MINUTES OF THE REGULAR CITY COUNCIL MEETING OF THE CITY OF VERNON HELD TUESDAY, TUESDAY, MAY 21, 2019, IN COUNCIL CHAMBER OF CITY HALL LOCATED AT 4305 SANTA FE AVENUE, VERNON, CALIFORNIA

CALL TO ORDER & FLAG SALUTE

Members Present: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke
Members Absent: None

The meeting was called to order at 9:00 a.m. by Mayor Melissa Ybarra; City Administrator Carlos Fandino led the flag salute.

CHANGES TO THE AGENDA

City Clerk Maria Ayala announced that there were no changes to the agenda.

PUBLIC COMMENT

No Public Comment provided.

PRESENTATION

1. Employee Service Pin Awards for April 2019
   Recommendation: No action required by City Council. This is a presentation only.

   Michael Earl, Director of Human Resources, announced the Service Pin Award recipients.

   Mayor Ybarra presented the 25-year Service Pin Award to Eric Anderson who was in attendance.

2. Badge Presentation Ceremony
   Recommendation: No action required by City Council. This is a presentation only.

   Bruce English, Fire Chief, introduced Davina Reynolds who was promoted to Firefighter Paramedic and provided a brief summary of the duties of a Firefighter Paramedic. Chief English presented newly promoted Firefighter Paramedic Reynolds with the promotional badge and pin.

3. Presentation of Public Utilities’ Mission and Commitment to Customer Competitiveness
   Recommendation: No action required by City Council. This is a presentation only.

   Abraham Alemu, Interim General Manager, explained Vernon Public Utilities’ (VPU) renowned commitment to providing the lowest utility rates in California by the year 2030.

   Todd Dusenberry, Assistant General Manager, and Don Quiroz, Electric Operations Supervisor, presented a banner with VPU’s new motto, “Committed to Customer Competitiveness”.

CONSENT CALENDAR

4. Claim for Damages from Kimberly Perez received on May 6, 2019
   Recommendation: A. Receive and File

5. Minutes of the Regular City Council Meeting Held on May 7, 2019
   Recommendation: A. Receive and File

6. Council Conference Attendance Report
Recommendation: A. Find that receiving this Council Conference Attendance Report is exempt from California Environmental Quality Act ("CEQA") review, because it is an administrative activity of government that will not result in direct or indirect physical changes in the environment and therefore does not constitute a "project" as defined by CEQA Guidelines section 15378; and

B. Receive and file.

7. Approval of Support and Maintenance Agreement with Advanced Utility Systems, a division of N. Harris Computer Corporation

Recommendation: A. Find that the approval of a Support and Maintenance Agreement with Advanced Utility Systems, a division of N. Harris Computer Corporation ("Advanced Utility Systems") is exempt from California Environmental Quality Act (CEQA) review because it is an administrative activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a "project" as defined by CEQA Guidelines section 15378; and

B. Approve a Support and Maintenance Agreement with Advanced Utility Systems, in substantially the same form as submitted herewith, for a term of three years and a total amount not-to-exceed $143,614.05; and

C. Authorize the City Administrator to execute the Agreement with Advanced Utility Systems with effective dates of July 1, 2019 - June 30, 2022.

8. Approval of an Attorney Services Agreement (Transactional) between the City of Vernon and Best Best & Krieger LLP for Legal Consulting Services Regarding City Owned Housing

Recommendation: A. Find that approval of the proposed Attorney Services Agreement (Transactional) with Best Best & Krieger LLP is exempt from California Environmental Quality Act ("CEQA") review, because it is a continuing administrative and fiscal activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378; and

B. Approve the proposed Attorney Services Agreement (Transactional) ("Agreement") with Best Best & Krieger LLP ("BBK"), in substantially the same form as submitted herewith, for a term of three years and an amount not to exceed $60,000 for legal consulting services regarding City-owned housing; and

C. Authorize the City Administrator to execute the Agreement with BBK with an effective date of May 20, 2019.

9. Approval of an Attorney Services Agreement (Transactional) between the City of Vernon and Best Best & Krieger LLP to Provide Specialized Outside Legal Services

Recommendation: A. Find that approval of the proposed Attorney Services Agreement (Transactional) with Best Best & Krieger LLP is exempt from California Environmental Quality Act ("CEQA") review, because it is a continuing administrative and fiscal activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378; and

B. Approve an Attorney Services Agreement (Transactional) between the City of Vernon and Best Best & Krieger LLP, in substantially the same form as submitted herewith, for an amount not to exceed $75,000.00; and

C. Authorize the City Administrator to execute the Attorney Services Agreement (Transactional) between the City of Vernon and Best Best & Krieger LLP for a three year term with an effective date of May 20, 2019.
10. Approval of City Payroll Warrant Register No. 755 Covering the Period of April 01 through April 30, 2019  
**Recommendation:** A. Approve City Payroll Warrant Register No. 755 which totals $2,945,966.31 and consists of the following:

1) Ratification of direct deposits, checks and taxes totaling $2,339,400.17.
2) Checks and electronic fund transfers (EFT) paid through Operating bank account totaling $606,566.14.

11. Approval of Operating Account Warrant Register No. 22 Covering the Period of April 30 through May 13, 2019  
**Recommendation:** A. Approve Operating Account Warrant Register No. 22 which totals $2,817,365.16 and consists of the following:

1) Ratification of electronic payments totaling $2,316,982.18.
2) Ratification of the issuance of early checks totaling $396,838.64.
3) Authorization to issue pending checks totaling $103,544.34.

12. Fire Department Activity Report for the Period of April 16 through April 30, 2019  
**Recommendation:** A. Receive and file.

13. Vernon Police Department Activity Log and Statistical Summary for the period of April 16 through April 30, 2019  
**Recommendation:** A. Receive and file.

No public comment provided.

It was moved by William Davis and seconded by Leticia Lopez to approved Consent Calendar Agenda Items 4 through 13. Motion carried, 4-0.

Yes: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke
No: None

**NEW BUSINESS**

14. Approval of a Resolution for City Council Appointments/Reappointments as Representatives to Various Agencies and/or Committees  
**Recommendation:** A. Find that approval of the proposed Resolution updating the City Council appointments does not constitute a “project” pursuant to section 15378(b)(2) of the Guidelines to the California Environmental Quality Act (“CEQA”), because it constitutes an administrative activity; and even if the adoption of the proposed resolution did constitute a project, it would be exempt from CEQA in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and

B. Appoint Council Members as delegate(s) and alternate(s), as well as some key staff as either delegate(s) and/or alternate(s) to the following boards of various agencies and/or committees as follows:

   Appoint William J. Davis as the delegate; and Melissa Ybarra as the alternate.  
   Previous appointment, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Melissa Ybarra as the alternate.

   Appoint Carol R. Menke as the delegate; William J. Davis as the alternate; and reaffirm the City of Vernon’s General Manager of Public Utilities, or his/her designee, to also serve as the City’s alternate.
Previous appointment, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; Yvette Woodruff-Perez as the alternate; and reaffirm the City of Vernon’s General Manager of Public Utilities, or his/her designee, to also serve as the City’s alternate.

3. County Sanitation District No. 1.
Appoint Melissa Ybarra as the Presiding Officer of the city of Vernon to serve as the City’s member on the Board of Directors of County Sanitation District No. 1; and William J. Davis as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez as the presiding officer of the City of Vernon to serve as the City’s member on the Board of Directors of County Sanitation District No. 1; and William J. Davis as the alternate.

4. County Sanitation District No. 2.
Appoint Melissa Ybarra to serve as the City’s delegate to the Board of Directors of County Sanitation District No. 2; and William J. Davis as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez to serve as the City’s delegate to the Board of Directors of County Sanitation District No. 2; and Melissa Ybarra as the alternate.

5. County Sanitation District No. 23.
Appoint current City Council (Melissa Ybarra, William J. Davis, Leticia Lopez, and Carol R. Menke) to serve as the Board of Directors to County Sanitation District No. 23.
Previous appointments, pursuant to Resolution No. 2018-15, appointed then City Council: Yvette Woodruff-Perez, William J. Davis, Luz A. Martinez, Leticia Lopez, and Melissa Ybarra.

Appoint William J. Davis as the delegate; and Melissa Ybarra as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Melissa Ybarra as the alternate.

7. Independent Cities Association of Los Angeles County.
Appoint William J. Davis as the delegate and Carol R. Menke as the alternate.
Previous appointments, made pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Yvette Woodruff-Perez as the alternate.

8. Independent Cities Finance Authority.
Appoint Leticia Lopez as the delegate and Carol R. Menke as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Leticia Lopez as the delegate; and Yvette Woodruff-Perez as the alternate.

Appoint William J. Davis as the delegate; and Melissa Ybarra and Leticia Lopez as the alternates.
Previous appointments, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Yvette Woodruff-Perez and Leticia Lopez as the alternates.

10. Southeast Community Development Corporation.
Appoint Melissa Ybarra as the delegate; and Carol R. Menke as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Leticia Lopez as the delegate; and Luz Martinez as the alternate.

11. Southeast Water Coalition.
Appoint Melissa Ybarra as the delegate; and Leticia Lopez as the alternate; and, reaffirm that said appointed representatives shall also be the City’s representatives to attend board and committee meetings held by the Replenishment District of Southern California, Central Basin Municipal
Water District and the Authority and any other water-related meeting which affect the City of Vernon.

Previous appointments, pursuant to Resolution No. 2018-15: Appoint Melissa Ybarra as the delegate; and Yvette Woodruff-Perez as the alternate; and, reaffirm that said appointed representatives shall also be the City’s representatives to attend board and committee meetings held by the Replenishment District of Southern California, Central Basin Municipal Water District and the Authority and any other water-related meeting which affect the City of Vernon.

Appoint Carol R. Menke as the delegate; and William J. Davis as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez as the delegate; and William J. Davis as the alternate.

Appoint Melissa Ybarra, Leticia Lopez, and Carol R. Menke to serve on the Hearing Panel for the Local Enforcement Agency for Solid Waste Facilities.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez, Luz Martinez, and Melissa Ybarra to serve on the Hearing Panel for the Local Enforcement Agency for Solid Waste Facilities

C. Adopt a Resolution of the City Council of the City of Vernon designating and appointing its representatives and alternates to the boards of various agencies and/or committees.

D. Authorize the City Clerk to complete California Form 806, Agency Report of: Public Official Appointments, and post in accordance with state laws and/or regulations.

City Clerk Ayala reported on the proposed.

No public comment provided.

It was moved by Leticia Lopez and seconded by William Davis to: A. Find that approval of the proposed Resolution updating the City Council appointments does not constitute a “project” pursuant to section 15378(b)(2) of the Guidelines to the California Environmental Quality Act (“CEQA”), because it constitutes an administrative activity; and even if the adoption of the proposed resolution did constitute a project, it would be exempt from CEQA in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and B. Appoint Council Members as delegate(s) and alternate(s), as well as some key staff as either delegate(s) and/or alternate(s) to the following boards of various agencies and/or committees as follows:

Appoint William J. Davis as the delegate; and Melissa Ybarra as the alternate.
Previous appointment, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Melissa Ybarra as the alternate.

Appoint Carol R. Menke as the delegate; William J. Davis as the alternate; and reaffirm the City of Vernon’s General Manager of Public Utilities, or his/her designee, to also serve as the City’s alternate.
Previous appointment, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; Yvette Woodruff-Perez as the alternate; and reaffirm the City of Vernon’s General Manager of Public Utilities, or his/her designee, to also serve as the City’s alternate.

3. County Sanitation District No. 1.
Appoint Melissa Ybarra as the Presiding Officer of the city of Vernon to serve as the City’s member on the Board of Directors of County Sanitation District No. 1; and William J. Davis as the alternate. Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez as the presiding officer of the City of Vernon to serve as the City’s member on the Board of Directors of County Sanitation District No. 1; and William J. Davis as the alternate.

4. County Sanitation District No. 2.
Appoint Melissa Ybarra to serve as the City’s delegate to the Board of Directors of County Sanitation District No. 2; and William J. Davis as the alternate. Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez as the City’s delegate to the Board of Directors of County Sanitation District No. 2; and Melissa Ybarra as the alternate.

5. County Sanitation District No. 23.
Appoint current City Council (Melissa Ybarra, William J. Davis, Leticia Lopez, and Carol R. Menke) to serve as the Board of Directors to County Sanitation District No. 23. Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez, William J. Davis, Luz A. Martinez, Leticia Lopez, and Melissa Ybarra.

Appoint William J. Davis as the delegate; and Melissa Ybarra as the alternate. Previous appointments, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Melissa Ybarra as the alternate.

7. Independent Cities Association of Los Angeles County.
Appoint William J. Davis as the delegate and Carol R. Menke as the alternate. Previous appointments, made pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Yvette Woodruff-Perez as the alternate.

8. Independent Cities Finance Authority.
Appoint Leticia Lopez as the delegate and Carol R. Menke as the alternate. Previous appointments, pursuant to Resolution No. 2018-15: Leticia Lopez as the delegate; and Yvette Woodruff-Perez as the alternate.

Appoint William J. Davis as the delegate; and Melissa Ybarra and Leticia Lopez as the alternates. Previous appointments, pursuant to Resolution No. 2018-15: William J. Davis as the delegate; and Yvette Woodruff-Perez and Leticia Lopez as the alternates.

10. Southeast Community Development Corporation.
Appoint Melissa Ybarra as the delegate; and Carol R. Menke as the alternate. Previous appointments, pursuant to Resolution No. 2018-15: Leticia Lopez as the delegate; and Luz Martinez as the alternate.

11. Southeast Water Coalition.
Appoint Melissa Ybarra as the delegate; and Leticia Lopez as the alternate; and, reaffirm that said appointed representatives shall also be the City’s representatives to attend board and committee meetings held by the Replenishment District of Southern California, Central Basin Municipal Water District and the Authority and any other water-related meeting which affect the City of Vernon. Previous appointments, pursuant to Resolution No. 2018-15: Appoint Melissa Ybarra as the delegate; and Yvette Woodruff-Perez as the alternate; and, reaffirm that said appointed representatives shall also be the City’s representatives to attend board and committee meetings held by the
Appoint Carol R. Menke as the delegate; and William J. Davis as the alternate.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez as the delegate; and William J. Davis as the alternate.

Appoint Melissa Ybarra, Leticia Lopez, and Carol R. Menke to serve on the Hearing Panel for the Local Enforcement Agency for Solid Waste Facilities.
Previous appointments, pursuant to Resolution No. 2018-15: Yvette Woodruff-Perez, Luz Martinez, and Melissa Ybarra to serve on the Hearing Panel for the Local Enforcement Agency for Solid Waste Facilities.

C. Adopt a Resolution of the City Council of the City of Vernon designating and appointing its representatives and alternates to the boards of various agencies and/or committees.

D. Authorize the City Clerk to complete California Form 806, Agency Report of: Public Official Appointments, and post in accordance with state laws and/or regulations. Motion Carried, 4-0.

Yes: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke
No: None

15. Approval of Amendment No. 3 to the Electric System Service and Maintenance Agreement between the City of Vernon and Petrelli Electric, Inc.

Recommendation: A. Find that approval of the proposed amendment is exempt from California Environmental Quality Act (“CEQA”) review, because it is a continuing administrative activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378; and

B. Approve Amendment No. 3 to the Electric System Service and Maintenance Agreement (“Agreement”) for Electric System Maintenance with Petrelli Electric, Inc., in substantially the same form as submitted herewith, to update union wages/staffing requirements, service scope, and expenditure cap components of the existing Agreement; and

C. Authorize the City Administrator to execute the proposed Amendment No. 3 between the City of Vernon and Petrelli Electric, Inc., with an effective date of May 21, 2019.

Abraham Alemu, Interim General Manager of Public Utilities reported on the proposed.

No public comment provided.

City Council inquired as to the number of crews being sought through the agreement; what the cost savings to the City would be; and work to be done through Request for Proposal (RFP) process versus work being done through the proposed agreement’s on-call process. Interim General Manager of Public Utilities, Alemu and City Administrator Fandino responded accordingly.

It was moved by Leticia Lopez and seconded by Carol Menke to: A. Find that approval of the proposed amendment is exempt from California Environmental Quality Act (“CEQA”) review, because it is a continuing administrative activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378; and B. Approve Amendment No. 3 to the Electric System Service and Maintenance Agreement (“Agreement”) for Electric System Maintenance with Petrelli Electric,
Inc., in substantially the same form as submitted herewith, to update union wages/staffing requirements, service scope, and expenditure cap components of the existing Agreement; and C. Authorize the City Administrator to execute the proposed Amendment No. 3 between the City of Vernon and Petrelli Electric, Inc., with an effective date of May 21, 2019. Motion Carried, 4-0.

Yes: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke
No: None

ORAL REPORTS

Anthony Miranda, Police Chief, reported on the following: on May 10th Vernon Police Department (VPD) conducted a vehicle pursuit; on May 13th VPD Officers attended the National Law Enforcement Candlelight Vigil in Washington D.C.; on May 15th VPD personnel lowered the flag at half-staff to honor National Police Officer Memorial Day; on May 15th Officer Ourique was honored by the Los Angeles Regional Mothers Against Drunk Driving as Vernon’s Top Arresting Officer for DUI’s in 2019; on May 18th VPD responded to a commercial burglary; and on May 19th VPD Officers conducted a felony traffic stop of a stolen vehicle resulting in arrest of the driver.

Bruce English, Fire Chief, reported on the following: on May 20th Vernon Fire Department (VFD) hosted the Alameda Corridor training drill (photos displayed); on May 18th VFD responded to a fire alarm, the fire was extinguished and the investigation is ongoing (photos displayed); and that the Hobart Tower, across the railroad tracks, has been demolished (photos displayed).

Abraham Alemu, Interim General Manager of Public Utilities, reported on power outage incidents throughout the City.

Fredrick Agyin, Director of Health and Environmental Control Department, reported on the success of the recent E-Waste event that took place on May 15th.

City Administrator Fandino asked Director Agyin to provide City Council with an update on Exide at a future meeting and ask Exide representatives to attend and present at a future meeting. Director Agyin acknowledged City Administrator’s directive and will follow-up accordingly.

City Administrator Fandino reported on the status of the City’s budget planning process, and explained how staff will proceed to present budget items at the upcoming City Council meetings.

CLOSED SESSION

City Council entered closed session at 9:41 a.m.

16. CONFERENCE WITH LABOR NEGOTIATORS
Government Code Section 54957.6

Agency Designated Representative: Carlos Fandino, City Administrator

Employee Organizations:
Teamsters Local 911,
IBEW Local 47,
Vernon Professional Firefighters Association,
Vernon Fire Management Association,
Vernon Police Management Association, and
Vernon Police Officers’ Benefit Association

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (2)
(Government Code Section 54956.9(d)(1))

City of Vernon vs. Dennis Roberts, et al,
Los Angeles Superior Court Case No. 19NWUD00831
Bicent (California) Malburg LLC et al. vs. City of Vernon et al.,
U.S. Dist. Ct. C.D. Cal., Case No. 2:19-cv-02178, removed from Cal. Sup. Ct., Case No. 19STCV08859

18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2) and (4)

Number of potential cases: 1

The City is currently in a dispute with Bicent (California) Malburg, LLC (“Bicent”), the owner and operator of the Malburg Generating Station (“MGS”), which has resulted in Bicent initiating suit against the City (see “Existing Litigation” closed session item). Prior to the initiation of the suit, the City issued multiple Notices of Default under that certain Power Purchase Tolling Agreement, dated as of April 10, 2008 (as amended, the “PPTA”). The City’s claims relate to, among other things, Bicent’s failure to timely repair equipment, failure to timely produce documents requested under the PPTA, misrepresentation of available capacity, and improper overbilling (by over $ 6 million). The City’s claims also include various statutory claims arising out of the improper billing by Bicent of Vernon. Based on these claims, the City provided notice to Bicent that it disputed certain invoices and would exercise its payment withholding rights under certain dispute resolution provisions in the PPTA. Subsequently, on April 22, 2019, Bicent issued a Notice of Event of Default for failure to pay.

At 10:33 a.m. City Council exited closed session. City Attorney Hema Patel reported that three cases were discussed with no reportable action taken.

ADJOURNMENT

With no further business, at 10:33 a.m., Mayor Ybarra adjourned the meeting.

________________________
Melissa Ybarra
Mayor

ATTEST:

_________________________
Maria E. Ayala
City Clerk