

**REGULAR MEETING**  
**of the**  
**CITY OF RIALTO**  
**CITY COUNCIL**  
**City of Rialto, acting as Successor Agency to the**  
**Redevelopment Agency, RIALTO UTILITY AUTHORITY,**  
**RIALTO HOUSING AUTHORITY**

**MINUTES**

**Tuesday, June 25, 2024**

A regular meeting of the City Council of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376 on Tuesday, June 25, 2024.

0o0

This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

0o0

**CALL TO ORDER**

Mayor Robertson called the meeting to order at 5:00 p.m.

0o0

The roll was called, and the following were present: Mayor Deborah Robertson, Mayor Pro Tem Andy Carrizales, Council Member Ed Scott, Council Member Rafael Trujillo, and Council Member Joe Baca.

Also, present were Interim City Manager G. Michael Milhiser, City Attorney Eric Vail, and City Clerk Barbara McGee.

City Treasurer Edward Carrillo was absent.

0o0

1. CONFERENCE WITH LEGAL COUNSEL –  
ANTICIPATED LITIGATION  
Pursuant to Government Code Section 54956.9(d)(2)  
Number of Matters: Two (2)

- Demand letter from former employee
- Potential contract dispute

0o0

**CLOSED SESSION**

Motion by Council Member Trujillo and second by Council Member Baca carried by a 5-0 vote to go into Closed Session at 5:01 p.m.

0o0

The City Council returned from Closed Session at 6:29 p.m.

0o0

**CALL TO ORDER**

Mayor Robertson called the meeting to order at 6:30 p.m.

0o0

**OPEN SESSION**

The roll was called, and the following were present: Mayor Deborah Robertson, Mayor Pro Tem Andy Carrizales, Council Member Ed Scott, Council Member Rafael Trujillo, and Council Member Joe Baca.

Also, present were Interim City Manager G. Michael Milhiser, City Attorney Eric Vail, City Treasurer Edward Carrillo, and City Clerk Barbara McGee

0o0

**Pledge of Allegiance and Invocation**

Council Member Trujillo led the pledge of allegiance.

0o0

Pastor Jose Vindel – Rialto United gave the invocation.

0o0

**City Attorney’s Report on Closed Session**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Pursuant to Government Code Section 54956.9(d)(2)  
Number of Matters: Two (2)
  - Demand letter from former employee
  - Potential contract dispute

The City Council received a briefing from legal counsel. Both Items were concluded. There is no other reportable action.

0o0

**PRESENTATION AND PROCLAMATIONS**

1. In Memoriam for Tyjuan R. Mayfield Jr.- Mayor Robertson
2. Certificate of Recognition to Jorge Morales – Mayor Pro Tem Carrizales
3. Acknowledgement Certificates to the Rialto Youth Soccer Team for their Cal South District 5 Title - New Castle Team
4. Acknowledgement for Navy Petty Officer First Class William Pabon

0o0

**ORAL COMMUNICATIONS**

Josie Mascorro addressed the City Council related to her husband, Joe Mascorro’s recognition earlier this year and thanked Council Member Scott and the City Council for their acknowledgment.

0o0

**City Council to Consider removing or continuing any items on the agenda**

Veronica Perez addressed the City Council requesting to pass a ceasefire resolution and reminded the City Council of the atrocities war brings.

0o0

**F.3  
Merrill Avenue Safe Routes to School (SRTS)  
Improvement Project**

Council Member Trujillo would like to pull F.3 for questions. He commented that the name of the school indicates Merrill Avenue, but it should read Boyd Elementary Avenue Safe Routes to School. He asked if there are currently ADA ramps, or if this is an improvement on existing ones.

0o0

Art Cervantes, Engineering Manager, stated some areas are bringing the ramps up to standard and some will be converted from an existing curb.

0o0

Council Member Trujillo inquired about the sidewalks and asked if they will be built into the street or onto private property.

0o0

Mr. Cervantes stated building will be within City right-of-way. The property lines do not extend to the curb.

0o0

Council Member Trujillo asked for clarification considering the street looked narrow for sidewalk building.

0o0

**CONSENT CALENDAR**

**A. WAIVE FULL READING OF ORDINANCES**

0o0

**B. APPROVAL OF WARRANT RESOLUTIONS**

B.1 Warrant Resolution No. 47

B.2 Warrant Resolution No. 48

0o0

**C. APPROVAL OF MINUTES**

C.1 Regular City Council Minutes – June 11, 2024

0o0

**D. CLAIMS AGAINST THE CITY**

D.1 Omar F. Hassan – Damages

D.2 Joventino Garcia – Damages

## **CONSENT CALENDAR**

### **E. SET PUBLIC HEARING**

- E.1 Request City Council/Rialto Utility Authority Board to Set a Public Hearing for July 23, 2024, to Receive Public Comment Related to the Placement of Sewer Service Charges on the County Property Tax Roll for Delinquent Accounts.

0o0

### **F. MISCELLANEOUS**

- F.1 Request the City Council Adopt Resolution No. 8248 and RUA Rialto Utility Authority Board Resolution No. 08-35 approving an Extraterritorial Wastewater Service Agreement with Avila Collection, LLC for the property located at 10719 Linden Avenue and 10598 Orchard Street, Bloomington, CA, and includes Assessor's Parcel Numbers 0257-021-28, 0257-031-35, 0257-012-12, and 0257-021-02, and 2) Authorize the Interim City Manager to execute all documents.
- F.2 Request City Council to Authorize the Release of Construction Bid for the Cedar Avenue and Merrill Avenue Left Turn Phasing Project, City Project No. 230811.
- F.3 Request City Council to Authorize the Release of Bids for the Merrill Avenue Safe Routes to School (SRTS) Improvements Project, City Project No. 220801.
- F.4 Request City Council to 1) Adopt Resolution No. 8249 Approving Parcel Map 20673 for the Subdivision of One (1) Parcel of Land (APN 0127-182-06), Located at 1479 North Alice Avenue into Three (3) Single Family Parcels; and 2) Authorize the City Manager to Execute all Related Documents.
- F.5 Request City Council to Adopt Proposed Resolution No. 8250 A Resolution of the City Council of the City of Rialto, California Ordering the Summary Vacation of Abutter's Rights Previously Dedicated to the City via Parcel Map 12885 Prohibiting Ingress and Egress Rights to and from Cedar Avenue for Precise Plan of Design 2021-0036.

0o0

Motion by Council Member Baca, second by Council Member Trujillo and carried by a 5-0 vote to approve the Consent Calendar.

0o0

**PUBLIC HEARING  
TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mark Alvarado, Interim Finance Director, presented staff report to Request City Council to:

1. Conduct a Public Hearing on the City's Fiscal Year 2024-25 Proposed Annual Budget.
2. Approve and Adopt the following Resolutions:
  - Resolution No. 8251, RHA Resolution No. 08-24 RUA Resolution No. 08-36 and Rialto Redevelopment Successor Agency Resolution No. 01-24 for the City's Fiscal Year 2024-25 Annual Budget;
  - Resolution No. 8252 Adopting the Fiscal Year 2024-25 Appropriations Limit (Gann Limit);
  - Resolution No. 8253 Adopting the Fiscal Year 2024-25 Citywide Classification and Compensation Plan

0o0

Council Member Baca stated they should be looking at what we're solvent in terms of the reserves, but we should be looking at the ability to increase the funding, too, as well through other forms of revenue. I know that you mentioned, you know, sales tax, property tax, utility tax and others. But we should also be looking towards the future to make sure that we're solvent not only in terms of the reserves that we have now, but what are we going to look like in terms of the future as well.

0o0

Interim Finance Director Alvarado stated that is actually a very, very great comment because, the Council has the option now of taking some money basically spending some money to be able to generate money in the future if there's new opportunities to create a new revenue source. Sometimes, Cities, think, well, I'm going to wait for someone to come to my door and say I'm going to start generating sales tax for you and wait for them to come. But another option is to start looking at what do we need to do now to create the opportunity to be able to partner with someone and have a new revenue source come in. So that is definitely another option that can be considered and that's more of a long term, where you first you come up with the idea then you think about how do we implement it, how do we create the environment for that revenue that new revenue source to come in.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated we generally like to give you the benefit of going through the presentation and then you will get the battery of questions.

I'll start off by just saying not a question, but a comment. I think coming back soon and coming back often might be a better option before we go dark for Christmas. Let's bring it back before we go dark for Christmas. So that we won't be surprised when we get back here in January.

0o0

Council Member Scott asked can you explain to me what the four proposed new positions are.

0o0

Interim Finance Director Alvarado stated they are in the Human Resources Department. It's a net of zero. They're adding two positions and eliminating two positions. I'll just go through the other two slides and we can come back.

0o0

Council Member Scott stated those are reclasses. I don't think we recommended those in the workshop. Our recommendation was to hold all positions until mid-year other than three positions for the Police Department and I believe the reclass of the Public Works Director.

Is that not correct?

0o0

Interim Finance Director Alvarado stated there is a net of four positions here are not part of what's in the current budget. It is another option if the Council wants to entertain any part of adding any of these positions here. But part of the net four, and I'll just go through these slides so we can kind of get all divisions out there.

So this is actually a net of zero here.

0o0

Council Member Scott asked if the positions are reclasses.

0o0

Interim Finance Director Alvarado stated no. The eliminated vacant positions. Those positions are eliminated.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Council Member Scott stated okay. But, I don't think you heard the direction of the City Council at the workshop, which was to hold all positions with the exception of the three that were approved last year for the Rialto Police Department and the Public Works Director.

I think everything else – the direction of the Council was to hold those positions until December when we have a chance to do our mid-year evaluation and see what financial condition the City is in. We've taken personnel costs and increased them by almost \$14 million dollars in one year. That's in your numbers.

0o0

Interim Finance Director Alvarado stated right. Absolutely. You're right.

0o0

Council Member Scott stated the sales tax is flat. If you take out your \$7 million, one-time, payment, sales tax is flat. And we have no idea what the State of California is going to do with sales tax especially not with Amazon tax. I think that's very risky to say we just need to do business as usual.

Additionally, we have a police department payment coming up. Do you know what that payment is per year?

0o0

Interim Finance Director Alvarado stated he believes it's going to be around \$4 or \$5 million.

0o0

Council Member Scott stated \$4 to \$5 million. And do we have any reserve to cover two or three of a bad economy with that payment not currently programmed.

0o0

Interim Finance Director Alvarado stated that in the reserves right now, yes. The City has healthy reserves. That first bond payment is coming up, I believe in '28.

0o0

Council Member Scott asked what category of reserves are you referring to that money being in?

0o0

Interim Finance Director Alvarado stated that as part of that estimated \$117 million dollars.

0o0

Council Member Scott stated yes.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated there's \$70 million dollars right now that is unassigned. So that is actually a perfect discussion when we come back to the City Council.

0o0

Council Member Scott stated it needs to be discussed tonight before I vote on a budget. I'm sorry.

0o0

Interim Finance Director Alvarado stated that's actually fine, but as we talked about having that amount of money and bringing up to the City Council.

0o0

Council Member Scott stated that the Council Members up here have a lot of capital projects they want to spend money on, I'm sure. And we need to make sure, you know, there's not very many of us that were here in 2008 – but the Mayor and I were – we saw what the City went through. We saw the layoffs that occurred. We saw the destruction of the City and I don't think any of us want to go through that again. I certainly know the Mayor and I don't. I think we should be calculating it into all of this. Additionally, there's some issues with the water fund that we need to have a discussion about.

I think we're missing a lot of things here. But it appears to me that you guys are just going to march forward reclassifying positions and changing positions, and we keep getting top heavy in this City, and I don't understand why. We're way top heavy, which brings me to another question.

Do you know how much money we're spending? I see a number down here in services. Do you know how much money we're spending in contract employment?

0o0

Interim Finance Director Alvarado stated he does not have that number. He will get that information to the City Council by tomorrow.

0o0

Council Member Scott emphasized that Council has given directions over the last five years at least that we want to reduce and eliminate contract employees and fill positions in the City. If I go through your list of vacant positions, there's a ton of vacant positions in the City that we don't appear to be trying to fill. And if we're trying, we're not doing a very good job.

Lastly, in the area of Community Development. There's a tremendous amount of contract employees in Community Development and Public Works, frankly.

We've given clear direction to eliminate those contract positions and hire employees. And I don't know why the bargaining groups haven't brought that conversation up.

0o0



**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated I am going to this slide about the positions in the police department.

If you look at the middle section. What was agreed upon last year, but was not put into the budget, was the Information Systems Analyst and then one Crime Analyst Assistant and one Lead Records Assistant.

So those are the three positions that you're talking about that were the ones that said Council was given the direction of we should keep those. Out of the net four, what you had talked about the three, are those three there. I just wanted to bring it up, so you can see what those positions are.

0o0

Council Member Scott stated you're still trying to sell us on approving those positions.

0o0

Interim Finance Director Alvarado stated no. I only want to give the City Council the option. It was a net of four. Again, it's not in the current budget. The City Council doesn't have to entertain that motion.

0o0

Council Member Scott stated I'm going to move on to another question. Property tax. Can you tell me the breakdown between residential property tax and commercial property tax and what the increase in each one of those categories.

0o0

Interim Finance Director Alvarado stated I do not have that number off the top of my head, and I don't want to give you a wrong answer. I will get that to you tomorrow morning.

0o0

Council Member Scott asked why we would not come to a budget meeting knowing those numbers though. I don't get that.

0o0

Interim Finance Director Alvarado stated I'm trying to get up to speed on everything here.

0o0

Council Member Scott asked in the sales tax category, what is the projected sales tax for 2024-25? Do you know that dollar amount?

0o0

Interim Finance Director Alvarado stated \$57 million.

0o0

Council Member Scott asked if it is flat.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated correct.

0o0

Council Member Scott stated looking at the food service industry right now, they're down about 15 percent. So I would have to assume that grocery and retail is equally down probably about the same levels. So how did we get a flat number of – who made that calculation of \$57 million?

0o0

Interim Finance Director Alvarado stated we are trying to be conservative.

0o0

Council Member Scott stated I don't think that's conservative, though.

0o0

Interim Finance Director Alvarado asked if it should be decreasing.

0o0

Council Member Scott stated yes. He asked if sales tax is going to increase.

0o0

Interim Finance Director Alvarado stated we received the third quarter of fiscal year, which is basically the January through March numbers for sales tax and they were 8 percent higher than last year's numbers. We are still seeing strong growth. In my opinion, being flat is being very conservative.

0o0

Mayor Pro Tem Carrizales commented I want to add to that point because if you look at '23-24 sales tax, you see the huge drop in '24-25 on your chart. But then your trend is flat.

0o0

Mayor Robertson stated it's about the same. That was one time, \$7 million. That was above.

0o0

Mayor Pro Tem Carrizales stated if you look at '19-20 before this country pumped in all the millions of dollars. That's the trend right now, 2020 to 2024 that's where all the money that was pumped in. We don't have a reflection here of all that money being spent already and it's spent. You could see it at the grocery stores. You can see it in the business community. We can't lag and expect that we're going to be flat the following years. There's a difference between in 2020 and there's a difference of 40 million with our projections.

0o0

Mayor Robertson stated no. I'm saying this is actual up until this point. That's actual.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Pro Tem Carrizales stated this is the point I brought up when we were having the discussion of this budget. I have a concern with that, but I will let you continue.

0o0

Interim Finance Director Alvarado stated the other thing I was thinking of as I knew we were going to talk about should we be more conservative or are we okay. We can go back and adjust all of our revenues for 2024-25 and make them flat. So, we can project no growth for our revenues for 2024-25.

0o0

Council Member Scott stated he is trying to figure out how you're making these calculations based on the financial condition of this State and of this country. Because people are not spending money now because they don't have money.

If you look at credit card sales, people are maxing out their credit cards. At some point, that breaks and people just stop spending money. So sales tax is bound to go down. That's just one of my, you know, questions regarding that. But we seem to be growing government in this City when we should be decreasing the size of government. And it's a real concern for me. And then, I'm not sure what your proposal is on the positions.

He asked Interim City Manager Milhiser if there is a staff member that can tell us what the proposal is for personnel.

0o0

Interim City Manager Milhiser stated we had \$2 million dollars' worth of personnel projections. Some of the positions we weren't sure that some of your colleagues had mentioned during the discussion a little bit, so we paired it down to the \$900,000. In case any of the Council wanted to discuss any of those positions in those other departments.

What we have tonight is the police department, those positions and we would like to then have you consider our reorganization for Public Works move the engineer into Public Works.

0o0

Mayor Robertson stated the conversation is going all over even with trying to get the point on this piece that is put up by the Police Department. There were three positions, but when I saw it up there, it was five.

She asked which of the five are really advancing or are we now going to five. So that's, I think, beginning to be some confusing if we're looking at the numbers of three and then there's a whole other conversation in here about reclassing, eliminating positions that are on the books which is what Council Member Scott is talking about. We have positions that have been on the books. A position, a title and we budget for it, but we don't ever fill it. Why do we need it now?

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated I'm just going to add one thing else is that it's great to do the advancement. I'm not opposed to reclassing. But I'm very much opposed to when we start eliminating a worker position because it leads to the losing the sight of succession planning for people to come into the organization and grow and go up. All I'm seeing is a lot of reclasses to senior levels or whatever, but they take it out, a position for a person who would be an entry level. And that's another conversation.

Council Member Scott stated he believes they have the same concern.

0o0

Mayor Robertson stated they're in a cycle of moving people up and then we move them up to a point where they become competitive enough that they move out to another position. And then we're still back to being the farm team, so-to-speak. We've gone through those days where we were the feeder stock to other communities. So, I'm going to be in that concern of the balance. I don't mind reclasses, but I also got to look at what we're eliminating in order to advance a class of promotion.

Council Member Scott has the floor, so I'm going to let him finish.

0o0

Council Member Scott inquired about the proposal on Public Works was a reorganization of the Public Works Department bringing back the position of Public Works Director, correct?

0o0

Interim City Manager Milhiser stated yes.

0o0

Council Member Scott asked if that included the moving of land services back to the Public Works Department from Community Development.

0o0

Interim City Manager Milhiser stated yes. It would go back to the original.

0o0

Council Member Scott stated okay.

0o0

Mayor Robertson asked if that was the position that was added.

0o0

Council Member Scott stated he believes that's the position. The Public Works Director is the new position.

0o0

Mayor Robertson stated there's also another position. Could you put up the Public Works structure because I thought I saw besides bringing back the Public Works Director. I thought I saw another position that I didn't think was land survey.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated we had added a City Engineer. Add a Public Works Supervisor, and reclass. So that's a total of two new positions plus Public Works, and I don't know if that's one of those supposed to be land surveyors.

0o0

Council Member Scott stated my understanding was the elimination of the Director of Engineering Services and then making that individual a Public Works Director, correct?

0o0

Assistant City Manager Williams clarified the matter. She stated that with the integration of Public Works, the recommendation for that was to swap the Director of Engineering Services for the City Engineer position. That would be a – that's net neutral. We're not adding any new positions with that. And then the reclassification of the Maintenance Facilities Director position into a Public Works Director position. And then we would not necessarily recommend the addition of the Public Works Supervisor at this time in order to not add any new positions to the budget. Because we hear your concerns about not wanting to add positions at this time and eliminate costs to the budget.

We wouldn't recommend that because that would add additional costs. So then to recreate Public Works, it would just be that \$53,000 essentially for the reclassification of the Public Works Director position and the addition of the City Engineer position which I think is pretty net neutral so actually there may not be very much cost involved with there. I can't do the math there except in my head but it's pretty net neutral.

Just to clarify, to the public, in the budget itself, there are no new positions that are proposed. What we did, was we created this paired down list of personnel as an additional document for the Council to consider tonight as an additional package. The Council could consider one position, two or all of them if they wanted to entertain that tonight as an additional supplemental to the budget. We heard that there were some positions that the Council did want to include at the workshop.

For example, the Police positions that were recommended for to include last, which were the three that Mark mentioned previously. So, the Council could make the motion to adopt the budget with the approval for funding for those three positions and that's all that gets approved tonight.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated that's not what was up on the page. It wasn't up there. It wasn't just three positions. It was five.

0o0

Assistant City Manager Williams stated that the five positions were part of the larger package. Three positions, plus two new positions that were part of this year's budget that the Police Department recommended.

0o0

Council Member Scott commented you thought maybe some of us changed our mind. Maybe we got lobbied by people.

0o0

Assistant City Manager Williams stated yes. It was the three positions that were committed to last year for last year.

0o0

Mayor Robertson stated that's not what's in the presentation.

0o0

Council Member Scott stated no, it's not.

0o0

Assistant City Manager Williams and our apologies for that.

0o0

Mayor Robertson stated I know that there's others who have concerns about the needs for their movements as well. We said three because it made sense because it was in the last budget. But there's five up there. Then we're back to others who have reclasses, and they're not adding people. They're just reclassifying a position but they're still within the work chains. I'm saying, and I've seen us eliminating smaller ones to gain some neutral. You're still promoting a position, but you're eliminating a bottom position.

It's not really jelling well with me because I'm very concerned with the workforce, but I'm also concerned with eliminating positions that later you'll come back when somebody moves out. Then we end up putting somebody back in. That's been the history.

0o0

Council Member Scott stated yes, it has.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated Community Development is one of the areas where we eliminated a lot of techs. We did consultant service people, then we changed the consultant service group. Then we started bringing back the permit techs. Which by the way, I've met a couple of them. They've been pretty good. I need to see us bringing more people into the organization who want to actually advance and move up in the organization.

0o0

Council Member Scott stated my last question is the situation with contract employees in the City. There's contract employees that have been here for a long time, and I think there might be a problem with that. But we've made it very clear. We want positions filled and contract employees eliminated and nobody seems to want to listen to us about that.

0o0

Council Member Trujillo asked what the savings of would be converting all of our private contractors to employees especially some of these departments that we have been looking at.

0o0

Interim Finance Director Alvarado stated he does not have an exact number. I'd have to make sure I'm giving you the right information. I can get that for you tomorrow. I don't have the exact number of what that would be.

0o0

Council Member Trujillo stated we are trying to get some gauge of the savings when we're kind of proposing items up here. But that's another one.

The other one I asked last time that I kind of got a ballpark figure, and that was basically the vacancies, like what's the value of them because, you know, you come in with like an inflated operating budget, but they're not real because I believe it was 9 or 10 percent was I was told of vacancies in the City.

0o0

Interim Finance Director Alvarado stated it could be anywhere 5 to 10 percent. It could be up to 20 percent depending on different time of the year or different cycle we're going through.

0o0

Council Member Trujillo asked if there is \$90 million in personnel costs a year. And about 10 percent of that probably about \$9 or \$10 million.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated the personnel savings could be as low as \$5 million, \$10 million, and sometimes up to about \$15 million.

0o0

Council Member Trujillo stated it's hard to quantify that.

0o0

Interim Finance Director Alvarado stated that the savings aren't going to be there for all 12 months. Sometimes you'll have savings for six months, and it's filled and then you could have a position that's there and then they leave, so – then it depends on what the positions are. Some are going to be on higher salary. But overall, they're definitely going to range, you know, probably around \$10 to \$15 million dollars.

0o0

Council Member Trujillo stated you don't have any projections based on our patterns that we've had here in the City.

0o0

Interim Finance Director Alvarado stated it's been pretty consistent over the last few years of about that amount because of the number of positions they may change, in terms of the position, but the actual number have been around that number in terms of the vacancies. So, that's what I've seen over the last few years, as that there's been a good chunk of change of personnel savings.

0o0

Council Member Trujillo stated he would like to be able to quantify that kind of be able to see that in our budget. It's really hard to kind of have this inflated number and then thinking we're already going to go in the red in a couple of years knowing that there's kind of this question mark. And I know it has a value, but we just can't put a quantity on it.

0o0

Interim Finance Director Alvarado stated that's something that we can be reviewed because some Cities will actually put in what's called a vacancy rate, and they will build that into the budget.

They'll say, let's assume 5 percent. So, we're going to take our budgeted number overall total cost, and we're going to knock off 5 percent because we know we're going to have those savings at the end of the year. So they will then take that artificial number that they know they're not going to hit because we know we're not – we're not going to have all the positions filled so they will drop the number 5 percent or 7 percent, 8 percent depending on kind of what the history is. So then the budgeted number is a little bit lower.

0o0



**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Council Member Trujillo stated he likes the value in transitioning our contracts into employees. If you can get that number.

0o0

Council Member Trujillo asked for the slide during the budget workshop related to the CalPERS payments. The chart showed everything going up over the next couple of years and then flat.

0o0

Interim Finance Director Alvarado stated yes. I have two. This is for the general employees. There are two plans that we have because Public Safety is always on a separate one and then General Employees here.

So the orange graph down at the bottom shows the UAL payment, Unfunded Accrual Liability payment. That's going to be going up over the next five years. That's actually – that's the smaller piece. And then this slide here is for the sworn retirement plan. And you can see that the current year, we've got \$9 million budgeted for the payment, and that's going to be going up to over \$12 million.

0o0

Council Member Trujillo asked if that's a rough escalation of \$1- to \$2 million dollars more every year.

0o0

Interim Finance Director Alvarado stated yes, about a million. A little bit over a million dollars. The only good news of this is that after 2029-30, those increases, which have been very steady over the last 10 years, purposely by CalPERS, those numbers are starting to peak and they're going to start to go down.

So we're going to have to go through this for the next four or five years. But then it's not going to be that continued growth.

0o0

Council Member Trujillo stated okay. Seeing that somewhere we're going to go in the red according to your chart, a previous chart, I'm really interested in seeing if we could pay it down. Is it possible to pay down future pension costs?

0o0

Interim Finance Director Alvarado stated yes. The City did that couple of years ago. They made an additional \$5 million dollar payment.

0o0

Council Member Trujillo asked if not to the Unfunded Liability that \$30 million.

0o0

Interim Finance Director Alvarado stated I'm sorry.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Council Member Trujillo stated he was thinking about these regular payments that are escalating.

0o0

Interim Finance Director Alvarado stated yes. So that extra payment goes to the overall liability. CalPERS will then, if they have extra money from us, recalculate these payments. Drop them a little bit because now we've given them extra money up front.

0o0

Council Member Trujillo asked if by doing that, would it allow to push that red line forward?

0o0

Interim Finance Director Alvarado stated absolutely. All of this money that we owe CalPERS, we are paying them 6.8 percent interest rate. It's like a mortgage. Whatever that rate is, you're going to continue to pay that interest until you pay it down or pay it off. So the sooner you can make additional payments, it helps.

0o0

Council Member Trujillo stated that's what I'm really interested in, seeing how we could impact this with our surplus.

0o0

Interim Finance Director Alvarado stated he would like to come back and have that discussion of all the different liabilities, putting monies into projects. Whatever the City Council would like to do and being able to allocate some of those monies.

0o0

Council Member Trujillo stated thank you. A lot of the other questions, my colleagues have already asked.

0o0

Council Member Baca commented in reference to the \$915,000 for additional employees that were recommended whether it's two or five employees. It has not been stated that that's in the budget. That's just a recommendation if we decide to increase the amount of employees; is that correct?

Based on projections that we have, and that's why I stated earlier, that we got to be innovative in terms of what kind of revenue we can generate in terms of the future to make sure that we have the personnel to meet the demands and needs based on growth in the City of Rialto; is that correct?

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated correct.

0o0

Council Member Baca stated that based on projections that we have, and that's why I stated earlier, that we got to be innovative in terms of what kind of revenue we can generate in terms of the future to make sure that we have the personnel to meet the demands and needs based on growth in the City of Rialto; is that correct?

0o0

Interim Finance Director Alvarado stated correct.

0o0

Council Member Baca stated we need to determine – and I agree with Council Member Ed Scott – in terms of contract employees or consultants. We need to assess and evaluate their needs. Which ones do we really need; which ones don't we need? And that would be a cost savings where we can then employ the personnel that we need based on the evaluation and assessment of those positions that we could eliminate that we're paying for if there's not a need; is that correct?

0o0

Interim Finance Director Alvarado stated yes.

0o0

Council Member Baca stated those are things that we got to do before we start making rational decisions on – okay, we're not going to hire additional staff. To me, is, I rather have the staff to provide the service and the quality that we need for the citizens of the City of Rialto. Which means, if we need additional police, we hire additional police. We need additional firefighters, we hire additional firefighters. If we need employees in the various departments to make sure that our customer service is provided – and by the way – it's explained in our Board book. I happen to read it. Each of the positions are explained that would be added and why they would be added, which ones would be eliminated, and which ones would not. They're in our Board book. It wasn't in the presentation there, but it was included in our Board book starting on Page 9 of our Board book.

Those are the things that I'm very much concerned with, is the contract employees, looking at positions that we have that we can possibly eliminate in terms of the future and then looking at innovative ways that we can look at additional revenue that can come in to our City as well. Not only now, but in the future. Because that's what we have to do in terms of taking care of our future residents that are here. Yes, we'll be solvent for, you know, 2023-24; 2024-25. But beyond that we've got to look in terms of how it is, and then what kind of operations do we have. And I think some of the recommendations that were made here in consolidating some of these departments are pretty good and staffing that would be there at least from what I read sounds good. But we need to assess and evaluate contract employees and determined where we're at financially.

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Council Member Baca appreciated outlined because we're solvent compared to many others that don't have the reserves that we have. All we have to do is to make sure that we have the personnel to provide the service that we need in the future.

That's all I have to say. Thank you.

0o0

Mayor Robertson asked Mayor Pro Tem Carrizales if he had any questions.

0o0

Mayor Pro Tem Carrizales stated he does not have any questions.

0o0

Interim City Manager Milhiser stated that to try to bring the conclusion to the positions we are recommending to add. Staff would recommend adding one crime analyst, one police records assistant, one information systems analyst. Those are the ones we talked about last year.

Then, without trying to mention any names. We would add a City Engineer, reconstitute the Public Works Department, and there would be one reclass of the Director of Maintenance of Facilities.

And then, we come back at mid-year budget review for the other positions that we've had on here for further review and maybe recommendations pending where we think the economy at the State level what the State may have done to us or not done to us and how the economy in general is doing nationally.

Thank you.

0o0

Mayor Robertson stated she had other questions about a few things that concerned her.

And again, I'm just concerned that we if we're going to look at what the needs are. We do need to look at and I understand, again, I wasn't part of the Budget Workshop. So I'm sorry I didn't know what was the direction of who should be receiving what, but I do know that in some of the other positions, there's requests for reclass and that's what I would like to understand. Why are we not looking at the reclass? What is it meaning because I hear your eloquent speech and comments you're seeing the need for the employees. Three-quarters of a million on some of these services. You're seeing the need for the employees to be also compensated I would assume for the jobs that they're currently in. But I think we're picking and choosing, and we need to make sure that we look at what is needed and move forward with it.

I'm very concerned with some of the positions that are the worker levels. We seem to be reclassifying up at our management levels, and I know that in the Police Department there's a special need for certain people who are doing the records and stuff.

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated I haven't had a chance to really understand why we are not looking at the other departments that made their requests for – not so much hire – but for whatever they needed to reclass the workforce.

The other thing that I just needed to talk about is: I still have a problem when I never can see under services other taxes or other charges for services. Those dollars, I don't seem to figure out where they're quantified and in relationship to something that we do. I just asked the Assistant City Manager, to pull the summary of our special events that we have had for the last five years. What is really concerning me is if we're expressing the need to be conservative, I am watching our special events programs -- from everything that we have listed here – has gone from \$400,000 to half million. We are now at \$734,000. We seem to be really going up. To almost three-quarters of a million on some of these services.

I'd like to understand how we are going about making these increases. I don't think you can answer it now, but I think we need to really look at that. If we're going to be conservative, I would recommend that we at least stay with the special event funds that we're projecting that we spend no more than what we spent in the last year rather than continuing to increase from one year to the next year. And that's a concern in the types of activities, things that come up, the decisions that are made. Are we having those activities in the best place that really benefits our community? So that's something I think we tend to be in the bigger picture of looking at the positions and the people and I don't know what we're adding that causes us to go from \$571 up to \$734 thousand dollars. For what kind of activities, we're providing in the community. And with that, I know that in some case a lot of activities we generate a certain degree of revenue. We have a special event fee, and in some of these, we have people who pay. Yet, I don't never seem understand where we capture that money and where does it get reported. Is it revenue that's generated by the departments or is it revenue that's put into Community Development because I'm trying to figure out where does the resources go back to offset the services we provide for the activities?

0o0

Interim Finance Director Alvarado stated that any revenue that's generated for any one of these programs or events, the revenue is put back under that category that you mentioned that the charges or charges for services, usually that category. It's going to go into the department that is housing that.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated that's what I don't ever see, is where does that bottom line shows how much revenue that department developed on that. Because we budget, and, in one case, I'll say we budget amount for the State of the Women, but we always raise money and get sponsors.

The seed money doesn't even begin to expend the money that's budgeted.

0o0

Interim Finance Director Alvarado stated he can come back to the City Council with a detailed list of all of these programs and show you exactly where the department that the revenue is going to and also show you what the revenue is collected so you can see what the cost of the event is, the revenue that's generated, and if there's a net cost to the City so you can see the whole picture of that.

We will come back to you with that.

0o0

Mayor Robertson stated that in the meantime, a cap ought to be set on what we're going to spend or project for this next coming year. Because increasing it by \$250,000 every time.

She stated that's her recommendation. I don't know where we are with the budget and with who we are going to support in this budget in terms of personnel people, requests from the departments and then the amounts of expenditures that we're doing.

0o0

Interim Finance Director Alvarado stated that his understanding of what the City Council is recommending is: for year 2023-24, the total budget for all the events is approximately \$635,000 that's for 20 – that's for the current year.

For 2024-25, what's currently being proposed is approximately \$734,000 so just about exactly \$100,000 increase.

0o0

Mayor Robertson stated yes. I'm proposing to cap ourselves at these two.

0o0

Interim Finance Director Alvarado stated at \$634,000.

0o0

Mayor Robertson stated it's about \$100,000.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Pro Tem Carrizales asked what was the year prior to that.

0o0

Mayor Robertson stated the prior year before that it was \$571,000.

0o0

Mayor Pro Tem Carrizales stated I know this has nothing to do with your budget – but we've asked in the past what do the events bring revenue-wise and then how much we're spending on. But that item is never on here. And it's always the answer that you just gave us right now. Again, not your, but "Oh, we'll bring that to you."

We've asked for it. This is transparency at its best, and it's not being transparent. Because those are the items the public needs to see. If we asked for it, you guys should have it. Because we've asked for them in the past.

0o0

Mayor Robertson stated she has looked at events and activities. I've looked at things that were tried, and then they were redirected and they were captured. So I asked for this five years back so I could see what activities have been consistent and what things have seemed to be reconstituted or something, you know. I'm not going to go down in details. I think we really need to look at this and more importantly get back to some of the things – because some of these are activities that are done, I would say, with community partnerships. But we need to see what do we put out. I understand there's a cost for some staff to be a part of something. But we budget for that. And some of these are some of the activities that our units want to do.

I also know that some of them, we get grants or we get sponsorships. We get funds from our partners in the County, and those resources, I don't see are reflected or captured here.

0o0

Interim Finance Director Alvarado stated the information will be brought back at the next Council meeting.

0o0

Mayor Robertson stated one last thing. You talked about a variance. Some of us set a variance on personnel. It takes us a while from the time we act on this and adopt this budget for a position to be onboarded from the time they fly it to the time the person. That's where we end up with the savings. The question becomes why does it need to take this long? And if we were to look at a chart, we need the positions, but the process we use for getting a person on from the time they go through flying the position, holding interviews, clearing the person, and getting them onboard. I'd like to see the delta on that for every one, by department.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated I think what happens is, some of the positions, they get on, but we end up with savings. We know we end up with savings. And it's probably not because of the HR Department doing it. It's the time it takes to go through a process.

So If you start a position, July 1, it's going to take at least two months, two and-a-half months before that person is hired and on board and cleared. So there's a built-in savings. So maybe we ought to set a variance. Some set of variants. We know there's going to be a certain amount of savings.

I don't believe we did a mid-year this last year.

0o0

Interim Finance Director Alvarado stated no, we didn't.

0o0

Mayor Robertson stated it's a concern. That's why I thought, maybe we do the mid-year before the year ends and before we go dark so that we can see where we are.

0o0

Interim Finance Director Alvarado stated that the other option that some cities do, we can come back on a quarterly basis and make that part of the norm. So we don't have to wait till around the holidays. Or do it before Christmas or wait till January. We can say, we're going to come back on a quarterly basis and that just – so then you know that you're going to see us at the very least in September, early October.

0o0

Mayor Robertson requested for September.

0o0

Interim Finance Director Alvarado suggested that be put down as of now this is what the Finance Department does. Again, some Cities do it. So it's not uncommon.

0o0

Mayor Robertson stated perhaps if it's done quarterly, we might make it at least half the year. September.

What's the pleasure?

0o0

City Treasurer Carrillo requested to ask questions.

0o0

Mayor Robertson stated yes, certainly.

0o0



**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

City Treasurer Carrillo stated he, Mayor Robertson and Council Member Scott were here in 2008 during the worst times of the City and this is the reason we created the Economic Reserve.

So my question is regarding the Economic Reserve. On your projections or on your presentation here. In '22, you show that we had \$25.7 million and then the end of June '23, we had \$27 million.

My report and the money we reconcile every month and statements that Finance also has only shows us having \$20 million. So there's a substantial difference, and I'm not sure where that money is.

If, in the bank, there's actually only \$20 million, and yet we're showing that we have \$27 million at the end of June of '23, that's a substantial difference.

Perhaps we need to meet with Finance because I depend on Finance to be my check and balance, right? With what reconcile and what Finance reconciles, and that tells me we're right on. But, you know, if I was off a couple of hundred bucks is one thing, but to be off by millions.

0o0

Mayor Robertson stated she feels like we're getting ready to go into what they do at the Congressional level. We may just do a concurrent resolution to keep operating so we get a budget.

0o0

City Treasurer Carrillo stated let's look at that and see where the difference is.

0o0

Interim Finance Director Alvarado stated yes. We can go over that to see what we have on the books and see what the difference is.

0o0

City Treasurer Carrillo stated that Council Member Scott asked about how you project your taxes and forecast. Do we not still contract with HDL that supposedly comes in on a quarterly basis and gives the forecast on all our taxes and so, right? So you do use those folks to forecast our taxes.

0o0

Interim Finance Director Alvarado stated absolutely. We use HDL for both our property and sales tax.

0o0

City Treasurer Carrillo stated and sales tax, right. Okay. Very good. Those were my questions, Mayor. Thank you.

0o0

Mayor Robertson commented that opened up a whole other conversation. The difference is, I don't know what the answer was, but I'm seriously concerned.

Well, what's the pleasure of the body?

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Interim Finance Director Alvarado stated we'll reconcile that. As we come back for the audit when we're closing the books and bringing the financials back in the summer, we'll verify that.

0o0

City Attorney Vail stated he had stepped out. Did we open and close the Public Hearing?

0o0

Mayor Robertson this is a Public Hearing. I asked if there was anyone that would like to speak.

0o0

None one came forward to speak.

0o0

Council Member Scott moved to close the Public Hearing.

0o0

Council Member Trujillo seconded.

0o0

Mayor Robertson stated move to close by Council Member Scott, second by Council Member Trujillo.

0o0

Motion by Council Member Scott, second by Trujillo and carried by a 5-0 vote to close the Public Hearing.

0o0

Council Member Scott made a motion to approve the fiscal year 2024-25 proposed annual budget limiting the employee additions as recommended by staff to the three in the Police Department and the changes in the Public Works Department.

0o0

Council Member Baca second the motion.

0o0

Council Member Scott stated that, additionally, the requirement that the City begin their reduction of contract employees and filling positions where contract employees are currently working at.

0o0

Council Member Baca seconded the motion.

0o0

Mayor Robertson stated she would like to make a friendly amendment to that.

0o0

Council Member Scott stated sure.

0o0

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

Mayor Robertson stated she would like to amend that we look at least during the reclass for the positions that are in Community Services. I believe a position that dealt with part-time supervisor dealing with childcare.

Yes, childcare. Again, we had to reclass for two days – two, Day Supervisors to one Recreation Supervisor to Recreation Manager.

And then I also would like to do that we look at the reclass for the Clerk's Office.

0o0

Council Member Scott stated he would agree to that.

0o0

Mayor Robertson stated okay. Thank you.

She stated I know those areas have a lot of activity in our park and rec in the daycare programs. And also the Clerk's Office has a lot of people activity on just at the counter with passports and not to mention anything else that they may be coming from public records. And I'm not saying any of others are not, but I think we need to re-evaluate Community Development, everyone because for me, we're supposed to be moving into a space where we should have less people at the counter in certain places and I think we need to talk about that.

0o0

Council Member Baca added that maybe once we assess and re-evaluate where we're at with a lot of these contract employees, we can reconsider those positions that were recommended and add those too as well once we know what our financial situation will be.

0o0

Council Member Scott stated that when we come back for the capital money, can we also include the discussion on CalPERS whether we want to pay some into CalPERS or not.

0o0

Motion by Council Member Scott, second by Council Member Baca and carried by a 5-0 vote to Approve and Adopt the following Resolutions:

- Resolution No. 8251, RHA Resolution No. 08-24 RUA Resolution No. 08-36 and Rialto Redevelopment Successor Agency Resolution No. 01-24 for the City's Fiscal Year 2024-25 Annual Budget;
- Resolution No. 8252 Adopting the Fiscal Year 2024-25 Appropriations Limit (Gann Limit);
- Resolution No. 8253 Adopting the Fiscal Year 2024-25 Citywide Classification and Compensation Plan

**TAB 1  
City's Fiscal Year 2024-25 Proposed  
Annual Budget  
Approve and Adopt Resolution No. 8251,  
RHA Resolution No. 08-24, RUA  
Resolution No. 08-36, Resolution  
No. 01-24 Resolution No. 8252 and  
Resolution No. 8253**

And approve the following positions:

Police Department:

- 1 Information Systems Analyst
- 1 Crime Analyst Assistant
- 1 Lead Police Records Assistant

Public Works Department:

- 1 City Engineer
- 1 Public Works Director

Parks, Recreation and Community Services:

- 2 Day Care Supervisors to 1 Full-Time Supervisor
- 1 Recreation Supervisor to Recreation Manager

City Clerk's Office:

- 2 Office Specialists to Senior Office Specialists

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

(Mayor Robertson stepped away from the dais at 8:40 p.m.)

0o0

Stephen Dopudja, Consultant, presented staff report and recommends that the City Council and Rialto Utility Authority Board Conduct a Public Hearing, as Required Under Proposition 218, to Consider and Approve Resolution No. 8254 and RUA Resolution No. 08-37 Approving the Proposed Adjustments for Water and Wastewater Services as supported by the May 2024 FG Solutions Financial Planning Analysis Report.

0o0

Council Member Scott stated we have a number of people in the audience that want to know why the City's wanting a water rate and sewer rate increase. Can you explain that?

0o0

Mr. Dopudja stated as water utilities operate, like many customers see their house costs go up, energy costs that go up, there is facilities that need to be maintained. One of the challenges of water and wastewater facilities is they're often out of sight. They're usually buried or they're in a building somewhere, which is a pump. So in order to maintain the reliability of the system, it's not uncommon that agencies would look at adjustments to ensure that you're able to provide reliable water and wastewater services. So, oftentimes, people will, you know, when they look at that cost increase, they're relating to what comes through their tap, but behind that is a lot of other needs that the City has to provide for.

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Mr. Dopudja stated oftentimes, on your water bill, what you're paying for is a capacity of a system and a reliability of a system. And so, it's more than just what might flow through your meter, it really is the capacity of the system that flows to the fire hydrant that might be in front of someone's house.

So, all agencies are looking at those issues to maintain – to ensure they're maintaining a reliable system making sure that they're implementing capital projects as necessary for the system to be reliable but as a policy body, you're always weighing what is that appropriate amount. How much is too much? How much is enough in order to provide that reliability without overcharging recognizing that there's also challenging economic times. So, there's a policy component to it, but essentially, you're wanting to ensure you maintain reliable water and wastewater service to your community.

0o0

(Mayor Robertson returned to the dais at 8:56 p.m.)

0o0

Presentation continued with Art Griffith with FG Solutions with

- Background
- High priority CIP Projects
- Staff Recommended Rate Proposal
- Alternatives to Staff Recommended Rate Proposal

0o0

Mayor Robertson stated this is a Public Hearing, and so we have – now, we'll open the public hearing.

City Clerk is going to call your name, and if you don't mind, as she calls them, first one come up and the one's line up right behind the first speaker.

0o0

City Clerk is going to call your name, and if you don't mind, as she calls them, first one come up and the one's line up right behind the first speaker.

0o0

**Public Comment**

David Bailey addressed the Mayor and City Council related to TAB 2 in opposition of the proposed adjustments to the Utility Tax and suggested the City Council find a way to keep the utilities tax from being affected.

0o0

Lynn Summers addressed the Mayor and City Council related to TAB 2 in opposition of the proposed adjustments for Water and Wastewater services and suggested finding creative ways to create revenue rather than charging fees to residents.

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Josie Mascorro addressed the Mayor and City Council related to TAB 2 asking for clarification and more information on the matter.

0o0

Ana Gonzalez addressed the Mayor and City Council to comment on the absence of interpretation services during the City Council meetings and suggested bringing the proper resources to serve the community in their language.

She also commented related to TAB 2 in opposition of the proposed adjustments for Water and Wastewater services and the impacts on the residents at-large and asked the City to come up with better solutions.

0o0

Yolanda Covington addressed the Mayor and City Council related to TAB 2 in opposition of the proposed adjustments for Water and Wastewater services and suggested stabilizing the sewer rate so residents can better afford to pay bills.

0o0

Mayor Robertson stated she will entertain a motion to close the Public Hearing.

0o0

Council Member Trujillo so moved.

0o0

Mayor Pro Tem Carrizales so moved.

0o0

Mayor Robertson stated motion by Council Member Trujillo. Second by Mayor Pro Tem Carrizales.

0o0

Motion by Council Member Trujillo, second by Mayor Pro Tem Carrizales and carried by a 5-0 vote to close the Public Hearing.

0o0

Council Member Scott thanked the community for coming out. I think all of your comments are very valid.

I am not, at all, happy about any proposed water or sewer rate increase especially not raising sewer rates to \$85.00 in five years. But I do have a couple of questions. And I'll just throw this out for both of you.

You both sit in the water committee – subcommittee meetings as do I and the Mayor. I have repeatedly asked about the scenario of the \$30 million dollars. So let me explain that to the community. When we entered into this concession agreement, there was a direct payment made out of the financing of it of \$30 million dollars to the City of Rialto which went into the General Fund. That money, once it got into the General Fund, was almost immediately granted or gifted -- depending on what term you want to use – to the Renaissance Project, and it was used for infrastructure up there.

**TAB 2**  
**Approve Resolution No. 8254 and RUA**  
**Resolution No. 08-37 to approve the**  
**proposed Adjustments for Water and**  
**Wastewater Services**

Council Member Scott stated the Renaissance Project is finished. It's very successful. And if you watch the budget presentation tonight, you saw that we have a huge windfall in property tax. Most of that windfall is because of commercial, industrial buildings. The rest is sales tax. Most of it as a result of a huge amount of Amazon, which is in the Renaissance, which has given us a large reserve.

He asked for the scenario of what would happen if the City paid back that \$30 million dollars to the Utility Fund, what would that make this whole scenario look like? And you guys have ignored me. In fact, everybody in the City has ignored me. So, I'm once again, asking. Can you sit here tonight and tell me what the scenario is if we pay those \$30 million dollars? I don't care if it's a one-time payment or if it's paid over five years, how does that affect these increases and could these increases be either eliminated or at least reduced because \$85.00 for sewer for anybody that is living on social security or living on a fixed income, is a lot of money. May not be to you that work in government, but it is a lot of money.

So can either one of you answer that question?

0o0

Mr. Dopudja stated sure. I'll tee it up, and I'll turn it over to Art and you raise a valid question.

0o0

Council Member Scott stated asked staff to put this on this presentation, and you did not do it.

0o0

Mr. Dopudja stated I think it was done.

0o0

Council Member Scott stated no. Let me ask you a question, sir.

Why do I waste my time going to those meetings when I ask you to do something, and you don't do it?

0o0

Mr. Dopudja stated the "by year" with the total was an attempt to do that. It didn't show a compared to the \$30 million. It showed it broken down by year. At that point probably wasn't as clear as it could have been. But the policy decision to use that when Art is talking about the transfers from the General Fund is valid.

0o0

Council Member Scott stated that this wasn't a policy decision. This was a scenario that you should have presented to my fellow Council Members. It's a scenario. That money needs to be paid back to the water fund, in my opinion. It may not be the opinion of everybody else up here, but they at least should see that scenario. And the stuff in this presentation that says, "we may not be able to borrow money if we only approve one year" is frankly bogus. It's just flat out bogus.

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Council Member Scott stated he doesn't understand what the rush is to do five years. I just really don't. There needs to be some accountability in this concession agreement with what we're doing whether some of these projects are necessary or not and whether we should move forward with them or not. It should not be up to the concessionaire to make those decisions for the City of Rialto. Just plain and simple. And if nobody else is willing to throw it out here. I'm going to throw it out here. It's ridiculous. And the water rates I get that we haven't done a water rate. We need to stabilize that. But these sewer rates, no way.

So, I really want to see the scenario, and I want to hear what the recommendation is of City staff as to what we should be doing tonight, but I want to see the scenario of this \$30 million dollars. I've repeatedly asked about this \$30 million how much we've already paid some money out of the General Fund. Nobody can tell me how much because they don't want to tell me. So, you know what? Let's get real here folks. Tonight's the night.

0o0

Mr. Griffith stated this was an alternative to adopt the first-rate increase. Take the \$62 up to \$67 something. And the General Fund support you see over the next five years is \$15.4 million dollars. Of the \$30 million dollars, if my memory is correct, 25 of it was for the wastewater and 5 was from the water. So, let's take the \$15 million dollars compare it to \$25 million.

Returning \$25 million dollars to the wastewater fund would allow you to implement one of these rate increases for the next 5 years. And it would probably stretch you to the midpoint of about fiscal year '30-31 before that \$25 million dollar is up.

Or you can spend the \$25 million dollars on a slower -- or you can contribute it back to the wastewater utility on a slower timeline and adopt some other smaller types of rate increases, let's say inflationary. I can do all kinds of permutations on that. That's what I can give you on an order of magnitude right now.

0o0

Council Member Scott stated doesn't that make a lot more sense than what we're trying to do here.

0o0



**TAB 2**

**Approve Resolution No. 8254 and RUA Resolution No. 08-37 to approve the proposed Adjustments for Water and Wastewater Services**

Mr. Griffith stated that is a very good policy choice or policy consideration for the City Council to consider. I can't speak to the General Fund right now. We were retained to do the rate study, but I think it's a good thing to consider.

That's one part of a two-part question. Because we also have the water to think about. Thirty million dollars that was debt finance in the concession agreement as you mentioned, Council Member Scott. If 25 went to the wastewater, 5 goes to the water. So, the \$5 million -- coming back to the water utility helps but doesn't eliminate the need for additional support beyond that. If, for example, you were to adopt just the first of the five water rate increases. They get you part of the way there.

0o0

Council Member Scott stated that his last comment is related to the gentleman that spoke on the utility tax. I actually think he's got a very valid point.

0o0

Mayor Robertson I had that conversation when we were in Closed Session. And that was one thing that I was going to ask that we actually -- what we have with that Utility User Tax, is the ability to adjust it down or to defer it and not have it happen. It's already capped at 8. So, we can always adjust down.

She stated what I think you're saying and what we want to say is giving a cap that would take less that it would not charge 8 percent. We could on the bill, we could take, and the relief would be to set the cap at zero on the utility especially on the wastewater. I don't know exactly what that would look like in terms of the revenue that doesn't come but again it's the citizens especially out -- and I will say as I've said before -- on a wastewater, we cover sewer for the whole City. On the water, we only have a certain portion that we provide service to. And then West Valley provides services to another unit and also Fontana Water.

Now, we could cap or defer the collection of that over a period of at least a year or two and come back and look at it when we need to come back in the second year to deal with. I'm sorry. I stepped out. But I thought our conversation was going to be to move on our first year and then also come back to deal with the remaining two, three, four, five years, I heard from Council that because we are in a concession agreement, there are some risks and liability.

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Mayor Robertson stated that's what I was envisioning that we were going to be presenting as well as extending this public hearing to continue and come back on -- what did we say, the last part of July.

And I believe Counsel, you were going to look to see if we could, in fact, extend this hearing, continue it to the second meeting in July because we're dark in our first meeting.

0o0

City Attorney Vail stated if we continue the portion open on any rates that we don't adopt tonight, we can continue it open till the 25<sup>th</sup> or whatever that last meeting is in July.

0o0

Mayor Robertson stated yes. The last meeting in July. So, I mean, I would propose and put on the table and make a decision that we continue this meeting to the last meeting in July.

In the meantime, we decide to put a cap on the utility user that would be on whatever rate we're going to end up looking at and come back with that information to be able to factor that in on these charts so that we don't, you know because I think all of us, the sewer thing it's hard.

0o0

Council Member Baca commented that this whole Council is very much concerned with the rate increase, and we heard the community loud and clear, and we've heard them in the past too as well about the rate increases. And we understand that many are on fixed income. The effects it has on their livelihood, their quality of life in our communities.

So, we're very much concerned with this rate increase, and I think all of us on behalf of the whole Council – is very much concerned with this rate increase and the idea of the utility tax is a good idea. And I like the Mayor's idea of capping the fee, so looking at different alternatives and different kind of solutions that we might be able to come up with even if it means digging into our reserves to pay for what we need to or what we're obligated to pay at this point. We got to look at other alternatives.

And the agency itself has to be held accountable in terms of what they've done; what they haven't done; what they should have done; and what the cost has been; that is impacting us and impacting the citizens of the City of Rialto.

We still need to get answers to these before we move on this. And the idea of doing it one year and then going evaluating and assessing and then going forward from that point.

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Mayor Robertson added that the Utility Users Tax has been if you heard the budget presentation, in the beginning – has been one way that has kept our community somewhat afloat.

Once again, it was a Utility Users Tax that the citizens of Rialto voted and voted to make permanent. But setting it like that means that we have the ability -- they're using the word "cap", I'm going to use the word that we can suspend it over a period of time.

Cause, if you heard the budget, it covers utility for water as well as gas and electric. It did one time deal with telephone as well, but that's been very declining. So the thing I want to also share is that there's some costs that we have to deal with in running the operation, and we don't have a control over the cost of electricity. Edison then will continue to do rate increases, and we are going to have to try and figure out how do we absorb it.

What we we're looking at and have been looking at since we got into this concession agreement, was how we were going to get our system up, we didn't defer it. I mean, it was many, many years of maintenance deferred. For 10 years now with the concession agreement, we have managed to get our system up and rebuild where it's more efficient. But even when it's efficient to some degree in terms of the less wattage usage on electricity, the rate of the electricity goes up anyway. So that's a factor that we have no control on, but I think what we can do is suspend or cap the utility fee, the UUT that comes on the – whatever that rate is going to be at least for a year. "Cause I think we all have set, and we said, "Wait a minute." The COLA has only been what? At best 3.4 percent – Council Member Scott?

OoO

Council Member Scott stated that this year it's 3.4 percent.

OoO

Mayor Robertson stated cost of living. And yet still, the cost of things that we have to deal with by a contractual obligation and stay without being in default puts us where we need to be building these rate increases. But what we have, I appreciate that. We do have the flexibility to offset the eight percent that's on top of that rate. And I think we are also wanting to look at how do we defer the first rate increase to take effect in – not immediately after we adopt – but I think it was being proposed that it wouldn't take effect until January 1.

So by the time we come back in July, the end of July, we should be able to look at what that 8 percent on what the rates are paying; what it looks like; how much we would be basically – that goes into the general fund. So it will be a reduction on the General Fund dollars. So if you look at the budget presentation before, it's property tax, sales tax and UUT. It keeps us afloat, but we need to see what we can do to take that out for all those that we provide service to in the Rialto Water Utility as well as the sewer or the wastewater treatment that we serve.

**TAB 2**  
**Approve Resolution No. 8254 and RUA**  
**Resolution No. 08-37 to approve the**  
**proposed Adjustments for Water and**  
**Wastewater Services**

Mayor Robertson stated I'm going to ask that we look at that as it relates to suspending that on our residential and not look at it on the commercial. Mainly, because when people come to our community to do business, they already know what the fees are that they're expected to pay. And that might be able to not necessarily as we say, "throw the baby out with the bath water" but we need to see what that could do to give the residents relief while we have to see what maintains some rates.

So, I don't think it's clear.

0o0

Council Member Baca suggested we add one other incentive that we should look at is conservation incentives to those who use conservation. And then look at the possibility of incentives to pay back those individuals that are conserving if we look at water too as well. Something that we've got to look at.

0o0

Mayor Robertson stated that we're already in that space with the State for conserving water.

0o0

Council Member Baca asked about residents --

0o0

Mayor Robertson stated some residents have the ability and we certainly can if people want to put in systems, there's ways that systems can be looked at and there can be ways where people could assist them in that. Yeah, so, you know. The gray water.

0o0

Council Member Trujillo stated that some of the questions that came up about developments that have different requirements where they have to put in a pump station, et cetera.

But I wanted to look at the list here for wastewater as well as the water section as well. I wanted to get a good look at the projects. I know we had some discussions about, you know, how they're being kind of grouped in to cost of the service delivery. So I wanted to see if you could offer us that list so that we can kind of review it ourselves and also indicate whether the funding is there for grant funding or if it's something that has to be paid for through user fees or rate payer fees.

0o0

**TAB 2**  
**Approve Resolution No. 8254 and RUA**  
**Resolution No. 08-37 to approve the**  
**proposed Adjustments for Water and**  
**Wastewater Services**

Mr. Dopudja stated that he can follow up with Council Member Trujillo. Go through that list. What was on the list tonight is – the City has been very successful in getting grants, probably the most successful I’ve seen of a lot of agencies. So that’s certainly a testament to your grant consultant. They’ve done an excellent job in bringing that in, but there’s always opportunities to look for more. We are continuing to look for more but we can go over those specific projects as well. So you understand where they’re being funded from.

0o0

Council Member Trujillo stated he would want to see especially if they’re, you know, if that’s part of the rate fees. I want to make sure that, you know, we’re addressing kind of the cost of it.

0o0

Mayor Robertson stated she wants to put staff on notice. We’re going to bring this back at the last meeting in July. But we go dark for the first two weeks. However, I would like to make sure we get a water subcommittee meeting scheduled the week before but because we really need to look at the list of what has been proposed of. Projects that need to go forward versus the projects that we need to be very clear on what we’re going to have with our partners on what work has to be done.

0o0

Mr. Dopudja stated yes. We could look at the UUT, and then we can do a better job on the \$30 million dollars and making that much clearer as an option.

0o0

Mayor Robertson stated I don’t know if we have to have a motion because we’re going to need to continue.

0o0

Council Member Scott stated he is not going to support this. I mean, I’m totally in favor of the utility tax. I’m in favor of the one-year concept. But I’m not going to support this unless we make a commitment to pay, to rebook that \$30 million dollars as a loan and set-up a five-year payment plan and to pay it back to the Utility Fund.

We’ve been held hostage by this water concession and wastewater concession, and we need to get out from under being held hostage.

Council Member Scott made the motion that we approve one-year rate increase both water and wastewater that we suspend the utility tax to all residential customers and that we rebook the \$30 million dollars as a loan from the water utility to the City General Fund and that a five-year payment plan be set up to pay the money back.

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

City Attorney Vail stated that the Utility User Tax is not on the agenda tonight. So, we won't be able to act on that, but we can certainly put that on the last meeting in July. He stated that will require you to reopen the Public Hearing as part of the motion, and then just continue it to July 23rd.

0o0

Council Member Scott stated he will make a motion to reopen the Public Hearing included in the motion he's already made.

0o0

Council Member Trujillo stated he will second.

0o0

Council Member Baca stated he wanted to add a comment if we can possibly add to the amendment to look at the possibilities of using reserves, if need be, in that motion to take care of some of our seniors and others that we will be increasing it for one year.

0o0

Council Member Scott asked to bring discussion back at the July 23rd meeting since it's not on the agenda.

0o0

Council Member Baca stated okay.

0o0

Mr. Dopudja stated if I can comment on that. We would like to bring that back because there are some programs that do help seniors, so we want to make sure it's comprehensive.

0o0

Council Member Scott stated exactly.

0o0

Mr. Dopudja stated we want your community.

0o0

Council Member Scott it needs to be a broader discussion.

0o0

**TAB 2  
Approve Resolution No. 8254 and RUA  
Resolution No. 08-37 to approve the  
proposed Adjustments for Water and  
Wastewater Services**

Mr. Dopudja stated yes. I wanted to clarify one thing just for the benefit of the community out there.

There was a question about property tax and a question about if it was going to be put on. The answer is no. Under any of the alternatives, one-year; five-year, there is no intent to put any of Rialto's cost or fees on the property tax for utility services.

What we were commenting on is some agencies do that, but it was just more of when you look at their bills they're artificially lower. Rialto is not proposing to do that.

0o0

**TAB 2**  
**Approve Resolution No. 8254 and RUA**  
**Resolution No. 08-37 to approve the**  
**proposed Adjustments for Water and**  
**Wastewater Services**

Mayor Robertson stated all right. You got that motion?

0o0

City Clerk McGee stated she would like it cleared.

0o0

Council Member Scott stated that the motion is to reopen the Public Hearing, continue the Public Hearing until July 23<sup>rd</sup>. And at that time, review Resolution 8254 and Resolution 08-37 with the Council's recommendation of a one-year rate increase on both water and sewer, the elimination or the zeroing out of the utility tax on residential residences to zero and to rebook the gifted \$30 million dollars from the Rialto Utility to the City of Rialto General Fund – rebook it as a loan and begin and authorize a repayment program over five years.

0o0

Motion by Council Member Scott, second by Council Member Trujillo and carried by a 5-0 vote to as follows:

- To adopt Resolution No. 8254 and RUA Resolution No. 08-37 approving Year 1 water and wastewater rates as recommended.
- To continue the Public Hearing open to July 23<sup>rd</sup> to allow the City Council to consider the following:
- Review of any future Resolution(s) as it relates to application of \$30 million.
- Consider rebooking the \$30 million provided to the City as a loan to the City General Fund and to consider repayment of the loan over five years.
- Consider use of reserves to assist seniors and others in need.

To have an agenda item allowing the City Council to consider suspension of the UUT on water and wastewater.

0o0

**NEW BUSINESS**  
**TAB 3**  
**Approve Software Support Renewal**  
**Agreement with Central Square**  
**Technologies, LLC**

Mark Kling, Police Chief, presented staff report to Request City Council to 1) Approve a Software Support Renewal Agreement in the Amount of \$208,509.56 with Central Square Technologies, LLC, a Delaware limited liability company, for the Rialto Police Department Records Management System, Mobile Data, Computer Aided Dispatch, Property/Evidence Systems, CrimeMapping.com, CrimeView Desktop and Dashboard for Fiscal Year 2024/2025; and 2) Authorize the Interim City Manager, or his Designee, to Execute all Documents.

0o0

**TAB 3**  
**Approve Software Support Renewal Agreement with Central Square Technologies, LLC**

Motion by Council Member Baca, second by Council Member Scott and carried by a 5-0 vote to approve to 1) Approve a Software Support Renewal Agreement in the Amount of \$208,509.56 with Central Square Technologies, LLC, a Delaware limited liability company, for the Rialto Police Department Records Management System, Mobile Data, Computer Aided Dispatch, Property/Evidence Systems, CrimeMapping.com, CrimeView Desktop and Dashboard for Fiscal Year 2024/2025; and 2) Authorize the Interim City Manager, or his Designee, to Execute all Documents.

0o0

**Community Services**

Director of Community Services Alvarado-Crawford gave the report.

0o0

**REPORTS**

The City Council gave their reports.

0o0

**ADJOURNMENT**

Motion by Council Member Trujillo, second by Mayor Pro Tem Carrizales and carried by a 5-0 vote to adjourn the City Council Meeting at 9:51 p.m.

**The City Council adjourned in memory of:**

**Tyjuan R. Mayfield Jr.**  
**Rialto Resident**

---

MAYOR DEBORAH ROBERTSON

**ATTEST:**

---

CITY CLERK BARBARA A. McGEE