

San Gabriel council to dispute police union charges

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SAN GABRIEL - The City Council tonight will defend itself against corruption allegations outlined in a Police Officers' Association lawsuit filed last week.

The council discussed the lawsuit and the recently deadlocked police union labor negotiations in a closed session meeting on Friday evening. The council and will hold another one before its regular meeting tonight.

On Monday, Councilman John Harrington, elected in 2011, was dropped from the suit as SGPOA attorney Dieter Dammeier continues to investigate the case.

Although it is not on the agenda, the POA's lawsuit and recent impasse in labor negotiations will be a topic of discussion during the public comment period.

"We're not interested in having a battle or a tit-for-tat," City Manager Steven Preston said. "We're interested in responding in an honest and straightforward way to honest and straightforward questions from our community."

The lawsuit alleges that city officials misspent \$5.7 million in special property tax revenue that was designated to pay CalPERS retirement benefits for city employees.

Though the city maintains that its spending was within the terms of a 1948 city ordinance that created the special property tax, Dammeier said city officials "schemed" to spend the money for other purposes.

"At some point some city executives decided there's this pot of money over here that is available and even though legally it was restricted, somebody or some group of people decided to use it to pay for other things," Dammeier said.

Dammeie, who plans to file a criminal complaint with the district attorney this week, said he doesn't see how the city could legally justify its spending.

"I'd love to hear their explanation," he said. "I just don't see how that's going to fly, because the tax says it's supposed to pay the pension indebtedness."

Victor Yoo, attorney for the California Tax Lawyers Group, said the city could justify the spending based on language in the ordinance or voter or council approval to change the purpose of the fund.

"Unless the City Council can show they had some kind of a consent, either through a vote or resolution or public hearing, to use this money for other purposes than for retirement for the police officers, it might be difficult to argue their use of these funds was proper," Yoo said.

Dammeier said he hoped Harrington would ask his former council members to return the special tax money, as he was elected after the alleged "corruption" occurred.

"Harrington ran for election on a platform of cleaning up corruption at City Hall," Dammeier said. "Hopefully he is true to his campaign promise and takes on his colleagues that have unlawfully spent the taxpayers' funds."

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