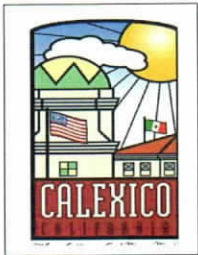


**AGENDA
ITEM**

4



AGENDA STAFF REPORT

DATE: November 6, 2019
TO: Mayor and City Council
APPROVED BY: David B. Dale, City Manager *DD*
PREPARED BY: Gabriela T. Garcia, City Clerk *GTG*
SUBJECT: Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meeting of October 23, 2019

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Recommendation:

Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meeting of October 23, 2019.

Background:

In accordance with Municipal Code Section 2.04.070, the City Clerk shall prepare minutes of the proceedings of each City Council Meeting.

Discussion & Analysis:

City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meeting of October 23, 2019 have been prepared for City Council review and approval.

Fiscal Impact:

None.

Coordinated With:

None.

Attachments:

Minutes for City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meeting of October 23, 2019.



THE CITY COUNCIL/CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY/CALEXICO FINANCING AUTHORITY MET IN SPECIAL SESSION ON THE 23RD DAY OF OCTOBER 2019 AT 5:30 PM AT THE FERNANDO "NENE" TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEIXCO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLD OF SAID MEETING.

CLOSED SESSION

CALL TO ORDER:

Mayor Hodge called the closed session portion of the meeting to order at 5:40 p.m.

ATTENDANCE:

PRESENT:

Mayor: Bill Hodge
Mayor Pro Tem: David Romero
Council Member: Rosie Arreola-Fernandez
Council Member: Morris Reisin
Council Member: Lewis Pacheco

PUBLIC COMMENTS

No public comments.

ADJOURN TO CLOSED SESSION

City Council convened in closed session at 5:41 p.m. to discuss the following:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
City of Calexico v. Robert Bergeson, Rudy Alarcon
Superior Court of California, County of Imperial,
Case No. ECU 000297

City Council reconvened from closed session at 6:01 p.m.

**CALEXICO CITY COUNCIL/CALEXICO REDEVELOPMENT
SUCCESSOR AGENCY/CALEXICO FINANCIAL AUTHORITY**

REGULAR SESSION – 6:30 P.M.

CALL TO ORDER

Mayor Hodge called the regular portion of the agenda to order at 6:35 pm

ROLL CALL**PRESENT:**

Mayor: Bill Hodge
Mayor Pro Tem: David Romero
Council Member: Rosie Arreola-Fernandez
Council Member: Morris Reisin
Council Member: Lewis Pacheco

PLEDGE OF ALLEGIANCE

Mayor Hodge led those present in the Pledge of Allegiance.

MISSION STATEMENT PLEDGE

City Manager Dale led those present in reciting the City's Mission Statement.

INVOCATION

Mayor Pro Tem Romero led those present in prayer.

CLOSED SESSION ANNOUNCEMENTS

Robert Hargreaves, Assistant City Attorney reported Council met in closed session, provided direction and no reportable action was taken.

APPROVAL OF AGENDA

Motion was made by Mayor Pro Tem Romero, seconded by Council Member Pacheco to approve the agenda as presented. Motion passed unanimously.

PRESENTATIONS**PRESENTATION ON THE BUSINESS IMPROVEMENT DISTRICT BOARD ACTIVITIES BY BOARD CHAIRPERSON.**

Presentation cancelled.

PUBLIC COMMENTS AND PUBLIC APPEARANCES

Jason Jung spoke in reference to his comments at a past meeting and presented his proof regarding recordings substantiating his claims about the Chief of Police and played a recorded conversation with the Chief of Police.

Assistant City Attorney Hargreaves advised Mr. Jung it was his understanding the recordings may be illegal because they were recorded without permission and if he played them in a public forum he may be subjecting himself to civil liability.

Mr. Jung spoke about documents he submitted to the City and questioned if anyone carried out due diligence on said documentation which was subsequently presented to the District Attorney.

He also questioned the city owing him \$1,200 for water, Mayor Hodge's personal finances and his ability to manage the city's finances.

Cesar Figueroa spoke on the need for agenda items to address cost of business licenses and to bring back discussion on the review fire permits. He spoke in support of comments made by Mr. Pedro Ortiz with regards to Mayor Hodge's comments.

Carlos Gonzalez addressed Mayor Hodge's comments on decorum during public comments. He spoke on the economic development possibilities of Calexico over the past forty years and the support provided by the Council to specific businesses. He expressed his concern on support by the Council with regards to Gran Plaza Nike Store.

Alberto Alvizu spoke in reference to the outlet video in which Mayor Hodge and Mr. Dale participated. He spoke about losing businesses in Calexico and stated he was upset because the Santo Tomas Merchant did not receive the same support. He asked Council strive for the citizens and the city.

Pedro Ortiz spoke regarding to Mayor Hodge's comments in a local interview. He addressed revenues provided by the Santo Tomas merchants and questioned new revenues reported in prior meetings which were never achieved. He commented on problems with Cesar Chavez Blvd. He requested that the Camarena name be removed from the Camarena Library.

Alex Perrone thanked the Council for their participation in a recent ribbon cutting ceremony. He addressed the issues with infestation of cats. He stated the Planning Commission meetings were in need of an attorney for legal direction. He stated his support for the Santo Tomas Merchants.

Joong Kim stated the council is causing damage to the City with every vote. He addressed Planning Commission meeting agendas lacking back-up documentation. He stated the Council blocking the people from speaking and the public is not happy.

CITY COUNCIL COMMENTS AND REPORTS OF MEETINGS ATTENDED

Council Member Reisin announced the Halloween Carnival and professional wrestlers will take place on October 31, 2019 in the downtown beginning at 5 p.m.

Council Member Pacheco spoke on the traffic on Second Street and addressed streets in Calexico that are dark due to old lighting.

Council Member Arreola-Fernandez reported attending the Oktoberfest and thanked the staff for the event.

Mayor Pro Tem Romero reported attending the California League of Cities Annual Conference and his visit with Mexicali Mayor Marina del Pilar Avila Olmeda where issues of air pollution and her goals is rebuild Mexicali's historic center were discussed. Mayor Pro Tem extended Mayor Avila Olmeda an invitation to visit Calexico in an effort to strengthen the bond as Sister Cities.

Mayor Hodge reported attending California League of Cities Annual Conference. He announced the Town Hall meeting on October 30, 2019 at the Mario Esquer Building on the West side of

town to hear the concerns of the citizens. He addressed speeding at Espinoza and Rockwood and on Meadows Street before Grover Cleveland.

CITY MANAGER'S REPORT – No report.

CONSENT AGENDA

Motion was made by Council Member Pacheco, seconded by Mayor Pro Tem Romero and passed unanimously to approve the consent agenda consisting of the following: Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meeting of October 2, 2019; Ratification of Economic Development and Financial Advisory Commission Minutes for Meetings of November 13, 2018, March 12, 2019, June 11, 2019, July 9, 2019 and September 10, 2019; Warrants from September 14, 2019 to September 27, 2019 and City Salaries from September 14, 2019 to September 27, 2019; Approval of a Resolution Accepting Funding from the State of California Citizens' Option for Public Safety (Cops) Funds for Fiscal Years 2017/2018 and 2018/2019.

FISCAL YEAR 2017-18 AUDITED FINANCIAL STATEMENTS

Ken Punn, The Pun Group, presented a detailed report on the Fiscal Year 2017-18 Audited Financial Statements including scope of work, audit responsibilities, Overview of Financial Statements, Financial Indicators and Key Pension Information and Audit Results for the City of Calexico's Basic financial statements and TDA Compliance and GANN Limit Compliance.

Mayor Hodge thanked Mr. Punn for his presentation.

Joong Kim commented on the delay of the report and stated the findings were the same every year. He pointed out the sacrifices made by the community, specifically public safety, in order to balance the budget. He questioned the expenditures by the Council with regards to salaries versus providing actual services for the public.

FISCAL YEAR 2019-20 1ST QUARTER BUDGET STATUS REPORT AND PROPOSED BUDGET AMENDMENT.

Karla Lobatos, Finance Director, presented a report on the Fiscal Year Ending Fund Balance June 30, 2019, Fiscal Year 2019-20 Expenditures and Fiscal Year 2019-20 Ending Fund Balance – June 30, 2020 including General Fund Budget Net of Internal / Changes and Transfers with an increase of \$1,027,986 due to concessions by employees and the expenditure constraints and sales tax for an ending working capital of \$1,395,134.

Director Lobatos stressed the need to continue to contain expenditures and paying the internal debt of the Wastewater Loan debt in the amount of \$727,995 a year in advance. She presented the Condensed Statement of Revenues, Expenses and Changes in Fund Balance versus Budget for Fiscal Year 2019-2020 First Quarter ending with a surplus of \$647,691.

City Manager Dale stated the city is showing a working capital (reserves) of \$1.4 million and a debt to the wast4water loan of \$1.4 million which he called a net. Ms. Lobatos stated it could be

recommended to pay off the loan. City Manager Dale recommended keeping the working capital for emergency expenditures and paying the wastewater loan in fiscal year 2019-2020.

Director Lobatos and City Manager Dale answered questions from the Council. Mayor Hodge commended the staff for the sacrifices made.

Joong Kim stated the City is saving money while jeopardizing the safety of the citizens. He urged the Council to find the money and tighten the belt on the million dollar increase of salaries and benefits.

Motion was made by Mayor Pro Tem Romero, seconded by Council Member Pacheco and passed unanimously to approve Fiscal Year 2019-20 1st Quarter Budget Status Report and Proposed Budget Amendment.

APPROVAL OF A RESOLUTION OF THE CITY OF CALEXICO APPROVING A PLEDGE AGREEMENT AND THE ISSUANCE OF REFUNDING BONDS AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

City Manager Dale explained that in 2012 the Imperial County Transportation Commission took out a bond on Measure D sales tax that goes directly for street improvements and transportation issues. He explained the interest rates have dropped and money can be saved by refunding the bond.

Mark Baza stated the opportunity to refund due to municipal bond interest rates being low and refunding will save on the remaining debt payments on the bond and the city will receive more funding.

Carmen Vargas, Sr. Vice President with Vargas & Company, Bond Underwriter, stated investors are moving more towards bonds with a fixed rate than the stock market and interest rates are trending low at historical levels. She advised four other participants of the bond have already approved resolutions to move forward and the current savings for the city is at \$26,000.

Don Hunt, Bond Counsel stated the approval would be to amend the pledge agreement adopted at the time the bond was issued in 2012 so going forward the city will be able to issue bonds through the transportation authority without a new pledge agreement every time. The approval authorizes the city's participation in the refunding to the extent there are savings.

Motion was made by Council Member Pacheco, seconded by Mayor Pro Tem Romero and passed unanimously to adopt the Resolution approving the pledge agreement and the issuance of refunding bonds and directing certain actions with respect thereto.

AUTHORIZE CITY MANAGER TO ENTER INTO A 5 YEAR AGREEMENT WITH MAILFINANCE, INC., FOR THE LEASE OF POSTAGE MACHINE AND A DOCUMENT FOLDER/INSERTER MACHINE.

Karla Lobatos, Finance Director provided a background on the postage machine and document folder/insertion machine and advised there will be a savings to the city over the five year agreement period.

Motion was made by Mayor Pro Tem Romero, seconded by Council Member Arreola-Fernandez and passed unanimously to authorize City Manager to enter into a 5 year agreement with MailFinance, Inc., for the lease of postage machine and a document folder/insert machine.

AUTHORIZE THE CITY MANAGER TO SIGN AGREEMENT OF PROFESSIONAL SERVICES WITH LEE & RO, INC. FOR ENGINEERING SERVICES FOR SEWER LIFT STATION NO. 9 AND 11, SEWER COLLECTION AND WATER DISTRIBUTION SYSTEM IMPROVEMENT PROJECT.

City Manager Dale provided background on Sewer Lift Stations and stated the need for the project due to the upcoming housing projects. The City received two proposals and City recommends Lee & Ro proposal in the amount of \$366,152. City Manager answered questions from council regarding the status of project.

Motion was made by Council Member Reisin, seconded by Council Member Pacheco and passed unanimously to authorize the City Manager to sign agreement of professional services with Lee & Ro, Inc. for engineering services for Sewer Lift Station No. 9 and 11, Sewer Collection and Water Distribution System Improvement Project.

AUTHORIZE CITY MANAGER TO FILE NOTICE OF COMPLETION FOR DE LAS FLORES STREET IMPROVEMENT FEDERAL PROJECT NO. CML-5168 (030).

City Manager Dale commended Public Works Department and the Engineering Technician for the work on the project.

Motion made by Council Member Pacheco, seconded by Council Member Reisin and passed unanimously to authorize City Manager to file notice of completion for De Las Flores Street Improvement Federal Project No. CML-5168 (030).

APPOINTMENT BY COUNCIL MEMBER REISIN TO THE BUSINESS IMPROVEMENT DISTRICT.

Council Member Reisin appointed Mr. Alex Perrone to the Business Improvement District.

APPOINTMENT BY CITY COUNCIL OF A RESIDENT COMMISSIONER TO THE CALEXICO HOUSING AUTHORITY BOARD.

Motion was made by Mayor Hodge to appoint Carlos Roldan to the Calexico Housing Authority Board as a resident commissioner. Motion was seconded by Council Member Reisin and passed unanimously.

FUTURE AGENDA ITEMS

Council Member Reisin requested an agenda item on Cannabis Retail.

Council Member Pacheco requested repairs to Grant Street at the railroad tracks and at Adler Street and pointed out the need for lighting in the downtown at Heffernan and Second Street.

ADJOURNMENT

There being no further business, motion was made by Mayor Pro Tem Romero, seconded by Council Member Reisin and passed unanimously to adjourn the meeting at 8:20 p.m.

Bill Hodge, Mayor

ATTEST:

Gabriela T. Garcia, City Clerk