MINUTES
LA PUENTE CITY COUNCIL
REGULAR MEETING OF
OCTOBER 9, 2012

Per *Robert's Rules of Order Newly Revised 10th Edition*, minutes are a record of the actions taken by the body. These minutes do not include a summary of the discussion but only reflect the action taken by the body. A complete audio recording of this meeting is available on the City's website www.lapuente.org

A Regular Meeting of the City of La Puente was held in the Council Chambers of City Hall, 15900 East Main Street, La Puente, California, on October 9, 2012, at 7:00 p.m.

CALL TO ORDER

Mayor Holloway called the meeting to order at 7:04 p.m.

ROLL CALL

Members present:	Holloway, Klinakis, Argudo, and Lewis
Members absent:	House
Staff present:	City Manager Plumlee, City Attorney Casso, City Clerk Jacquez-Nares, Director of Administrative Services Komers, Director of Development Services Consultant Di Mario, Police Chief Lt. Cacheiro, City Engineer Pagett, and Recreation Manager Lerma

PLEDGE OF ALLEGIANCE

Director of Administrative Services Komers led the Pledge of Allegiance.

Mayor Holloway provided his condolences to the Gaytán family and read former Council Member George Gaytán's obituary and would adjourn the meeting in his memory.

PRESENTATIONS

PRESENTATION OF A CERTIFICATE OF APPRECIATION TO NATIONAL NIGHT OUT VOLUNTEERS

This item was continued to the November 13, 2012 Council meeting.

ORAL COMMUNICATIONS

Marlen Garcia, Baldwin Park Council Member, invited the Council and the residents to the Weight of the Nation event on Saturday, October 20, 2012 from 9:00 to 10:30 a.m. at the Baldwin Park Arts and Recreation Center, 14403-B Pacific Ave., Baldwin Park.

Ken Medeiros stated his concerns with the sewer pipe liners.

City Engineer Pagett clarified that the sewer pipe liners are very thin and they extend the life of the pipe by fifty to seventy years.

Marty Paz stated his concerns with the sewer improvements that have not been completed. He is concerned with the potential change in hours of the City Council meetings. His concern with an earlier start time is that the working residents will not able to attend. Mr. Paz requested an update on the Sheriff's badge. He requested clarification on the beautification survey and suggested that the Code Enforcement officers cite the City not just the residents for violations.

City Manager Plumlee stated that the questions Mr. Paz asked about the hours of the City Council Meeting are on the agenda for discussion under Mayor Pro Tem Klinakis. The Sheriff's badge issued to Council Member Argudo was returned to the Sheriff's Department. Mr. Paz's question about the clean-up is about the Beautification Ad Hoc Committee's survey and the survey is located at the counter in City hall and on the City's website.

City Engineer Pagett stated that the fourth phase of the sewer replacement would begin in the spring of 2013 and would complete all four phases of the sewer replacement in the Capital Improvement Project. Currently, the City is on their second phase of the sewer cleaning which is part of the sewer maintenance. This maintenance schedule would have two-thirds of the sewer system clean within a two year period.

Mayor Holloway stated that the sewer fees have not been raised in two years and therefore the maintenance is taking longer to perform.

Council Member Argudo stated that he provided his Sheriff's badge plaque to the Sheriff on September 26, 2012.

BOARDS/COMMISSION/COMMITTEE REPORTS

Mayor Holloway attended the San Gabriel Valley Mosquito District & Vector Control District meeting. He provided a brief summary of the items discussed at that meeting. Mayor Holloway provided the members of the Council information from this meeting.

A. MINUTES OF PREVIOUS CITY COUNCIL MEETING

A-1 READ AND APPROVE THE MINUTES OF THE JOINT SPECIAL MEETING OF JANUARY 30, 2012

Mayor Pro Tem Klinakis moved to waive the reading and approve the Minutes of the Joint Special Meeting of January 30, 2012; seconded by Mayor Holloway. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

A-2 READ AND APPROVE THE MINUTES OF THE REGULAR MEETINGS ON FEBRUARY 14, 2012 AND FEBRUARY 28, 2012

Mayor Pro Tem Klinakis moved to waive the reading and approve the Minutes of the Regular Meetings of February 14, 2012 and February 28, 2012 as amended; seconded by Mayor Holloway. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

A-3 READ AND APPROVE THE MINUTES OF THE SPECIAL MEETING OF FEBRUARY 28, 2012

Mayor Pro Tem Klinakis moved to waive the reading and approve the Minutes of the Special Meeting of February 28, 2012; seconded by Mayor Holloway. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

City Manager Plumlee stated that Council Member House did call to inform him that he was not able to attend this meeting.

B. PUBLIC HEARING BEFORE THE CITY COUNCIL - None.

C. UNFINISHED BUSINESS OF THE CITY COUNCIL - None.

D. CITY COUNCIL CONSENT CALENDAR

D-1 CONSIDERATION OF A RESOLUTION APPROVING WARRANT REGISTER NO. 1327 FOR FISCAL YEAR 2012-2013

Council Member Lewis moved to adopt Resolution No. 12-5042 approving Warrant Register No. 1327; seconded by Mayor Holloway. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

E. NEW BUSINESS TO BE CONSIDERED BY THE CITY COUNCIL

E-1 CONSIDERATION AND DIRECTION REGARDING ENGAGEMENT OF PUBLIC FINANCIAL MANAGEMENT, INC. FOR FINANCIAL ADVISORY SERVICES IN AN AMOUNT NOT TO EXCEED $24,500.00

Director of Administrative Services Komers provided a brief history and summary on this item.

Council Member Argudo asked who was on the committee that evaluated the proposals. He requested clarification on the cost for the analysis only. Council Member Argudo raised his concerns with the timeline, rating, and the lack of assurance to make the January deadline. He requested to view all six proposals and to have the rest of the Council view them as well.

Mayor Holloway requested the criteria used to award this contract. He asked what timeline assurances the City had in order to prevent the need to make the next scheduled loan payment in January. Mayor Holloway asked if the other firms were able to meet the deadline of January 2, 2012. He asked for clarification on the amount the City would save because it was different than the figure given in February. Mayor Holloway requested the amount of total savings for the life of the loan and the amount of savings for the ten to twelve years that were predicted in the staff report.

Mayor Pro Tem Klinakis asked if all six proposals were attached to the staff report. He asked if the $24,500 amount would only cover the refinancing of the Union Bank debt. Mayor Pro Tem Klinakis asked for the timeline of this refinancing and the amount of the next payment. He reviewed all the six proposals and stated that one of the other firms quoted a flat rate of $1,800 monthly. Mayor Pro Tem Klinakis also believes that the January deadline would not be met. He expressed his concern that not all of the information is being provided to Council in order for Council to better assess the items brought before the Council for approval.

City Manager Plumlee stated that the committee reviewed all six proposals and due to the time constraints and the urgency of the refinancing only the top three proposals were presented to Council. The savings presented in February were a projected savings over a ten to twelve year period. The $270,000 savings is for this Fiscal Year only.

Director of Administrative Services Komers stated that the City Manager Plumlee, Director of Development Services Di Mario and himself reviewed the proposals. The seven elements in the criteria used were as follows: 1) the responses of their references, 2) meeting the City's general terms and conditions, 3) their responsiveness, 4) the organization and clarity of the proposal related to the scope of work, 5) the fee, 6) the firms experience and the qualifications of the people assigned to manage the project, and 7) the approach and ability to refinance the Union Bank debt obligation. The top three proposals were attached to the staff report. The $24,500 would be used primarily for the Union Bank debt but if Council did not move forward with the refinancing it could be used for other financial advice from the firm. The timeline is very tight in order to finish the refinancing before the next payment of approximately $190,000 which is due on January 2, 2012. The firm would need about $10,000 to provide the analysis. There are no assurances that the timeline would be met. There are different levels of savings depending on the way the deal is structured. Director of Administrative Services Komers stated that the cost is higher for the life of the loan but for the prediction on the staff report, over a ten to twelve year period, the City could potentially save one million dollars depending on the structure of the deal.

Council Member Lewis stated that the $24,500 would also be used to procure the bonds and the underwriter. She requested that a decision be made today in order to move forward with the timeline.

Craig Hoshijima, Public Financial Management representative, addressed the Council's concerns, he stated that the credit ratings are unknown but his colleague believes the City would have an "A" credit rating. The City's balanced budget and its cash flow allows for a good credit rating. He provided the different options in which the City may potentially receive up to a $600,000 in savings. Mr. Hoshijima stated that the financing should not be rushed in order to receive the best interest rate. He stated that his best guess on the interest rate the City could potentially receive would be below 3.5 percent. The best way to get the lowest interest rate is by public sale. He stated that their firm would work with the City to cap the amount needed to provide the analysis. He gave Mr. Komers a $10,000 amount but anywhere between $5,000 and $10,000 they are willing to do the work for the City. Mr. Hoshijima stated their firm was the lowest hourly rate of the top three proposals.

Mayor Holloway requested a step by step breakdown of the charges to complete this process. The amount needed to be approved tonight could be much less than the $24,500 for the analysis only.

Mr. Hoshijima stated that their firm is willing to work with the City and negotiate a lower rate. They have agreed to provide the full service for the amount not to exceed $24,500. A matter of a couple thousand dollars will not break the deal for their firm.

Mayor Pro Tem Klinakis moved to approve an agreement with Public Financial Management, Inc. for financial advisory services, in an amount not to exceed $8,000 and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney; seconded by Council Member Argudo. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

E-2 CONSIDERATION OF A RESOLUTION RESCINDING RESOLUTION 98-3901 AND ADOPTING A RECORDS RETENTION SCHEDULE

City Clerk Jacquez-Nares provided a brief summary of this item.

Mayor Holloway asked about a litigation hold that the former Labor Law Attorney placed on the City due to existing litigation.

City Attorney Casso stated that none of those records could be destroyed. He stated that he would contact Attorney Thompson who is representing the City in this case for the status of those records. The way the resolution was written the City Attorney would need to approve the destruction of records.

Council Member Argudo asked for clarification on the email retention.

Director of Administrative Services Komers stated that the electronic records are treated the same as paper records and have the same retention as the paper document. He stated that the City should not set a timeframe of 90 days then all emails are deleted; that would go against the Secretary of State's recommended retention schedule.

Mayor Holloway asked what procedure was in place to destroy emails once they have met their retention date.

Director of Administrative Services Komers stated that it is an annual process that each email user would have to personally destroy.

City Manager Plumlee stated that from an IT standpoint it could be programmed to automatically delete the emails.

Mayor Holloway stated that anything that has come through the City's servers should be accessible by the IT people especially for the past three years. He asked if the City is currently backing up the emails.

City Clerk Jacquez-Nares confirmed with the Mayor that he was correct that the emails should be accessible even if they have been deleted because they should be in the City's system back-ups. She further stated that staff would be coming back to Council with a Records Information Management policy that would address these issues.

Director of Administrative Services Komers stated that the emails are being backed up weekly but they are being overwritten. The City does not have the back up going back five years.

Mayor Holloway asked City Attorney Casso if that was legal.

City Attorney Casso stated that he would work with City staff to correct this situation and ensure that City staff maintain City records properly.

Mayor Pro Tem Klinakis moved to adopt Resolution No. 12-5043 approving the Records Retention Schedule and for staff to bring back an electronic records management policy; seconded by Council Member Lewis. The motion unanimously carried by the following roll call vote: AYES: Holloway, Klinakis, Argudo, and Lewis. NOES: None. ABSENT: House.

E-3 DISCUSSION AND DIRECTION REGARDING CHANGING THE HOURS OF THE CITY COUNCIL MEETING (Mayor Pro Tem Klinakis)

Mayor Pro Tem Klinakis stated that he wants to maintain the City Council meeting time of 7:00 p.m. but would like to move up the Closed Session to an earlier meeting time such as 6:00 or 6:30 p.m.

Mayor Holloway stated that other governing bodies do this but he is concerned with oral communications for the regular Council meeting at 7:00 p.m.

City Attorney Casso stated that many entities hold closed session meetings before their regular meetings, the presiding officer would convene the meeting and entertain oral communications for only the items listed under the closed session and then entertain another oral communication for the regular agenda items and the subject matter within the City's jurisdiction.

Council Member Argudo stated that in the past the closed session items were moved forward on the agenda to accommodate for the attorney fees.

City Attorney Casso stated that when the Council moves the closed session to the beginning of the meeting, oral communication is taken on all items then Council recesses into closed session and if it is a lengthy session, members of the public may leave without getting to hear their item.

Mayor Holloway does not want to have the public wait for the open session due to moving the closed session to the beginning of the meeting. If the closed session is moved to a time certain and the regular meeting is still left at 7:00 p.m. then the public will always know that the general meeting begins at 7:00 p.m.

Mayor Pro Tem Klinakis stated that in the past the closed session was used to get the residents to leave rather than have them participating in the meeting.

City Manager Plumlee stated, that his past experience with other entities, the closed session begins at 6:30 p.m. and if the Council has not finished discussing this item then the closed session either continued or recessed and discussed after the regular 7:00 p.m. meeting.

Mayor Pro Tem Klinakis stated he would like to have the input of Council Member House and the public on the potential change in the time of the closed session.

Mayor Holloway requested clarification on how the meeting times could be changed since the City's Municipal Code governs the start time of the City's meetings. He asked if the closed session could be called as a special meeting.

City Attorney Casso confirmed that the Municipal Code sets the time and days of the meeting but he suggests that the ordinance be revised to have the time and dates of the meetings set by resolution. He confirmed that the closed session could be held as a special meeting.

Council provided direction to staff to bring back this Item for discussion when Council Member House was present.

RECESS THE CITY COUNCIL INTO CLOSED SESSION

Mayor Holloway recessed the City Council to Closed Session at 8:33 p.m.

City Attorney Casso recessed the City Council into Closed Session with all members present to discuss Items F-1 and F-2 as listed on the agenda.

F. CLOSED SESSION

F-1 THE CITY COUNCIL WILL RECESS TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54957.6(f) TO CONFERENCE WITH LABOR NEGOTIATORS. AGENCY DESIGNATED REPRESENTATIVES: BRET M. PLUMLEE, CITY MANAGER; WARD KOMERS, DIRECTOR OF ADMINISTRATIVE SERVICES; AND JAY TRINNAMAN, COUNSEL. EMPLOYEE ORGANIZATIONS: CEA AND SEIU

F-2 THE CITY COUNCIL WILL RECESS INTO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a), EXISTING LITIGATION: LA PUENTE PROFESSIONALS, SUPERVISORS, MANAGERS AND CONFIDENTIAL EMPLOYEES ASSOCIATION ("LPPSMCEA") V. CITY OF LA PUENTE (CASE NO. LA-CE-744-M)

RECONVENE TO OPEN SESSION

Mayor Holloway reconvened the City Council to open session at 9:00 p.m.

REPORT FROM CLOSED SESSION

City Attorney Casso reported that the Council recessed into Closed Session to discuss Items F-1 and F-2 as listed on the agenda, on both Items there was no reportable action and nothing further to report.

ADHOC COMMITTEE REPORTS

Mayor Pro Tem Klinakis reported that the City Beautification Ad Hoc Committee with the help of City staff placed an advertisement in the newspaper soliciting input from the residents via a survey. The surveys can be obtained at City Hall.

AB 1234 REPORTS- None.

ORAL COMMENTS FROM COUNCIL- None.

Mayor Holloway stated that he and Mayor Pro Tem Klinakis attended former Council Member George Gaytán's funeral services.

ORAL COMMENTS FROM STAFF – None.

ADJOURNMENT

There being no further action to come before the City Council, Mayor Holloway adjourned the meeting at 9:02 p.m. in the Memory of former Council Member, Planning Commissioner, Water Board Director, and Businessman George Gaytán.

Approved this 23rd day of October 2012

Pat Jacquez-Nares

Pat Jacquez-Nares, CMC
City Clerk

Daniel C Holloway

Daniel C. Holloway
Mayor