

**MINUTES  
CUDAHY CITY COUNCIL**

A Special Meeting to be held in the City Council Chambers,  
5240 Santa Ana Street, Cudahy, California  
Wednesday – June 18, 2014 - 5:30 P.M.

**1. CALL TO ORDER**

Mayor Garcia called the meeting to order at 5:30 p.m.

**2. ROLL CALL**

The following Council/Agency Members were in attendance:

Council Member Guerrero  
Council Member Oliva  
Council Member Sanchez (arrived at 6:10 p.m.)  
Vice Mayor Markovich  
Mayor Garcia

**3. INVOCATION – None**

**4. PLEDGE OF ALLEGIANCE – Led by Mayor Garcia**

**5. PUBLIC COMMENT**

Marcos Covarrubias expressed his support for Item 10A on the agenda and improvements at Lugo Park.

Pamela Mungia expressed her support for Item 10A on the agenda and improvements at Lugo Park.

Adelina Garcia expressed her support for Item 10A on the agenda and improvements at Lugo Park.

Patty Covarrubias expressed her support for Item 10A on the agenda and improvements at Lugo Park.

At this time the City Council recessed to Closed Session to discuss items on the Closed Session Agenda.

**6. CITY COUNCIL COMMENTS**

Council Member Guerrero reported as follows:

1. Affirmed that he would like to keep his existing items (from the June 17, 2014) meeting on the upcoming agenda.

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2. Suggested the following items for a future agenda, when his current items are resolved:
  - a. Review of the policy for placing the order of agenda items
  - b. Review of the policy for Planning Department applications
3. Commented on the success of the current City Manager recruitment process
4. Advocated for the retention of the City's real estate assets

Council Member Oliva reported as follows:

1. Submitted a petition from the Manager on the premises of Clara Park Extension regarding the fence facing their property as there have been injuries to children and adults in the area
2. Requested that her current agenda items get pushed indefinitely in favor of the consideration of a resolution directing staff that RFPs, consultant agreements and contracts be reviewed by the City Attorney's office
3. Commented on her attendance at the June 14, 2014, Gloria Molina ceremony

Council Member Sanchez reported as follows:

1. Expressed his support for the Council working together

Vice Mayor Markovich reported as follows:

1. Commented on the City's conversation with the Department of Finance
2. Thanked residents for attending the meetings

Mayor Garcia reported as follows:

1. Commented on the meeting held on June 17, 2014 with the Department of Finance and impacts on the City of Cudahy
2. Expressed optimism that the City will prevail on their projects
3. Affirmed he would like his agenda item regarding Resolution for Cudahy's first swimming pool on the upcoming agenda
4. Requested support from Council to have staff video record the City Council meetings and place them on the internet in order to provide transparency

City Attorney Birrueta recommended that the matter of video recording meetings be placed on an upcoming agenda. The purchasing of cameras could come under City Manager's discretion; however, the recording of the meetings would be a policy moving forward for all meetings and should be adopted by Council resolution, in order to provide specificity.

Council Member Guerrero supported the idea of video recording meetings; however, a resolution should be agendized in order to provide appropriate discussion on the item.

Direction was given to add an agenda item to the next agenda, as the Mayor's third agenda item, along with a Resolution, to have staff video record City Council meetings

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and place them on the internet in order to provide transparency.

Council Member Oliva expressed a concern that a liability may be created by video recording meetings. The City Attorney will review the Brown Act and Closed Session implications of videotaping agenda items and will bring them up at the appropriate time.

Michael Allen, Interim City Manager, clarified the items that would appear on the next and future agendas. He announced upcoming events, reported that steel urinals have been received and will be installed, and distributed the City Manager's monthly report for the month of May. He provided a rough schedule of upcoming Capital Improvement Projects and upcoming grant opportunities.

**7. WAIVER OF FULL READING OF RESOLUTIONS AND ORDINANCES**

***Recommendation:** It is recommended that the City Council approve the waiver of full reading of Resolutions and Ordinances.*

**Motion:** A motion was made by Guerrero, seconded by Markovich, and carried (5 – 0) to approve the waiver of full reading of Resolution and Ordinances.

<b>AYES:</b>	Guerrero, Oliva, Sanchez, Markovich, Garcia
<b>NOES:</b>	None
<b>ABSENT:</b>	None
<b>ABSTAIN:</b>	None

**8. PUBLIC HEARINGS** – None

**9. CONSENT CALENDAR** – None

**10. BUSINESS SESSION**

**10A. Consideration of RESOLUTION NO. 14-39, A RESOLUTION OF THE CITY OF CUDAHY CITY COUNCIL APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT FOR THE FIRST SUPERVISORAL DISTRICT EXCESS FUNDS GRANT PROGRAM, FUNDING FOR THE LUGO PARK RENOVATION PROJECT. (COUNCIL)  
(Presentation by the Community Development Department)**

***Recommendation:** It is recommended that the City Council approve Resolution No. 14-39*

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A staff report was given by Michael Allen, Interim City Manager. A PowerPoint presentation was displayed. Interim City Manager Allen noted that Gloria Molina's office has agreed to match the City's CDBG funds for the Lugo Park Renovation Project. He provided a description of the project size, scope, turf type, and discussed conceptual items such as bleachers. Staff recommends approval of the Resolution, with a few minor corrections.

Mayor Garcia expressed support for this item, especially the community and green space improvements.

In response to Council Member Sanchez, Interim City Manager Allen reported that once construction starts there will be a six-to-nine month completion process.

Council Member Oliva inquired as to the specific date that grant funds will be received.

Council Member Guerrero expressed support for this item and the expansion of the park. He acknowledged the reason he abstained from voting originally is because he wanted more funds for the park.

Vice Mayor Markovich expressed support for this project.

Mayor Garcia opened public comments.

There was no response and Mayor Garcia closed public comments.

**Motion:** A motion was made by Oliva, seconded by Markovich, and carried (5 – 0) to approve Resolution No. 14-39, with the appropriate amendments changing the name of the governing body to the City of Cudahy.

<b>AYES:</b>	Guerrero, Oliva, Sanchez, Markovich, Garcia
<b>NOES:</b>	None
<b>ABSENT:</b>	None
<b>ABSTAIN:</b>	None

**10B. Consideration of approval to submit a Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP) plans in order to comply with the New Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 ("MS4 Permit"). (COUNCIL)  
(Presentation by the Community Development Department)**

**Recommendation:** *It is recommended that the City Council authorize staff to submit the Watershed Management Program (WMP) and the Coordinated Integrated Monitoring Program (CIMP) Plans along with the Cities of Bell, Bell Gardens,*

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*Commerce, Huntington Park, Maywood, Vernon and The Los Angeles County Flood Control District in order to comply with the New Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 ("MS4 Permit").*

A staff report was given by Assistant City Engineer, Aaron Hernandez. He noted the plans must be submitted by June 27, 2014, in order to be compliance. He provided background information and fiscal impact of participating in the program and plans with the partner cities. At this time, the costs are still being determined as the partner cities are still being determined.

Gerald Green provided a staff report regarding the permitting process. A PowerPoint presentation was displayed. He discussed the permit, the benefits, the best management practices that will need to be implemented, and the cities currently involved. Slides were displayed showing the current drainage. He stated the monitoring required, the costs of monitoring and the expenses that will be cost-shared with the partner cities. He further described the type of materials which are being surveyed in the water and various methodologies for reducing certain materials and bacteria in the water.

In response to inquiries from Council Member Guerrero, Mr. Green confirmed the deadline to submit was June 28, however, he was hoping to get the application in by June 26. He added that costs would be subject to cost sharing, but an estimate would be \$500,000 per year, approximately \$25,000 for maintenance, and other administrative costs yet to be determined.

Mr. Green confirmed that he did not have information relative to permit non-compliance.

In response to an inquiry from Council Member Oliva, Mr. Green stated that at this time grants have not been obtained from the Gateway Cities, however, he encouraged that the City continue to apply for State and Federal grants to assist with their ability to provide mitigation measures.

In response to Council Member Sanchez, Mr. Green stated that as of October 1st there must be zero level of trash going into the river.

In response to Mayor Garcia, Mr. Green stated at this time the City would be submitting their plan on how they are going to comply with the mitigation measures and the fiscal impact it will have on the City.

Mayor Garcia opened public comments.

Alfred Areyan encouraged the City Council to take this matter seriously, as it could potentially result in fines in future years.

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Noting there were no further speakers and Mayor Garcia closed public comments for this item.

Council Member Guerrero confirmed that the City Attorney's Office reviewed the presented documents. City Attorney Birrueta affirmed they had reviewed the documents, and noted that several cities have challenged the permit. Staff did consult with the City's Engineer who confirmed that the plan was flexible enough at this time.

Council Member Guerrero expressed concerns with the costs associated with this matter and would prefer that the City wait until the next meeting to research associated issues. Mr. Green stated that if these documents are not filed, the City would not get the interim allowances. Ms. Birrueta confirmed that the City would now have to comply with the statutory requirements, rather than being allowed the interim allowances.

In response to Council Member Sanchez, staff confirmed that funds have not currently been allocated in the budget to address this matter.

In response to Mayor Garcia, the City Engineer stated that the guidelines were only available 3 months ago, and models had to be run before the item could be properly presented to the Council for review.

Mr. Green stated that the immediate repercussions for not filing will be significant, however, there are opportunities to reduce cost and have a better plan into the future. This will require filing the appropriate documents now to be eligible for the extended time period to comply.

Council Member Oliva inquired as to whether the City Engineer reached out to any of the representatives regarding any grant opportunities. The City Engineer stated that a group of cities is joining up to address the payment for each City and to work together to lobby at the local, State, and Federal level to address the permitting requirements. Council Member Oliva stated that there was a bill to address some of these issues and encouraged City staff to move forward on this opportunity.

**Motion:** A motion was made by Sanchez , seconded by Markovich, and carried (3 – 0, 2 abstentions) to authorize staff to submit the Watershed Management Program (WMP) and the Coordinated Integrated Monitoring Program (CIMP) Plans along with the Cities of Bell, Bell Gardens, Commerce, Huntington Park, Maywood, Vernon and The Los Angeles County Flood Control District in order to comply with the New Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 ("MS4 Permit").

AYES: Sanchez, Markovich, Garcia  
NOES: None

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ABSENT:               None  
ABSTAIN:             Guerrero, Oliva

**10C. Consideration of RESOLUTION NO 14-41, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUDAHY, CALIFORNIA, AUTHORIZING A CONTINUING APPROPRIATION FOR THE TEMPORARY USE OF THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2013-2014 PENDING THE FINAL APPROVAL OF THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2014-15  
(COUNCIL) (Presentation by the Finance Department)**

***Recommendation:*** Approve Resolution No. 14-41.

A staff report was given by Steve Dobrenen, Finance Director. He reported that the presented documents would be a template by which to start off the discussion of the continuing appropriation and that all the pertinent outside agencies are in accordance with this action.

**Motion:** A motion was made by Guerrero, seconded by Garcia, and carried (4 – 0, 1 abstention) to approve Resolution No. 14-41.

AYES:                 Guerrero, Sanchez, Markovich, Garcia  
NOES:                None  
ABSENT:             None  
ABSTAIN:            Oliva

**10D. Budget workshop on 2014-2015 Fiscal Year Proposed Budget.**

The Lugo Park walk-through was deferred to Tuesday, June 24, 2014, at 6:00 p.m.

A staff report was given by Steve Dobrenen, Finance Director. A recommended budget packet was distributed. Mr. Dobrenen reviewed revenues and expenditures and the projected deficit. He noted a resolution that the budget must be balanced each year, with the exception of one-time occurrences.

Mr. Dobrenen outlined items that are not included in this budget including: special elections, records management, and hiring of a City Treasurer, not providing various positions in Community Development and Recreation Departments, Special City events, in order to keep the deficit down, eliminating volunteers on patrol and neighborhood watch as well as the addition of crossing guards.

He also reviewed revenues including wireless telecommunications facilities.

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Mayor Garcia noted an Ordinance that requires owners that own multiple rental units on a single property to have a business license. He stated there are potentially 700 units that the City could be collecting on. This could be an additional \$250,000 for collection of past funds.

In response to an inquiry from Council Member Oliva, Mayor Garcia outlined the requirements of the business license requirements of the ordinance which reads “with two or more units”.

Council Member Oliva inquired as to where the commercial recycling reimbursement that the City should be receiving from Consolidated Services is located in the budget.

Mr. Dobrenen outlined the City’s ongoing salary and contractual obligations.

Council Member Guerrero stated that the Ordinance he is supporting would reduce parking citations by \$50,000. This ordinance, however, has not been introduced.

Henry Garcia, consultant, stated that the City’s sales tax rate is 9.25 percent.

Mr. Dobrenen reviewed the salaries and positions in each Department, other consultant related fees, attorney fees and litigation issues. Henry Garcia stated that the Council provided direction to move forward with filling the City Clerk position. Mr. Dobrenen stated the increase in the City Clerk position’s salary was to make it consistent with what the adopted resolution calls for.

Mr. Dobrenen noted the City ran over with maintenance costs in the current fiscal year.

Council Member Sanchez suggested seeing actual numbers rather than proposed.

Council Member Guerrero stated it would be better to see actual numbers in addition to the proposed. He wanted to be able to come up with more realistic numbers. Mr. Garcia stated that a mid-year update will provide a more realistic number.

Mr. Garcia stated that Resolution 13-20 was adopted to call a special election for the purpose of term limits. Council Member Guerrero suggested placing the matter on the ballot for the General Municipal Election in March, 2015.

There was consensus to bring back the election for term limits discussion on an upcoming agenda.

Mr. Dobrenen commented on the need for an assistant in the City Clerk’s Office as well as updating the Records Retention schedule.

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Michael Allen, Interim City Manager, reviewed the City Manager's Department proposed budget.

Council Member Oliva inquired as to the Assistant City Manager position. Mr. Garcia did not include that item in the proposed budget.

Mr. Dobrenen reviewed the City's insurance provisions and associated costs.

In response to an inquiry from Council Member Guerrero, Mr. Dobrenen stated that the current year and proposed year insurance costs are about the same.

Council Member Oliva is supportive of retaining the community newsletter.

Council discussion ensued on the interval for printing the community newsletter. Mr. Dobrenen provided the cost estimate for newsletter and postage.

Mr. Allen noted that staff is required for the City's Human Resources function.

Council Member Sanchez inquired as to the retiree medical costs.

Mr. Allen reviewed the costs for the Purchasing Division. There were no changes proposed to that division. Mr. Allen also stated that staff was researching the impacts of the costs associated with the passage of certain health care laws.

Mr. Allen reviewed the Building Maintenance fund, which is ongoing maintenance of the main City facilities.

Mr. Dobrenen reviewed the Finance Department's projected budget.

Mr. Allen reviewed the Community Development Department's project budget.

Council Member Guerrero suggested an Assistant City Manager to assist with the Community Development Department.

Mr. Allen reviewed the Building and Safety Division's projected budget. He did state that the Associate Planner will be replaced with an Assistant Planner, which will result in a reduction in recurring expenses. He further reviewed the Engineering Division projected budget and the Community Events budget which has been significantly reduced. Everything has been removed except for Christmas and the Food Distribution Event.

In response to an inquiry from Council Member Oliva, Mr. Allen stated that the only reduction in Recreation was the Community Events.

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Mr. Allen reviewed the Public Works Department proposed budget. There is a reduction by removing the part time maintenance workers. They are recommending four full time streets workers; however, those positions are funded by the Gas Tax. Mr. Allen also spoke regarding the restructuring of the Department in terms of assigned duties.

Mr. Allen reviewed the Public Safety Division proposed budget.

Council Member Oliva inquired as to Warrants 37153 and 37144.

Council Member Guerrero affirmed that the City should reach out to vendors to provide support for certain City events.

Mr. Dobrenen reviewed the Capital Improvement Projects for the upcoming year, including those using Prop C funds, and various transportation related projects.

In response to an inquiry from Council Member Oliva, Mr. Allen affirmed that funding for bus stop shelters is from an outside source. Council Member Oliva expressed concerns regarding the fixed route service.

Council Member Guerrero inquired as to how much for salaries can be transferred to the Special Revenue Funds. Mr. Dobrenen noted that certain items can be looked at and brought back for review at the mid-year budget review.

Mr. Dobrenen reviewed the Special Revenue Funds, including AQMD and COPS funds. He explained that COPS funds must be spent for specific uses. Mr. Allen noted that the Assistant City Engineer will be bringing the appropriate assessment resolutions for the street lights to the City Council for action before August.

Mr. Dobrenen reviewed the options before the Council in terms of raising sales taxes, a Utility User Tax on commercial and/or residential users, and the effects of doing each incrementally. Many of these options have to go to a vote of the people in order to comply with Proposition 218.

Mr. Garcia stated that the City would definitely need to craft a campaign to educate the community in regard to Proposition 218 tax increases.

In response to an inquiry from Council Member Guerrero, Mr. Dobrenen noted that the City's consultant, HdL, ran a calculation based upon certain assumptions to ensure the projected numbers are accurate. Mr. Guerrero expressed concerns that increases in sales taxes may drive business away from the City. Council discussion ensued on the options available to increase revenues.

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Mr. Allen inquired:

1. Inclusion of quarterly newsletter (\$30,000 allocation), he will research what the City will get
2. Special Election for term limits, identify the true cost of adding to the next election
3. Special Events – Halloween, Cinco de Mayo, Easter and how much to include in the budget

Council Member Guerrero made the following suggestions for the next draft of the budget:

1. Internship program, \$100,000 could fund approximately ten (10) interns
2. Changing Community Services Director to an Assistant City Manager (\$30,000 increase)
3. Community Recreation activities - \$50,000 to bring back community events taken out
4. Welcome signs (on the agenda)
5. Cost savings:
  - a. \$100,000 savings on legal by renegotiating the contract
  - b. \$100,000 on Sheriff's Department contract

Mayor Garcia made the following suggestions for the next draft of the budget:

1. \$20,000 youth internship program (40 employees at City Manager's disposal)
2. Community Liaison position
3. Increase salaries for Commissioners (stipend)
4. Sports Program (revamping, family discounts, and general programming enhancements)
5. Community enhancements (Atlantic Boulevard, welcome signs, graffiti removal company, revamp the Neighborhood Watch program)
6. Allocate more money to Clara Park enhancements

Council Member Sanchez made the following suggestions for the next draft of the budget:

1. Website and newsletter enhancements
2. Support for community gatherings
3. Increase for Commissioner stipends
4. Employee and intern enhancements

Mayor Garcia stated that \$500,000 for parks enhancements would make the City more competitive for grants.

Mr. Dobrenen commented on legislation that is proposed to increase the minimum wage.

Council Member Oliva made the following suggestions for the next draft of the budget:

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1. Include a grant writer for application of various grants
2. Analyze the requirements for Commissioners prior to raising their stipend
3. Review the opportunities for interns to participate in the City
4. Employ an Assistant City Manager with economic development experience in order to make the City more business friendly.

Vice Mayor Markovich made the following suggestions for the next draft of the budget:

1. Using students to update the City's website
2. Reinsert the Community Events back into the budget

Mr. Dobrenen suggested July 8, 2014 for the next Budget Study Session.

Council Member Guerrero asked if one-time costs can be highlighted.

**10E. Discussion item on Study Session dates for the City's Strategic Plan.**

Henry Garcia, consultant, will work with Council Members to develop individual goals and then bring all together for a Saturday Strategic Plan meeting. It was suggested July 12, 2014 for the Strategic Plan Workshop.

**11. CLOSED SESSION**

City Attorney Isabel Birrueta announced that the City Council would recess to discuss Items A and B on the Closed Session Agenda. The City Attorney noted that both items are only for City Council discussion as the meeting was noticed as a City Council meeting only.

**A.** Closed Session pursuant to Government Code Section 54956.9(d) (2) and 54956.9(e) (1) - Conference with Legal Counsel to Discuss Matter Involving Potential Litigation and/or Significant Exposure to Litigation – [One (1) Matter] - This Matter will be heard jointly by the Cudahy City Council and the Cudahy City Council.

**B.** Closed Session Pursuant to Government Code Section 54957(b)(1) to Consider Public Employee Employment and conduct City Manager Interviews.  
Title of Position under Consideration: City Manager

**City Attorney Report:**

City Attorney Isabel Birrueta noted that the City Council/Agency met in Closed Session to discuss Items 11A and 11B on the Closed Session agenda. Direction was given to staff, no further action was taken, and there was nothing further to report.

**12. ADJOURNMENT**

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There being no further business to come before the City Council/Agency, Mayor Garcia adjourned the meeting at 11:11 p.m.

ATTEST:

  
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INTERIM CITY CLERK