

**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
SANTA ANA, CALIFORNIA**

MAY 16, 2017

CLOSED SESSION MEETING

CALLED TO ORDER

COUNCIL CHAMBER
22 CIVIC CENTER PLAZA
4:15 P.M.

ATTENDANCE

COUNCILMEMBERS Present:
MIGUEL A. PULIDO, Mayor (4:39 P.M.)
MICHELE MARTINEZ, Mayor Pro Tem
P. DAVID BENAVIDES (4:25 P.M.)
VICENTE SARMIENTO
JOSE SOLORIO
SAL TINAJERO
JUAN VILLEGAS

COUNCILMEMBERS Absent:
None

STAFF Present:
CYNTHIA J. KURTZ, Interim City Manager
SONIA R. CARVALHO, City Attorney
MARIA D. HUIZAR, Clerk of the Council

PUBLIC COMMENTS - None

COUNCIL RECESSED to Room 147 for Closed Session discussion at 4:16 p.m.

CLOSED SESSION ITEMS

The Brown Act permits legislative bodies to discuss certain matters without members of the public present. The City Council finds, based on advice from the City Attorney, that discussion in open session of the following matters will prejudice the position of the City in existing and anticipated litigation:

1. CONFERENCE WITH LEGAL COUNSEL -- ANTICIPATED Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9 of the Government Code: One case.

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8:

Address of Property: Properties Being Acquired for OC Streetcar Project (Maintenance and Storage Facility)

1. 1922 & 2002 W. 5th Street, Santa Ana, CA, APNs 007-100-04 & 007-100-05, Owner: Valdivia Family Trust

2. 2020 W. 5th Street, Santa Ana, CA, APN 007-110-17, Owner: Salvador Navarro

Negotiators: Interim City Manager

Terms: Conditions of potential sale

3. CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Section 54957.6(a):

Agency Negotiators: Personnel Services Executive Director, Ed Raya

Employee Organizations: Santa Ana Police Officers Association (POA)
Service Employees' International Union (SEIU) Full-Time Employees

4. PUBLIC EMPLOYEE – PERFORMANCE EVALUATION pursuant to Section 54957(b)(1) of the Government Code:

Title: Interim City Manager

CLOSED SESSION REPORT - See Item 19A for any reportable actions.

ADJOURNED THE CLOSED SESSION MEETING AT 6:15 P.M. AND CONVENED TO THE REGULAR OPEN MEETING.

REGULAR OPEN MEETING

CALLED TO ORDER

COUNCIL CHAMBER
22 CIVIC CENTER PLAZA
SANTA ANA, CA
6:17 P.M.

ATTENDANCE

COUNCILMEMBERS Present:
MIGUEL A. PULIDO, Mayor
MICHELE MARTINEZ, Mayor Pro Tem
P. DAVID BENAVIDES
VICENTE SARMIENTO
JOSE SOLORIO
SAL TINAJERO
JUAN VILLEGAS

COUNCILMEMBERS Absent:
None

STAFF Present:
CYNTHIA KURTZ, Interim City Manager
SONIA R. CARVALHO, City Attorney
MARIA D. HUIZAR, Clerk of the Council

PLEDGE OF ALLEGIANCE

ALBERTO CRUZ, MIDDLE COLLEGE HIGH SCHOOL

INVOCATION

KEVIN COLEMAN

PRESENTATIONS

PROCLAMATION and CERTIFICATES OF RECOGNITION presented by **MAYOR PULIDO** to the committee members and the homes that were showcased at the 2017 Floral Park Home and Garden Tour.

CERTIFICATE OF RECOGNITION presented by **MAYOR PULIDO** to Santa Ana resident Jose Madera for winning the men's race at the 13th Annual Orange County Marathon.

PROCLAMATION presented by **MAYOR PRO TEM MARTINEZ** recognizing National Water Safety Month.

CERTIFICATE OF RECOGNITION presented by **MAYOR PRO TEM MARTINEZ** recognizing Joseph + James Men's Outfitter for establishing a new business in Santa Ana.

CERTIFICATE OF RECOGNITION presented by **COUNCILMEMBER SOLORIO** to the Sensei Fumio Demura for his outstanding impact on youth in the community.

CERTIFICATE OF RECOGNITION presented by **COUNCILMEMBER SOLORIO** to Charles Jordan and Don Webb, leaders of the Fairhaven Neighborhood Association for their outstanding contributions to the community.

AGENDA ITEMS CONSIDERED OUT OF ORDER - WORK STUDY SESSION

WS-1. PROPOSED FISCAL YEAR 2017-18 CITY BUDGET - Finance and Management Services

Presentation by Finance and Management Services Executive Director Francisco Gutierrez

AGENDA

- Budget Overview
 - FY 17-18 General Fund Proposed Budget
 - FY 17-18 Citywide Proposed Budget
 - FY 17-18 Capital Improvement Program
 - Budget Schedule and Next Steps
- Challenges to Maintaining Fiscal Health**

- Over the last several years, the City has been able to provide balanced budgets with ongoing revenues matching operating expenditures, and achieved its long term goal of meeting its operating reserves of 20% in the General Fund
- However; the City faces ongoing and new challenges:
 - Recent announcement on December 21, 2016 that PERS will reduce the discount rate from 7.5% to 7.0% over the next three years starting in FY 18-19
 - Termination of the ICE contract (\$11M)
 - Reduction of the Water Transfer (\$2.4M)
 - Graffiti Abatement Program (\$1.2M)



FY 17-18 Proposed General Fund Budget Baseline Elements

- **FY 2017-18 Preliminary GF Revenue; \$226.1M:**
 - Recognizes full budget loss of ICE contract: **(\$11M)**
 - Includes reduction of the Water Transfer Revenue: **(\$2.4M)**
 - Includes increase to top 6 revenue sources: **\$6.4M**
 - Recognizes the operations of additional Medical Marijuana Dispensaries :**\$1.0M**
 - Completion of Citywide Fee Study in the 4th Quarter of FY 17-18: **\$100K**



FY 17-18 Proposed General Fund Budget Baseline Elements

- **FY 2017-18 Preliminary GF Expenditure; \$240.5M:**
 - Assumes no labor negotiated increases
 - Reflects PERS increase of **\$4.8M**
(budgeting to actual levels – PD Safety: 43.106% & Miscellaneous: 34.106%)
 - Includes increase to Health Insurance: **\$1.3M**
 - Contains increase of OCFA & Ambulatory Cost: **\$1.3M**
- \$39.4M for OCFA Fire Services; CARE Ambulance \$3.3M (expires Sept. 2017)
 - Incorporates Graffiti Abatement Program funding in the General Fund: **\$1.2M**
 - Includes allocation for 3rd COPS Grant: **\$1.0M**

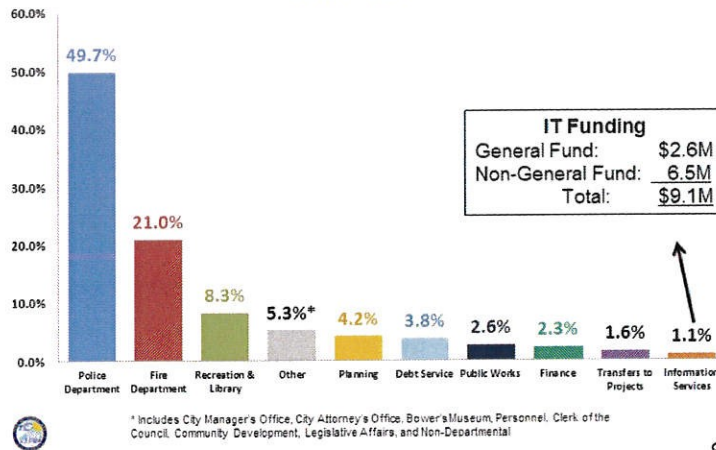


FY 17-18 Proposed General Fund Budget Baseline Elements

- **FY 2017-18 Preliminary GF Expenditure; \$240.5M:**
 - Includes funding for the City's annual share of Animal Shelter construction costs: **\$750K**
 - Includes increase to Workers Compensation Rates: **\$750K**
 - Recognizes Financing of the 800MHz Final Phase Backbone: **\$200K**
 - Continues current attrition value



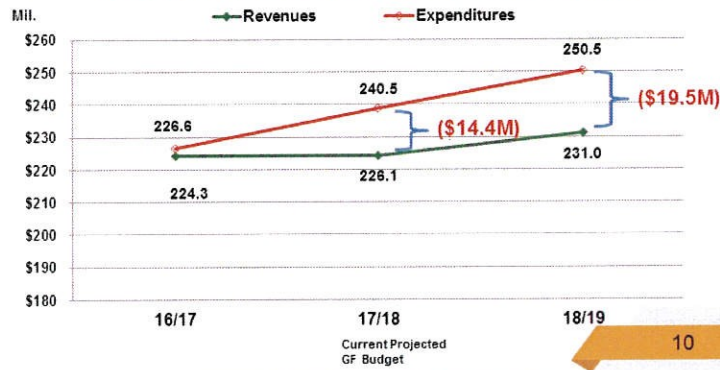
Proposed FY 2017 - 2018
General Fund 11 Appropriations
 \$ 240,471,400



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FY 2017-18 & FY 2018-19 BUDGET PLAN

General Fund Forecast FY 2016-17 to FY 2018-19



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JAIL COST REVIEW AND STRUCTURE

	TYPE II JAIL FACILITY (Current Structure)	TEMPORARY HOLDING FACILITY
STAFFING	81 FULL TIME 1 PART-TIME	54 FULL-TIME 1 PART-TIME
COST OF OPERATIONS	15,840,584	7,865,363
REVENUE	4,862,666	50,000

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ONE-TIME MONIES (FY 15-16 Ending Operating Balance- \$9.1M)

POTENTIAL PROGRAM FUNDING	AMOUNT
Construction Costs of County Animal Shelter	\$750,000
800 MHz Partnership Costs (fully fund)	\$130,000
General Fund Support of Programs & Services (due to Water transfer reduction)	\$2,388,082
Graffiti Abatement (General Fund)	\$1,200,000
Civic Center Homeless / Public & Employee Safety	\$731,836
800 MHz Partnership Costs (FY 17-18)	\$1,280,082
Subtotal	\$6,480,000
OPTION A	
Skate Park	\$1,120,000
Park Development/Joint Use Agreement	\$1,500,000
For Consideration - Option A:	\$2,620,000
OPTION B	
Public Safety Initiatives: Prevention, Intervention, & Enforcement	\$2,620,000
For Consideration - Option B:	\$2,620,000
GRAND TOTAL:	\$9,100,000

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ONE-TIME MONIES (Project closeouts & Program Savings- Assigned Programs: \$4.6M)

Assigned Programs as of June 30, 2016 (GENERAL FUND)

Community Engagement	500,000
So. Main, Downtown, Harbor Blvd., 17th St. Business Corridor	1,600,000
South Main Development (\$400K)	
Downtown (\$400K)	
Harbor Boulevard (\$400K)	
17th Street Business Corridor (\$400K)	
Pension Stability Fund	500,000
Orange County Animal Shelter	550,000
Jail Revenue Stability Fund	1,000,000
Economic Development/Infrastructure: SARTC	400,000
Additional Police Officers (June 21 Council Meeting)	1,500,000
Subtotal General Fund Assigned Programs as of 6/30/2016	6,050,000

City Council Approved Fund Balance Items (GENERAL FUND)

Civic Center Safety/Homeless - 09/20/2016 CCM	(731,836)
Animal Shelter Payment - 01/17/2017 CCM	(750,000)
Subtotal	(1,481,836)

Remaining Available General Fund Fund Balance	4,568,164
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FY 2017-18 & FY 2018-19 BUDGET PLAN

	17/18	18/19
Budget Gap	(14.4M)	(19.5M)
Jail (Holding Facility) Strategic Plan	\$4.0M	\$8.0M
Medical Marijuana Tax	1.0M	1.5M
Sale of Land	0	2.1M
Citywide Fee Study	0*	0.9M
Loss of Jail Revenue	(2.5M)	(5.0M)
Additional GF Revenue (New Hotels, Parking Enforcement Rev., Additional Econ Dev & Jail Reuse)	0*	3.0M
Legal Exp. Reimbursement	0.1M	0.1M
Adjusted Budget Gap	(9.3M)	(8.9M)
Use of One-Time Monies	9.3M	4.4M
Economic Uncertainty	0	3.8M
Budget Gap	\$0	(50.7M)

*embedded in base budget

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FY 2017-18 & FY 2018-19 BUDGET PLAN

ONE-TIME MONIES	
FY 2015-16 Ending Operating Balance	\$9.1M
Assigned Balances	4.6M
Available	\$13.7M
USE OF ONE-TIME MONIES:	
FY 2017-18	(9.3M)
FY 2018-19	(4.4M)
Remaining Balance	\$0

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FY 2017-18 IDENTIFIED UNFUNDED PRIORITIES

Information Technology
 Economic Development
 Code Enforcement
 Enterprise Program Review
 Labor Negotiations
 Pension Stability
 Final Cost of the SEIU Job Classification Study
 Deferred Maintenance
 Liability Premium Increases
 General Plan
 Branding Study
 South Main Corridor
 Legal Defense Fund
 Park Ranger Program
 Additional Plan Check & Inspection Services for Development
 Capital Improvement in Parks
 Enhanced Neighborhood Parking Program Staffing & Enforcement (Cost-Neutral)

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FISCAL POLICY PROPOSED CONSIDERATIONS

Revise Operating Reserve level to range from 16.67% (GFOA recommended level) to 20%

Include language that allows reserves to be used once a fiscal crisis is declared with a two year limitation

No change to Economic Uncertainty

Use of one-time monies should only be used for one fiscal year with the second year requiring council approval

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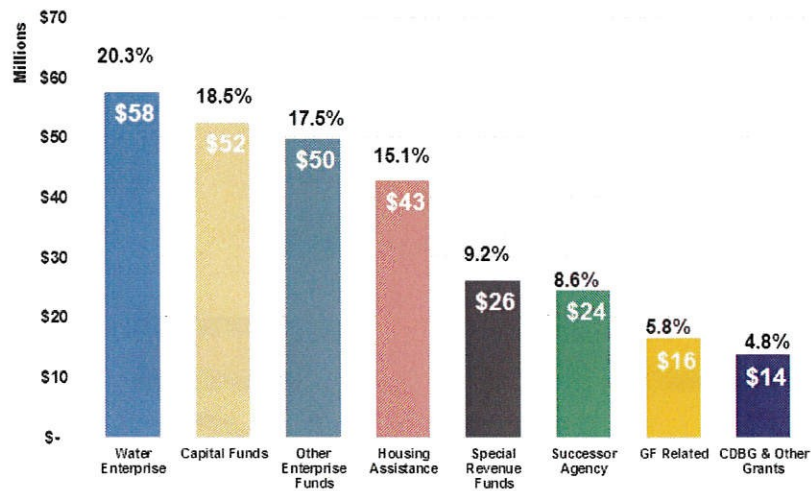
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FY 17-18 Citywide Proposed Budget

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FY 17-18 Proposed Non-General Fund Budget

Appropriations: \$283,058,604M



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Proposed Workforce Changes

*Total City Positions: 1144

Additions/Deletions

General Fund – net reduction of 6 positions

Non-GF – net addition of 10 positions

Reallocations

General Fund Reallocation – 4 Positions, \$35K

Non-GF Reallocation – 6 Positions, \$14K

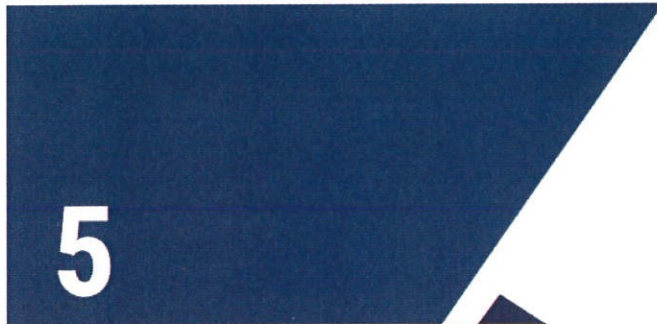
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**FY 17-18 Proposed
Miscellaneous Fees Schedule
New, Modified, and Deleted Fees**

The fees are adjusted annually to reflect the change in the Consumers Price Index (CPI) – 3.36% (Los Angeles-Riverside-Orange County; Dec. 2016)

- **Includes 10 new fees**
- PBA (2) - Conceptual "First Look," & Site Plan Review fees
- PWA (6) – Backflow Device Testing & Final Notice Fees; Fire Flow Test Fees; Water Service Application Fee & Construction Meter Rental
- Library Materials – 2 Fees
- **7 modified fees**
- Landscape Plan Review (PBA) – 3 fees
- Police Security Services & Cost Recovery – 4 fees
- **3 fees to be deleted** (Police, Library, and Finance)



**FY 17-18 Capital
Improvement
Program (CIP)**



**CITY OF SANTA ANA
FY 2017/2018
CAPITAL IMPROVEMENT PROGRAM**



Memory Lane Resurfacing



New Memory Lane Park

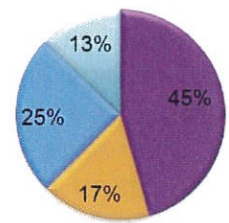
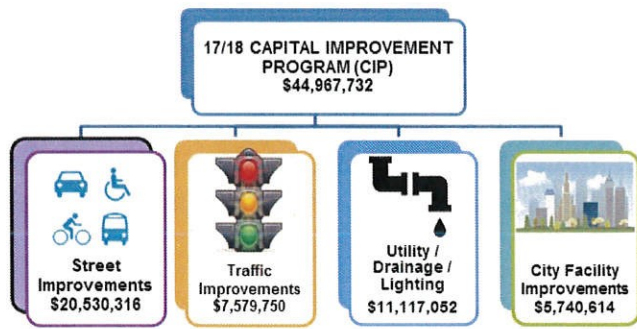


Maple Street Bike Trail Safety Enhancement



Santa Ana Stadium Structural Improvement

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- Street Improvements
- Traffic Improvements
- Utility / Drainage / Lighting Improvements

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Budget Schedule and Next Steps

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FY 17-18 Budget/CIP Calendar – Next Steps

- **June 6, 2017**
 - First Reading: Financial and Budget Policies
 - Tentative Budget/CIP Ordinance Adoption
 - Miscellaneous Fees
 - Personnel Resolution
- June 20, 2017**
 - Second Reading: Final Budget/CIP Ordinance Adoption
- **July 1, 2017**
 - Start of the new Fiscal Year



The following spoke on the matter:

- Mike Lopez, representing SEIU, attending last night's Council Committee meeting discussed the budget; supports revenue enhancement idea of a sales tax increase to assist the general fund and willing to discuss that proposal; would like to survey employee for ideas; also, concept of public banking.

Council discussion ensued:

Mayor Pro Tem Martinez, requested general fund and total cost of operating jail; requested clarification of departmental savings line item (also referred to as efficiencies); noted that most of her comments and concerns were expressed at last night's council committee meeting; City needs to encourage community and employee input - look at budget as long term document and not a one-year budget; use of one-time funds is not responsible; need sustainable and long term options.

Councilmember Solorio, important to have long term stability; working on potential new revenue sources including parking enforcement and permit program, medical marijuana increased taxes; need to address traffic fatality and perhaps use technology to save lives, reconsider use of red-light cameras for safety purposes; review all contracts including security services; request that Raitt Street be repaved; reach out to SEIU and all other unions to assess revenue enhancing options; supports increased number of police officers; asked how many officers are budgeted and not filled.

Councilmember Tinajero, asked clarification of jail/police administration building debt (staff noted that it was total of \$9,000,000 total debt includes \$3m for jail and \$6m for police administration); also requested that information on red light contactor be provided to Councilmember Solorio.

Councilmember Sarmiento, commented on proposed jail reuse; noted that City has about 90 remnant parcels of land that are not usable and only 5-10 that are usable; possible use for community land trust project; supports sales tax increase concept.

Councilmember Benavides, thanked staff for presentation; explore opportunities to streamline processes that will enhance revenues or develop our community; economic development needs to be augmented to attract businesses and retain existing ones; challenge with gang activity – proactive invest in our youth such as City of Denver who has Director of Youth Success position.

Councilmember Solorio, indicated that pledges made in the past such as \$250,000 joint use programs with SAUSD, supports half of the funds for such project and other for summer youth employment program.

REPORTS

65A. IMMIGRATION LEGAL DEFENSE FUND OPTIONS (UNIVERSAL REPRESENTATION) {STRATEGIC PLAN NO. 5, 1} - City Attorney's Office

The following spoke on the matter:

1. Alexis Nava Teodoro, spoke in support of providing funding for a Legal Defense Fund and to pursue Vera Institute grant; City to be an example for other communities to follow by providing universal representation.
2. Jennifer Koh, Director of Immigration Clinic at Western State College of Law and also a Law Professor, supports options d and e, and possibly a; understand City is facing budget crisis, but services are critical.
3. Sabrina Rivera, attorney with Immigration Clinic, co-joined support for funding immigration defense program.

Council discussion ensued.

Councilmember Tinajero, thanked staff and speakers; motion to approve as recommended by staff, seconded by Councilmember Sarmiento.

City Attorney Carvalho, indicated that many options presented for City Council consideration, but will need to select one or more and direct staff to follow up on selection.

Councilmember Villegas, noted that cost to provide services through Vera Institute is estimated to be between \$500,000-\$1,000,000 on an annual reoccurring basis.

Councilmember Solorio, asked if Department of Justice is mandated to provide legal representation; asked if proposal would represent only Santa Ana residents; concerned with providing representation when side-switching occurs.

Sameer Ashar, representing UCI Immigration Center, conveyed that Department of Justice is not mandated nor do they provide legal services although they post a referral services flier; Orange County does not have any free deportation defense services; noted that Public Counsel has provided services to Santa Ana jail inmates but were orientation services only; any seed funds provided would only be used for Santa Ana residents.

City Attorney Carvalho, commented on the estimated cost for some of the options presented; need allocation of funds and staff in order to recommend a program that will be successful.

Councilmember Sarmiento, thanked staff for options; noted that initial matter was presented with idea that this program would be a catalyst for other funding sources such as UCI, MALDEF, etc.; City to consider joint powers authority with other jurisdictions such as City of Anaheim, who have expressed interest in providing same services; City may be hub for information and referral services;

also, may consider using residual funds available through the Voter Outreach Program that may be used as seed money; appropriation of funds or continuation of service would require Council approval; noted that all five are worthy of pursuing as they are not mutually exclusive - would allow for various partnerships to develop. Motioned, seconded by Councilmember Tinajero to allocate funds available in the Voter Outreach Program to be utilized as one-time seed funds in addition to pursuing all options under item 1 as presented by staff.

Councilmember Solorio, indicated that current State legislation is proposing to fund legal representation - urge the City to support bill; City encouraged to apply for grants; opposed to deviating funds from one program to another.

MOTION:

1. **Direct staff to consider all options identified by staff to facilitate providing legal representation to those members of the community that are at risk for deportation:**
 - a) **Partner with Immigrant Defenders or Other Established Providers of Legal Services;**
 - b) **Establish a Joint Powers Authority;**
 - c) **Establish a Central Location for Referral of Services;**
 - d) **Provide Funding for a Legal Defense Fund; and**
 - e) **Pursue Vera Institute Support Grant.**

2. **Agendize for City Council consideration an appropriation of residual funds currently available in the Voter Outreach Program to utilize as seed funds.**

MOTION: Sarmiento **SECOND:** Tinajero

VOTE: AYES: Benavides, Martinez, Sarmiento, Tinajero (4)

NOES: Solorio, Villegas (2)

ABSTAIN: None (0)

ABSENT: Pulido (1)

CLOSED SESSION REPORT – City Attorney Carrvalho reported that City Council had extended an offer to Interim City Manager, Cynthia Kurtz and has since been accepted and agreement presented for formal approval; also other reportable items on the Agenda are listed under Agenda Item 19A.

PUBLIC COMMENTS

- Alan VanDeVort, spoke on Agenda Item 25A, concerned that removing the parking lot of proposed site will significantly impact neighboring residents and businesses.
- Ilya Tseglin, spoke on Agenda Item 65A, spoke in support of funding legal defense program.
- Robert Tseglin, spoke on Agenda Item 25H, requested assistance in helping his brother who is Ward of the Court.
- Jackie Cordova, spoke on Agenda Item 25J, suggested 10% funds to be shifted to youth programs.

CONSENT CALENDAR ITEMS

MOTION: Approve staff recommendations on the following Consent Calendar items: Items 10A through 31A, with the following modifications:

- Mayor Pro Tem Martinez pulled Agenda Items 19D, 25A, 25J, and 25K for separate discussion and dissented on Agenda Items 20A and 25I; and
- Councilmember Solorio pulled Agenda Items 25A and 25K for separate discussion.

MOTION: Benavides **SECOND:** Sarmiento

VOTE: **AYES:** Benavides, Martinez, Sarmiento, Villegas (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Solorio, Tinajero (3)

Items removed for separate action or modified are highlighted. Separate actions show the actual vote. Items without votes are adopted as part of the consent motion

AGENDA ITEM CONSIDERED OUT OF ORDER

25A. AGMT NO. 2017-118 - PURCHASE AND SALE AGREEMENT FOR THE SALE OF CITY-OWNED REAL PROPERTY AT 2129 NORTH MAIN STREET {STRATEGIC PLAN NO. 3, 3C} - Planning and Building Agency

Consideration of matter continued from the May 2, 2017 City Council meeting by a vote of 4-1 (Tinajero dissented; Sarmiento abstained; and Pulido absent).

Mayor Pulido, encouraged developer to work with the Bower's Museum.

Councilmember Solorio, commented on overall need for parking throughout the City; explore neighborhood parking south of Bowers and on Buffalo Avenue as well.

MOTION: Authorize the City Manager and Clerk of the Council to execute a purchase and sale agreement with Net Development Co., for the sale of City-owned property located at 2129 North Main Street in the amount of \$2,075,000, subject to non-substantive changes approved by the City Manager and City Attorney.

MOTION: Martinez **SECOND:** Solorio

VOTE: **AYES:** Benavides, Martinez, Pulido, Solorio, Tinajero, Villegas (6)

NOES: None (0)

**ABSTAINED
AND NOT
PRESENT:** Sarmiento (1)

ABSENT: None (0)

ADMINISTRATIVE MATTERS

MINUTES

10A. MINUTES FROM THE SPECIAL CLOSED SESSION MEETING OF APRIL 24, 2017 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Approve Minutes.

10B. MINUTES FROM THE ADJOURNED SPECIAL CLOSED SESSION MEETING OF MAY 1, 2017 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Approve Minutes.

10C. MINUTES FROM THE REGULAR MEETING OF MAY 2, 2017 {STRATEGIC PLAN NO. 5, 1} – Clerk of the Council Office

MOTION: Approve Minutes.

- 10D. MINUTES FROM THE CANCELLED ADJOURNED CLOSED SESSION AND REGULAR MEETING OF MAY 8, 2017 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Approve Minutes.

ORDINANCES/SECOND READING

In the event a Councilmember recorded an "abstention" before consideration of the following ordinance(s) on first reading, such abstention will also be reflected in the minutes for second reading.

- 11A. REGULATE MOBILE FOOD VENDING VEHICLES {STRATEGIC PLAN NO 5, 1} - Clerk of the Council Office

Placed on first reading at the March 7, 2017 City Council meeting and approved by a vote of 5-0 (Pulido abstained and Sarmiento absent).

Published in the Orange County Reporter on March 10, 2017.

Matter continued from the March 21, 2017 City Council meeting by a vote of 5-0 (Martinez absent and Pulido abstained). Matter continued from the April 18, 2017 City Council meeting by a vote of 4-0 (Sarmiento and Tinajero absent; Pulido abstained). Matter continued from the May 2, 2017 City Council meeting by a vote of 6-0 (Pulido absent).

MOTION: Table matter at the request of staff.

- 11B. AMENDING SANTA ANA MUNICIPAL CODE CHAPTER 2, ARTICLE IV, DIVISION 3 TO UPDATE THE CITY'S EMERGENCY SERVICES, DISASTER PREPAREDENESS AND EMERGENCY OPERATIONS REQUIRED BY THE STANDARDIZED EMERGENCY MANAGEMENT SYSTEM (SEMS) AND THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) TO BE ELIGIBLE TO RECEIVE STATE AND FEDERAL EMERGENCY MANAGEMENT AND HOMELAND SECURITY GRANTS AND STATE OR FEDERAL REIMBURSEMENT {STRATEGIC PLAN GOAL 5, 1} - Clerk of the Council Office

Placed on first reading at the May 2, 2017 City Council meeting and approved by a vote of 6-0 (Pulido absent).

Published in the Orange County Reporter on May 5, 2017.

MOTION: Place ordinance on second reading and adopt.

ORDINANCE NO. NS-2916 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA AMENDING CHAPTER 2 OF THE SANTA ANA

MUNICIPAL CODE TO UPDATE THE CITY'S EMERGENCY SERVICES POLICIES AND PROCEDURES

BOARDS / COMMISSIONS / COMMITTEES

13A. NOMINATED BY COUNCILMEMBER SOLORIO AS THE WARD 3 REPRESENTATIVE TO THE BOARD OF RECREATION AND PARKS FOR A FULL-TERM EXPIRING DECEMBER 15, 2020 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Appoint Cecilia Aguinaga to the Board of Recreation and Parks (Ward 3 resident; replacing J. Tapia) effective June 1, 2017.

13B. NOMINATED BY SANTA ANA UNIFIED SCHOOL DISTRICT AS THE STUDENT REPRESENTATIVE TO THE COMMUNITY REDEVELOPMENT AND HOUSING COMMISSION FOR A FULL-TERM EXPIRING DECEMBER 15, 2020 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Appoint Aurora Solano to the Community Redevelopment and Housing Commission.

13C. COUNCIL COMMITTEES - AGENDAS AND MINUTES - Clerk of the Council Office

MOTION: Receive and file.

<u>NAME</u>	<u>MEETING DATE</u>
Economic Development Infrastructure, Budget and Technology Committee (Cancelled)	5/8/2017
Public Safety, Code Enforcement and Neighborhood Empowerment Committee	3/14/2017 and 5/9/2017
Youth, Education, and Community Services Committee	4/27/2017

MISCELLANEOUS ADMINISTRATION

19A. CONFIRMATION OF CLOSED SESSION ACTION(S) – City Attorney’s Office

MOTION: Approve as follow:

- CONFERENCE WITH LEGAL COUNSEL -- ANTICIPATED Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9 of the Government Code: One case – Authorized the filing of a lawsuit against the Phoenix Group for the recovery of almost \$500,000, approved by 6-1 vote with Mayor Pro Tem Martinez dissenting.

- CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8:

Address of Property: Properties Being Acquired for OC Streetcar Project (Maintenance and Storage Facility)

- 1922 & 2002 W. 5th Street, Santa Ana, CA, APNs 007-100-04 & 007-100-05, Owner: Valdivia Family Trust
- 2020 W. 5th Street, Santa Ana, CA, APN 007-110-17, Owner: Salvador Navarro

Negotiators: Interim City Manager

Terms: Conditions of potential sale

*Direction provided to staff on said item.

19B. EXCUSED ABSENCES – NONE

19C. STRATEGIC PLAN MONTHLY REPORT FOR APRIL 2017 {STRATEGIC PLAN NO. 5, 1} - City Manager's Office

MOTION: Receive and file.

19D. RECYCLED WATER SYSTEM UPDATE {STRATEGIC PLAN NO. 5, 2} - Public Works Agency

Mayor Pro Tem Martinez, asked staff to be proactive and maximize use of purple pine lines; sustainable uses.

Councilmember Solorio, concerned that State proposing to suspend use of portable water for street medians; council committee to review matter.

MOTION: Receive and file.

MOTION: Martinez **SECOND:** Benavides

VOTE: AYES: Benavides, Martinez, Solorio, Villegas (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Sarmiento, Tinajero (3)

BUDGETARY MATTERS

APPROPRIATION ADJUSTMENTS

20A. RELEASE OF EASEMENT ON A PARCEL AT 918 NORTH BRISTOL STREET (PROJECT NO. 11-6741) {STRATEGIC PLAN NO. 6, 1G} - Public Works Agency

MOTION:

1. **AGMT NO. 2017-119 - Authorize the City Manager and Clerk of the Council the execute a Termination of Easement Agreement with Marcela M. Ocampo, an adjacent property owner at 1306 West Tenth Street, for the parking easement at 918 North Bristol Street, and authorizing the total sum of \$6,000 as full consideration for termination of the easement.**

2. **Approve an appropriation adjustment. (*Requires five affirmative votes*)**

APPROPRIATION ADJUSTMENT NO. 2017-119 - Recognizing \$6,000 in current-year funds received from the sale into the Select Street Construction revenue account, and appropriating the same amount into the Select Street Construction expenditure account for future Bristol Street Improvements Project expenditures.

MOTION: Benavides **SECOND:** Tinajero

VOTE: AYES: Benavides, Sarmiento, Solorio, Tinajero, Villegas (5)

NOES: Martinez (1)

ABSTAIN: None (0)

ABSENT: Pulido (1)

SPECIFICATIONS – PURCHASE OF EQUIPMENT AND SERVICES

- 22A. SPEC. NO. 17-035 - OUTDOOR BASKETBALL COURT RENOVATION {STRATEGIC PLAN NO. 6, 1B} (Parks, Recreation and Community Services Agency) - Finance and Management Services

MOTION: Authorize a one-time purchase and payment of purchase order to Hondo Company, Inc. in an amount not to exceed \$43,850 plus a contingency of \$2,192 for a total amount of \$46,042, subject to non-substantive changes approved by the City Manager and City Attorney.

- 22B. SPEC. NO. 17-049 - FIRE ALARM SYSTEMS MAINTENANCE AND TIME CLOCKS AND SUPPLIES {STRATEGIC PLAN NO. 6, 1G} - Finance and Management Services

MOTION: Award a contract to Simplex Grinnell LP for a six-month period expiring November 30, 2017 in an amount not to exceed \$45,000, subject to non-substantive changes approved by the City Manager and City Attorney.

- 22C. SPEC. NO. 17-038 - PURCHASE OF A ONE 3/4 TON PICKUP TRUCK WITH UTILITY BODY {STRATEGIC PLAN NO. 6, 2} (Public Works Agency) - Finance and Management Services

MOTION: Authorize a one-time purchase and payment of a purchase order to Reynolds Buick, Inc., in an amount not to exceed \$64,968, and a five percent contingency of \$3,248, for a total amount not to exceed of \$68,216, subject to nonsubstantive changes approved by the City Manager and City Attorney.

PROJECTS/CHANGE ORDERS

- 23A. AWARD CONTRACT FOR GRANT-FUNDED CROSSWALK UPGRADES - PHASE I (PROJECT NO. 15-6831) {STRATEGIC PLAN NOS. 1, 1E; 5, 6B; 6, 1G} - Public Works Agency

MOTION:

1. Award a contract and authorize the City Manager and Clerk of the Council to execute a contract with Alfaro Communications Construction, Inc., the lowest responsible bidder, in accordance with the base bid in the amount of \$222,050, for the term beginning upon execution of the contract and ending upon project completion, for construction of the Crosswalk Upgrades project, subject to nonsubstantive changes approved by the City Manager and the City Attorney.

2. Approve the Project Cost Analysis for a total estimated construction delivery cost of \$300,000, which includes the contract bid amount, administration, inspection and testing, and an authorized contingency of \$33,540.
3. Amend the Fiscal Year 2016-17 Capital Improvement Program and approve the reallocation of \$100,000 in General Funds from the Safe Mobility Santa Ana Project (Project No. 17-6009).

AGREEMENTS

25A. AGENDA ITEM CONSIDERED OUT OF ORDER

25B. AGMT NO. 2017-120 - FIRST AMENDMENT FOR PARAMEDIC/MEDICAL BILLING AND COLLECTION SERVICES {STRATEGIC PLAN NO. 7, 5F} - Finance and Management Services

MOTION: Authorize the City Manager and Clerk of the Council to execute a two-year amended agreement with Wittman Enterprises, LLC, (“Wittman”) effective July 1, 2017 through June 30, 2019, to extend the current three-year agreement expiring June 30, 2017, including an option at the election of the City to transfer administration, promotion, billing, and collection of the City's Paramedic Subscription Program, subject to non-substantive changes approved by the City Manager and City Attorney.

25C. AGMT NO. 2017-121 - SECOND AMENDMENT FOR BILL PRINT SERVICES {STRATEGIC PLAN NO. 7, 5F} - Finance and Management Services

MOTION: Authorize the City Manager and Clerk of the Council to execute a two-year amended agreement with InfoSend, Inc. (“InfoSend”), effective July 1, 2017 through June 30, 2019, to extend the current two-year amended agreement expiring June 30, 2017, for an annual amount not to exceed \$400,000 subject to non-substantive changes approved by the City Manager and City Attorney.

25D. FIRST AMENDMENTS FOR COLLECTION AGENCY SERVICES {STRATEGIC PLAN NO. 4, 1} - 1) - Finance and Management Services

MOTION:

1. AGMT NO. 2017-122 - Approve and authorize the City Manager and Clerk of the Council to execute an amended extension to the current agreement with PennCredit for a two-year period effective July 1,

2017 through June 30, 2019, for collection agency services, subject to non-substantive changes approved by the City Manager and City Attorney.

2. AGMT NO. 2017-123 - Approve and authorize the City Manager and Clerk of the Council to execute an amended extension to the agreement with American Capital Enterprises, Inc. for a two-year period effective July 1, 2017 through June 30, 2019, for collection agency services subject to non-substantive changes approved by the City Manager and City Attorney.

- 25E. AGMT NO. 2017-124 - AMENDMENT FOR VETERINARIAN SERVICES AT THE SANTA ANA ZOO AT PRENTICE PARK {STRATEGIC PLAN NO. 2, 2E} - Parks, Recreation and Community Services Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute an amendment with Serrano Animal & Bird Hospital by increasing the agreement amount by \$16,000 and extending the term two months through August 31, 2017 for a total agreement amount of \$100,500 for the term of the agreement, subject to non-substantive changes approved by the City Manager and City Attorney.

- 25F. AGMT NO. 2017-125 - PARK RESTROOM AND PARK BUILDING CUSTODIAL SERVICES AT CITY PARKS {STRATEGIC PLAN NO. 6, 1B} - Parks, Recreation and Community Services Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute an agreement with Valley Maintenance Corporation in an annual amount not to exceed \$263,684, which includes a 10% contingency, for a two-year term from June 1, 2017 through May 31, 2019, with two, one-year renewal options. In addition, the contract will include a start-up cost of \$6,278 in the first year of the contract, for a total cost of \$1,061,014 over the term of the contract, including renewals, subject to non-substantive changes approved by the City Manager and City Attorney.

- 25G. AGMT NO. 2017-126 - AMENDMENT FOR PLANNING AND ENVIRONMENTAL SERVICES FOR THE SANTA ANA GENERAL PLAN CIRCULATION ELEMENT UPDATE {STRATEGIC PLAN NOS. 3, 2A; 5, 6B} - Planning and Building Agency; Public Works Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute an amendment to the agreement with IBI Group to prepare the General Plan Circulation Element update, for a period no longer than May 2017 to November 2018 or an additional total amount of \$156,716. The total contracted amount for the Circulation Element including the revised

agreements is \$736,961, subject to non-substantive changes approved by the City Manager and City Attorney.

25H. AGMT NO. 2017-127 - LAW ENFORCEMENT HELICOPTER SERVICES {STRATEGIC PLAN NO. 1, 5} - Police Department

MOTION: Authorize the City Manager and Clerk of the Council to execute the attached three-year agreement with the Orange County Sheriff's Department, for the period of July 1, 2017 through June 30, 2020, subject to non-substantive changes approved by the City Manager and City Attorney. The first year agreement cost is \$421,195.40. The City Council also authorizes the City Manager to execute the subsequent amendments in year two (July 1, 2018-June 30, 2019) and year three (July 1, 2019-June 30, 2020) for the contract amount of the first year of this agreement as outlined in Exhibit "A" plus up to ten percent.

25I. APPROVE TENANT-INTEREST PURCHASE AGREEMENTS FOR BRISTOL STREET IMPROVEMENTS, PHASE 3A; 1111 NORTH BRISTOL STREET, SUITE D, APN 405-274-10 (PROJ. NO. 136792 NONGENERAL FUND) {STRATEGIC PLAN NOS. 6, 1G; 3, 2C} - Public Works Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute purchase agreements of Tenant Interest and goodwill (if any) with the following property owners, subject to nonsubstantive changes approved by the City Manager and City Attorney:

1. AGMT NO. 2017-128 - With Khaled Jawhary dba Advantage Auto Insurance Brokerage in an amount of \$9,628 and
2. AGMT NO. 2017-129 - With C.R. Manchandia D.D.S. (Family Dental) in an amount of \$76,820.

MOTION: Sarmiento **SECOND:** Villegas

VOTE: **AYES:** Benavides, Sarmiento, Solorio, Villegas (4)

NOES: Martinez (1)

ABSTAIN: None (0)

ABSENT: Pulido, Tinajero (2)

25J. AGMT NO. 2017-117 - INTERIM CITY MANAGER - Personnel Services Agency

MOTION: Ratify agreement appointing Cynthia Kurtz as the Interim City Manager for the City of Santa Ana.

MOTION: Solorio **SECOND:** Benavides

VOTE: AYES: Benavides, Martinez, Solorio, Villegas (4)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Sarmiento, Tinajero (3)

25K. AGMT NO. 2017-130 - UNARMED SECURITY GUARD SERVICES AT VARIOUS CITY FACILITIES {STRATEGIC PLAN NO. 6, 1C} - Public Works Agency; Parks, Recreation & Community Services Agency; and Police Department

Councilmember Solorio, requested clarification of current provider and proposals received.

Deputy City Manager, Robert Cortez, summarized process.

Mayor Pro Tem Martinez, spoke of an innovative method which is the use of robotic security; safety is paramount for employees and Civic Center patrons.

Councilmember Villegas, support security services, but perhaps use of police cadets or current jail employees to provide services.

Deputy City Manager Cortez, noted that proposed contract provides for a 30-day cancellation clause; may have different level of service in other areas such as Birch Park and Senior Center that may require future City Council approval.

Councilmember Benavides, asked if security coverage was increasing; also staff to evaluate overall needs throughout the City.

MOTION: Authorize the City Manager and Clerk of the Council to execute an agreement with U.S. Security Associates, Inc., to perform unarmed security guard services at various City locations, for the three-year period beginning June 1, 2017, and expiring May 31, 2020, with compensation of \$1,131,732 annually and an additional \$22,800 contingency, for a total agreement amount not to exceed \$3,463,596, with provisions for two 1-year renewal options exercisable by the City Manager and City Attorney,

subject to non-substantive changes approved by the City Manager and City Attorney.

MOTION: Sarmiento

SECOND: Solorio

VOTE: AYES: Benavides, Martinez, Sarmiento, Solorio, Villegas (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Tinajero (3)

MISCELLANEOUS - BUDGET

- 29A. DONATION AGREEMENT FOR THE ARTS TO SUPPORT A LENDING LIBRARY AND ART CENTER {STRATEGIC PLAN NO. 5, 4} - Mayor Pro Tem Martinez

MOTION: Authorize the City Manager and Clerk of the Council to execute an agreement with Makara Center for the Arts for a one-time donation amount of \$1,000, subject to nonsubstantive changes approved by the City Manager and the City Attorney.

- 29B. DONATION AGREEMENT FOR THE WILLARD NEIGHBORHOOD CLEAN-UP INITIATIVE {STRATEGIC PLAN NO. 5, 4} - Councilmember Villegas

MOTION: Authorize the City Manager and Clerk of the Council to execute an agreement with the Charitable Ventures of Orange County for a one-time donation amount of \$1,500, subject to nonsubstantive changes approved by the City Manager and the City Attorney.

LAND USE MATTERS

CONDITIONAL USE PERMIT/VARIANCES

- 31A. CONDITIONAL USE PERMIT NO. 2017-14 TO ALLOW A HOLIDAY INN EXPRESS HOTEL AT 1600 EAST FIRST STREET - MICHAEL EICHNER, APPLICANT {STRATEGIC PLAN NO. 3, 2, 5} - Planning and Building Agency

Planning Commission approved recommended action on April 24, 2017, by a vote of 5-0 (Alderete and Contreras-Leo absent).

MOTION: Receive and file the staff report approving Conditional Use Permit No. 2017-14 as conditioned.

****END OF CONSENT CALENDAR****

CLERK OF THE COUNCIL HUIZAR ADMINSTERED THE OATH OF OFFICE TO CECILIA AGUINAGA, BOARD OF RECREATION AND PARKS MEMBER

BUSINESS CALENDAR ITEMS

RESOLUTIONS

55A. HISTORIC PROPERTY PRESERVATION AGREEMENT FEE REDUCTION AND PRIVATE PARTY NOMINATION TO SANTA ANA REGISTER OF HISTORICAL PROPERTIES FEE WAIVER {STRATEGIC PLAN NOS. 5, 2, 3} - Planning and Building Agency

Historic Resources Commission approved recommended action on April 20, 2017, by a vote of 7-0 (Murashie absent).

MOTION: Continue consideration of matter for 30 days, June 20, 2017.

MOTION: Benavides **SECOND:** Solorio

VOTE: **AYES:** Benavides, Martinez, Sarmiento, Solorio, Villegas (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Tinajero (2)

55B. APPROPRIATION ADJUSTMENT ACCEPTING FISCAL YEAR 2016 HOMELAND SECURITY GRANT PROGRAM AND RELATED AGREEMENTS FOR ANTI-TERRORISM EQUIPMENT, PLANNING, TRAINING, EXERCISES AND TECHNICAL ASSISTANCE {STRATEGIC PLAN NO.1,2 AND 6} - Police Department

MOTION:

1. Adopt a resolution.

RESOLUTION NO. 2017-019 – RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA AUTHORIZING THE CITY MANAGER AND THE CHIEF OF POLICE OR THEIR DESIGNEE(S) TO ENTER INTO AN AGREEMENT WITH THE CITY OF ANAHEIM FOR THE FISCAL YEAR 2016 URBAN AREA SECURITY INITIATIVE FUNDING PROGRAM

2. Approve an appropriation adjustment. (Requires five affirmative votes)

APPROPRIATION ADJUSTMENT NO. 2017-111 - Recognizing the FY 2016 Urban Areas Security Initiative in the amount of \$1,792,522 in revenue account and appropriate same in the FY 2016 Urban Areas Security Initiative Program Grant expenditure accounts.

MOTION: Benavides **SECOND:** Sarmiento

VOTE: AYES: Benavides, Martinez, Sarmiento Solorio, Villegas (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Tinajero (2)

55C. RESOLUTION DECLARING “FILL IT FROM THE TAP” TO PROMOTE CONSUMPTION OF CITY WATER {STRATEGIC PLAN NOS. 5,2; 5,6F} - Public Works Agency

MOTION: Adopt a resolution.

RESOLUTION NO. 2017-020 – RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA DECLARING “FILL IT FROM THE TAP”

MOTION: Sarmiento **SECOND:** Benavides

VOTE: AYES: Benavides, Martinez, Sarmiento Solorio, Villegas (5)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Pulido, Tinajero (2)

90A. CITY MANAGER'S COMMENTS

Interim City Manager Kurtz:

- Honored to serve as Interim City Manager;
- Announced that the Andalucia Apartments were selected as Orange County's Top Affordable & Workforce Housing Development at Annual Awards Ceremony; and
- Orange County Fire Authority holding a training session live burn on Friday and Saturday that will be controlled.

90B. CITY COUNCILMEMBER COMMENTS:

Councilmember Solorio:

- Wished all a good evening;
- Thanked staff for efforts; and
- Welcomed newly appointed Interim City Manager Cynthia Kurtz.

Councilmember Villegas:

- Invited all to attend the Orange County Fire Authority and the Santa Ana Police Department's Open Houses on Saturday, May 20th;
- Commented on success of Smoke Detector Installation event held this past weekend; and
- Greeted Interim City Manager Kurtz.

Councilmember Benavides:

- Extended sincere welcome to Interim City Manager Kurtz;
- Thanked staff for Cinco De Mayor and monthly Art Walk and all services provided for the benefit of our residents; and
- Urged all to continue to support our local economy.

Councilmember Sarmiento:

- Conveyed appreciation to the Ad Hoc Committee that selected the Interim City Manager and offered warm welcome to Cynthia Kurtz; and
- Thanked Deputy City Manager Cortez for acting role; and
- Spoke of optimism, strong leadership and realignment needed to carry to continue carrying City forward.

Mayor Pro Tem Martinez:

- Commented of many achievements and innovation of many surrounding communities – need to capitalize on smart city policies; follow through and funding; and
- Hosting one-day water tour on Tuesday, June 20th; and
- Commented on success of Bike to Work day held earlier in the day.

ADJOURNMENT - 9:54 p.m. - The next meeting of the City Council is scheduled for Tuesday, June 6, 2017 at 5:00 p.m. for the Closed Session Meeting immediately followed by the Regular Open Business Meeting at 5:45 p.m. in the Council Chamber, 22 Civic Center Plaza, Santa Ana, California.


Maria D. Huizar,
Clerk of the Council

FUTURE AGENDA ITEMS

- Community Engagement Program
- Fiscal Year 2017/18 City Budget Adoption
- Labor Contracts

