

**CITY OF SOUTH GATE
SPECIAL CITY COUNCIL MEETING
MINUTES
TUESDAY, MAY 15, 2018**

CALL TO ORDER María Belén Bernal, Mayor called a Regular City Council meeting to order at 6:31 p.m.

ROLL CALL Carmen Avalos, City Clerk

PRESENT Mayor María Belén Bernal, Vice Mayor Jorge Morales, Council Member Denise Diaz, Council Member Maria Davila, and Council Member Al Rios; City Treasurer Gregory Martinez, City Manager Michael Flad, City Attorney Raul Salinas

1
BUDGET ADMIN The City Council:

- a. Heard a presentation on the proposed Fiscal Year 2018/19 Municipal Budget; and
- b. Heard presentations from the Director of Community Development and the Director of Public Works on their proposed Fiscal Year 2018/19 departmental budgets; and
- c. Opened the Continued Public Hearing, take public testimony, and continue the Public Hearing to May 22, 2018.

Joe Perez, Director of Community Development presented an overview of the Community Development Department budget for FY 2018/19. The department is divided as follows: Economic Development Administration is about business attraction, business retention and jobs.

The Planning Division makes sure the developments are built according to the city's general plan and zoning code.

Building and Safety insures new construction is built according to city's codes.

Code Enforcement addresses private property maintenance and safety dealing with unpermitted uses and unpermitted conversions. Half of code enforcement activities are funded with restricted funds, CDBG and a small portion of gas tax.

The Housing and Grants handles Section 8 program for low income residents and other federal and state grants.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

1

BUDGET ADMIN CONT'D

Successor Agency which are activities relating to winding down the redevelopment agency which was resolved a few years back.

The department has twenty-six employees (twenty-four full-time employees and two part-time code enforcement employees. One handles weekend code enforcement and the other handle illegal dumping.)

Mr. Perez stated that one of the main focuses is to strengthen connections/relationships with businesses. The department works closely with the Tweedy Mile Association, Chambers and Rotary Club. In addition, the department launched the commercial façade improvement program with three being completed thus far. We have completed some business promotional videos and business connection news letter. The launching of the City's branding program is very close.

Mr. Perez stated that an outside consultant was brought in to review the development permit process. A mid-scale to upper-scale hotel analysis was completed by Kosmont & Associates.

The economic development strategy was discussed at their planning session. They are making a few adjustments regarding Vice Mayor Morales' comments. They are also trying to activate all of the city's properties.

The new plan check services have been performing very well. The document imaging process for permits and plans is almost complete and going online by December. A firm for administrative citations will track and handle collections. The weekend code enforcement was implemented and the illegal dumping program has been transferred to code enforcement.

Mayor Bernal asked if anyone in the audience wished to speak on this item. Seeing no one step forward; Mayor Bernal closed the audience portion.

Vice Mayor Morales asked if it was possible for the City to purchase a property on the corners of Garfield Ave and Gardendale that belongs the City of Downey.

City Manager Flad stated having a conversation with the City Manager and Community Development from Downey. The property is in the City of Downey but it's owned by the County of Los Angeles. The county has submitted preliminary plans for a multi-family housing project to the City of Downey.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

1

BUDGET ADMIN CONT'D

Mayor Bernal stated that there are a lot of multi-unit apartments in that area.

Council Member Rios inquired how is the city supporting existing businesses, besides the façade program.

Mr. Perez stated that they meet with their representative groups, chamber and provide news letter information.

Mr. Flad added that public works meets regularly to try to assist with the parking lot cleanliness and multi-infrastructure in the city.

Arturo Cervantes, Director of Public Works presented an overview of the Public Works Department budget for FY 2018/19. He noted that Public Works is responsible for the street facilities, sanitary sewers, street lights, traffic signals, storm and water systems in the city.

Mr. Cervantes stated that the engineering division is responsible for the CIP management program, grant writing and regional programs. He reported that the city wide parking study should be completed in six months and the changes could be impactful.

Mr. Cervantes stated that the contract for Waste Management is very complex and can be managed internally, but with all the industry and where the industry is going, we would like to bring in a consultant.

Mr. Cervantes is asking for a full-time typist clerk, currently Public Works has two part-time employees doing the job of one position. This position was removed from the budget many years ago. He is also asking to convert a PERS employee into a full-time maintenance worker position. He would also like to convert four part-time jobs to two part-time PERS jobs.

Mr. Cervantes stated needing funding to upgrade the sound system in the council chambers, city app, mobile work order system and fields system & conversion kits in the Public Works Yard, Police and Parks Departments.

Council Member Davila questioned the \$40k for a Waste Management consultant.

Mr. Cervantes stated hiring consultants in the past to help evaluate some programs and how the city is doing business. The Waste Management consultant would help provide waste disposal services in the city. They would look at all the new legislations and outline the contract to legislative needs.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

1

BUDGET ADMIN CONT'D Mayor Bernal asked if anyone in the audience wished to speak.

Virginia Johnson, 5751 McKinley Avenue likes the idea of a new sound system and would like to see more microphones. Ms. Johnson likes the large item pickup that Waste Management does and hopes this service doesn't get lost. Ms. Johnson hopes the potholes on Imperial Highway get fixed.

Having no one else come forward, Mayor Bernal closed the audience portion.

Council Member Davila asked if additional screens will be provided.

Mr. Cervantes stated that this budgetary item includes an upgrade of the translation systems and all microphones that have not been upgraded. The upgrades to the Council Chambers are already budgeted as part of last year's budget.

Mayor Bernal answered Ms. Johnson's comment by stating that the design phase to Imperial Highway was complete, but not the actual work.

Mr. Cervantes stated Imperial Highway is currently part of the Capital Improvement Program. They have a number of grants to fund a full rehabilitation and safety improvements on the street as well as beautification.

Mayor Bernal supports a waste management consultant to provide a report and analyses.

Mayor Bernal asked if the water meters are at a completion.

Mr. Cervantes stated that 14,500 water meters in the City and when more grants are available a large number water meters will get replaced.

Mayor Bernal asked about water meter reads and how the activity has changed.

Mr. Cervantes stated that the old water meters had to be read manually, but with the new water meter technology it allows to read them in two ways.

Council Member Rios inquired on the time frame for the Long Beach Boulevard median.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

1

BUDGET ADMIN CONT'D

Mr. Cervantes stated that the planning is almost done and they are issuing a Request For Proposal for a designer. The design would take approximately 12 months and then the construction would start.

Council Member Rios inquired about the employment resource center.

Mr. Cervantes stated that the South Gate courthouse has been vacant for a many years and they have started a process to rehabilitate and convert the building to an employment resource center. A designer has been hired and developed concept plans.

The Public Hearing was unanimously continued to May 22, 2018 by motion of Mayor Bernal and seconded by Vice Mayor Morales.

2

BUDGET ADMIN

The City Council allowed staff to make presentations on the City's Municipal Budget, the Capital Improvement Program (CIP) and the City's economic development efforts.

Arturo Cervantes, Director of Public Works stated that the Capital Improvement Program (CIP) is the City's planning tool to address all of our major infrastructure needs.

Mayor Bernal asked if anyone in the audience wished to speak on this item.

Virginia Johnson, 5751 McKinley Avenue stated that the businesses on Firestone Boulevard attended a Council meeting to speak about their concerns regarding widening the street during peak hours would affect their business.

Janet Torres, 10311 San Juan Avenue asked what would be the plans to create parking for the businesses on Firestone Boulevard. Ms. Torres mentioned a patch of dirt between the Middle School and Southern Avenue and was wondering if it was getting beautified as well. Ms. Torres is concerned about more homeless in the City.

Having no one else come forward, Mayor Bernal closed the audience portion.

Mr. Cervantes responded to the Firestone Boulevard Project and impact to adjacent businesses concerns. Mr. Cervantes stated that the Middle School issue will be looked at but it's not a beautification project. The issue about homelessness is beyond the public works project. The issue at the river was a specific issue.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

2

BUDGET ADMIN CONT'D Joe Perez, Director of Community Development spoke on completed projects, projects in construction, approved projects and projects under review.

Mayor Bernal asked if anyone in the audience wished to speak on this item. Seeing no one step forward; Mayor Bernal closed the audience portion.

Mayor Bernal asked Mr. Perez which businesses would generate sales tax versus property tax based on similar existing projects.

Mr. Perez will be able to provide that information.

Vice Mayor Morales asked about RHNA numbers and will we be able to reach the goal?

Mr. Perez stated that an item will be coming before Council in a month or two on RHNA (Regional Housing Needs Assessment). These are numbers the state looks at and inform cities they are short numbers of units.

Mr. Flad stated RHNA is the demand for housing in the state of California.

Mayor Bernal asked if Casa De Vape, a smoking lounge on Tweedy Boulevard is legal in South Gate.

Mr. Perez will look into the business.

Council Member Diaz asked if the center where El Pollo Loco is located at can be beautified.

Mr. Perez stated that he spoke with Carl Middleton with Northgate Markets and they are getting ready to submit plans to remodel/revamp the center.

RECESS

Prior to the conclusion of item 2, the City Council recessed at 9:17 p.m., and reconvened at 9:22 p.m., with all Members of Council present.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

2

BUDGET ADMIN CONT'D

Jackie Acosta, Director of Administrative Services presented an overview of the FY 2018/19 budget.

Mayor Bernal asked if anyone in the audience wished to speak on this item. Seeing no one step forward; Mayor Bernal closed the audience portion.

Council Member Rios asked if the state is no longer giving the city money and was there an increase in revenues.

Mr. Flad stated that there was a slight increase in revenues, but a larger increase was in the recurrent costs and employees received a 3.5% pay increase. Sales tax is only one portion of overall revenues.

Mr. Flad stated that staff will be looking at this year and next year's budget and reduce certain items. This needs to be done before staff and the labor groups can start talking about concession. Mr. Flad has had conversations with the labor groups and they understand.

Mr. Flad stated that most employees have significant leave bank (sick, vacation and administrative leave). Those employees might be compelled to reduce their annual accrual and take those dollars to contribute towards our unfunded PERS and OPED liability.

Mr. Flad stated that the storm water quality compliance is also a significant obligation of \$61,000,000 which is not flexible.

Vice Mayor Morales stated that the governor released his May Revise stating that the cities are on their own.

Greg Martinez, City Treasurer asked if the parking study could possibly be a new revenue stream for permit parking.

3

CITY COUNCIL

The City Council considered discussing and providing input on the following strategic planning topics:

- a. City Council expectation of staff
- b. How the City Council works together; and
- c. City Council goals for Fiscal Year 2018/19.

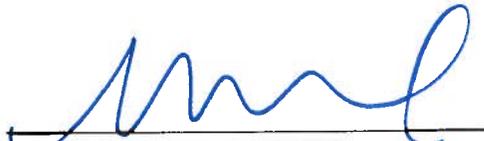
Item 3 was unanimously continued to the City Council meeting of May 29, 2018.

SPECIAL CITY COUNCIL MEETING MINUTES OF MAY 15, 2018

ADJOURNMENT

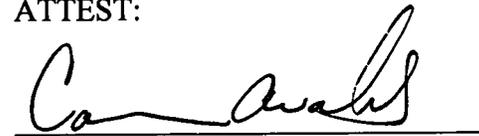
Mayor Bernal unanimously adjourned the meeting in Memory of Teresa Reynoso de Gonzalez mother of owners of Northgate Markets at 10:01 p.m. and seconded by Council Member Rios.

PASSED and **APPROVED** this 24th day of July, 2018.



María Belén Bernal, Mayor

ATTEST:



Carmen Avalos, City Clerk