

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Andreas Borgeas	Councilmember
	Lee Brand	Councilmember
	Mike Dages	Councilmember
	Henry Perea	Councilmember
	Larry Westerlund	Acting Council President
	Blong Xiong	Councilmember
	Cynthia Sterling	Council President

Andy Souza, City Manager  
Bruce Rudd, Assistant City Manager  
Jim Sanchez, City Attorney  
Becky Klisch, City Clerk  
Yolanda Salazar, Assistant City Clerk

Council Executive Analyst Jones gave the invocation and President Sterling led the Pledge of Allegiance.

PRESENTATION OF THE SPCA PET OF THE MONTH

The pet of the month available for adoption, a 2-month-old female terrier/shepherd mix puppy, was presented.

PROCLAMATION OF "BIG BROTHERS BIG SISTERS DAY"  
PROCLAMATION OF "CALIFORNIA/USA WRESTLING FREESTYLE STATE CHAMPIONSHIP DAY"

The above proclamations were read and presented.

PRESENTATION OF A CHECK TO THE CITY OF FRESNO FROM PG&E IN SUPPORT OF 2009 COOLING CENTERS - PRESIDENT STERLING

Presentation made.

PRESENTATION OF "PRIME TIME FOR BUSINESS": BOUQUET OF FRUIT - PRESIDENT STERLING AND D&CR DEPARTMENT

President Sterling read and presented a Commendation to Bouquet of Fruit as a Prime Time for Business honoree, and D&CR Director Scharton gave a brief introduction of the company. Stephen Paul of Bouquet of Fruit gave a PowerPoint presentation on his company which consisted of the History, Market Niche, Customer Base, Local-Local-Local (produce/growers/employees/banks), and the Company's 12 Employees. Acting President Westerlund commended Mr. Paul and the Paul family, and Mr. Paul presented council members with fruit/candy gifts.

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**APPROVE MINUTES OF MAY 21 and 28, 2009**

On motion of Councilmember Xiong, seconded by Councilmember Dages, duly carried, RESOLVED, the minutes of May 21 and 28, 2009, approved as submitted.

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**COUNCIL MEMBER REPORTS AND COMMENTS:**

Councilmember Xiong (1) commended public works staff for their great work on the Ashlan/Cornelia and Ashlan/Marks infrastructure projects; (2) congratulated the fire and police departments on their soccer game fund-raising event at Chukchansi Park prior to the Grizzlies game; (3) commended the Lao family and PARCS department for putting on the successful 8<sup>th</sup> Annual Water Festival; (4) commended KSEE Channel 24 Portrait of Success recipients for their community involvement; (5) commended the Japanese-American Citizens League on their scholarship luncheon; and (6) extended “Happy Birthday” wishes to Council President Sterling.

Councilmember Dages (1) requested staff provide completion dates for today’s Consent Items 1-F and 1-L; (2) requested a workshop be set to discuss veterans issues with deployed city employees stating some problems were occurring with medical coverage and other benefits; and (3) advised he received an item from the Fresno Unified School District concerning a site for a new elementary school near Hamilton and Cedar Avenues and stated a development project was going on at the exact location and requested the two issues be coordinated.

Councilmember Brand announced he was having his second district meeting on June 10<sup>th</sup> at 5:30 p.m. at the Champlain/Perrin County Library wherein water meters, the drought plan and the new watering scheduling will be discussed.

Councilmember Borgeas (1) spoke to the lifting of the boil order for Herndon Town and the problems with Herndon Town’s aging water system, and commended the public utilities department for their quick action to ensure residents had access to clean water and Yosemite Water for delivering bottled water to each resident of Herndon Town; and (2) advised a special meeting and visit would be held this date with the Consulate General of Armenia to address a Sister City relationship and added the Consulate General would be attending the downtown Hye Fest that will be going on Friday and Saturday.

Acting President Westerlund (1) thanked Mike Sweeney and his crew for cleaning up the Shields frontage median between Clovis and Fowler Avenues; (2) advised there were median areas in District 4 browning out and requested they be maintained to be kept green; (3) commended the police graffiti unit for their quick response to a call for service; (4) requested staff schedule a workshop on the asphalt management program (with ACM Rudd speaking briefly to the issue) (2 - 0); and (5) spoke to a proposal made recently to the City Council for a community garden in front of City Hall and stated he hoped no time would be spent on that issue if it comes up again, stated District 4 had experience with community gardens and he was not interested in having that experience in front of City Hall, and added the area was public space that people use as a forum for public debate and should not be used for growing tomatoes.

ACM Rudd and PARCS Director Cooper spoke to the tradition of “Movies in the Park” that was started at Eaton Plaza and advised the third season would begin on Friday with Kung Fu Panda, advised of the other activities that will be going on in addition to the movie, clarified there was no impact to the general fund, and spoke to the success of the event and encouraged all to attend.

President Sterling handed out information to Council and along with PARCS Director Cooper advised the Los Angeles County Fair was coming to the Southwest Regional Sports Complex at Jensen and West Avenues July 3<sup>rd</sup> through July 12<sup>th</sup> and would be the 1<sup>st</sup> Annual Countywide Summer Festival, stated there would be 35 carnival rides, midway exhibits, and live entertainment along with local vendors, theme nights, and \$2 off entry coupons through the web site with unlimited rides all day, and stated this carnival was possible due to the council-approved parks bond initiative that provided for installation of lights at the complex and encouraged all to participate in this affordable family fun event.

President Sterling continued and advised she (1) attended the 8<sup>th</sup> Annual Water Festival at the SW Regional Sports Complex hosted by the Hmong community, (2) participated as a speaker at the Fresno State African-American commencement ceremony; (3) was a presenter at El Capitan Middle School Portfolio Day; (4) attended the Asian Pacific Islander’s American Portrait of Success Awards Luncheon, (5) participated in the California Fuel Cell Partnership and drove one of the new hybrid cars along with Congressman Costa; (6) was a speaker at the West Park Charter Academy commencement ceremony at Washington Union High School; (7) attended the block party and job fair at Westcare, and (8) attended the 19<sup>th</sup> Annual Fiesta and Celebration of Children hosted by Exceptional Parents Unlimited.

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**APPROVE AGENDA:**

153-167

06/04/09

(9:30 A.M. #2-B) APPROVE AIRPORTS DEPARTMENT’S FIFTEEN (15) SUB-SUBLEASE OF A WAREHOUSE AND OFFICE BUILDING AT THE FYI AIRPORT FROM THE BUILDING’S PRIVATE DEVELOPER, AND ADOPT A CEQA EXEMPTION PER GUIDELINE 15301

City Clerk Klisch advised the title should read: "APPROVE AIRPORTS DEPARTMENT'S FIFTEEN (15)YEAR SUB-LEASE OF A WAREHOUSE . . .". So noted.

**(10:00 A.M.) HEARING ON COUNCIL REVIEW OF PLANNING COMMISSION APPROVAL OF CUP NO. C-09-028 RELATED TO A GROUP HOUSING USE AT 1620 E. WHITE AVENUE AND ADOPTION OF A CATEGORICAL EXEMPTION PURSUANT TO E.A. NO. EA-C-09-028 (Continue to June 11, 2009, at 10:00 a.m. - *changed* to June 18, 2009, at 11:00 a.m.)**

City Clerk Klisch advised a letter was received from the applicant requesting the hearing be continued to June 18<sup>th</sup> rather than June 11<sup>th</sup> due to a conflict, and by Council consensus the hearing was continued to June 18, 2009, at 11:00 a.m.

On motion of Councilmember Dages, seconded by Councilmember Brand, duly carried, RESOLVED, the **AGENDA** approved as amended, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**ADOPT CONSENT CALENDAR:**

**(1-A) APPROVE AGREEMENT WITH THE NATIONAL ASSOCIATION OF COUNTY AND CITY HEALTH OFFICIALS (NACCHO) FOR ACCEPTANCE OF A \$5,000 GRANT AWARD TO SUPPORT PROGRAM ENHANCEMENTS TO THE POLICE DEPARTMENT'S MEDICAL RESERVE CORPS PROGRAM**

**(1-B) RESOLUTION NO. 2009-120 - 88<sup>TH</sup> AMENDMENT TO AAR 2008-162 APPROPRIATING \$396,800 STATE OF CALIFORNIA SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUNDS (SLESF) INTO THE FY 2009 BUDGET**

**(1-C) AUTHORIZE THE DIRECTOR OF AVIATION TO EXECUTE A PROFESSIONAL CONSULTING AGREEMENT WITH CLINE, SMULL, HAMILL, QUINTIERI ASSOCIATES (CSHQ) FOR THE SCHEMATIC REDESIGN OF AN AUTOMATED CHECKED BAGGAGE INSPECTION SYSTEM (CBIS) AT THE FYI AIRPORT IN AN AMOUNT NOT TO EXCEED \$96,616**

**(1-D) AUTHORIZE THE DIRECTOR OF AVIATION TO EXECUTE A REIMBURSABLE "OTHER TRANSACTION AGREEMENT" WITH THE DEPARTMENT OF HOMELAND SECURITY TRANSPORTATION SECURITY ADMINISTRATION (TSA) RELATED TO THE REDESIGN OF AN AUTOMATED CHECKED BAGGAGE INSPECTION SYSTEM AND RELOCATION OF TSA-OWNED EQUIPMENT AT THE FYI AIRPORT**

**(1-E) APPROVE DIRECT RENTAL AGREEMENT BETWEEN THE AIRPORTS DEPARTMENT AND THE FORMER T-HANGAR SUBTENANTS (INCLUDING THE POLICE DEPARTMENT'S SKYWATCH UNIT) OF SCOTT AIRCRAFT, INC., WHO HAS DECLARED BANKRUPTCY, AUTHORIZE ADDITIONAL RENTALS OF VACANT FORMER SCOTT AIRCRAFT HANGARS, OFFICES AND TIE-DOWN SPACES TO ANY NEW TENANTS THAT MAY COME ALONG, AND APPROVE A ONE-YEAR CONTRACT WITH ROSS FRESNO LLC DBA CORPORATE AIRCRAFT FOR SERVICES TO TENANTS AT AN ESTIMATED COST OF \$18,000**

**(1-F) ADOPT FINDING OF A CATEGORICAL EXEMPTION PURSUANT TO CEQA GUIDELINES AND AWARD A CONTRACT IN THE AMOUNT OF \$220,160 TO TERNO, INC., FOR INSTALLATION OF NEW TRAFFIC SIGNAL FACILITIES AT THE INTERSECTION OF BALCH AND CHESTNUT AVENUES, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR ASSIGNEE TO SIGN THE CONTRACT ON BEHALF OF THE CITY**

153-168

06/04/09

**(1-G) LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1**

- 1. RESOLUTION NO. 2009-121 - INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS**
- 2. RESOLUTION NO. 2009-122 - INTENT TO LEVY AND COLLECT THE ANNUAL ASSESSMENTS**

**(1-H)** APPROVE AGREEMENT WITH THE CITY OF CLOVIS FOR CONSTRUCTION AND MAINTENANCE OF MEDIAN ISLAND LANDSCAPING AND IRRIGATION IMPROVEMENTS ALONG WILLOW AVENUE BETWEEN TEAGUE AND SHEPHERD AVENUES

**(1-J)** AWARD A CONTRACT TO FMDiaz CONSTRUCTION IN THE AMOUNT OF \$154,804 TO CONSTRUCT WELL SITE IMPROVEMENTS AT PUMP STATION 226-3

**(1-N) BILL NO. B-22 - ORDINANCE NO 2009-22 - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO QUALIFICATIONS OF APPLICANTS FOR CITY FINANCING (BETTER BUSINESS ACT) - COUNCILMEMBER BRAND**

On motion of Councilmember Dages, seconded by Councilmember Brand, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**CONTESTED CONSENT CALENDAR:**

Barbara Hunt spoke in general to various consent items.

**(1-I)** ADOPT REVISED RESOLUTIONS AUTHORIZING THE SIGNATURE OF FINANCIAL ASSISTANCE APPLICATIONS AND RELATED DOCUMENTS FOR FINANCING AGREEMENTS FROM THE STATE WATER RESOURCES CONTROL BOARD FOR TWO SEWER PROJECTS, AND AUTHORIZE THE DIRECTOR OF PUBLIC UTILITIES OR DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS

- 1. RESOLUTION NO. 2009-123 - HERNDON TOWN SEWER PROJECT IN THE AMOUNT OF \$897,167**
- 2. RESOLUTION NO. 2009-124 - CORTLAND/FOUNTAIN WAY SEWER PROJECT IN THE AMOUNT OF \$400,000**

At the request of Councilmember Borgeas Assistant Public Utilities Director Andersen expanded on matters pertaining to the State Water Resources Control Board for the Herndon Town sewer project and along with City Attorney Sanchez responded to questions and/or comments of Councilmember Borgeas and Acting President Westerlund relative to the old inadequate system, water pressure, commendation to the mayor's office and city staff for working closely with the District 2 office and seeking grant funds and other funds, difference between a financial assistance application and a grant application, if this matter first came to Council as a grant application, if the Herndon Town project was on the wastewater side and not the fresh water side, authorization to negotiate and execute final agreements, match fund requirement, and this sewer project having two components -- sewer and fresh water -- and being a work in progress to accommodate both needs.

On motion of Councilmember Borgeas, seconded by Councilmember Xiong, duly carried, RESOLVED, the above entitled Resolution Nos. 2009-123 and 2009-124 hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund Xiong, Sterling  
Noes : None  
Absent : None

**(1-K)** APPROVE SUBMISSION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT RECOVERY ACT APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR \$2.047 MILLION OF FUNDS ENTITLED TO THE CITY FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, AND AUTHORIZE THE CITY MANAGER TO ENTER INTO IMPLEMENTING DOCUMENTS ON BEHALF OF THE CITY

Management Analyst Smith responded to comments and questions of Acting President Westerlund relative to these CDBG dollars being different from the city's normal CDBG allotment, where the dollars were coming from, if the total allotment would be this amount or if other amounts were available, application due date, and if the proposed projects were placeholders and if Council would have an opportunity to change/amend them. Councilmember Perea stated he looked forward to discussing this further during budget proceedings as there were some areas he felt would be good candidates for this funding that he wanted to place on the table.

On motion of Acting President Westerlund, seconded by Councilmember Dages, duly carried, RESOLVED, the submission of the CDBG - Recovery Act application to the U.S. Department of Housing and Urban Development for \$2.047 million of entitled funding hereby approved, and the City Manager authorized to enter into implementing documents on behalf of the City, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund Xiong, Sterling  
Noes : None  
Absent : None

**(1-L) RESOLUTION NO. 2009-125 - 89<sup>TH</sup> AMENDMENT TO AAR 2009-162 APPROPRIATING \$200,500 IN PREVIOUSLY APPROVED FY 2008 FUNDS INTO THE PARCS DEPARTMENT FOR THE MOSQUEDA BMX BIKE COMPLEX PROJECT**

PARCS Director Cooper and Assistant Public Works Director Banuelos responded to questions of Acting President Westerlund relative to whether this item had been before Council previously, the contract change order to upgrade the fence including amount and who signed it, when change orders have to come to Council for authorization, and request for documentation on change order authorization.

On motion of Councilmember Dages, seconded by Councilmember Brand, duly carried, RESOLVED, the above entitled Resolution No. 2009-125 hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund Xiong, Sterling  
Noes : None  
Absent : None

**(1-M) RESOLUTION NO. 2009-126 - AUTHORIZING THE CITY TO PROCEED WITH THE FEDERAL HOUSING AND URBAN DEVELOPMENT'S (HUD) OFFICE OF HEALTHY HOMES LEAD HAZARD CONTROL GRANT FOR CHILDHOOD POISONING PREVENTION FUNDING BY PROVIDING FUNDING FOR IDENTIFICATION AND ELIMINATION OF SOURCES OF LEAD EXPOSURE IN THE CITY OF FRESNO**

An unidentified staff member responded briefly to questions of Acting President Westerlund relative to the match requirement with CLPPP grant funds, what CLPPP stood for, and the state's economic environment and if the funds were currently in the bank.

On motion of Acting President Westerlund, seconded by Councilmember Xiong, duly carried, RESOLVED, the above entitled Resolution No. 2009-126 hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund Xiong, Sterling  
Noes : None  
Absent : None

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**(9:00 A.M.) PUBLIC COMMENT PERIOD:**

**(‘A’) SCHEDULED COMMUNICATION: APPEARANCE BY BARBARA HUNT REGARDING SOUTHWEST FRESNO ISSUES**

Appearance made.

**(‘B’) UNSCHEDULED COMMUNICATIONS:**

153-170

06/04/09

Reyes Garza spoke to the homeless and mentally ill that need assistance.

Paul Hurlbut, 4701 W. Swift, acknowledged Chief Bruegman for reallocating resources to prevent the loss of fire stations and firefighters that other cities are experiencing, and spoke to his concern with Fresno Street urban rescue unit being moved to downtown's Fire Station 3 due to earthquake resistance of the 2-story concrete building.

Sherry Smith, 4724 W. Swift, thanked President Sterling's office and Erica for assistance with a petition, and also thanked staff for fixing street lights, painting the old fire station, improving curbs/gutters/sidewalks, and for maintaining median islands and parkways in the Ashlan Cornelia corridor was being recognized.

Warren Zimmerly thanked City Clerk Klisch and her staff for their assistance, and spoke to his residence, an injury he incurred, and the importance of public safety **(3 - 0)**.

Russell Appling asked those in attendance who had not spoken to give their three minutes to him as he had a lot to say.

Paula Savino spoke to the homeless and animal care.

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**(9:15 A.M.) RESOLUTION NO. 2009-127 - EXPRESSING SUPPORT FOR THE PRESERVATION OF THE CLAUDE C. "POP" LAVAL PHOTOGRAPHY COLLECTION - PRESIDENT STERLING AND COUNCILMEMBER BRAND**

President Sterling introduced the item and Councilmember Brand reviewed the issue, all as contained in the report to Council as submitted, and requested approval stating the resolution would help with the application seeking grant funds to restore the photo collection.

Elizabeth Laval, great-granddaughter of "Pop" Laval, spoke further to the collection, to her desire to share it with the community, to how the collection was deteriorating rapidly, to grants applied for and fund-raisers, and to how the Pop Laval Foundation was looking for a permanent home for the collection in the downtown area, and responded briefly to questions of Acting President Westerlund relative to material of the early photos, size of the home being sought, success of fund-raising efforts, and if the foundation was a 501(C)3.

On motion of President Sterling, seconded by Councilmember Brand, duly carried, RESOLVED, the above entitled Resolution No. 2009-127 hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**(9:30 A.M. #1) HEARING TO CONSIDER THE VACATION OF A PORTION OF W. ALLUVIAL AVENUE WEST OF N. LAFAYETTE AVENUE  
1. RESOLUTION NO. 2009-128 - ORDERING THE VACATION OF THE ABOVE**

President Sterling announced the time had arrived to consider the issue and opened the hearing. Senior Engineering Technician Polsgrove reviewed the issue, all as contained in the staff report as submitted.

Upon call, no one wished to be heard and President Sterling closed public testimony.

Mr. Polsgrove responded briefly to questions of Councilmember Borgeas relative to whether this was a typical vacation and what the scope of work was, and made a motion to approve.

On motion of Councilmember Borgeas, seconded by Acting President Westerlund, duly carried, RESOLVED, the above entitled Resolution No. 2009-128 hereby adopted, by the following vote:

**153-171**

**06/04/09**

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**(9:30 A.M. #2-A) AWARD A CONTRACT TO TEICHERT CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$9,285,928.50 FOR RECONSTRUCTION OF TAXIWAY B AT THE FYI AIRPORT**

**1. RESOLUTION NO. 2009-129 - 83<sup>RD</sup> AMENDMENT TO AAR 2008-162 APPROPRIATING \$9,415,800 FOR THE FYI TAXIWAY B PROJECT**

Aviation Director Widmar reviewed the issue, all as contained in the staff report as submitted, and responded to questions and comments of Acting President Westerlund relative to the austere environment of the state, funding source, total grant amount, this being a capacity-enhancing project and who it will serve, passenger enplanement, and if there will be no disruption in service, and if there were plenty of taxiways. A motion and second was made to approve staff's recommendation.

Lillian Canig, 1905 E. Pontiac Way, questioned which Measure C funds were being used for the project, with ACM Rudd stating under the new Measure C there was an allocation specifically for the FYI airport and the dollars were also outlined in the capital improvement plan.

On motion of Acting President Westerlund, seconded by Councilmember Xiong, duly carried, RESOLVED, the above entitled contract award as outlined above and Resolution No. 2009-129 hereby adopted, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**(9:30 A.M. #2-B) APPROVE THE AIRPORTS DEPARTMENTS' FIFTEEN (15) YEAR SUB-SUBLEASE OF A WAREHOUSE AND OFFICE BUILDING AT THE FYI AIRPORT FROM THE BUILDING'S PRIVATE DEVELOPER, AND ADOPT CEQA EXEMPTION PER GUIDELINE 15301**

Aviation Director Widmar and Assistant Director Carmody reviewed the issue and described how the project got to this point, all as contained in the staff report as submitted. Acting President Westerlund thanked staff for meeting with him and answering his questions, stated his only concern had been affording ability given the decline in revenue in terms of passengers enplanement and debarkations, and upon his question ACM Rudd stated the administration was supportive of the issue and staff's recommendation.

On motion of Acting President Westerlund, seconded by Councilmember Brand, duly carried, RESOLVED, the Airports Department authorized to sub-sublease from E. Anderson Associates the remaining 15-year sublease interest in a warehouse, office building and site at the FYI Airport at a rental rate of \$14,172.19 per month, subject to limited annual adjustments based on changes to consumer price indices, with associated documents approved as to form by the City Attorney, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**(9:30 A.M. #2-C) AUTHORIZE EXECUTION OF DOCUMENTS RELATING TO THE PLACEMENT OF WORK SITE PARTICIPANTS OF THE SUMMER YOUTH EMPLOYMENT PROGRAM OPERATED BY BOTH ARBOR EMPLOYMENT AND TRAINING, LLC, AND THE FRESNO COUNTY ECONOMIC OPPORTUNITIES COMMISSION, AS FUNDED BY THE FRESNO COUNTY WORKFORCE INVESTMENT BOARD (WIB), TO OFFER SHORT-TERM EMPLOYMENT OPPORTUNITIES TO YOUTH AGED 14 - 24**

**153-172**

**06/04/09**

Deputy City Manager Arechiga reviewed the issue and recommended approval, all as contained in the staff report as submitted, and Blake Konczal, Executive Director of the Fresno County WIB, thanked the city of Fresno for making employment available to youth.

Lillian Canig, FUSD substitute teacher, E. Pontiac Avenue, stated she feared for the youth of this community and spoke to the large drop out rate, youth being forced to enter the workforce at a much earlier age due to the economy, and her wish that council members work with the mayor to provide long-term employment versus short-term.

Mr. Konczal, Ms. Arechiga and ACM Rudd responded to questions and/or comments of Councilmembers Westerlund, Brand and President Sterling and/or clarified issues relative to the maximum amount of youth to be employed, if a certain number was being

targeted, **(4 - 0)**, free labor being a good thing but there being extras and costs that go along with employees, if the extras can be met, program allocation amount and number of employees, if these will be minimum wage jobs, overhead costs, the city of Fresno employing 80-100 youth and overall the number being close to 3,200 countywide, who Arbor Employment and Training was, if the company was local, and need to retain local companies in the future.

On motion of Councilmember Xiong, seconded by Councilmember Borgeas, duly carried, RESOLVED, the execution of documents relating to placement of work site participants of the Summer Youth Employment Program as outlined above hereby authorized, by the following vote:

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Xiong, Sterling  
Noes : None  
Absent : None

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**(10:30 A.M.) REGULAR MEETING OF THE REDEVELOPMENT AGENCY**

The City Council recessed at 10:58 a.m. and convened in regular session as the Redevelopment Agency.

**APPROVE AGENCY MINUTES OF MAY 21, 2009**

On motion of Member Westerlund, seconded by Vice Chair Brand, duly carried, RESOLVED, the Agency minutes of May 21, 2009, approved as submitted.

**(‘A’)** APPROVE A PURCHASE OPTION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND AMCAL MULTI-HOUSING, INC., FOR PARCELS AT 2150 S. ELM AVENUE AND 630 & 636 “B” STREET AT GENEVA AND “B” STREETS TO APPLY FOR LOW INCOME HOUSING TAX CREDITS IN THE 6/9/09, APPLICATION ROUND THROUGH THE CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE FOR 49 LOW-INCOME APARTMENTS AND ONE MANAGER’S UNIT, AND HAVE ADEQUATE SITE CONTROL OVER THE AGENCY-OWNED PARCEL IN THE SOUTHWEST GNRA (Agency action)

Executive Director Murphey reviewed the issue, all as contained in the staff report as submitted, noted a revised agreement had been submitted to clearly indicate this was a negotiating agreement for the purchase, and stated final action would come back to the Board in the form of a D&DA, an Option Purchase Agreement or a Final Purchase Agreement.

AMCAL representative Craig Smith advised he was available to answer any questions.

Ms. Murphey and City Attorney Sanchez responded to questions/comments of Member Westerlund and/or clarified issues relative to the purpose of an “option agreement,” the state’s troubled environment and what happens if the tax credits do not work out, there being no title interest involved and this agreement being more in the nature of an exclusive negotiation agreement, and project size, hope that the project will be successful, and interest in looking at the per unit subsidy when the pro forma comes back. Member Westerlund made a motion to approve staff’s recommendation which was seconded by Member Sterling who thanked AMCAL and staff for their work stating this has been on the drawing board for a long time and had gone through a number of transitions.

On motion of Member Westerlund, seconded by Member Sterling, duly carried, RESOLVED, the subject Option Purchase Agreement with AMCAL Multi-Housing, Inc., as outlined above hereby approved, by the following vote:

**153-173**

**06/04/09**

Ayes : Borgeas, Brand, Dages, Perea, Westerlund, Sterling, Xiong  
Noes : None  
Absent : None

**(‘B’)** CONSIDER A PURCHASE OPTION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND ADVANCED DEVELOPMENT & INVESTMENT, INC., (ADI) FOR A PARCEL AT VENTURA AND 10<sup>TH</sup> STREET TO APPLY FOR LOW INCOME HOUSING TAX CREDITS IN THE 6/9/09, APPLICATION ROUND THROUGH THE CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE FOR 81 RESIDENTIAL STUDIOS AND ELEVEN 2-BEDROOM UNITS FOR VERY LOW-INCOME SENIORS AND ADULTS, AND HAVE ADEQUATE SITE CONTROL OVER THE AGENCY-OWNED PARCEL IN

THE SOUTHEAST REDEVELOPMENT PROJECT AREA (Agency action)

Executive Director Murphey reviewed the issue, all as contained in the staff report as submitted, and stated if the application is not successful staff would be recommending in the future that an RFP be issued.

Speaking to the issue was: Louise Bauer Davoli, HCDC member, who expressed concerns relative to how this and other low-income projects fit into the city's overall strategic housing vision, coordination with other entities, project location and lack of amenities, and public safety; and Michael Sigala, representing ADI, who stated he was available to answer questions and responded to Ms. Bauer Davoli's concerns stating services and amenities for adults and seniors were in the area and also onsite and explained.

Member Dages concurred there were services and amenities in the area and expanded further, and stated a lot of things in the area were slowly coming together and made a motion to approve staff's recommendation, which motion was seconded by Member Sterling.

Lengthy discussion ensued. Member Westerlund expressed concern with the untimely receipt of agenda material and explained, and stated another concern was the unanimous decision of the HCDC to deny and presented questions and comments relative to why the HCDC denied the agreement, the strategic housing plan being an issue for the city to address, and if this agreement was the same as previous item 'A', with Ms. Bauer Davoli and Ms. Murphey responding. Vice Chair Brand presented questions/comments/concerns relative to the Agency's land donation, square footage of the development, square footage of the common area, normal size of a studio apartment, project budget, high costs, the oxymoron of affordable housing and concern with the community being cheated, why outrageous prices keep coming up, need to rethink the way to do business, and inability to support the motion, with Assistant Director Raymond and Mr. Sigala responding throughout. Members Sterling and Borgeas presented questions and/or comments relative to amenities, if open space was included, senior projects and ability to utilize the Handy Ride service, if the availability of Handy Ride was presented to the HCDC, concern that the HCDC was not supportive, need for the developer to assure the community that the project will have site amenities and services in the area, if approval this date would allow for an exploratory period and not move the project forward, there being time to further address issues, and time sensitivity. Member Westerlund stated although he was supportive of moving forward he felt Vice Chair Brand was right on point, stated the city needed to get more housing units out of the dollars put out there and added paying \$390 a square foot for a public/private affordable housing project was not going to work, and suggested the applicant and staff sharpen their pencils and get down to real numbers. Chair Xiong stated the cost issue was important to all and stated parameters needed to be set to get issues settled on this project within the next 30 days and also for those who want to work with the RDA which would preclude having these discussions at the dais. Upon the suggestion of Member Westerlund Ms. Murphey stated staff could schedule a joint RDA and housing division workshop within the next 30 days on affordable housing projects and subsidy levels/ranges.

On motion of Member Dages, seconded by Member Sterling, duly carried, RESOLVED, the subject Purchase Option Agreement with Advanced Development & Investment, Inc., (ADI) as outlined above hereby approved, by the following vote:

Ayes : Borgeas, Dages, Perea, Westerlund, Sterling, Xiong  
Noes : Brand  
Absent : None

The Redevelopment Agency adjourned its meeting at 11:34 a.m. and the City Council reconvened in regular session.

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06/04/09

BUDGET SCHEDULE CHANGE

President Sterling advised she received a request to hear another department's budget this date in addition to the scheduled city clerk and personnel departments. Discussion ensued on the published schedule and public input, with ACM Rudd and City Attorney Sanchez clarifying issues and Mr. Sanchez offering to present his department's budget. (5 - 0) Acting President Westerlund spoke to how Council can get "crunched" on time in budget proceedings at the end of days, stated there would be time available this date to hear another department as the two scheduled departments would be done quickly, and noted Mr. Sanchez addressed the legal requirements, whereupon it was determined to hear the City Attorney's budget this date.

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**(11:00 A.M.) CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL/EXISTING LITIGATION - CASE NAME: ANTHONY J. FAGONE V. CITY OF FRESNO, ET AL

The City Council met in closed session in Room 2125 at the hour of 11:40 a.m. to consider the above matter and recessed for lunch thereafter.

**LUNCH RECESS - 11:55 A.M. - 2:00 P.M.**

**(2:00 P.M.) CONTINUED CONSIDERATION OF THE FY 2009-2010 ANNUAL BUDGET:**

**CITY CLERK'S OFFICE:**

City Clerk Klisch gave a PowerPoint presentation on her department's budget which included a Mission Statement, Organizational Chart, FY 2010 Proposed Budget, Current Staffing, Multi-Year Projects, Accomplishments, and Budget Constraints. President Sterling commended Ms. Klisch for her and her department's work and for her foregoing a salary increase and working within parameters this past year. There was no further discussion.

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**PERSONNEL SERVICES DEPARTMENT:**

Personnel Services Director Bond acknowledged key staff in attendance and gave a PowerPoint presentation on her department's budget which consisted of FY 2010 Budget Summary, Risk Management, Organization Development and Training, Recruitment and Examination, Labor Relations, and Technology, and spoke briefly to the classification and compensation study.

Russell Grant Appling spoke to the issues of work and travel.

Council discussion ensued with Ms. Bond, ACM Rudd, Budget Analyst Sumpter and City Manager Souza responding to questions of Councilmembers Perea, Brand, Xiong, Westerlund and President Sterling relative to the classification and compensation study, increase in professional services and consulting, competitiveness of rates being paid, numerous questions on the planning & development director, controller and city manager positions including recruitment status, consultant, salaries, and if staff has received any feedback on candidate pools, FTEs, risk management issues/vehicle fires, employees called to active duty, the governmental affairs position and recruitment cost, and workers compensation numbers. Ms. Bond was thanked for her presentation and there was no further discussion.

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**CITY ATTORNEY'S OFFICE:**

City Attorney Sanchez thanked Budget staff and gave a PowerPoint presentation on his department's budget which included a Mission Statement, Organizational Chart, Budget Considerations Towards Fulfilling the Department's Mission, Best Practices to Effectively Fulfill the Mission (**6 - 0**), Office Staffing, Revenue and Expenditures to Date, Comparison of Cases Kept In-House v.

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Cases Sent to Outside Counsel, City Attorney's Office FY 2009, Accomplishments of the Advisory, Litigation, and Economic Development/RDA Code Units, FY 2010 Challenges, and Unfunded Needs.

Lengthy discussion ensued with Mr. Sanchez, City Manager Souza and/or Councilmember Perea responding to questions and/or comments of Councilmembers Borgeas, Xiong, Westerlund, Brand, Perea and Dages relative to Westlaw (publications/subscriptions) and cost, reduction in services including how impacts will be tracked, if the majority of work occurs with low-, middle- or high-level projects, where delays will be seen, the economy and decreased activity seen in some city departments, if the department was reducing staff, cases kept in-house and the real cost savings being seen in the analysis of the results, court cases and CEQA expertise, the contract compliance position including benefit seen, why it will not continue, and cost to continue the program, commendation to Mr. Sanchez and staff for their professionalism and great job, the Office of Independent Review including workload, budget and review of rules of protocol, if there was a possibility Fresno County will be reducing the amount of misdemeanors they prosecute, types of misdemeanors, request for information on impact should the department take on misdemeanor prosecution, if the county was planing to stop prosecuting misdemeanors, the city's graffiti prosecution program including how it was going and the special permission given to staff to prosecute in court, what would be necessary for the department to prosecute

misdemeanors, and if public defender costs would be the city's responsibility. Acting President Westerlund stated city prosecution was a dangerous discussion to have, the district attorney would be happy to have someone take it on, the city did not have the funding mechanism, the city did graffiti prosecution as it was a direct service related to infrastructure, pressure will be seen for the city to take on functions the county gets funding for, and misdemeanor prosecution was not the city's job. President Sterling agreed with Acting President Westerlund and commended the city for stepping up on the homeless issue, and also commended Mr. Sanchez and staff stating they were great people to work with. There was no further discussion.

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**(7 - 0)** President Sterling stated budget proceedings would continue on Tuesday, June 9, 2009, at 8:30 a.m. for consideration of the Finance, Fire, and Police Departments.

City Manager Souza responded to general budget questions of Councilmember Dages relative to why City Hall rent had increased in every department, the Fresno Bee article regarding the possibility of the state withholding \$9.2 million and if that was reflected in this budget, the sale of the Blosser and Palm Lakes properties and if the "M" Street lot could be added to the list, and if there was still developer interest in building a hotel at the "M" Street site.

Upon question of Councilmember Borgeas relative to Sacramento taking from the locals and having to repay within a three year period of time City Manager Souza stated staff has learned it is tough to get carrying costs out of Sacramento, staff was assuming that was not going to happen, and added if payment is received with interest it would be additional resources for some projects.

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**COMMUNITY GARDENS - PRESIDENT STERLING**

Referencing Acting President Westerlund's earlier comments President Sterling advised she did attend a meeting with former council member Calhoun and Edie Jessup concerning community garden projects, stated as Council President she felt it was her responsibility to look at issues requested by citizens, and stated she would be bringing something back to council on the issue and requested any concerns/input be provided to Analyst Jones.

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**ADJOURNMENT**

There being no further business to bring before the City Council, the hour of 3:42 p.m. having arrived and hearing no objection, President Sterling declared the meeting adjourned to June 9, 2009, at 8:30 a.m. for continued consideration of the FY 2010 Budget.

*Approved* on the   11th   day of   June  , 2009.

\_\_\_\_\_/s/\_\_\_\_\_  
Cynthia Sterling, Council President

ATTEST \_\_\_\_\_/s/\_\_\_\_\_  
Yolanda Salazar, Assistant City Clerk