

# Agenda Report

**TO: CITY COUNCIL**  
**THROUGH: Finance Committee**

**DATE: February 26, 2007**

**FROM: CITY MANAGER**

**SUBJECT: VARIOUS FISCAL YEAR 2007 OPERATING BUDGET, GENERAL FEE SCHEDULE AMENDMENTS AND SCHEDULE OF TAXES, FEES AND CHARGES AMENDMENTS**

## **RECOMMENDATION**

It is recommended that the City Council:

- I) Authorize a journal voucher implementing certain amendments to the fiscal year 2007 Operating Budget as detailed in the background section of this report. The net effect of these amendments to the various unappropriated fund balances is as follows: a reduction to General Fund of \$502,904; a reduction to the Benefits and Insurance Fund of \$18,601; a reduction to the Parking Operations Fund of \$64,480, and a reduction to the Light and Power Fund of \$91,886. In addition the following funds' both revenues and appropriations will be increased as follows: Building Services Fund, \$291,200; Library Services Fund, \$26,366; Fire Grant Fund, \$1,526,803; Building Maintenance Fund, \$64,480; Refuse Fund, \$13,000, and the Capital Public Art Fund, \$1,211,430;
- II) Authorize the addition of four (4.0 FTEs): one Human Resources Manager, one Power Distribution Crew Supervisor, one Principal Operations Specialist, and one Engineering Manager to the fiscal year 2007 Operating Budget;
- III) Authorize the City Manager to enter into any related agreements necessary for receipt of Urban Area Security Initiative (UASI), Sub-grantee Homeland Security Grant Program (SHSGP) and Law Enforcement Terrorism Prevention Program (LETPP) grant funds;
- IV) Authorize the City Manager to enter into a contract without competitive bidding pursuant to City Charter Section 1002 (F) contracts for professional or

unique services, with Transtech Engineers, Inc. for an amount not to exceed \$291,200;

- V) Authorize an amendment to the General Fee Schedule, related to fire inspections of businesses and monthly parking rates;
- VI) Authorize an amendment to the Schedule of Taxes, Fees and Charges increasing the Rose Bowl admissions tax, grandstand seat surcharge and grandstand permit application related to Rose Bowl admission tax, grandstand seat surcharges and grandstand permit application fees, effective February 26, 2007.

## **BACKGROUND**

On June 26, 2006 the City Council adopted the Operating Budget for fiscal year 2007. Subsequent to the adoption of the budget, as is often the case, several items have been identified that necessitate amendments to the budget. Accordingly, the following amendments are recommended for adoption:

### *Operating Budget Amendments – Appropriations of Fund Balance*

1. Recognize and appropriate \$53,793 from the General Fund unappropriated fund balance to the Public Works Department for the planning portion of the Hahamongna Annex property (land acquired from MWD). The total planning budget is \$80,000. Remaining work includes: the preparation of CEQA documents (by consultant), fee for appraisal of fair market rent values, equestrian design, design preparation and printing of final master plan document, and printing for maps and various meeting handouts.
2. Appropriate \$64,480 from the Parking Operations Fund to Public Works Department for Security Services at the Holly Street Garage. During the preparation of the operating budget, an interfund revenue transfer of \$109,400 from the Transportation Department to the Public Works Department was recognized for the administration of the parking garages security contract for the year; however, the corresponding appropriation only included half of the year of funding. This action will allow the full year payment of the contract.
3. Appropriate \$541,152 from the General Fund unappropriated fund balance to the Fire Department to cover costs of labor contract settlements and retroactivity payments, as approved by the City Council on July 17, 2006. The approximate cost of these agreements in fiscal year 2007 is \$1.4 million, of which approximately \$800,000 is available in the General Fund personnel reserve. The requested appropriation represents the balance.
4. Appropriate various PCDC fund balances from Villa Parke, \$42,499, Orange Grove, \$42,500 and Downtown, \$42,498 project areas for a total of \$127,497 for

consultant services to prepare an Environmental Impact Report as required by the State as a condition of approval of the City's Enterprise Zone designation.

5. Re-allocate to the appropriate accounts revenue collected totaling \$95,000 from miscellaneous one-time donations and program fees. Some of these funds were originally placed into a deposit account rather than being recognized as General Fund revenue. Of the \$95,000, \$47,500 will be appropriated back to the Human Services Villa Parke Recreation budget, of which \$32,500 will be used to purchase equipment, materials and supplies such as microscopes, prepared slides, youth science kits, computer software, musical instruments, etc. for the Summer Enrichment Program, and \$15,000 to address Human Services' communitywide outreach effort addressing teen violence, education and employment. The remaining \$47,500 will be allocated to the General Fund and increase that Fund balance accordingly.
6. Close the Justice Assistance Grant/Local Law Enforcement Block Grant Fund, transfer revenue in the amount of \$44,877 and the remaining fund balance of approximately \$12,950 to the General Fund. This grant funding has been drastically reduced and the two positions which comprise the core of the Youth Accountability Board program were transferred to the General Fund budget beginning with fiscal year 2007.
7. Authorize the addition of one (1.0 FTE) Principal Operations Specialist in Planning and Development Department and recognize and appropriate \$19,645 from PCDC Orange Grove Project area fund balance. The annual cost of the position is \$78,580 to the Northwest Programs Division. The position will be responsible for recommending actions to management in administrative and application processing areas; perform entry-level administrative analysis; assist with staffing three citizen advisory groups, and supervise staff in the Northwest Programs Division.
8. Authorize the City Manager to enter into a contract with Transtech Engineers, Inc. for an amount not to exceed \$291,200 to provide consulting services for building combination inspection services for a variety of construction projects throughout the City of Pasadena. This action will allow the inspection requests to be handled in a timely manner. Also appropriate \$291,200 from the Building Services unappropriated fund balance to Planning and Development, Building Division for this purpose.

Request for Proposals (RFP) were mailed to eight vendors and posted on the City's Internet site to provide opportunities to potential contractors. Five proposals were received and evaluated using the criteria set forth in the RFP, in accordance with the City's competitive selection process for professional services. Based upon the evaluation criteria, Transtech Engineers, Inc. was selected to perform building combination inspections for the City. (See Attachment A).

9. Authorize the Public Health Department to eliminate one (1.0 FTE) City Service Worker and add one (1.0 FTE) Management Analyst I (limited term, grant funded) in the Bioterrorism and Emergency Preparedness program. In October 2006, grant funding for pandemic flu planning was recognized by City Council, and one (1.0 FTE) City Service Worker was added. In order to perform the activities required by the grant, more consistent staffing is necessary (full time City Service Workers are limited to six months of employment). The salary for this position is included in the Public Health Department Bioterrorism and Emergency Preparedness amended budget. The increased personnel costs of \$4,651, resulting from benefits required by the limited term, grant funded position, will be covered by shifting operating costs from services and supplies in the program budget.
10. Authorize the addition of one (1.0 FTE) Human Resources Manager to the Human Resource Department. The position will manage all labor market surveys, create and maintain compensation and classification systems, approve all classification reviews and analyses, prepare amendments to the Salary Resolution as necessary, and manage the Benefits Section and related functions. This work is currently being performed by several different Staff as well as with outside consultants resulting in some inconsistencies in results. The annual cost of the position is \$159,435 and will be funded 35% from the Benefits Fund, 40% from the General Fund and the remaining \$40,000 will come from existing appropriations. Funding needed for the remainder of fiscal year 2007 is \$53,145 and will be prorated based on the above formula.
11. Authorize the addition of two (2.0) FTEs in the Department of Water & Power (1.0 Engineering Manager and 1.0 Power Distribution Crew Supervisor). The full-year, fully-burdened cost for these FTEs would be \$298,631 (\$167,628 and \$131,003 respectively). Four months of funding for FY 2007 amounts to \$91,886. These changes have been reviewed and approved by Human Resources.

The Engineering Manager would manage the ongoing environmental issues and better coordinate energy efficiency programs into resource planning and create a new group titled Environment and Resources. Environmental legislation is the primary reason for this new group. Changes in State legislation will require more information and justifications be provided to external entities requiring more information, and analysis, be collected and distributed.

The Power Distribution Crew Supervisor is needed to better implement the Electric Distribution System Master Plan (EDSMP). The output of the Overhead Distribution Division of the Power Delivery Field Services unit has doubled since fiscal year 2006. Further implementation of the EDSMP during FY 2008 will require an additional work group, bringing the total work groups to 4, each with its own Crew Supervisor.

*Operating Budget Amendments – Recognizing and appropriating revenues*

12. Recognize and appropriate \$26,366 from the State of California Public Library Fund grant to the Library Services Fund. The Adopted FY07 Operating Budget anticipated \$58,000 from this State grant. The fiscal year 2007 award is \$84,366. The funds will be used for branch library refurbishment at Hastings Ranch Library.
13. Recognize and appropriate \$13,000 from TrueCycle, Inc. to the Refuse Fund, Public Works Solid Waste Reduction/Recycling Division. On January 22, 2007 City Council approved the contract with TrueCycle, Inc. for services to hold up to eight annual electronic waste collection events in the City of Pasadena and to collect, transport, and recycle electronic waste from the Public Works City Yard. These funds will be used for publicity costs to inform Pasadena residents about the collection events and for the collection of hazardous and universal waste (e.g. batteries, fluorescent lights and high intensity discharge lamps). As part of the agreement TrueCycle, Inc. will reimburse the City \$24,000 in annual revenue.
14. Recognize and appropriate of \$665,000 from the FY06 Sub-grantee Homeland Security Grant Program (SHSGP), \$586,803 from the FY06 Urban Area Security Initiative (UASI) grant and \$275,000 from FY06 Law Enforcement Terrorism Prevention Program (LETPP) to the Fire Grant Fund for terrorism response equipment, security enhancements, planning and preparedness activities, supplies and training costs. Also authorize the City Manager to enter into any related agreements necessary for receipt of UASI, SHSGP AND LETPP grant funds listed. The grants funds will provide funding as follows:
  - Fire Department
    - Self contained breathing apparatus
    - Overtime pay to sustain existing Hazardous Materials and Urban Search and Rescue programs
  - Health Department
    - Community preparedness and education outreach
    - Pharmaceuticals for essential personnel
    - Respiratory personal protection equipment
    - Trailer for medical supplies and communication equipment
  - Police Department
    - Security enhancement at Rose Bowl
    - Radio equipment
    - Replace personal protective equipment
    - Communications equipment for helicopter

15. Recognize and appropriate \$19,385 from the Office of the State Controller to the Police Department Jail budget. These funds will be used for contract services for detention of inmates requiring medical attention.
16. Recognize and appropriate \$10,960 from the Association of Film Commissioners International (AFCI) (\$9,085) and Huntington Library (\$1,875) to Planning and Development Department. These funds will offset the cost of sponsoring the Cineposium 2006, an international conference, held to encourage filming in Pasadena in October, 2006.
17. Recognize and appropriate \$1,211,430 from the Pasadena Center Operating Company to the Capital Public Art Fund for the PCOC Expansion Public Art project. This sum represents the required one-percent for the arts based on the project construction costs and will be used to develop a public art project for the Center.
18. Increase revenues and expenditures by appropriating \$293,255 from the County of Los Angeles to the Fire Department, EMS Division for the purchase of sixteen 12-Lead EKG machines. On September 5, 2006, the County Board of Supervisors approved one-time funding to reimburse paramedic service provider agencies for purchase of 12-Lead EKG machines from Measure B Trauma Property Assessment funding. The Fire Department has made this purchase and this action recognizes the reimbursement.
19. Increase revenues and expenditures by appropriating \$10,000 from Fireman's Fund Insurance Company to the Fire Department, Safety and Prevention Division. This grant allows for purchase of public education materials and equipment. The Fire Department will purchase fire extinguishers and items for Pasadena Emergency Response Training kits.
20. Increase revenues and expenditures by appropriating \$22,564 from the California Fire Fighter Joint Apprenticeship Committee (CFFJAC) program to the Fire Department, Training Division budget. This grant allows for purchase of a passenger van to transport recruits to training facilities.

#### *General Fee Schedule Amendments*

1. Fire Inspection/Permits – Other – Amend the fee schedule to change a flat rate of \$138.00 to an hourly rate of \$138.00 for charges for fire prevention business and mercantile inspections. This rate appears in the schedule as a flat rate when it should have shown as an hourly rate as established by the recent cost of service study. This will enable the fee to be charged in increments of one-quarter hour which is appropriate for this service.
2. South Lake Parking Lots – Amend the fee schedule to increase the monthly parking rate \$5 from \$70 to \$75 beginning March 1, 2007. Staff is requesting

that the monthly parking rate for the South Lake Parking Lots, located on Shoppers Lane between Cordova and San Pasqual, be increased commensurate with rates in nearby parking facilities. This rate increase was recommended by the South Lake Parking Place Commission at a special meeting on February 23, 2006, and supported by a recent parking demand study conducted in the area, which evidenced the lack of available parking at peak midday hours. This rate increase would bring the price to market rate.

*Schedule of Taxes, Fees and Charges*

Pursuant to Pasadena Municipal Code Section 1.08.060 the Rose Bowl admissions tax, grandstand seat surcharge and grandstand permit application fee are adjusted on February 1 of each year by an amount equal to the change in the Consumer Price Index for Los Angeles-Riverside-Orange County Metropolitan area for the preceding 12 month period ending October 1.

The change in the Consumer Price Index for all Urban Consumers in the Los Angeles-Riverside-Orange County Metropolitan areas was 3.45% between October 1, 2005 and October 1, 2006. Accordingly the following increases are recommended:

| Municipal Code Section |                                  | Current Rate | Proposed Rate |
|------------------------|----------------------------------|--------------|---------------|
| 3.12.40                | Grandstand Permit Application    |              |               |
|                        | Per seat                         | .58          | .60           |
|                        | Minimum                          | 34.34        | 35.52         |
| 4.48.40                | Rose Bowl Admission Tax          |              |               |
|                        | Tax                              | .08          | .08           |
|                        | Additional percentage per \$1.00 | .11%         | .11%          |
|                        | Maximum rate                     | 1.33         | 1.38          |
| 5.16.070-B             | New Year's Day Related Business  |              |               |
|                        | Grandstand seat surcharge        | 4.62         | 4.78          |

Implementation of the proposed rate adjustments would increase estimated revenues for FY 2008 in the New Year's Day Event Fund by \$9,600 and \$2,900 in the Rose Bowl Fund.

## FISCAL IMPACT

The proposed recommendations will result in the following changes:

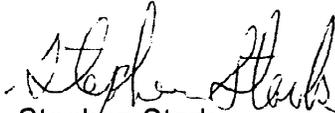
- Increase General Fund FY07 Operating Budget appropriations by \$1,033,153 and estimated revenues by \$508,991 and decrease General Fund unappropriated fund balance by \$608,231
- Decrease the Parking Operations Fund unappropriated fund balance by \$64,480
- Decrease the Local Law Enforcement Grant Fund revenues by \$44,877 and fund balance by approximately \$12,950
- Increase appropriations to the Building Services Fund by \$291,200 and decrease unappropriated fund balance by \$291,200
- Increase revenues and appropriations in the Library Services Fund by \$26,366.
- Increase revenues and appropriations in the Fire Grant Fund by \$1,526,803
- Increase revenues and appropriations in the Building Maintenance Fund by \$64,480.
- Increase revenues and appropriations to the Refuse Fund by \$13,000
- Increase revenues and appropriations to the Capital Public Art Fund by \$1,211,430
- Increase appropriations and decrease fund balance to the Benefits & Insurance Fund by \$18,601
- Increase Power Fund appropriations by \$91,886 and decrease unappropriated fund balance by \$91,886.

Respectfully submitted,



Cynthia J. Kurtz  
CITY MANAGER

Approved by:



Stephen Stark  
Director of Finance

Prepared by:



Paula Hanson  
Management Analyst V

## ATTACHMENT "A"

### Evaluation Matrix

| <b>Vendor Name</b>            | <b>Qualifications<br/>(35%)</b> | <b>Experience<br/>30%</b> | <b>Fees for<br/>Services<br/>25%</b> | <b>Certified by State of<br/>California as Small<br/>Business or Micro<br/>Business 5%</b> | <b>Local<br/>Pasadena<br/>Preference<br/>5%</b> | <b>Total<br/>Points<br/>(100)</b> |
|-------------------------------|---------------------------------|---------------------------|--------------------------------------|--|---|-----------------------------------|
| JAS Pacific, Inc.             | 26                              | 26                        | 24                                   | 0  | 0   | 76                                |
| Transtech<br>Engineering Inc. | 28                              | 28                        | 22                                   | 5  | 0   | 83                                |
| Willdan                       | 20                              | 22                        | 15                                   | 0  | 0   | 57                                |
| PSI                           | 10                              | 10                        | 20                                   | 0  | 0   | 40                                |
| TGR                           | 20                              | 15                        | 23                                   | 5  | 0   | 63                                |

