

**CITY OF SANTA FE SPRINGS**

**MINUTES  
FOR THE SPECIAL MEETING OF THE:  
CITY COUNCIL**

**July 28, 2010**

**NOTE: THE REPORTS LISTED ON THIS AGENDA ARE ON FILE IN THE CITY CLERK'S OFFICE AND ARE AVAILABLE FOR PUBLIC INSPECTION. QUESTIONS REGARDING THESE REPORTS MAY BE DIRECTED TO THE CITY CLERK.**

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**1. CALL TO ORDER**

Mayor Putnam called the Special City Council Meeting to order at 6:04 p.m.

**2. ROLL CALL**

Present: Councilmembers González, Rounds, Trujillo, Mayor Pro Tem Serrano, Mayor Putnam

Also present: Fred Latham, City Manager; Vivian De León, Deputy City Clerk; Steve Skolnik, City Attorney; Paul Ashworth, Director of Planning and Development; Tom Lopez for Don Jensen, Assistant to Director of Public Works; Fernando Tarin, Director of Police Services; Hilary Keith, Director of Library and Cultural Services; Jose Gomez, Director of Finance & Administrative Services; Stan Klopfenstein, for the Fire Chief

**3. UNFINISHED BUSINESS**

Adoption of Resolution No. 9273 to Place a Utility User's Tax Ballot Measure on the November 2, 2010 Special Election; Resolution No. 9274 Providing for City Council Written Arguments; and Resolution No. 9275 Providing for Filing Rebuttal Arguments

Mayor Putnam called on City Manager Fred Latham.

Fred provided background information relating to Council Item 3 being continued from the July 22, 2010 City Council meeting. He referenced the meeting which had taken place on July 27, between the City Council Budget Sub-Committee – Finance;

consisting of Members González and Rounds along with City staff and Chamber of Commerce Committee of Board Members and community business representatives.

Fred identified the correspondence submitted to date from local businesses since Councils previous meeting as follows: Electronic Chrome, AC Industries, Heraeus Metal Processing, LLC; Target Specialties, Breitburn Energy Co., Geezers, and McKesson Corporation.

Fred Latham noted that there were some minor changes to the reports. First, the inclusion of a \$20,000 UUT cap on each of the three utilities for a combined total of \$60,000. Second that a "phase-in" approach be used for implementing the UUT, which would include a cap on the aggregate UUT liability for each business – for all three utilities. There would also be a \$40,000 aggregate cap per business through 2010-11. Finally, with approval from Council, the Sub-Committee would continue to meet with the Chamber Sub-Committee to explore assistance options in transitioning the implementation of the new revenue source, and addressing small businesses concerns.

City Attorney, Steve Skolnik noted that there was a minor typographical change to Resolution Nos. 9273 and 9274, and cited the word ballfields should read "ball fields" for the purpose of the meeting minutes.

Mayor Putnam called on Wendy Meador of Tangram Interiors and SFS Chamber of Commerce President. Wendy read the following statement to the City Council.

"Our letter of opposition to the Utility User Tax last week was discussed and debated amongst the board prior to its issuance. It is a hot button issue with many members of our board and also with businesses in our community. I was extremely relieved when after receiving our letter Fred announced the council's intention to have our committee meet with your subcommittee and discuss the business community's concerns.

*Last night's meeting with Councilmember's Gonzales and Rounds, Fred, Jose, Thaddeus, Al, and Julie was an excellent opportunity for businesses to address the issues that were specific to them. The businesses represented spanned from small businesses with less than 10 employees, through medium sized and up to our large employers with over 300 employees. We were able to hear directly from Councilmember's Gonzales and Rounds and to discuss with them the hardships that businesses are facing in our city today and the impact that this tax would have on them.*

*We appreciate the fact that the subcommittee heard our concerns and is addressing some of them with caps and phasing in. What I personally am most appreciative of is the continuing dialogue that is going to occur between our committee and your subcommittee. The economy fluctuates and needs change, and allowing our committee to continue to meet with you and discuss the existing issues and any issues that might come up in the future reiterates*

*the commitment the city has made with the business community to keep us in the loop and involved in the decision making process. It will also allow us to look at small and medium sized businesses and the needs that they have which are quite different from some larger utility users, but still of great importance to their bottom line.*

*Santa Fe Springs was built on being business friendly and many of us specifically moved into the city because of this. Our relationship is basically a strong one and like a marriage, we may not agree all the time but the most important thing to remember is to continue to keep talking about our issues and working through them, together."*

Mr. Robert Curzi, Site Manager - Pro Cal, 8934 Dice Road, thanked Fred Latham, Councilmember Louie González, and Councilmember Bill Rounds for the opportunity to have discussions with the business and is in favor of adopting the proposed UUT with changes discussed. Mr. Curzi indicated that he would like to withdraw his letter of opposition.

Ms. Jeanette Bender from Diamond Liners – 9507 Santa Fe Springs Road, Santa Fe Springs – noted that the voting is only for SFS residents. She is a small business owner and therefore is against the measure.

Ms. Araceli Tiblea – 10632 Orr & Day Road #C, Santa Fe Springs – noted that the 5% proposed rate will cripple most of the businesses in Santa Fe Springs and opposes the UUT measure.

Mike Reed from Electric Chrome, 9132 Dice Road, Santa Fe Springs – referenced the letter he had sent to the City. He noted that his electric bill this past year was over \$15,000 a year. He hoped that the City would consider an increase of maybe 2.5%. He has had to cut his workforce from 22 employees down to 11.

Moshe Sassover – 13116 E. Imperial Hwy., Santa Fe Springs. Mr. Sassover noted that he appreciates the business relationship with the City and would like to see if there could be a cap placed for larger businesses in order to keep businesses and help keep a balance.

Robert Gibbs from Goodrich – 1120 Norwalk Blvd., Santa Fe Springs. Mr. Gibbs noted that this issue is moving in the right direction. He acknowledges that the City does not have many options, and is concerned about the negative impact the UUT surcharge may have on the City. He would like more consideration be taken into account for the small businesses. He is a member of LA CADA, which is a non-profit organization, and as such is unable to pass along any increase in costs. He pointed out that local churches face this same challenge and is concerned because of the important role churches play in the community. The UUT surcharge may affect business development opportunities.

Hosrow Bordbar – Goodrich, Production Manager - 9920 Freeman Avenue, Santa Fe Springs. Mr. Bordbar expressed concern about the short and long term of his business and noted that there are currently 41 employees at this facility.

Having received no other comment cards or requests to speak from the audience, Mayor Putnam asked City Council for comments.

Councilmember Rounds indicated that this is his third year as a councilmember, and as such has seen nothing but cuts - 12% to date. The City's efforts to "cut fat" have affected staff, as well as senior facilities. He appreciates the member relationship the City has with the Chamber and business community.

Councilmember González thanked the staff for their time and their involvement in meeting with the business community to discuss this issue. He encouraged the residents and business community to stay vigilant about City issues.

City Manager Fred Latham pointed out that Agendas are posted on the City's website.

Councilmember Trujillo noted that this has been the worst year to date for the City. The UUT surcharge not only affects her as a resident, but also because she is an employee of a small business owner.

Mayor Prop Tem Serrano noted that the City's "culture" needs to change in order to "cut fat." Businesses started the City and therefore owe the business community to do well by them. The City has been hit by the State in the form of fund takeaways but as a City we have to continue to move forward and hopefully things will begin to change for the better within 2-3 years.

Mayor Putnam wants for the City and business community to continue to work together to get through this difficult time. We will work better to serve the businesses and residents.

Mayor Pro-Tem Serrano made the motion to adopt the resolutions including two additional recommendations. Councilmember Rounds seconded the motion, which carried by the following roll call vote:

AYES: Councilmembers, Rounds, Trujillo, Mayor Pro-Tem Serrano,  
Mayor Putnam

NOES: Councilmember González

ABSENT:

ABSTAIN:

**ADJOURNMENT**

Mayor Putnam at 6:58 p.m. adjourned the meeting.

  
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Betty Putnam  
Mayor

ATTEST:

  
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Vivian De Léon, Deputy City Clerk