
From: Frank Robinson
Sent: Thursday, December 22, 2011 9:24 AM
To: Barbara Stanton-Personal; Ginger Coleman-Personal; Scott Nassif-Personal; Rick Roelle-Personal; Curt Emick-Personal
Cc: Linda Mayfield; Dennis Cron; Marc Puckett; Kenneth Henderson; Kathie Martin; Nikki Salas; LaVonda Pearson; Jennifer Heim; Gina Schwin-Whiteside; Diana McKeen; Ralph Wright; Brad Miller; Jim Andersen
Subject: RE: Action Items and General Update Report
Attachments: CU0024 Council Update - 122211.doc

Mayor and Council:

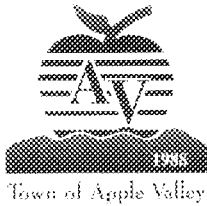
Attached is a memorandum of action items and general updates for your information. If you have any questions, please contact me.

Frank

Frank W. Robinson, ICMA-CM
Town Manager
Town of Apple Valley
14955 Dale Evans Parkway
Apple Valley, CA 92307
Office - (760) 240-7000 Ext. 7051
FAX - (760) 961-6242

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TOWN OF APPLE VALLEY

MEMORANDUM

DATE: December 22, 2011
TO: Mayor and Town Council
FROM: Frank W. Robinson, Town Manager
RE: Action Items and General Update

1. State Legislative Update

RDA vs. Matosantos

The wait continues for the California Supreme Court's decision on the fate of California's Redevelopment agencies. The Court is expected to issue its opinion by January 15, 2012.

"Trigger" Cuts activated

Last week, Gov. Jerry Brown and Department of Finance (DOF) Director Ana Matosantos held a press conference to discuss the state's economic forecast. According to DOF, revenues for FY 2011-12 are \$2.2 billion below projections, activating some of the automatic "trigger cuts" included in the FY 2011-12 state budget. Some of the \$980 million in cuts (which will become effective in January and February 2012) include severe reductions to the Departments of Education, Corrections, Developmental Services and others. UC and Cal State colleges stand to lose up to \$100 million each.

Both houses of the California Legislature are in recess and will reconvene on January 4, 2012.

2. Federal Legislative Update

Update on Transportation Authorization Action in Congress

Citing the lack of remaining time on the House calendar, House Transportation and Infrastructure Chairman John Mica (R-FL) has now abandoned plans for quick House action on a long-term transportation authorization bill until next year.

Back in July, Rep. Mica introduced a six-year highway, transit, and bridge bill that would have cut transportation programs by more than 30 percent to reflect decreasing transportation revenues. Perhaps sensing resistance to such a significant cut in funding, in recent weeks, House Republicans have suggested that opening up new lands to oil drilling would provide enough new revenues to fully fund a six-year transportation program.

In the Senate, the Environment and Public Works Committee, one of several Committees that has jurisdiction over transportation programs, adopted a bipartisan two-year bill a few weeks ago. The bill, **Moving Ahead for Progress in the 21st Century**, or **MAP-21** (S. 1813), would alter the thresholds for remaining a Metropolitan Planning Organization (MPO) from a population of 50,000 (current) to 200,000. Another provision adopted during Committee markup of S. 1813 would negatively impact the role of rural local officials working with states. The National League of Cities is actively opposing these changes to the bill.

Remote Sales Tax Collection

Earlier this month, the House Judiciary Committee held a hearing on the legal impediments to cities and states collecting sales taxes on remote sales.

The National League of Cities, the National Association of Counties, the U.S. Conference of Mayors, and the Government Finance Officers Association submitted a letter to the Committee's Chair, Rep. Lamar Smith (R-TX), and Ranking Member, Rep. John Conyers (D-MI), urging Congress to grant local authority to collect taxes on purchases made online.

In the letter, the groups offered support for the Main Street Fairness Act (H.R. 2701), that will allow for remote sales tax collection but expressed concern with the Marketplace Equity Act of 2011 (H.R. 3179), legislation that does not preserve local taxing authority and therefore could be detrimental to local governments and communities. The Committee has not yet scheduled a hearing on either bill.

Both the House and Senate are now officially on Holiday break and will reconvene mid-January.

3. Grants Update

First 5 San Bernardino has set aside \$400,000, for which the only eligible applicants are San Bernardino County's Healthy Cities/Towns that attended the mandatory proposers' conference. We submitted an application and are proposing a series of

classes combining hands-on nutrition education, physical activity and family support. This proposed program supports First 5 San Bernardino's goal that "*Children and families are healthy and safe.*"

Kaiser Permanente Fontana and Ontario Medical Centers has released information and guidelines regarding the Community Benefit Grants Program for 2012-13. Eligible projects focus on creating lasting policy, environmental and/or systems changes that support healthy eating and physical activity. Staff is evaluating the guidelines to determine whether or not we have a viable project. A Letter of Inquiry is the first step in the process of applying for a grant, followed by a full application only upon invitation from the Community Benefit Grants Program.

4. Finance Update

Completion of Implementation of "Check 21" software

Staff has recently completed the implementation of Profitstar's "Check 21" software. This software allows staff to scan and process batches of 200 checks in minutes versus the hours and sometimes days of staff time previously required. Further, once the checks and remittance advices are scanned, the scanned images are interfaced with our utility billing software and automatically update the customer's account. Then, the scanned images of the Checks are transferred to Union Bank for deposit. The customer's physical check is kept in the Finance department vault in a secure location then destroyed after 30 days.

Implementation of this software reduces the staff time required for check processing, reduces the account analysis bank fees previously paid to Union Bank and expedites posting of the customer's payment to the customer's account.

CAFR transmittal

The Town's Comprehensive Annual Financial Report is currently being printed and should be available for distribution within the next couple of days. It will again be submitted to the Government Finance Officers Association (GFOA) to be considered for the Certificate of Achievement for Excellence in Financial Reporting award. The Town has received this award from the GFOA nine times in the Town's history, first receiving it in 2000 and again in 2002, then 2004 and every year since (seven consecutive years). Staff fully anticipates that the Town will again receive the award for the FY 2011 submission. The nine awards are hanging above the Finance department copier in the Town Hall lobby.

In addition, staff will be submitting the RDA's financials together with additional reports required by the State Controller's Office this year electronically to Town Council, the VVEDA Board and the State prior to the end of the year. The Health and Safety code requires the annual report be presented to the legislative body

within six months of the agency's fiscal year end. Because the audit has not traditionally been completed in time to present it to the VVEDA Commission during the December meeting, in the past staff has transmitted the audited financial statements, HCD and SCO reports, Statement of Activities (and this year we'll transmit the fiscal statement) via email to Town Council, the Board Commissioners and the SCO prior to December 31st to comply with the requirement. Legislative body "approval" is not actually required.

Budget kick-off

Also, the kick-off meeting for preparation of the Town's Fiscal Year 2012-2013 budget was held last week. There were several improvements included in the budget preparation process this year. Many of the improvements were "front-end" improvements to help facilitate the exchange of data between departments and Finance more efficiently. Distributed at the meeting were a Budget Manual to help explain how to prepare and fill out the new inputting forms and a budget calendar to highlight key milestone dates during the budget preparation process. Further, staff will be adding additional elements to the budget document that are required elements for consideration for the GFOA's Distinguished Budget Presentation Award. The Town has never received this award. The Town's budget is currently about 60% complete in terms of the elements included in the budget necessary to receive the award. It is staff's goal to submit the adopted FY 2012-13 Budget to the GFOA for consideration for the award next summer.

Mid-year

Staff will also begin preparation for the Mid-Year Budget Review beginning in January. It is anticipated that the Mid-Year Budget Review will be presented to Council at the second meeting in February.

PEG fee

In addition, as previously indicated, staff will shortly bring forward an ordinance amendment to update the Town's existing Cable Franchise ordinance to comply with the legislative changes included in the Digital Infrastructure and Video Competition Act of 2006 ("DIVCA") which became effective on January 1, 2007. This proposed ordinance addresses the technical requirement that the Town adopt the 5% franchise fee, as well as adopting some customer service standards the law requires the Town to adopt. The customer service standards included in the proposed ordinance may look good on paper, but in reality are toothless, and it's almost impossible to actually impose the penalties in the ordinance.

This legislation takes away cable television franchise authority from local municipalities and giving it exclusively to the California Public Utilities Commission ("Commission"). The stated purpose of this legislation was to enable greater competition in the cable television market. Once the Town's cable franchises expire,

the cable providers will be operating under a state franchise. The legislation says that the Town can still receive our 5% franchise fee from state franchisees.

DIVCA would also require municipalities to authorize or re-authorize by ordinance its PEG fee at the expiration and renewal of each Holder's state franchise. Under DIVCA, the term of a state franchise will be 10 years.

The proposed ordinance includes a provision that will authorize a PEG fee that all cable providers in Apple Valley will pay the Town a fee of 1% of revenues (on top of the 5% franchise fee) to support a public access/ educational access/government access (PEG) municipal access cable channel or cable programming. Per a statewide survey, over 80% of all municipalities in California that have cable franchises have PEG fees included in their franchise agreement to provide a municipal access channel or cable programming. This money technically has to be used for municipal access capital needs but may be used for some operational expenses. Also, if the Town would like to use a municipal access channel, the Town can decide whether it will be purely for Town use, for public use, for educational use, or some combination thereof. The cable providers are not required to give the Town any equipment or make a production studio available, so if the Town desires to create programming for a municipal access channel, there will be both up-front costs and ongoing operational costs.

With the collection of a PEG fee, the Town would be able to use these funds to acquire or improve equipment related to video production and distribution. With our current web streaming efforts, this could be extended to include the replacement/upgrade of audio/visual equipment in the Council Chambers, as well as the installation of a second public podium on the north side of the room. Through the PIO's office, the Town is already involved in video production in-house, creating content for a YouTube channel. Funds could be used for anything from additional cameras to a computer custom-built for video editing. With better equipment, better quality videos may find wider distribution. There will also be an opportunity to help offset the cost of production for the annual State of the Town video as well as other videos that Town staff may produce.

5. Animal Services Update

Animal Services is ending the year with furry bundles of joy going to their permanent loving homes in favorable numbers. In two days, Animal Services has processed 30 adoptions and the number is anticipated to grow even higher. Staff is encouraging interested adopters to take their time and make a selection that is right for their lifestyle. Gifting of animals is not permitted. Rather, Animal Services is selling gift certificates to be used toward and adoption of the receiver's choice. This ensures that the animal is a right fit for the home and family. Animal Services will be open during the Town Hall closure from 9 am to 3 pm December 23rd and 26th-30th and will continue to provide 24 hour response to animal emergencies.

6. Park and Recreation Update

In the recent months, the Recreation Department has seen a great deal of participation in a number of program areas. The cancellation of the Town's sponsored swim team has been met with minimal problems. As was the hope, the changes have resulted in a significant budgetary savings and almost all of the past participants have been absorbed by either the other local swim team or our new Stroke Development program. Over 200 children participated in our Santa programs this month from photos with Santa, Santa in the Park, Cocoa with Santa and renting Santa. This is an increase from past years programming. Our Day Camp will be held in the Rec Center at Town Hall during the Town's holiday Closure.

Overall, this year has seen vast improvement in a number of the Parks and Recreation Department's Programs. The After School Activities Program (ASAP) is being cancelled effective the first of the year at Desert Knolls Elementary School due to low participation levels. Despite the closure at Desert Knolls, the ASAP program has seen an increase in participation of nearly 600 weekly registrations this year. Our running and health related activities have more than doubled in the last year. Most recently, the Turkey run held in November had over 230 participants. This increase is attributed to the partnerships that the Healthy Apple Valley program has developed and improvement in our cross-promotion as well. We had 7 rescues of active drowning victims this year; down from 15 last year. Only 1 patron was transferred off-site via EMS vs. 3 last year. Aquatics Coordinator Andy Shoup has worked on improving the lifeguards' proactive efforts to recognize situations before they evolve and these numbers show that the effort is paying off.

There is much to look forward to in the upcoming year. Recreation staff is anticipating hosting 2 Water Polo, 2 H.S. Swim, 2 to 3 USA Swim non-sanctioned meets and 1 to 2 sanctioned meets in the next year-year and a half. These events have the potential to bring an additional 9,000 to 13,000 people through the doors of the Aquatic Center and into the Town of Apple Valley. An update and recommendation on the RFP for Landscape Services will be agendized for January or February. Additionally, the kitchen at James Woody Community Center will be rehabbed in January (the remodel will be funded through CDBG from 2009-10). Also, new shade structures will be installed at the Aquatic Center and a new security camera system will be installed at James Woody Park as well. Both projects will be funded from 2011-12 CDBG funding. Bids will go out for both projects right after the first of the year and hopefully be completed in March or April.

7. Code Enforcement Update

Code Enforcement recently conducted a nighttime Town wide sweep looking for violations of temporary portable signs. The temporary portable signs are the wind

waver flag signs as well as 'A' frame signs. Each business is only allowed one sign and it must be removed when the business is closed. Six Code Officers took part in the sweep with each team of two Officers working one night each. The sweeps were conducted between 8:00 and 10:00 pm. Officers documented and photographed violations and the following day they issued one day courtesy notices of violation to business owners. Two nights later an additional follow up inspection was conducted to verify whether or not the signs were in compliance or remained in violation. The business owners whose signs remained in violation were issued an administrative citation the next business day.

12/06/2011:

Businesses in violation (NOV's issued)..... 24

12/08/2011:

Businesses in compliance..... 22

Administrative citations issued..... 2

New businesses observed in violation..... 0

12/12/2011:

Businesses in compliance..... 24

New businesses observed in violation..... 11

8. Police Department Update

November

Part I crimes were 184, a 12% decrease from the 209 per month average. Part II crimes were 518, a 2.5% increase over the 505 per month average. Sharp increases were found in vandalism and domestic offenses for the month. Calls for service handled by Apple Valley personnel totaled 6,046, an average of 202 calls for service per day.

Pro-Active Enforcement (Gang Unit)

The gang team's open position was filled by Deputy Derek Simpson. He began his assignment November 19th. The Apple Valley Gang Team is now complete, five deputies, a sergeant, and three unmarked patrol cars.

9. Public Works Division Update

We are in the final stages of completion for the construction and acceptance of a new sewer lift station at Apple Valley Plaza (S/W corner Bear Valley Rd/Central Rd). The owner has completed construction of the lift station and improvements to incorporate its telemetry into the Town's wastewater SCADA telemetry system. Staff

will agendaize Council action to approve and accept dedication of the lift station and improvements.

Public Works operations has completed its move from the old Public Works facility at Tonikan/S. Outer Highway 18 to the new Town Corporate Yard Facility at 13450 Nomwaket Ln. Staff is currently in negotiations with a party interested in possibly leasing or purchasing the old Public Works facility.

10. Public Information Office Update

December marks the launch (and re-launch) of several internal communication efforts. The Apple Core, our employee newsletter, will begin again, in a new electronic format. The PIO will also issue a "Council wrap-up" the morning after each meeting, to serve as a way for all Town employees to keep current on Council action. Finally, working with Jennifer Heim, the PIO department will be packaging this monthly Town Manager's update for distribution to all staff. These three efforts are a start towards addressing the organizational survey results regarding communications processes.

11. Action and Future Agenda Items

Our next Council meeting is scheduled for January 10, 2012. Some of the items we will be addressing at the next meeting are as follows:

- a. Golden Triangle Annexation Amnesty/Overlay Program;
- b. GPA, ZC and NAVISP Amendment for inclusion of Northern areas;
- c. Town Sponsorship/Naming rights policy;
- d. Appoint alternate representative to SWAT (Solid Waste Advisory Task Force);
- e. PEG Fee Item;
- f. Award Professional Services Agreement to URS Corporation for the Sewer System Master Plan Update;
- g. Apple Valley Ranchos Water Company Update;
- h. Blue Ribbon Water Committee Presentation;
- i. Council Appointments;
- j. Waiver of Copy Fee Charges for Public Records Request;
- k. Public Speaker Time Limitation;
- l. Apple Valley Plaza Sewer Lift Station Acceptance;
- m. Regulation/Permitting of Gourmet Food Trucks; and
- n. Discussion of holding a special Town Hall meeting.

If you have any questions on any of these matters, please do not hesitate to contact me, and best wishes for the holidays.

Thank you.