

**CITY OF SANTA FE SPRINGS
MINUTES
FOR THE ADJOURNED MEETINGS OF THE:
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
COMMUNITY DEVELOPMENT COMMISSION
AND CITY COUNCIL**

December 20, 2011

1. CALL TO ORDER

Mayor Serrano called the Adjourned Public Financing Authority, Water Utility Authority, Community Development Commission, and City Council meetings to order at 6:05 p.m.

2. ROLL CALL

Present: Directors/Commissioners/Councilmembers González, Moore, and Trujillo, Vice-Chairperson/Mayor Pro Tem Rounds, and Chairperson/Mayor Serrano

Also present: Thaddeus McCormack, City Manager; Steve Skolnik, City Attorney; Paul Ashworth, Director of Planning & Community Development; Don Jensen, Director of Public Works; Dino Torres, Director of Police Services; Carole Joseph, Director of Parks & Recreation Services; Jose Gomez, Director of Finance & Administrative Services; Stan Klopfenstein, Fire Division Chief; and Anita Jimenez, Deputy City Clerk

PUBLIC FINANCING AUTHORITY

3. CONSENT AGENDA

A. Approval of Minutes of the November 22, 2011 Regular Public Financing Authority Meeting

Recommendation: That the Public Financing Authority approve the minutes as submitted.

B. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

Recommendation: That the Public Financing Authority receive and file the report.

Director Moore moved the approval of Items 3A and B; Director Trujillo seconded the motion which carried unanimously.

WATER UTILITY AUTHORITY

4. CONSENT AGENDA

- A. Approval of Minutes of the November 22, 2011 Regular Water Utility Authority Meeting

Recommendation: That the Water Utility Authority approve the minutes as submitted.

- B. Update on the Status of Water-Related Capital Improvement Projects

Recommendation: That the Water Utility Authority receive and file the report.

Director Trujillo moved the approval of Items 4A and B; Director González seconded the motion which carried unanimously.

5. NEW BUSINESS

- Award of Contract for Engineering Services to Provide Well Head and Pump Design for the Construction of a New Water Well (No. 12) in Zone II

Recommendation: That the Water Utility Authority (1) Award a contract to AKM Consulting Engineers in the amount of \$205,006 for engineering services to provide well head and pump design for the construction of a new water production well (No. 12) in Zone II; and (2) Authorize the Director of Public Works to execute the agreement for the engineering services to provide well head and pump design for the construction of a new water production well (No. 12) in Zone II.

Mayor Pro Tem Rounds moved the approval of Item 5; Director Moore seconded the motion. Mayor Serrano asked for the location of the Zone 2. Don Jensen stated that Zone 2 is all the City property south of Imperial Highway. The City purchased a portion of a property on Borate Street for the well. The motion carried unanimously.

COMMUNITY DEVELOPMENT COMMISSION

6. REPORTS OF THE CITY MANAGER AND EXECUTIVE DIRECTOR

The City Manager reminded the Council and community that the City Hall will be closed from Friday, December 23 to Tuesday, January 3, 2012, due to voluntary employee furloughs which will save the City approximately \$225,000.

The Executive Director reported that the City of Santa Fe Springs is the winner of the California Redevelopment Association 2012 Award of Excellence in the Special Citation category for the Oil Field Transformation-Preparing for the Villages at Heritage Springs project. The award ceremony will take place in April 2012.

The City Manager congratulated Paul Ashworth and his staff for their work on this project and thanked the Council for their vision. Chairperson Serrano also thanked Paul Ashworth for his hard work.

7. CONSENT AGENDA

- A. Approval of Minutes of the November 22, 2011 Regular Community Development Commission Meeting

Recommendation: That the Community Development Commission approve the minutes as submitted.

Commissioner González moved the approval of Item 7A; Commissioner Moore seconded the motion which carried unanimously.

NEW BUSINESS

8. Ameron Obligation Agreement in the Villages at Heritage Springs Project
Consideration of Agreement between the City of Santa Fe Springs (City), the Community Development Commission of Santa Fe Springs (CDC), and RCS-Villages Development, LLC, to assume the obligation for reimbursement to CDC and/or City of clean-up costs related to the Ameron site of One Million Dollars (\$1,000,000) which shall be paid in three installments as set forth in said Agreement.

Recommendation: That the Community Development Commission approve the Ameron Obligation Agreement in the Villages at Heritage Springs Project regarding the assignment of obligation for reimbursement of clean-up costs related to the Ameron site in the amount of One Million Dollars to be paid in three installments as set forth in the Agreement, and authorize the Chairperson to execute the attached Agreement document.

The City Attorney pointed out that Item 14 on the Council agenda is a companion item to this item. Commissioner Trujillo moved the approval of Items 8 and 14; Commissioner González seconded the motion which carried unanimously.

CITY COUNCIL

9. CONSENT AGENDA

- A. Approval of Minutes of the November 22, 2011 Adjourned City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

- B. Approval of Minutes of the November 22, 2011 Regular City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

Councilmember Rounds moved the approval of Items 9A and B; Councilmember Moore seconded the motion, which carried unanimously.

NEW BUSINESS

10. Authorization to Advertise the Walking Deck Improvements at Clarke Estate (10211 Pioneer Boulevard)

Recommendation: That the City Council (1) Approve the Plans and Specifications for Walking Deck Improvements at Clarke Estate (10211 Pioneer Boulevard); (2) Authorize the City Engineer to advertise for construction bids for the Walking Deck Improvements at Clarke Estate (10211 Pioneer Boulevard); and, (3) As soon as feasible, pursue reimbursement from Community Development Commission funds for all projects costs.

The City Manager stated that Items 10 and 12 were being pulled from the CIP list because they require immediate repairs. Redevelopment funds cannot be used at this time due to the stay by the State Supreme Court. There is a \$15,000 surplus from a trash receptacle project that is being proposed for this project as well as \$60,000 from the City Hall basement project and \$56,000 from the City Hall HVAC project which are being postponed to complete these more pressing needs. It is staff's hope that these funds can be backfilled once the Redevelopment stay is lifted.

Mayor Pro Tem Rounds asked what the life expectancy of the materials being proposed will be. Assistant Director Noe Negrete reported that two materials were being considered: Dextrex and mosaic tile, both of which are expected to last 15-20 years. The difference will be in aesthetics and cost, but the Council will be able to see the proposal and select the option they prefer.

Mayor Pro Tem Rounds moved the approval of Items 10; Councilmember González seconded the motion which carried unanimously.

11. Appropriation of Funds for the Cleanup of Illegal Dumping on Los Nietos Road and Painter Avenue

Recommendation: That the City Council appropriate funds in the amount of \$15,256.80 from the General Fund for the cleanup of an illegal dumping incident.

Councilmember González moved the approval of Item 11; Mayor Pro Tem Rounds seconded the motion which carried unanimously.

There is an ongoing investigation into the culpability of the crime which may result in reimbursement to the City.

12. Appropriation of Funds for the Removal and Installation of an HVAC Unit at Fire Station No. 3 (11517 Carmenita Road)

Recommendation: That the City Council (1) Amend the Adopted Capital Improvement Program for FY 2006-07 through FY 2011-12 to include the Removal and Installation of an HVAC Unit at Fire Station No. 3 (11517 Carmenita Road); and (2) De-appropriate \$25,000 from the Public Security Facility Enhancements (Account 450-0925) and appropriate \$25,000 to the Removal and Installation of an HVAC Unit at Fire Station No. 3 (11517 Carmenita Road) (Account 450-C329); and, (3) As soon as feasible, pursue reimbursement from Community Development Commission funds for all project costs.

Councilmember Trujillo moved the approval of Item 12; Councilmember González seconded the motion which carried unanimously.

13. Amendment of Water Rates and Related Charges for FY 2011-2012

Recommendation: That the City Council direct staff to initiate proceedings in accordance with Proposition 218 to consider making the following changes in water rates and service charges effective March 1, 2012: (1) Implement a 9.0% increase in water rates and service charges; and (2) Eliminate the City Facilities Rate, which provides a 50% discount of domestic and reclaimed water usage to City owned facilities.

The City Manager stated that staff is in talks with a consultant and it is expected that the City will be able to hire the consultant to do the cost-for-service analysis as well as move forward with the proposed rate increase. If the consultant determines there can be a savings, the City Council can lower the percentage. The City Manager recommends that the motion be amended to read, "A rate increase not to exceed 9%." Councilmember Moore moved the approval of Item 13 as amended; Councilmember González seconded the motion which carried unanimously. Councilmember González stated that Council and staff are moving away from the 50% discount for City facilities which is a change in philosophy for balancing the General Fund. The City Manager stated that the cost of purchasing water must be considered and that the City is trying to run as lean an operation as possible. Councilmember González asked the cost to the General Fund for rescinding the discount. Don Jensen stated that it was \$230,000 which will be a savings to the Water Fund. Mayor Pro Tem rounds stated that the reports he received relating to this report were the most detailed he had received since being on Council. They are necessary and he thanked the staff for the good work.

14. Ameron Obligation Agreement in the Villages at Heritage Springs Project

Consideration of Agreement between the City of Santa Fe Springs, the Community Development Commission of Santa Fe Springs(CDC), and RCS-Villages Development, LLC, to assume the obligation for reimbursement to CDC and/or City of clean-up costs related to the Ameron site of One Million Dollars (\$1,000,000) which shall be paid in three installments as set forth in said Agreement

Recommendation: That the City Council approve the Ameron Obligation Agreement in the Villages at Heritage Springs Project regarding the assignment of obligation for reimbursement of clean-up costs related to the Ameron site in the amount of One Million Dollars to be paid in three installments as set forth in the Agreement, and authorize the Mayor to execute the attached Agreement document.

See Item 8.

15. Review and Approve Lease Agreement with Southern California Edison for Santa Fe Springs Nature Park

Recommendation: That the City Council approve the Lease Agreement for the Santa Fe Springs Nature Park and authorize the Mayor to sign on behalf of the City of Santa Fe Springs.

The City Manager stated that staff was recommending that this item be continued to the next Council meeting, so that staff can get more detailed information relating to maintenance and security costs for the upkeep of the park.

Councilmember González moved to continue Item 15 to January 12, 2012; Councilmember Trujillo seconded the motion which carried unanimously.

Mayor Serrano recessed the meetings at 6:37 p.m.

Mayor Serrano reconvened the meetings at 7:09 p.m.

16. INVOCATION

The Invocation was given by Councilmember Trujillo.

17. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Youth Leadership Committee.

INTRODUCTIONS

18. Members of the Youth Leadership Committee introduced themselves.

19. Mayor Serrano introduced Curtis Mello of Heraeus Metal Processing, Little Lake School Boardmember Richard Martinez and his wife Alma, Art Wardingly and Doris Yarwood.

20. ANNOUNCEMENTS

Carole Joseph gave the Community Services announcements.

PRESENTATIONS

21. Presentation to Gilbert Mercado upon his Retirement

Don Jensen introduced Gil Mercado. Mayor Serrano presented him with a crystal clock and from the Council and a jacket from the City.

22. SFS Relay for Life Committee - Recognition of the City Council

Relay for Life Chair Lisa Boyajian and Larry Sandoval thanked the Council for their support of the event and presented them with an award. This year the event raised \$130,000. Mayor Serrano thanked the committee and stated that the community is one that gets involved and makes things happen.

23. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

Councilmember Trujillo recommended approving the Leave of Absence Request of Eleanor Connelly for a three-month period. Mayor Serrano approved the request.

There were no appoints made.

24. ORAL COMMUNICATIONS

Mayor Serrano opened Oral Communications at 7:29 p.m.

There being no one wishing to speak, Mayor Serrano closed Oral Communications at 7:30 p.m.

25. EXECUTIVE TEAM REPORTS

Don Jensen reported that Utility Services Manager Frank Beach had been involved in a motorcycle accident and as a result had 5 cracked ribs and his diaphragm was torn in three places. He was released from the hospital and is recuperating at home.

Jose Gomez reported that although City Hall would be closed next week, some of his staff would be working to inventory the warehouse and pay essential bills. The IT department will be upgrading computer programs, so the website and email will be down at times during the closure.

Carole Joseph reported that the Santa Float had just completed its 31st year and that it was only possible through the efforts of the Council and community volunteers. Mayor Serrano thanked the Parks & Recreation staff.

Thaddeus McCormack wished everyone a Merry Christmas and thanked the Council for their leadership through this year.

Councilmember González thanked the volunteers and staff for another successful year of the float. He stated that it had been a rough year and the Council had to make tough decisions, but he hoped that next year would be more prosperous. He stated his family had received a great blessing this year in that his nephew who has served in the Army for six years, including a tour in Iraq and one in Afghanistan, was on his way home, safe and sound, and had completed his service to his country. He wished everyone a happy holiday season.

Mayor Pro Tem Rounds stated that the Santa Float was near and dear to his heart and was happy to see the progress over the years. He wished the staff and residents a happy holiday season and conveyed his hopes of someday bringing back the City's New Year's Eve event.

Councilmember Moore wished everyone a happy holiday season.

Councilmember Trujillo thanked the staff and Council for their support. She reported that the Neighborly Elf program was well attended.

Mayor Serrano encouraged everyone to enjoy the holiday season.

26. ADJOURNMENT

At 7:40 p.m., Mayor Serrano adjourned the meetings.

Joseph D. Serrano, Sr.

Joseph D. Serrano, Sr.
Mayor

ATTEST:

Anita Jimenez

Anita Jimenez, Deputy City Clerk

January 26, 2012

Date