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CITY OF EL CAJON

*City Council/Housing Authority/
Successor Agency to the Redevelopment Agency*

AGENDA



February 28, 2017

**Honoring
and celebrating
the people
who make
El Cajon**

*The Valley
of
Opportunity*

Bill Wells
Mayor

Bob McClellan
Mayor Pro Tem

Steve Goble
Councilmember

Ben Kalasho
Councilmember

Gary Kendrick
Councilmember

Douglas Williford
City Manager

Morgan Foley
City Attorney

Majed Al-Ghafry
Assistant City Manager

Belinda Hawley
City Clerk



AGENDA



February 28, 2017
3:00 p.m.

The Agenda contains a brief general description of each item to be considered and most items have a *RECOMMENDATION* from Staff or a Commission, which Council will consider when making a final decision.

Copies of written documentation relating to each item of business on the Agenda are on file in the City Clerk's Office and in the Agenda Book next to the podium in the Council Chambers.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM FOR EACH ITEM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE CITY CLERK if you wish to speak about an Item on the Agenda or under Public Comment.

- **CALL TO ORDER:** Mayor Bill Wells
- **ROLL CALL:** City Clerk Belinda Hawley



PLEDGE OF ALLEGIANCE TO FLAG AND MOMENT OF SILENCE

- **POSTINGS:** The City Clerk posted Orders of Adjournment of the February 14, 2017, Meetings and the Agenda of the February 28, 2017, Meetings in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.
- **PRESENTATIONS:**
 - **COMMENDATION:** Majed Al-Ghafry, Assistant City Manager
 - **PROCLAMATION:** Cartwright Pest Control
 - **PRESENTATION:** San Diego County Regional Airport Authority
- **AGENDA CHANGES:**

*Backup Information Available – Housing Authority and Successor Agency Items are identified.

CONSENT ITEMS: (1.1 – 1.9)

Consent Items are routine matters enacted by one motion according to the RECOMMENDATION listed below. With the concurrence of the City Council, a Council Member or person in attendance may request discussion of a *Consent Item* at this time.

***1.1 MINUTES OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY MEETINGS**

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approves Minutes of the February 14, 2017 Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

RECOMMENDATION: That the City Council approves payment of Warrants as submitted by the Finance Department.

1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL OF ORDINANCES ON AGENDA

RECOMMENDATION: That the City Council approves the reading by title and waive the reading in full of all Ordinances on the Agenda.

***1.4 RESOLUTION: CITY ATTORNEY STAFF MEMBERS
(Report: Morgan Foley, City Attorney)**

RECOMMENDATION: That the City Council adopts the next RESOLUTION in order, appointing the professional staff of the City Attorney's Department effective February 28, 2017.

CONSENT ITEMS: (Continued)

***1.5 RESOLUTION: DECLARATION OF EMERGENCY FOR STORM DAMAGE (Report: Majed Al-Ghafry, Assistant City Manager)**

RECOMMENDATION: That the City Council

- Adopts the next RESOLUTION in order to make a Declaration of Emergency, and determine that the public interest and necessity requires the immediate expenditure of public money to safeguard life, health, or property per Public Contract Code 22050;
- Authorizes the City Manager to enter into any emergency contract(s) to repair storm drain facilities per El Cajon Municipal Code Section 2.04.145, and to waive the bidding requirement in accordance with El Cajon Municipal Code Section 3.20.010 (C)(6);
- Appropriates Unallocated Wastewater Funds from the enterprise fund balance to cover the cost of the emergency work: and
- Establishes a project budget of \$150,000.00 to make emergency repairs.

***1.6 RESOLUTIONS: APPROVAL OF PLANS AND BID SPECIFICATIONS FOR CITY HALL AND COUNCIL CHAMBER HVAC RE-BID PROJECT, IFM3389/BID NO. 022-17 (Report: Majed Al-Ghafry, Assistant City Manager)**

RECOMMENDATION: That the City Council adopts the next RESOLUTIONS in order to approve plans and specifications for City Hall and Council Chamber Re-Bid Project, IFM3389/Bid No. 022-17, and direct a Notice Inviting Sealed bids to be opened on April 6, 2017.

***1.7 OCTOBER – DECEMBER 2016 QUARTERLY TREASURER’S REPORT (Report: Clay Schoen, Director of Finance and Treasurer)**

RECOMMENDATION: That the City Council receives the Treasure’s Report for the quarter ending December 31, 2016.

***1.8 SINGLE AUDIT REPORT ON FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016 (Report: Clay Schoen, Director of Finance)**

RECOMMENDATION: That the City Council receive and accept the Single Audit Report on Federal Awards for the fiscal year ended June 30, 2016.

CONSENT ITEMS: (Continued)

***1.9 COMMUNITY EVENT – 2017 JULY 4TH PICNIC AT KENNEDY PARK (Report: Sara Ramirez, Director of Recreation)**

RECOMMENDATION: That the City Council:

- Approves the sale of merchandise by vendors at Kennedy Park associated with the annual July 4th picnic and fireworks display; and
- Authorizes the City Manager, or designee, to execute the necessary agreements and forms for the annual July 4th fireworks display at Granite Hills High School.

PUBLIC COMMENT

At this time, any person may address a matter within the jurisdiction of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency that is not on the Agenda. Comments relating to items on today's agenda are to be taken at the time the item is heard. State law prohibits discussion or action on items not on the Agenda; however, Council, Authority and Agency Members may briefly respond to statements or questions. An item may be placed on a future Agenda.

2. WRITTEN COMMUNICATIONS: None

3. PUBLIC HEARINGS:

***3.1 RESOLUTIONS: DELINQUENT REFUSE COLLECTION CHARGES (Report: Dennis Davies, Deputy Director of Public Works)**

RECOMMENDATION: That the City Council

- Opens the Public Hearing and receives testimony;
- Closes the Public Hearing;
- Adopts the next RESOLUTIONS in order confirming the list of property owners as delinquent in the payment of their mandatory trash service bills; and
- Authorizes the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.

PUBLIC HEARINGS: (Continued)

- *3.2 RESOLUTIONS: DELINQUENT SEWER SERVICE CHARGES**
(Report: Yazmin Arellano, Deputy Director of Public Works/
City Engineer)

RECOMMENDATION: That the City Council:

- Opens the Public Hearing and considers any testimony;
- Closes the Public Hearing;
- Adopts the next RESOLUTIONS in order confirming the charges and levying the assessments on the next regular tax bill; and
- Authorizes the City Clerk to place a lien on delinquent properties and forward a list to the County Tax Assessor for billing on the next property tax bill.

- *3.3 ONE YEAR REVIEW OF CODE COMPLIANCE CASE AT**
709 HILLSVIEW ROAD
(Report: Dan Pavao, Building Official/Fire Marshal)

RECOMMENDATION: That the City Council

- Opens the Public Hearing and receives testimony;
- Closes the Public Hearing;
- Waives civil penalties in the amount of \$12,650.00 in this case;
- Directs staff to bill the property owner for staff and administrative costs in the amount of \$1,318.95 as assessed at the Public Hearing of November 10, 2015; and
- Considers this case closed.

4. ADMINISTRATIVE REPORTS:

- *4.1 EL CAJON ELVES (Report: Douglas Williford, City Manager)**

RECOMMENDATION: That the City Council discuss the El Cajon Elves and provide direction to Staff.

5. COMMISSION REPORTS: None

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee; League of California Cities, San Diego Division; Heartland Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

***6.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

***6.2 LEGISLATIVE REPORT**

***6.3 PROPOSED IMPROVEMENTS AT WELLS PARK**

RECOMMENDATION: That the City Council direct the City Manager to place proposed improvements at Wells Park on an upcoming agenda for further discussion and decision-making.

***6.4 DISCUSSION OF CITY COUNCIL POLICY REGARDING PLACING ITEMS ON THE AGENDA**

RECOMMENDATION: That the City Council direct the City Manager to place this item on an upcoming agenda for further discussion and decision-making.

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA.

***7.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

8.

MAYOR PRO TEM BOB MCCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

***8.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

ACTIVITIES REPORTS OF COUNCILMEMBERS: (Continued)

9.

COUNCILMEMBER BEN KALASHO

East County Economic Development Council – Alternate; METRO Commission/Wastewater JPA; Indian Gaming Local Community Benefit Committee – Alternate.

***9.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

10.

COUNCILMEMBER STEVE GOBLE

SANDAG – Alternate; SANDAG Public Safety Committee – Alternate; Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) – Alternate; East County Economic Development Council; METRO Commission/Wastewater JPA - Alternate.

***10.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

11. JOINT COUNCILMEMBER REPORTS: None

12. GENERAL INFORMATION ITEMS FOR DISCUSSION: None

13. ORDINANCES: FIRST READING – None

14. ORDINANCES: SECOND READING AND ADOPTION

***14.1 ZONE RECLASSIFICATION NO. 2315 – Magnolia Hills Project, 1333 So. Magnolia Avenue**

RECOMMENDATION: That Mayor Wells requests the City Clerk to recite the title.

An Ordinance Approving Zone Reclassification No. 2315 for the Rezoning of Property Located on the East Side of South Magnolia Avenue between West Chase Avenue and Cajon View Drive from the Residential, Single-Family, 20,000 Square Feet (RS-20) and Residential, Single-Family, 40,000 Square Feet (RS-40) – Hillside (H) Overlay Zone to the Planned Residential Development (PRD)-Low-Low and PRD-Low-Hillside Overlay Zone; APNS: 493-391-06, -07, -14, and -15; General Plan Designation: Low-Low Density Residential (LLR) and Low-Density Residential (LR)

- **MOTION to adopt Ordinance approving Zone Reclassification No. 2315**

15. CLOSED SESSIONS:

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency adjourns to Closed Sessions as follows:

15.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Pursuant to Section 54956.8 of the Government Code:

Property	Negotiating Parties	Agency Negotiators
814-816 Grossmont Avenue El Cajon, CA 92020 APN 492-643-09-00	San Diego Habitat for Humanity	Executive Director/City Manager Assistant City Manager City Attorney

Under negotiation: For the Agency/Council/Housing Authority to provide instructions to its negotiators regarding the price and terms for the proposed sale of property owned by the Housing Authority.

16. RECONVENE TO OPEN SESSION:

City Attorney or Representative reports on action taken in Closed Session.

ADJOURNMENT: The Adjourned Regular Joint Meeting of the El Cajon City Council/ El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 28th day of February 2017, is adjourned to Tuesday, February 28, 2017, at 7:00 p.m.

JOINT MEETING
EL CAJON CITY COUNCIL/HOUSING AUTHORITY and
SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY

Tuesday, February 28, 2017
7:00 p.m.

COUNCIL CHAMBERS
200 Civic Center Way
El Cajon, California

AGENDA

- **CALL TO ORDER:** Mayor Bill Wells
- **ROLL CALL:** City Clerk Belinda Hawley

PLEDGE OF ALLEGIANCE TO FLAG AND MOMENT OF SILENCE

- **AGENDA CHANGES:**
- **PUBLIC COMMENT:**

At this time, any person may address a matter within the jurisdiction of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency that is not on the Agenda. Comments relating to items on today's docket are to be taken at the time the item is heard. State law prohibits discussion or action on items not on the Agenda; however, Council, Authority and Agency Members may briefly respond to statements or questions. An item may be placed on a future Agenda.

*Backup Information Available – Housing Authority and Successor Agency Items are identified

INTERVIEWS:

*100 INTERVIEWS FOR COMMISSION VACANCIES (Report: Belinda Hawley, City Clerk)

RECOMMENDATION: That the City Council

- Conduct interviews for one (1) vacancy on the Public Safety Facility Financing Oversight Committee, waiving the requirement of Policy A-27 to have at least one more applicant than the number of vacancies, and consider appointing one member to the committee to serve a four-year term to expire January 31, 2021;
- and
- Conduct interviews for one of the two (2) existing vacancies on the Veterans Commission; waiving the requirement of Policy A-27 to have at least one more applicant than the number of vacancies, and considering appointing one member to the commission to serve a four-year term to expire January 31, 2021; and
 - Establish an open-ended application period for the one (1) remaining seat on the Commission, and direct the City Clerk to schedule interviews on a future City Council agenda, upon receipt of any applications for this vacancy.

Public Safety Facility Financing Oversight Committee

Applicant:

1. David De Baca (Incumbent)

Veterans Commission

Applicant:

1. William McFarland

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PUBLIC HEARINGS:

***101 FY 2017-18 CDBG AND HOME ALLOCATIONS; RE-ALLOCATION OF AVAILABLE FY 2016-17 CDBG FUNDS
(Report: Anthony Shute, Deputy Director, Community Development)**

RECOMMENDATION: That the City Council:

- Opens the public hearing and accepts public testimony;
- Accepts public input for the FY 2017-18 One-Year Action Plan;
- Closes the public hearing; and
- Allocates funds to projects and programs that will be funded from the FY 2017-18 Community Development Block Grant (CDBG) and HOME grant programs; and
- Re-allocates available FY 2016-17 CDBG funds to East County Transitional Living Center's secular Emergency Shelter Program.

102 ITEMS CONTINUED FROM THE 3:00 P.M. MEETING (IF ANY)

ADJOURNMENT: The Adjourned Regular Joint Meeting of the El Cajon City Council/El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 28th day of February 2017, is adjourned to Tuesday, March 14, 2017, at 3:00 p.m.



Upcoming Events in El Cajon City Council Meeting for February 28, 2017



February 28 - District Election Mapping Community Workshop, 7:00 to 8:30 p.m. at Chase Avenue Elementary School, 195 E. Chase Avenue. Criteria has been approved by the City Council to create district boundaries for District Elections beginning in 2018. This is the third of five community workshops being held to provide residents additional opportunities for public input on the district boundaries and composition.

March 1 - District Election Mapping Community Workshop, 7:00 to 8:30 p.m. at Lexington Elementary School, 1145 Redwood Avenue. The fourth of five community workshops. For information, call (619) 441-1716, or visit www.cityofelcajon.us/district-elections.

March 2 - The El Cajon Farmers' Market continues every Thursday in Downtown El Cajon, from 3:00 p.m. to 6:00 p.m. at the Prescott Promenade, 201 East Main Street. Enjoy fresh fruit, vegetables, vendors, music, and more! Visit: www.elcajonfarmersmarket.org for more information.

March 5 - RUN EC's St. Patrick's Day Half Marathon. Register now for the St. Patrick's Day Half Marathon, 5K Run/Walk, Green Mile, and Tribes & Clans competition. This event is dedicated to involve the entire family in fun and fitness. The Half Marathon begins at 198 West Main Street, in Downtown El Cajon, next to the El Cajon Arch. Funds raised will benefit several East County charities. Please visit www.stpatricksdlayhalf.com for more information, to register, or to volunteer.

March 8 - Antique & Collectible Show. Event is located at the Unity Church, 311 Highland Avenue. Hours are 12:00 noon to 4:00 p.m. See great collectibles, ranging from artwork to jewelry! Appraisals are available for \$5 an item. Free parking and admission. For more information, please call (619) 368-2055.

March 12 - Daylight Saving Time Begins. It's time to "spring forward" and turn clocks ahead one hour at 2:00 a.m. Sunday morning. It's also a great opportunity to check and replace the batteries in your smoke and carbon monoxide (CO) alarms in your home and/or business. Visit www.heartlandfire.org for more important safety tips!

March 10 and 24 - Alternate Friday closures for El Cajon City offices. For a full calendar of hours for City offices during 2017, visit www.cityofelcajon.us.

March 14 and 28 - El Cajon City Council Meetings are at 3:00 p.m. and 7:00 p.m., as needed. Meetings held in the Council Chamber at 200 Civic Center Way. For more information, and to view the full agenda online, please visit www.cityofelcajon.us.

Save The Date: May 20 - America on Main Street - "Come Play for the Day" is the theme of the fourth annual America on Main Street City event, scheduled for Saturday, May 20, 12:00 p.m. to 8:00 p.m. in Downtown El Cajon! Thousands are expected for this exciting event that coincides with Armed Forces Day and celebrates the American spirit, through appreciation and respect of the many diverse ethnic and historical groups located in the community. America on Main Street is a full day of free activities and attractions for people of all ages, including 3 stages of live entertainment. It all takes place in Downtown El Cajon, on East Main Street and Rea Avenue, between Magnolia Avenue and Ballantyne Street. Free admission and parking. For business sponsorship and volunteer opportunities, please visit www.americaonmainstreet.org, or call (619) 441-1762.

Stay Informed on City Events, Services & Meetings - Visit the City of El Cajon's website at www.cityofelcajon.us. See all the exciting events and a variety of meetings planned throughout the year. Register for the "E-NOTIFICATION" system and select the information you would like to receive email notifications about, including news releases. It's easy and it's free. In addition, find links and information for various City departments and services.

JOINT MEETING OF THE EL CAJON CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

February 14, 2017

A Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the Redevelopment Agency of the City of El Cajon, California held Tuesday, February 14, 2017, was called to order by Mayor/Chair Bill Wells at 3:03 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California.

ROLL CALL

Council/Agencymembers present:	Goble, Kalasho and Kendrick
Council/Agencymembers absent:	None
Mayor Pro Tem/Vice Chair present:	McClellan
Mayor/Chair present:	Wells
Other Officers present:	Hawley, City Clerk/Secretary Foley, City Attorney/General Counsel Williford, City Manager/Executive Director Al-Ghafry, Assistant City Manager

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Wells and MOMENT OF SILENCE for the passing of Dr. Richard Butcher. (The Courts have concluded that sectarian prayer as part of City Council Meetings is not permitted under the Constitution).

POSTINGS: The City Clerk posted Orders of Adjournment of the January 24, 2017, meetings and the Agenda of the February 14, 2017, meetings in accordance with State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

PRESENTATIONS:

- **El Cajon Teen Coalition**

AGENDA CHANGES: None

CONSENT ITEMS: (1.1 – 1.9)

**MOTION BY WELLS, SECOND BY McCLELLAN, to APPROVE
Consent Items 1.1 to 1.9.**

MOTION CARRIED BY UNANIMOUS VOTE.

1.1 MINUTES OF CITY COUNCIL/REDEVELOPMENT AGENCY MEETINGS

Approve Minutes of the January 24, 2017 Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

Approve payment of Warrants as submitted by the Finance Department.

**1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL
OF ORDINANCES ON AGENDA**

Approve the reading by title and waive the reading in full of all Ordinances on the Agenda.

**1.4 COMMUNITY EVENT IN THE RIGHT-OF-WAY – RunEC
(Report: Sara Ramirez, Director of Recreation and Stacy Knight,
Recreation Services Manager)**

- Approves the use of the public right-of-way for the RunEC St. Patrick's Day Half Marathon / 5K.
- Approves the request for a beer garden to be held in the Centennial Plaza.

CONSENT ITEMS: (Continued)

1.5 FY2016 SAN DIEGO COUNTY LAW ENFORCEMENT FOUNDATION GRANT (Report: Jeff Davis, Chief of Police)

- Authorizes the City Manager or designee to accept the 2016 San Diego County Law Enforcement Foundation Grant in the amount of \$1,872.92, and to execute any grant documents and agreements necessary for the receipt and use of these funds; and
- Appropriates these funds in the amount of \$1,872.92 to purchase a tactical systems training suit.

1.6 2016 SAN DIEGO COUNTY STONEGARDEN COLLABORATIVE GRANT (Report: Jeff Davis, Chief of Police)

- Authorizes the City Manager or designee to accept the 2016 San Diego County Stonegarden Collaborative Grant in the amount of \$116,000.00, and to execute any grant documents and agreements necessary for the receipt and use of these funds; and
- Appropriates these funds in the amount of \$56,000.00 for overtime and fringe benefits, and \$60,000.00 to purchase a fully outfitted patrol vehicle for a total of \$116,000.00.

1.7 JOHNSON AVENUE SEWER RELIEF PROJECT - PHASE II PROFESSIONAL SERVICES CONTRACT AMENDMENT FOR CONSTRUCTION MANAGEMENT SERVICES, MICHAEL BAKER INTERNATIONAL (Report: Dennis Davies, Deputy Director of Public Works)

- Authorizes the City Manager to negotiate and execute an amendment to the Professional Services Agreement (PSA) with Michael Baker International (MBI) for construction management services for the Johnson Avenue Sewer Relief Project-Phase II, and increase the contract value in the amount not to exceed \$900,000.00; and
- Appropriates \$240,000.00 from the Wastewater Fund for additional construction management services for the project.

CONSENT ITEMS: (Continued)

1.8 TRAVEL EXPENSES TO ATTEND THE LEAGUE OF CALIFORNIA CITIES NEW MAYORS/COUNCILMEMBERS ACADEMY – GOBLE AND KALASHO (Report: Brett Channing, Deputy Director of Administrative Services)

Review and approve the attached Claim for Advance/Reimbursement of Travel Expense forms for Councilmembers Goble and Kalasho submitted in accordance with City Council Policy G-1.

1.9 RESOLUTION: REJECTION OF BID NO. 027-16, EAST COUNTY PERFORMING ARTS CENTER IMPROVEMENTS – RE-BID (Report: Majed Al-Ghafry, Assistant City Manager and Nahid Razi, Purchasing Agent)

- Finds the first and second low bidders non-responsive, each for the reasons set forth in this agenda report;
- Finds the protest submitted by Kinsman Construction, Inc., to be timely, but without merit; and
- Adopts RESOLUTION NO. 005-17, rejecting all bids.

PUBLIC COMMENT:

Chuck Hansen, from East County Chamber of Commerce, spoke about the 2016 Citizen of the Year recipient, **Richard Nassif**.

Bonnie Price thanked the **City Council** for making El Cajon a welcoming City, and shared the latest Executive order from the U.S. President, against asylum seekers. She stated the City should take a stand against the order.

Ray Lutz, with Citizens Oversight, stated he is pleased about Live Nation taking the management of ECPAC. He spoke about police body cameras, and feels it would be a beneficial tool for the City.

2. **WRITTEN COMMUNICATIONS: None**

3. **PUBLIC HEARINGS: None**

4. **ADMINISTRATIVE REPORTS:**

4.1 **CENTENNIAL PLAZA VETERANS MEMORIAL & FLAGPOLE REFURBISHMENT (Report: Sara Ramirez, Director of Recreation)**

RECOMMENDATION: That the City Council approve refurbishing the Veterans Memorial and Flagpoles at Centennial Plaza.

DISCUSSION

Frank Carson, Recreation Services Manager, gave a summary of the Item, and introduced American Legion, Post 303, **Post Commander Wes Schermann**, and citizen and flag expert, **Eddie Murphy**.

MOTION BY McCLELLAN, SECOND BY GOBLE, to APPROVE refurbishing the Veterans Memorial and Flagpoles at Centennial Plaza.

MOTION CARRIED BY UNANIMOUS VOTE.

At the request from **Mayor Wells**, **Post Commander Wes Schermann** introduced, **Retired Deputy Sheriff William McFarland**, **Retired Firefighter**, a former POW **Will Myers**, **Carol Murphy**, **Eddie Murphy** a former POW, in North Korea during the Vietnam War from the USS Pueblo, and **Veterans' Commissioner George Glover**.

4.2 **SIGN ORDINANCE AND TEMPORARY SIGN PROVISIONS (Report: Anthony Shute, Deputy Director, Community Development)**

RECOMMENDATION: That the City Council:

- Discusses the subject matter in the agenda report; and
- Accepts the information provided in the report and takes no further action; or
- Adopts a Resolution of Intent directing the Planning Commission to prepare amendments to Title 17 (i.e., Zoning Ordinance) of the El Cajon Municipal Code regulating temporary signage; or
- Provides alternative policy direction to staff.

ADMINISTRATIVE REPORTS: (Item 4.2 – Continued)

DISCUSSION

Deputy Director of Community Development Anthony Shute gave a summary of the Item.

Travis Lyon spoke against amending the zoning ordinance to allow more temporary signs as it would give the City a less desirable appeal, and he shared a picture with **Council**.

Councilmember Kalasho clarified that the suggested changes are for new businesses, not for established ones.

Discussion ensued among **Council** concerning the following:

- Digital signs and the cost for them;
- Length of time for temporary signs.

Darryl Priest submitted a speaker card but was not in the Chambers when called.

MOTION BY McCLELLAN SECOND BY GOBLE, to ACCEPT the information provided in the report and take no further action.

MOTION CARRIED BY A 4 - 1 VOTE (KALASHO – NO).

4.3 ACCEPTANCE OF PEDESTRIAN SAFETY IMPROVEMENT AT GREENFIELD DRIVE, PW3432, BID NO. 006-16 (Report: Dennis Davies, Deputy Director of Public Works)

RECOMMENDATION: That the City Council:

- Accepts the Pedestrian Safety Improvements at Greenfield Drive, PW3432, Bid No. 006-16; and
- Authorizes the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.

DISCUSSION

Assistant City Manager Al-Ghafry, introduced **Project Manager, Tony Mendoza**, and gave a summary of the Item.

ADMINISTRATIVE REPORTS: (Item 4.3 – Continued)

MOTION BY McCLELLAN, SECOND BY KALASHO, to ACCEPT the Pedestrian Safety Improvements at Greenfield Drive, PW3432, Bid No. 006-16; and Authorizes the City Clerk to record a Notice of Completion and release the bonds in accordance with the contract terms.

MOTION CARRIED BY UNANIMOUS VOTE.

**4.4 AUTHORIZATION TO ENGAGE IN NEGOTIATIONS REGARDING EAST COUNTY PERFORMING ARTS CENTER
(Report: Douglas Williford, City Manager)**

RECOMMENDATION: That the City Council:

- Authorize the City Manager to engage in negotiations with Live Nation for the purposes of arriving at a mutually agreed upon draft management agreement for the East County Performing Arts Center.

DISCUSSION

City Manager Williford gave a summary of the Item.

Councilmembers spoke in support of the agreement with Live Nation.

In answer to a question by **Mayor Wells**, **City Manager Williford** stated the venue would host artists appropriate for the area.

Bonnie Price thanked **City Manager Williford** and the **Council** for their effort to re-open ECPAC.

Ray Lutz stated that in his opinion, ECPAC is not in bad shape, and he is optimistic the theatre can open earlier than anticipated. He added that the City should allow alcohol sales in ECPAC to make it a competitive venue.

Art Ballantyne shared a handout with the **Council**, and suggested that the City creates an ECPAC advisory board.

Former Mayor Joan Shoemaker spoke in support of the proposed negotiations with Live Nation.

No further comments were offered

ADMINISTRATIVE REPORTS: (Item 4.4 – Continued)

MOTION BY McCLELLAN, SECOND BY KENDRICK, to AUTHORIZE the City Manager to engage in negotiations with Live Nation for the purposes of arriving at a mutually agreed upon draft management agreement for the East County Performing Arts Center.

MOTION CARRIED BY UNANIMOUS VOTE.

5. COMMISSION REPORTS:

5.1 ANNUAL REPORT OF THE PUBLIC SAFETY FACILITY FINANCING OVERSIGHT COMMITTEE (Report: Public Safety Facility Financing Oversight Committee)

RECOMMENDATION: That the City Council accept the Annual Report from the Public Safety Facility Financing Oversight Committee.

DISCUSSION

Rod Smith gave a summary of the Item. He thanked City staff, including, Brett Channing, Holly Reed-Falk, Tracy Yale and Majed Al-Ghafry for their help.

MOTION BY McCLELLAN, SECOND BY GOBLE, to ACCEPT the Annual Report from the Public Safety Facility Financing Oversight Committee.

MOTION CARRIED BY UNANIMOUS VOTE.

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee – Chair; League of California Cities, San Diego Division; Heartland Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

6.1 Council Activities Report/Comments

REPORT AS STATED.

ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS (Continued)

6.2 LEGISLATIVE REPORT: OPPOSITION LETTER FOR SENATE BILL 54 (de Leon)

RECOMMENDATION: That the City Council authorize the Mayor to sign a Letter of Opposition for Senate Bill 54 (de Leon).

DISCUSSION

Mayor Wells gave a summary of the Item.

Councilmember Kalasho stated that the City should have more information about SB 54, before a decision is made.

Bonnie Price spoke against the proposed letter of opposition for SB 54.

Mayor Wells clarified that the intention behind his opposition of SB 54, is to cooperate with the Federal Government. The State of California should not ignore federal laws.

MOTION BY WELLS, SECOND BY McCLELLAN, to AUTHORIZE the Mayor to sign a Letter of Opposition for Senate Bill 54.

MOTION CARRIED BY A 4 - 1 VOTE (KALASHO – NO).

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA.

7.1 Council Activities Report/Comments

REPORT AS STATED.

ACTIVITIES REPORTS OF COUNCILMEMBERS (Continued)

8.

MAYOR PRO TEM BOB MCCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

8.1 Council Activities Report/Comments

REPORT AS STATED.

9.

COUNCILMEMBER BEN KALASHO

East County Economic Development Council – Alternate; METRO Commission/Wastewater JPA; Indian Gaming Local Community Benefit Committee – Alternate.

9.1 Council Activities Report/Comments

REPORT AS STATED.

9.2 EL CAJON ELVES

RECOMMENDATION: That the City Council direct the City Manager to bring this issue back to the City Council for formal discussion and decision.

DISCUSSION

Councilmember Kalasho gave a summary of the Item.

MOTION BY KALASHO, SECOND BY GOBLE, to DIRECT the City Manager to bring this issue back to the City Council for formal discussion and decision.

MOTION CARRIED BY A 4 - 1 VOTE (McCLELLAN – NO).

ACTIVITIES REPORTS OF COUNCILMEMBERS (Continued)

10. COUNCILMEMBER STEVE GOBLE

SANDAG – Alternate; SANDAG Public Safety Committee – Alternate; Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) – Alternate; East County Economic Development Council; METRO Commission/Wastewater JPA - Alternate.

10.1 Council Activities Report/Comments

In addition to the submitted report, **Councilmember Goble** stated he attended the East County California Best of Event, where the Kennedy Recreation Center was voted the Best of all East County. He also acknowledged and congratulated, El Cajon Police Officer, Louie Michael, who recently received the prestigious ADL 2017, Helen and Joseph Sherwood Award, from the Pacific South West Regional Anti-defamation League.

11. **JOINT COUNCILMEMBER REPORTS: None**
12. **GENERAL INFORMATION ITEMS FOR DISCUSSION: None**
13. **ORDINANCES: FIRST READING - None**
14. **ORDINANCES: SECOND READING AND ADOPTION - None**
15. **CLOSED SESSION: None**

Adjournment: Mayor Wells adjourned the Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the Redevelopment Agency held this 14th day of February 2017, at 4:43PM. to Tuesday, February 14, 2017, at 7:00 p.m.

BELINDA A. HAWLEY, CMC
City Clerk/Secretary

JOINT MEETING OF THE EL CAJON CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY



MINUTES

CITY OF EL CAJON EL CAJON, CALIFORNIA

February 14, 2017

An Adjourned Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the Redevelopment Agency of the City of El Cajon, California, held Tuesday, February 14, 2017, was called to order by Mayor/Chair Bill Wells at 7:01 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California. This meeting was adjourned from the Adjourned Regular Joint Meeting held at 3:00 p.m., Tuesday, February 14, 2017, by order of the City Council and Redevelopment Agency.

ROLL CALL

Council/Agencymembers present:	Goble, Kalasho and Kendrick
Council/Agencymembers absent:	None
Mayor Pro Tem/Vice Chair present:	McClellan
Mayor/Chair present:	Wells
Other Officers present:	Hawley, City Clerk/Secretary Foley, City Attorney/General Counsel Williford, City Manager/Executive Director Al-Ghafry, Assistant City Manager

PLEDGE OF ALLEGIANCE TO FLAG and MOMENT OF SILENCE.

(The Courts have concluded that sectarian prayer as part of City Council meetings is not permitted under the Constitution)

AGENDA CHANGES: None

PUBLIC COMMENT: None

PUBLIC HEARINGS:

100 RESOLUTION: PROPOSED SCHEDULE AND CRITERIA FOR CREATING COUNCIL DISTRICT BOUNDARIES (Report: Brett Channing, Deputy Director of Administrative Services)

RECOMMENDATION: That the City Council:

- Opens the Public Hearing and receives testimony;
- Closes the Public Hearing;
- Adopts the next RESOLUTION in order containing the criteria for creating council district boundaries; and
- Approves the recommended schedule for the implementation phase of Measure S.

DISCUSSION

Deputy Director of Administrative Services, Brett Channing provided a summary of the Item, and introduced **Justin Levitt**, from National Demographics Corporation, who was present to answer any questions **Council** may have.

Mayor Wells opened the Public Hearing.

No one came forward to speak.

MOTION BY WELLS, SECOND BY KALASHO, to CLOSE the Public Hearing.

MOTION CARRIED BY UNANIMOUS VOTE.

Justin Levitt, from National Demographics Corporation, clarified the list of criteria is standard for all the cities.

MOTION BY McCLELLAN, SECOND BY GOBLE, to ADOPT RESOLUTION NO. 006-17 for criteria to create council district boundaries; and Approve the recommended schedule for the implementation phase of Measure S.

MOTION CARRIED BY UNANIMOUS VOTE.

PUBLIC HEARINGS: (Continued)

101 RESOLUTIONS: MAGNOLIA HILLS – ZONE RECLASSIFICATION NO. 2315, PLANNED RESIDENTIAL DEVELOPMENT NO. 72, AND TENTATIVE SUBDIVISION MAP NO. 662 (Report: Anthony Shute, Deputy Director of Community Development)

RECOMMENDATION: That the City Council:

- Opens the public hearing and receives testimony;
- Closes the public hearing;
- Moves to ADOPT the next RESOLUTION in order APPROVING the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program;
- Moves to INTRODUCE the next ORDINANCE in order APPROVING Zone Reclassification No. 2315;
- Moves to ADOPT the next RESOLUTION in order APPROVING Planned Residential Development No. 72; and
- Moves to ADOPT the next RESOLUTION in order APPROVING Tentative Subdivision Map No. 662.

DISCUSSION

Deputy Director of Community Development, Anthony Shute provided a summary of the Item.

DISCUSSION

Mayor Wells opened the Public Hearing.

The following people spoke in support of the proposed Magnolia Hills project.

**Sameer Qasim
Dr. Sami Jihad
Lyle Cabbull
Larry Walsh
Nick Aljabi
Tim Juengst
Joan Shoemaker**

No further comments were offered.

PUBLIC HEARINGS: (Item 101 - Continued)

MOTION BY WELLS, SECOND BY McCLELLAN, to CLOSE the Public Hearing.

MOTION CARRIED BY UNANIMOUS VOTE.

MOTION BY GOBLE, SECOND BY McCLELLAN, to ADOPT RESOLUTION NO. 007-17 to APPROVE the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program.

MOTION CARRIED BY UNANIMOUS VOTE.

MOTION BY GOBLE, SECOND BY McCLELLAN, to INTRODUCE the ORDINANCE APPROVING Zone Reclassification No. 2315.

MOTION CARRIED BY UNANIMOUS VOTE.

City Clerk Hawley recited the title of the Ordinance:

An Ordinance Approving Zone Reclassification No. 2315 for the Rezoning of Property Located on the East Side of South Magnolia Avenue between West Chase Avenue and Cajon View Drive from the Residential, Single-Family, 20,000 Square Feet (RS-20) and Residential, Single-Family, 40,000 Square Feet (RS-40) – Hillside (H) Overlay Zone to the Planned Residential Development (PRD)-Low-Low and PRD-Low-Hillside Overlay Zone; APNS: 493-391-06, -07, -14, and -15; General Plan Designation: Low-Low Density Residential (LLR) and Low-Density Residential (LR)

MOTION BY McCLELLAN, SECOND BY KENDRICK, to ADOPT RESOLUTION NO. 008-17 APPROVING Planned Residential Development No. 72; and ADOPT RESOLUTION NO. 009-17 APPROVING Tentative Subdivision Map No. 662.

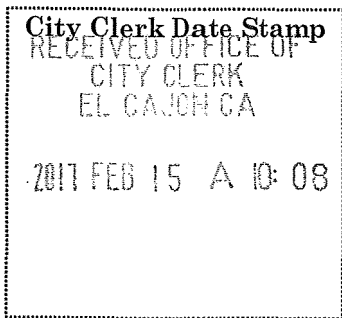
MOTION CARRIED BY UNANIMOUS VOTE.

ADJOURNMENT: Mayor Wells adjourned the Adjourned Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the Redevelopment Agency held this 14th day of February 2017, at 7:49 p.m. to Tuesday, February 28, 2017, at 3:00 p.m.

BELINDA A. HAWLEY, CMC
City Clerk/Secretary

**APPROVAL OF READING BY TITLE AND WAIVER OF READING
OF ORDINANCES ON THIS AGENDA**

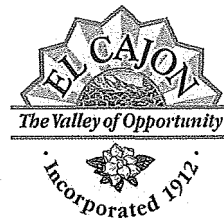
The City Council waives the reading of the full text of every ordinance contained in this agenda and approves the reading of the ordinance title only.



City of El Cajon Agenda Report

MEETING: 02/28/17

ITEM NO: 1.4



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: City Attorney

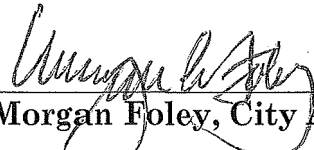
SUBJECT: City Attorney Staff Members

RECOMMENDATION: That the City Council adopts the next Resolution, in order, appointing the professional staff of the City Attorney’s Department effective February 28, 2017.

BACKGROUND: The office of the City Attorney is staffed by principals and associates of the municipal law department of the law offices of McDougal, Love, Boehmer, Foley, Lyon & Canlas. These appointments periodically change with the departures and additions of personnel. Effective February 28, 2017, the existing list of staff changed with the departures of Jessica M. Michelli and Casey C. Shaw, who formerly served as Assistant City Attorneys for the City, and the additions of Amanda R. Abeln-Overs and Gena B. Burns. This action is necessary to reflect these changes.

FISCAL IMPACT: No fiscal impact. The contract with the City Attorney and McDougal, Love, Boehmer, Foley, Lyon & Canlas is not affected by this change

PREPARED BY:


Morgan Foley, City Attorney

RESOLUTION NO. ____-17

RESOLUTION APPOINTING
CITY ATTORNEY STAFF
OF THE CITY OF EL CAJON

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

The City Attorney staff members are appointed, effective February 28, 2017, as follows:

Morgan L. Foley, City Attorney

Amanda R. Abeln-Overs, Assistant City Attorney

Gena B. Burns, Assistant City Attorney

Johanna N. Canlas, Assistant City Attorney

M. Anne Cirina, Assistant City Attorney

Lauren Hendrickson, Assistant City Attorney

Jennifer M. Lyon, Assistant City Attorney

Randall R. Sjoblom, Assistant City Attorney

Barbara C. Luck, Staff Attorney

02/28/17 (Item 1.4)

City Attorney Staff Appt 021317

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CITY CLERK

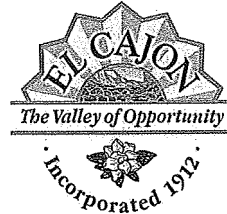
City Clerk Date Stamp

2017 FEB 22 P 12:35

City of El Cajon Agenda Report

MEETING: Feb. 28, 2017

ITEM NO: 1.5



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Majed Al-Ghafry, Assistant City Manager

SUBJECT: Declaration of Emergency for Storm Damage

RECOMMENDATION: That the City Council:

1. Adopts the next **RESOLUTION** in order to make a Declaration of Emergency, and determine that the public interest and necessity requires the immediate expenditure of public money to safeguard life, health, or property per Public Contract Code 22050;
2. Authorizes the City Manager to enter into any emergency contract(s) to repair storm drain facilities per El Cajon Municipal Code Section 2.04.145, and to waive the bidding requirement in accordance with El Cajon Municipal Code Section 3.20.010 (C)(6);
3. Appropriates Unallocated Wastewater Funds from the enterprise fund balance to cover the cost of the emergency work, and
4. Establishes a project budget of \$150,000 to make emergency repairs.

BACKGROUND:

The City maintains a vast network of reliable underground pipes and tunnels to fully control flooding and convey storm water runoff. Much of the infrastructure was constructed in the early 60's and 70's. A large portion of the underground storm drain pipes were constructed with corrugated metal pipe (CMP) with a 25-year life expectancy. The City has an established annual Capital Improvement Program (CIP) to repair and replace the remaining CMP pipe throughout the City on a prioritized basis.

On occasion during heavy storm events, CMP pipes will randomly fail resulting in surface-reflected sinkholes. The most recent storms of January 21, 2017, through February 5, 2017, have resulted in the discovery of two new sink holes at 636 Front Street and at 100 Fletcher Parkway that require immediate repairs to protect private property and critical thoroughfares. The intense rains have severely damaged pipes at both locations and undermined the supporting soils threatening adjacent highways at Interstate-8 and the exit ramp at SR-67 and Fletcher Parkway.

The pipe failures were discovered on February 17, 2017. The threat of major storm water system failure and further damage to public and private properties could result if work is not performed immediately. The pipe at 636 Front Street has damaged private property and, if blocked, could jeopardize the integrity of the pipeline under Interstate-8. The pipe at the intersection of SR-67 and Fletcher Parkway could cause the closure of SR-67 exit ramp to Fletcher Parkway if not repaired immediately. The time needed to publically bid and contract out the work would unnecessarily delay repair efforts and place the City and private property at further risk. Therefore, staff is recommending that repairs be performed immediately using the City's emergency powers.

Expected repairs include the following scope of work:

1. 636 Front Street (California Metals): Replacement of two-hundred feet of existing 24-inch diameter CMP with a new 30-inch concrete pipe between the CalTrans Interstate-8 right-of-way and the east side of Front Street that includes restoration of concrete surface paving. Estimated cost is \$100,000.
2. 100 Fletcher Parkway (Old Police Station): Spot replacement of twenty-feet of 18-inch diameter CMP, and lining of the entire 150-foot reach of pipe crossing under the SR-67 exit ramp at Fletcher Parkway. Estimated cost is \$50,000.

FISCAL IMPACT: Staff requests that the City Council appropriates \$150,000 of Unallocated Wastewater Funding for emergency repairs.



Dennis C. Davies
DEPUTY DIRECTOR
OF PUBLIC WORKS



Majed Al-Ghafry
ASSISTANT
CITY MANAGER



Douglas Williford
CITY MANAGER

RESOLUTION NO. ___-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
PROCLAIMING THE EXISTENCE OF A LOCAL EMERGENCY; AND
APPROPRIATION OF MONEYS FOR EMERGENCY REPAIRS

WHEREAS, the El Cajon City Council ("City Council") is authorized under section 8630 of the California Government Code to proclaim the existence of a local emergency when conditions exist within the jurisdiction of the City which pose an extreme peril to public health and life; and

WHEREAS, section 8.08.060 of the El Cajon Municipal Code empowers the City Council to proclaim a local emergency when the City of El Cajon is affected or likely to be affected by a public calamity; and

WHEREAS, the City maintains a vast network of reliable underground pipes and tunnels to fully control flooding and convey storm water runoff, with much of the infrastructure constructed in the early 1960's and 1970's; and

WHEREAS, a large portion of the underground storm drain pipes were constructed with corrugated metal pipe ("CMP") with a 25-year life expectancy, and the City has an established annual Capital Improvement Program ("CIP") to repair and replace the remaining CMP pipe throughout the City on a prioritized basis; and

WHEREAS, on occasion during heavy storm events, CMP pipes will randomly fail, resulting in surface-reflected sinkholes, and the most recent storms of January 21, 2017 through February 5, 2017 have resulted in the creation of two new sink holes at 636 Front Street and at 100 Fletcher Parkway, both of which require immediate repairs to protect private property and critical thoroughfares as the intense rains severely damaged pipes at both locations and undermined the supporting soils threatening adjacent highways at Interstate-8 and the exit ramp at SR-67 and Fletcher Parkway; and

WHEREAS, the pipe failures were discovered on February 17, 2017, and the threat of major storm water system failure and further damage to public and private properties could result if work is not performed immediately; and

WHEREAS, the pipe at 636 Front Street has damaged private property and, if blocked, could jeopardize the integrity of the pipeline under Interstate-8; and the pipe at the intersection of SR-67 and Fletcher Parkway could cause the closure of SR-67 exit ramp to Fletcher Parkway if not repaired immediately; and

WHEREAS, the time needed to publically bid and contract out the work would unnecessarily delay repair efforts and place the City and private property at further risk and therefore, staff is recommending that repairs should be performed immediately using the City's emergency powers; and

WHEREAS, the scope of work of the expected repairs consists of: (1) at 636 Front Street (California Metals): Replacement of two-hundred feet of existing 24-inch diameter CMP with a new 30-inch concrete pipe between the Caltrans I-8 right-of-way and the east side of Front Street that includes restoration of concrete surface paving, at an estimated cost of \$100,000; and (2) at 100 Fletcher Parkway (Old Police Station): Spot replacement of twenty-feet of 18-inch diameter CMP, and lining of the entire 150-foot reach of pipe crossing under the SR-67 exit ramp at Fletcher Parkway, at an estimated cost of \$50,000; and

WHEREAS, the City Council has been requested by the City Manager as the Director of Emergency Services of the City to proclaim the existence of a local emergency therein, and to appropriate moneys sufficient to pay the costs necessarily incurred in addressing the local emergency; and

WHEREAS, such conditions of extreme peril warrant and necessitate the proclamation of the existence of a local emergency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cajon that the foregoing Recitals are true and correct and, based upon such recitals, it hereby proclaims that a local emergency now exists within the City.

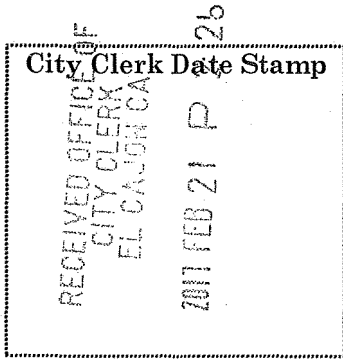
BE IT FURTHER RESOLVED that during the existence of said local emergency, the powers, functions, and duties of the Director of Emergency Services and the Disaster Council of this City shall be those prescribed by state law, ordinances, and resolutions of this City and by the City of El Cajon Emergency Plan.

BE IT FURTHER RESOLVED that unallocated Waste Water Funds in the amount of \$150,000 are hereby appropriated for repairs, and a project budget of \$150,000 is hereby established to make any necessary emergency repairs as determined by the City Manager to address the local emergency.

BE IT FURTHER RESOLVED that the local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of El Cajon.

02/28/17 (Item No. **1.5**)

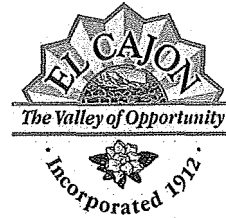
Proclaiming Emergency Declaration for Storm Damage (Front & Fletcher Pkwy) 022217



City of El Cajon Agenda Report

MEETING: Feb. 28, 2017

ITEM NO: 1.6



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Majed Al-Ghafry, Assistant City Manager

SUBJECT: Approval of Plans and Bid Specifications for City Hall and
Council Chamber HVAC Re-Bid Project, IFM3389 / Bid Number
022-17

RECOMMENDATION: That the City Council adopts the next **RESOLUTIONS** in order to approve plans and specifications for City Hall and Council Chamber Re-Bid Project, IFM3389/ Bid Number 022-17, and direct a Notice Inviting Sealed Bids to be opened on April 6, 2017.

BACKGROUND: On June 23, 2015, the El Cajon City Council (City Council) approved plans and specifications for City Hall and Council Chamber Heating, Ventilation, and Air Conditioning (HVAC) Project. The project included upgrades to the electrical, mechanical, and plumbing of the HVAC at both locations. Upon evaluation of the two bid responses received by the Purchasing Division, it was determined that both bids were above budget. The adopted project budget for Fiscal Year 2015-2016 was \$1,450,000, and the original approved estimated construction cost for this project was \$1,250,000. Therefore, the Assistant City Manager recommended rejection of all bids and rebidding this project with minor revisions from the architect and engineer to adjust scope of work. City Council approved the rejection of all bids and the re-bid of this project.

On December 20, 2016, the City of El Cajon (City) entered into a Professional Services Agreement with Turpin and Rattan Engineering, Inc. (Engineer) to provide engineering design modifications and construction administration services for the re-bid of this project. During discussions with the Engineer, it was determined that modifying the scope of work and identifying other avenues to complete the construction work were deemed more cost effective for project completion. The revisions to the scope of work included bidding a Base Bid with additive alternates.

The scope of work continues to include electrical, mechanical, and plumbing upgrades for the completion of the HVAC upgrade to both locations. The plans and specifications for the project are complete and are available for review at the City Clerk's Office.

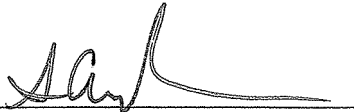
CEQA: The proposed City Hall and Council Chamber HVAC Re-Bid Project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) according to Section 15301 (Class 1) (c) of the CEQA Guidelines. Section 15301 provides an exemption for the maintenance of public facilities.

FISCAL IMPACT: The estimated construction cost for this project is approximately \$1,300,000. The adopted project budget for Fiscal Year 2016-2017 includes sufficient General Funds to cover this work.

PREPARED BY:

REVIEWED BY:

APPROVED BY:



Adriana Castañeda
OPERATIONS
MANAGER



Majed Al-Ghafry
ASSISTANT CITY
MANAGER



Douglas Williford
CITY MANAGER

RESOLUTION NO. -17

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE
CITY HALL AND COUNCIL CHAMBER HVAC RE-BID PROJECT

(Bid No. 022-17, Job No. IFM3389)

WHEREAS, the Deputy Director of Public Works has submitted plans and specifications for the City Hall and Council Chamber Re-Bid Project (the "Project"); and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for said project should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the plans and specifications submitted by the Deputy Director of Public Works for the City Hall and Council Chamber Re-Bid Project are hereby approved and adopted as the official plans and specifications for said project.
2. Said plans and specifications are directed to be filed in the office of the Deputy Director of Public Works of the City of El Cajon.

02/28/16 (Item 1.6)

Bid 022-17 – CH & Chamber HVAC Re-Bid Project apr 022217

RESOLUTION NO. -17

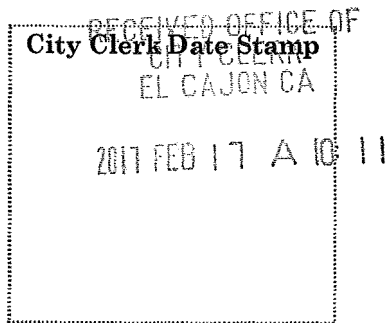
RESOLUTION ORDERING THE WORK AND DIRECTING
CITY HALL AND COUNCIL CHAMBER HVAC RE-BID PROJECT
(Bid No. 022-17, Job No. IFM3389)

WHEREAS, plans and specifications have been submitted for the City Hall and Council Chamber Re-Bid Project (the "Project"); and

WHEREAS, it appears to be in the best interests of the City that said work should be performed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the City Council does hereby order that the City Hall and Council Chamber Re-Bid Project shall be performed.
2. That April 6, 2017, at 2:00 P.M., in the office designated by the Purchasing Agent of the City of El Cajon, 200 Civic Center Way, El Cajon, California, is hereby fixed as the time and place for the opening of bids for said project.
3. The Purchasing Agent of the City of El Cajon is hereby directed to cause a Notice to Bidders to be published in the newspaper, in accordance with the provisions of law.



City of El Cajon Agenda Report

MEETING: 02/28/2017

ITEM NO: 1.7



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho, Kendrick

FROM: Director of Finance and Treasurer

SUBJECT: October – December 2016 Quarterly Treasurer’s Report

RECOMMENDATION: That the City Council receives the Treasurer’s Report for the quarter ending December 31, 2016.

BACKGROUND: Per the City’s investment policy, the latest quarterly Treasurer’s Report is presented for Council receipt and approval.

Investment Trends/Economy – The Federal Open Market Committee (FOMC) summarized the condition of the economy in its February 1, 2017 press release with the following comments.

[T]he labor market has continued to strengthen and that economic activity has continued to expand at a moderate pace. Job gains remained solid and the unemployment rate stayed near its recent low. Household spending has continued to rise moderately while business fixed investment has remained soft. Measures of consumer and business sentiment have improved of late. Inflation increased in recent quarters but is still below the Committee’s 2 percent longer-run objective.

As a result of this assessment, the Federal Open Market Committee “decided to maintain the target range for the federal funds rate at 1/2 to 3/4 percent.”

Recent releases from the Economic and Statistics Administration reported continued increases in both Gross Domestic Product and Personal Income, while the Department of Commerce reported a decrease from last year in New Residential Sales, an increase in New Residential Construction starts. The S&P/Case-Schiller Home Price Index indicates home values have continued to increase both nationally, and in the San Diego market.

“The USD Burnham-Moores Center for Real Estate’s Index of Leading Economic Indicators for San Diego County” remains stable. The report’s economic outlook called for “a positive but slower growing local economy in 2017.”

U.S. Treasuries – As of December 31, 2016, the daily yield was 1.20% for a 2-year Treasury and 1.93% for a 5-year Treasury. Compared to the prior year, the 2-year Treasuries increased 43 basis points and the 5-year Treasuries decreased 79 basis points.

U.S. Government Agencies – At quarter end, the yield was 1.25% for a 2-year and 2.01% for a 5-year Federal Agency investment, respectively. The City’s investment portfolio, in large part, is comprised of U.S. Government Agency securities because they offer a higher return than U.S. Treasuries.

LAIF & CAMP Pools – Consistent with market conditions, interest rates in LAIF and CAMP remain very low. The quarter to date yield for LAIF was 0.68% and the 7-day yield for CAMP was 0.72%.

Outlook & Strategy –The prevailing view of economists is that the FOMC will continue rate increases in the near future, and therefore the current strategy is to maintain flexibility in order to take advantage of higher investment returns when they materialize. As opportunities become available and the City’s cash flow needs are met, investing funds in securities will continue with the City’s investment advisors, Public Financial Management (PFM). The CAMP pool is currently rated AAA. No rating is provided for LAIF, but it is expected it would also achieve an AAA rating.

Report Presentation – This report is presented in four sections:

Operating Cash – The Union Bank Master Account is the City’s main checking account. The City also utilizes a merchant account with U.S. Bank for receiving credit card payments. Funds are automatically transferred daily from U.S. Bank to the City’s main checking account at Union Bank.

Operating Investments – The City’s operating investments are invested in CAMP portfolio investments (66.56%) earning 1.20%, followed by LAIF (31.12%) earning 0.68%, and the remainder in the CAMP investment pool (2.31%) earning 0.72%. The investment portfolio make-up of LAIF and CAMP are attached. In addition to maximizing yield, these investments provide for safety and liquidity in meeting the City’s operational needs.

Successor Agency Investments – The Successor Agency’s operating investments, totaling \$890,715, are invested in LAIF. The Bank of New York Mellon is the Trustee and the required bond reserve account has a market value of \$1,255,662. The debt service fund of \$63,385 is a temporary holding account in which the Trustee receives payment from the Successor Agency to make payments to the bond holders on October 1. Bond proceeds of \$1,581,526 are invested in LAIF.

FISCAL IMPACT: Interest earned for the fourth quarter of the fiscal year, on a cash basis, was \$223,856. Market value is slightly higher than the original investment cost.

PREPARED BY:



Clay Schoen
DIRECTOR OF FINANCE AND
TREASURER

APPROVED BY:



Douglas Williford
CITY MANAGER



CITY OF EL CAJON TREASURER'S REPORT AS OF DECEMBER 31, 2016

Cash Basis

	Balance as of December 31, 2016	Quarter to Date		Fiscal	Market Value*
		Yield/Interest Rate	Interest Earnings	Year to Date Interest Earnings	
Operating Cash					
UBOC Checking (Master)	\$ 5,024,492	0.15%	\$ 3,262	\$ 6,965	\$ 5,024,492
US Bank (Merchant Processing)	15,825	n/a	-	-	15,825
Petty Cash	4,320	n/a	-	-	4,320
Total Operating Cash	\$ 5,044,637		\$ 3,262	\$ 6,965	\$ 5,044,637
Operating Investments					
LAIF ⁽¹⁾ - City Pool	\$ 29,445,380	0.68%	\$ 47,116	\$ 99,641	\$ 29,428,414
CAMP ⁽²⁾ Cash Management	2,185,928	0.72%	2,815	9,141	2,185,928
CAMP Managed Portfolio	62,972,721	1.20%	166,522	407,948	62,686,743
Total Operating Investments	\$ 94,604,029		\$ 216,453	\$ 516,730	\$ 94,301,085
Total Operating Cash and Investments	\$ 99,648,666		\$ 219,715	\$ 523,695	\$ 99,345,722
Successor Agency Investments					
LAIF - Operating Investments	\$ 890,715	0.68%	1,351	\$ 2,560	\$ 890,202
LAIF - Bond Proceeds, 2007	1,581,526	0.68%	210	387	1,580,615
The Bank of New York Mellon Trust Co.:					
Bond Reserve Fund	1,255,662	0.19%	181	612	1,255,662
Bond Debt Service Fund	63,385	0.19%	2,399	5,360	63,385
Total Successor Agency	\$ 3,791,289		\$ 4,141	\$ 8,919	\$ 3,789,864
Grand Total Cash and Investments	\$ 103,439,955		\$ 223,856	\$ 532,614	\$ 103,135,586

I certify that all investments under the management of the City are in compliance with the City's adopted investment policy, and I certify the City's investments plus projected revenues, are sufficiently liquid to meet the City's next six (6) months cash flow requirements per the adopted budget.

Clay Schoen, Director of Finance and Treasurer

February 6, 2017

Date

*Source: Bank and Trustee Statements

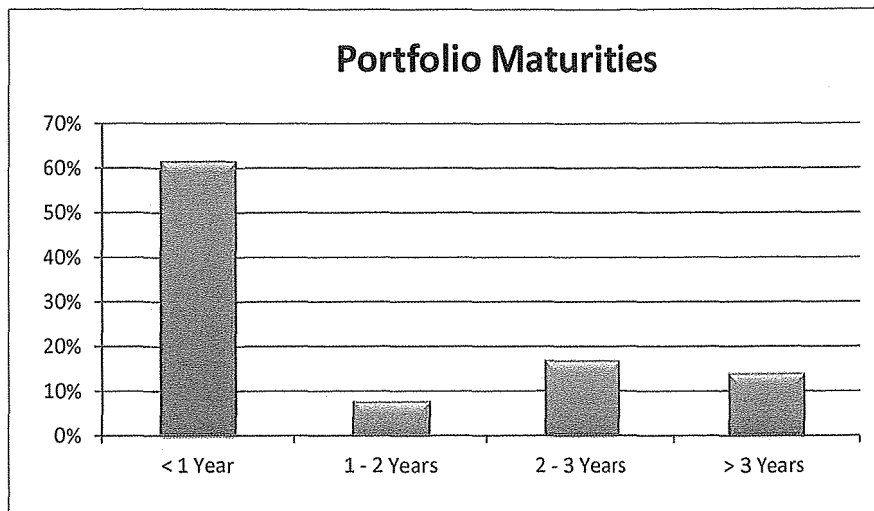
Note (1): The Local Agency Investment Fund (LAIF) is a voluntary investment alternative for California's local governments and special districts authorized by the California Government Code. LAIF is managed by the State Treasurer's Office with oversight by the Local Agency Investment Advisory Board. All securities in LAIF are purchased under the authority of Government Code Sections 16430 and 16480.8. LAIF is part of the State Treasurer's Pooled Money Investment Account (PMIA). The PMIA Investment Policy is guided by the goals of portfolio safety/diversification, liquidity, and yield.

Note (2): The California Asset Management Program (CAMP) is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers.

**CITY OF EL CAJON
OPERATING INVESTMENTS PORTFOLIO MATURITIES BY DATE AND TYPE (AT PAR)
AS OF DECEMBER 31, 2016**

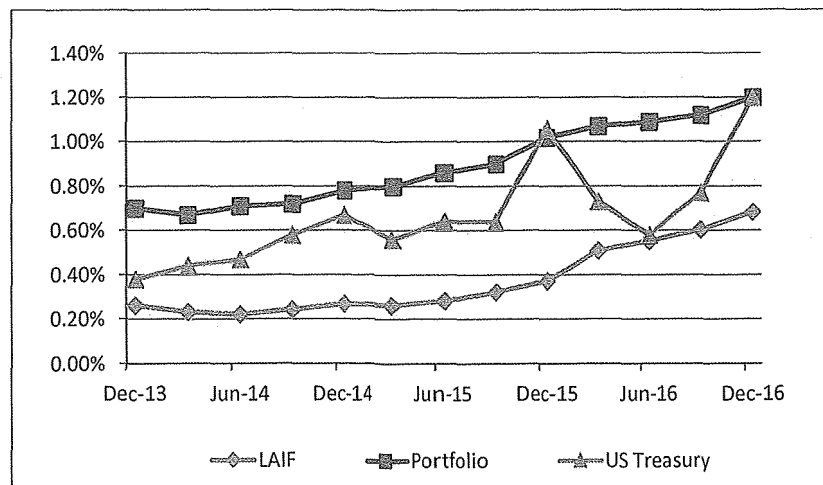
Type of Investment	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years
LAIF - City Pool	29,445,380	-	-	-
CAMP Cash Management	2,185,928	-	-	-
CAMP Managed Portfolio:				
FHLMC Notes	4,325,000	-	3,100,000	-
FMCC Global Notes	2,000,000	-	2,000,000	-
FNMA Benchmark/Global Notes	5,735,000	-	9,100,000	4,300,000
FHLB Notes/Global Bonds	2,495,000	1,500,000	1,000,000	-
US Treasury Notes	8,405,000	4,945,000	-	6,415,000
Corporate Bonds/Notes	900,000	1,000,000	1,000,000	2,665,000
Commercial Paper	4,000,000	-	-	-
Totals	\$ 59,491,308	\$ 7,445,000	\$ 16,200,000	\$ 13,380,000

Portfolio Percentage **61.64%** **7.71%** **16.78%** **13.86%**



QUARTERLY YIELD COMPARISONS

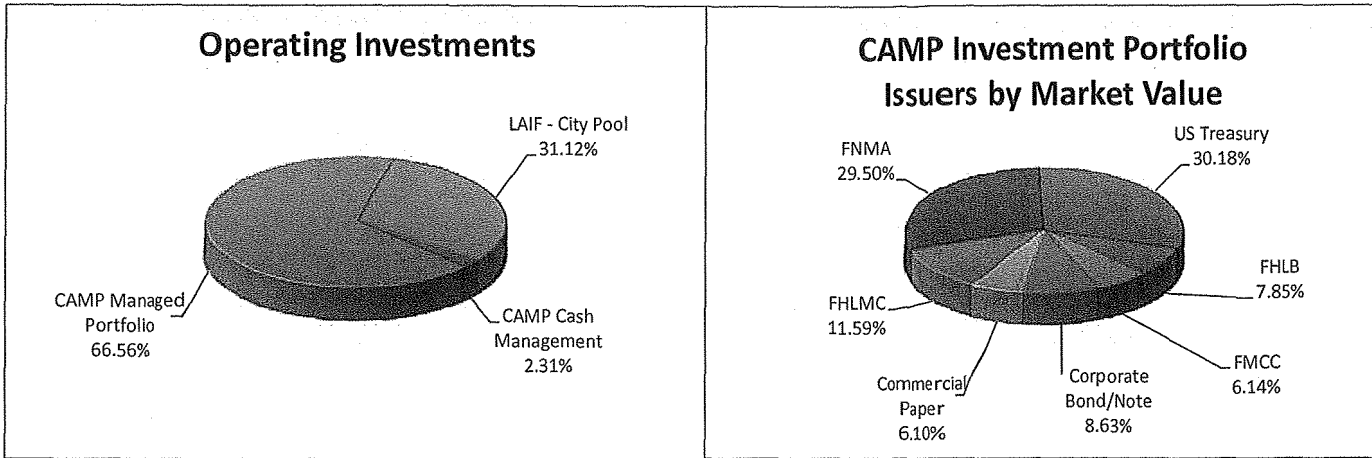
Quarter Ending	LAIF (1)	Portfolio (2)	US Treasury (3)
Dec-13	0.26%	0.70%	0.38%
Mar-14	0.23%	0.67%	0.44%
Jun-14	0.22%	0.71%	0.47%
Sep-14	0.24%	0.72%	0.58%
Dec-14	0.27%	0.78%	0.67%
Mar-15	0.26%	0.80%	0.56%
Jun-15	0.28%	0.86%	0.64%
Sep-15	0.32%	0.90%	0.64%
Dec-15	0.37%	1.02%	1.06%
Mar-16	0.51%	1.07%	0.73%
Jun-16	0.55%	1.09%	0.58%
Sep-16	0.60%	1.12%	0.77%
Dec-16	0.68%	1.20%	1.20%



- (1) per State Treasurer's Office, LAIF-PMIA Earnings Yield Rate (average quarterly return)
- (2) per CAMP Portfolio report
- (3) per U.S. Treasury 2-year daily yield curve rate

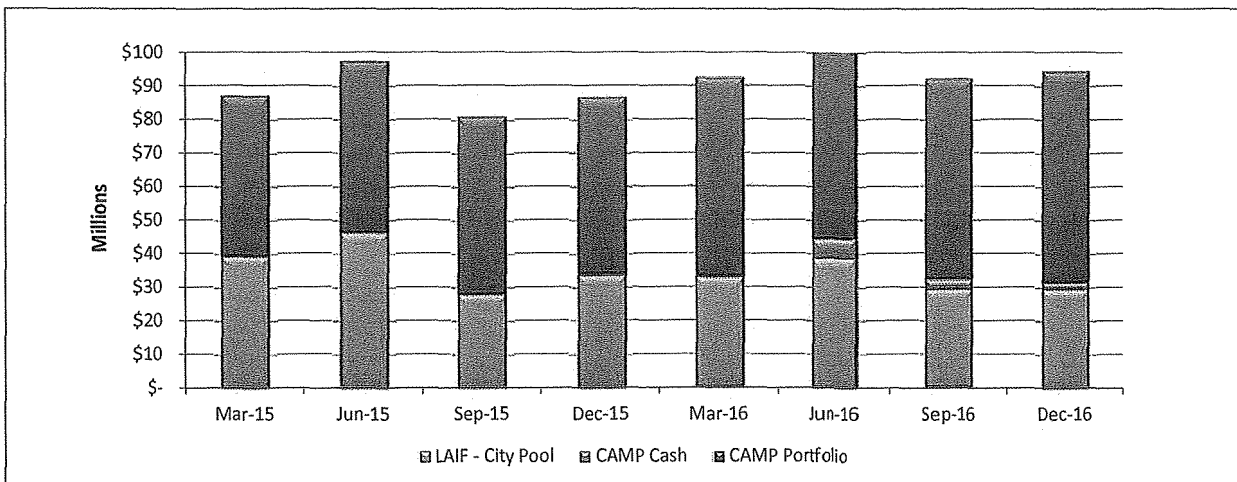
**CITY OF EL CAJON
OPERATING INVESTMENTS COMPOSITION (AT COST)
AS OF DECEMBER 31, 2016**

<u>Operating Investments</u>	<u>Type of Investment</u>	<u>Investment Amount</u>	<u>% of Total Investments</u>	<u>Prior Quarter Investment Amount</u>	<u>% Change From Prior Quarter</u>
LAIF - City Pool	(See attached graph)	\$ 29,445,380	31.12%	\$ 29,298,139	0.50%
CAMP Cash Management	Cash Reserve Portfolio	2,185,928	2.31%	3,043,632	-28.18%
CAMP Managed Portfolio	Federal Agency & Corporate Bonds/Notes	62,972,721	66.56%	59,914,803	5.10%
Total Operating Investments		\$ 94,604,029	100.00%	\$ 92,256,574	2.54%



HISTORICAL COMPOSITION

	Quarter Ending							
	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
LAIF - City Pool	\$ 39,289,896	\$ 46,271,437	\$ 27,866,473	\$ 33,673,124	\$ 32,705,079	\$ 38,778,366	\$ 29,298,139	\$ 29,445,380
CAMP Cash	299,262	92,474	240,335	475,669	594,268	5,787,181	3,043,632	2,185,928
CAMP Portfolio	47,840,391	51,273,651	53,022,874	52,728,873	59,228,720	57,676,806	59,914,803	62,972,721
Total	\$ 87,429,549	\$ 97,637,562	\$ 81,129,682	\$ 86,877,666	\$ 92,528,067	\$ 102,242,353	\$ 92,256,574	\$ 94,604,029





**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
12/31/16	0.74	0.68	171
01/01/17	0.74	0.74	171
01/02/17	0.74	0.74	171
01/03/17	0.74	0.74	181
01/04/17	0.74	0.74	184
01/05/17	0.75	0.74	186
01/06/17	0.75	0.74	186
01/07/17	0.75	0.74	186
01/08/17	0.75	0.74	186
01/09/17	0.75	0.74	185
01/10/17	0.75	0.74	185
01/11/17	0.75	0.74	187
01/12/17	0.75	0.74	186
01/13/17	0.75	0.75	186
01/14/17	0.75	0.75	186
01/15/17	0.75	0.75	186
01/16/17	0.75	0.75	186
01/17/17	0.75	0.75	182
01/18/17	0.75	0.75	181
01/19/17	0.76	0.75	183
01/20/17	0.76	0.75	183
01/21/17	0.76	0.75	183
01/22/17	0.76	0.75	183
01/23/17	0.76	0.75	180
01/24/17	0.76	0.75	181
01/25/17	0.76	0.75	180
01/26/17	0.76	0.75	179
01/27/17	0.76	0.75	184
01/28/17	0.76	0.75	184
01/29/17	0.76	0.75	184
01/30/17	0.76	0.75	181

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

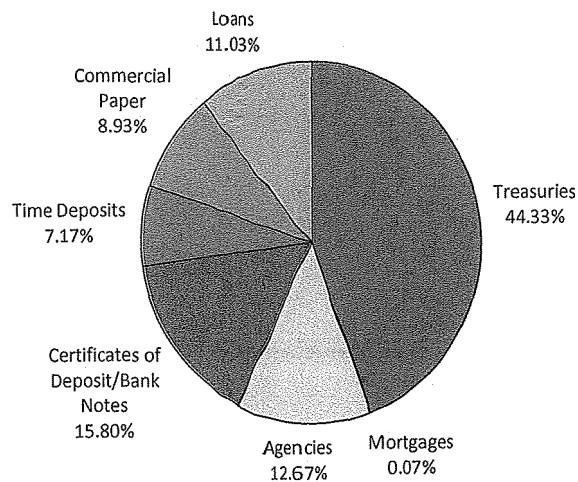
Quarter Ending 12/31/16

Apportionment Rate: 0.68%
 Earnings Ratio: 0.00001851848158529
 Fair Value Factor: 0.999423823
 Daily: 0.74%
 Quarter to Date: 0.68%
 Average Life: 171

PMIA Average Monthly Effective Yields

Dec 2016 0.719%
 Nov 2016 0.678%
 Oct 2016 0.654%

**Pooled Money Investment Account
Portfolio Composition
12/31/16
\$73.7 billion**





Account Statement - Transaction Summary

For the Month Ending December 31, 2016

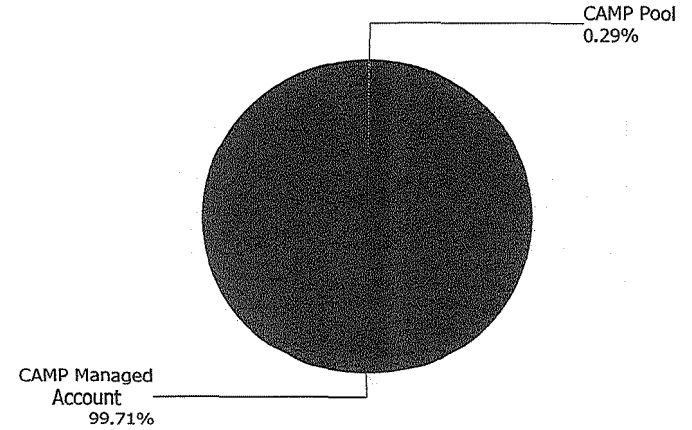
CITY OF EL CAJON - OPERATING FUNDS - 505-00

CAMP Pool	
Opening Market Value	155,362.31
Purchases	35,358.10
Redemptions	(4,792.81)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$185,927.60
Cash Dividends and Income	101.85

CAMP Managed Account	
Opening Market Value	66,969,562.11
Purchases	0.00
Redemptions	(2,000,000.00)
Unsettled Trades	0.00
Change in Value	(30,551.04)
Closing Market Value	\$64,939,011.07
Cash Dividends and Income	73,090.62

Asset Summary		
	December 31, 2016	November 30, 2016
CAMP Pool	185,927.60	155,362.31
CAMP Managed Account	64,939,011.07	66,969,562.11
Total	\$65,124,938.67	\$67,124,924.42

Asset Allocation





Managed Account Summary Statement

For the Month Ending **December 31, 2016**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Transaction Summary - Money Market		Transaction Summary - Managed Account		Account Total	
Opening Market Value	\$155,362.31	Opening Market Value	\$66,969,562.11	Opening Market Value	\$67,124,924.42
Purchases	35,358.10	Maturities/Calls	(2,000,000.00)		
Redemptions	(4,792.81)	Principal Dispositions	0.00		
		Principal Acquisitions	0.00		
		Unsettled Trades	0.00		
		Change in Current Value	(30,551.04)		
Closing Market Value	\$185,927.60	Closing Market Value	\$64,939,011.07	Closing Market Value	\$65,124,938.67
Dividend	101.85				

Earnings Reconciliation (Cash Basis) - Managed Account		Cash Balance	
Interest/Dividends/Coupons Received	77,700.00	Closing Cash Balance	\$0.00
Less Purchased Interest Related to Interest/Coupons	0.00		
Plus Net Realized Gains/Losses	(4,609.38)		
Total Cash Basis Earnings	\$73,090.62		

Earnings Reconciliation (Accrual Basis)			Cash Transactions Summary- Managed Account	
	Managed Account	Total		
Ending Amortized Value of Securities	65,011,927.16	65,197,854.76	Maturities/Calls	2,000,000.00
Ending Accrued Interest	199,998.79	199,998.79	Sale Proceeds	0.00
Plus Proceeds from Sales	0.00	4,792.81	Coupon/Interest/Dividend Income	77,700.00
Plus Proceeds of Maturities/Calls/Principal Payments	2,000,000.00	2,000,000.00	Principal Payments	0.00
Plus Coupons/Dividends Received	77,700.00	77,700.00	Security Purchases	0.00
Less Cost of New Purchases	0.00	(35,358.10)	Net Cash Contribution	(2,077,700.00)
Less Beginning Amortized Value of Securities	(67,019,969.37)	(67,175,331.68)	Reconciling Transactions	0.00
Less Beginning Accrued Interest	(201,509.34)	(201,509.34)		
Dividends	0.00	101.85		
Total Accrual Basis Earnings	\$68,147.24	\$68,249.09		



Portfolio Summary and Statistics

For the Month Ending **December 31, 2016**

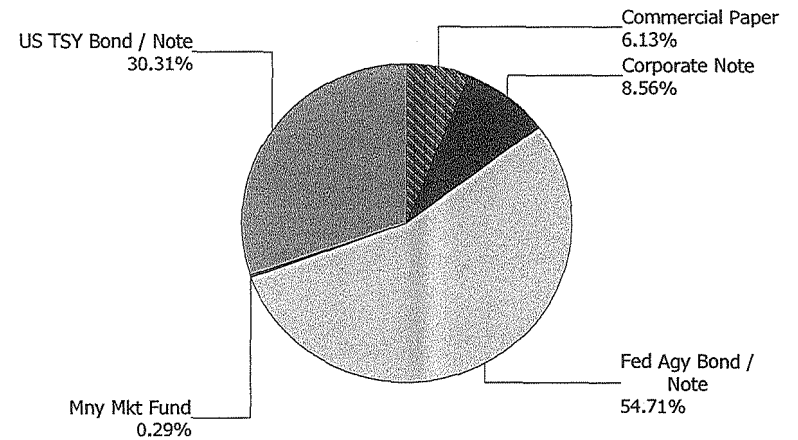
CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Account Summary

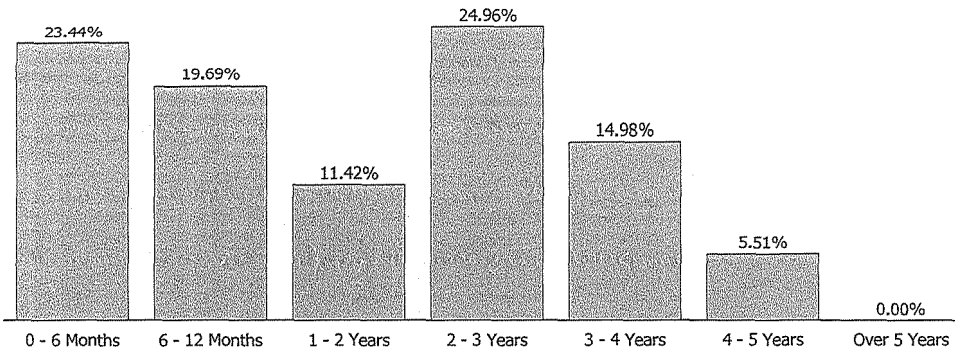
Description	Par Value	Market Value	Percent
U.S. Treasury Bond / Note	19,765,000.00	19,741,731.65	30.31
Federal Agency Bond / Note	35,555,000.00	35,626,285.22	54.71
Corporate Note	5,565,000.00	5,577,627.20	8.56
Commercial Paper	4,000,000.00	3,993,367.00	6.13
Managed Account Sub-Total	64,885,000.00	64,939,011.07	99.71%
Accrued Interest		199,998.79	
Total Portfolio	64,885,000.00	65,139,009.86	
CAMP Pool	185,927.60	185,927.60	0.29
Total Investments	65,070,927.60	65,324,937.46	100.00%

Unsettled Trades **0.00** **0.00**

Sector Allocation



Maturity Distribution



Characteristics

Yield to Maturity at Cost	1.23%
Yield to Maturity at Market	1.20%
Duration to Worst	1.68
Weighted Average Days to Maturity	631



Managed Account Issuer Summary

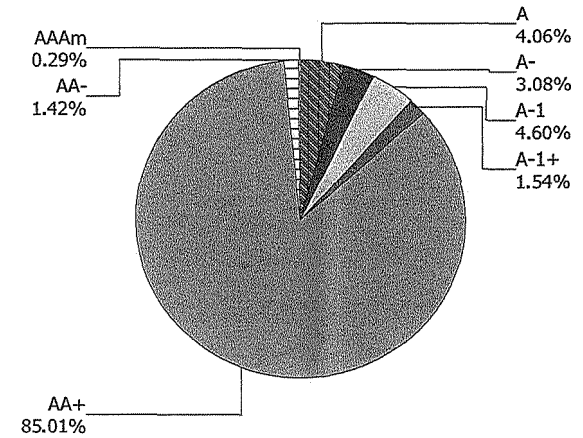
For the Month Ending **December 31, 2016**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Issuer Summary

Issuer	Market Value of Holdings	Percent
AMERICAN EXPRESS CO	1,003,985.00	1.54
BNP PARIBAS	997,450.00	1.53
CAMP Pool	185,927.60	0.29
CREDIT AGRICOLE SA	996,313.00	1.53
FANNIE MAE	19,137,969.64	29.39
FEDERAL HOME LOAN BANKS	4,995,639.50	7.67
FREDDIE MAC	11,492,676.08	17.65
GENERAL ELECTRIC CO	927,670.50	1.42
HSBC HOLDINGS PLC	1,651,979.70	2.54
JP MORGAN CHASE & CO	998,717.00	1.53
MITSUBISHI UFJ FINANCIAL GROUP INC	999,789.00	1.54
TOYOTA MOTOR CORP	999,815.00	1.54
UNITED STATES TREASURY	19,741,731.65	30.30
WELLS FARGO & COMPANY	995,275.00	1.53
Total	\$65,124,938.67	100.00%

Credit Quality (S&P Ratings)





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 07/02/2012 0.750% 06/30/2017	912828TB6	1,000,000.00	AA+	Aaa	07/07/14	07/08/14	992,695.31	1.00	20.72	998,765.39	1,000,508.00
US TREASURY NOTES DTD 08/31/2012 0.625% 08/31/2017	912828TM2	1,000,000.00	AA+	Aaa	10/01/14	10/02/14	988,125.00	1.04	2,123.62	997,277.18	999,219.00
US TREASURY NOTES DTD 10/01/2012 0.625% 09/30/2017	912828TS9	1,000,000.00	AA+	Aaa	06/17/14	06/20/14	983,710.94	1.13	1,596.84	996,250.34	998,594.00
US TREASURY NOTES DTD 11/30/2012 0.625% 11/30/2017	912828UA6	1,580,000.00	AA+	Aaa	05/26/15	05/27/15	1,571,050.78	0.85	868.13	1,576,727.77	1,576,296.48
US TREASURY NOTES DTD 11/30/2012 0.625% 11/30/2017	912828UA6	1,825,000.00	AA+	Aaa	05/07/14	05/08/14	1,791,565.43	1.15	1,002.75	1,816,313.37	1,820,722.20
US TREASURY NOTES DTD 12/31/2012 0.750% 12/31/2017	912828UE8	2,000,000.00	AA+	Aaa	12/24/14	12/29/14	1,972,421.88	1.22	41.44	1,990,737.58	1,996,718.00
US TREASURY NOTES DTD 05/31/2013 1.000% 05/31/2018	912828VE7	1,580,000.00	AA+	Aaa	05/26/15	05/27/15	1,578,889.06	1.02	1,389.01	1,579,475.01	1,579,382.22
US TREASURY NOTES DTD 10/31/2013 1.250% 10/31/2018	912828WD8	2,000,000.00	AA+	Aaa	10/26/15	10/27/15	2,017,578.13	0.95	4,281.77	2,010,735.30	2,003,204.00
US TREASURY NOTES DTD 12/02/2013 1.250% 11/30/2018	912828A34	1,365,000.00	AA+	Aaa	11/25/15	11/30/15	1,364,840.04	1.25	1,500.00	1,364,897.38	1,366,972.43
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	1,500,000.00	AA+	Aaa	11/15/16	11/16/16	1,502,109.38	1.46	1,978.02	1,502,038.65	1,495,429.50
US TREASURY NOTES DTD 09/30/2013 2.000% 09/30/2020	912828VZ0	1,300,000.00	AA+	Aaa	11/15/16	11/16/16	1,322,902.34	1.53	6,642.86	1,322,177.35	1,314,726.40
US TREASURY N/B DTD 12/31/2015 1.750% 12/31/2020	912828N48	990,000.00	AA+	Aaa	11/29/16	11/30/16	991,044.14	1.72	47.86	991,027.75	989,691.12
US TREASURY N/B DTD 12/31/2015 1.750% 12/31/2020	912828N48	1,575,000.00	AA+	Aaa	11/22/16	11/23/16	1,580,229.49	1.67	76.14	1,580,107.93	1,574,508.60
US TREASURY NOTES DTD 03/31/2016 1.250% 03/31/2021	912828Q37	1,050,000.00	AA+	Aaa	11/29/16	11/30/16	1,028,466.80	1.74	3,353.37	1,028,890.29	1,025,759.70





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		19,765,000.00					19,685,628.72	1.25	24,922.53	19,755,421.29	19,741,731.65
Federal Agency Bond / Note											
FANNIE MAE GLOBAL NOTES DTD 01/09/2012 1.250% 01/30/2017	3135G0GY3	1,565,000.00	AA+	Aaa	01/31/13	02/01/13	1,596,753.85	0.73	8,205.38	1,565,648.16	1,565,740.25
FANNIE MAE GLOBAL NOTES DTD 01/09/2012 1.250% 01/30/2017	3135G0GY3	1,670,000.00	AA+	Aaa	02/21/13	02/22/13	1,706,205.60	0.69	8,755.90	1,670,749.31	1,670,789.91
FHLMC NOTES DTD 01/21/2014 0.875% 02/22/2017	3137EADT3	1,000,000.00	AA+	Aaa	10/01/14	10/02/14	1,000,980.00	0.83	3,135.42	1,000,058.67	1,000,448.00
FREDDIE MAC GLOBAL NOTES DTD 01/30/2012 1.000% 03/08/2017	3137EADC0	1,000,000.00	AA+	Aaa	06/17/14	06/20/14	1,002,400.00	0.91	3,138.89	1,000,166.27	1,000,801.00
FHLMC NOTES DTD 03/26/2012 1.250% 05/12/2017	3137EADF3	1,325,000.00	AA+	Aaa	11/25/13	11/26/13	1,342,450.25	0.86	2,254.34	1,326,858.26	1,327,897.78
FHLMC NOTES DTD 03/26/2012 1.250% 05/12/2017	3137EADF3	2,000,000.00	AA+	Aaa	06/26/13	06/27/13	2,003,640.00	1.20	3,402.78	2,000,349.44	2,004,374.00
FHLB GLOBAL BONDS DTD 05/02/2007 4.875% 05/17/2017	3133XK0X6	1,495,000.00	AA+	Aaa	02/11/15	02/12/15	1,630,177.90	0.83	8,907.71	1,517,726.39	1,518,473.00
FHLB GLOBAL NOTES DTD 05/15/2015 0.625% 05/30/2017	3130A5EP0	1,000,000.00	AA+	Aaa	01/21/16	01/22/16	997,660.00	0.80	538.19	999,283.49	999,574.00
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	1,000,000.00	AA+	Aaa	01/22/15	01/23/15	1,005,700.00	0.77	4,250.00	1,001,313.28	1,001,554.00
FANNIE MAE GLOBAL NOTES DTD 09/24/2012 0.875% 10/26/2017	3135G0PQ0	1,000,000.00	AA+	Aaa	01/22/15	01/23/15	998,930.00	0.91	1,579.86	999,680.16	1,000,140.00
FANNIE MAE GLOBAL NOTES DTD 10/30/2012 0.875% 12/20/2017	3135G0RT2	1,500,000.00	AA+	Aaa	02/11/15	02/12/15	1,491,510.00	1.08	401.04	1,497,089.93	1,499,169.00
FHLB GLOBAL NOTE DTD 08/26/2016 0.875% 10/01/2018	3130A9AE1	1,500,000.00	AA+	Aaa	08/30/16	08/31/16	1,498,620.00	0.92	3,281.25	1,498,837.58	1,491,745.50
FNMA BENCHMARK NOTE DTD 01/08/2016 1.375% 01/28/2019	3135G0H63	990,000.00	AA+	Aaa	01/21/16	01/22/16	997,345.80	1.12	5,785.31	995,078.60	991,374.12
FANNIE MAE BENCHMARK NOTE DTD 01/13/2014 1.875% 02/19/2019	3135G0ZA4	1,550,000.00	AA+	Aaa	06/22/15	06/23/15	1,576,272.50	1.40	10,656.25	1,565,498.53	1,568,880.55





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	1,340,000.00	AA+	Aaa	05/17/16	05/18/16	1,339,879.40	1.00	4,652.78	1,339,909.31	1,331,669.22
FHLMC NOTES DTD 03/27/2009 3.750% 03/27/2019	3137EACA5	1,600,000.00	AA+	Aaa	03/15/16	03/16/16	1,721,040.00	1.20	15,666.67	1,689,832.40	1,685,508.80
FREDDIE MAC NOTES DTD 03/21/2016 1.125% 04/15/2019	3137EADZ9	2,000,000.00	AA+	Aaa	03/18/16	03/21/16	1,999,340.00	1.14	4,750.00	1,999,502.54	1,991,906.00
FNMA NOTES DTD 05/12/2014 1.750% 06/20/2019	3135G0ZE6	1,565,000.00	AA+	Aaa	06/22/15	06/23/15	1,579,460.60	1.51	836.84	1,574,048.41	1,581,410.59
FHLMC REFERENCE NOTE DTD 07/20/2016 0.875% 07/19/2019	3137EAEB1	1,500,000.00	AA+	Aaa	08/30/16	08/31/16	1,493,760.00	1.02	5,869.79	1,494,475.16	1,480,186.50
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	1,500,000.00	AA+	Aaa	11/15/16	11/16/16	1,481,550.00	1.34	5,432.29	1,482,389.48	1,479,163.50
FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	1,000,000.00	AA+	Aaa	09/29/16	09/30/16	996,830.00	0.99	3,572.92	997,109.50	985,847.00
FNMA NOTES DTD 07/28/2014 1.750% 09/12/2019	3135G0ZG1	1,155,000.00	AA+	Aaa	08/28/15	08/31/15	1,171,100.70	1.39	6,119.90	1,165,873.61	1,165,972.50
FANNIE MAE GLOBAL NOTES DTD 10/25/2016 1.000% 10/24/2019	3135G0R39	1,000,000.00	AA+	Aaa	11/29/16	11/30/16	987,020.00	1.46	1,833.33	987,398.97	986,176.00
FNMA NOTES DTD 01/12/2015 1.625% 01/21/2020	3135G0A78	990,000.00	AA+	Aaa	01/21/16	01/22/16	1,001,236.50	1.33	7,150.00	998,642.52	992,930.40
FNMA NOTES DTD 01/12/2015 1.625% 01/21/2020	3135G0A78	1,310,000.00	AA+	Aaa	08/28/15	08/31/15	1,317,113.30	1.50	9,461.11	1,315,005.84	1,313,877.60
FNMA BENCHMARK NOTES DTD 04/27/2015 1.500% 06/22/2020	3135G0D75	2,000,000.00	AA+	Aaa	10/26/15	10/27/15	2,002,180.00	1.48	750.00	2,001,650.96	1,990,676.00
Security Type Sub-Total		35,555,000.00					35,939,156.40	1.11	130,387.95	35,684,176.77	35,626,285.22
Corporate Note											



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2016**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GENERAL ELEC CAP CORP GLOBAL SR MTN DTD 09/24/2007 5.625% 09/15/2017	36962G3H5	900,000.00	AA-	A1	07/28/15	07/31/15	980,010.00	1.36	14,906.25	926,845.79	927,670.50
JPMORGAN CHASE & CO GLOBAL NOTES DTD 05/15/2013 1.625% 05/15/2018	46625HJL5	1,000,000.00	A-	A3	10/26/15	10/29/15	998,310.00	1.69	2,076.39	999,081.36	998,717.00
AMERICAN EXPRESS CREDIT CORP NOTES DTD 03/18/2014 2.125% 03/18/2019	0258M0DK2	1,000,000.00	A-	A2	10/26/15	10/29/15	1,008,910.00	1.85	6,079.86	1,005,892.44	1,003,985.00
WELLS FARGO & CO DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,000,000.00	A	A2	10/26/15	10/29/15	1,001,560.00	2.11	9,018.06	1,001,154.04	995,275.00
HSBC USA INC NOTES DTD 03/05/2015 2.350% 03/05/2020	40428HPR7	1,665,000.00	A	A2	03/29/16	03/31/16	1,642,372.65	2.72	12,607.75	1,646,527.69	1,651,979.70
Security Type Sub-Total		5,565,000.00					5,631,162.65	2.04	44,688.31	5,579,501.32	5,577,627.20
Commercial Paper											
BANK OF TOKYO MITSUBISHI COMM PAPER -- 0.000% 01/10/2017	06538BNA7	1,000,000.00	A-1	P-1	07/13/16	07/14/16	995,350.00	0.93	0.00	999,767.50	999,789.00
TOYOTA MOTOR CREDIT CORP COMM PAPER -- 0.000% 01/10/2017	89233GNA0	1,000,000.00	A-1+	P-1	07/13/16	07/14/16	995,650.00	0.87	0.00	999,782.50	999,815.00
BNP PARIBAS NY BRANCH COMM PAPER -- 0.000% 03/30/2017	09659BQW3	1,000,000.00	A-1	P-1	09/29/16	09/30/16	993,916.39	1.22	0.00	997,042.22	997,450.00
CREDIT AGRICOLE CIB NY COMM PAPER -- 0.000% 05/02/2017	22533TS23	1,000,000.00	A-1	P-1	11/02/16	11/03/16	994,400.00	1.13	0.00	996,235.56	996,313.00
Security Type Sub-Total		4,000,000.00					3,979,316.39	1.04	0.00	3,992,827.78	3,993,367.00
Managed Account Sub-Total		64,885,000.00					65,235,264.16	1.23	199,998.79	65,011,927.16	64,939,011.07
Money Market Fund											
CAMP Pool		185,927.60	AAA	NR			185,927.60		0.00	185,927.60	185,927.60



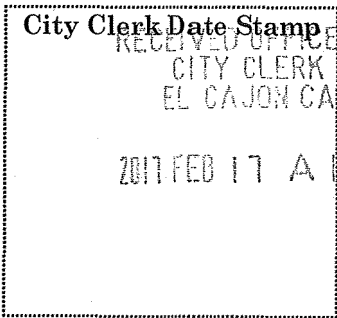
Managed Account Detail of Securities Held

For the Month Ending **December 31, 2016**

CITY OF EL CAJON - OPERATING FUNDS - 505-00 - (12510521)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Money Market Sub-Total		185,927.60					185,927.60		0.00	185,927.60	185,927.60
Securities Sub-Total		\$65,070,927.60					\$65,421,191.76	1.23%	\$199,998.79	\$65,197,854.76	\$65,124,938.67
Accrued Interest											\$199,998.79
Total Investments											\$65,324,937.46





City of El Cajon Agenda Report

MEETING: 02/28/2017

ITEM NO: 1.8



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho, Kendrick

FROM: Director of Finance

SUBJECT: Single Audit Report on Federal Awards for the Fiscal Year Ended
June 30, 2016

RECOMMENDATION: That the City Council receive and accept the Single Audit Report on Federal Awards for the fiscal year ended June 30, 2016.

BACKGROUND: The Single Audit and resulting report are intended to provide a cost-effective examination of the use of Federal dollars. The Single Audit is conducted in lieu of separate audits by each of the Federal agencies/programs from which an organization receives money. The Single Audit Report on Federal Awards includes a schedule of expenditures of Federal awards, the auditor's opinion on the fair presentation of the financial statements and schedule of expenditures of Federal awards, the auditor's report on internal control and compliance pertaining to financial reporting and major programs, and the auditor's schedule of findings and questioned costs.

As a recipient of federal funds, the City is subject to *Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Auditor Requirements for Federal Awards*. There were two findings of procedural noncompliance which need to be corrected, neither of which resulted in questioned costs (pages 11-13 of the Single Audit Report on Federal Awards).

FISCAL IMPACT: None.

PREPARED BY:

Clay Schoen
DIRECTOR OF FINANCE

APPROVED BY:

Douglas Williford
CITY MANAGER

City of El Cajon
El Cajon, California

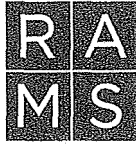
Single Audit Report on Federal Awards

Year Ended June 30, 2016

City of El Cajon

**Single Audit Report on Federal Awards
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
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Seong-Hyea Lee, CPA, MBA
Charles De Simoni, CPA
Nathan Statham, CPA, MBA
Gardenya Duran, CPA
Brianna Schultz, CPA
Lisa Dongxue Guo, CPA, MSA

The Honorable City Council
City of El Cajon, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of El Cajon (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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To the Honorable City Council
City of El Cajon

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-01 and 2016-02.

City of El Cajon's Response to Finding

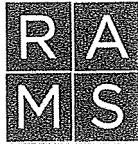
The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP

San Bernardino, California
December 15, 2016



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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The Honorable City Council
City of El Cajon, California

Report on Compliance for Each Major Federal Program

We have audited the City of El Cajon's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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California Society of
Certified Public Accountants

To the Honorable City Council
City of El Cajon

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-01 and 2016-02. Our opinion on each major federal program is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

To the Honorable City Council
City of El Cajon

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the Financial Statements of the Governmental Activities, the Business-type Activities, each Major Fund, and the Aggregate Remaining Fund Information of the City of El Cajon as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 15, 2016 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Rogers, Anderson, Malody & Scott, LLP

San Bernardino, California

December 15, 2016, except for our report on the Schedule of Expenditures of Federal Awards, for which the date is January 12, 2017

City of El Cajon

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016

Federal Grantor/Pass- Through Grantor/Program Title	Federal CFDA Number	Program/Project Identification Number	Federal Expenditures	Amount Provided to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct Assistance:</i>				
2013 Community Development Block Grant	14.218	B- 13- MC-06- 0541	\$ 308,882	\$ -
2014 Community Development Block Grant	14.218	B- 14- MC-06- 0541	228,843	51,898
2015 Community Development Block Grant	14.218	B- 15- MC-06- 0541	925,333	156,770
Total CFDA 14.218			1,463,058	208,668
2012 HOME Investment Partnership Grant	14.239*	M- 12- MC-06- 0508	156,366	-
2013 HOME Investment Partnership Grant	14.239*	M- 13- MC-06- 0508	172,823	-
2014 HOME Investment Partnership Grant	14.239*	M- 14- MC-06- 0508	842,242	-
2015 HOME Investment Partnership Grant	14.239*	M- 15- MC-06- 0508	152,575	-
Total CFDA 14.239			1,324,006	-
Total U.S. Department of Housing and Urban Development			2,787,064	208,668
<u>U.S. Environmental Protection Agency</u>				
<i>Passed through the State of California Water Boards</i>				
Capitalization Grants for Clean Water State Revolving Funds	66.458	C- 06- 7812- 110	691,774	-
Total CFDA 66.458			691,774	-
Total U.S. Department of Housing and Urban Development			691,774	-
<u>U.S. Department of Justice</u>				
<i>Direct Assistance:</i>				
Asset Forfeiture	16.922	CA037050	70,146	-
Fugitive Apprehension Task Force	16.922	2010- USMS	27,695	-
Total CFDA 16.922			97,841	-
Office of Justice Program, Bureau of Justice Assistance, Bulletproof Vest Partnership Program	16.607	1121- 0235	3,704	-
Total CFDA 16.607			3,704	-
Project Safe Neighborhoods	16.609	91- SD- C47778	18,645	-
Total CFDA 16.609			18,645	-
Edward Byrne Memorial Justice Assistance Grant Program 2014	16.738	2014- DJ- BX- 0175	31,356	-
Total CFDA 16.738			31,356	-
Drug Enforcement Agency <i>Passed through the County of San Diego</i>				
Domestic Cannabis Eradication	16.000	USDOJ DEA #2014- 42	7,081	-
Total CFDA 16.000			7,081	-
Total U.S. Department of Justice			158,627	-

City of El Cajon

Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2016

Federal Grantor/Pass- Through Grantor/Program Title	Federal CFDA Number	Program/Project Identification Number	Federal Expenditures	Amount Provided to Subrecipients
<u>U.S. Department of Transportation</u>				
<i>Passed through the State of California Department of Transportation:</i>				
Highway Safety Improvement Program	20.205	HSIPL- 5211(020)	(3,492)	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(021)	2,253	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(022)	2,125	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(027)	(2,363)	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(028)	(2,337)	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(029)	(2,881)	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(030)	289,052	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(031)	9,847	-
Highway Safety Improvement Program	20.205	HSIPL- 5211(032)	50,722	-
Safe Routes to School Program	20.205	SRTSL- 5211 (023)	(826)	-
Safe Routes to School Program	20.205	SRTSL- 5211 (024)	329,552	-
Safe Routes to School Program	20.205	SRTSL- 5211 (034)	27,602	-
Total CFDA 20.205			<u>699,254</u>	<u>-</u>
<i>Passed through the State of California Office of Traffic Safety</i>				
State and Community Highway Safety	20.600	OTS-38-PT1405	30,922	-
Total CFDA 20.600			<u>30,922</u>	<u>-</u>
<i>Passed through the State of California Office of Traffic Safety</i>				
Minimum Penalties for Repeat Offenders for Driving While Intoxicate	20.608	OTS-38-PT1405	27,769	-
Total CFDA 20.608			<u>27,769</u>	<u>-</u>
Total U.S. Department of Transportation			<u>757,945</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>				
<i>Passed through the State of California Office of Emergency Services, then</i>				
<i>Passed through the County of San Diego Office of Emergency Services:</i>				
2014 Operation Stonegarden	97.067*	OES 073-91015, 2014- 00110	104,000	-
2015 Operation Stonegarden	97.067*	OES 073-91015, 2015- 1078	50,664	-
2009 State Homeland Security Grant	97.067*	OES 073-00000, 2009- 0019	105	-
2014 State Homeland Security Grant	97.067*	OES 073-66000, 2014- 00093	60,173	-
2015 State Homeland Security Grant	97.067*	OES 073-00000, 2015- 0078	13,511	-
<i>Passed through the City of San Diego Department of Homeland Security:</i>				
2014 Urban Area Security Initiative Grant	97.067*	OES 073-66000, 2014- 00093	44,169	-
Total CFDA 97.067			<u>272,622</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>272,622</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 4,668,032</u>	<u>\$ 208,668</u>

* - Major Program

City of El Cajon

**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2016**

(1) Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards

(a) *Scope of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal activity of the City of El Cajon under programs of the federal government for the year ended June 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position and changes in cash flows, where applicable, of the City.

(b) *Basis of Accounting*

The expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles of in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

(c) *Subrecipients*

The City passes certain federal awards received from the U.S. Department of Housing and Urban Development. As a subrecipient, the Government has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

City of El Cajon

Notes to the Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2016

(1) **Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards (continued)**

(d) *Loan Programs with Continuing Compliance Requirements*

The federal loan programs listed subsequently are administered directly by the City, and balances and transactions relating to these programs are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balances of loans outstanding at June 30, 2016 consist of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance at June 30, 2016</u>
14.218	Community Development Block Grant	\$ 388,295
14.239	HOME Investment Partnership Grant	9,128,863

City of El Cajon

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2016**

SECTION I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported
Noncompliance material to financial statements noted?	_____	Yes	<u> X </u>	No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiency(ies) identified?	_____	Yes	<u> X </u>	None Reported

Type of auditor's report issued on compliance for major federal programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	_____	Yes	<u> X </u>	No
---	-------	-----	--------------	----

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.239	HOME Investment Partnership Program
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	<u> X </u>	Yes	_____	No
--	--------------	-----	-------	----

**Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2016**

SECTION II. FINDINGS – FINANCIAL STATEMENT FINDINGS

No matters to be reported.

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2016-01

CFDA title: Homeland Security Grant Program

CFDA #: 97.067

Pass through entity: State of California Office of Emergency Services, then through the County of San Diego Office of Emergency Services

Compliance requirement: Equipment and Real Property Management

Criteria: Per 2 CFR section 200.313(d)(2), a physical inventory of the property must be taken and the results reconciled with the property records at least once every 2 years.

Condition: The City did provide a listing of assets acquired with federal grant funds. However, there was no evidence that a physical inventory had been completed and reconciled to the asset listing.

Questioned costs: None

Effect: The absence of documented physical inventories at least once every two years could result in lost, damaged or destroyed inventory going undetected in a timely manner.

Cause: Physical inventories have not been routinely performed.

Recommendation: We recommend that the City schedule adequate time to complete the performance of a physical inventory of all equipment at least once every two years, which would include an inventory list of capital assets acquired with grant funds and adequate documentation of the results of the physical inventory.

Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2016

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

Finding 2016-01 (continued)

Views of responsible
Officials and planned
Corrective action:

The City concurs with the recommendation. A senior member of the Finance Department was recently assigned to review and update the City's fixed assets procedures, including conducting physical inventories and the reporting of the results of those inventories. A physical inventory of assets acquired with grant funds will be completed by June 30, 2017.

Finding 2016-02

CFDA title: Homeland Security Grant Program

CFDA #: 97.067

Pass through entity: State of California Office of Emergency Services, then through the County of San Diego Office of Emergency Services

Compliance requirement: Procurement and Suspension and Debarment

Criteria: Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. The non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR Section 180.300).

Condition: The City could not provide documentation indicating that they verified that the entity was not suspended or debarred for the purchase of an AWD police vehicle. Although audit testing indicated that the City's contracted vendor was not debarred or suspended, there was no evidence that City staff verified suspension and debarment prior to procuring services from this vendor.

Questioned costs: None

**Schedule of Findings and Questioned Costs (continued)
Year Ended June 30, 2016**

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (continued)

Finding 2016-02 (continued)

Effect: There is the potential that the City may be contracting with individuals or subcontractors that are suspended or debarred, thus causing the City to be ineligible to receive federally reimbursed funds due to a lack of adherence to policies surrounding suspension and debarment.

Cause: The Purchasing Division was not advised that the subject procurement included items that were grant-funded. Therefore, the debarment and suspension status was not reviewed. The debarment clause has not been routinely included in non-public project specifications.

Recommendation: We recommend that the City include a clause in all vendor contracts for vendors to certify that they are not suspended or debarred. The City should designate a specific individual to perform EPLS verification and include the documentation of the search results in the vendor's file and provide adequate training to all purchasing personnel in regard to this requirement to enforce procedures and ensure compliance with this requirement.

Views of responsible
Officials and planned
Corrective action:

The Purchasing Division will add the debarment clause to non-public project bid templates moving forward. In addition, staff will be required to submit supporting grant documentation along with their purchase requisitions. This will enable the Purchasing Division to verify the debarment and suspension status of grant-related procurements.

City of El Cajon

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016**

CURRENT STATUS OF PRIOR YEAR FINDINGS:

No prior year findings to report.

City Clerk Date Stamp

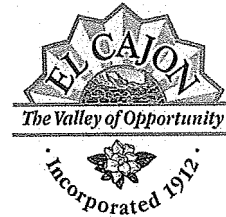
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City of El Cajon Agenda Report

MEETING: 02/28/17

ITEM NO: 1.9



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Sara Ramirez, Director of Recreation

SUBJECT: Community Event – 2017 July 4th Picnic at Kennedy Park

RECOMMENDATION: That the City Council:

- 1) APPROVES the sale of merchandise by vendors at Kennedy Park associated with the annual July 4th picnic and fireworks display.
- 2) AUTHORIZES the City Manager, or designee, to execute the necessary agreements and forms for the annual July 4th fireworks display at Granite Hills High School.

BACKGROUND: The annual July 4th picnic and 9:00 p.m. fireworks at Kennedy Park, hosted by the City, will have a patriotic theme and include live bands, synchronized music to coincide with the fireworks display, games and children's crafts. All vendors will be required to provide a business license and approved insurance certificates.

Event related agreements and forms for the fireworks display include the completion and submission of a *Production Agreement* with Pyro Spectaculars, Inc. and Grossmont Union High School District's *Request for Use of School Facilities*. The school district has agreed to allow the City use of the fields at Granite Hills High School for the fireworks display. As in the past, the City will be responsible for providing additional assistance with cleaning the site.

FISCAL IMPACT: Funding for the anticipated daylong event is included in the Fiscal Year 2016 – 2017 budget, account 103000.

PREPARED BY:

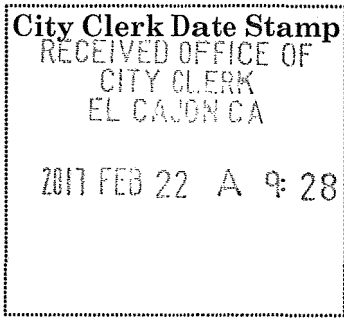

Stacy Knight
Recreation Services
Manager

REVIEWED BY:


Sara Ramirez
Director of Recreation

APPROVED BY:


Douglas Williford
CITY MANAGER



City of El Cajon Agenda Report

MEETING: Feb. 28, 2017

ITEM NO: 3.1



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Dennis Davies, Deputy Director of Public Works

SUBJECT: Delinquent Refuse Collection Charges

RECOMMENDATION: That the City Council:

1. Opens the Public Hearing and receives testimony;
2. Closes the Public Hearing;
3. Adopts the next RESOLUTIONS in order confirming the list of property owners as delinquent in the payment of their mandatory trash service bills; and
4. Authorizes the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.

BACKGROUND:

On January 1, 1996, the City began mandatory trash service for all single-family residences. The City's agreement with the City's solid-waste hauler, Waste Management, allows Waste Management to bill for regular service with the City assuming responsibility for liening delinquent accounts. This allows the City to use the enforcement power of a property lien, when necessary, to collect past due amounts. By utilizing a property lien rather than a collection agency or other recoupment procedure, not only is Waste Management paid for their service, but the City is able to collect the franchise fee associated with the delinquencies. Additionally, the lien process is a cost-effective way for the City to ensure payment of delivered services.

Every four months, Waste Management provides the City with a list of properties that are delinquent in their payments for refuse and recycling collection services. A customer is considered delinquent when their account is more than 120 days overdue with a minimum balance of \$40. In February, June and November of each year, the City Council reviews the list of delinquencies and directs staff to record a lien on the delinquent properties. Residents have several opportunities prior to the lien process to reconcile their accounts, including advanced notice of the public hearing. Residents are able to pay their delinquent balance up to the day of the City Council meeting.

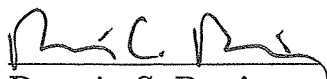
Furthermore, the El Cajon Municipal Code allows for exemption from the mandatory refuse service with sufficient proof of use of a City approved refuse and recyclables collection alternative. Residents may take their refuse to their private business located within the City limits of El Cajon, or they may haul their refuse to the landfill and providing receipts for such service.

Of the approximate 14,000 active single-family accounts, 695 customers were sent a final notice of delinquency on January 18, 2017, asking them to pay a total of \$105,290.22. As of February 16, 2017, approximately 197 customers have paid, leaving a balance of 498 delinquent accounts for the City Council to consider.

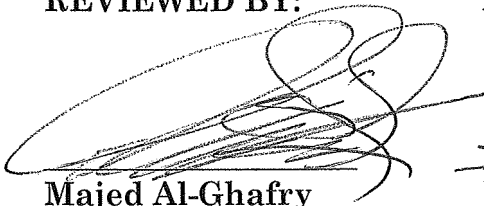
FISCAL IMPACT:

As of February 16, 2017, there are 498 delinquent accounts, totaling \$77,755.50. As the City collects a 15% franchise fee for Waste Management services, the City's financial share of these delinquencies is approximately \$11,663.33.


PREPARED BY:


Dennis C. Davies
DEPUTY DIRECTOR
OF PUBLIC WORKS

REVIEWED BY:


Majed Al-Ghafry
ASSISTANT
CITY MANAGER

APPROVED BY:


Douglas Williford
CITY MANAGER

RESOLUTION NO. -17

RESOLUTION APPROVING REPORT AND ACCOUNT OF
DELINQUENT REFUSE COLLECTION SERVICE FEES AND CHARGES;
AND CONFIRMING ASSESSMENTS AS LIENS PURSUANT TO
CHAPTER 8.24 OF THE EL CAJON MUNICIPAL CODE

WHEREAS, pursuant to the provisions of Chapter 8.24 of the El Cajon Municipal Code, a public hearing was held on February 28, 2017, for the purpose of hearing objections or protests to a report and account of delinquent refuse collection service fees and charges; and

WHEREAS, protests and objections of the owners of the properties liable to be assessed for said delinquent charges have been heard and considered by said City Council, and said accounts have been approved as submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. In accordance with the provisions of Title 4, Division 3, Chapter 10, Section 38791 and Title 3, Division 2, Chapter 8, Section 25831 of the Government Code of the State of California, and section 8.24.090 of Chapter 8.24 of the El Cajon Municipal Code, the report and account of delinquent refuse collection service fees and charges (Exhibit "A") considered at the hearing held on February 28, 2017, on file in the office of the City Clerk, is approved, and the unpaid amounts designated in said report and account shall be a charge to the owners of the properties on the next regular tax bill, and shall be liens upon the properties involved.

2. The sums herein assessed remaining unpaid after thirty (30) days from the date of this resolution shall bear interest at the rate of seven percent (7%) per annum, as set forth in section 8.24.100 of Chapter 8.24 of the El Cajon Municipal Code.

3. The designation of said parcels is shown by Assessor's parcel numbers, and the initial amounts plus interest to be assessed and imposed as liens are designated thereafter on Exhibit "A," on file in the Office of the City Clerk.

4. Said liens shall be of no further force or effect upon the confirmation of the Tax Collector that said assessments have been added to the tax rolls.

5. The City Clerk is hereby directed to record a certified copy of this resolution and Exhibit "A" in the office of the County Recorder of San Diego County.

6. The City Clerk is hereby authorized to discharge and release any such lien when the claim under said lien has been fully satisfied.

7. **The decision in your matter is final on this date, and by this notice, you have 90 calendar days from the date of the mailing of this notice to seek judicial**

review of this decision pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6, and El Cajon Municipal Code Chapter 1.32.

02/28/17 (Item 3.1)

Delinquent Refuse Liens February 2017 021317

**List of Delinquent Refuse
Collection Accounts is
Available for Review in the
City Clerk's Office, 200
Civic Center Way, El Cajon,
CA 92020. (619) 441-1763**

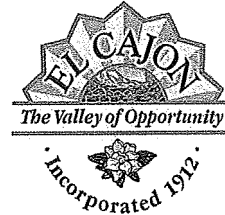
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City of El Cajon

Agenda Report

MEETING: Feb. 28, 2017

ITEM NO: 3.2



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Yazmin Arellano, Deputy Director of Public Works/City Engineer

SUBJECT: Delinquent Sewer Service Charges

RECOMMENDATION: That the City Council:

- 1) Opens the Public Hearing and considers public testimony;
- 2) Closes the Public Hearing;
- 3) Adopts the next RESOLUTIONS in order confirming the charges and levying the assessments on the next regular tax bill; and
- 4) Authorizes the City Clerk to place a lien on delinquent properties and to forward a list to the County Tax Assessor for billing on the next property tax bill.

BACKGROUND:

The City of El Cajon is the responsible agency for providing sewer services to its citizens. From 1971 through 2012, the Helix Water District conducted the sewer billing process for the cities of El Cajon and La Mesa. In 2010, Helix notified both cities that they would be replacing their 30 year old billing system, and would no longer support the sewer billing function for either city. La Mesa decided to conduct their own sewer billing as a line item on property taxes for all customers, while El Cajon chose to execute a contract with a private billing company (Global Water Management, Inc.) after following a standard Request for Proposals (RFP) process.

All City of El Cajon sewer service accounts are billed based on bimonthly water meter reads conducted by the Helix and Padre Dam water districts. Roughly 79% of the approximately 16,500 sewer accounts in the City are billed a fixed rate, which is set by the City each July. Most of these accounts are single family residences and the fixed rate is based on the average of the two bi-monthly winter periods (roughly November-March) of water usage from the prior year for each account. This "Fixed Winter Average" is this closest representation to the actual sewer usage for a single family residence. The remaining sewer accounts, which are mostly commercial, industrial,

and multiple family residential properties, are billed directly based on their specific bimonthly water meter read. This has proven to be the most equitable method of identifying sewer charges for El Cajon customers.

Typically, most of the sewer accounts are paid on time. However, the City experiences delinquent accounts ranging from 6% to 8% of the total billing accounts each billing period. A number of customers wait until a notice of delinquency is issued prior to reconciling their accounts, sometimes allowing it to be assessed through the tax roll.

Each sewer bill includes a due date 28 days after the date of the bill. Any balance that remains one week after the due date has a 10% penalty added to it and a past due notice is sent to the customer and property owner. In addition, the City sends a notice of public hearing (lien notice) to property owners for any sewer account that remains delinquent for at least 30 days past the original due date. This lien notice gives no less than 30 days for the property owner to reconcile the delinquency before the debt is presented to Council for approval of a lien against the property. The final lien balances in the updated listing provided to Council include a standard \$25.00 administrative lien fee, as well as a 1.5% interest charge.

In accordance with the requirements of Municipal Code Section 13.44, a public hearing has been requested for delinquent sewer service charges.

This is the second lien hearing of the standard tri-annual lien practices to be completed this fiscal year (July 1, 2016 - June 30, 2017). At the end of each fiscal year, staff reviews all recorded liens for delinquent sewer charges and applies the remaining delinquent balances as an assessment against the corresponding properties. This balance is then included on and collected with the property taxes. Many of the sewer billing customers actually prefer to pay for their sewer charges with their tax bills, and therefore allow all sewer charges to be liened and assessed each year.

By utilizing a property lien and assessment process rather than a collection agency or other recoupment procedure, the City is able to ensure the security of the wastewater funding for the operation and maintenance of our wastewater collection system, as well as costs associated with transportation, treatment, and disposal of our wastewater by the San Diego Metropolitan Wastewater District. Additionally, liens are a cost effective way for the City to ensure payment of delinquent fees for services rendered.

On January 13, 2017, 880 delinquency lien hearing notices were mailed with a must pay date of February 17, 2017, representing a total unpaid balance of \$130,187.46. The lien notices informed property owners of the corresponding public hearing during the February 28, 2017 Council Meeting.

As of February 21, 2017, only 581 of the accounts remained delinquent, owing \$78,157.74. A revised listing of those accounts that remain delinquent as of February 28, 2017, will be provided to Council at the time of the hearing.

FISCAL IMPACT:

Failure to pay sewer charges impacts the City's ability to meet wastewater collection, treatment, and maintenance costs. There is no impact to the General Fund.

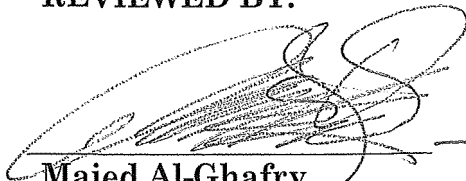
PREPARED BY:

REVIEWED BY:

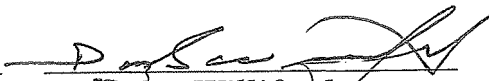
APPROVED BY:



**Yazmin Arellano
CITY ENGINEER
DEPUTY
DIRECTOR
PUBLIC WORKS**



**Majed Al-Ghafry
ASSISTANT CITY
MANAGER**



**Douglas Williford
CITY MANAGER**

RESOLUTION NO. -17

RESOLUTION APPROVING REPORT AND ACCOUNT OF
SEWER SERVICE CHARGE DELINQUENCIES; AND
CONFIRMING ASSESSMENTS AS LIENS PURSUANT TO
CHAPTER 13.44 OF THE EL CAJON MUNICIPAL CODE

WHEREAS, pursuant to the provisions of Chapter 13.44 of the El Cajon Municipal Code, a public hearing was held on February 28, 2017, for the purpose of hearing objections or protests to a report and account of delinquent sewer service charges; and

WHEREAS, protests and objections of the owners of the property liable to be assessed for said delinquent charges have been heard and considered by said City Council, and said account has been approved as submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. In accordance with the provisions of section 13.44.100 of Chapter 13.44 of the El Cajon Municipal Code, the report and account of delinquent sewer service charges (Exhibit "A") considered at the hearing held on February 28, 2017, on file in the office of the City Clerk, is approved, and the unpaid amounts designated in said report and account shall be a charge to the owners of the property on the next regular tax bill, and shall be a lien upon the property involved.

2. The sums herein assessed remaining unpaid after thirty (30) days from the date of this resolution shall bear interest as set forth in section 13.44.110 of Chapter 13.44 of the El Cajon Municipal Code.

3. The designation of said parcels is shown by Assessor's parcel numbers, and the initial amount plus interest to be assessed and imposed as a lien is designated thereafter on Exhibit "A" on file in the Office of the City Clerk.

4. Said liens shall be of no further force or effect upon the confirmation of the Tax Collector that said assessments have been added to the tax rolls.

5. The City Clerk is hereby directed to record a certified copy of this resolution and Exhibit "A" in the office of the County Recorder of San Diego County.

6. The City Clerk is hereby authorized to discharge and release any such lien when the claim under said lien has been fully satisfied.

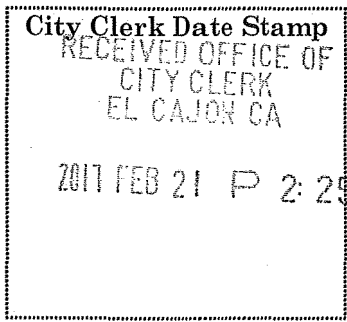
7. **The decision in your matter is final on this date, and by this notice, you have 90 calendar days from the date of the mailing of this notice to seek judicial**

review of this decision pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6, and El Cajon Municipal Code Chapter 1.32.

02/28/17 (Item 3.2)

Delinquent Sewer Liens February 2017 021317

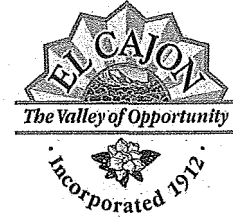
**List of Delinquent
Sewer Collection
Accounts is Available
for Review in the
City Clerk's Office,
200 Civic Center Way,
El Cajon, CA 92020
619-441-1763**



City of El Cajon Agenda Report

MEETING: FEB 28, 2017

ITEM NO: 3.3



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Dan Pavao, Building Official/Fire Marshal

SUBJECT: One Year Review of Code Compliance Case at 709 Hillsvievw Road

RECOMMENDATION: That the City Council:

1. Opens the public hearing and receives testimony;
2. Closes the public hearing;
3. Waives civil penalties in the amount of \$12,650.00 in this case;
4. Directs staff to bill the property owner for staff and administrative costs in the amount of \$1,318.95 as assessed at the Public Hearing of November 10, 2015; and
5. Considers this case closed.

BACKGROUND:

This case originally began in 2006 when Ms. Wanda Loper's property at 709 Hillsvievw Road experienced excessive calls for police service and "hoarding" of junk, trash, and debris on the property. As the case progressed through February and March of 2006, Ms. Loper refused to allow further inspections of the property. The City Attorney and staff in the Building and Fire Safety Division began working with James Albert, Esq., the property owner's attorney regarding the status of the case and the appointment of a receiver to manage the property. Since Mr. Albert's involvement, there have been no further complaints of violations or calls for police service to the property.

At the Public Hearing of November 10, 2015, Mr. Steve Loper (son of the now deceased Ms. Wanda Loper) requested that City Council remove the Notice of Restriction from the property and waive any fines and penalties in this case. The City Council elected to (1) Remove the Notice of Restriction filed against the property, (2) Assess staff time and administrative costs in the amount of \$1,318.95, and (3) review the condition of the property in a year and bring the case back to the City Council for final resolution and determination of civil penalties.

On January 31, 2017, the property was inspected and found to be in substantial compliance with the provisions of the El Cajon Municipal Code and State Housing Code. Staff is now seeking final resolution to this case as outlined above, and a determination regarding civil penalties.

FISCAL IMPACT:

(Assessed at Public Hearing on November 10, 2015)

Administrative Costs	\$615.00
Staff time	\$703.95
Total	\$1,318.95


(Recommendation to Waive)

Civil Penalties	\$12,650.00
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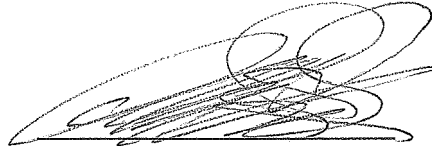
PREPARED BY:

REVIEWED BY:

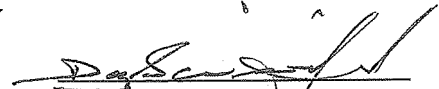
APPROVED BY:



Dan Pavao
Building Official
Fire Marshal



Majed Al-Ghafry
Assistant City Manager



Douglas Williford
City Manager

City Clerk Date Stamp

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2017 FEB 22 P 1:16

City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 4.1



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Douglas Williford, City Manager

SUBJECT: El Cajon Elves

RECOMMENDATION: That the City Council discuss the El Cajon Elves and provide direction to staff.

BACKGROUND:

The City Council directed the City Manager to agendize this issue for further discussion and decision at its February 14, 2017 meeting.

The proposal from Councilmember Kalasho more specifically is for a privately operated 501(c)3 organization, called El Cajon Elves, to facilitate providing seniors within the community with clothes, blankets, shoes and similar useful winter items. They would create and maintain their own website. This program would be in the similar vein as the very successful Santee Santa's program.

Councilmember Kalasho's proposal is for the City Council to authorize city staff and attorney to conduct the 501(c)3 filing process and, once the organization is established, to support it through the City website publicity, press releases, etc.

FISCAL IMPACT:

City Attorney costs for processing 501(c)3 are estimated to be approximately \$5000. Minimal staff costs for on-going publicity \ press release support.

SUBMITTED BY:


Douglas Williford
CITY MANAGER

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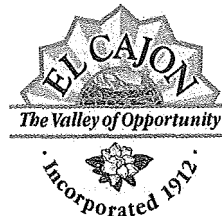
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P 12

City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 6.1



TO: Mayor Pro Tem McClellan, and Councilmembers
Goble, Kalasho and Kendrick

FROM: Mayor Wells

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 14, 2017 - Meeting w/ City Manager
- February 14, 2017 - City Council Meetings at 3:00 and 7:00 p.m.
- February 15, 2017 - Meeting w/ Collin McGlashen – Senator Anderson’s Office
- February 15, 2017 - Meeting w/ Fire Department Union
- February 15, 2017 - Meeting w/ City Manager
- February 17, 2017 - Neighborhood Market Association Dinner
- February 20, 2017 - Meeting w/ Senator Anderson
- February 20, 2017 - Meeting w/ Cox Communications Government Liaison
- February 20, 2017 - Meeting w/ Waste Management Kristine Costa
- February 21, 2017 - Meeting w/ Board of Equalization
- February 21, 2017 - Meeting w/ City Manager
- February 22, 2017 - KUSI Interview
- February 22, 2017 - Meeting w/ Steve Epstein w/ Mobilehome Association
- February 22, 2017 - Meeting w/ Foothills Church-Mark and Dave Hoffman
- February 22, 2017 - Meeting w/ Assist. CM Majed Al-Ghafry
- February 24, 2017 - SANDAG Board Meeting
- February 28, 2017 - City Council Meetings at 3:00 and 7:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,



Bill Wells
Mayor



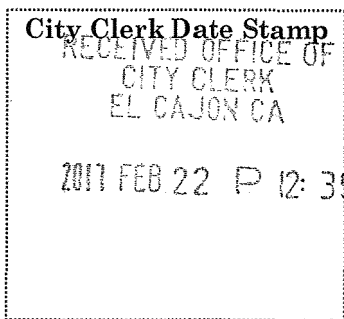
LEGISLATIVE REPORT 2017-2018



6.2

BILL	NO.	SPONSOR	SUBJECT	COUNCIL DATE	POSITION	COMMITTEE	BILL STATUS / LAST ACTION DATE
SB	54	De Leon	Law enforcement: sharing data. (Amended: 1/24/2017)	2/14/2017	Oppose	Senate	1/31/2017-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2.) (January 31). Re-referred to Com. on APPR.

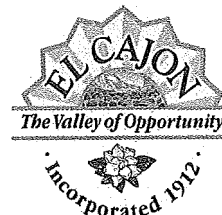
The Legislative Report tracks bills for the 2017-2018 Session of the California Legislature that the El Cajon City Council/Housing Authority/Successor Agency to the Redevelopment Agency has voted to monitor/watch, support or oppose. Updated February 21, 2017 at 11:30 a.m. for the February 28, 2017 City Council Meeting.



City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 6.3



TO: Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Mayor Bill Wells

SUBJECT: Proposed Improvements at Wells Park

RECOMMENDATION: That the City Council direct the City Manager to place proposed improvements at Wells Park on an upcoming agenda for further discussion and decision-making.

BACKGROUND:

Wells Park has historically been the City's most heavily utilized and visible park, given its location in the heart of El Cajon. Wells Park offers a wide variety of recreational uses to our residents, ranging from two Boys and Girls Club facilities, to popular sports fields and a dog park. Its location is key in that it is easily accessible to nearby schools and thousands of residents within walking distance.

Unfortunately, the Park has also occasionally been subject to various problems that have occurred over the years involving public safety, certain criminal activity, transients and related issues. Some residents have informed me they no longer feel safe there and this is unacceptable to me. The City has from time to time addressed these issues as they have come up and improved the atmosphere at the Park for our residents, but we have found that many of these problems keep coming back.

I have had several discussions regarding Wells Park with our City Manager and have become convinced it is now time for the City to take a more proactive and comprehensive approach to addressing both the future opportunities at the Park, as well as its current problems. I expect this will need to involve both thoughtful planning and appropriate funding to be successful.

Elsewhere on our agenda is an item proposed by staff to add CDGB funding for certain needed capital items at Wells Park. This is a good start, but I believe much more needs to be done.

Therefore, I am recommending that the City Council direct the City Manager to place this issue on an upcoming agenda for further discussion and decision-making. I request that the staff return to the City Council with information on the Park's history, recent improvements, future opportunities and an analysis of current issues we are experiencing there, along with proposed solutions.

FISCAL IMPACT:

To be determined.

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Bill Wells", written over a horizontal line.

Bill Wells
MAYOR

City Clerk Date Stamp

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City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 6.4



TO: Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Mayor Bill Wells

SUBJECT: DISCUSSION OF CITY COUNCIL POLICY REGARDING PLACING ITEMS ON
THE AGENDA

RECOMMENDATION: That the City Council direct the City Manager to place this item on an upcoming agenda for further discussion and decision-making.

BACKGROUND:

This past October, the City of La Mesa took steps to avoid unnecessary City Council and staff time being spent on items being placed on the City Council agenda by lone councilmembers. Specifically, they adopted a policy wherein any item to be placed on a City Council agenda by a councilmember required a second councilmember to sign off on that item in order to qualify for the agenda. The idea being that if even only two councilmembers could not agree to have a discussion on an item, it stood little chance of ever moving to a decision-making stage by the full City Council anyway.

The discussion in La Mesa openly acknowledged what we and the public all know to be true, which is that City Council agendas can be abused for strictly political purposes by individual councilmembers, rather than being utilized for their intended purpose of doing the public's important business. Our residents expect us to focus on the business most important to our community and not become distracted by less important side issues that have little chance of ever being adopted.

As Mayor, I am very concerned about this issue, as well, and believe it is important that the City Council agenda be host to issues that are in the best interests of the community, that are clearly realistic, and have sufficient support by the Council to be successfully implemented.

Therefore, I am recommending that the City Council direct the City Manager to place this item on an upcoming agenda for further discussion and decision-making.

FISCAL IMPACT:

Could save City Council and staff time spent on unnecessary agenda items.

SUBMITTED BY:

Bill Wells
MAYOR

City Clerk Date Stamp

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City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 7.1



TO: Mayor Wells, Mayor Pro Tem McClellan, and Councilmembers Goble and Kalasho

FROM: Councilmember Kendrick

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

February 17, 2017 -	Meeting w/ the City Manager
February 28, 2017 -	City Council Meetings at 3:00 and 7:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,

Gary Kendrick

Gary Kendrick
Councilmember

A handwritten signature in black ink, appearing to be "GK" or a similar monogram, is written to the right of the printed name "Gary Kendrick".

City Clerk Date Stamp

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City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 8.1



TO: Mayor Wells, and Councilmembers Goble, Kalasho and Kendrick

FROM: Mayor Pro Tem McClellan

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

February 16, 2017 - MTS Board Meeting

February 23, 2017 - MTS Budget Development Meeting

February 28, 2017 - City Council Meetings at 3:00 and 7:00 p.m.

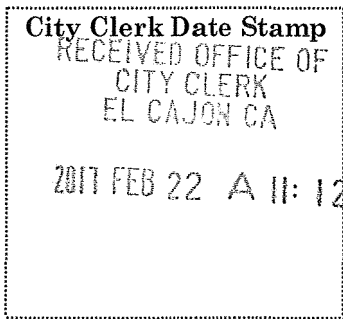
I will be happy to answer any questions you may have.

SUBMITTED BY,

Bob McClellan

Bob McClellan
Mayor Pro Tem





City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 9.1



TO: Mayor Wells, Mayor Pro Tem McClellan and Councilmembers Goble and Kendrick

FROM: Councilmember Kalasho

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 16, 2017 - East County Chamber Awards Gala
- February 20, 2017 - Spoke at El Cajon Valley Lions Club
- February 20, 2017 - Met with Cox Communication Representative
- February 25, 2017 - Boys & Girls Club Fundraiser at Omni Hotel
- February 27, 2017 - Speaker at Cuyamaca College
- February 27, 2017 - Meeting w/ City Manager
- February 28, 2017 - City Council Meetings at 3:00 and 7:00 p.m.
- February 28, 2017 - Participated in the Mardi Gras Parade

I will be happy to answer any questions you may have.

SUBMITTED BY,

Ben Kalasho

**Ben Kalasho
Councilmember**



City Clerk Date Stamp

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City of El Cajon Agenda Report

MEETING: 2/28/17

ITEM NO: 10.1



TO: Mayor Wells, Mayor Pro Tem McClellan, and
Councilmembers Kalasho and Kendrick

FROM: Councilmember Goble

SUBJECT: Council Activities Report

RECOMMENDATION: That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 15, 2017 - East County Economic Development Council
- February 15, 2017 - Meeting with POA Officers
- February 16, 2017 - East County Chamber Honors Event
- February 17, 2017 - Neighborhood Market Assn Annual Dinner
- February 20, 2017 - Lunch with Oscar Urteaga from Cox Communications
- February 21, 2017 - Phone Meeting with City Attorney
- February 22, 2017 - Lunch with Former Councilman Ambrose
- February 23, 2017 - Regional Homeless Task Force Meeting
- February 27, 2017 - San Diego Leadership Forum Meeting
- February 27, 2017 - Meeting with City Manager
- February 28, 2017 - East County Chamber Gov't Affairs Committee
- February 28, 2017 - City Council Meetings (3pm & 7pm)

I will be happy to answer any questions you may have.

SUBMITTED BY,

Steve Goble

Steve Goble
Councilmember

SG

ORDINANCE NO. ___-17

AN ORDINANCE APPROVING ZONE RECLASSIFICATION NO. 2315 FOR THE REZONING OF PROPERTY LOCATED ON THE EAST SIDE OF SOUTH MAGNOLIA AVENUE BETWEEN WEST CHASE AVENUE AND CAJON VIEW DRIVE FROM THE RESIDENTIAL, SINGLE-FAMILY, 20,000 SQUARE FEET (RS-20) AND RESIDENTIAL, SINGLE-FAMILY, 40,000 SQUARE FEET (RS-40) – HILLSIDE (H) OVERLAY ZONE TO THE PLANNED RESIDENTIAL DEVELOPMENT (PRD)-LOW-LOW AND PRD-LOW-HILLSIDE OVERLAY ZONE; APNs: 493-391-06, -07, -14, AND -15; GENERAL PLAN DESIGNATION: LOW-LOW DENSITY RESIDENTIAL (LLR) AND LOW-DENSITY RESIDENTIAL (LR)

WHEREAS, the El Cajon Planning Commission held a duly advertised public hearing on January 17, 2017, to consider Zone Reclassification No. 2315, for a change in the zoning designation of the subject properties from the RS-20 and RS-40 to PRD-Low-Low and PRD-Low-H, as submitted by Sameer K. Qasim for the Magnolia Hills project; and

WHEREAS, in accordance with CEQA Guidelines Section 15061(b)(2), and prior to making a recommendation to the City Council, the Planning Commission reviewed and considered the information contained in the project staff report; and

WHEREAS, the El Cajon Planning Commission adopted Resolution No. 10877 recommending City Council approval of Zone Reclassification No. 2315, for a change in the zoning designation from the from the RS-20 and RS-40 to PRD-Low-Low and PRD-Low-H for property located on the east side of South Magnolia between West Chase Avenue and Cajon View Drive, and addressed as 1333 South Magnolia; APN: 493-391-06, -07, -14, and -15; and

WHEREAS, the City Council held a duly advertised public hearing on February 14, 2017, to consider Planned Residential Development (PRD) No. 72 and received evidence through public testimony and comment, in the form of verbal and written communications and reports; and

WHEREAS, at the public hearing the City Council received evidence through public testimony and comment, in the form of verbal and written communications and reports prepared and presented to the City Council, including (but not limited to) evidence such as the following:

- A. The rezoning to the Planned Residential Development – Low-Low (PRD-Low-Low) and Planned Residential Development – Low (PRD-Low) zones is consistent with the Low-Low Density Residential and Low Density Residential land use designation as indicated in the General Plan Zoning Consistency Chart. Furthermore, the proposed zones would provide for the utilization of this underutilized project site for residential uses and with

development standards compatible with the surrounding neighborhood. The rezone would facilitate the development of the site for residential uses in conformance with Housing Element policies to increase the number of housing units available to all income levels.

- B. There are no applicable specific plans governing the subject property.
- C. The proposed zone change will facilitate the development of an underutilized property with housing, which will also assist the City in meeting its share of regional housing needs. The creation of additional housing units for various age and income groups is in the interest of public necessity, convenience, and general welfare.

WHEREAS, after considering such evidence and facts the El Cajon City Council did consider Zone Reclassification No. 2315 as presented at its meeting.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CAJON DOES ORDAIN AS FOLLOWS:

Section 1. That the foregoing recitals are true and correct, and are findings of fact of the El Cajon City Council in regard to Zone Reclassification No. 2315.

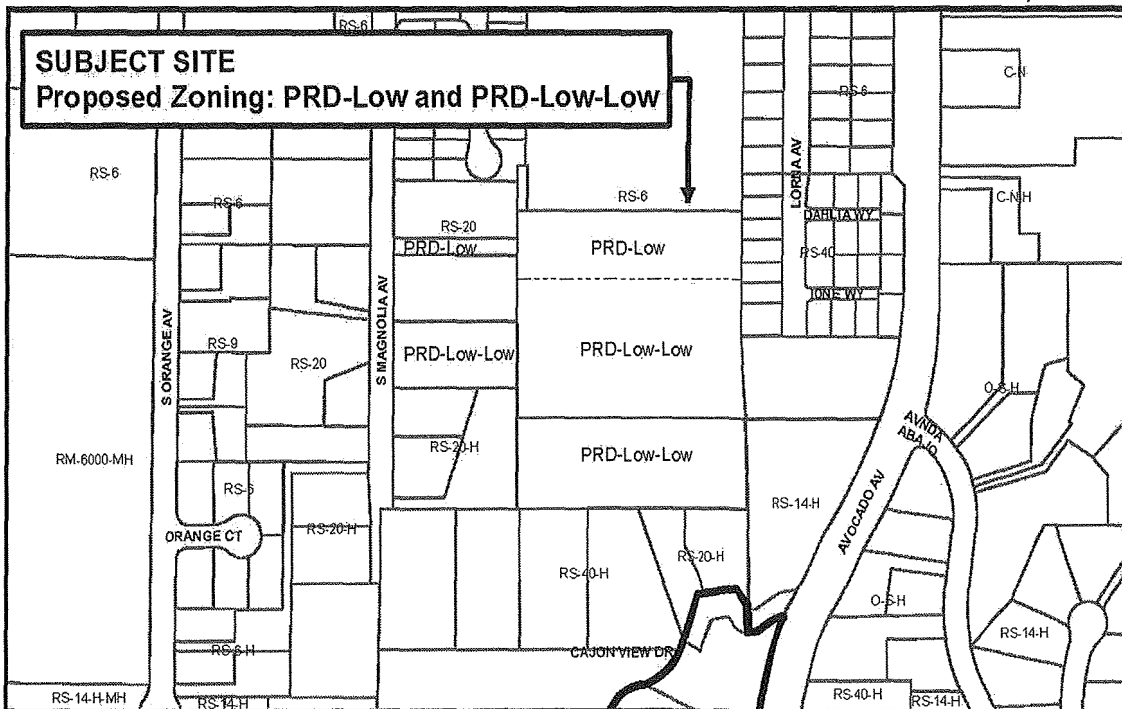
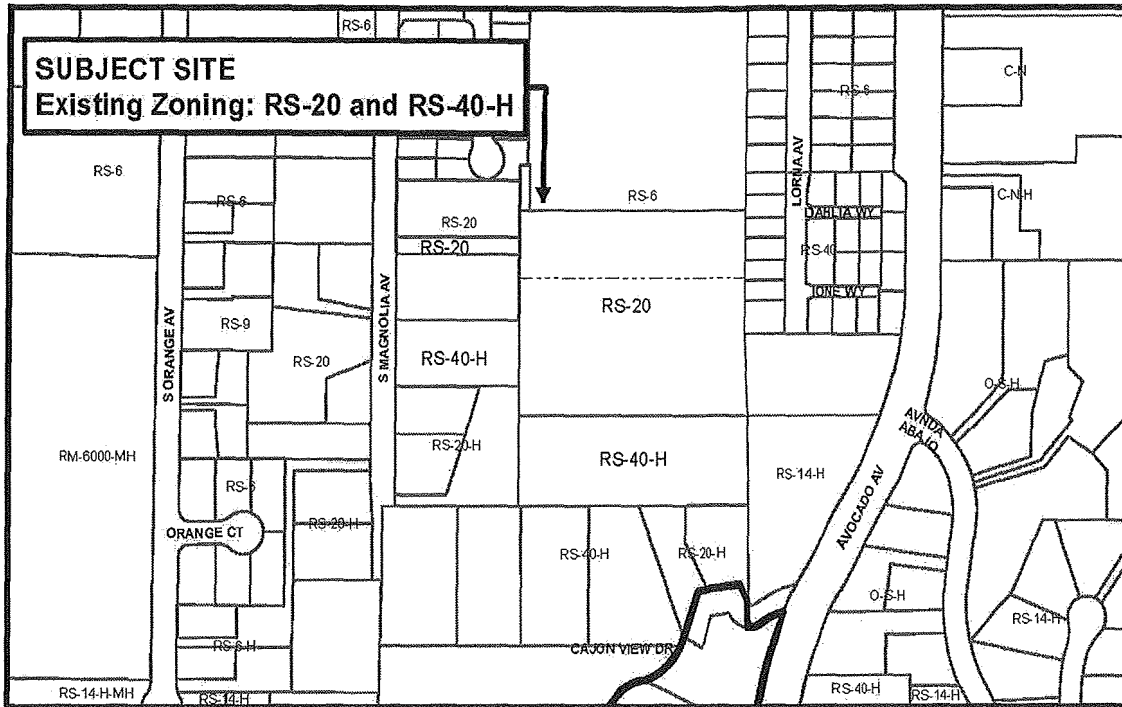
Section 2. That based upon said findings of fact, the El Cajon City Council hereby approves Zone Reclassification No. 2315 to rezone the subject property from the RS-20 and RS-40 zone to the PRD-Low-Low and PRD-Low-H zones as shown in Exhibit A, and subject to the condition that this zone reclassification shall become null and void if the accompanying Tentative Subdivision Map No. 662 is not recorded within the time frame permitted under the Subdivision Map Act.

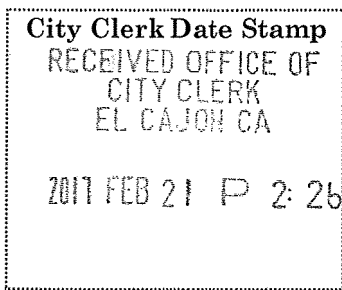
02/14/17 (Item No. 101)
02/28/17 (Item No. 14.1)

Magnolia Hills – ZR 2315 Ord 020917

Exhibit "A"

Zone Reclassification No. 2315

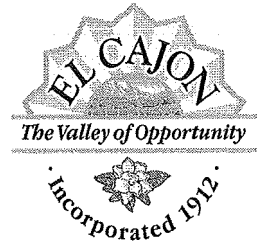




City of El Cajon Agenda Report

MEETING: Feb. 28, 2017

ITEM NO: 100



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Belinda Hawley, City Clerk

SUBJECT: INTERVIEWS FOR COMMISSION VACANCIES

RECOMMENDATION: That the City Council

- Conduct interviews for one (1) vacancy on the Public Safety Facility Financing Oversight Committee, waiving the requirement of Policy A-27 to have at least one more applicant than the number of vacancies, and consider appointing one member to the committee to serve a four-year term to expire January 31, 2021.

AND

- Conduct interviews for one of the two (2) existing vacancies on the Veterans Commission; waiving the requirement of Policy A-27 to have at least one more applicant than the number of vacancies, and considering appointing one member to the commission to serve a four-year term to expire January 31, 2021; and
- Establish an open-ended application period for the one (1) remaining seat on the Commission, and direct the City Clerk to schedule interviews on a future City Council agenda, upon receipt of any applications for this vacancy.

BACKGROUND: At its meeting of January 24, 2017, the City Council conducted interviews and made appointments to various City Commissions and Committees. Due to an insufficient number of applicants, one (1) vacancy remained on the Public Safety Facility Financing Oversight Committee and two (2) vacancies remained on the Veterans Commission. The application period was extended through February 17, 2017, and applicants were invited to participate in interviews at the 7:00 p.m. City Council meeting on February 28, 2017.

Press releases were distributed to local media about the vacancies. Additionally, applications were available on the City’s website and in the City Clerk’s office. Applicants were advised of the opportunity to make a two-minute presentation during the interviews, followed by a question and answer period by Council.

PUBLIC SAFETY FACILITY FINANCING OVERSIGHT COMMITTEE

One members: One term expiration – David De Baca.

One (1), four-year term to expire January 31, 2021:

- One (1) member, either a resident of the City or a non-resident, to be appointed from one or more of the following occupations:
 - A California licensed architect with experience designing and building commercial, industrial and governmental buildings;

- o A California licensed general contractor with experience constructing commercial, industrial and governmental buildings;
- o A California licensed civil engineer with experience in the designing and building of commercial, industrial and governmental buildings;
- o A building/property manager with experience in the management of commercial property;
- o A construction estimator with experience in estimating the construction of large-scale projects; and
- o A California certified public accountant with experience in professional accounting.

Applicant:

1. David De Baca (Incumbent)

VETERANS' COMMISSION:

Two Commissioners: Two Term Expirations – Leo Dano and A. Donn Dunlap.
Two (2), four-year terms will expire January 31, 2021:

- One (1) member, a resident of the City, to be appointed and must be an active service member or reservist with the armed forces at any time within the past ten (10) years prior to appointment.

NOTE: No applications were received for the above-noted seat. Staff has recommended establishing an open-ended application period until such time as applications are received, and subsequent interviews are scheduled with the City Council. Notice of the vacancy will be posted on the City's website.

- One (1) member, either a resident of the City or non-resident, to be appointed and must be 1) honorably discharged from the U.S. Armed Forces and 2) a member of a 501(c)19 veterans' organization based in El Cajon, as specified in Municipal Code Section 2.24.420(c).


Applicant:

1. William McFarland

Members of the aforementioned Commissions/Committees are required to participate in Ethics Training, and file a Statement of Economic Interests (Form 700) according to the provisions of the Political Reform Act, the Fair Political Practices Commission, and the City's Conflict of Interest Code.

FISCAL IMPACT: Members of the Planning and Personnel Commissions are compensated for meetings attended. Members of the Public Safety Facility Financing Oversight Committee and Veterans' Commission serve on a voluntary basis and are not compensated.

PREPARED BY:



 Belinda Hawley, CMC
 CITY CLERK

APPROVED BY:

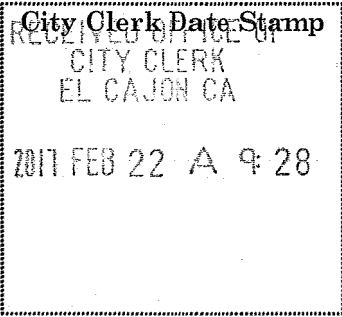


 Douglas Williford
 CITY MANAGER

Applications may be viewed in the City Clerk's Office during regular office hours: Monday – Thursday, 7:30 a.m. to 5:30 p.m., and alternate Friday, 8:00 a.m. to 5:00 p.m.

City Clerk's Office
City Hall
200 Civic Center Way
El Cajon, CA 92020

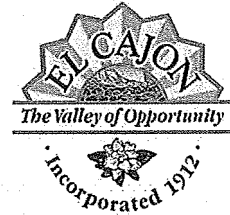
(619) 441-1763



City of El Cajon Agenda Report

MEETING: 02/28/17

ITEM NO: 101



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Goble, Kalasho and Kendrick

FROM: Anthony Shute, Deputy Director of Community Development

SUBJECT: FY 2017-18 CDBG AND HOME ALLOCATIONS; RE-ALLOCATION OF
AVAILABLE FY 2016-17 CDBG FUNDS

RECOMMENDATION: That the City Council:

- 1) Opens the public hearing and accepts public testimony;
- 2) Accepts public input for the FY 2017-18 One-Year Action Plan;
- 3) Closes the public hearing;
- 4) Allocates funds to projects and programs that will be funded from the FY 2017-18 Community Development Block Grant (CDBG) and HOME grant programs; and
- 5) Re-allocates available FY 2016-17 CDBG funds to East County Transitional Living Center’s secular Emergency Shelter Program.

Staff will prepare a preliminary funding schedule reflecting the City Council’s decisions from this public hearing relative to the FY 2017-18 Annual Action Plan, and will present it for final adoption at the second public hearing scheduled for April 25, 2017.

BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) provides funding each year to eligible jurisdictions through the federal Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) grant programs. These federal funds must be used for eligible projects and programs that benefit low- and moderate-income individuals and households in the City of El Cajon. “Low- and moderate-income” is defined as those persons and households who earn at or below 80% of the Area Median Income (AMI) adjusted for family size for the San Diego Metropolitan Service Area. CDBG funds are used for community development (public services) and for public facility (capital projects). HOME funds are used to assist in providing affordable housing opportunities.

FIVE-YEAR CONSOLIDATED PLAN

In order to receive the CDBG and HOME funds, every five years the City must prepare and submit a Five Year Consolidated Plan (Consolidated Plan). The Consolidated Plan is developed with significant citizen participation, and describes the needs, goals and priorities for the use of the CDBG and HOME funds over a five year period. The current FY 2014-2018

Consolidated Plan was adopted on April 22, 2014, and expires on June 30, 2019. The goals and priorities established in the current Consolidated Plan are described briefly in the attached CDBG Fact Sheet (**Attachment “1”**).

The current Consolidated Plan is available for public review on the Community Development – Housing’s web page, located at <http://www.cityofelcajon.us/your-government/departments/community-development/housing-division>, as well as at the Community Development - Housing public counter on the third floor of City Hall.

ANNUAL ACTION PLAN

To implement the Five Year Consolidated Plan, the City must annually prepare and adopt a One Year Action Plan. The One Year Action Plan specifies how financial resources will be allocated to address the goals and priorities in the Five Year Consolidated Plan. The projects and programs awarded allocations of CDBG and HOME funding today will form the core of the One Year Action Plan.

Following the allocation decisions from this public hearing, the draft One Year Action Plan will be prepared and made available for public review and comment for a 30-day period. The One Year Action Plan will be finalized and presented to the City Council at the second public hearing on April 25, 2017, for approval and adoption.

Once approved by the City Council, the One Year Action Plan will be submitted to HUD for review. Upon approval, the funds will become available on or after July 1, 2017. The attached CDBG Fact Sheet provides a summary of eligible and ineligible activities, and a timeline for citizen participation in the development of the Annual Action Plan in FY 2017-2018.

EVALUATION OF PAST YEAR’S PERFORMANCE

Annually, the City submits a comprehensive review of each fiscal year’s performance to HUD, including the progress made towards meeting the goals of the Five Year Consolidated Plan. A complete review of the FY 2015-16 Action Plan Year is included in the City’s Consolidated Annual Performance and Evaluation Report, which is available for public review on the Community Development – Housing’s web page, located at <http://www.cityofelcajon.us/your-government/departments/community-development/housing-division>, as well as at the Housing counter on the third floor of City Hall. Projects and programs are currently underway for the FY 2016-17 Action Plan period.

ANTICIPATED FY 2017-18 CDBG AND HOME FUNDING

Annual allocations of CDBG and HOME funding are based on formulas calculated by HUD and are usually released in the spring of each year. HUD has not yet announced the allocation amounts for FY 2017-18. Staff has prepared estimates of the funding based on the allocations remaining essentially level over the previous year’s allocation amounts. However, given ongoing reductions in federal funding, it is highly possible that CDBG and HOME program funds will be dramatically impacted, or even eliminated altogether. If such severe changes do take place, causing substantial deviations in or elimination of grant funding for these programs, staff will return to Council with recommendations.

Based on these estimates, the CDBG allocation is expected to total approximately \$1,200,000, and the HOME allocation is expected to be approximately \$435,000. Staff has

also identified additional CDBG funds available (\$80,000), which were allocated in prior years to the Housing Rehabilitation Loan Program (Mobile Home program) that are in excess of current-year needs. These additional funds are available for re-allocation to public facility/capital-type projects only. Council action is also requested to identify the projects that will automatically receive increases or decreases once actual funding amounts are known, in order to preclude the need for additional public hearings to allocate minor amounts.

Through the published application process for CDBG projects and programs, the City received 17 eligible requests for CDBG funding. As in past years, requests for funding exceed the amounts expected to be available for allocation. The complete Applications Binder is available in the City Clerk's Office for City Council and public review. A summary of the CDBG applications received can be found in **Attachment "2."**

City Council action is requested to identify the projects and programs that will receive CDBG and HOME funding, and the activities to be conducted in FY 2017-18 using these funds.

CATEGORIES OF FUNDING/RESTRICTIONS

The federal regulations for CDBG and HOME funding detail the eligible activities under each grant source. For certain categories of activities, restrictions are placed on the amounts of the total grant allocation that may be expended in a given year.

For the CDBG program, the regulations restrict the amount of funds that may be reserved and expended as follows:

- No greater than 20% of the annual CDBG grant allocation may be awarded or expended during that year for planning and grant administration activities;
- No more than 15% of the annual CDBG grant allocation may be awarded or expended for public service activities.

For the HOME program, the regulations restrict the amount of funds that may be reserved and expended as follows:

- No more than 10% of the total HOME grant allocation may be awarded or expended for planning and grant administration activities during the year;
- A minimum of 15% of the total HOME grant amount must be reserved for eligible affordable housing activities to be conducted by Community Housing Development Organizations (CHDOs) as outlined below.

CDBG PROPOSALS RECEIVED

As noted above, the City received a total of 17 eligible applications for CDBG funding. A maximum of 20 percent (\$240,000) of the total anticipated grant allocation of \$1,200,000 may be allocated for grant administration activities, and maximum of 15 percent (\$180,000) may be allocated for public service activities. There is no maximum on the amount of the annual grant allocation that may be awarded for public facility/capital/other projects.

Staff recommendations for the various categories of funding are listed below and are also summarized in **Attachment "2"** of this report.

PLANNING AND ADMINISTRATION (MAXIMUM 20% OF CDBG GRANT)

CDBG funds can be used for grant administration and planning activities, including general administration, management oversight, program implementation and fair housing services. Staff anticipates that a maximum of approximately \$240,000 will be available for allocation to Planning and Administration activities in FY 2017-18, and recommends awarding the funds as follows:

- ◆ CSA San Diego County – Fair Housing Services/Housing Placement Services - The provision of fair housing services is mandatory for federal programs, including the CDBG and HOME programs. CSA San Diego County has requested funds to provide fair housing services for City of El Cajon residents, and has included the provision of new emergency housing placement services for low-income families in the City. For the past several years, CSA San Diego has been awarded a total of \$20,000 each year (\$15,000 in CDBG funds and \$5,000 in HOME funds) for fair housing services. Staff recommends an increase in the funding for CSA San Diego County, with \$25,000 from CDBG funds and \$5,000 in HOME Admin funds, for a total contract of \$30,000 for the provision of essential fair housing services, and new housing placement services for seven families.
- ◆ CDBG Administration – The City provides staffing and management oversight for the administration and implementation of the CDBG program. In addition, since funding for administration of the HOME program is not sufficient to adequately administer that program, funds awarded for CDBG administration are used to pay for administration costs of the HOME program. These activities will require the maximum amount of CDBG Administration funds available to adequately administer both programs for FY 2017-18. Staff recommends allocating \$215,000 of CDBG funds to the City's Community Development Department - Housing for continued administration of both grant programs, including internal and external costs.

PUBLIC FACILITIES/CAPITAL IMPROVEMENT PROJECTS (NO MAXIMUM)

Under the CDBG program, the City may use funds to undertake a variety of public facilities and public improvement projects that benefit low- and moderate-income residents. This includes all facilities and improvements that are publicly owned, or that are owned by a nonprofit and open to the public (with certain exceptions). The City received several proposals for Public Facility/Capital Improvement funds.

Previous Council direction has been to maximize and prioritize the use of CDBG funds for CDBG-eligible, City-owned Public Facility improvements serving the entire community, and to bring all public facilities into compliance with ADA requirements. The City Council has preferred to prioritize funding to continuing phased projects and projects already underway, before funding new projects. The following is a brief discussion of each project's submittal for Public Facilities/Capital funds, and staff's recommendations for funding:

- ◆ City Public Works (Wells Park Improvements – Phase I) – The City's Public Works and Recreation Departments have identified a need for comprehensive improvements to Wells Park, a heavily-used public park located in a low-income census tract. The park generates numerous police calls due to suspicious and non-family-friendly activities. The park requires significant security enhancements, including new fencing, improved lighting, reconstruction of the parking lot, restroom enhancements, new landscaping and new recreational activities. These improvements are the first

phase of the comprehensive improvements planned for the park to improve the quality of life and safety for the area's residents. Staff recommends funding for this activity in the amount of \$500,000.

- ◆ City Public Works (East County Performing Arts Center (ECPAC)) – ECPAC is over 30 years old and is in need of major improvements, including HVAC upgrades, carpet, furnishings, stage lighting and rigging, and roof improvements. CDBG funds will augment City's General Funds, and will allow the City to provide comprehensive ADA upgrades to the interior and exterior of the facility to ensure it is fully accessible. CDBG funds were awarded in FY 2014-15 (\$500,000) and FY 2015-16 (\$50,000) for ADA improvements. However, staff has determined that additional CDBG funds will be required to fully cover the cost of the comprehensive ADA improvements needed. Staff recommends funding this activity in the amount of \$150,000.
- ◆ City Public Works (Stoney's Kids Park Improvements) – The Stoney's Kids Park adjacent to Ronald Reagan Community Center is heavily-used by neighborhood residents and is in need of comprehensive improvements. CDBG funds were awarded in FY 2016-17 (\$350,000) to revitalize the park (in conjunction with a new KaBoom playground) with passive and active recreational activities and additional lighting. Additional funding is needed for this project to increase the security features at the park to make it accessible for all users. Staff recommends additional funding for this activity in the amount of \$135,000.
- ◆ City Public Works (ADA Curb Ramps Installation) – Based on a City 25-year work plan, approximately 45 curb ramps and a quarter mile of sidewalks need to be constructed each year to complete the plan in that timeframe. Funding has been requested for this project to include the installation of new ADA compliant curb ramps, as well as the retrofit of existing curb ramps throughout the City during the fiscal year. This project will leverage TransNet and Safe Routes to School grant funds. Staff recommends funding this activity in the amount of \$30,000.
- ◆ Home of Guiding Hands (Facility Improvements at 518 Roberta Avenue) - Funding has been requested for additional major facility improvements to one group home serving developmentally disabled adults. Improvements will include upgrading two bathrooms, replacement of the roof, replacement of vinyl flooring throughout the home, and replacement of a deck walkway to ensure ADA accessibility. Funding has been awarded to this agency each year since 2012 for various facility improvements. Staff recommends funding this activity in the amount of \$20,000.
- ◆ Home of Guiding Hands (Solar Panels at Resource Center) - Funding has been requested for the installation of solar panels at the agency's new resource center serving developmentally disabled adults. This project is expected to assist in lowering the agency's utility bills, but it does not provide a direct benefit for or improve the quality of life for agency's clientele. Therefore, this is not recommended for funding.
- ◆ Cajon Valley School District (Installation of Wi-Fi Facilities) – Funding has been requested for this project to install equipment at the site of the school district's central office to expand Wi-Fi access for thousands of Cajon Valley students. The facility funded through this project will serve as the hub of an eventual citywide network of equipment serving all low-income students throughout the City. This first facility will provide Wi-Fi access to all Cajon Valley students within a 2-mile radius. Staff recommends funding this activity in the amount of \$25,000.

- ◆ San Diego Habitat for Humanity (Critical Home Repair) - Funding has been requested for continuation of a pilot program that was awarded CDBG funding in FY 2016-17 (\$48,000) to assist low-income households by providing minor housing rehabilitation. The program includes minor improvements to existing single-family homes to beautify the homes and neighborhoods. The FY 2016-17 program is not yet underway and its performance cannot be evaluated for continuation. In addition, the City is partnering with San Diego Habitat for Humanity in several other projects to produce affordable housing. Therefore, this is not recommended for funding.

PUBLIC SERVICES (MAXIMUM 15% OF GRANT)

The City received a number of applications for public service programs. Staff anticipates that a maximum amount of approximately \$180,000 will be available for allocation to Public Service programs and projects in FY 2017-18, and recommends as follows:

- ◆ Community Policing (Crime Free Multi-Housing) - Funds have been requested for the continued provision of the very successful Crime Free Multi-Housing Program which serves residents city-wide by reducing crime and increasing safety in neighborhoods. This program has received operational support every year since 1997. Staff recommends funding this activity in the amount of \$50,915.
- ◆ San Diego Workforce Partnership (CONNECT2Careers Program) – Funds have been requested for an expansion of San Diego Workforce Partnership’s existing program to develop work experiences, job training and job placements for youth aged 16 to 24 in El Cajon. Since past City Council practice has been to maximize the available funds for basic services for the homeless, food services for the elderly, and crime prevention services that benefit all parts of the City, this is not recommended for funding.
- ◆ Crisis House (CAHP – Homeless Assessment Coordinator) – Funds have been requested for the provision of a full-time dedicated Coordinated Assessment and Housing Placement (“CAHP”) Coordinator position for the East County region. Under separate grant programs, HUD and the U.S. Department of Veterans Affairs (VA) provide funds to communities to address homelessness. In order to receive those funds, communities are required to develop a coordinated entry and assessment system (referred to as “CAHP”) to more effectively match the needs of homeless persons or families with appropriate housing resources. In the San Diego region, the Regional Task Force on the Homeless (formerly the Regional Continuum of Care Council) is the lead agency for the development and implementation of the CAHP, but it does not provide assessment services directly. Instead, it relies on partnerships with homeless service providers in each region to provide the assessment services for that region.

Crisis House has been designated as the “Lead Agency” and “Access Site” for East County for connecting homeless individuals to the regional CAHP system. However, no funds were awarded or provided for the actual assessment position. Without additional resources for a dedicated Coordinator position, Crisis House states it will be necessary to dramatically limit the amount of time for homeless assessments and to eliminate any housing navigation services for El Cajon’s homeless. Crisis House has requested \$49,013. Crisis House currently receives in-kind support from the City valued at over \$100,000 each year. Staff recommends funding this activity in the amount of \$7,085.

- ◆ East County Transitional Living Center (Emergency Shelter Program) - Funds have been requested to provide emergency shelter for the homeless. The program proposes to serve 270 persons with emergency shelter beds (up to 28 days), as well as providing food and case management. This program has received operational support since 2005. Staff recommends funding this activity in the amount of \$100,000.
- ◆ Mama's Kitchen (Food Delivery Program) – Funds have been requested for the provision of meals for El Cajon residents who are mentally or physically unable to prepare their own meals due to the debilitating effects of HIV/AIDS or cancer. The program proposes to serve 35 El Cajon residents. Mama's Kitchen has requested \$15,000. Since past City Council practice has been to maximize the available funds for basic services for the homeless, food services for the elderly, and crime prevention services that benefit all parts of the City, this is not recommended for funding.
- ◆ Meals on Wheels (Meal Delivery for Seniors) - Funds have been requested for the provision of meals to low-income, homebound seniors within the City. The program proposes to serve 155 El Cajon seniors. This program has received operational support since 1992. Staff recommends funding this activity in the amount of \$15,000.
- ◆ St. Madeleine Sophie's Center (Volunteer-to-Employment Program) - Funds have been requested for an existing program providing job development opportunities for disabled adults. The program proposes to serve 75 people from throughout the region. CDBG Funding was awarded to this agency in FY 2015-16 (\$30,000) for the purchase and installation of solar panels on the agency's main building. To date, the project is not completed and therefore its performance cannot be evaluated. This program is not recommended for funding.
- ◆ Interfaith Shelter Network (Rotational Shelter Program) - Funds have been requested for this program that provides emergency shelter for homeless individuals at East County churches on a rotational basis during the winter months. Each church agrees to provide beds, food and shower facilities for two weeks at a time. The program proposes to serve up to 40 people (20 from El Cajon) over four months the shelter is operating. Staff recommends funding this activity in the amount of \$7,000.

HOME PROGRAM

Unlike the CDBG program, the HOME program mandates a 10% set-aside for Administration, a 15% set-aside for Certified Housing Development Organizations (CHDOs), and the balance is reserved for ongoing, City Council-authorized entitlement projects such as the City's First-Time Homebuyer Down Payment Assistance Program and the Housing Rehabilitation Loan Program (for single-family, mobile home and multi-family homes). Staff recommendations for funding in each category are summarized below and included in **Attachment "3."** The total HOME program allocation is expected to be approximately \$435,000 in FY 2017-18.

PLANNING AND ADMINISTRATION (MAXIMUM 10% OF GRANT)

HOME funds are used for administration and planning activities, including general management, oversight, program implementation and fair housing services. Staff anticipates that a maximum amount of approximately \$43,500 will be available for allocation to Planning and Administration activities in FY 2017-18, and recommends as follows:

- ◆ CSA San Diego County (Fair Housing Services) – As noted earlier, CSA San Diego County is requesting \$47,000 to provide fair housing and landlord/tenant services for City of El Cajon residents, as well as new housing placement services for families. Staff recommends funding of \$5,000 from HOME funds, along with an allocation of \$25,000 from CDBG funds (see the discussion above), for a total contract for \$30,000 for the provision of fair housing and housing placement services in El Cajon.
- ◆ HOME Administration - Staff recommends allocating \$38,500 to Community Development Department - Housing for administration of the HOME Program, including internal and external costs. Since this amount of funding is not sufficient to adequately administer the HOME program, funds awarded for CDBG Administration are used to pay for administration costs of the HOME program over this amount.

CHDO SET-ASIDE FUNDING (MINIMUM 15% OF HOME GRANT)

The HOME program also requires that 15% of the grant be reserved for the production of affordable housing opportunities by one or more Community Housing Development Organizations (“CHDOs”). A CHDO is a private nonprofit, community-based service organization that has as its mission the provision of affordable housing for the community it serves. A CHDO must also have staff on board with the capacity to develop affordable housing, along with meeting other criteria. Once a CHDO has met the criteria, it must be certified by the City of El Cajon in order to qualify for the use of CHDO funds, and a specific project must be identified.

For FY 2017-18, \$65,250 is the approximate amount that must be set-aside for future allocation to one or more CHDOs. Staff will return with recommendations for a specific CHDO and project at a later time once a CHDO and a project have been identified. At this stage, in order to comply with HOME regulations, funds must simply be reserved.

ENTITLEMENT PROJECTS (BALANCE OF GRANT)

The amount available for continuing housing programs is anticipated to be \$326,250. Staff recommends the balance be allocated to the Housing Programs Pool of Funds for continuing City Council-authorized housing activities, including the Housing Rehabilitation Loan Programs and the First-Time Homebuyer Program. Funds will be moved from the Housing Programs Pool of Funds to these HOME Entitlement programs on an as-needed basis, based on market conditions and demand. These programs assist the City with meeting the goals and objectives adopted in the City’s Five Year Consolidated Plan.

RE-ALLOCATION OF AVAILABLE FY 2016-17 CDBG FUNDING

On April 26, 2016, the FY 2016-17 One Year Action Plan was adopted by the City Council. The Action Plan included allocations of Public Service funds for several projects, including The Angel’s Depot’s (TAD) Emergency Food for Seniors program in the amount of \$20,000 and the East County Transitional Living Center’s (ECTLC) Emergency Shelter Program in the amount of \$100,000. Shortly after the beginning of the fiscal year, staff was advised that TAD had terminated its services and permanently closed its doors, resulting in the withdrawal of its application for the funds. TAD confirmed the closure was due to the loss another significant grant source, and that no services had taken place during FY 2016-17, which would obligate the City for repayment.

Staff has recently been notified that East County Transitional Living Center's Emergency Shelter Program (a secular program providing emergency housing for homeless individuals and families, regardless of their culture, ethnicity and faith) has exhausted its FY 2016-17 allocation of CDBG funding due to the high demand for emergency housing services. Staff recommends re-allocating the \$20,000 in FY 2016-17 CDBG funds to the East County Transitional Living Center's Emergency Shelter Program. An amendment to the One Year Action Plan is not required since the total change in program funding for the Emergency Shelter Program does not exceed 25% of the original allocation amount.

FISCAL IMPACT

All CDBG and HOME grant allocations will be utilized to fund project and program costs pursuant to Federal law. There is no impact to the General Fund.

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Attachments:

- Attachment 1 - CDBG Fact Sheet (summary of priorities, eligibility criteria, and Citizen Participation schedule)
- Attachment 2 - FY 2017-18 CDBG Allocations Worksheet
- Attachment 3 - FY 2017-18 HOME Allocations Worksheet

CDBG FACT SHEET & ANNUAL ACTION PLAN TIMELINE*

I. Introduction

This FACT SHEET has been prepared to assist the community to understand the COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) program in El Cajon. Also, this FACT SHEET provides information as to how non-profit organizations may apply for CDBG funds from the City of El Cajon and how those funds must be used to benefit the community.

II. Overview of Program

- A. Per Title I of the Housing and Community Development Act of 1974 (Public Law 93-383), as amended, the City of El Cajon is entitled to receive federal CDBG funds on an annual basis. The purpose of the federal grant program is to assist cities, such as El Cajon, with the development of decent housing, a suitable living environment, and economic opportunities for the benefit of low and moderate-income residents.
- B. **All CDBG-funded projects and programs must meet one or more of the following NATIONAL OBJECTIVES:**
- 1) **Benefit low/moderate income residents;** or
 - 2) Meet a community need having a particular urgency because existing conditions pose a serious and immediate threat to the health and/or welfare of the community and no other financial resources are available to meet the need. (A condition will be considered urgent or of recent origin if it developed or became critical within the 18-month period preceding the application);
or
 - 3) Aid in the prevention or elimination of conditions of slum and blight.

NOTE: All CDBG-funded projects in the City of El Cajon must address the national objective to benefit low/moderate income residents.

- C. **Additionally, projects must meet at least one or more of the local goals/priorities developed by the City of El Cajon in its FY 2014-2018 Five-Year Consolidated Plan:**

- Goal 1:** Provide Decent and Affordable Housing
- Goal 2:** Promote Equal Housing Opportunity
- Goal 3:** Support a Continuum of Care System for the Homeless
- Goal 4:** Provide Community Facilities and Infrastructure
- Goal 5:** Provide Community and Supportive Services

The Goals/Priorities are more fully described in the FY 2014-2018 Five-Year Consolidated Plan which is available for review at the Community Development - Housing public counter, located at 200 Civic Center Way, Third Floor, El Cajon, CA 92020 during regular business hours. The FY 2014-2018 Five-Year Consolidated Plan is also available for review any time on the City's website at <http://www.cityofelcajon.us/dept/redev/housing/funding.aspx>.

- D. In addition, proposed projects/programs will be assessed according to the following objectives and outcomes:

PERFORMANCE MEASUREMENT STANDARDS

Outcomes → Objectives ↓	Availability / Accessibility	Affordability	Sustainability
Suitable Living Environment	Enhance suitable living environment through improved/ new accessibility	Enhance suitable living environment through improved/ new affordability	Enhance suitable living environment through improved/ new sustainability
Decent Housing	Create decent housing with improved/ new availability	Create decent housing with improved/ new affordability	Create decent housing with improved/ new sustainability
Economic Opportunity	Provide economic opportunity through improved/ new accessibility	Provide economic opportunity through improved/ new affordability	Provide economic opportunity through improved/ new sustainability

NOTE: City staff will assign the most suitable Outcome/Objective classification.

III. Eligible Activity Categories (24 CFR 570.201)

The following provides a sample of activities that may be eligible for funding under the CDBG program. Please note that each category is subject to very specific guidelines.

- ◆ Acquisition of real property
- ◆ Disposition of real property
- ◆ Public facilities and improvements
- ◆ Infrastructure improvements
- ◆ Public services
- ◆ Housing and fair housing services
- ◆ Construction of improvements related to housing
- ◆ Rehabilitation and preservation activities
- ◆ Homeownership assistance
- ◆ Facilitation of economic development
- ◆ Planning and Program administration

IV. Ineligible Activities (24 CFR 570.207)

The following provides a sample of activities which would **NOT** be eligible for CDBG funding:

- ◆ Buildings, or portions thereof, used for the general conduct of government.
- ◆ General government expenses.
- ◆ Political activities.
- ◆ Purchase of construction equipment.
- ◆ Purchase of equipment, fixtures, motor vehicles, furnishings or other personal property that is not an integral structural fixture (specific exceptions exist—contact program administrator with questions).
- ◆ Income payments to individuals for housing or any other purpose.
- ◆ Services, activities or improvements to facilities which do not serve primarily low income persons and households.

V. Citizen Participation

To encourage public participation in the development of the CDBG program, the City has adopted a Citizen Participation Plan which outlines the procedures to be followed by public officials and private citizens to establish a statement of projects for a given program year. The complete Citizen Participation Plan is available for review at the public counter of the Community Development - Housing, Third Floor, 200 Civic Center Way, El Cajon, CA 92020 and also on the City's webpage at <http://www.cityofelcajon.us/your-government/departments/community-development/housing-division/funding-sources>. A summary of the application process for CDBG funds is provided below for organizations and/or private citizens who wish to participate in the City's program.

The application process for CDBG funding begins each year in the fall. A "Notice of Funding Availability" is published in the local newspaper of general circulation for review by the public and a courtesy copy is mailed to all persons and organizations that requested to be placed on the City's mailing list. The Notice will provide information regarding the amount of funds expected to be available, the procedures to follow for submitting proposals to the City with a schedule of applicable activities, and any additional information determined to be necessary by the program coordinator.

In the "Notice of Funding Availability", the City will request applications for proposed projects from community agencies for eligible projects to be funded through the CDBG program. Applicants will be given at least thirty (30) days to submit a proposal or submit program comments/suggestions to the Community Development - Housing, 200 Civic Center Way in El Cajon. Staff will review project submittals and determine whether or not a proposed project meets the stated criteria and is eligible for CDBG funding, and will then forward all eligible projects to the City Council for further consideration at two (2) public hearings.

The City Council will select the projects to be funded through the CDBG program and those projects will be included in the One Year Action Plan that is submitted to the U.S. Department of Housing and Urban Development for additional review and final approval. Once the Action Plan is approved, and all other stated conditions are met, project activities may begin and CDBG funding will be available for disbursement to the agencies who were selected to participate in the program.

For additional information on the CDBG program and/or to obtain an application for funding, contact City of El Cajon Community Development - Housing at (619) 441-1786.

SAMPLE ANNUAL ACTION PLAN TIMELINE*

(*In this Fact Sheet, all dates are approximate and should be viewed as sample dates for any given funding application/year)

November 17, 2016	"Notice of Funding Availability" published in the newspaper and notice mailed to interested parties' list.
November 17, 2016	Applications for CDBG Funding available.
November 17 -December 15, 2016	Technical Assistance is available upon request. Call the Community Development - Housing at (619) 441-1786 for assistance via telephone or to set an appointment.
December 22, 2016	Deadline for proposals/applications for CDBG funds to be submitted to Community Development - Housing, 200 Civic Center Way, Third Floor, El Cajon, CA 92020 by 5:00 p.m.
January 30, 2017*	Notify applicants regarding eligibility.
February 9 & 17, 2017*	"Notice of First Public Hearing" to be published in newspaper.
February 28, 2017*	First Public Hearing at 7:00 p.m. to solicit public input and to tentatively allocate FY 2017-18 CDBG and HOME funds.
March 16, 2017	"Notice of 30-day Public Review Period and Second Public Hearing" to be published in newspaper. Notice includes full listing of approved projects, amounts and regulatory citations, and seeks public input. Draft of Action Plan is available at the Community Development - Housing Counter.
April 25, 2017	Second Public Hearing at 3:00 p.m. to solicit public input and final adoption of FY 2017-18 One-Year Action Plan.
April 26, 2017	Begin contract negotiations with selected CDBG subrecipients and initiate environmental reviews. Agreements targeted for execution on or about July 1, 2017.
May 15, 2017	One-Year Action Plan submitted to HUD for approval.
May 18, 2017	"Notice of Submittal of One-Year Action Plan" published in newspaper.
May 15 – June 30, 2017	HUD review period of One-Year Action Plan.
July 1, 2017	Begin Fiscal Year 2017-18. Program activities may not begin until all pre-conditions of the funding are met and agency is notified that it may proceed.

*All dates listed herein are approximate and are subject to change. Persons relying on this Schedule must contact the Community Development - Housing at (619) 441-1786 or jkasviki@cityofelcajon.us to confirm the actual date of each event as the timeframe nears.

ESTIMATED CDBG FUNDS AVAILABLE on 7/1/17:	
Est FY 2017-18 CDBG Grant Allocation:*	\$ 1,200,000
Less 20% (MAX) for ADMIN:	\$ (240,000)
Less 15% (MAX) for PUBLIC SERVICES:	\$ (180,000)
EXCESS FUNDS AVAILABLE FROM FY 2016-17 HRLP:	\$ 80,000
CDBG Funds Available for Capital projects:	\$ 860,000

*Assumes level funding over current year

ADMINISTRATION - 20% CAP (estimated \$240,000 available)							
Tab No.	Agency	Project/Program	Grant	Type	FUNDED PRIOR YEAR	AMOUNT REQUESTED	STAFF RECOMMENDATIONS
--	City - Housing	CDBG Administration (1)	CDBG	Admin	\$ 232,887	\$ 215,000	\$ 215,000
1	CSA San Diego County	Fair Housing Services	CDBG	Admin or PS	\$ 15,000	\$ 47,000	\$ 25,000
						sub-total:	\$ 262,000
							\$ 240,000

(1) When the actual final allocation from HUD is determined, CDBG Administration is authorized to be allocated any excesses or decreases in CDBG funds for Planning/Administration, to the maximum allowed (20%).

PUBLIC FACILITIES/CAPITAL/OTHER - NO CAP (estimated \$860,000 available)								
Tab No.	Agency	Project/Program	Grant	Type	FUNDED PRIOR YEAR(S)	AMOUNT REQUESTED	STAFF RECOMMENDATIONS	
2	City - Public Works	Wells Park - Phase 1	CDBG	Capital	\$ -	\$ 500,000	\$ 500,000	
3	City - Public Works	East County Performing Arts Center (ECPAC) ADA Improvements	CDBG	Capital	\$ 549,770	\$ 150,000	\$ 150,000	
4	City - Public Works	Stoney's Kids Park Improvements (adjacent to Ronald Reagan Community Center)	CDBG	Capital	\$ 350,000	\$ 135,000	\$ 135,000	
5	City - Public Works	ADA Pedestrian Curb Ramps & Sidewalks Program (2)	CDBG	Capital	\$ 200,000	\$ 30,000	\$ 30,000	
6	Home of Guiding Hands	Facility Improvements at 518 Roberta Ave.	CDBG	Capital	\$ 38,230	\$ 23,000	\$ 20,000	
7	Home of Guiding Hands	Solar Panel Project at Resource Center	CDBG	Capital	\$ -	\$ 125,000	\$ -	
8	Cajon Valley School District	Expanding Wi-Fi Access for Students (installation of Wi-Fi equipment at School District offices)	CDBG	Capital	\$ -	\$ 50,000	\$ 25,000	
9	San Diego Habitat for Humanity	Neighborhood Revitalization (Critical Home Repair program)	CDBG	Capital	\$ 48,000	\$ 150,000	\$ -	
						sub-total:	\$ 1,163,000	\$ 860,000

(2) When the actual final allocation from HUD is determined, and after adjusting for the maximum Planning/Admin and Public Services allocations, the ADA Pedestrian Curb Ramps & Sidewalks Program is authorized to receive any excesses or decreases in CDBG funds awarded by HUD.

PUBLIC SERVICES - 15% CAP (estimated \$180,000 available)								
Tab No.	Agency	Project/Program	Grant	Type	FUNDED PRIOR YEAR	AMOUNT REQUESTED	STAFF RECOMMENDATIONS	
10	City - Police Services	Community Policing (Crime-Free Multi-Housing Program)	CDBG	Pub Svc	\$ 50,915	\$ 50,915	\$ 50,915	
11	San Diego Workforce Partnership	CONNECT2Careers	CDBG	Pub Svc	\$ -	\$ 50,005	\$ -	
12	Crisis House	CAHP (Coordinated Assessment & Housing Placement Coordinator) (3)	CDBG	Pub Svc	\$ -	\$ 49,013	\$ 7,085	
13	ECTLC	Emergency Shelter Program for Homeless	CDBG	Pub Svc	\$ 100,000	\$ 100,000	\$ 100,000	
14	Mama's Kitchen	Food Delivery Program for HIV/Cancer-afflicted	CDBG	Pub Svc	\$ -	\$ 15,000	\$ -	
15	Meals on Wheels Greater San Diego	Food Delivery Program for Seniors	CDBG	Pub Svc	\$ 15,000	\$ 15,000	\$ 15,000	
16	St. Madeleine Sophie's Center	Volunteer-to-Employment Program	CDBG	Pub Svc	\$ -	\$ 30,000	\$ -	
17	Interfaith Shelter Network	Rotational Shelter Program (3)	CDBG	Pub Svc	\$ -	\$ 10,000	\$ 7,000	
						subtotal:	\$ 319,933	\$ 180,000

(3) When the actual final allocation from HUD is determined and if it is higher than anticipated herein, the Crisis House CAHP Coordinator Program is authorized to receive the excess Public Service funds, to the maximum allowed (15%). If the actual allocation is lower, the Interfaith Shelter Network - Rotational Shelter Program allocation is to be adjusted lower, to the maximum allowed (15%).

FY 2017-18 HOME ALLOCATIONS WORKSHEET

ATTACHMENT "3"

ESTIMATED HOME FUNDS AVAILABLE on 7/1/17:	
Est. FY 2017-18 HOME Grant Allocation:	\$ 435,000
Less 10% Reserved for Admin:	\$ (43,500)
Less 15% Required for CHDO Set-Aside:	\$ (65,250)
Total HOME available to allocate:	\$ 326,250

City Project No.	Agency	Project/Program	Grant	Type	FUNDED PRIOR YEAR	REQUESTED NEXT YEAR	STAFF RECOMMENDATIONS
ADMINISTRATION - 10% CAP (estimated \$43,500 available)							
HADMIN	City - Housing	HOME Administration (1)	HOME	Admin	\$ 39,644	\$ 38,500	\$ 38,500
H0715	CSA San Diego County	Fair Housing Services	HOME	Admin	\$ 5,000	\$ 5,000	\$ 5,000
(1) HOME Administration is authorized to be allocated excesses or decreases in HOME funds when the actual final allocation from HUD is determined, to the maximum allowed (10%).						sub-total:	\$ 43,500

REQUIRED CHDO RESERVE - 15% MINIMUM (estimated \$65,250 available)							
	TBD	CHDO Set Aside Funds (2)	HOME	CHDO Set-aside	\$ 66,966	\$ 65,250	\$ 65,250
(2) CHDO Reserve amount is authorized to be adjusted automatically to 15% of the total HOME allocation when the actual final allocation of HOME funds from HUD is determined.						sub-total:	\$ 65,250

ENTITLEMENT PROGRAMS - NO CAP (estimated \$326,250 available)							
H0719	City - Housing Division	American Dream First-Time Homebuyer*	HOME	Entitlement	\$ -	\$ -	\$ -
H0722	City - Housing Division	Single-Family Rehabilitation Program*	HOME	Entitlement	\$ -	\$ -	\$ -
H0721	City - Housing Division	Mobilehome Rehab/Replacement Program*	HOME	Entitlement	\$ -	\$ -	\$ -
H0720	City - Housing Division	Housing Programs Pool of Funds*	HOME	Entitlement	\$ 334,835	\$ 329,250	\$ 326,250
*The City Manager is authorized to move funds between the Housing Programs Pool of Funds (H0720) and the City Council-authorized HOME Entitlement programs (H0719, H0722, H0721) on an as-needed basis, based on market conditions and demand.						sub-total:	\$ 329,250

FY 2017-18 Grand Totals:	\$ 438,000	\$ 435,000
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