Pass – Covina Resident	\$10.00
Metrolink Structure – Monthly Parking Pass – Non-Covina Resident	\$20.00
Metrolink Structure – Overnight	\$3.00
Daily On-Street Overnight Parking Permit	\$3.00
On-Street Quarterly Overnight Parking Permit - Initial Application	\$25.00
On-Street Quarterly Overnight Parking Permit - Renewal	\$17.00
Vehicle Booting Fee	\$195.00

B. This schedule of fees may be amended from time to time by ordinance of the City Council.”

Section 26: Chapter 10.32 of Title 10 of the Covina Municipal Code is hereby amended by adding thereto Sections 10.32.240 through 10.32.300 to read as follows:

“10.32.240 Trailers or semitrailers – Parking requirements.

A. A person shall not park any trailer or semitrailer upon any highway or public place unless the trailer or semitrailer is at all times while so parked attached to a vehicle capable of moving the trailer or semitrailer in a normal manner upon the highway or public place.

B. This section shall not apply to trailers or semitrailers in the process of being loaded or unloaded, nor shall it apply to any trailer or semitrailer which is disabled in such a manner and to such an extent that it is impossible to avoid stopping and temporarily leaving the disabled trailer or semitrailer on that portion of the highway or public place ordinarily used for vehicular parking.

10.32.250 Vehicles transporting hazardous materials – Parking restrictions.

A. For purposes of this section:

1. A motor vehicle is attended when the person in charge of the vehicle is on the vehicle, awake, and not in a sleeper berth, or is within 100 feet of the vehicle and has it within his or her unobstructed field of view.

2. A qualified representative of a motor carrier is a person who:

- a. Has been designated by the carrier to attend the vehicle;
- b. Is aware of the nature of the hazardous material or substance contained in the vehicle he or she attends;

c. Has been instructed on the procedures he or she must follow in emergencies concerning hazardous materials or substances contained in the vehicle he or she attends;

d. Is authorized to move the vehicle and has the means and ability to do so.

B. A vehicle transporting a hazardous material or substance as identified in Title 49 of the Code of Federal Regulations must be attended at all times by its driver or qualified representative of the motor carrier that operates it, and shall not be parked on any highway, highway shoulder or public place, or within five feet of the traveled portion thereof, within a residential zone, or within 1,000 feet of any school, hospital or water utility reservoir site, or within 300 feet of any bridge, except for brief periods of time when mechanical or equipment failure or malfunction of the vehicle, or the necessities of operation require the vehicle to be parked and make it impractical to park the vehicle in any other place.

C. Repair, maintenance, refuse, utility, pest extermination and pesticide vehicles, fuel delivery vehicles, and vehicles delivering life support and health commodities, while servicing residential areas, schools or hospitals, are exempt from the provisions of subsection B of this section. Additionally, such exempt vehicles need not be attended while the drivers are performing duties that are evident and necessary as the operator of the vehicle or the provider of service.

D. The rules of this section do not relieve the driver from any obligation imposed by federal, state or local laws relating to the transportation of hazardous materials or explosives, motor carrier safety regulations, or the placement of warning signs or devices when a motor vehicle is stopped on a public highway.

10.32.260 Blocking highway or private street.

A person shall not park any vehicle, whether attended or unattended, upon any highway or upon any private street which is open to the public, whether bordered by curbs or not, unless not less than twelve feet of the width of the paved or improved or main traveled portion of such highway or private street opposite such parked vehicle is left clear and unobstructed for the free passage of other vehicles.

10.32.270 Blocking driveways on private streets.

A. A person shall not park any vehicle in front of a driveway on a roadway or private street which is open to the public.

B. This section does not authorize any action prohibited by Section 22500 of the Vehicle Code or by any other state law.

10.32.280 Double parking prohibited.

A. A person shall not park any vehicle on the roadway side of a vehicle which is stopped, parking or standing on a roadway or private street at the curb or edge of the roadway.

B. This section does not authorize any action prohibited by Section 22500 of the Vehicle Code or any other state law.

10.32.290 Angle parking.

Whenever the traffic engineer finds that the width of a highway and traffic conditions are such that the parking of vehicles at an angle to the curb instead of parallel to the curb will not impede traffic, and that there is need for the additional parking space which parking at an angle will provide, the traffic engineer shall indicate at what angle traffic conditions make it desirable that vehicles should be parked by placing parallel white lines on the surface of the roadway. On such portions of such highways, whether such lines were painted before or after the effective date of this ordinance codified in this chapter, an operator shall not stop, stand or park any vehicle except between, at the angle indicated by, and parallel to both such adjacent white lines, with the nearest wheel not more than one foot from the curb.

10.32.300 Removal of ignition key when parking.

A. Every operator who parks a vehicle upon any highway or public place shall first lock the ignition, remove the key therefrom and take such key with him or her, unless a licensed operator remains in such motor vehicle, in which case such licensed operator before leaving such vehicle shall first lock the ignition, remove the key therefrom, and take such key with him or her.

B. The provisions of this section shall not apply to any operator of a vehicle owned by a public utility or public agency while necessarily in use in the construction, installation, or repair of any public utility or public way or to the operator of any emergency vehicle.”

Section 27: Section 10.36.010 of Chapter 10.36 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.36.010 Loading zones – Establishment - Marking.

A. The traffic engineer is authorized to determine and to mark loading zones as follows:

1. At any place in the town center zone;
2. Elsewhere in front of the entrance to any place of business or in front of any hall or place used for the purpose of public assembly.

B. In no event shall more than one-half of the total curb length in any block be reserved for loading zone purposes.

C. Commercial loading zones shall be indicated by a yellow paint line stenciled with black letters stating “Commercial Loading Only” upon the top or side of all curbs within such zones.

D. Passenger loading zones shall be indicated by a white line stenciled with black letters stating “Passenger Loading Only” upon the top of all curbs in such zones. Taxicab parking zones shall be indicated by a white line stenciled with black letters stating “For Taxicabs Only” upon the top or side of all curbs in such zones.

E. Bus loading zones shall be indicated by a red line stenciled with white letters stating “No Standing” together with the words “Bus Loading Zone” upon the top or side of all curbs in such zones.”

Section 28: Section 10.36.020 of Chapter 10.36 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.36.020 Curb, pavement and wheel block markings.

A. The traffic engineer is authorized, subject to the provisions and limitations of this title, to place, and when required herein shall place, the following curb, pavement or wheel block markings to indicate parking or standing regulations, and such curb, pavement or wheel block markings shall have the meaning as herein set forth:

1. Red means no stopping, standing or parking at any time except as permitted by the Vehicle Code of the state, and except that a bus may stop in a red zone marked or signed as a bus loading zone;

2. Yellow means no stopping, standing or parking at any time for any purpose other than the loading or unloading of passengers or materials; provided that the loading or unloading of passengers shall not consume more than three minutes nor the loading or unloading of materials more than 20 minutes;

3. White means no stopping, standing or parking for any purpose other than loading or unloading passengers which shall not exceed three minutes;

4. Green means no standing or parking for longer than 20 minutes at any time;

5. Blue accompanied by the signage and markings required by the Vehicle Code of the state means reserved parking for disabled persons.

B. When the traffic engineer, as authorized under this title, has caused curb, pavement or wheel block markings to be placed, no person shall stop, stand or park a vehicle adjacent to any such curb, pavement or wheel block marking in violation of any of the provisions of this section.”

Section 29: Section 10.36.040 of Chapter 10.36 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.36.040 Commercial Loading zones – Use restrictions.

No person shall stop, stand or park a vehicle in any commercial loading zone for any purpose other than for loading or unloading passengers or material for such time as is permitted in CMC 10.36.030.

Section 30: Section 10.36.070 of Chapter 10.36 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.36.070 Bus Loading zones.

A. The traffic engineer is authorized to establish bus loading zones opposite curb space for the loading or unloading of buses or common carriers of passengers and to determine the location thereof subject to the directives and limitations set forth in this section.

B. "Bus," as used in this section, means any motorbus, motor coach or trackless trolley coach used as a common carrier of passengers.

C. No bus loading zone shall exceed 80 feet in length, except that when satisfactory evidence has been presented to the traffic engineer he may extend bus loading zones not to exceed a total length of 125 feet.

D. Bus loading zones shall normally be established on the far side of an intersection.

E. No bus loading zone shall be established opposite and to the right of a safety zone.

F. No person shall stop, stand or park any vehicle except a bus in a bus loading zone."

Section 31: Section 10.36.080 of Chapter 10.36 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

"10.36.080 Taxicab parking zones.

A. The traffic engineer is authorized to establish taxicab parking zones.

B. No person shall stop, stand or park any vehicle except a taxicab in a taxicab parking zone."

Section 32: Section 10.40.010 of Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

"10.40.010 Cleaning of sidewalks required.

No person shall fail, refuse or neglect to keep the sidewalk adjacent to his or her house, place of business, or premises in a clean and neat condition, free of trash, graffiti or offensive material of any kind or nature."

Section 33: Section 10.40.050 of Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

"10.40.050 Driving on sidewalk.

The operator of a vehicle shall not drive within any sidewalk area or any parkway except to cross the same at a permanent or temporary driveway."

Section 34: Section 10.40.080 of Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

"10.40.080 Littering on highway.

No person shall throw, place, deposit or dump, or cause to be placed, deposited or dumped upon any highway or sidewalk, any bottle, can, garbage, rubbish or any substance likely to injure or damage traffic using the highway or sidewalk.”

Section 35: Section 10.40.110 of Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.40.110 One-way highways – Designations – Signs required.

If the city council finds that the width of a highway, the amount of traffic thereon, and the availability of other highways is such that traffic on such highway should proceed in one direction only, the Director of Public Works shall erect and maintain in a conspicuous place on such highway at the intersection of each highway intersecting such highway adequate signs bearing the words “One Way” and indicating which way.”

Section 36: Section 10.40.130 of Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.40.130 Molesting of traffic counting devices prohibited.

Unless authorized by the Director of Public Works, a person shall not move, molest, tamper with or damage in any way any traffic counting device which has been located within a city highway or adjacent thereto by authority of the Director of Public Works.”

Section 37: Chapter 10.40 of Title 10 of the Covina Municipal Code is hereby amended by adding new sections 10.40.140 and 10.40.150 thereto to read as follows:

“10.40.140 Washing vehicles in highway.

A person shall not dust, wipe, wash or otherwise clean, use or employ any method of dusting, wiping, washing or otherwise cleaning any vehicle or portion thereof while on any highway.”

“10.40.150 Repairing of vehicles on highway.

A. A person shall not repair, or make any repairs, or add or install any part or accessory to or on any vehicle while the same is upon any highway.

B. The provisions of this section do not prohibit the operator of any vehicle which is disabled while upon any highway, to such extent that it is impossible to avoid stopping, from making or causing to be made the repairs necessary to enable such vehicle to be moved from the highway.”

Section 38: Section 10.44.010 of Chapter 10.44 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.44.010 Designation.

When signs are erected giving notice thereof, the following highways or portions of highways are declared to be truck traffic routes for the movement of vehicles exceeding a maximum gross weight of three tons:

A. Arrow Highway, from the westerly city limits to the easterly city limits;

- B. Azusa Avenue, from the southerly city limits to the northerly city limits;
- C. Badillo Street, from Azusa Avenue on the west to Grand Avenue on the east;
- D. Barranca Avenue, from the southerly city limits to San Bernardino Road;
- E. Citrus Avenue, from the southerly city limits to Badillo Street and the northerly city limits to San Bernardino Road;
- F. Front Street, from Citrus Avenue on the west to Barranca Avenue on the east;
- G. Grand Avenue, from the southerly city limits to the northerly city limits;
- H. San Bernardino Road, from the westerly city limits to Grand Avenue on the east;
- I. Second Avenue, from Front Street on the north to Badillo Street on the south;
- J. Workman Street, from Citrus Avenue on the west to Barranca Avenue on the east.”

Section 39: Section 10.48.010 of Chapter 10.48 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.48.010 Crosswalk establishment.

A. The traffic engineer shall mark crosswalks at those locations which the city council has determined and found that conditions of vehicular and pedestrian traffic are such that the establishment of a marked crosswalk is warranted.

B. The traffic engineer may mark a portion of a roadway at intersections or in conjunction with channelizing islands adjacent to intersections if he or she finds such markings will reduce traffic conflicts.”

Section 40: Chapter 10.52 of Title 10 of the Covina Municipal Code is hereby amended by deleting Sections 10.52.010 through 10.52.130 therefrom in their entirety.

Section 41: Section 10.56.040 of Chapter 10.56 of Title 10 of the Covina Municipal Code is hereby amended to read as follows:

“10.56.040 Application for permit – Time of filing – Fee.

Applications for a parade permit shall be filed with the chief of police not less than 30 days nor more than 90 days before the date on which it is proposed to conduct the parade and applicants shall pay a nonrefundable fee as established from time-to-time by resolution of the city council to defray in part the cost of investigation and report. Such application shall be sworn to and shall state:

- A. The name of the person or organization wishing to conduct such parade;
- B. If the parade is proposed to be conducted for, on behalf of, or by an organization, the name, address and telephone number of the headquarters of the organization, and of the authorized and responsible head of such organization;
- C. The name, address and telephone number of the person who will be the parade chairman and who will be responsible for its conduct;
- D. The name, address and telephone number of the person or organization to whom the permit is desired to be issued;
- E. The date when such parade is to be conducted;
- F. The route to be traveled, the starting point and the termination point;

- G. The approximate number of persons, animals and vehicles which will constitute such parade; the type of animals, and a description of the vehicles;
- H. The hour when such parade will start and terminate;
- I. Whether such parade will occupy all or only a portion of the width of the highways to be traversed;
- J. The location by streets of any assembly or assembly areas for such parade;
- K. The time at which units of the parade will begin to assemble at any such assembly area or areas;
- L. The interval space to be maintained between units of such parade;
- M. If the parade is designed to be held by, and on behalf of or for, any person other than the applicant, the applicant for such permit shall file with the chief of police a communication in writing from the person proposing to hold the parade authorizing the applicant to apply for the permit on his or her behalf;
- N. Any other information the chief of police deems necessary for his or her investigation.”

Section 42: Ordinance No. 11-2001 is hereby repealed.

Section 43: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof, is for any reason held to be unconstitutional or void, such decision shall not affect the validity of the remaining portion of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional or void.

Section 44: Certification. The City Clerk shall certify the passage of this ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a local weekly newspaper of general circulation and which is designated for that purpose.

ORDINANCE PASSED AND APPROVED on this _____ day of _____, 2011.

John C. King
Mayor

ATTEST:

Kay Manning
City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF COVINA
AGENDA ITEM COMMENTARY

MEETING DATE: September 6, 2011

ITEM NO.: NB2

STAFF SOURCE: Daryl Parrish, City Manager

ITEM TITLE: Resolutions to be voted on at the 2011 League of California Cities Annual Conference

STAFF RECOMMENDATION

Seek input and discussion regarding the attached resolutions that are to be voted on at the 2011 League of California Cities Annual Conference.

FISCAL IMPACT

There is no fiscal impact associated with discussion of the resolutions.

BACKGROUND

At the annual League of California Cities conference, six resolutions will be voted on by various policy committees. One resolution pertaining to the City of Bell will be voted on by the General Assembly. The resolutions serve as a recommendation for other municipal agencies or the State to adopt.

Listed below are the titles and intent of each resolution:

1. *Resolution supporting alternative methods of meeting public notice requirements and to advocate for revisions to the government code recognizing alternative methods as a means to meet noticing requirements.* The intent of the resolution is to enhance current noticing requirements by using innovative and technologically friendly methods of communication; have the League support alternative methods of meeting public noticing requirements; adopt revisions to the California Government Code recognizing the alternative methods; support legislation that would adopt revisions to the California Government Code recognizing alternative methods to public notice requirements.
2. *Resolution relating to tort reform.* This resolution encourages all California cities to adopt a resolution calling for tort reform and for cities to encourage their state legislators to pass a bill that establishes loser-pays lawsuit and tort reform; all cities to ask the League to sponsor and support a statewide proposition that makes loser-pays lawsuit and tort reform a constitutional amendment.
3. *Resolution related to raising public awareness about the imminent health and safety concerns for bullied children.* This resolution encourages the League to promote anti-bullying efforts across California and to provide education and awareness to the general

public; the League will forward the resolution to the Cities, Counties, Schools Partnership for consideration at their next meeting.

4. *Resolution supporting the Prison Rape Elimination Act (PREA) of 2003.* The Prison Rape Elimination Act of 2003 is a Federal bill. The resolution will encourage the League to include in its 2011-12 Federal Legislative Program support for standards implementing PREA, which would ban the placement of young people under the age of 18 in adult jails and prisons.
5. *Resolution calling for the replacement of the death penalty with the sentence of life imprisonment without the possibility of parole.* The resolution requires that the League call upon Governor Brown to convert all death sentences to sentences of life imprisonment without possibility of parole; the League to call upon California's District Attorneys to desist from pursuing the death penalty; the League to call upon the California State Legislature and Governor Brown to place a constitutional amendment on a state-wide ballot, which would replace the death penalty with life imprisonment.
6. *Resolution in honor of the City of Bell.* This resolution would require the League to acknowledge the efforts of the City of Bell to address municipal corruption and restore policies and actions that create an environment of a responsible government.

The six resolutions in their entirety are attached to this report. Council Member Walt Allen is the voting delegate for the League conference. This report will afford the Council the opportunity to provide input and guidance to Council Member Allen so that he knows the position the Covina City Council has on each resolution.

RELEVANCE TO THE STRATEGIC PLAN

None.

EXHIBITS

A. 2011 Annual Conference Resolutions

REVIEW TEAM ONLY	
City Attorney: _____	Finance Director: _____
City Manager: _____	Other: _____

V.
2011 ANNUAL CONFERENCE RESOLUTIONS

RESOLUTIONS REFERRED TO ADMINISTRATIVE SERVICES POLICY COMMITTEE

1. RESOLUTION SUPPORTING ALTERNATIVE METHODS OF MEETING PUBLIC NOTICE REQUIREMENTS AND TO ADVOCATE FOR REVISIONS TO THE GOVERNMENT CODE RECOGNIZING ALTERNATIVE METHODS AS A MEANS TO MEET NOTICING REQUIREMENTS

Source: Desert/Mountain Division
Referred To: Administrative Services Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, the Desert/Mountain Division of the League of California Cities recognizes local municipalities have a civic duty to conduct business in open, noticed public meetings; and

WHEREAS, that same duty calls for cities to engage their citizenry by noticing time and locale of public meetings, public hearings, introduction and adoption of Ordinances, and bid opportunities; and

WHEREAS, in accordance with California Government Code Section 54954.2, the requirement for posting meeting agendas reads as follows:

54954.2. (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public ...

WHEREAS, in accordance with California Government Code Section 6066, the requirement for publishing public hearing notices reads as follows:

6066. Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day.

WHEREAS, in accordance with California Government Code Section 6060, the term "notice" is defined as follows:

6060. Whenever any law provides that publication of notice shall be made pursuant to a designated section of this article, such notice shall be published in a newspaper of general circulation for the period prescribed, the number of times, and in the manner provided in that section. As used in this article, "notice" includes official advertising, resolutions orders, or other matter of any nature whatsoever that are required by law to be published in a newspaper of general circulation.

WHEREAS, notwithstanding any provision of law to the contrary, a newspaper is a "newspaper of general circulation" if it meets the criteria listed in California Government Code Sections 6000 and 6008, which read as follows:

6000. A "newspaper of general circulation" is a newspaper published for the dissemination of local or telegraphic news and intelligence of a general character, which has a bona fide subscription list of paying subscribers, and has been established, printed and published at regular intervals in the State, county, or city where publication, notice by publication, or official advertising is to be given or made for at least one year preceding the date of the publication, notice or advertisement.

6008. Notwithstanding any provision of law to the contrary, a newspaper is a "newspaper of general circulation" if it meets the following criteria:

- (a) It is a newspaper published for the dissemination of local or telegraphic news and intelligence of a general character, which has a bona fide subscription list of paying subscribers and has been established and published at regular intervals of not less than weekly in the city, district, or judicial district for which it is seeking adjudication for at least three years preceding the date of adjudication.
- (b) It has a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication.
- (c) It has maintained a minimum coverage of local or telegraphic news and intelligence of a general character of not less than 25 percent of its total inches during each year of the three-year period.
- (d) It has only one principal office of publication and that office is in the city, district, or judicial district for which it is seeking adjudication.

WHEREAS, in accordance with California Government Code Section 36933, within 15 days after a passage of an Ordinance, a City Clerk shall publish and post Ordinances, and if so chosen, a member of the public may request notification as follows:

-(d) (1) Any member of the public may file with the city clerk, or any other person designated by the governing body to receive these requests, a request for notice of specific proposed ordinances or proposed amendments to ordinances.
- (2) Notice pursuant to paragraph (1) shall be mailed or otherwise transmitted at least five days before the council is scheduled to take action on the proposed ordinances or proposed amendments to an ordinance. Notice may be given by written notice properly mailed or by e-mail if the requesting member of the public provides an e-mail address. Notice may be in the form specified in either paragraph (1) or (2) of subdivision (c), as determined by the city council.
- (3) As an alternative to providing notice as requested of specific proposed ordinances or proposed amendments to ordinances, the city clerk, or other person designated by the governing body, may place the requesting member of the public on a general mailing list that gives timely notice of all governing body public meetings at which proposed ordinances or proposed amendments to ordinances may be heard, as provided in Section 54954.1. If this alternative is selected, the requesting member of the public shall be so advised.
- (4) The city may charge a fee that is reasonably related to the costs of providing notice pursuant to this subdivision. The city may require each request to be annually renewed.
- (5) Failure of the requesting person to receive the information pursuant to this subdivision shall not constitute grounds for any court to invalidate an otherwise properly adopted ordinance or amendment to an ordinance.

WHEREAS, as California Government Code Section 36933 already recognizes electronic mail as a form of communicating with the public when it comes to Ordinances, the Desert/Mountain Division of the

League of California Cities seeks other public noticing requirements in the Government Code reflect the same; and

WHEREAS, the traditional means of noticing in local adjudicated newspapers is antiquated and inefficient; and

WHEREAS, the Desert/Mountain Division of the League of California Cities recognizes that in recent decades, technology has vastly improved; and

WHEREAS, that technology includes the advent of the internet, electronic mail, social media, smart phones and other smart devices (i.e. iphones/ipads); and

WHEREAS, the public is becoming increasing familiar with the use of new technology and using it as a means to gain quick and up-to-date information; and

WHEREAS, the public has a preference for receiving information in an electronic format; and

WHEREAS, the Desert/Mountain Division of the League of California Cities is in support of cities communicating with the public using innovative, enhanced methods of communication; now therefore be it

RESOLVED by the General Assembly of the League of California Cities assembled at the Annual Conference in San Francisco, September 23, 2011, that the Desert/Mountain Division of the League of California Cities:

1. Desires to enhance current public noticing requirements by communicating with the public using innovative, technologically friendly methods of communication.
2. Request that the League, as a whole, support alternative methods of meeting public notice requirements.
3. Request the League advocate for the State Legislature to adopt revisions to the California Government Code recognizing alternative methods as a means to meeting public notice requirements.
4. Support any legislation that would adopt revisions to the California Government Code recognizing alternative methods as a means to meeting public notice requirements.

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Background Information on Resolution No. 1

Source: Desert/Mountain Division

Municipalities have a civic duty to conduct business in open, properly noticed public meetings. That same duty calls for cities to engage their citizenry by noticing time and locale of public meetings, public hearings, introduction and adoption of Ordinances, bid opportunities and the like. The public has a right to know what local elected officials are doing with public funds. The public has a right to know what decisions are being made that will affect them.

In efforts to engage the public, encourage more participation at public meetings and enhance communication with constituents, our division has discussed current public noticing requirements required by the State of

California. Current requirements include cities place notices in a general newspaper of circulation. Annually, cities spend quite a bit on this task. For example, the City of Big Bear Lake, population 6,700, spends \$15,000 - \$20,000 a year on noticing in their local weekly newspaper and on occasion, in a regional. This is a substantial amount for a small city.

Noticing is typically done in the classified section, next to garage sale and help wanted ads. This system is antiquated and inefficient. Can you remember the last time you read that section of the paper? In recent decades, technology has vastly improved, given the advent of the internet, electronic mail, social media, smart phones and other smart devices (iphones/ipads). The public is becoming increasingly familiar with the use of new technology, using it as a means to gain quick and up-to-date information. We see more and more the public have a preference for receiving information in an electronic format. Technology allows us to be more efficient and when it comes to business, much more economical.

Our division would like to see a change to State Law that allows cities more discretion based on their community's distinct needs (i.e. residents can sign up for e-mail alerts of public hearings, meetings, etc.); and that would count towards meeting the public noticing requirements. We don't want to eliminate noticing in newspapers, just enhance requirements by allowing cities to use alternate methods as a means of meeting the law.

In recent years, this issue has come before the State Legislature, but newspaper publication groups have lobbied against this. They receive revenue from classified ads. But noticing is not supposed to be about generating revenue for private industry. It is supposed to be about informing the public, getting them more involved in local government and enhancing our methods of communication. Many times, we don't always see the turnout we would like at public meetings and hearings. We need to enhance our methods to change this.

In addition, cities are supposed to be reimbursed by the State for a portion of the cost to notice meetings, but these funds have been deferred for several years now due to the State Budget. If we are not receiving these funds, why can't the legislature work with cities to modify the requirements? We want to work smarter, not harder!

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2. RESOLUTION RELATING TO TORT REFORM

Source: Mayor Charlie Goeken, City of Waterford
Referred To: Administrative Services Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, frivolous lawsuits cost cities, counties, special districts, and school districts millions dollars a year to defend; and

WHEREAS, the money that cities spend each year in legal fees fighting frivolous lawsuits is a waste of taxpayers' money; and

WHEREAS, the money spent to defend frivolous lawsuits could be put to better public use; and

WHEREAS, cities or other government entities are easily sued without reasonable cause when there is no requirement that the person or entity filing the lawsuit have any responsibility when the lawsuit is lost; and

WHEREAS, the public good would be served if the law were changed to require the person or entity who filed the lawsuit to pay for all fees and costs of the city, or other sued party, to defend the lawsuit if it were unsuccessful; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled during the Annual Conference in San Francisco, September 23, 2011, that the League encourages the existing 482 California cities to adopt resolutions calling for tort reform; and, be it further

RESOLVED, that California cities be encouraged to ask their state legislators to pass a bill that establishes loser-pays lawsuit and tort reform; and, be it further

RESOLVED, that California cities are encouraged to ask the League to sponsor and support a statewide proposition that makes loser-pays lawsuit and tort reform a constitutional amendment.

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Background Information on Resolution No. 2

Source: City of Waterford

Every year cities must weigh the cost of fighting frivolous lawsuits against the amounts requested by the plaintiffs. The frivolity of the lawsuits usually have little bearing on this balancing act, nor does the likelihood that settling will only encourage more lawsuits. This perverse use of the court system penalizes cities and other government entities by allowing a person to file a lawsuit with no regard for the facts and no exposure on their part. Attorneys accept these lawsuits, relying on getting paid by a city settling the lawsuit as a purely business decision, often times receiving more money than the plaintiffs.

Scarce taxpayer dollars are squandered fighting frivolous lawsuits or paying settlements to avoid lengthy trials and bad publicity. The passage of tort reform and a loser-pays constitutional amendment would enable elected officials to govern fairly without the fear of frivolous lawsuits, while still allowing the public to file suit when they have genuinely been wronged. The money saved through court costs, attorney's fees, payouts, staff time, and insurance premiums would be put to better use by cities to serve their taxpayers.

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RESOLUTIONS REFERRED TO PUBLIC SAFETY POLICY COMMITTEE

3. RESOLUTION RELATED TO RAISING PUBLIC AWARENESS ABOUT THE IMMINENT HEALTH AND SAFETY CONCERNS FOR BULLIED CHILDREN

Source: City of Elk Grove
Referred To: Public Safety Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, cities throughout the State of California are becoming more aware of the growing trend of bullying in schools and on the Internet that has become a serious nationwide problem, one with often severe consequences; and

WHEREAS, surveys indicate that as many as half of all children are bullied at some time during their school years, and at least 10 percent are bullied on a regular basis; and

WHEREAS, more than 25 percent of adolescents and teens have been bullied repeatedly through their cell phones or the Internet and more than 80 percent of teens use a cell phone regularly, making it the most popular form of technology and a common medium for cyber bullying; and

WHEREAS, the social media network has vastly increased the number of users online and young people are eager to participate without understanding the consequences of their behavior; and

WHEREAS, general bullying and cyber bullying have both caused severe damage, heartache, and even fatal tragedy to young people and their families and friends; and

WHEREAS, victims of bullying display a range of responses, even many years later, such as: low self-esteem, difficulty in trusting others, lack of assertiveness, aggression, difficulty controlling anger, and isolation; and

WHEREAS, bullying has been identified as a major concern by schools across the U.S.; and

WHEREAS, cities providing an open forum to discuss bullying gives an opportunity for parents, students, and communities to acknowledge this issue, open up the conversation about the topic and raise awareness of the issue; and

WHEREAS, the League supports cities who take a stance against bullying by raising education and awareness about anti-bullying efforts throughout the State of California to provide a better life and foundation for young people; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled in Annual Conference in San Francisco, September 23, 2011, that the League encourages cities to promote anti-bullying efforts across California as well as provide education and awareness to the general public about the imminent health and safety concerns for bullied children; and, be it further

RESOLVED, by the General Assembly of the League of California Cities, that the League will forward this Resolution to the CCS (Cities, Counties, Schools) Partnership for consideration at their next meeting to help promote anti-bullying efforts throughout California.

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Background Information on Resolution No. 3

Source: City of Elk Grove

Cities throughout the State of California are becoming painfully aware of the growing trend of bullying and its effects on children. Bullying has a potentially devastating effect on students and young adults, their families, schools, and communities. A guiding principle of the League is that the children of California must be recognized as our state's most valuable resource. Their development, education and well-being are key to our state's future.

Many studies and statistics show the frequency and unfortunate effects that bullying has on children:

- Bullying is a common experience for many children and adolescents. Surveys indicate that as many as half of all children are bullied at some time during their school years, and at least 10 percent are bullied on a regular basis (The American Academy of Child and Adolescent Psychiatry)

- More than 25 percent of adolescents and teens have been bullied repeatedly through their cell phones or the Internet. More than 80 percent of teens use a cell phone regularly, making it the most popular form of technology and a common medium for cyber bullying (bullyingstatistics.org)
- Victims of bullying display a range of responses, even many years later, such as: low self-esteem, difficulty in trusting others, lack of assertiveness, aggression, difficulty controlling anger, and isolation (bullyingstatistics.org)
- Research shows that bullying will stop when adults in authority and peers get involved (bullying.org)
- Bullying has been identified as a major concern by schools across the U.S. (NEA, 2003)

The health and safety of the residents of Elk Grove is paramount to the members of the Elk Grove City Council. On July 13, 2011, the City Council unanimously adopted a resolution raising public awareness of the imminent health and safety concerns for bullied children. This resolution is in conjunction with an aggressive, yet economical, public outreach campaign the City held to educate its residents about the effects of bullying on children. In conjunction with the Elk Grove City Council, Elk Grove Youth Commission, law enforcement and nonprofit agencies, the City hosted three public workshops focused on the subject of bullying that strengthened partnerships between youth and law enforcement, nonprofit agencies, parents and teachers. Workshop topics included how to keep teens safe from cyber bullying and online harassment, safe and responsible Internet use, social media and 'sexting' safety issues, dangers of bullying and strategies to stop bullies and empower victims. The City informed the community about the campaign through media coverage on every television and radio news outlet in the Sacramento region, the City's newsletter which reaches every Elk Grove household, and the City's social media outlets Facebook and Twitter.

Other cities in California are encouraged to raise the awareness of bullying in their community by educating residents about the dangers and effects of bullying on children. Educational outreach will benefit children, parents, teachers, and the community. Local governments have the ability to implement wide-spread cost-effective educational tools to communicate with residents about this important public safety issue.

All local government officials and parents in California want to protect their children, families, themselves, and others. Please help raise public awareness of the imminent health and safety concerns for bullied children.

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4. RESOLUTION SUPPORTING THE PRISON RAPE ELIMINATION ACT OF 2003

Source: Council Member Tony Cardenas, City of Los Angeles
Referred To: Public Safety Policy Committee
Recommendation to General Resolutions Committee:

WHEREAS, according to the Bureau of Justice Statistics, 10,000 children are held in adult jails and prisons on any given day; and

WHEREAS, the annual number of youth exposed to the dangers of sexual assault in adult facilities is significantly higher because of the "flow" of youth entering and exiting facilities; and

WHEREAS, studies from across the nation confirm that youth tried as adults fit the risk profile of those persons at the highest risk of sexual assault; and

WHEREAS, studies also show that the overwhelming majority of youth tried as adults are nonviolent offenders, with a considerable proportion being first-time offenders; and

WHEREAS, according to the prison rape literature, the persons with the highest likelihood of being sexually assaulted are young people; and

WHEREAS, according to studies from the Office of Juvenile Justice and Delinquency Prevention and the Centers for Disease Control and Prevention, youth who are tried in the adult criminal justice system are 34% more likely to recidivate than youth in the juvenile justice system; and

WHEREAS, 70% of prisoners in adult prisons were once juvenile offenders, so the long-term effect of preventing harm to youth will decrease recidivism and substantially reduce the adult prison population and the associated economic, social and human cost; and

WHEREAS, the U.S. Department of Justice has an opportunity to ban the placement of youth (under 18) in adult jails and prisons as part of the implementation of the Prison Rape Elimination Act (PREA); and

WHEREAS, PREA was signed into law by President Bush in 2003 to address sexual violence behind bars; and

WHEREAS, a key component of the law was the development of national standards addressing prisoner rape and the requirements would apply to all detention facilities, including federal and state prisons, jails, police lock-ups, private facilities, and immigration detention centers; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled during the Annual Conference in San Francisco, September 23, 2011, that the League includes in its 2011-12 Federal Legislative Program support for standards implementing the Prison Rape Elimination Act of 2003 which would ban the placement of young people under the age of 18 in adult jails and prisons.

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Background Information on Resolution No. 4

Source: City of Los Angeles

What is the Prison Rape Elimination Act?

The Prison Rape Elimination Act (PREA) of 2003 is a Federal law established to address the elimination and prevention of sexual assault and rape in correctional systems. PREA applies to all federal, state, and local prisons, jails, police lock-ups, private facilities, and community settings such as residential facilities. The major provisions of PREA are to:

- Develop standards for detection, prevention, reduction and punishment of prison rape
- Collect and disseminate information on the incidence of prison rape
- Award grants and technical assistance to help state governments implement the Act

Youth in adult facilities are at the greatest risk of prison rape. According to the Bureau of Justice Statistics, 10,000 children are held in adult jails and prisons daily, and the annual number of youth exposed to the dangers of sexual assault in adult facilities is significantly higher because of the “flow” of youth entering and exiting facilities. Studies from across the nation confirm that youth tried as adults fit the risk profile of those persons at the highest risk of sexual assault. *Studies also show that the overwhelming majority of youth tried as adults are nonviolent offenders, and a considerable proportion are first-time offenders.* In more than half of the states, there is no lower age limit on who can be prosecuted as an adult, so even young children can be prosecuted as adults and sent to adult jails and prisons.

How Does PREA Apply to Jails?

PREA seeks to insure that jails and other correctional settings protect inmates from sexual assault, sexual harassment, "consensual sex" with employees and inmate-inmate sexual assault. These violations affect security and staff safety, and pose long-term risks to inmates and staff inside jails, and to the public when victimized inmates are released into the community.

Where is PREA at?

The U.S. Department of Justice is currently considering banning the placement of youth (under 18) in adult jails and prisons as part of the implementation of PREA. As such, this resolution seeks to raise awareness of youth spending time in adult facilities so elected and appointed officials could develop more effective juvenile justice policies and support the passage of the bill.

The Prison Rape Elimination Act was originally signed into law by President Bush in 2003 to address sexual violence behind bars. A key component of the law was the creation of the National Prison Rape Elimination Commission (NPREC), a bipartisan federal commission charged with developing national standards addressing prisoner rape and the requirements would apply to all detention facilities, including federal and state prisons, jails, police lock-ups, private facilities, and immigration detention centers. The NPREC held public hearings, had expert committees to draft the standards and released their final recommendations by issuing a report and set of standards (available online at <http://www.ncjrs.gov/pdffiles1/226680.pdf>.)

Who supports PREA?

American Probation and Parole Association
Correctional Education Association
International Community Corrections Association
National Association of Criminal Defense Lawyers
National Center on Domestic and Sexual Violence
Missouri Youth Services Institute

Campaign for Youth Justice
American Jail Association
National Juvenile Detention Association
Center for Children’s Law and Policy
Family Violence Prevention Fund
National Alliance to End Sexual Violence

***This is only a partial list of national supporters*

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5. RESOLUTION CALLING FOR THE REPLACEMENT OF THE DEATH PENALTY WITH THE SENTENCE OF LIFE IMPRISONMENT WITHOUT THE POSSIBILITY OF PAROLE

Source: Council Member Joseph Lyons, City of Claremont

Referred To: Public Safety Policy Committee

Recommendation to General Resolutions Committee:

WHEREAS the administration of the death penalty costs California taxpayers hundreds of millions of dollars more to administer than life imprisonment without the possibility of parole;

WHEREAS death penalty cases cost County taxpayers millions of dollars more to prosecute than cases that seek life imprisonment without the possibility of parole;

WHEREAS the non-partisan California Commission on the Fair Administration of Justice Senate Commission concluded that California’s death penalty system is systemically dysfunctional and will require hundreds of millions of dollars to reform;

WHEREAS the death penalty is not a deterrent and does not make our Cities or the State of California a safer place to live;

WHEREAS California's Cities face severe cuts to the services needed to keep their neighborhoods safe and have had to resort to layoffs and furloughs because of reductions in revenues from State and County sources;

WHEREAS the millions of dollars in savings realized by replacing the death penalty with life without the possibility of parole could be spent on: education, roads, police officers and public safety programs, after-school programs, drug and alcohol treatment, child abuse prevention programs, mental health services, and services for crime victims and their families.

WHEREAS Governor Brown has the power to convert death sentences to sentences of life imprisonment without any possibility of parole, saving the state \$1 billion in the next five years without releasing a single prisoner;

WHEREAS California's County District Attorneys are solely responsible for pursuing the death penalty for persons convicted of special circumstance first-degree murders within their Counties;

WHEREAS the California State Legislature and Governor Brown have the ability to place a constitutional amendment on the ballot to permanently replace the death penalty with a sentence of life imprisonment without the possibility of parole;

RESOLVED by the General Assembly of the League of California Cities, assembled during the Annual Conference in San Francisco, September 23, 2011, that the League of California Cities call upon Governor Jerry Brown to convert all death sentences to sentences of life imprisonment without any possibility of parole; mandating those sentenced to life without the possibility of parole to work in prison and pay restitution to the victims' families, and that the money saved by the state be used to fund education, local government, and public safety;

RESOLVED that the League of California Cities call upon California's County District Attorneys to desist from pursuing the death penalty, and to invest the savings in solving homicides, violence prevention, and effective public safety programs;

RESOLVED that the League of California Cities call upon the California State Legislature and Governor Brown to place on a statewide ballot a constitutional amendment to replace the death penalty with a sentence of life imprisonment without the possibility of parole.

Pursuant to this resolution copies of the adopted and officially signed resolution will be sent to Governor Jerry Brown, California Attorney General Kamala Harris, the leadership of the California State Senate and Assembly, County District Attorneys and their County Board of Supervisors

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Background Information on Resolution No. 5

Source: City of Claremont

California's death penalty is broken and remains at risk of executing an innocent person. A new study of the costs of California's death penalty was recently conducted by Judge Arthur Alarcon, a conservative federal judge who supports the death penalty, and Prof. Paula Mitchell, a law school professor who opposes the death penalty. With access to new information and documentation, their study is the most comprehensive

appraisal of expenditures associated with the death penalty. They concluded that the death penalty costs California taxpayers \$184 million each year; California has spent a total of \$4 billion on the death penalty since 1978 and is expected to spend another \$1 billion over the next five years; each execution in California costs \$308 million.

Judge Alarcon and Professor Mitchell concluded that the current death penalty system is broken. With over 700 inmates, California's death row is the largest and most costly in the country, yet we have only executed 13 people since 1978. Victims' family members are put through a decades-long legal ordeal based on the hollow promise of execution, but 99% of those sentenced to death are never executed.

The funds wasted on California's dysfunctional death penalty could be better spent to ensure public safety if the death penalty were replaced with Life Without the Possibility of Parole, allowing \$1 billion over the next five years to be re-invested in public safety measures like law enforcement and education. There are three ways to accomplish this addressed in this resolution:

1. Governor Brown should convert all existing death sentences to Life Without Parole

The governor has the authority to convert death sentences to the alternative of Life Without Parole, saving \$1 billion over five years. This will allow the more than 700 existing death row inmates to be re-housed in the general population, eliminating the additional housing costs associated with death row and the cost of prosecuting and defending death row appeals. Three states have enacted this reform in the past to ensure that innocent men and women sentenced to death will not be executed and to save funds spent on maintaining death row. Life Without Parole is a real solution that ensures public safety and effectively punishes horrible crimes. It also allows inmates to work and pay restitution to the Victims' Compensation Fund. Recent polling from David Binder Research indicates that 64% of likely voters in California support this reform as a budgetary measure.

2. County District Attorneys should reduce or end the practice of seeking death sentences

According to Judge Alarcon and Prof. Mitchell's study, each prosecution seeking death costs the county approximately \$1 million more than a prosecution seeking Life Without Parole. The decision to seek the death penalty over the alternative of Life Without Parole falls to each county's District Attorney. According to the ACLU's 2009 report "Death in Decline '09," most counties in the state currently do not seek the death penalty, or do so very rarely, due to the excessive costs of such prosecutions. However, a small number of counties continue to seek the death penalty, at great expense to the cities within the county and the taxpayers of the state at large. When the county district attorney decides to seek the death penalty, everyone within the county is impacted as the entire county criminal justice system strains to accommodate the massive expenditures associated with a death penalty trial. Justice is slowed for everyone.

The ACLU's 2011 report, "The Death Penalty is Dead," showed a dramatic decrease in the number of death sentences in California in the first half of 2011, leaving the state on track to sentence the fewest men and women to death since 1978. Los Angeles County, historically the state's leader in death sentences, also saw a substantial decline in the first half of 2011. This trend should be encouraged and all County District Attorneys should be called upon to reduce or eliminate the practice of seeking the death penalty.

3. The California Legislature should pass SB 490 and give voters the option to replace the death penalty on the November 2012 ballot

SB 490 is currently under consideration by the California legislature. If passed, voters will be given the option of replacing the death penalty with Life Without Parole, saving \$1 billion over five years. California voters have not had an opportunity to vote on maintaining the death penalty since 1978, and have never been made aware of the costs associated with the system. Don Heller, the author of the 1978 initiative to reinstate California's death penalty, now supports its replacement because of the death penalty's costly failure over the last 30 years. Numerous attempts to streamline, speed up, and reduce waste within the death penalty have been made, but all have failed and often result in increasing the cost of the system. Voters should be

given a chance to make an educated decision about whether the death penalty is worth \$184 million each year, or if there are more productive ways to invest those funds.

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RESOLUTION REFERRED TO GENERAL ASSEMBLY

6. RESOLUTION IN HONOR OF THE CITY OF BELL

Source: Council Member Tony Cardenas, City of Los Angeles
Referred To: General Assembly

WHEREAS, the city of Bell has a Native American history dating back thousands of years with the Gabrieliño Indians migrating to what is now known as the City of Bell in 500 B.C., and

WHEREAS, in the early 1800's, Spanish aristocrat and former soldier, Don Antonio Maria Lugo settled on 30,000 acres of land that encompasses the City of Bell, and

WHEREAS, between 1870 and 1890 settlers arrived to the area and among those was the city's founder, James George Bell who acquired approximately 360 acres of land and helped in its development as a small farming and cattle community, and

WHEREAS, the City of Bell was incorporated on November 7, 1927 and is now home to many businesses, small industries, schools, churches and community organizations, and

WHEREAS, in July 2010, the City of Bell was devastated with a municipal scandal that made national and international headlines, and

WHEREAS, it was revealed during the corruption scandal that Bell city officials were receiving unusually large salaries, perhaps the highest in the nation, and

WHEREAS, upon the removal of the previous administration, including the City Administrator and City Attorney, the City of Bell began taking steps to immediately address this unprecedented scandal, and

WHEREAS, under the new leadership of Pedro Carrillo, Interim City Administrator for the City of Bell, and James M. Casso, Interim City Attorney, the City of Bell has taken action to restore trust, ethics and fiscal sustainability in the City of Bell, and

WHEREAS, the City of Bell helped craft legislation (AB 900) authorizing the refunding of the illegally charged taxes to Bell property owners, which the state legislators quickly and unanimously adopted so that refund checks could be issued to constituents, and

WHEREAS, in March 2011, voters turned out in record numbers to recall and replace City Council members charged in the corruption scandal, and

WHEREAS, the City of Bell continues to consider all options for recovering all taxpayer funds that were spent improperly, and has implemented best practices that will enable the City of Bell to emerge from this unprecedented situation with an efficient, transparent and trusted government; now, therefore, be it

RESOLVED, by the General Assembly of the League of California Cities, assembled during the Annual Conference in San Francisco, September 23, 2011, that the League acknowledges the efforts of the

City of Bell to address municipal corruption and restore policies and actions that create an environment of a responsible government.

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Background Information on Resolution No. 6

Source: City of Los Angeles

In July 2010, the City of Bell was devastated with a municipal scandal that made national and international headlines. At that time, the Los Angeles Times reported that the City of Bell had the second-highest property tax rate in the county — 1.55 percent — well above the county average of 1.16 percent with Bell city officials receiving unusually large salaries. It was reported that City Manager Robert Rizzo was being paid an annual salary of \$787,637; Police Chief Randy Adams was receiving \$457,000; and Assistant City Manager Angela Spaccia was receiving \$376,000. Additionally, the mayor and three of the four City Council members were being paid about \$97,000 a year, including health benefits for their part-time jobs.

During this unprecedented corruption scandal, the previous administration, including the City Administrator and City Attorney, were immediately removed and the City of Bell began taking steps to immediately address this unprecedented scandal. In March 2011, voters subsequently turned out in record numbers to recall and replace City Council members charged in the corruption scandal with the City of Bell continuing to implement best practices that is enabling the City to emerge from this situation with an efficient, transparent and trusted government.

BRINGING GOOD GOVERNMENT PRACTICES BACK TO BELL

Since the scandal broke last year, the new Administration, under the leadership and guidance of Pedro Carrillo, Interim City Administrator for the City of Bell, and James M. Casso, Interim City Attorney, has taken exceptional action to restore trust, ethics and fiscal sustainability in the City of Bell. As such, the City of Bell continues to be fully committed to open government and is working diligently with all stakeholders to bring transparency and good government practices to Bell.

In the past few months, the Bell City Council, Interim CAO and Interim City Attorney have made substantial changes to bring good government practices to Bell. For example, the Bell City Council reduced property taxes worked with State Legislators and the State Controller on Assembly Bill (AB) 900 to secure rebates for Bell residents who were over assessed from 2007-2010. AB900 was signed into law allowing the City of Bell to authorize nearly \$3 million in refunds to Bell residents and small businesses with Los Angeles County providing fiscal oversight.

PURPOSE OF THE RESOLUTION

Given the actions of the City of Bell to restore good government practices, and the fact that the League of California Cities has taken steps to learn from this unprecedented scandal, this resolution would acknowledge the on-going efforts of the City of Bell to address municipal corruption and restore policies and actions that create an environment of a responsible and open government.

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**CITY OF COVINA/
COVINA REDEVELOPMENT AGENCY
AGENDA ITEM COMMENTARY**

MEETING DATE: September 6, 2011

ITEM NO.: NB3

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

ITEM TITLE: Resolutions Adopting Investment Policies for Fiscal Year 2011-2012 for the City of Covina and Covina Redevelopment Agency.

STAFF RECOMMENDATION:

Adopt Resolution Number 11-6995 adopting an investment policy for the City's investment portfolio for Fiscal Year 2011-2012.

AGENCY STAFF RECOMMENDATION:

Adopt Agency Resolution Number 11-688 adopting an investment policy for the Agency's investment portfolio for Fiscal Year 2011-2012.

GENERAL FUND IMPACT:

None.

BACKGROUND:

Annually, the City/Agency Treasurer is required by Government Code Section 53646 to submit a statement of investment policy to the City Council/Agency Directors for Council/Agency adoption.

The policy has been reviewed by the City Attorney, Marco Martinez, and by the City Treasurer, John B. Fielding. The Agency investment policy has been reviewed by the Agency Counsel, Elizabeth Hull, and the Agency Treasurer, John B Fielding. The investment policies are submitted for adoption for fiscal year 2011-2012 in accordance with legislation that became effective as of January 1, 1996.

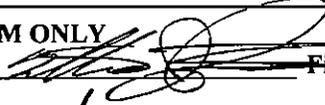
During the adoption of the fiscal year 2010-2011 investment policy, Council and Agency Board gave staff directions to revise the policy. Revisions have been made to the new policy in the following sections; Internal Controls (section 5) and Authorized and Suitable Investments (section 8).

The adoption of the investment policies at the start of the fiscal year does not preclude the Agency Board from amending the policy at any time during the fiscal year.

This investment policy is recommended for approval in order to preserve the assets of the Agency and to carry out the obligations of the Covina Redevelopment Agency under the enforceable obligation schedule as defined in AB 1X 26. This policy would also be applicable should the current stay of AB 1x 26 and AB 1x 27 no longer be in place.

EXHIBITS:

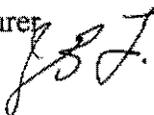
- A. Investment Policy
- B. City of Covina Resolution No. 11-6995
- C. Agency Resolution No. 11-688

REVIEW TEAM ONLY	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

COVINA REDEVELOPMENT AGENCY

INTEROFFICE MEMORANDUM

TO: Dilu de Alwis, Finance Director

FROM: John Fielding, Agency Treasurer 

DATE: August 25, 2011

SUBJECT: Statement of Investment Policy

This memo is to confirm that I have reviewed the Covina Redevelopment Agency Statement of Investment Policy for fiscal year 2011-2012 that you will be presenting to the Agency Board on September 6, 2011.

CITY OF COVINA
INTEROFFICE MEMORANDUM

TO: Dilu de Alwis, Finance Director
FROM: John Fielding, City Treasurer
DATE: August 25, 2011
SUBJECT: Statement of Investment Policy



This memo is to confirm that I have reviewed the City of Covina Statement of Investment Policy for fiscal year 2010-2011 that you will be presenting to the City Council on September 6, 2011.

RESOLUTION NO. 11-6995

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
COVINA ADOPTING AN INVESTMENT POLICY FOR THE CITY'S
INVESTMENT PORTFOLIO FOR FISCAL YEAR 2011-2012**

WHEREAS, the City council wishes to clarify and establish investment policies to guide the City Manager, Finance Director, and City staff regarding City investments.

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

SECTION 1: Investments of City funds shall be made in accordance with the Statement of Investment Policy attached hereto as Exhibit A, and made a part hereof.

SECTION 2: The policies adopted by this resolution are in addition to and supplements any other legal requirements.

SECTION 3: The City Clerk shall certify to the passage and adoption of this resolution and the same shall take effect and be in force.

APPROVED AND ADOPTED this 6th day September 2011.

John C. King, Mayor

ATTEST:

Kay Manning, City Clerk

APPROVED AS TO FORM:

Marco Martinez, City Attorney

I, Kay Manning, City Clerk of the City of Covina, California, hereby CERTIFY that this resolution was adopted by the City Council at a regular meeting of the City Council held August 16th 2011 and was approved and passed by the following vote:

AYES:
NOES:
ABSENT:

Kay Manning, City Clerk

RESOLUTION NO. 10-688

**RESOLUTION OF THE COVINA REDEVELOPMENT
AGENCY ADOPTING AN INVESTMENT POLICY FOR THE
AGENCY'S INVESTMENT PORTFOLIO
FOR FISCAL YEAR 2011-2012**

WHEREAS, the Covina Redevelopment Agency of the City of Covina (Agency) has invested Agency funds, including but not limited to bond proceeds and tax increment proceeds under certain Agency resolutions, hereafter referred to collectively as the "Bond Resolutions"; and

WHEREAS, the Agency wishes to clarify and establish investment policies to guide the Executive Director, Agency Treasurer, and Agency staff regarding Agency investments.

WHEREAS, the Investment Policy preserves the assets of the Agency and allows the Agency to carry out the obligations of the Covina Redevelopment Agency under the enforceable obligation schedule as defined in AB 1x 26; and

WHEREAS, the Investment Policy would also be applicable should the current stay of AB 1x 26 and AB 1x 27 no longer be in place; and

NOW, THEREFORE, BE IT RESOLVED by the Covina Redevelopment Agency as follows:

SECTION 1: Investments of Agency funds shall be made in accordance with the Covina Redevelopment Agency Statement of Investment Policy attached hereto as Exhibit A, and made a part hereof.

SECTION 2: The policies adopted by this resolution are in addition to and supplements any other legal requirements including the restrictions of the Bond Resolutions.

SECTION 3: The Agency Secretary shall certify to the passage and adoption of this resolution and the same shall take effect and be in force.

APPROVED AND ADOPTED this 6th day of September 2011.

John C. King, Agency Chair Person

ATTEST:

Kay Manning, Agency Secretary

APPROVED AS TO FORM:

Elizabeth Hull, Agency Attorney

I, Kay Manning, Secretary of the Covina Redevelopment Agency, Covina, California, hereby CERTIFY that this resolution was adopted by the Agency at a regular meeting held September 6th, 2011 and was approved and passed by the following vote:

AYES:

NOES:

ABSENT:

Kay Manning, Agency Secretary

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012

PURPOSE:

- A. This Investment Policy is set forth by the City of Covina (City) for the following purposes:
1. To establish a clear understanding for the Council, City management, responsible employees, and third parties of the objectives, policies, and guidelines for the investment of the City's idle and surplus funds.
 2. To offer guidance to investment staff and any outside advisers on the investment of City funds.
 3. To establish a basis for evaluating investment results.
- B. The general purpose of this Investment Policy is to outline a philosophy and attitude that will guide the investment of City funds toward the desired investment goals. It is intended to be sufficiently specific to be meaningful, yet adequately flexible to be practical.

POLICY

It is the policy of the City to invest public funds in a manner that will provide the highest investment return with maximum security while meeting the daily cash flow demands of the City and conforming to all State and local statutes governing the investment of public funds.

1.0 SCOPE:

This Investment Policy applies to all cash assets of the City. Cash assets held by the City shall be pooled in order to manage the City's cash resources effectively. All pooled cash assets are accounted for in the City's Comprehensive Annual Financial Report and include the following funds:

FUNDS:

- 1.1.1 General Fund
- 1.1.2 Special Revenue Funds
- 1.1.3 Debt Service Funds
- 1.1.4 Capital Projects Funds
- 1.1.5 Enterprise Funds
- 1.1.6 Internal Service Funds
- 1.1.7 Trust and Agency Funds

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

The scope of this investment policy does not extend to cash assets held by fiscal agents, deferred compensation cash assets or other cash assets over which the City does not exercise specific control.

2.0 PRUDENCE:

The standard of prudence to be used by investment officials shall be the “**prudent investor**” standard and shall be applied in the context of managing the overall portfolio. This standard requires all investment officials, when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, to act with the care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law..

3.0 OBJECTIVES:

The primary objectives, in priority order, of the City’s investment activities shall be:

3.1 **Safety.** Maintaining the principal value of assets entrusted to the City is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio by limiting investment risk in the portfolio. Additionally, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets.

- 3.1.1 **Credit Risk.** The City will minimize credit risk, the risk of loss due to financial failure of the security issuer or backer by;
- Limiting exposure to poor credits and concentrating investments in the safest type of securities.
 - Pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors that the City will do business with.
 - Diversifying the investment portfolio so that the potential losses on individual investments will be minimized.
 - Actively monitoring the investment portfolio for ratings changes, changing economic/market conditions, etc.

- 3.1.2 **Interest Rate Risk.** The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:
- Structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market prior to maturity.
 - Investing operating funds primarily in shorter-term securities or short-term investment pools.

3.2 **Liquidity.** The City’s investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3.3 **Return on Investment.** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The majority of the portfolio is limited to highly rated/low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

4.0 **REPORTING:**

In accordance with amended Section 53646 of the Government Code, the Treasurer will annually render to the City Council in July of each fiscal year, a statement of investment policy. The Treasurer shall review the policy on an annual basis. Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such moneys shall be reinvested only as provided by this policy.

Pursuant to Section 53607 and Section 53646 of the Government Code, the Treasurer shall render a report to the City Council and City Manager, containing detailed information on all securities, investments, and moneys of the City. The report will be submitted on a quarterly basis and be provided to the Council within 30 days following the end of the quarter.

The report will contain the following information on the funds that are subject to this investment policy: 1) the type of investment, name of the issuer, date of maturity, par and dollar amount invested on all securities in each investment; 2) any investments, including loans and security lending programs, that are under the management of contracted parties; 3) for all securities held by the City and under management of any outside party that is also a local agency or Local Agency Investment Fund, the current market value as of the date of the report, and source of this valuation; 4) a statement of the portfolio's compliance with the City's investment policy, or manner in which the portfolio is not in compliance; and 5) a statement denoting the City's ability to meet its pools expenditure requirements for the next six months, or an explanation as to why sufficient money shall, or may, not be available.

To the extent the City has funds invested in County investment pools the Treasurer shall request copies of all the investment reports generated by the Counties pursuant to Government Code Section 27133 and the annual audit required by Government Code Section 27134. The investment report shall reflect a summary of these reports and audits.

5.0 **INTERNAL CONTROL:**

The Finance Director is responsible for establishing and maintaining an adequate internal control structure designed to reasonably protect the assets of the City from loss, theft or misuse. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

Control of collusion.

- Separation of transaction authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary.
- Clear delegation of authority to subordinate staff members.
- Written confirmation of transactions for investments and wire transfers.
- Development of a wire transfer agreement with the lead bank and third-party custodian and implementation of the appropriate safeguards described in the GFOA Recommended Practice on "Electronic Transactions for State and Local Governments."
- Compliance and oversight with investment parameters including diversification and maximum maturities.

6.0 EXTERNAL AUDIT:

On at least an annual basis the City shall have an external auditor review the City's investments and provide an opinion to the City respecting the City's compliance with this Investment Policy.

7.0 QUALIFIED DEALERS AND INSTITUTIONS:

The City shall transact business only with those banks, savings and loans, registered investment securities dealers, and authorized representatives of investment pools, as authorized by the California Government Code Section 53600 *et seq.* The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker/dealer, as defined in Section 25004 of the Corporation Code, who is a member of the National Association of Securities Dealers, or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designed as a Primary Government Dealer by the Federal Reserve Bank. The Treasurer's staff shall review all institutions that wish to do business with the City in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs, and agree to abide by the conditions set forth in this Investment Policy. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must provide a current audited financial statement.

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

8.0 AUTHORIZED AND SUITABLE INVESTMENTS:

All investments shall be made in accordance with Sections 53600 *et seq.* of the Government Code of California and as described in the "Permitted Investments" section of this Investment Policy:

8.1 PERMITTED INVESTMENTS under this policy shall include:

- 8.1.1 **Securities issued by the U.S. Government or an agency** of the U.S. Government and fully guaranteed as to payment by the U.S. Government or agency of the U.S. Government. Permitted securities shall have fixed coupons, fixed maturity dates and no-call provisions, provided that the stated final maturity does not exceed five years from the date of purchase. This Section 8.1.1 does not govern investment in mortgage-backed bonds and Collateralized Mortgage Obligations, even if such bonds are issued by agencies of the U.S. Government. Investment in Collateralized Mortgage Obligations is prohibited. See Section 8.1.2 for conditions of purchase of mortgage-backed securities. Investment in securities issued by agencies of the U.S. Government shall be limited to a maximum of 30 percent of the total and 10 percent of the total portfolio in securities issued by any one Federal agency.
- 8.1.2 **Mortgage-backed securities** with a fixed coupon issued by an agency of the U.S. Government, provided that the stated final maturity of such securities does not exceed five (5) years from the date of purchase. Investments in securities permitted under this section are subject to the specific limitations of Section 8.1.1 above.
- 8.1.3 **Commercial paper** of "prime" quality rated a minimum of P-1 by Moody's Investor Services (Moody's) or A-1 by Standard & Poor's, Inc. (S&P) provided that: (a) the maturity does not exceed 180 days from the date of purchase; (b) the issuer is a special purpose corporation, trust, or limited liability company organized and operating in the United States with assets in excess of \$500 million; debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical rating organization (NRSRO); and program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond; (c) no more than 15 percent of the City's portfolio is invested in commercial paper.
- 8.1.4 **Banker's acceptance** of "prime" quality issued by institutions the short-term obligations of which are rated a minimum P-1 by Moody's or A-1 by S&P provided that: (a) the acceptances are eligible for purchase by the Federal Reserve system; (b) the maturity does not exceed 180 days; and (c) no more than 20 percent of the City's total portfolio may be invested in banker's acceptances.
- 8.1.5 **Medium-term (or corporate) notes** with fixed coupons, fixed maturity and no-call provisions, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, the long-term obligations of which are rated at least AA- by S&P or Aa- by Moody's. No more than 10 percent of the City's portfolio may be invested in eligible medium-term or corporate notes. The maximum maturity of medium-term corporate notes is two (2) years.

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

Investments in medium-term notes issued by agencies of the Federal Government are governed by Section 8.1.1 of this policy.

- 8.1.6 **Mutual funds** invested in U.S. Government securities that strive to maintain a price of \$1.00 per share ("Government money market funds") in excess of \$500 million in total portfolio value and a rating of Aaa by Moody's and AAA by S&P. Investment in such funds shall not exceed ten percent (10%) of the City's total portfolio.
- 8.1.7 **Certificates of deposit (CDs)** with fixed coupons and fixed maturity date that may not exceed two (2) years.
 - 8.1.7.1 **Insured deposits**, time deposits not exceeding \$250,000, shall be permitted only in those financial institutions that are active members of the Federal Deposit Insurance Corporate (FDIC). Total insured deposits may not exceed ten percent (10%) of the City's total portfolio.
 - 8.1.7.2 **Secured (collateralized) time deposits** shall be permitted only in those financial institutions meeting the following criteria: (a) in good standing with the California State Collateral Pool; and (b) having a net operating profit in the two (2) most recently completed years; and (c) having long-term debt currently rated A- or higher by S&P or A-3 or higher by Moody's; or having short-term debt rated at least A-1 by S&P or P-1 by Moody's. Total secured time deposits may not exceed ten percent (10%) of the City's total portfolio.
 - 8.1.7.3 **Unsecured (negotiable) deposits (NCDs)** shall be permitted only in those financial institutions meeting the criteria listed in Subsection 8.1.7.2 and, in addition, having total assets in excess of \$1 billion. Total NCDs may not exceed ten percent (10%) of the City's total portfolio.
- 8.1.8 **Local Agency Investment Funds (LAIF)** administered by the State Treasurer's Office.
- 8.1.9 **Passbook accounts that are** maintained solely to provide for ongoing operational needs should be subject to the requirements of this policy.
- 8.1.10 **Municipal bonds** issued by the City or any component unit of the City at limits and maturity as approved by the City Council.
- 8.1.11 **Legal settlements.** Any noncash financial instrument, promissory note or other form of indebtedness acquired by the City as part of a legal settlement.
- 8.2 **Prohibited Investments.** Investments not specifically delineated in Section 8.1 are prohibited. Prohibited investments include, but are not limited to:
 - 8.2.1 Collateralized mortgage obligations, even if issued by agencies of the U.S. Government.
 - 8.2.2 Repurchase agreements and reverse repurchase agreements.

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

8.2.3 Futures and options.

- 8.3 **Securities** may be sold at a loss in order to improve the risk or return characteristics of the portfolio, to prevent anticipated further erosion of principal or when trading for securities that result in an expected net economic gain to the City.

If both Moody's and S&P downgrade securities owned by the City to a level below the quality required by this Investment Policy, it shall be the City's policy to sell such securities promptly.

9.0 DIVERSIFICATION REQUIREMENTS:

- 9.1 With the exception of securities issued by the U.S. Government and its agencies, and the Local Agency Investment Fund, no more than 5 percent of the portfolio may be invested in securities of any one issuer.
- 9.2 No more than 30 percent of the portfolio may be invested in securities issued by agencies of the U.S. Government.
- 9.3 No more than 10 percent of the portfolio may be invested in securities issued by any single agency of the U.S. Government.
- 9.4 No individual holding shall constitute more than 5 percent of the total debt outstanding of any issuer.
- 9.5 No more than 20 percent of the portfolio may be invested in banker's acceptances.
- 9.6 No more than 15 percent of the portfolio may be invested on commercial paper.
- 9.7 No more than 10 percent of the portfolio may be invested in medium-term (corporate) notes.
- 9.8 No more than 10 percent of the portfolio may be invested in government money market funds.
- 9.9 No more than 10 percent of the portfolio may be invested in insured certificates of deposit.
- 9.10 No more than 10 percent of the portfolio may be invested in secured time deposits.
- 9.11 No more than 10 percent of the portfolio may be invested in unsecured (negotiable) deposits.

The book value of the security will be used when calculating diversity compliance.

10.0 INVESTMENT POLICY ADOPTION:

The City's Investment Policy shall be adopted by resolution of the City Council of the City of Covina. The policy shall be reviewed each fiscal year, and any modifications thereto must be approved by the City Council.

CITY OF COVINA
STATEMENT OF INVESTMENT POLICY
FISCAL YEAR 2011-2012 (Continued)

11.0 CONFLICT OF INTEREST:

Any firm proposing to provide any type of investment service to the City shall acknowledge their familiarity with the provisions of the Political Reform Act, (California Government Code Section 8100 *et seq.*, and 2 Cal. Code of Regs. 18110 *et seq.*, (the "PRA")) and the provisions limiting contractual conflicts of interest under California Government Code Section 1090 *et seq.* Any firm proposing to provide any type of investment service to the City shall also acknowledge their familiarity with and agree to abide by any federal or State law, regulation, rule, or policy pertaining to or limiting campaign contributions by such firms, their employees, spouses, and agents.

The provisions of the PRA shall continue to apply to require disclosure and disqualification by any City official or employee and shall apply to require disclosure of the same by any candidate for City office.

All persons, firms, dealers, brokers, and advisors providing investment service or bond issue assistance shall disclose to the City Manager and Finance Director all fee sharing, fee-splitting, and commission arrangements with other entities or persons prior to the City agreeing to buy an investment, or issuing bonds.