



City of Palos Verdes Estates City Council Agenda & Staff Reports

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****CLICK HERE FOR CITY COUNCIL AGENDA & REPORTS**

February 10, 2009
7:30 P.M.
City Hall
Council Chambers

**AGENDA
OF A REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
PALOS VERDES ESTATES, CALIFORNIA**

Copies of the staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the office of the City Clerk and are available for public inspection. If applicable, materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's office during normal business hours. Any person having any question concerning any agenda item may call the City Clerk to make inquiry concerning the item. Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk at 310-378-0383, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

The City Council welcomes and encourages public participation at the Council meetings; however, to allow for the orderly progression of business, each person wishing to comment or make a presentation shall be limited to three (3) minutes. Anyone wishing to address the City Council must fill out a green speaker's card available at the end of each row in the Chambers. The card permits the City to identify persons for purposes of City Council minute preparation. Please see specific agenda sections below for any other requirements related to meeting participation. The City Council, at the direction of the Mayor with concurrence of the Council, may modify the order of items shown on the agenda.

**NEXT RESOLUTION NO. R09-07
NEXT ORDINANCE NO. 09-689**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR'S REPORT – Matters of Community Interest

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CONSENT AGENDA (Items 1 -6)

All items under this heading are considered to be routine and will be enacted by one motion, unless a Councilmember, staff, or member of the public requests that an item be removed for separate discussion. Any item removed from the Consent Agenda will be considered immediately following the motion to approve the Consent Agenda.

1. Minutes of City Council Meeting of January 27, 2009

Recommendation: Review and File.

2. Adoption of Ordinance 09-688; Amending Section 10.64.010 of the Palos Verdes Estates Municipal Code Establishing Prima Facie Speed Limits and Approving the Posting of Speed Limit Signs on Local Streets Within the City

Recommendation: It is recommended that the City Council adopt Ordinance 09-688; an Ordinance of the City Council of the City of Palos Verdes Estates amending Section 10.64.010 of the Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City.

3. Resolutions of the City Council Declaring that Weeds Growing Upon and in Front of, and Brush, Rubbish, Refuse, and Dirt Upon and in Front of Certain Private Properties in the City are a Public Nuisance, and Declaring its Intention to Provide Abatement Thereof

Recommendation: It is recommended that the City Council adopt Resolutions R09-04 and R09-05, setting protest hearings for February 24, 2009.

4. Approval of Two-Year Extension to Current Professional Services Agreement with Mayer Hoffman McCann, P.C. for City Audit Services

Recommendation: It is recommended that the City Council approve a two-year extension to the existing professional services agreement with Mayer Hoffman McCann, P.C. for City audit services.

5. Consideration of Request by Advanced Electronics to Exercise Option for Extension of the Lease Agreement for Public Safety Radio Facilities Located at 2240 Via Cerritos

Recommendation: It is recommended that the City Council approve the request by Advanced Electronics to exercise the first five-year option for the lease extension.

6. Actions of Joint City Council / Planning Commission / Homes Association Meeting of January 28, 2009

Recommendation: Receive and File.

COMMUNICATIONS FROM THE PUBLIC

This portion of the agenda is reserved for comments from the public on items which are NOT on the agenda. Due to state law, no action can be taken by the Council this evening on matters presented under this section. If the Council determines action is warranted, the item may be referred to staff or placed on a future Council agenda.

OLD BUSINESS

NEW BUSINESS

7. PW-552-08; Award of Construction Contract for the Via Campesina, Via Valmonte, Palos Verdes Drive North Paving – LACMTA Flexible Funding Project in the Amount of \$194,758.88 to Palp, Inc. DBA Excel Paving Company

Recommendation: It is recommended that the City Council award a construction contract for the Via Campesina, Via Valmonte, Palos Verdes Drive North – LACMTA Flexible Funding Project in the amount of \$194,758.88 to Palp, Inc. DBA Excel Paving Company, and adopt Resolution R09-06, adjusting the Fiscal Year 08-09 Budget.

8. Comprehensive Annual Financial Report for the Period Ending June 30, 2008 and Fiscal Health Report 1998-2008

Recommendation: Receive and File.

STAFF REPORTS

9. **City Manager's Report**

DEMANDS

10.
 - a. Authorize Payment of Motion #1 – Payroll Warrant of February 6, 2009
 - b. Authorize Payment of Motion #2 – Warrant Register of February 10, 2009

Recommendation: Authorize Payment of Motions #1 and #2.

MAYOR & CITY COUNCILMEMBERS' REPORTS

ADJOURNMENT TO TUESDAY, FEBRUARY 24, 2009, IN COUNCIL CHAMBERS OF CITY HALL.

- *This City Council meeting can be viewed on Cox Cable, Channel 35, Wednesday, February 11, 2009, at 7:30 p.m., and Wednesday, February 18, 2009, at 7:30 p.m.*

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: ADOPTION OF ORDINANCE NO. 09-688 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES AMENDING SECTION 10.64.010 OF THE PALOS VERDES ESTATES MUNICIPAL CODE ESTABLISHING PRIMA FACIE SPEED LIMITS AND APPROVING THE POSTING OF SPEED LIMIT SIGNS ON LOCAL STREETS WITHIN THE CITY

DATE: FEBRUARY 10, 2009

The Issue

Should the City Council adopt Ordinance 09-688 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City?

Background and Analysis

On December 9, 2008 the City Council approved changes to four speed limits within the City and adopted Ordinance 08-687 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City.

At the December 9th meeting, concerns were raised regarding the changes on two of the streets where changes would take place – on Granvia Altamira and on Palos Verdes Boulevard at the City entry from Torrance. Staff arranged for an outside consulting Traffic Engineer to perform new speed surveys on these two streets. The new surveys supported a revised speed limit on Granvia Altamira at 30 miles per hour and confirmed the previously approved 35 mile per hour speed limit on Palos Verdes Boulevard. To implement this new limit, the City Council approved the introduction of Ordinance 09-688 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code.

As the City Council approved the introduction of the ordinance, the next step is to adopt the ordinance. The speed limit signs will be changed 30 days after the adoption of the ordinance.

Alternatives Available to the City Council

1. Adopt Ordinance 09-688 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City.
2. Decline to adopt Ordinance 09-688 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City.

Recommendation from Staff

Staff recommends that the City Council adopt Ordinance 09-688 amending Section 10.64.010 of the Palos Verdes Estates Municipal Code establishing prima facie speed limits and approving the posting of speed limit signs on local streets within the City.

Staff report prepared by:

Allan Rigg
Public Works Department

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: RESOLUTIONS OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, DECLARING THAT WEEDS GROWING UPON AND IN FRONT OF, AND BRUSH, RUBBISH, REFUSE, AND DIRT UPON AND IN FRONT OF CERTAIN PRIVATE PROPERTIES IN THE CITY ARE A PUBLIC NUISANCE, AND DECLARING ITS INTENTION TO PROVIDE ABATEMENT THEREOF.

DATE: FEBRUARY 10, 2009

The Issue

Should the City Council adopt:

- a) Resolution R09-04, declaring that weeds growing upon and in front of, and brush, rubbish, refuse, and dirt upon and in front of certain unimproved private properties in the City are a public nuisance and declaring its intention to provide for the abatement thereof, and setting a protest hearing on February 24, 2009; and
- b) Resolution R09-05, declaring that weeds growing upon and in front of, and brush, rubbish, refuse, and dirt upon and in front of certain improved private properties in the City are a public nuisance and declaring its intention to provide for the abatement thereof, and setting a protest hearing on February 24, 2009?

Background and Analysis

Unimproved Lots

The Los Angeles County Department of Agricultural Commissioner and Weights and Measures has provided the City with its annual list of properties for the weed abatement service. Each year, vacant private lots are inspected by the County with a notice provided for property owners to reduce the amount of nuisance vegetation. By law, each City is required to hold a public hearing, allowing property owners to protest the County's assessment of their property prior to the County's tilling and removal of the vegetation/rubbish.

The County annually requests the City to approve a weed abatement resolution, declaring that hazardous conditions upon or in front of the parcels identified by the County are a public nuisance. The County has sent each property owner identified on the attached 'Weed Abatement Declaration List' a notice of the scheduled dates of the resolution adoption and the following protest public hearing.

The County begins the weed abatement process by tilling accessible areas with a tractor disc. Areas that a tractor disc cannot reach are then tilled by hand. Nearly all lots in the City are cleared by machine; only a few require hand work. The work occurs in mid to late spring. When completed, the County requests the City Council to confirm the fees that have been assessed for the weed abatement work, and individual property owners are billed for the fees associated with their properties.

Improved Lots

The Los Angeles County Fire Department has provided the City with its annual list of improved properties for the weed abatement service. These properties listed represent a potential fire hazard. The LACFD notifies all property owners on the list of this potential prior to making a final determination of which properties are a definite fire hazard. The hope is that owners, once alerted to the danger, will clear vegetation before the fire season begins. The process for improved parcels calls for the LACFD to inspect those properties on the list in June and return to the City for authorization to fine for any violations found. The standards that the LACFD uses are different from those used for unimproved lots (see the attached notices from each department). In the past, all problem areas have been resolved and the County has not had to come back to request further punitive action.

Alternatives Available to Council

The following alternatives are available to Council:

1. a) Approve Resolution R09-04 declaring that weeds growing upon and in front of, and brush, rubbish, refuse, and dirt upon and in front of certain unimproved private properties in the City are a public nuisance and declaring its intention to provide for the abatement thereof, and setting a protest hearing on February 24, 2009;
- b) Approve Resolution R09-05 declaring that weeds growing upon and front of, and brush, rubbish, refuse, and dirt upon and in front of certain improved private properties in the City are a public nuisance and declaring its intention to provide for the abatement thereof, and setting a protest hearing on February 24, 2009.
2. Decline to act at this time.

Conclusions and Recommendations

Staff recommends the City Council approve Resolutions R09-04 and R09-05, setting protest hearings for February 24, 2009.

Budget Impacts

There will be no budget impact to the City. Charges for inspection and weed abatement procedures within the city are assessed by the County Agricultural Commissioner and the LACFD and directly billed to respective property owners.

The number of improved and unimproved parcels are shown below and compared to earlier years' results.

	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
LACDAC (Unimproved)	153	153	146	139	139
LACFD (Improved)	469	471	470	479	479

Staff report prepared by:
Floriza Rivera
Public Works Department

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: JUDY SMITH, ASSISTANT CITY MANAGER

SUBJECT: APPROVAL OF TWO-YEAR EXTENSION TO CURRENT PROFESSIONAL SERVICES AGREEMENT WITH MAYER HOFFMAN MCCANN, PC FOR CITY AUDIT SERVICES

The Issue

Shall the City Council approve a two-year extension to the existing professional services agreement with Mayer Hoffman McCann, PC for City audit services?

Background

Mayer Hoffman McCann, formerly Conrad and Associates, provides audit services for the City, as well as the Palos Verdes Tennis and Beach Clubs. This firm was selected as the City's auditors after a public RFP process conducted in 2004. The initial engagement was for three years (FY 2004-2006). Council approved a two-year extension to the agreement in 2007 (FY 2007 and 2008). If this requested two-year extension is approved, it will result in a seven-year engagement for the current firm. The previous audit firm retained by the City provided services for eleven years.

Analysis and Findings

In anticipation of the end of our current agreement, staff requested a cost proposal from Mayer Hoffman McCann for a two-year extension. The previous extension included a 2.5% increase each year. In recognition of the current financial climate and expenditure demands faced by cities, the proposal provides for no cost increase for the City audit over the next two years (FY 2009 and FY 2010). The cost for the City's FY 2008 audit totaled \$35,299. Audit services for the Tennis and Beach Clubs are based on hourly rates of the audit personnel involved, and represent a slight increase, but it is expected the total cost for these audits will be consistent with past charges. The Club audits totaled between \$4,800 and \$5,800 in 2007, the cost of which is shared 50-50 between the City and the Club. The 2008 Club audits are not yet completed.

The recently approved agreement for the Stable concession requires an audit by the City's contract auditors with cost shared between the City and concessionaire. Since this is a new service and the stable was not audited previously, these services will be included later as an addendum to this agreement after discussion and concurrence between staff and the auditors as to the scope of services and cost.

The City is very satisfied with the work of Mayer Hoffman McCann and we especially appreciate the expertise of the managing partner, Ken Al-Imam, who assists us during the year with a variety of technical issues and professional guidance. In addition to the quality of services and the fact

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there will be no cost increase, staff believes it is important to maintain continuity in auditors this year because of the personnel changes within the Finance Department. The Finance Manager is new to the position and will benefit from both the firm's expertise and their familiarity with the City's accounting records and financial processes. Both Financial Technicians are also new to their respective positions in Payroll and Accounts Payable. The City will also have a new City Treasurer upon conclusion of the municipal election in March. The Treasurer participates in the audit process and interacts with the auditing firm.

If approved by the Council, we will adopt a letter agreement further referencing the terms and conditions of the existing professional services agreement and the January 29, 2009 proposal received from Mayer Hoffman McCann.

Alternatives Available to the City Council

1. Approve the requested two-year extension to the existing agreement.
2. Decline to approve the extension. This would require staff to issue an RFP for audit services for the fiscal year ending June 30, 2009. Staff is fully satisfied with services provided by Mayer Hoffman. In addition, municipal auditing is a specialized practice with few firms providing these services. It is not believed the City would realize savings by issuing an RFP.

Recommendation

It is recommended that the City Council approve a two-year extension to the existing professional services agreement with Mayer Hoffman McCann for City audit services.

Budget Impact

Staff had assumed a 2.5% increase in audit costs for FY 09-10 (+\$900) when preparing the current two-year budget document. The revised budget will reflect the actual cost for service - \$35,299.

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: JUDY SMITH, ASSISTANT CITY MANAGER

SUBJECT: CONSIDERATION OF REQUEST BY ADVANCED ELECTRONICS TO EXERCISE OPTION FOR LEASE EXTENSION FOR PUBLIC SAFETY RADIO FACILITIES LOCATED AT 2240 VIA CERRITOS

The Issue

Shall the City Council approve a request by Advanced Electronics to exercise the first of two, five-year options for extension of the lease agreement for public safety radio facilities located within street right-of-way at 2240 Via Cerritos?

Background

The City has a radio antenna site located within street right-of-way at 2240 Via Cerritos (see photo attached). Public safety communication facilities have been housed at this site for more than thirty years. In February 2004, the City Council approved a lease agreement with Advanced Electronics, a firm that provides safety communications services to the City and other public entities, to permit Advanced to lease two spaces on the City's existing pole. Advanced uses their equipment at this site in conjunction with facilities on Mt. Wilson to enhance service they provide to other contracted safety agencies.

At the time of the lease approval, the City had just completed a radio system upgrade that allowed the removal of four of six existing arms on the antenna, so even with the addition of the two antennas by Advanced; there was a net reduction in visible equipment located on the pole.

Analysis and Findings

The lease agreement was for an original five-year term (expiring April 30, 2009) with two five-year extension options. On January 29, 2009, the City received a letter from Advanced requesting to exercise the first five-year lease option. All terms and conditions of the current lease will apply and Advance is in full compliance with these terms. The lease includes a monthly rental for use of the site, which increases 3% per year on the anniversary. The current monthly lease rate is \$506.80.

Alternatives to the City Council

1. Approve the request by Advanced Electronics to exercise the first, five-year option of the lease agreement.

2. Decline to approve the request. Advanced has performed fully all obligations of the lease during the initial term. There is no basis to deny the request to exercise the option for the extension.

Recommendation

It is recommended that the City Council approve the request by Advance Electronics to exercise the first five-year option for the lease extension.

Budgetary Impact

Beginning May 2009, the lease will generate \$6,264 per year for the City's general fund, with provisions for an annual 3% increase in the monthly rate at the annual anniversary of the lease.

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PLANNING DIRECTOR

DATE: FEBRUARY 10, 2009

SUBJECT: ACTIONS OF JOINT CITY COUNCIL/PLANNING COMMISSION/ HOMES ASSOCIATION MEETING

The Issue

Should the City Council receive and file the actions from the joint City Council/Planning Commission/Home Association meeting held on January 28, 2009?

Summary of Meeting

The following is a summary of the comments made regarding each of the items discussed at the joint City Council/Planning Commission/Homes Association meeting held on January 28, 2009:

Policy regarding in-lieu fees for alley improvements.

- The Planning Commission is to add a specific condition of approval for new homes adjacent to undeveloped alleys stating that a covenant is to be recorded for the site requiring the owner to pay for any future improvement of the adjacent alley.

Potential modification to the municipal code regarding the height of walls, fences, and other structures on private property

- Staff is to work with the City Attorney to revise the walls and fences section of the code (Chapter 18.32) to include trellises, gazebos, playhouses, decorations, detached fireplaces, fountains, and other structures as deemed appropriate by the Planning Department.

Conflict of the 42” height restriction within the setback and required 5’ pool fencing

- The Planning Commission is to grant this request on a case by case basis with the direction that open fencing be utilized in lieu of solid wall.
- If a 5 ft. high fence is appropriate for the site, the Planning Commission is to add a condition of approval stating that the 5 ft. fence is only allowed if the pool is built.

Process for reviewing “after-the-fact” project applications

- A different set of findings are to be created to review after-the-fact applications by the City Attorney.
- Staff and the City Attorney are to process violations as a misdemeanor as appropriate.
- Staff is to delay inspections/utilities for a short period of time, within which the applicant will bring the site into compliance.

Discussion on the use of gross floor area in reviewing applications

- Staff is to draft general guidelines for reviewing gross floor area and add them to the Single Family Residential Development Guidelines.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Receive and file the actions from the joint City Council/Planning Commission/Homes Association meeting held on January 28, 2009.
2. Decline to act.

Recommendation from Staff

Staff recommends that the City Council receive and file the actions from the joint City Council/Planning Commission/Homes Association meeting held on January 28, 2009.

Staff report prepared by:
Stacey Kinsella

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: PW 552-08; AWARD OF CONTRACT FOR THE VIA CAMPESINA, VIA VALMONTE, PALOS VERDES DRIVE NORTH PAVING—LACMTA FLEXIBLE FUNDING PROJECT, IN THE AMOUNT OF \$194,758.88 TO PALP, INC. DBA EXCEL PAVING COMPANY; AND ADOPTION OF RESOLUTION R09-06, ADJUSTING THE FISCAL YEAR 08/09 BUDGET

DATE: FEBRUARY 10, 2009

Introduction

Should the City Council award a construction contract in the amount of \$194,758.88 to Palp, Inc. DBA Excel Paving Company for the completion of the Via Campesina, Via Valmonte, Palos Verdes Drive North Paving—LACMTA Flexible Funding Project; and adopt Resolution R09-06, adjusting the Fiscal Year 08/09 Budget?

Background and Analysis

In November, 2008, the City and the Los Angeles County Metropolitan Transportation Authority (LACMTA) entered an agreement to exchange \$293,530 of City federal funding for LACMTA flexible funding of \$287,659. This funding will now be used to construct a combined overlay and slurry seal street improvement project. The overlay portion of the project would occur on Via Campesina from Palos Verdes Drive North to the edge of the new pavement at the east golf course entrance, on Palos Verdes Drive North from the triangle intersection to Paseo Del Campo, and on a very small portion of Via Zumaya next to 2564 Palos Verdes Drive West. The slurry seal project would occur on Via Valmonte from Palos Verdes Drive North to Via Azalea. The purpose of the work is to prevent further deterioration of the roadway.

Palp, Inc. DBA Excel Paving Company submitted the qualifying low bid for the project. They have completed overlay projects of similar size and scope for the Cities of Redondo Beach, Gardena, and West Hollywood. They have also recently completed a project that included both slurry seal and overlay resurfacing, for the City of Glendale. City staff has worked with the company before on two storm drain projects—the Via Rosa Storm Drain and Storm Drains #41A and B. Staff believes they are well equipped to satisfactorily complete the City’s project.

The following schedule is anticipated:

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- February 10 Contract awarded.
- February 27 Contract, insurance certificates signed by contractor & City.
- March 9 Work expected to begin.
- May 8 Work expected to be complete.

Alternatives Available to Council

The following alternatives are available to Council:

1. Award a construction contract in the amount of \$194,758.88 to Palp, Inc. DBA Excel Paving Company, for the completion of the Via Campesina, Via Valmonte, Palos Verdes Drive North Paving—LACMTA Flexible Funding Project; and adopt Resolution R09-06, adjusting the Fiscal Year 08/09 Budget.

2. Decline to Act.

Conclusions and Recommendations

Staff recommends that the City Council award a construction contract in the amount of \$194,758.88 to Palp, Inc. DBA Excel Paving Company, for the completion of the Via Campesina, Via Valmonte, Palos Verdes Drive North Paving—LACMTA Flexible Funding Project, and adopt Resolution R09-06, adjusting the Fiscal Year 08/09 Budget.

Fiscal Impact

The City recently received \$287,659 of funding from LACMTA for the resurfacing of City streets. Staff estimates the following costs for this project:

Construction	\$194,758.88
Contingency cost (10% of construction cost)	\$19,475.89
Inspection and Administration	\$19,500.00
Total	\$233,734.77

A 10% contingency has been added to the estimated costs above. Although traditionally we have not had to use that degree of additional funding on paving projects, we would like to allocate the money now to avoid a later budget adjustment if any additional overlay, slurry seal, asphalt repairs, or tree root removals are needed.

LACMTA funding is sufficient to cover the total cost of the project including the contingency cost. Resolution R09-06 is attached which adjusts the FY 08/09 budget to reflect the use of the LACMTA funds.

Staff report prepared by:
 Floriza Rivera
 Public Works Department

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: JUDY SMITH, ASSISTANT CITY MANAGER

**SUBJECT: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE PERIOD
ENDING JUNE 30, 2008 AND FISCAL HEALTH REPORT 1998-2008**

The Issue

Shall the City Council receive and file the City's Comprehensive Annual Financial Report (CAFR) for the period ending June 30, 2008 and the City's Fiscal Health Report 1998-2008?

Analysis and Findings

The comprehensive annual financial report, prepared by the City's Finance Department with assistance of our auditors, Mayer, Hoffman McCann, P.C., covers the results of City operations for Fiscal Year 2007-08. The financial report was transmitted for the Council's preliminary review on December 5th. The Fiscal Health Report is transmitted at this time.

On February 9, 2009, Mr. Ken Al-Imam, partner of the audit firm, Mayor Sherwood and Mayor Pro Tem Perkins, representing the Audit Committee, City Treasurer Ritscher and staff met to review the financial report; the auditor's conduct of the audit and their findings. The auditors provided an unqualified (clean) opinion and based on the scope of their review.

The Fiscal Health Report graphs selected financial factors and rates the factors based on an established trend. This report contains the results of operation for FY 2007-08. A reading of the audit's transmittal letter, Management Discussion and Analysis (page 3 of audit) and the Fiscal Health Report transmittal letter provides an interested reader the most comprehensive financial information.

As part of this agenda item, staff will verbally present highlights from the audit and the Fiscal Health Report.

Recommendation

It is recommended that the City Council receive and file the Comprehensive Annual Financial Report for the period ending June 30, 2008 and the Fiscal Health Report 1998-2008.