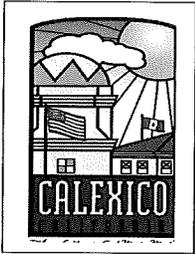


**AGENDA
ITEM**

9



AGENDA STAFF REPORT

DATE: June 7, 2017
TO: Mayor and City Council
APPROVED BY: Armando G. Villa, City Manager 
PREPARED BY: Gabriela T. Garcia, Deputy City Clerk
SUBJECT: Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meetings of May 3, 2017, May 9, 2017, May 17, 2017 and March 6, 2017.

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Recommendation:

Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meetings of May 3, 2017, May 9, 2017, May 17, 2017 and March 6, 2017.

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:

Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meetings of May 3, 2017, May 9, 2017, May 17, 2017 and March 6, 2017, 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 Meetings of May 3, 2017, May 9, 2017, May 17, 2017 and March 6, 2017.

<p>AGENDA ITEM</p> <p>9</p>

THE CITY COUNCIL/CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY/CALEXICO FINANCING AUTHORITY MET IN REGULAR SESSION ON THE 3RD DAY OF MAY, 2017 AT 5:30 P.M. AT THE FERNANDO "NENE" TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLDING OF SAID MEETING.

CLOSED SESSION

CALL TO ORDER

Mayor Real called the meeting to order at 5:42 p.m.

ATTENDANCE

Mayor: Armando G. Real
Council Member: Lewis Pacheco
Council Member: Jesus Eduardo Escobar
Council Member: Bill Hodge

ABSENT

Mayor Pro Tem: Maritza Hurtado

PUBLIC COMMENTS

No public comments made.

ADJOURNED TO CLOSED SESSION

Council adjourned to closed session at 5:43 p.m. to discuss the following:

1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Representatives: Armando Villa, City Manager, Carlos Campos, City Attorney
Employee Organizations: Fire Fighters Association, Supervisors Association, Certified Operators Association/SEIU Local 221 (Govt. Code Section 54957.6).

Council reconvened from closed session at 6:29 p.m.

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

REGULAR SESSION AGENDA

6:30 P.M.

CALL TO ORDER

Mayor Real called the meeting to order at 6:39 p.m.

ROLL CALL.

Mayor: Armando G. Real
Council Member: Lewis Pacheco
Council Member: Jesus Eduardo Escobar
Council Member: Bill Hodge

ABSENT:

Mayor Pro Tem: Maritza Hurtado
Mayor Pro Tem Hurtado arrived at 6:40 p.m.

PLEDGE OF ALLEGIANCE.

Mr. Javier Gonzalez led those present in the Pledge of Allegiance.

INVOCATION BY PASTOR EDUARDO CECENIA, GENERACIÓN VICTORIOSA CHURCH

Pastor Eduardo Cecenia, provided the invocation prayer for the Council and the Community.

CLOSED SESSION ANNOUNCEMENTS.

Jill Tremblay, Interim City Attorney reported one item was discussed. No reportable action taken.

APPROVAL OF THE AGENDA.

Motion was made by Mayor Real, seconded by Council Member Hodge and passed unanimously to approve the agenda as presented.

PRESENTATIONS**PROCLAMATION FOR MAY 2017 AS VETERAN'S APPRECIATION MONTH.**

Mayor Real and Council Members read the proclamation to those present and proclaimed the month of May 2017 as Veteran's Appreciation Month.

Mayor Real presented the Proclamation to Mr. Frank Pacheco on behalf of the Veteran Appreciation Month. Mr. Frank Pacheco received the proclamation on behalf of all those who have served in the armed forces, he asked for prayers for those who are away and thanked the Council.

PROCLAMATION FOR POLICE WEEK - MAY 14-20, 2017.

Mayor Real and Council Members read the proclamation to those present and proclaimed the week of May 14 to May 20, 2017 as "Police Week"

Mayor Real presented the Proclamation to Police Chief Gomez. Chief Gomez thanked the Council for the Proclamation and introduced new officers Jorge Ruiz and Luis Soberanes. He reported the Elks Lodge of El Centro presented Mr. Armando Orozco with the Officer of the Year Award. Officer Orozco is a 13 year veteran of Calexico Police Department currently serving as Range Master, Department Fire Arms Expert, Field Training Officer and Quarter Master.

PROCLAMATION FOR NATIONAL PUBLIC WORKS WEEK – MAY 21-27, 2017.

Mayor Real and Council Members read the proclamation to those present and proclaimed the week of May 21-27, 2017 as “National Public Works Week”.

Mayor Real presented the proclamation to Mr. Nick Fenley, Public Works Manager of the City of Calexico.

PUBLIC COMMENTS AND PUBLIC APPEARANCES

Javier Gonzalez representing Kennedy Gardens Neighborhood Watch thanked the Council for the proclamation given to San Diego State for the Arbor Day Celebration. He asked the Council for assistance in closing the openings along the All American Canal fence. He commented on a member of the council speaking to Univision and expressing his personal opinions and felt this was not appropriate.

James Beaver requested direction from Council on filling out the Form 700 for his service on the Police Advisory Commission.

Carmen Estrada, Calexico Parents Athletic League, requested assistance from the Council with regards to the conditions of the City Parks. She offered assistance to the Council on the maintenance of the parks and requested a meeting with the City to resolve the pending issues.

Cecilia Wallace spoke on behalf of the soccer teams and requested support from the Council regarding the City Parks and the lack of lighting at Daniel Gutierrez Field.

Alex Perrone expressed his concern with crime being up in Calexico. He reported his motorcycle was stolen, his utility van was broken into and reported someone broke into his mother’s house and the Police Department released the person who did it because they stated it was not the right person. He asked for the City to keep the City safe and suggested the City find funds to keep the kids safe by funding the programs for children.

Ricardo Servin reported that on Saturday someone through a rock at his car and he called the Police Department which will cost \$500 to repair which he cannot afford. He asked for more policing in the area around Crummet Park.

Felipe Meza, soccer coach, spoke on behalf of the soccer teams so they can play and help make them better students and citizens. He asked for support from the Council on lighting at Las Casitas Field.

CITY COUNCIL COMMENTS AND REPORTS OF MEETINGS ATTENDED

Council Member Escobar offered his condolences to the families of Oscar Gastelum and Dr. Rocamora. He accepted to serve on the County Ag Benefit Advisory Committee. Attended the IVEDC quarterly meeting and there will be a general assembly meeting on May 17-18, 2017. He spoke on the lack of parks in Calexico and asked about utilizing school fields instead of retention basins.

Council Member Hodge spoke about a sports summit for the recreation. He stated the City needs to sit and focus on grants for parks. He reported he attended coffee with a cop. He commended Maribel Padilla for her coordination of the clean-ups in the downtown area. He stated the need to beautify Calexico and clean up the planter areas. He expressed his concerns for the trees at Cole Road and Highway 111 and the need to beautify the four corners at the entrance to Calexico. He stated the City has an emergency because the City needs more dispatchers at the Police Station and requested a tour of dispatch with the City Manager. He reported a home next to 625 Canal Street which is being used for drugs and it is an eyesore. He requested a status for the Calexico Fire Station and whether it would be moved. City Manager advised him the former Fire Chief gave a presentation on alternatives for the station and direction was given to study the existing facilities and make improvement to said facilities and staff is working on final design for the station.

Council Member Pacheco congratulated the Mayor on the State of the City. He asked how many parks have lights. Mr. Fenley stated there are five parks with lights and on timers which keep the lights on until about 10 p.m. City Manager Villa advised the Council there is a once a year coordination meeting to establish use of the parks.

Mayor Pro Tem Hurtado addressed her daughter who is traveling and stated she is praying for all those who are traveling with the current situations. She commented on a break-in at her home last summer and the assistance provided by the Calexico Police Department. She further stated the Calexico Police Department recuperated her friend's vehicle after it was stolen this past summer. She reported the Mariachi Festival Activities are coming up from May 15 –May 20, 2017. She addressed comments regarding the Council Members speaking to the public. She informed the public she has addressed the parks issue with the City Manager and commented on how the parks are a victim of the current instability in the City. She stated the need to focus and prioritize the topics of interest to the community's quality of life.

Mayor Real thanked those present and explained that prior administrations did not require the developers to provide parks for the residents. He informed the green areas requirement is now being implemented by administration. He asked the public to understand that Calexico cannot have green areas like other cities due to lack of resources and suggested desert landscaping for areas in town. He informed the current budget is coming along however, the city still does not have the resources.

Mayor Pro Tem Hurtado left the dais at 7:43 p.m.

Mayor Real commended persons like Maribel Padilla and Javier Gonzalez for their work in the community. He commented on the issues the City endures which are out of the city's control and the lack of assistance from the state and federal government. He stated commerce in Calexico is most important for growth so the City can once again be up to full staffing.

Ricardo Servin announced the passing of Adriana Lopez, former City Employee.

CITY MANAGER'S REPORT

City Manager Villa addressed the comments by council and the needs clearly stated. He also commented that with regards to the Police issue, he met with HR and the City is making sure it is very careful on who is hired to replace the people that leave because the City does not want a runaway budget as in the past. Special Meeting on May 9, 2017 to address the certified financial statements for 2015-2016 and will be presenting the Capital Improvements Program for next year. On May 17, 2017 the city of Mexicali has requested meeting to re-sign the Sisterhood Agreement with the City of Mexicali at 5:30 p.m. and reconvene as a council following this meeting at 6:30 p.m. or 7:00 p.m.

CONSENT AGENDA

Council Member Hodge pulled Item No. 8 for clarification.

Mayor Real motioned to approve the consent agenda consisting of Item No.'s 5, 6, 7, 9, 10 and 11 as follows: Approval of City Council/Calexico Community Redevelopment Agency Successor Agency/Calexico Financing Authority Minutes for Meetings of February 1, 2017, February 15, 2017, March 1, 2017, March 15, 2017, April 5, 2017, April 19, 2017; Warrants from April 6th to April 20th, 2017 and City Salaries & Benefits from April 1st to April 7; Resolution of the City of Calexico in Support of California Regional Water Quality Control Board Colorado River Basin Region Resolution No. R7-2017-Xxxx Requesting the Federal Government take Decisive and Timely Action to Eliminate Bypasses of Raw Sewage from Mexicali into the New River; Adopt a Resolution of the City Council of the City of Calexico Approving Submittal of Application(s), and Supporting Documents, for All CalRecycle Grants for which City of Calexico is Eligible Between May 3, 2017 and June 30, 2018; Adopt an Environmentally Preferable Practices and Purchases Policy; Letter of Understanding between the City of Calexico and the Calexico City Supervisors Association.

Motion seconded by Council Member Pacheco and passed by the following vote to wit:

AYES:	Real, Pacheco, Escobar, Hodge
NOES:	None
ABSENT:	Hurtado
ABSTAIN:	None

ITEMS PULLED FROM CONSENT CALENDAR FOR DISCUSSION**ITEM NO. 8 - A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF CALEXICO AUTHORIZING INVESTMENT OF CITY FUNDS IN THE LOCAL AGENCY INVESTMENT FUND ADMINISTERED BY THE STATE TREASURER.**

CITY Manager Villa advised this resolution will authorize moving the funds to the Local Agency Investment Fund because the institutions they were moved to are not yielding enough return. The funds in LAIF are much more secure and with a better return.

Council Member Hodge asked how much funding was being invested. City Manager Villa advised it was approximately \$51 million.

Motion was made by Mayor Real, Seconded by Council Member Hodge and passed by the following vote to wit:

AYES: Real, Pacheco, Escobar, Hodge
NOES: None
ABSENT: Hurtado
ABSTAIN: None

Maritza returned to the dais at 8:04 p.m.

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

James Beaver recommended Mr. John Romo for the position of resident commissioner.

Mayor Real nominated Mario Acevedo for Resident Commissioner. Motion was seconded by Council Member Hodge. Council took the following vote:

AYES: Real, Hodge
NOES: Pacheco, Escobar
ABSENT: Hurtado

Motion did not pass.

Juan Villarreal, Housing Authority Board Member spoke about appointing the best qualified persons and spoke in support of Mr. Mario Acevedo.

Motion by Council Member Escobar to appoint Marcelina Ochoa for Resident Commissioner. Motion was seconded by Mayor Real. Council took the following vote:

AYES: Pacheco, Escobar
NOES: Real, Hodge
ABSENT: Hurtado

Motion did not pass.

Motion was made by Mayor Real to appoint Mario Acevedo as Resident Commissioner. Motion was seconded by Council Member Hodge and passed by the following vote to wit:

AYES: Real, Pacheco, Escobar, Hodge
NOES: None
ABSENT: Hurtado

APPOINTMENT BY MAYOR AND COUNCIL MEMBERS TO THE FOLLOWING COMMISSIONS/BOARDS/COMMITTEES:

a. Calexico Police Advisory Board - Council Member Escobar appointed Mr. Antonio Garcia to the Police Advisory Board.

b. Business Improvement District (BID) - Council Member Escobar restated his appointment of Mr. Cesar Aguilar at a prior meeting.

Due to a mix-up in the listing of commission Mayor Hurtado was not able to make appointment to the BID. This item will be placed on the following agenda.

DISCUSSION REGARDING PARAMETERS OF THE FUTURE STRATEGIC PLANNING AND GOAL SETTING WORKSHOP.

Ben Horton spoke in reference to the 2015 strategic planning meeting and various follow-up meetings happen and the Council and nothing happens and it stops. Requested the Council follows through to the end.

Mayor Real addressed the planning meetings in 2015 and the process was not followed to implement. He hoped that this time the Council would implement the policies.

Council Member Escobar stated he respectfully disagreed with comments made and commented on the city budget 2015 and 2017 are worlds apart and the so is the council. The community wants follow-through and the city also wants results. He stated he is cautiously optimistic it would be significantly different because the atmosphere is significantly different from multiple standpoints.

Council Member Hodge stated this new council is working better together and need to come together for the big picture and stated the need to implement.

City Manager Villa requested direction on fresh new set of goals and objectives or to continue with the 2015 document which addresses, parks, image, downtown, reorganization and administration. Mayor Real requested a copy of the document to review and cautioned on the cost of a consultant to carry this through.

Council Member Escobar stated the difference is not the priorities but the revenue stream. He stated the issue to allocate the appropriate fund to line items in the departments to meet community needs.

Council Member Pacheco commented on page 12 of the document, which identifies six areas prioritized and revenue stream and finance is #5 and this should be #1 with economic development as #2.

Mayor Real addressed the need to prioritize the needs, save money and have a retreat to reorganize and help the City Manager, set guidelines and allow the City Manager to do his job. Council Member Pacheco stated the strengths and weaknesses are very different now than on the list and this board is more receptive and more united, with different focus and no money.

Council Member Escobar stated that due to the difference in opinion, the council should get together with a third party to give City Manager clear direction based on the City's financial status.

City Manager Villa advised that the City will have to bring Mr. Garcia in to complete the document and was hoping for a strategic meeting during the week of May 22nd to provide parameters. Mayor Real stated that if the balance of the council wants to proceed and for the sake of working together he was open to continue to proceed.

Council Member Escobar stated he would direct the City Manager to move forward because it is extremely critical to prioritize with our limited budget and development a strategic plan for one to three years.

Mayor Pro Tem Hurtado stated Mr. Garcia is invested in the City of Calexico and has already taken the City through this process and felt he was the best suited to continue the discussion. She also commented that any time this council has strategy conversations, the City staff should be present at the meeting and they need to be involved.

Council Member Hodge concurred with Mayor Pro Tem Hurtado and would like to see Mr. Garcia come back and discuss whether the City needs to start over or continue with the plan.

Mayor Pro Tem Hurtado stated the need to make a plan. She commented on Target No. 3 was image of Calexico which also means cleanliness and this includes cleaning the business storefronts and asked the council members to be strong when approached by the community.

Council Member Pacheco stated the he would like to change the logo and the city needs to be more progressive, grow and bring in more businesses and infrastructure. He stated the need for change and for the city to be more vibrant.

Mayor Real concurred with Council Member Pacheco's comments and agree there is a lot that came out and there was push-back due to the message and the city needs to be clear that when the Council want clean-up it does not mean to go after commerce. He addressed the need for balance in the community with regards to signage. City Manager commented the plan is not done and he wants to take advantage of the foundation and the goals and objectives will yield him to go back to departments on how to deal the image, downtown, parks and recreation problems and put together a list of several strategies, place timelines and also align the strategies with the budget in order to allocate funds. Direction was given to City Manager. City Manager stated he will bring back Mr. Garcia to strategic planning meeting during the latter part of May.

FUTURE AGENDA ITEMS

Clerk clarified the error in the appointments made by Council Member Escobar and Mayor Pro Tem Hurtado. Clerk advised Council Member Escobar made his appointment of Mr. Cesar Aguilar to the BID and it was inadvertently listed under Mayor Pro Tem Hurtado which made it look like she did not have an appointment and this could be placed on the next agenda.

Mayor Pro Tem Hurtado requested the Council to allow her to make the appointment. Interim City Attorney Tremblay stated the importance of listing it on the agenda so the public can comment on the item since it is a discussion item.

Mayor Real:

1. Requested continuance of the Parks sub-committee meetings.
2. Commented on the current model of the commissions and asked if the sub-committee format might work and bring back to Council for possible action.

Council Member Pacheco:

1. Listing on the usage of the parks. Mayor Real discussed the usage of the parks for all types of sports.

Council Member Hodge:

1. Request for an action plan on Cesar Chavez Blvd. and requested to let the public know the progress of the project. City Manager advised this item will be addressed next week with the report on the Capital Improvements Program.
2. Request for a report on businesses leaving Calxico.

Mayor Pro Tem Hurtado:

1. Request for City Manager to update the council on the projects during his City Manager's comments. Mayor Real spoke to the confidentiality of certain projects and the ability of the City to report on these companies.
2. Request for a joint meeting between the Planning Commission and the Council.

ADJOURNMENT

There being no further business, meeting was adjourned at 8:45 p.m.

Armando G. Real, Mayor

ATTEST

Gabriela T. Garcia, Deputy City Clerk

THE CITY COUNCIL/CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY/CALEXICO FINANCING AUTHORITY MET IN SPECIAL SESSION ON THE 9TH DAY OF MAY, 2017 AT 5:30 P.M. AT THE FERNANDO "NENE" TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLDING OF SAID MEETING.

CALL TO ORDER

Mayor Real called the meeting to order at 5:42 p.m.

ROLL CALL

Mayor: Armando G. Real
Mayor Pro Tem: Maritza Hurtado
Council Member: Lewis Pacheco
Council Member: Bill Hodge

ABSENCE

Council Member: Jesus Eduardo Escobar
Council Member Escobar arrived at 6:52 p.m.

PLEDGE OF ALLEGIANCE

Nick Fenley led those present in the Pledge of Allegiance.

APPROVAL OF AGENDA

Motion was made by Mayor Real to approve the agenda as presented. Motion was seconded by Council Member Hodge and passed by the following vote to wit:

AYES: Real, Hurtado, Pacheco, Hodge
NOES: None
ABSENT: Escobar

APPOINTMENT TO THE MEASURE H COMMITTEE BY COUNCIL MEMBER HODGE.

Council Member Hodge appointed Mr. Ruben Gonzalez to the Measure H Committee.

APPOINTMENT TO THE BUSINESS IMPROVEMENT DISTRICT BY MAYOR PRO TEM HURTADO.

Council Member Hurtado appointed Mr. Jose Angel Esparza to the Business Improvement District.

REMOVAL OF COUNCIL MEMBER PACHECO'S APPOINTMENT TO THE ECONOMIC DEVELOPMENT/FINANCIAL ADVISORY COMMISSION.

Council Member Pacheco removed his current appointment to the Economic Development/Financial Advisory Commission and requested the position be advertised.

2015-16 AUDITED FINANCIAL STATEMENTS INCLUDING:

- a) Basic Financial Statements and Independent Auditor's Report, June 30, 2016
- b) (Federal) Single Audit and Independent Auditor's Reports, June 30, 2016
- c) Transportation Development Act Article 3 and 8e (Non-Transit), June 30, 2016 and 2015
- d) Transportation Development Act Article 8c (Transit), June 30, 2016 and 2015

City Manager Villa introduced Mr. Ken Pun to present the 2015-16 audit.

Ken Pun provided a presentation to the City Council for Fiscal Year ended June 30, 2016 including the Scope of Work consisting of Basic Financial Statements, Single Audit and TDA Compliance and GANN Limit Compliance, Audit Responsibilities, Overview of Financial Statements, Financial Indicators and Key Pension Information and Audit Results.

Mr. Pun provided the audit results – financial statements audit which were issued unmodified opinions to all opinion units. He pointed out the improper stewardship of funds for the 2015-16 budget due to over expenditures by the Community Development Department of about \$66,000 and Public Works Department of about \$94,000 in comparison with the adopted budget. He advised the going concern regarding the ability of the City to balance the budget which required a \$3.5 million loan from Wastewater. He advised that as of June 30, 2016, the City does not have any cash balance remaining in the General Fund. He stated the reserve balance, the rainy day fund is in a deficit position and the net cost service compared to tax revenue is at 128% and this is actually a cost of concern for the ongoing operations and this is why the City needs to take a look at the budget, operations and try to come up with a sustainable operations for the next couple of years in order to avoid the bankruptcy route and stated the City should adopt a sustainable fiscal policy. He also addressed the changes in CalPERS discount rate which will have a significant impact to the rate the City will pay. He highly recommended using a 115 Trust or working with CalPERS on an aggressive payment plan to CalPERS in order stabilize the rate in the future. He identified deficiencies in internal controls over financial control and compliance, there were no accounting issues or fraudulent activities were discovered. He advised there was improvement by the City showed by less findings and journal entries. He stated improvements were due to the financial team being prepared for the audit team to come in and do their work.

Mr. Pun presented the results for the single audit. A qualified opinion is issued for the CFDA #14.239 HOME Investment Partnership Program for total of \$511,924 and an unmodified opinion was issued to CFDA #20.205 Highway Planning and Construction Cluster for total expenditures of \$1,090,675. He provided detail for the qualified opinion and stated the City was unable to produce an accurate internal HOME notes receivable ledger and program income ledger during the audit therefore the

Council Member Pacheco congratulated the Finance team for their improvements and work performed.

Mayor Real congratulated the Finance team and City Manager for their work on the audit. Council discussed the audit information presented and acknowledged receipt.

Joong Kim spoke about the City's ability to have happy citizens. He stated any business with uncollectable accounts receivable of \$5.9 million should be noted and this does not show up on the books. He stated he believe there was something wrong with the accounting system. He addressed the issues he felt were not addressed in the audit.

CONSIDERATION OF RESOLUTION OF THE CITY OF CALEXICO APPROVING THE MIDYEAR AMENDMENT OF THE 2016-17 GENERAL FUND BUDGET.

Ms. Susan Mayer provided a follow-up on the 2016-17 midyear budget amendment. She recommended the council approve the amendment to the general fund revenues for 2016-17 from \$14,893,000 to \$15,273,000. She further addressed the expenditures and the shortfalls to the budget and stated it reduces the city's reliance on grant funds.

Mayor Pro Tem Hurtado discussed the shortfalls to the general fund budget, the Housing Program and Measure H. Ms. Mayer stated the City absorbed housing costs of about \$400,000 however there was \$200,000 in admin expenses that could be claimed from the Successor Agency which lowers the amount from \$400,000 to \$200,000 and this is the first fiscal year this cost has been assumed.

Mayor Real commented on being able to stop the housing program vs. policing which has to continue. Ms. Mayer explained the cuts and augmentations made to various departments by administration due to the \$1 million gap. She advised \$670,000 of the savings came from the insurance programs such as workman's compensation and general liability and reported the active medical claims are favorable and workman's compensation and general liability are trending well. She stated the expenditures have matched the revenues and have maintained the original \$ 50,000 surplus and net results after considering the proposed budget adjustment will have an expenditure budget that is slightly less than the revenue budget and this is designed to give a small cushion when budgeting \$15 million of revenues and \$15 million of expenditures. She further stated this only addresses the current year activity 2016-17 General Fund.

Mayor Pro Tem Hurtado commented on the \$1.2 million for Fire and Police and expenditures to the Measure H fund and recognized the need to understand that the fund is limited and the City taking the funds left for general fund. Ms. Mayer explained the first million is for debt service, then \$1,250,000 for fire (\$450,000) and police (800,000), and in 2016-2017 there is a final lease payment of \$200,000 for the fire apparatus.

Council Member Hodge requested a breakdown of expenses taken from Measure H. Ms. Mayer explained a trustee holds the Measure H Bond proceeds of which \$3 million went to the swimming pool, \$6 million to the fire station and a million to parks.

Ms. Mayer provided the next steps for the Council in arriving at the 2017-18 budget and requested consideration by the Council for approval of the Resolution of the midyear amendment of the 2016-17 general fund budget.

Council Member Hurtado asked about the budget process. Ms. Mayer advised the departments have been working on their budgets for the past two weeks.

Council Member Escobar thanked Ms. Mayer and Eduardo Gutierrez for their work.

Council Member Hurtado left the meeting at 7:00 p.m.

Motion was made by Mayor Real to approve the Resolution of the City of Calexico approving the midyear amendment of the 2016-17 General Fund Budget. Motion was seconded by Council Member Pacheco and passed by the following vote to wit:

AYES: Real, Pacheco, Escobar, Hodge
NOES: None
ABSENT: Hurtado
ABSTAIN: None

PRESENTATION BY NICK FENLEY, PUBLIC WORKS MANAGER ON THE CITY'S CAPITAL IMPROVEMENT PROGRAM.

Nick Fenley, Public Works Manager presented the Preliminary Five Year Capital Improvement Program. He reported in detail on the various departments improvements as follows:

Fire Protection: He reported the Fire Department is currently temporarily relocating the Main Fire Station to the old county courthouse and design and remodel of Main Fire Station is underway.

Parks Maintenance Division: Mr. Fenley addressed improvements to the following parks: Heber Park Improvements \$122,000, Armory Demolition \$ 169,000, Miguel Cortez Park \$ 230,000, Park Improvements \$1,026,000.

Transportation Division: He explained the projects underway for transportation in Calexico as follows: Bridge Seismic Evaluation \$ 226,000, Birch Street Waterline Relocation \$ 194,000, Cesar Chavez Boulevard Improvements \$10,379,000, Bicycle Master Plan \$ 80,000, New River Parkway \$4,000,000, Downtown Handi-Cap Ramps \$315,000, Street Overlay Project \$13,500,000, Second Street Bridge Widening \$2,600,000.

Council Member Hodge suggested more communication with the public regarding the upcoming projects.

Council Member Hodge left the dais at 7:30 p.m.

Wastewater Treatment Facility: Boiler Replacement \$290,000, Heat Exchanger \$250,000, Wastewater Master Plan \$125,000, Emergency Generator Replacement \$1,500,000, Centrifuge Dewatering Unit \$1,000,000, UV Disinfection System Upgrade \$100,000, Laboratory Equipment Replacement \$100,000, Compactor/Bar Screen Replacement \$250,000, Vehicle & Equipment Replacement \$200,000, Alarm System Upgrade \$50,000, Aeration System Replacement \$250,000, Lagoon System Rehabilitation \$200,000, Grit Chamber & Clarifier Rehabilitation \$200,000, Design/Build Contract \$ 10,500,000,

Wastewater Collection System: Sewer Manhole Rehabilitation \$500,000, Sewer line Camera System \$65,000, Vehicle & Equipment Replacement \$200,000, Lift-Station Replacement \$250,000,

Water Distribution System: Fifth Street & Cesar Chavez Waterline Replacement \$1,200,000, Water Rate Study \$50,000, Vehicle & Equipment Replacement \$500,000, Waterline Replacement \$1,250,000

Water Treatment Facility: THHM Analyzer \$55,000, Chlorine Analyzer \$73,000, Urban Water Management Plan \$75,000, Emergency Generator Replacement \$1,200,000, Water Master Plan \$125,000, Chlorine Unloading Ramp \$50,000, Filter Control System Replacement \$1,650,000, Vehicle & Equipment Replacement \$250,000, Storage Tank Baffle Retrofit \$60,000, Raw Water Reservoir Improvements \$1,100,000, Eastside Storage Tank Improvements \$1,350,000, New Clarifier & Filtration System \$5,200,000,

Mr. Fenley stated the Total Capital Improvement Program 2017-2021 cost projection is \$53,781,000.

Council Member Hodge returned to the dais at 7:39 p.m.

Council discussed the various projects, the pending improvements and funding for the projects.

Joong Kim thanked Mr. Fenley for the detailed report. He addressed the waterline replacements and asked if larger pipes would be used for future needs. He asked if Cordova Park is having issues with money and how the \$1 million improvements would benefit the community. He asked when the RFP process for the water rate study would begin. Mr. Fenley advised him the RFP for the water rate study should be ready by the end of July and the Cordova Park funds to be used are Measure H monies and maintenance of the parks would come from the CFD maintenance fund. Mr. Fenley stated the enlargement of the pipes will be considered when the improvements are planned.

Vincent Cuevas protested on Council decision to putting access for the firehouse to the south. He stated his disagreement with Council because the City needs a new fire station at Cole and Andrade.

ADJOURNMENT

There being no further business, meeting was adjourned at 7:54 p.m.

Armando G. Real, Mayor

ATTEST

Gabriela T. Garcia, Deputy City Clerk

THE CITY COUNCIL/CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY/CALEXICO FINANCING AUTHORITY MET IN REGULAR SESSION ON THE 17TH DAY OF MAY, 2017 AT 5:30 P.M. AT THE FERNANDO "NENE" TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLDING OF SAID MEETING.

CLOSED SESSION

CALL TO ORDER

Mayor Real called the meeting to order at 5:40 p.m.

ATTENDANCE

Mayor: Armando G. Real
Mayor Pro Tem: Maritza Hurtado
Council Member: Lewis Pacheco
Council Member: Jesus Eduardo Escobar
Council Member: Bill Hodge

PUBLIC COMMENTS

No public comments made.

ADJOURNED TO CLOSED SESSION

Council adjourned to closed session at 5:41 p.m. to discuss the following:

1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Representatives: Armando Villa, City Manager, Carlos Campos, City Attorney
Employee Organizations: Fire Fighters Association, Certified Operators Association/SEIU Local 221 (Govt. Code Section 54957.6).

Council reconvened from closed session at 6:31 p.m.

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

REGULAR SESSION AGENDA - 6:30 P.M.

CALL TO ORDER

Mayor Real called the meeting to order 6:42 p.m.

ROLL CALL.

Mayor: Armando G. Real
Mayor Pro Tem: Maritza Hurtado
Council Member: Lewis Pacheco
Council Member: Jesus Eduardo Escobar
Council Member: Bill Hodge

PLEDGE OF ALLEGIANCE.

Supervisor John Renison led those present in the Pledge of Allegiance.

INVOCATION BY PASTOR CHRIS NUNN, CHRIST COMMUNITY CHURCH

Pastor Chris Nunn from Christ Community Church provided invocation for Council, the Community and those present at the meeting.

CLOSED SESSION ANNOUNCEMENTS.

Carlos Campos, Interim City Attorney reported direction was given, no reportable action taken.

APPROVAL OF THE AGENDA.

Motion was made by Council Member Hodge, seconded by Council Member Pacheco and passed unanimously to approve the agenda as presented.

PUBLIC COMMENTS AND PUBLIC APPEARANCES

James Beaver notified that he has been approached by residents regarding use of kiosko by vagrants and advised they will be collecting petitions which he will be presenting at next meeting for action.

John R. Renison, County Supervisor District 1, announced the County of Imperial invited PIMSA next Tuesday Board of Supervisor's meeting for a presentation regarding proposed partnership with the County. He also reported tomorrow at noon at the Carnegie Library, California EPA, IID and City of Calexico will meet regarding the New River Improvement Project and address the formation of a JPA to receive funding for the New River and a contribution and annual commitment of \$150,000. He stated his opposition to funding without commitment from the State of California due to this being a Federal issue. He addressed possible funding for Gran Plaza on behalf of the State of California.

Council Member Hurtado requested to be kept in the email loop on these issues.

Joong Kim addressed the council regarding having wisdom for the community, ability to multi-task and stated there are a lot of angry community members. He commented on the conditions of

the streets and hoped the council members keep focus on the community because he felt the council was not doing their job.

Alex Perrone addressed the council regarding policing and crime rising. He requested information on the type of policing being carried out so people's homes are not broken into. He commented on the County's Economic Development involvement with PIMSA and questioned what the City can offer industry like PIMSA and how the City will partner up. He suggested working on Economic Development.

Ismael Lopez following up on comments made and he stated it came to his attention that the State or Federal Government is lending funds at 2% or 3% for expansion. He stated the City should look to other industrial parks and work with Commission of Industrial Development in Mexicali.

CITY COUNCIL COMMENTS AND REPORTS OF MEETINGS ATTENDED

Council Member Escobar reminded everyone of the Mariachi Festival events this week. He spoke about the Economic Development Summit at the La Jolla Palms Country Club today and tomorrow. He congratulated City Staff on completing the audit ahead of schedule. He commended Staff for item four and bringing Economic Development to the City.

Council Member Hodge commented on taking action to bring revenues and businesses to Calexico and stated the City needs to learn and be more vigilant. He commented on the need for more dispatchers for the department and asked about their schedule. City Manager Villa advised the 7 am to 7 pm is the schedule they work.

Chief Gomez advised the dispatchers work a 3-12 week and they work three days on and four days off. He stated there is a need for additional dispatchers for the department and are working on a possible grant for this need.

Council Member Pacheco reported vacant stores in downtown and commented there is trash inside the stores and there are broken windows. He asked if staff approaches the property about cleaning the locations.

Mayor Pro Tem Hurtado met with City Manager Villa and addressed the Mom & Pop businesses in the downtown area. Commented on survival of these businesses in the downtown without corporate funding and it is survival of the fittest and recalled a better time in the downtown. She stated she is moving her business in the downtown due to the need for parking. She commented on the need for code enforcement due to the conditions of the downtown. She expressed the need for a person for Economic Development in Calexico.

Mayor Real echoed Mayor Pro Tem Hurtado's comments and the importance of the Mom & Pop businesses and the importance in balancing this in Calexico while still working on bringing businesses to Calexico. He addressed the need for police officers and the concern from the community. He suggested looking to the State and Federal Government Officials for funding of police in Calexico. He stated that contrary to statements, He thanked the Council and felt the current Council is working together and trying to do the best for the community.

CITY MANAGER'S REPORT

City Manager Villa advised the City has been working with the water board and CalEPA regarding the New River. He advised that within the last couple of months, there was talk about a project by the State and Federal Government which the City could not afford and therefore the City reached out to the County and IID for a possible partnership. He stated there is a lot of interest and we are now with talks to CalEPA and state water board regarding pumping clean water and encasing the New River. He stated they need someone to take ownership of the facility and this has to be local. He reported this type of project is costly at approximately \$20 million and there is a need for an entity to take ownership of a facility. He further stated neither CalEPA nor the Federal Government have the resources or the power to man or operate such a facility, therefore it has to be somebody local. He stated this is the reason why the City is talking to its counterparts at the IID and the County for the possibility of developing a partnership to deal with this matter. This concept will be addressed at the meeting of May 18, 2017.

City Manager Villa He announced the date for the Strategic meeting on May 23, 2017 at 10:00 a.m. and revisiting the plan from 2015-16. This meeting will be at the Carmen Durazo Cultural Arts Center and the public is invited to attend. He also commented on hiring California Consulting and testing if they can produce results and we have had good feedback from the department heads regarding of funding for parks, vehicles, equipment and possibility of funding for dispatchers. City Manager expressed hope for grant funding from the State and private companies.

CONSENT AGENDA

Joong Kim – Item No. 4 – He asked if the City staff had the ability to work on grants.

Mayor Pro Tem Hurtado left at 7:31 pm

He spoke about the Mom & Pop businesses and stated the Economic Development should be working with the Mom & Pop businesses. He spoke about working with PIMSA maquiladoras and hoped the City would hire the right person for Economic Development.

City Manager advised the City is updating the job descriptions from 2007 to be ready for the next fiscal year.

Council Member Hodge pulled Item No. 4 for discussion.

Motion was made by Mayor Real, seconded by Council Member Hodge and passed unanimously to approve Consent Agenda consisting of Item No. 3 – Warrants from April 25, 2017 to May 4, 2017 and City Salaries & Benefits from April 25, 2018 to April 28, 2017.

ITEMS PULLED FROM CONSENT CALENDAR FOR DISCUSSION**ITEM NO. 4 – REQUEST CITY COUNCIL APPROVAL OF THE UPDATED JOB DESCRIPTIONS FOR PUBLIC WORKS DIRECTOR AND DIRECTOR OF COMMUNITY & ECONOMIC DEVELOPMENT.**

Dr. Manuel Yañez commented on updating the Job Description for the Public Works Director and requested that the professional engineering license be made a requirement rather than just be preferable. He stated the need to hire the right person in order to make the right decisions.

Council Member Hodge asked if more duties were added with the revision of the job descriptions. City Manager Villa stated the revisions were aligned with future restructuring and efficiency and the responsibilities were clarified and emphasized. He advised the Public Works Director has greater emphasis on capital improvement planning and implementation to make sure the person selected has strengths in the implementation of CIP projects.

Hodge stated his concern for adding responsibilities and asked if all these responsibilities can be attended to by the person hired.

Mayor Pro Tem Hurtado stated the City is doing more with less and expressed her concern on hiring the right person due to construction issues that come up as a result of not hiring the right person. She further stated the need to avoid being political when hiring, that there is a true process and asked the City tread carefully so there is confidence in the administration.

Council Member Hodge requested that the amount of work be realistic for a person to handle.

Mayor Real stated the City Manager is responsible for hiring the person he feels is best qualified and politics are not involved. He stated the council needs to step back and allow the City Manager pick his team.

Motion was made by Mayor Real to approve Item No. 4 – City Council Approval of the Updated Job Descriptions for Public Works Director and Director of Community & Economic Development. Motion was seconded by Council Member Pacheco and passed unanimously.

PUBLIC HEARING**HOLD PUBLIC HEARING FOR THE 2015 URBAN WATER MANAGEMENT PLAN UPDATE AND ADOPT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO ADOPTING, AUTHORIZING AND DIRECTING STAFF TO FILE THE 2015 URBAN WATER MANAGEMENT PLAN WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES.**

Mayor Real opened the hearing at 7:45 p.m.

Mayor Real left the meeting at 7:47 p.m. due to a family emergency.

Mr. Phil West, West & Associates, presented the Urban Water Management Plan (UWMP) for the City of Calexico. He provided a historic background of the UWMP, defined the Plan as a Planning tool for Water Agencies, a Source of information for updates to General Plans and other planning documents and advised it is required by State Law. He provided the legal foundation for the UWMP and stated the requirements for an Urban Water Supplier with 3,000 customers or Urban Water Suppliers with 3,000 acre-feet per year (AFY) supply are required to prepare the UWMP and to file UWMPs every 5 years (2005, 2010, etc.) with Dept. of Water Resources. He advised an extension was given for 2015 UWMPs to July 1, 2016 and Agencies that submit after July 1, 2016 are still eligible for state grants or loans

Water Sources & Supplies, Recycled Water Opportunities, Water Quality, Water Use, Reliability Planning, Conservation Measures, Contingency Planning. He requested Council adopt the plan via resolution, Submit adopted UWMP to DWR, Provide CD copies to State Library and County of Imperial and make the UWMP available to the public via the City's website.

Council Member Hodge asked which area was of the most concern. Mr. West stated the main concern would be for the City to provide for enough treatment capacity for the future.

No public comments were received in favor or in opposition of the project.

Mayor Pro Tem Hurtado closed the Public Hearing 8:35 p.m.

Motion was made by Council Member Escobar, seconded by Council Member Hodge and passed by the following vote to wit:

AYES:	Hurtado, Pacheco, Escobar, Hodge
NOES:	None
ABSENT:	Real
ABSTAIN:	None

FUTURE AGENDA ITEMS

Council Member Hodge asked if the Chief could email or provide a weekly report on the Police Department including crime statistics.

Council Member Hurtado requested an item to discuss more detail on the projects in a weekly report. City Manager Villa stated he would improve his weekly report to provide more information on the projects. Mayor Pro Tem Hurtado suggested having an agenda item for departments to present the activities of the department.

ADJOURNMENT

There being no further business, meeting was adjourned at 8:03 p.m.

Armando G. Real, Mayor

ATTEST

Gabriela T. Garcia, Deputy City Clerk

THE CALEXICO CITY COUNCIL AND HEFFERNAN MEMORIAL HEALTHCARE DISTRICT MET IN JOINT SPECIAL SESSION ON THE 6TH DAY OF MARCH, 2017 AT 5:30 P.M. AT THE FERNANDO "NENE" TORRES COUNCIL CHAMBERS, 608 HEBER AVENUE, CALEXICO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLDING OF SAID MEETING.

CALL TO ORDER

Mayor Real called the meeting to order at 5:36 p.m.

ROLL CALL.

City Council:

Mayor: Armando G. Real
Mayor Pro Tem: Maritza Hurtado
Council Member: Lewis Pacheco
Council Member: Jesus Eduardo Escobar
Council Member: Bill Hodge

Heffernan Memorial Healthcare District Board:

President: Sylvia Bernal
Vice-President: Gloria Romo
Treasurer: Hector Martinez
Director: Norma M. Apodaca
Director: Rodolfo Valdez

PLEDGE OF ALLEGIANCE.

Council Member Hodge led those present in the Pledge of Allegiance.

APPROVAL OF THE AGENDA.

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

PUBLIC COMMENTS

Letty Zuno, 428 Washington Street, Thanked the Council and Heffernan Board for holding the meeting. She pleaded on behalf of the citizens of Calexico a willingness to work with them and thanked HMHD for willing to work with the City and offering a solution.

Chairperson Bernal addressed the issue with LAFCO on the HMHD being able to fund the Calexico Fire Department and she asked Supervisor Renison to address this matter with those present.

John Renison advised those present that the Executive Director of LAFCO states that the HMHD is able to provide the monies to the Fire Department. He further stated that HMHD is not able to enter into an ambulance service as the District.

City Manager Villa provided an overview of the prior budget approved in June 2016 which was approved with a \$3.9 placeholder and directed the City Manager to effect cost savings throughout the year. He stated that during the past seven months city staff has negotiated with the union groups and took on a task to reduce the \$3.9 million. He reported fees were temporarily reduced, obtained traffic controller grants, negotiated contracted concession with the Miscellaneous employees (CMEA), Mid-management, Unrepresented employees and also with the City Council who agreed to some concessions and did away with the medical plan. The City has also identified vacancies that were not hired back as savings and deferred equipment replacement and reduced department operating expenses. The City is down to the last \$600,000 to close the budget gap. The City has been trying to negotiate with the Fire Fighters Association and have not reached a negotiation. The City has exercised its management right to reduce levels of service in order to achieve the cost savings and sent the Fire Fighters Association a letter proposing how the City plans to close the budget gap of \$568,224 and this would cause the City to lay-off six firefighters.

HMHD Director Apodaca requested a breakdown of the \$568,224. City Manager Villa explained that in order to close the gap there were items such as line item reductions, \$2.4 million in salary and benefit concessions from all the union groups. Mr. Villa explained the various ways in which other union groups have assisted in the reduction of the gap. He explained the Fire Fighters Association was asked to do the same to help the City save the \$568,224.

President Bernal asked if there are any other groups that we have not taken the cuts. City Manager Villa informed there are two other groups that the City is negotiating with and have reached an impasse and will implement reductions.

Mayor Pro Tem Hurtado questioned if it is a management right or if there is a process for taking this type of extreme declaration given the level of accuracy or the level of production of sufficient financial information to move forward with negotiations. City Manager Villa stated the City has not declared a crisis, the City has declared it lacks funds to close the budget gap and under rules and regulations there is a provision that allows the City to approach the unions and invoke the lack of funds provision to cost savings. This allows management to take more rigid steps to achieve the savings which can be reduction of services or reduction in force.

Mayor Pro Tem Hurtado asked what and who defines the fiscal crisis and what process and protocol is followed for closing such a service. City Manager Villa again stated the City is not declaring a fiscal crisis, it is saying it lacks the funds to close the gap. He further stated the City has spent more money than it is taking in and in the 2016-17 it has been identified the City is \$3.9 million short, the City has reduced the gap to 658k in order to close the year.

Mayor Pro Tem Hurtado stated her concern regarding decisions being made with insufficient information to make them. S contradict the fiscal crisis. Felt the City has caught the community

President Bernal asked if the \$568,000 what it included: villa – gave the unions all the unions to choose a menu option, salaries plus benefits and some of the unions have chosen to take 100% of the required concessions through salaries such as the pd. Some of the others have chosen to pick the retirement, and salaries, medical.

Director Martinez questioned how the City would address funding the Fire Department staff in the coming budget year. City Manager Villa advised the City is discussing funding for this fiscal year.

Director Apodaca explained the need to know if the City will be able to fund the department or if it will be requiring future assistance and if the City was willing to negotiate with the District and possible split the funding. City Manager Villa advised it is difficult to respond since the City has not begun the budget process for next year.

City Manager Villa stated any type of grant funding will only make our budget picture better for next year. He further stated they provide a fine and necessary service, it has been a very difficult year and need to find a way to reduce the costs. He further explained that what has hurt the City, is a combination of revenue generation due such as the peso devaluation and the pension plan due to PERS and the additional contributions requested from the City.

President Bernal expressed concern because they are willing to give the money however, they do not want it to become a habit. She stated the need to do is work together as partners and come up with solutions. She suggested working with City on the new fiscal year come July 1st.

Council Member Escobar stated the lack of services is very needed in the City. He further stated the question is not Fire, it is the City. He stated his desire to work with HMHD and further addressed the City's deplorable condition in the coming year which needs to be fixed by 2017-2018 since the problem goes beyond any department.

President Bernal stated the HMHD can only help the Fire Department because is related to health.

Council Member Hodge stated the need to collaborate and work for the future, however, right now the focus is up until July 1st and on how are we going to balance the deficit with the Fire Department.

Director Martinez stated the HMHD wants to work with the City so we are not in the same spot next fiscal year.

Director Valdez asked if the City had looked into the funds that Chief Mercado pointed out and had the City tapped into those monies. City Manager Villa stated these were State reimbursements. Mr. Eduardo Gutierrez explained the funds Chief Mercado pointed out are part of mutual aid for the State of California and the City is reimbursed for expenses paid by the City, it is a wash and not extra funds for the department therefore they are already accounted for in the budget.

Mayor Real explained these funds are for when Calexico Fire Fighters go out to other areas to help fight fires and we get reimbursed for the expenditure.

Chief Mercado stated some of the information is not entirely accurate because the money we receive is reimbursement for time and expenses and felt this reimbursement was not necessarily a wash if allocated to the department salaries. Chief Mercado explained the ambulance service costs, he advised a third party company handles the ambulance billing with minimal percentage of collection and the revenues received do not offset the expenses therefore there is a \$600K to \$700K loss per year. He also addressed grants received by the department and the assistance received by HMHD with the purchases of ambulances, defibrillators and medical equipment.

President Bernal discussed other sources of funding and suggested facilitating a meeting between Dr. Edward and Chief Mercado to further discuss other sources of funding.

Director Apodaca stated she agreed and motioned for the Heffernan Memorial Healthcare District to assist the Fire Department with the \$568,224. Motion was seconded by Director Valdez and passed unanimously.

President Bernal stated they will be working close with the City and the Fire Department on these issues and on grant sources.

Council Members thanked the Heffernan Memorial Healthcare District Board for their assistance.

Norma Aguilar thanked the HMHD for stepping up and for recognizing the need in the community. She also concurred with the statement in regards to the need for a grant writer and stated there are some grants through FEMA to cover lack of staffing and funding. She suggested working with the university students in the senior grade who do great research to and can assist with grants and in the day to day operations.

Carlos Escalante applauded the Heffernan Board and asked if the City Council is going to accept. Mr. Eduardo Rivera, HMHD Legal Counsel stated the City should accept the grant and HMHD will prepare a simple grant agreement and would like for the council to approve accepting the grant agreement, formalize and clarify the action has taken today subject to review by the City Attorney.

City Attorney Carlos Campos advised the Council could not take action and it has to be documented.

Motion by Council Member Hurtado to accept action taken by Heffernan Memorial Healthcare District, motion was seconded by Mayor Real ceremoniously. Motion passed unanimously.

Humbert Felix clarified the Fire Fighters have been paying 20% of our insurance for the past four years.

Joong Kim stated he was sad to hear what was happening with the Fire Department and thanked the Heffernan Board.

President Bernal stated this was the first time that the HMHD Board has held a joint meeting with City Council and hoped is not the last one. She expressed a desire to meet annually.

ADJOURNMENT

There being no further business, meeting was adjourned at 6:30 p.m.

Armando G. Real, Mayor

ATTEST

Gabriela T. Garcia, Deputy City Clerk