

**PARAMOUNT CITY COUNCIL
MINUTES OF AN ADJOURNED MEETING
JUNE 21, 2016**

City of Paramount, 16400 Colorado Avenue, Paramount, CA
90723

CALL TO ORDER:

The adjourned meeting of the Paramount City Council was called to order by Mayor Daryl Hofmeyer at 3:30 p.m. at City Hall, Council Chambers, 16400 Colorado Avenue, Paramount, California.

**ROLL CALL OF
COUNCILMEMBERS**

Present: Councilmember Gene Daniels*
Councilmember Tom Hansen
Councilmember Diane J. Martinez
Vice Mayor Peggy Lemons
Mayor Daryl Hofmeyer

*Councilmember Daniels left the meeting at 5:50 p.m.

STAFF PRESENT:

City Tour

John Moreno, City Manager
John E. Cavanaugh, City Attorney
Kevin Chun, Assistant City Manager
Christopher Cash, Public Works Director
David Johnson, Com. Serv. & Recreation Director
Karina Liu, Finance Director
Maria Meraz, Public Safety Director
Chris Callard, Public Information Officer
John Carver, Assistant Community Development Director
Lana Chikami, City Clerk

Joined 5:00 Meeting

Clyde Alexander, Assistant Finance Director
Marco Cuevas, Community Development Planner
Danny Elizarraras, Management Analyst
Antulio Garcia, Development Services Manager
Yecenia Guillen, Asst. Com. Serv. & Recreation Director
Sarah Ho, Assistant Public Works Director
Adriana Lopez, Assistant Public Safety Director
Carlos Mendoza, Neighborhood Preservation Specialist

1. Mobile City Council
 - Tour of Southwest Quadrant of the City
 - Meet & Greet at Meadows ParkCF 65

At 3:31 p.m., Mayor Hofmeyer recessed the meeting to board a bus at City Hall to take a tour of the southwest quadrant of the city. The tour included the following highlights: Firehouse Activity Center, Carlton Forge Works, Yogurtland factory, remodeled commercial projects, Heritage Walk, Delcombre neighborhood, Ferraro home development, Carosmith Park,

SCE setback fence and property, Jackson School walking track, and the new well site. The tour was followed by a Councilmember “meet and greet” at Meadows Park, 15753 Gundry Avenue.

The bus returned to City Hall and Mayor Hofmeyer reconvened the meeting in the Council Chambers at 5:04 p.m. and then recessed the meeting for a brief break at 5:05 p.m. At 5:15 p.m., Mayor Hofmeyer reconvened the meeting.

PUBLIC COMMENTS

CF 10.3

Mr. Josh Murray and Karli Geiger, representing the Paramount Library, informed the City Council about the library’s summer reading programs and encouraged participation.

Ms. Nobuyo Avery (15609 Oliva Avenue, Paramount); Ms. Nita Juhasz (8830 Vans Street, Paramount); and Mr. Donato Moja (15603 Oliva Avenue, Paramount) addressed the City Council regarding parking, noise, and disturbance problems at the La Paz Center, 8835 Vans Street, Paramount, and asked for City Council assistance. These individuals were directed to talk to Public Safety Director Meraz and staff was also asked to review the permitted use for this facility.

CONSENT CALENDAR

2. RESOLUTION NO.
16:017
Approving a Covenant to Relocate an Easement for Public Utilities at the Clearwater Crossing Development on the Northeast Corner of Paramount Boulevard and Alondra Boulevard
CF 43.1041, 106.1

It was moved by Councilmember Hansen and seconded by Councilmember Daniels to read by title only and adopt Resolution No. 16:017, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, APPROVING A COVENANT TO RELOCATE AN EASEMENT FOR PUBLIC UTILITIES AT THE CLEARWATER CROSSING DEVELOPMENT ON THE NORTHEAST CORNER OF PARAMOUNT BOULEVARD AND ALONDRA BOULEVARD.” The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez
Vice Mayor Lemons, Mayor Hofmeyer
NOES: None
ABSENT: None
ABSTAIN: None

REPORTS

3. BUDGET
Fiscal Year 2017 Budget
a) RESOLUTION NO.
16:014
Adoption of the Fiscal
Year 2017 Annual
Municipal Operating
and Capital
Improvement Budget
CF 28.1

At 5:50 p.m., during the budget report, Councilmember Daniels left the meeting.

Finance Director Liu presented the FY 2017 Annual Proposed Budget. She stated that the budget is balanced, funds all essential City services, and a General Fund surplus of approximately \$100,000 is projected at the end of the year. Ms. Liu provided an overview of revenues, including General Fund, Sales Tax, and Utility Users Tax (UUT). Since the passage of Measure P, the City has received an additional \$1.5 million in UUT in FY 2016 and an additional \$200,000 in FY 2017. Ms. Liu noted that Measure P revenue has become a significant source, helping to balance the volatility of sales tax as the City relies heavily on fuel sales tax. Also, pursuant to the City's UUT ordinance, she stated that the City has performed its annual review of the City's UUT rates and forecasted revenues for the fiscal year, and determined that the 5.5% UUT rate is necessary to meet the City's needs in FY 2017.

She also mentioned that the budget includes minor fee enhancements: 1) a proposed 2.41% fee increase for business licenses (based on the Consumer Price Index), 2) development fees, and 3) commercial and highway vehicle parking citations.

Next, Ms. Liu reported on FY 2017 operating expenditures which are estimated at approximately \$31 million (excluding the Water Department) and provided the following breakdown: Public Works - 20%, General Government - 13%, Municipal Support - 6%, Community Services & Recreation - 16%, Community Development - 9%, and Public Safety - 36%. Approximately \$5 million is allocated for capital improvement projects and Ms. Liu stated that \$3.6 million will be used for street improvements.

Ms. Liu provided an overview of General Fund surpluses/deficits for the past 10 years and then reported on FY 2016 ending balances: General Fund – over \$12 million, Restricted Funds – approximately \$5.9 million, and Water Fund – approximately \$1.7 million.

Community Services & Recreation Director Johnson reviewed the community promotion and organization funding portion of the budget. Funding would be continued for special and new events (Senior Thanksgiving Dinner, Holiday

Tree Lighting, Santa Train, 60th Anniversary), existing programs, and 14 community groups. He noted that the Jr. Pirates Football & Cheer requested \$10,000 for FY 2017 (received \$6,400 for FY 2016). It was also determined that Tepic Sister Cities requested \$5,000, and discussion followed regarding the need to establish a policy for funding service organizations for community events. And, next, Mr. Johnson reviewed City Supplies and events.

A review of departmental budgets followed and Assistant City Manager Chun reviewed highlights in Human Resources, Administrative Services, and the City Clerk's Office.

Human Resources: Full-Time Employees

- No COLA (to be revisited at Midyear)
- 2 one-time "floating holidays" (no cost)
- Reclassification of one position to Senior Recreation Supervisor
- Reclassification of one position to Senior Maintenance Worker

Human Resources: Part-Time Employees

- 5% COLA
- Pay range upgrades: Administrative Intern, Aquatic Aide, and Maintenance Aide
- Addition of one new Code Enforcement Officer

Administrative Services Department

- Public WiFi
- Bridge infrastructure
- Website redesign
- Communication consultant

City Clerk's Office

- Election

Public Safety Director Meraz reviewed the Public Safety Department's \$11.5 million budget and highlighted the following:

- Overall 7.2% increase in the LASD contract (3.7% increase in the Sheriff's contract and 3.5% increase to the Liability Trust Fund contribution)
- Continuing services including Community Services Officers, crossing guards, code enforcement, Dedicated District Attorney and Probation Officer, consultant specialists, neighborhood preservation efforts, and Neighborhood Watch meetings

- Change in deployment from 12 (56-hour cars) to 10 (56-hour cars) and 2 (40-hour cars)
- Eliminate field sergeant
- Convert 2-man car to a fifth Special Assignment Officer
- Probation officer cost increase
- Overtime to address specific issues
- Deputy District Attorney increase
- Increase in crossing guard services
- New part-time Code Enforcement Officer
- Vehicle replacement
- L.A. County District Attorney fees
- Increase in SEAACA contract and new pet registration/licensing services for residents at SEAACA

Ms. Meraz also proposed an increase for parking citation fees for commercial vehicle parking and vehicles parked for sale on highway.

Community Services and Recreation Director Johnson reviewed the budget for the Community Services and Recreation Department. The following programs would continue to be offered: summer programs (aquatics, day camp and SNAP), special events (summer concerts, Halloween Carnival, and Breakfast with Santa), sports, facilities, Elderly Nutrition Program, City transit programs, Mommy & Me, GRIP, PEP Learning Center, and STAR Afterschool Program. He also discussed new programming to include summer open gym at Paramount Park, T-ball, futsal, flag football, volleyball, family excursions, and swim lesson carnival/pool toys. Mr. Johnson also highlighted the addition of the 60th Anniversary event, a Haunted Halloween house/maze, and a Santa house.

Public Works Director Cash reviewed the budget for the Public Works Department and capital improvement projects. He highlighted the following in operations:

- Maintain current level of service
- Absorb contract increases (First Vehicle, ValleyCrest (Brightview), Clean Street and Cleantime, West Coast Arborists)
- Curb painting contract
- New vehicles leases

Mr. Cash highlighted the following capital improvement projects:

Streets, Sidewalks, and Signals

- Paramount Boulevard urban renovation
- Arterial street improvements
- Neighborhood street improvements
- Garfield Avenue widening
- Annual sidewalk repairs
- Pilot drought-tolerant median landscape project
- New entry monuments (2 locations)

Park/Landscape Improvements

- Orange Splash Zone, Phase II
- Paramount Park futsal court
- Spang Park lobby door replacement
- Paramount Community Center roof replacement
- Paramount Gym air conditioning replacement
- Paramount Community Center light replacement
- Progress Park playground replacement
- Progress Plaza air conditioning replacement

Miscellaneous Improvements

- Neighborhood enhancement program
- Sheriff Station server room air conditioning replacement
- Utility box murals

Mr. Cash also reviewed the following highlights in the Water budget:

Water Utility

- Increase in water production costs
- New water rate effective June 2016
- Projected deficit

Water Utility Improvements

- Well 16 development
- Installation of services and hydrants
- Annual valve replacement program

Finance Director Liu reported that the Successor Agency will continue to wind down the affairs of the former Redevelopment Agency, including preparing the semi-annual ROPS, making bond payments, and carrying out various agreements. She also noted that the Successor Agency budget reflects enforceable obligations on the ROPS and the expected receipt of tax increment revenues to pay for the obligations. Also included in the budget is an appropriation for the remaining portion of the downtown renovation and a new water well.

Ms. Liu concluded with the Housing Authority budget and reported that a limited amount of low-mod housing funds were received and that options are being explored for use of these funds.

Vice Mayor Lemons stated that she has a conflict of interest with the following items as they are associated with her employer, Paramount Chamber of Commerce: St. Frances Medical Center (Miscellaneous Organization Funding): \$5,000; CityScape in the Pulse Beat (City Publications): \$8,000; Recreation schedules in the Pulse Beat (City Publications): \$11,000; Paramount Chamber of Commerce (Economic Development): \$40,000, and Long Beach Small Business (Economic Development): \$12,500. It was then moved by Vice Mayor Lemons and seconded by Councilmember Martinez to read by title only and adopt Resolution No. 16:014, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, APPROVING AND ADOPTING THE FISCAL YEAR (FY) 2017 ANNUAL MUNICIPAL OPERATING AND CAPITAL IMPROVEMENT BUDGET, ASSIGNING THE FY 2016 SURPLUS, AMENDING THE AUTHORIZED POSITION LISTING AND SALARY SCHEDULE FOR CITY EMPLOYEES, AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SAID BUDGET AND MAKE SUCH CHANGES AS MAY BE NECESSARY DURING THE FISCAL YEAR TO MAINTAIN STANDARDS AND LEVELS OF SERVICES AND ACHIEVE THE INTENT OF THE CITY COUNCIL IN PROVIDING MUNICIPAL SERVICES FOR FY 2017," with the exception of the items previously mentioned by Vice Mayor Lemons. The motion was passed by the following roll call vote:

AYES: Councilmembers Hansen, Martinez
Vice Mayor Lemons, Mayor Hofmeyer
NOES: None
ABSENT: Councilmember Daniels
ABSTAIN: None

It was moved by Councilmember Hansen and seconded by Councilmember Martinez to approve the following items in the budget: St. Frances Medical Center (Miscellaneous Organization Funding): \$5,000; CityScape in the Pulse Beat (City Publications): \$8,000; Recreation schedules in the Pulse Beat (City Publications): \$11,000; Paramount Chamber of Commerce (Economic Development): \$40,000, and Long Beach Small Business (Economic Development): \$12,500. The motion as passed by the following roll call vote:

AYES: Councilmembers Hansen, Martinez
Mayor Hofmeyer
NOES: None
ABSENT: Councilmember Daniels
ABSTAIN: Vice Mayor Lemons

- b) RESOLUTION NO. 16:015
Approval of the Gann Appropriations Limit for Fiscal Year 2017
CF 47.16
- It was moved by Councilmember Martinez and seconded by Vice Mayor Lemons to read by title only and adopt Resolution No. 16:015, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA, ADOPTING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017 IMPLEMENTING ARTICLE XIII-B OF THE STATE CONSTITUTION PURSUANT TO SECTION 7900 ET. SEQ. OF THE GOVERNMENT CODE." The motion was passed by the following roll call vote:

AYES: Councilmembers Hansen, Martinez
Vice Mayor Lemons, Mayor Hofmeyer
NOES: None
ABSENT: Councilmember Daniels
ABSTAIN: None

- c) RESOLUTION NO. 16:016
Amending in Its Entirety Resolution No. 15:023 Relating to the Duties, Compensation, and Terms of Employment of City Employees
CF 76.5
- It was moved by Vice Mayor Lemons and seconded by Councilmember Martinez to read by title only and adopt Resolution No. 16:016, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT AMENDING IN ITS ENTIRETY RESOLUTION NO. 15:023 RELATING TO THE DUTIES, COMPENSATION, AND TERMS OF EMPLOYMENT OF CITY EMPLOYEES." The motion was passed by the following roll call vote:

AYES: Councilmembers Hansen, Martinez
Vice Mayor Lemons, Mayor Hofmeyer
NOES: None
ABSENT: Councilmember Daniels
ABSTAIN: None

COMMENTS FROM STAFF

City Manager commended Finance Director Liu and her team for their hard work preparing the budget.

COMMENTS FROM COUNCILMEMBERS

Vice Mayor Lemons reported that she attended the California Contract Cities Association's annual conference in Indian Wells from May 12-14, 2016 and commented on the educational sessions.

CLOSED SESSION

Mayor Hofmeyer recessed the meeting at 6:45 p.m. He reconvened the meeting at 6:50 p.m. to discuss the following:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Subdivision (a) of Section 54956.9

Name of case: City of Paramount, et al v. Cohen, et al
Third District Court of Appeal Case No. C078968

At 7:15 p.m., City Attorney Cavanaugh announced that the City Council unanimously rejected a settlement offer submitted by the State Department of Finance and directed City staff to pursue further negotiations.

AYES: Councilmembers Hansen, Martinez
Vice Mayor Lemons, Mayor Hofmeyer
NOES: None
ABSENT: Councilmember Daniels
ABSTAIN: None

ADJOURNMENT

There being no further business to come before the City Council, Mayor Hofmeyer adjourned the meeting at 7:16 p.m. to a meeting on July 5, 2016 at 6:00 p.m.

/s/ Daryl Hofmeyer
Daryl Hofmeyer, Mayor

ATTEST:

/s/ Lana Chikami
Lana Chikami, City Clerk