Council Meeting of
May 23, 2006

PUBLIC HEARING

(Companion Item to Redevelopment Agency Item 4A)

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

Subject: 2nd Public Hearing on the Proposed Budget Revisions for the 2nd Year of the City's Two-Year 2005-07 Operating Budget

RECOMMENDATION

Recommendation of the Finance Director that Your Honorable Body open the second public hearing on the City of Torrance proposed budget revisions for the 2nd year of the City's two-year 2005-07 operating budget (including capital) and adopt the appropriation **RESOLUTION** for fiscal year 2006-07. (Companion item to Redevelopment Agency item 4A.)

BACKGROUND/ANALYSIS

On Tuesday, May 16, 2006 Your Honorable Body continued the first public hearing for the 2nd year of the 2006-07 operating budget. Staff made a presentation and comments were heard from the audience. This is the second of the two public hearings. This hearing also offers the opportunity for public discussion on the budget before you tonight.

At the close of the public hearing/workshop on May 16, the following requests for additional information were requested:

Program modifications from the Police Department – The Police Department submitted three program modifications funded through the reallocation of a vacant Police Officer position. The direction from Council to staff was not to reduce the number of sworn personnel. The City Manager is recommending the program modification for the upgrade of a Police Officer to Sergeant in Vice and Narcotics be effective at mid-year at a cost of $18,000 for the 2006-07 fiscal year. The other two program modifications submitted for the Information Technology Analyst and Staff Assistant are not being recommended at this time.

Armored Vehicle for Police – The City Manager is recommending reserving "Asset Forfeiture Funds" in the amount of $250,000 pending the Police Department's examination of the need of an armored vehicle for use during high-risk operations. The department will seek an alternate funding source such as Homeland Security or other grant funds to preserve "Asset Forfeiture" funds. Until then, the City has access to an armored vehicle from the El Segundo Police Department. should an emergency arise.

Handicapped Accessible Sidewalks – The Public Works Department has determined that there are approximately 700 intersections that require curb ramps throughout the City. The current program provides for installation of curb ramps on all city streets within a three year period. The proposed area for FY2006-07 will be bounded by 190th Street to the north, Sepulveda Boulevard to the south, and by the west and east City limits. There are about 480 ramps to be installed in this area at an estimated cost of $2,000 to $2,500 each (Total cost = $960K to $1.2M). Funding for the curb ramps will come from the $3.2M available for construction in both the Residential Curb/Gutter/Sidewalk (I-A) and Residential Street Rehab (I-B) projects. This area contains the six locations previously requested by City Council. Funding is available in the proposed FY07-08 and FY08-09 budgets to install curb ramps in the remainder of the City.

South High School Sidewalk Installation along Pacific Coast Highway - Public Works estimates the cost to construct a 1,200 linear foot sidewalk (5 feet wide) along Pacific Coast Highway adjacent to South High to be $56,000. If constructed the sidewalk would be placed in the public right-of-way and would require an encroachment permit from Cal-Tans prior to construction. The City is in the process of closing out remaining residual project balances which could cover the cost for the above project.

The response to the question regarding the addition of a "35 mph arm styled pitching machine" at the Wilson Park Batting Cages is as follows- At this time, the pitching system at Wilson Park Batting Cages is fully automated. Since its implementation, the pitching system has been operating at peak performance, and the current condition of the pitching machines is very good to excellent. Staff has received interest from the public regarding integrating an "Iron Mike" pitching machine into the current automated system. Integration of an arm style machine would require some modification to the existing facility. Staff will explore the concept of integrating an arm style machine, and provide City Council with the results of the review in terms of public demand, cost, maintenance, performance, and labor.

Program Modification: Park Ranger upgrade to Program Coordinator - This Program Coordinator classification was chosen because this position will be responsible for coordinating the Middle School After-School Club Program as well as the Park Ranger Program. Therefore, this position would be responsible for planning and directing the work of part-time staff and/or volunteers; assigning work, planning and reviewing work, evaluating work performance and completing performance evaluations, interviewing and hiring new part-time employees, and acting on employee problems and recommending employee discipline. In addition, this position will plan activities for these programs, marketing the programs to the community, and lastly, will also be responsible for ordering program materials and supplies.

As recommended, this position is being funded by using existing .8 FTE Recreation Specialist II labor within the Police Department Operating Budget from Prop 172 funds, and funds from the After School Program. Staff believes that this upgrade is essential in addressing an existing span of supervision concern within the After School Program, and providing a more consistent oversight for the growing Park Ranger Program. With citation ability, the Program Coordinator position mitigates the need for the Park Rangers to solely depend on the Police Department in enforcing ordinance issues common to Torrance parks such as:

- Vendor food and beverage sales
- Dogs off leash
- Improper use of restrooms

- Proper use of park facilities
- Interference with permitees
- Alcohol possession
- Hours of operation

Citation ability is also a key component in maximizing the impact of the Park Ranger program in terms of park safety and security. Community Services Department staff has discussed this concept with the Police Department's Command Staff who also support this program modification.

Question from a resident about the cost to construct a 50 meter x 25 yard swimming pool with shower and locker facilities - During the budget workshop, a resident inquired as to the prospect of an additional community pool in Torrance. Staff responded to her question and elaborated that the cost would be $8.8 million. The major cost would be construction for a 50 meter x 25 yard swimming pool ($1.8 million) with shower and locker facilities ($4.7 million), landscaping and fencing ($1.3 million), architectural/design/miscellaneous expenses ($1 million). The annual operating costs are projected to be $360,000 for labor, professional services, supplies, and materials. This project was not being recommended at this time by the City Manager

Recreational Vehicle Ordinance Enforcement - In April of this year, the City Council considered several options relating to regulation of parking of recreational vehicles on the street. After discussion, and narrowing the scope of any proposed ordinance, the Council referred the matter to the Community Planning and Design Committee for additional public input. The Committee is tentatively scheduled to meet in mid June. Depending on the action of the Committee, additional staffing or other resources would be included in any recommendation to the Council.

At the closure of tonight's public hearing, staff is recommending that you adopt the appropriations resolution for the 2006-07 fiscal year of the operating budget, which is inclusive of the City's Capital budget.

Respectfully submitted,

Eric E. Tsao
Finance Director

CONCUR:

LeRoy J. Jackson
City Manager

Attachment: Appropriation Resolution

RESOLUTION NO. 2006-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ADOPTING REVISIONS TO THE SECOND YEAR OF THE TWO YEAR OPERATING BUDGET AND CAPITAL BUDGET PLAN; AND ESTABLISHING THE ANNUAL APPROPRIATION FOR THE 2006-07 FISCAL YEAR

WHEREAS, the City Manager of the City of Torrance, in accordance with the provisions of the City Charter, does hereby submit to the City Council for the fiscal year 2006-07 City operating budget which consists of:

	2006-07
GENERAL FUND	$ 153,202,001
INTERNAL SERVICE	
Fleet Services	5,320,225
Self Insurance	3,791,932
Subtotal	9,112,157
ENTERPRISE FUNDS	
Airport	8,817,106
Transit	21,279,241
Water	21,666,220
Sanitation	10,402,959
Cultural Arts Center	1,894,180
Sewer	1,942,656
Emergency Medical Services	8,101,008
Animal Control	342,353
Parks & Recreation	7,445,131
Subtotal	81,890,854
EXTERNAL FUNDS	
Employment & Training (WIN)	4,067,550
Home Improvement Employment Program	367,548
Section 8 Rental Assist.	5,605,238
Rehabilitation Loan Program (HCD)	23,200
Redevelopment Agency*	11,107,337
Government Cable Communications	1,123,449
Cable TV Public Access	326,268
Street Lighting District	2,556,588
Air Quality Management	189,124
Vanpool/Rideshare	221,760
Gas Tax	840,000
Torrance Improve. Corp.	3,316,409
Subtotal	$29,744,371

* For information only

WHEREAS, the City Manager of the City of Torrance, does hereby submit to the City Council for the fiscal year 2006-07 a City capital budget which consists of:

	FEAP*	IAP**
General Fund	$ 4,876,191	$ 800,200
Gen. Fund - Building Maintenance	490,400	0
NPDES Fund	700,000	250,000
Parks & Recreation	88,900	0
Gas Tax Fund	40,000	3,312,800
Cable Communications	401,660	0
Proposition C	0	1,595,000
Bond Proceeds	-75,000	800,000
Water Fund	612,954	731,679
Sewer Fund	231,900	200,000
RDA Fund	12,950	0
Airport	411,990	0
Sanitation	271,833	0
Prop. 42	0	850,000
County/Other	8,268,818	526,000
Transit	2,751,920	0
Asset Forfeiture	235,000	0
TOTAL	$19,319,516	$9,065,679

* Facilities, Equipment, Automation Plan
** Infrastructure Action Plan

WHEREAS, the City Council set May 9, May 16, and May 23, 2006, as the dates for public hearings on the proposed City budget and adopted the City budget on May 23, 2006; and

WHEREAS, the complete budget book is on file with the City Clerk's Office;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TORRANCE does hereby resolve the following:

SECTION 1

That the City Manager's proposed operating budget for the 2006-07 fiscal year shall be adopted, inclusive of the following items and adjustments:

I. GENERAL FUND BUDGET PROGRAM MODIFICATIONS FOR 2006-07:

A. Communications & Information Technology	• Addition of 1.0 Wireless Technician position	$ 91,500
	Reduction to Radio budget	<50,500>
	Interdepartmental Flat Rate offset	<41,000>
		0
B. Communications & Information Technology	• Addition of 1.0 Information Technology Analyst position	121,800
C. Community Services	• Increase in City contribution to the Torrance Rose Float	55,000
D. Community Services	• Upgrade of 0.8 Recreation Specialist II position to 1.0 Program Coordinator position in the Park Ranger Program	
	Addition of 1.0 Program Coordinator position	61,700
	Deletion of 0.8 Recreation Specialist II position	<32,400>
	Materials budget reduction	<5,900>
		23,400
E. Fire	• Increase contract for Continuous Quality Improvement (CQI) Coordinator	77,600
F. Police	• Addition of Intelligence Sergeant position	
	Addition of 1.0 Police Sergeant position at mid-year	195,800
	Deletion of 1.0 Police Officer position at mid-year	<157,200>
	Full year cost of position upgrade	38,600
	2006-07 mid-year implementation cost	19,300
	Total General Fund Expenditure Revisions	$ 297,100

II. GENERAL FUND REVENUE REVISIONS RELATED TO BUDGET MODIFICATIONS FOR 2006-07:

A. Community Services	• Torrance Rose Float Association contribution	$ 10,000

III. ENTERPRISE/EXTERNAL FUND EXPENDITURE REVISIONS FOR 2006-07:

A. Community Services	• Provide an After School Program at Arnold Elementary School	
	Addition of 0.4 FTE Recreation Specialist position	$ 12,480
	Addition of 0.4 FTE Sr. Recreation Leader position	9,560
	Addition of 0.6 FTE Recreation Leader position	12,120
	Additional materials and supplies budget	7,960
		42,120

IV. ENTERPRISE/EXTERNAL FUND REVENUE REVISIONS FOR 2006-07:

A. Community Services	• Revenue from $1 raise in After School Programs	$ 23,400
B. Community Services	• Revenue from After School Program at Arnold Elementary School	42,120

SECTION 2

That the City Manager's proposed General Fund operating budget, Fleet Services budget, Self-Insurance budget, Airport Fund budget, Transit Fund budget, Water Fund budget, Sanitation Fund budget, Cultural Arts Center Budget, Sewer Fund budget, Emergency Medical Services budget, Animal Control, Parks and Recreation Fund budget, Employment and Training program budget, Home Improvement Employment program budget, Rehabilitation Loan Program budget, Redevelopment Agency (memo only), Section 8 Rental Assistance budget, Cable TV public access budget, Cable TV government communications budget, Vanpool/Rideshare budget, Air Quality Management budget, Torrance Improvements Corporation budget, Street Lighting District budget, and Gas Tax budget, and expenditures authorized inclusive of specific items as set forth in Section 1 of this Resolution, and as now on file with the Finance Director, be and hereby are adopted.

SECTION 3

That the City Manager's recommended reserve funding is ratified as follows:
General Fund:

Litigation Reserve	FY 2006-07	$ 150,000
Program Contingency Reserve	FY 2006-07	50,000
Proposition A Exchanges Reserve	FY 2006-07	400,000
FEAP Projects	FY 2006-07	1,900,000

SECTION 4

That the City Manager may make any adjustments within the total operating budget allocations as deemed desirable and necessary during the fiscal year in order to meet the City's needs, goals and objectives.

Introduced, approved and adopted this 23rd day of May 2006.

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Mayor of the City of Torrance

ATTEST:

_____
City Clerk of the City of Torrance

APPROVED AS TO FORM:

JOHN FELLOWS III
CITY ATTORNEY

By _____