CALL TO ORDER & FLAG SALUTE

The meeting was called to order at 9:00 a.m. by Mayor Ybarra. Council Member Menke led the Flag Salute.

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

CHANGES TO THE AGENDA

Interim City Clerk Harrington announced there were no changes to the agenda.

PUBLIC COMMENT

Jim Moore, Electrical Inspector, City of Vernon Public Works Department, spoke on behalf of City employees present as to their concerns regarding the facts connected to the termination of their service with the city. He further elaborated as to the valuable services they provide.

PUBLIC HEARING

1. Adoption of the Citywide Budget for Fiscal Year 2019/2020

   Recommendation: A. Find that adoption of the resolution proposed in this staff report is exempt from the California Environmental Quality Act ("CEQA"), because adoption of the budget is the creation of a government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a “project” as defined under Section 15378(b)(4). Further, even if adoption of the budget were considered a “project,” it would be exempt from CEQA review in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment; and

   B. Conduct a Public Hearing; and

   C. Adopt a resolution approving the citywide balanced budget for fiscal year 2019/2020, with estimated budgeted revenues and expenditures of $339,279,604.

Mayor Ybarra opened the Public Hearing at 9:03 a.m.

City Administrator Fandino reported on the proposed Budget. Copies of the Fire Department and Public Works proposed budget for the fiscal year 2019-2020 were distributed based on the previous budget for the fiscal year 2018-2019.

Mayor Ybarra expressed concerns relating to the budget as to the pay increases on various employees. She recommended the City cease the merit increases to keep the budget low. City Administrator Fandino responded accordingly.

Public Comment:

Marisa Olguin, Vernon Chamber of Commerce, noted as the twenty million dollar budget short fault deficit. City Administrator Fandino responded accordingly. A discussion ensued between City Council and staff regarding pension costs, pension liabilities, PERS costs and obligations, public safety costs and pensions, Other Postemployment Benefits (OPEB) liabilities, government assets, capital services, utilities assets and challenges.
Carlos Rubio, Teamster Representative, Teamster Bargaining Unit Local 911, announced that he represents all miscellaneous employees under the Teamsters Bargaining Unit and who will be affected by the City’s motion to outsource City’s services. He expressed concern as to the continuous discussion of the City budget.

Council Member Menke commented that pension liabilities are not a political issue but rather a monetary issue. She commented that the City needs a budget to operate. A dialogue ensued between City Council and staff as to the time frame for finalizing negotiations with the bargaining groups.

Mayor Ybarra closed the Public Hearing Closed at 9:38 a.m.

It was moved by Council Member Menke and seconded by Council Member Davis to: A. Find that adoption of the resolution proposed in this staff report is exempt from the California Environmental Quality Act ("CEQA"), because adoption of the budget is the creation of a government funding mechanism or other government fiscal activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and is therefore not a “project” as defined under Section 15378(b)(4). Further, even if adoption of the budget were considered a “project,” it would be exempt from CEQA review in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment; and B. Conduct a Public Hearing; and C. Adopt a resolution approving the citywide balanced budget for fiscal year 2019/2020, with estimated budgeted revenues and expenditures of $339,279,604. Motion failed, 2 - 2.

Yes: William Davis, Carol Menke  
No: Melissa Ybarra, Leticia Lopez

City Council came to a consensus to revert to the City budget for fiscal year 2018-2019.

It was moved by Mayor Ybarra and seconded by Mayor Pro Tempore Lopez to: Revert to the citywide budget for fiscal year 2018/2019, with estimated budgeted revenues and expenditures of $305,240,703. Motion carried, 4-0.

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

2. Recommendation for Fiscal Year 2019-2020 Gann Governmental Appropriation Limit

Recommendation: A. Find that adoption of the Fiscal Year 2019-2020 Appropriation Limit proposed in this staff report is exempt under the California Environmental Quality Act (CEQA), because such action is a government 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. Conduct a Public Hearing; and

C. Adopt the attached resolution establishing the City’s Appropriation Limit for the Fiscal Year 2019-2020 in the amount of $1,217,370,695 based on the percentage change in the Nonresidential Construction and County Population.

Mayor Ybarra opened the Public Hearing at 9:42 a.m.

Director of the Finance Fox reported on the proposed Appropriation Limit.

Mayor Ybarra inquired as to the impact of the approval of the Appropriation Limit relating to the general budget for the fiscal Year 2019-2020. A discussion ensued between City Council and staff as to the budget approval process and its impact on the appropriation limit.

No public comment provided.

Mayor Ybarra closed the Public Hearing at 9:49 a.m.
City Council came to a consensus to approve the Appropriation Limit based on the City’s appropriation limit for the calendar fiscal year 2018-2019.

It was moved by Council Member Davis and seconded by Council Member Lopez A. Find that adoption of the Fiscal Year 2019-2020 Appropriation Limit proposed in this staff report is exempt under the California Environmental Quality Act (CEQA), because such action is a government 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. Conduct a Public Hearing; C. Adopt the attached resolution establishing the City’s Appropriation Limit for the Fiscal Year 2019-2020 in the amount of $985,664,603 based on the percentage change in the Nonresidential Construction and County Population. Motion carried, 4 - 0.

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

PRESENTATION


Recommendation: A. Acknowledge and present a proclamation to retiring employee William M. Wilson, Fire Code Inspector, Senior in recognition of his dedicated service to the City of Vernon.

Interim City Clerk Harrington read the Proclamation.

Mayor Ybarra presented the Proclamation to retiring employee William Wilson, Senior Fire Code Inspector, who was in attendance.

Fire Chief English said a few words as to retiring employee Wilson’s career with the Fire Department. Retiring Senior Fire Code Inspector, Wilson, said a few words and thanked the City Council and fellow employees for their support.

CONSENT CALENDAR

Council Member Menke requested Agenda Item No. 11 be pulled from the Consent Calendar for discussion.

No public comment provided.

It was moved by Council Member Davis and seconded by Council Member Lopez to approve Consent Calendar Items 4 through 10 and Items 12 through 15. Motion carried, 4 - 0.

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

4. Claim for Damages from Mehran Sadighpour received on June 24, 2019

Recommendation: A. Receive and File

5. Claim for Damages from Maria Elena Juarez received on June 24, 2019

Recommendation: A. Receive and File

6. Ratification of Warrant Registers to Record Voided Checks

Recommendation: A. Ratify the following warrant registers to record voided checks:

1) Operating Account Warrant Register No. 24 to record voided Check No. 603132 in the amount of $75.00 issued 06/06/19 to County Clerk, County of LA.
7. Approval of Operating Account Warrant Register No. 25 Covering the Period of June 11 through June 24, 2019  
**Recommendation:** A. Approve Operating Account Warrant Register No. 25 which totals $8,430,951.93 and consists of the following:

1) Ratification of electronic payments totaling $7,960,589.22.
2) Ratification of the issuance of early checks totaling $436,957.81.
3) Authorization to issue pending checks totaling $33,404.90.
4) Voided check No. 603213 totaling $75.00.

8. Approval of RDA Obligation Retirement Account Warrant Register No. 53 Covering the Period of May 28 through June 24, 2019  
**Recommendation:** A. Approve RDA Obligation Retirement Account Warrant Register No. 53 which totals $1,170.00 and consists of the following:

1) Ratification of electronic payments totaling $1,170.00.

9. A Resolution adopting an Annual Statement of Investment Policy for Fiscal Year 2019-2020 and Delegating Investment Authority to the Finance Director/City Treasurer  
**Recommendation:** A. Find that approval of the investment policy for Fiscal Year 2019-2020 is exempt under the California Environmental Quality Act (CEQA), because it is a government 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. Adopt a resolution approving the Annual Statement of Investment Policy for Fiscal Year 2019-2020 and delegating investment authority to the Finance Director/City Treasurer. The investment policy requires an annual approval by City Council. Such approval is performed annually through the review of any updates and reaffirming the investment policy in effect.

**Recommendation:** A. Find that approval of the placement of property and casualty insurance for fiscal year 2019-20 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 in Section 15378 of the CEQA Guidelines; and

B. Approve and authorize the procurement of annual insurance coverage for fiscal year 2019-20, provided the total annual premiums do not exceed $975,657. This includes the renewal of policies for excess liability insurance, errors & omissions, property, excess workers’ compensation, crime, pollution liability, and environmental site liability, automobile physical damage, cyber liability, terrorism coverage, and brokerage service fees.

11. Award of a Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions for Fire Apparatus Mechanic Services  
**Recommendation:** Removed from Consent Calendar for discussion and action-A. Find that approval of the proposed action is exempt from California Environmental Quality Act (“CEQA”) review, because it is a maintenance/repair 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 Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions, in substantially the same form as submitted herewith, for an amount not to exceed $410,000.00, for Fire Apparatus Mechanic Services; and
C. Authorize the City Administrator to execute the Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions for a three-year term with an effective date of July 1, 2019.

12. Fire Department Activity Report for the Period of June 1 through June 15, 2019

**Recommendation:** A. Receive and file.

13. Approve the Issuance of Purchase Orders to Motorola Solutions, Inc. for Two (2) Motorola APX 8500 All-Band P25 Mobile Police Unit Radios

**Recommendation:** A. Find that approval of the proposed action 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. Ratify the issuance of Purchase Order No. 011.0013692 to Motorola Solutions, Inc., ("Motorola") for a total amount not to exceed $8,449.24 for the purchase of one (1) Motorola APX 8500 All-Band P25 Mobile Radio as a replacement for an outdated, obsolete mobile police unit radio; and

C. Approve and authorize the issuance of a purchase order with Motorola Solutions, Inc., ("Motorola") for a total amount not to exceed $5,845.11 for the purchase of one (1) Motorola APX 8500 All-Band P25 Mobile Radio as a replacement for an outdated, obsolete mobile police unit radio.

14. Vernon Police Department Activity Log and Statistical Summary for the period of May 16 through May 31, 2019

**Recommendation:** A. Receive and file.


**Recommendation:** A. Receive and File.

11. Award of a Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions for Fire Apparatus Mechanic Services

**Recommendation:** A. Find that approval of the proposed action is exempt from California Environmental Quality Act (“CEQA”) review, because it is a maintenance/repair 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 Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions, in substantially the same form as submitted herewith, for an amount not to exceed $410,000.00, for Fire Apparatus Mechanic Services; and

C. Authorize the City Administrator to execute the Services Agreement with Kalmikov Enterprises, Inc. dba Fire Apparatus Solutions for a three-year term with an effective date of July 1, 2019.

Fire Chief English reported on proposed agreement.

Council Member Menke inquired as to the contract liabilities if the City contracts out with the Los Angeles County Fire District. Fire Chief English responded accordingly.

No public comment provided.

It was moved by Council Member Menke and seconded by Mayor Pro Tempore Lopez to approve Consent Calendar, Agenda Item No. 11. Motion carried, 4 - 0.

Yes: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke

No: None
NEW BUSINESS

16. Resolution Appointing Deborah A. Harrington to Serve as Interim City Clerk and Approving and Ratifying the Execution of a Related Temporary At-Will Employment Agreement

**Recommendation:** A. Find that approval of the proposed actions are exempt from California Environmental Quality Act (CEQA) review, because they are administrative activities that will not result in direct or indirect physical changes in the environment, and therefore do not constitute a "project" as defined by CEQA Guidelines section 15378; and

B. Adopt the attached resolution appointing Deborah A. Harrington to serve as Interim City Clerk of the City of Vernon effective June 24, 2019, and approving and ratifying the execution of a related temporary at-will employment agreement.

Director of Human Resources Earl reported on the proposed appointment.

Mayor Ybarra inquired as to the operating funds for the position. Director of Human Resources Earl responded accordingly.

No public comment provided.

It was moved by Council Member Menke and seconded by Council Member Davis to: A. Find that approval of the proposed actions are exempt from California Environmental Quality Act (CEQA) review, because they are administrative activities that will not result in direct or indirect physical changes in the environment, and therefore do not constitute a "project" as defined by CEQA Guidelines section 15378; and B. Adopt the attached resolution appointing Deborah A. Harrington to serve as Interim City Clerk of the City of Vernon effective June 24, 2019, and approving and ratifying the execution of a related temporary at-will employment agreement. Motion carried, 4 - 0.

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

17. Approval of the Professional Services Agreement between the City of Vernon and the South East Area Animal Control Authority (SEAACA) to Provide Animal Control Services

**Recommendation:** A. Find that approval of the Professional Services Agreement between the City of Vernon and the SEAACA is exempt under the California Environmental Quality Act (CEQA), 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 the Professional Services Agreement with SEAACA, in substantially the same form as submitted herewith, for an amount not to exceed $120,000 and a term of five years; and

C. Authorize the City Administrator to execute a Services Agreement with SEAACA to provide animal control services for the City with an effective date of July 1, 2019.

Director of Health and Environmental Control Department Agyin reported on the proposed agreement.

Council Member Menke inquired as to the time frame of the services agreement. Director Agyin replied accordingly. A discussion ensued between City Council and staff regarding other companies other than SEAACA, legality of the contract, concerns regarding response time for services and call limits.
No public comment provided.

It was moved by Council Member Davis and seconded by Mayor Pro Tempore Lopez to: A. Find that approval of the Professional Services Agreement between the City of Vernon and the SEAACA is exempt under the California Environmental Quality Act (CEQA), 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 the Professional Services Agreement with SEAACA, in substantially the same form as submitted herewith, for an amount not to exceed $120,000 and a term of five years; and C. Authorize the City Administrator to provide animal control services for the City with an effective date of July 1, 2019. Motion carried, 4 - 0.

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

18. Approval of Amendment No. 1 to the Professional Services Agreement between the City of Vernon and the California Association of Environmental Health Administrators (CAEHA) to provide Temporary Environmental Health Staffing Services

Recommendation: A. Find that approval of the proposed Amendment No. 1 to the Professional Services Agreement between the City of Vernon and the CAEHA is exempt under the California Environmental Quality Act (CEQA), 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 Amendment No. 1 with the CAEHA, in substantially the same form as submitted herewith, extending the term of the initial Professional Services Agreement to provide temporary Environmental Health staffing services for twenty-eight (28) days and authorizing additional funds in an amount not to exceed $95,000; and

C. Authorize the City Administrator to execute the proposed Amendment No. 1 to the Professional Services Agreement with CAEHA with an effective date of August 3, 2019.

Director of Health and Environmental Control Department Agyin reported on the proposed agreement.

Council Member Menke inquired as to the contract effective date. Director Agyin responded accordingly.

No public Comment provided.

It was moved by Mayor Pro Tempore Lopez and seconded by Council Member Davis to: A. Find that approval of the proposed Amendment No. 1 to the Professional Services Agreement between the City of Vernon and the CAEHA is exempt under the California Environmental Quality Act (CEQA), 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 Amendment No. 1 with the CAEHA, in substantially the same form as submitted herewith, extending the term of the initial Professional Services Agreement to provide temporary Environmental Health staffing services for twenty-eight (28) days and authorizing additional funds in an amount not to exceed $95,000; and C. Authorize the City Administrator to execute the proposed Amendment No. 1 to the Professional Services Agreement with CAEHA with an effective date of August 3, 2019. Motion carried, 4 - 0.

Yes: Melissa Ybarra, Leticia Lopez, William Davis, Carol Menke
No: None
19. A Resolution of the City Council of the City of Vernon Approving and Ratifying the Execution of a Standard Agreement Amendment No. 1 By and Between the City of Vernon and the State of California High Speed Rail Authority for the High Speed Rail Project

Recommendation: A. Find that approval and ratification of the amendment to Agreement Number HSR15-191 (“the Agreement”) proposed in this staff report is exempt from the California Environmental Quality Act (“CEQA”) review, in accordance with CEQA Guidelines Section 15262, because the project only involves feasibility or planning studies for possible future actions which the City has not approved, adopted, or funded; and

B. Adopt a resolution approving and ratifying the execution of a Standard Agreement Amendment No. 1 to the Agreement by and between the California High-Speed Rail Authority (“Authority”) and the City of Vernon for work related to the California High-Speed Rail Project (“Project”).

Director of Public Works, Wall, reported on the proposed item.

Mayor Ybarra inquired as to the future of the California High-Speed Rail Authority Project and to the reimbursement fees receive by the City.

No public comment

It was moved by Council Member Menke and seconded by Mayor Pro Tempore Lopez to: A. Find that approval and ratification of the amendment to Agreement Number HSR15-191 (“the Agreement”) proposed in this staff report is exempt from the California Environmental Quality Act (“CEQA”) review, in accordance with CEQA Guidelines Section 15262, because the project only involves feasibility or planning studies for possible future actions which the City has not approved, adopted, or funded; and B. Adopt a resolution approving and ratifying the execution of a Standard Agreement Amendment No. 1 to the Agreement by and between the California High-Speed Rail Authority (“Authority”) and the City of Vernon for work related to the California High-Speed Rail Project (“Project”). Motion carried, 4 - 0.

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

ORAL REPORTS

Police Chief Miranda, reported on the following: commercial burglaries on June 10th and June 26th, Vernon PD Detective Bureau is actively working these two cases; June 25th, Vernon PD attended the 2019 Pink Patch Kickoff at the Rose Bowl; on June 26th Vernon PD presented two gift baskets to the wife of a San Diego Probation Officer who has stage 4 breast cancer; on June 30th, Vernon PD responded to an assault with a deadly weapon call.

Fire Chief English, reported on the following: Vernon FD, Vernon PD, and Public Works Department are working together on remediating the homeless encampment, illegal storage, and weed abatement issues (photo displayed on TV monitor); two fires on area of building on 55th Street due to homeless issues, Vernon FD is working with Public Works and Railroad to reduce overgrown grass fire hazards; retirement celebration is scheduled for July 3rd at Fire Station 77 for retiring Senior Fire Code Inspector, everyone is welcome.

Public Works Director Wall, reported on the following: provided a PowerPoint presentation describing some data relating to Agenda Item No. 15.

Interim Public Utilities Director Wall, reported on the following: several outages throughout the City; on July 24th, legislators tour is coming to visit Southern California to meet with the Public Utilities Department and will visit the Vernon Power Plant.

City Administrator Fandino, reported on the following: The City will be hosting informational town hall meetings to discuss Vernon Fire Services; meetings will be held on July 11th and July 15th at 5:00 p.m. and 12:00 p.m.; July 17th, Vernon Chamber of Commerce Installation Luncheon, City Council is welcome to attend.; on July 17th City staff will be meeting with Moody’s; on
August 8th the City will be hosting a Back to School Night with the community; Human Resources Department tasked to seek tutor or partnering with High Schools for tutoring services for Vernon residents.

CLOSED SESSION

City Council entered Closed Session at 10:42 a.m.

20. CITY COUNCIL PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
   Government Code Section 54957

21. 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

22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (3)
   Government Code Section 54956.9(d)(1)
   City of Vernon v. Dennis Roberts, et al.,
   Los Angeles Superior Court Case No. 19NWUD00831
   Bicent (California) Malburg LLC et al. v. City of Vernon et al.,
   Cal. Sup. Ct., Case No. 19STCV08859
   City of Vernon v. Bicent (California) Malburg LLC et al.,
   Cal. Sup. Ct., JAMS No. 19STCP02411

At 12:19 City Council exited Closed Session. City Attorney Patel reported that three cases were discussed with City Council with no reportable action taken.

ADJOURNMENT

With no further business, at 12:19 p.m., Mayor Ybarra adjourned the meeting.

________________________
Melissa Ybarra
Mayor

ATTEST:

_________________________
Deborah A. Harrington
Interim City Clerk