



APPROVED: 2/27/2020

MINUTES OF THE SPECIAL MEETING OF THE WATER UTILITY AUTHORITY

January 23, 2020

1. **CALL TO ORDER**

Mayor Rounds called the meeting to order at 5:16 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors Rodriguez, Mayor Pro Tem/Vice Chair Mora, and Mayor/Chair Rounds.

Councilmember/Director Trujillo arrived at 5:17 p.m.

Members absent: Councilmember/Director Zamora.

WATER UTILITY AUTHORITY

3. **ORAL COMMUNICATIONS**

There was no one present to speak during oral communications.

STUDY SESSION

4. Water Rate Study (Public Works)

Recommendation:

- Receive staff presentation and provide direction with regards to proceeding with the Water Rate Study recommendations.

City Manager, Ray Cruz began the study session by stating that water quality, availability, and costs are the main issues that face the community. The City is dealing with aging infrastructure, and the need to determine rates and costs is the 'math problem' that the City needs to solve in the immediate future.

Director of Public Works, Noe Negrete introduced Nancy Phan from Raftelis Financial Consultants, Inc. He started by talking about Proposition 218 where revenues derived from the fee may not exceed the funds required to provide the service. A Public Hearing would be conducted if Council approves to implement a rate change, where a denial of change in rates requires a majority protest. He noted that commercial/industrial water usage is at 62 percent, single family residential is at 27 percent, multi-family residential is at 5 percent, the City's water usage is at 3 percent, and Downey and Norwalk use 2 and 1 percent, respectively.

Noe Negrete presented different financial plan scenarios, including a status quo scenario. Under a status quo scenario, he estimates that funds would deplete by 2022 and would recommend revenue adjustments and reliance on external funding. He recommended a 9.5 percent increase each year for the first three years, and then a 6 percent increase each year for the following two years to help the city catch up for previous years. The

initial increase would pay for \$7 million of capital projects in fiscal years 2021 and 2022 and major projects would include Water Well Treatment in Zone 2 and Upgrade Motors at Reservoirs 1 and 2. At the fourth year, the city can be in a better financial state and can then reassess and see what changes can be made.

He also talked about the current water rates for single-family residential and non-residential units. He proposed switching from the current 5-tiered rate to a 3-tiered rate for single-family residential units. He proposed moving the multi-family units to the non-residential category in order to have a uniform rate, which would include multi-family, commercial, and the City. It would eliminate the current 5-tiered rate in place for non-residential units.

Nancy Phan talked about the current and proposed revenue recovery distribution. She proposed changing the fixed rates from 24.5 percent to 31.7 percent, and the variable rates from 75.5 percent to 68.3 percent. This would help the City be less reliant on consumption-based revenues and would help during times of drought.

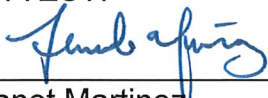
Noe Negrete also spoke about proposed rates for monthly meter charges and monthly private fire charges. He also demonstrated the differences in the bimonthly billing statements under the proposed rates. He reminded everyone in attendance that under Proposition 218, it is illegal to profit on water costs – the proposed changes are only to cover operational costs. Lastly, he outlined the next steps and tentative schedule for the implementation of the proposed rates.


Mayor Rounds thanked Noe Negrete and Raftelis for the presentation.

5. ADJOURNMENT

Mayor Rounds adjourned the meeting at 5:56 p.m.

ATTEST:


for Janet Martinez
City Clerk


William K. Rounds
Mayor
2/27/20
Date



APPROVED: 2/27/2020

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

January 23, 2020

1. CALL TO ORDER

Mayor Rounds called the meeting to order at 6:02 p.m.

2. ROLL CALL

Members present: Councilmembers/Directors: Rodriguez, Trujillo, Zamora, Mayor Pro Tem/Vice Chair Mora and Mayor/Chair Rounds.

Members absent: None

Fernando N. Muñoz, City Clerk Technician announced that members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

PUBLIC FINANCING AUTHORITY

3. CONSENT AGENDA

- a. Minutes of the December 12, 2019 Public Financing Authority (City Clerk)

Recommendation:

- 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) (Finance)

Recommendation:

- Receive and file the report.

It was moved by Councilmember Trujillo, seconded by Councilmember Rodriguez, to approve Item Nos. 3A and 3B, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

WATER UTILITY AUTHORITY

4. CONSENT AGENDA

- a. Minutes of the December 12, 2019 Water Utility Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

Recommendation:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

Recommendation:

- Receive and file the report.

It was moved by Councilmember Zamora, seconded by Mayor Pro Tem Mora, to approve Item Nos. 4A, 4B, and 4C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

NEW BUSINESS

5. Adoption of Policy on Discontinuation of Residential Water Service for Non-Payment in Compliance with SB 998 (Water Shutoff Protection Act) (City Attorney)

Recommendation:

- Adopt Policy on Discontinuation of Residential Water Service for Non-Payment in Compliance with SB 998 (Water Shutoff Protection Act).

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo, to adopt Policy on Discontinuation of Residential Water Services for Non-Payment in Compliance with SB 98 (Water Shutoff Protection Act), by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

HOUSING SUCCESSOR

6. CONSENT AGENDA

- a. Minutes of the December 12, 2019 Housing Successor (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. License Agreement to Temporary Use Housing Successor-Owned Land (Planning)
Consideration of a License Agreement with the Los Angeles County Chief Executive Office for the temporary use of a Housing Successor-owned 3.9± acre property, located at 13231 Lakeland Road (APN: 8011-012-902), to be utilized for the County's Registrar Recorder/County Clerk's election parking needs.

Recommendation:

- Authorize the Mayor or designee to execute the License Agreement and other related documents to effectuate the temporary use of the subject property pursuant to the terms and conditions contained therein.

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Rodriguez, to approve Item Nos. 6A and 6B, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

SUCCESSOR AGENCY

7. CONSENT AGENDA

Minutes of the December 12, 2019 Successor Agency (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to approve Item No. 7, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

CITY COUNCIL

8. CONSENT AGENDA

- a. Minutes of the December 12 and 18, 2019 Special and Regular City Council Meetings (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Santa Fe Springs Road Street Improvements – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment to All American Asphalt of Corona, California in the amount of \$762,776.34 (less 5% Retention).

- c. Basketball, Tennis, and Handball Courts Resurfacing (Los Nietos Park, Santa Fe Springs Park, and Little Lake Park) – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment to Trueline Construction and Surfacing, Inc. of Corona, California in the amount of \$37,284.66 (less 5% Retention).

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Trujillo, to approve Items Nos. 8A, 8B, and 8C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

NEW BUSINESS

9. Consideration of a Master License Agreement with Los Angeles SMSA Limited Partnership, d/b/a Verizon Wireless for Wireless Telecommunications Facilities on City-owned Streetlight Poles (Planning)

Recommendation:

- Find and determine that pursuant to Section 15303 (New Construction or Conversion of Small Structures) of the California Environmental Quality Act (CEQA), this project is Categorically Exempt; and
- Authorize the City Manager to execute a Master License Agreement for the use of City-Owned Streetlight Poles for Wireless Telecommunications Facilities; and
- Authorize the City Manager to execute all subsequent License Agreements.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to find and determine that pursuant to Section 15303 (New Construction or Conversion of Small Structures) of the California Environmental Quality Act (CEQA), this project is Categorically Exempt, and to authorize the City Manager to execute a Master License Agreement for the use of City-Owned Streetlight Poles for Wireless Telecommunications Facilities, and to authorize the City Manager to execute all subsequent License Agreements, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nays: None
Absent: None

10. Approval of Use Agreement for Lake Center Athletic Park and Facilities with Metropolitan Little League Baseball for 2020 (Community Services)

Recommendation:

- Approve the Use Agreement for Lake Center Athletic Park and Facilities with Metropolitan Little League Baseball for 2020.
- Authorize the Mayor to execute and sign the Use Agreement for Athletic Fields and Facilities with Metropolitan Little League.

It was moved by Councilmember Zamora, seconded by Mayor Pro Tem Mora, to approve the Use Agreement for Lake Center Athletic Park and Facilities with Metropolitan Little League Baseball for 2020, and authorize the Mayor to execute and sign the Use Agreement for Athletic Fields and Facilities with Metropolitan Little League, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nays: None
Absent: None

11. Approval of Use Agreement for Athletic Fields and Facilities with Santa Fe Springs 49ers Youth Football & Cheer for the 2020 season (Community Services)

Recommendation:

- Approve the Use Agreement for Athletic Fields and Facilities with Santa Fe Springs 49ers Youth Football & Cheer for the 2020 season.

- Authorize the Mayor to execute and sign the Use Agreement for Athletic Fields and Facilities with Santa Fe Springs 49ers Youth Football & Cheer.

Mayor Rounds announced that Item No. 11 would be pulled and not considered.

12. Approval of Use Agreement for Athletic Fields and Facilities with Norwalk/Santa Fe Springs Saints Youth Football & Cheer for 2020 season (Community Services)

Recommendation:

- Approve the Use Agreement for Athletic Fields and Facilities with the Norwalk-Santa Fe Springs Youth Football & Cheer for the 2020 season.
- Authorize the Mayor to execute and sign the Use Agreement for Athletic Fields and Facilities with the Norwalk-Santa Fe Springs Saints Youth Football & Cheer.

It was moved by Councilmember Trujillo, seconded by Councilmember Zamora, to approve the Use Agreement for Athletic Fields and Facilities with the Norwalk-Santa Fe Springs Youth Football & Cheer for the 2020 season, and authorize the Mayor to execute and sign the Use Agreement for Athletic Fields and Facilities with the Norwalk-Santa Fe Springs Saints Youth Football & Cheer, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

13. Deaccession of the sculpture entitled "The Orange Harvest" located at 10631 Hathaway Drive from the Heritage Arts in Public Places Program (Community Services)

Recommendation:

- Approve deaccessioning of "The Orange Harvest" as recommended by the Heritage Arts Advisory Committee and staff.
- Approve funds not to exceed \$3,500 for the removal of the art piece from its current location by a qualified professional.

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Trujillo, to approve deaccessioning of "The Orange Harvest" as recommended by the Heritage Arts Advisory Committee and staff, and approve funds not to exceed \$3,500 for the removal of the art piece from its current location by a qualified professional, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

14. Repair of Band Wheel Art Piece (Community Services)

Recommendation:

- Authorize payment to Silverlake Conservation, LLC. In the amount of \$5,700 from the Art in Public Places Program Fund for the repair and restoration of the Band Wheel located in the Sculpture Garden.

It was moved by Councilmember Rodriguez, seconded by Councilmember Zamora, to authorize payment to Silverlake Conservation, LLC. in the amount of \$5,700 from the Art in Public Places Program Fund for the repair and restoration of the Band Wheel located in the Sculpture Garden, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

15. Resolution No. 9658 – Grant Funds for Various Santa Fe Springs Park Improvement Projects (FY 2019/20) (Public Works)

Recommendation:

- Adopt Resolution No. 9658 approving the various Santa Fe Springs park improvement projects to be funded by issuing body 57th Assembly District Member Ian Calderon;
- Authorize the Mayor to execute all documents necessary with the California Natural Resources Agency in order to process the collection of grant funding related to various park improvement projects for FY 2019/20; and
- Authorize the City Engineer to advertise for construction bids for various park improvement projects.

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo, to adopt Resolution No. 9658 approving the various Santa Fe Springs park improvement projects to be funded by issuing body 57th Assembly District Member Ian Calderon, and authorize the Mayor to execute all documents necessary with the California Natural Resources Agency in order to process the collection of grant funding related to various park improvement projects for FY 2019/20, and authorize the City Engineer to advertise for construction bids for various park improvement projects, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

16. Rivera Road Street Improvements – Award of Contract (Public Works)

Recommendation:

- Accept the bids; and
- Award a contract to R.J. Noble Company of Orange, California, in the amount of \$624,591.00.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to accept the bids, and award a contract to R.J. Noble Company of Orange, California, in the amount of \$624,591.00, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

17. Rosecrans/Marquardt Avenue Grade Separation Overpass Project – Approval of Section 190 Funding Agreement (Public Works)

Recommendation:

- Authorize the Mayor to execute the agreement for Section 190 funding in the amount of \$15 million from Caltrans for the Rosecrans/Marquardt Avenue Grade Separation Project.

It was moved by Councilmember Trujillo, seconded by Mayor Pro Tem Mora, to authorize the Mayor to execute the agreement for Section 190 funding in the amount of \$15 million from Caltrans for the Rosecrans/Marquardt Avenue Grade Separation Project, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

18. Landscape Services: Complete Landscape Care Request for Contract Increase (Public Works)

Recommendation:

- Provide City staff direction on how to proceed with the request from Complete Landscape Care for a 19.3% increase to the existing contract amount and contract renewal for an additional 3-year term.

There were five (5) people wishing to speak on Item No. 18: Tom Murray from Complete Landscape Care, Inc., residents Frank Martene, Ralph Aranda, David Erb, and Katherine Garcia. All spoke in acknowledgement of the work that Complete Landscape Care, Inc. does for the City.

Mayor Pro Tem Mora talked about looking at the bottom line, like a business owner.

Councilmember Zamora acknowledged that landscaping is difficult, and that it is also difficult to find good workers.

Councilmember Trujillo stated that they will work to find a solution.

Mayor Rounds stated that the City needs to be prudent about its expenses. He proposed an ad-hoc committee to work with staff to negotiate a solution.

City Manager Ray Cruz mentioned other things to consider, namely the standard of care and quality of work.

Noe Negrete recommended that a decision be made soon so that it may be brought back to council sometime in late February or early March for a resolution, citing the increase in minimum wage.

Tom Murray stated that he had dismissed a worker due to the increase in the minimum wage. He also stated buying new equipment as a big expense. He asked Council for a 4.5% increase to compensate for the wage increase.

It was moved by Councilmember Rodriguez, seconded by Mayor Pro Tem Mora,

to approve a 4.5% increase to the fixed monthly compensation fee for services provided by Complete Landscape Care, Inc., effective January 1, 2020 through the end of the current term which ends on June 30, 2020, to be brought back at the next council meeting, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

19. Review of Heritage Arts Advisory Committee Membership and Resolution No. 9657 Relating to Establishment of and Rules for City Advisory Committees (City Attorney)

Recommendation:

- Provide direction to staff.

Councilmember Trujillo recommended combining only the Beautification and Historical Advisory Committees and reverting to reinstate the Family & Human Services Advisory Committee. She also recommended reinstating the council liaisons to the advisory committees.

Councilmember Zamora suggested combining the Beautification Advisory Committee with the Parks & Recreation Advisory Committee. Mayor Rounds stated that Beautification Advisory Committee did not like the idea of meeting in the evenings as does the Parks & Recreation Advisory Committee.

It was moved by Mayor Rounds, seconded by Councilmember Zamora, to bring back an item at the next council meeting to reinstate the Family & Human Services Advisory Committee as it was before the consolidation, and to combine the Beautification and Historical Committees to meet at the same time and location as the old Beautification Advisory Committee, and to decrease the allotted slots for membership for the new committee for each councilmember to 4 instead of 5, and to reinstate the council liaisons to the advisory committees, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

Councilmember Zamora suggested designating an additional membership slot to the Family & Human Services Advisory Committee to serve on the Heritage Arts Advisory Committee.

It was moved by Councilmember Zamora, seconded by Councilmember Trujillo, to provide the Family & Human Services Advisory Committee an additional membership slot to the Heritage Arts Advisory Committee, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

Janie Aguirre and Linda Vallejo spoke on Item No. 19.

CLOSED SESSION

20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Consideration of initiation of litigation pursuant to Government Code section 54956.9(d)(4): One case

Mayor Rounds stated that Item No. 20 would be considered after Item No. 29 on the agenda.

21. INVOCATION

Invocation was led by Councilmember Trujillo.

22. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Lianey Resendiz from Rancho Santa Gertrudes Elementary.

23. INTRODUCTIONS

- Representative from the Chamber of Commerce: Susan Crowell from HealthFirst Medical Group, and Tony Williams from Global IT.

24. ANNOUNCEMENTS

- The Youth Leadership Committee Members made the following announcements:
 - Free Income Tax Preparation – January 21, 2020
 - Meet the Mayor – Last Wednesday of each month at 6:30 P.M., and the 4th Thursday of the month at 12:00 P.M.
 - Fandango with Los Cambalache – February 7, 2020 at 7:00 P.M.
 - Presidents' Day Penny Carnival – February 17, 2020 at 1:00 P.M.

25. CITY MANAGER AND EXECUTIVE TEAM REPORTS

- City Manager, Ray Cruz spoke about the Santa Fe Springs Chamber of Commerce hosting the 2020 Economic Outlook breakfast. At the event, they predicted a strong economy and no recession in sight for this year. He also spoke about his twins turning 13 years old.
- Director of Public Works, Noe Negrete provided an update on two projects: 1. The completion of the court resurfacing projects at Los Nietos, Santa Fe Springs, and Little Lake Parks; 2. The completion of the Greenstone Avenue project between Lakeland Rd and Sunshine Ave. Lastly, he spoke about the left turn pocket being open on Florence Ave and Orr & Day Rd.
- Director of Planning, Wayne Morrell spoke about the waste disposal site on Greenleaf, Los Nietos, and Santa Fe Springs Rd. Additional soil will be brought in to create a new foundation for the new property. The property will be used for outdoor storage by CalPERS. The property will be leased. He also spoke about the Lakeland Rd and Laurel Ave project, which will have Habitat for Humanity housing. Lastly, he spoke about the

Sonic Drive-In site being brought forward to the Planning Commission in March, and construction will begin by the end of the year.

- Director of Police Services, Dino Torres spoke about two upcoming event days: 1. Cesar Chavez Day on March 11 for Santa Fe High School students and 2. The "Every 15 Minutes" program at St. Paul High School on April 29 and 30.
- Fire Chief Brent Hayward spoke about beginning their Fire Life Safety Inspections. He also spoke about calls regarding fraudulent Fire Inspectors. He advised businesses to keep a watchful eye and to report anything suspicious.
- Director of Finance and Administrative Services, Travis Hickey spoke about attending the 2020 Economic Outlook breakfast and the beginning of the upcoming budget season.
- Director of Community Services, Maricela Balderas, spoke about the Youth Leadership Committee attending the retreat to Green Valley, CA. She also spoke about celebrating the Christmas Float program at Maggie's Pub. Lastly, she spoke about the Santa Fe Springs homeless count that took place last night that was done in tandem with The Whole Child. Results will be provided in May/June.

26. PRESENTATIONS

- a. Proclamation declaring February 2020 as "Heart Health Month" in the City of Santa Fe Springs
- b. Presentation of former Public Works employee Heleo Espinoza upon his retirement
- c. Recognition of 2019 Tree Lighting Event Sponsors

27. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

- a. Selection of Liaisons to Various City Committees and Representatives to Governmental Organizations
- b. Advisory Committee Appointments

Councilmember Trujillo appointed Nancy Krueger to the Parks and Recreation Advisory Committee.

28. ORAL COMMUNICATIONS

Residents Francisco Acosta and Gilbert Aguirre spoke during Oral Communications.

29. COUNCIL COMMENTS

Councilmember Rodriguez spoke about attending the Volunteer Recognition Dinner. She thanked the Women's Club and encouraged more people to join. She also thanked staff for their participation at the Volunteer Recognition Dinner and the Public Works Christmas Lunch.

Councilmember Trujillo thanked staff and the volunteers for their hard work. She asked those in attendance to keep Officer Scoggins in their thoughts and prayers as he recovers from surgery.

Councilmember Zamora asked Director of Public Works, Noe Negrete to look into what options can be considered in terms of traffic management at the area around the intersection of Pioneer Blvd and Orr & Day Rd.

Mayor Pro Tem Mora thanked everyone in attendance, and thanked all the volunteers for setting an example to all generations. He thanked staff for all they do, and looked forward to a great year.

Mayor Rounds thanked the volunteers for the time they dedicated in 2019. He also thanked all the residents who attended the council meeting.

CLOSED SESSION

20. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Consideration of initiation of litigation pursuant to Government Code section 54956.9(d)(4): One case

Mayor Rounds recessed the meeting at 7:57 p.m.

Mayor Rounds reconvened the meeting at 8:21 p.m.

City Attorney, Ivy M. Tsai provided a report on the closed session item: Direction was given to staff and no reportable action was taken.

30. **ADJOURNMENT**

Mayor Rounds adjourned the meeting at 8:21 p.m.

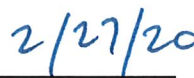
ATTEST:



Janet Martinez
City Clerk



William K. Rounds
Mayor



Date