

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

MINUTES
September 25, 2018

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, September 25, 2018.

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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.

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CALL TO ORDER

Mayor Robertson called the meeting to order at 5:02 p.m.

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The roll was called and the following were present: Mayor Deborah Robertson, Mayor Pro Tem Ed Scott, Council Member Rafael Trujillo and Council Member Andy Carrizales. Also present were Interim City Administrator Ahmad Ansari, City Attorney Fred Galante, and City Clerk Barbara McGee. City Treasurer Edward Carrillo were absent.

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SUBSEQUENT NEED ITEM

City Attorney Galante stated regarding the Lewis v. City of Rialto – existing litigation. There is an upcoming court hearing that is scheduled and he will need to update the City Council on this matter.

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Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr. and carried by a 4-0 vote to add the subsequent need item to the Closed Session on the Agenda. Council Member Trujillo was absent.

Council Member Trujillo arrived at 5:03 p.m.

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CLOSED SESSION

1. Conference with Legal Counsel - Existing Litigation: The City Council will discuss the following pending litigation(s) pursuant to Government Code Section 54956.9(d)(1):

(a) Jayd Schroeder v. County of San Bernardino, City of Rialto, et al.
(United States District Court, Central District; Case No. ED CV 18-427-DMG (JCx))

(b) James Mills v City of Rialto

WCAB SAC0000178681 & 1792900008

2. Public Employee Performance Evaluation pursuant to Government Code Section 54957

Title: Interim City Administrator

3. Public Employee Performance Evaluation pursuant to Government Code Section 54957

Title: City Attorney

4. Conference with Labor Negotiator regarding the following recognized employee organization pursuant to Government Code Section 54957.6:

Agency designated representatives:

Fred Galante, City Attorney

Ahmad Ansari, Interim City Administrator

Employee organizations:

CGMA Bargaining Unit

RPBA General Bargaining Unit

RPBA Management Bargaining Unit

RMMA Bargaining Unit

RCEA Bargaining Unit

RFMA Bargaining Unit

Rialto Firefighters Local 3688

5. Conference with Real Property Negotiator. The City Council will confer with its real property negotiator concerning the following properties pursuant to Government Code Section 54956.8:

(a) Subject: Price and Terms-Property Lease for Cell Tower

Property: 1451 N. Linden Avenue, Rialto, CA

APN # 0264-211-22

Negotiators: Robb R. Steel, ACA/Dev. Svs. Director

Martin Aljovin, VP

Asset Optimization/SBA 2012 TC Assets, LLC

Motion by Council Member Trujillo, second by Mayor Pro Tem Scott and carried by 5-0 vote to go into Closed Session at 5:04 pm. Council City Council returned from Closed Session at 6:25 pm.

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CALL TO ORDER

Mayor Robertson called the meeting to order at 6:27 p.m.

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The roll was called and the following were present: Mayor Deborah Robertson, Mayor Pro Tem Ed Scott, Council Member Joe Baca Jr., Council Member Rafael Trujillo, and Council Member Andy Carrizales. Also present were Interim City Administrator Ahmad Ansari, City Clerk Barbara McGee, City Attorney Fred Galante and City Treasurer Edward Carrillo.

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Pledge of Allegiance and Invocation

Council Member Rafael Carrizales led the pledge of allegiance. Reverend Jose Vindel – Rialto United Methodist Church gave the Invocation.

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City Attorney's Report on Closed Session

City Attorney Galante stated that City Council met in Closed Session and discussed the items listed on the Agenda.

1. Conference with Legal Counsel – Existing Litigation.
 - (a) Jayd Schroeder v. County of San Bernardino, City of Rialto, et al. City Council received an update and no further reportable action was taken.
 - (b) James Mills v City of Rialto. City Council received an update, provided direction and no further reportable action was taken.
 - (c) Lewis v. City of Rialto Council received an update, provided direction and no further reportable action was taken.

City Attorney's Report on Closed Session

The balance of the Closed Session items were not completed.

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PRESENTATIONS AND PROCLAMATIONS

1. Presentation - New App for Street Sweeping and Trash Collection Reminders – Amy Crow, Public Works Dept.
2. Certificates of Recognition - Junior Olympic National Amateur Boxing Championship - Mayor Deborah Robertson
 - Kenny Lobatoz
 - Charles Harris
 - Isaiah Harris
 - Ruffin Harris
3. Proclamation - 2018 Fire Prevention Week - Mayor Deborah Robertson

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ORAL COMMUNICATIONS

Lupe Camacho, Rialto resident, expressed her concerns regarding the quality of Willow Ave. paving between Randall and San Bernardino. She wanted to know the dollar amount paid for that.

She did a walk-thru at the Renaissance Center of all the corner ADA ramps and brought attention to the Public Works Director and City Administrator some deficiencies and compliance issues. There will be future information she will be sharing.

She sent out information regarding the SB1 Expenditure Report for the RMRA fund which Rialto receives is approx. \$1.7 million. That reporting needs to be done by October 1st and if it's not done correctly then they will pull the money for next fiscal year.

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Consideration of Removing or continuing any items on the Agenda

Interim City Administrator Ahmad Ansari requested that Item E.7 be moved to TAB 26.

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City Attorney Galante stated that item E.3 is the Panattoni matter and there are some corrections to the Resolution.

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Council Member Carrizales stated that he will need to abstain from E.8, E.9, TAB 1, TAB 2, TAB 3, TAB 6, TAB 17, TAB 22 and TAB 24 due to a conflict of interest with his lease at the Renaissance Marketplace.

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Mayor Robertson stated that they will be pulling TAB 12 to address at the next City Council Meeting November 13th.

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CONSENT CALENDAR

A. WAIVE FULL READING OF ORDINANCES

1. Waive reading in full, all ordinances considered at this meeting.

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B. APPROVAL OF WARRANT RESOLUTIONS

B.1 Resolution No. 10 (09/06/18)

B.2 Resolution No. 11 (09/13/18)

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C. CLAIMS AGAINST THE CITY

C.1 Mercury Insurance (Pridee Liewsuwanphong) - vehicle damage

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CONSENT CALENDAR

D. SET PUBLIC HEARING

- D.1 Request City Council to Set a Public Hearing for November 27, 2018 to Conduct a Property Owner Protest Ballot Proceeding; Adopt a Resolution Initiating the Proceedings for the Annexation of Properties to the Rialto Landscaping and Lighting District No. 2 and to Levy and Authorize Collection of Assessments Commencing with Fiscal Year 2019/2020; and to Adopt a Resolution Declaring the Intention to Annex Properties to the Rialto Landscaping and Lighting District No. 2 and Conduct a Property Owner Protest Ballot Proceeding on the Matter of the New Assessments Related Thereto Commencing with Fiscal Year 2019/2020.
- D.2 Request City Council to Set a Public Hearing for November 13, 2018 to review AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIALTO, CALIFORNIA, AMENDING SECTION 18.72.010(K) OF THE RIALTO MUNICIPAL CODE TO ADJUST THE GARBAGE OR TRASH CAN SCREENING REQUIREMENT.

E. MISCELLANEOUS

- E.1 Request City Council to Increase Purchase Order No. 2013-1967 with Royal Imaging LLC for the Digital Conversion of Building Division Records from \$14,722.00 to \$41,021.62.
- E.2 Request City Council to Adopt Resolution No. 7395 Approving an Extraterritorial Wastewater Service Agreement with the Property Owner for the Single Family Dwelling located at 329 South Eucalyptus Avenue, Rialto, Assessor's Parcel Number 0142-551-04-0000.
- E.3 Request City Council to Adopt Resolution No. 7396 to Approve a Cactus Avenue Right-of-Way Quitclaim Deed, a Cactus Avenue Sidewalk Easement Quitclaim Deed, a Cactus Avenue Traffic Signal and Sidewalk Easement Quitclaim Deed, and a Cactus Avenue and El Rivino Road Right-of-Way Quitclaim Deed.
- E.4 Request City Council Adopt Resolution No. 7397, approving an Extraterritorial Wastewater Service Agreement with AIGGRE Cedar Avenue Investor, LLC, for a warehouse located at 18750 Orange Street, Bloomington.
- E.5 Request City Council to Authorize the Release of Request for Bid No. 19-030 for the Annual Slurry Seal Project, City Project No.180805.
- E.6 Request City Council to Authorize the Release of Request for Bid No. 19-033 for the CDBG Curb, Gutter, and Sidewalk Improvement Project, City Project No. CB1805.
- E.7 Request City Council to Authorize the Purchase of Police Vehicle Modifications and Equipment from 10-8 Retrofit, Inc. in the Amount of \$164,834.62.
- E.8 Request City Council Approve Amendment No. 2 to the Grant of Easement Agreement for Groundwater Monitoring Wells by and between the City of Rialto and the County of San Bernardino, related to the former Airport Property.

CONSENT CALENDAR

- E.9 Request City Council to Approve the Declaration of Covenants, Conditions, and Restrictions to Install Street Improvements Upon Notice by and between the City of Rialto and EZE Properties LLC for a Property at 1910 Locust Drive.
- E.10 Request City Council to approve a Reimbursement Agreement between the City of Rialto and Lytle Development Company not to exceed \$50,000.
- E.11 Request City Council to Approve Resolution No. 7398 Authorizing an Amendment to the Part Time Rate Schedule for Fiscal Year 2018-19 by Increasing the Hourly Rates for the Part Time Dispatcher and Approving Part Time Dispatcher Hours in the Police Department.
- E.12 Request City Council to Adopt Resolution No. 7415 Declaring a "Shelter Crisis" in the City of Rialto and Approve the City's efforts in applying for the Homeless Emergency Aid Program (HEAP) Grant.

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ORAL COMMUNICATIONS Item D.2

Dr. June Hayes, Rialto resident, wanted to point out to the public that they are no longer in violation when they have their trash cans are out in front.

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Item E.5 and E.6

Lupe Camacho, Rialto resident, had questions regarding the specifications on the slurry seal project. The budget in the staff report talks about overhead, construction management and design administration approx. \$80,000. She is confused on what these are paying for and what is included in the bid.

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Public Works Director Eisenbeisz stated that the overhead allocation is from Finance which is part of the city's overall overhead.

The design administration is in-house.

There will be a proposal from one of their on-call construction management inspection providers for construction management during construction. When they awarded the contract the ill request to authorize purchase order for that cost.

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Mayor Robertson stated she know they talked about having a Senior Construction Inspector that will be in-house and be the inspector.

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Mr. Eisenbeisz stated the expectation is with the two positions that it will significantly reduce the contract.

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Mayor Pro Tem Scott asked for a better explanation of the administration costs and what is it for.

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Item E.5 and E.6

Robb Steel, Assistant City Administrator stated that the overhead is to compensate the departments who may play a small roll in all public works projects. It's not just Finance, it goes into the General Fund for all city services.

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Mayor Pro Tem Scott asked if those services are budgeted out of the general fund money.

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Mr. Steel stated that is a very small portion of the services for the touch they make for every project.

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Mayor Pro Tem Scott stated that she asked that all capital projects return to City Council for ratification and approval. Because it's his belief that they should be cancelling some projects. They keep hiding money in capital projects that they don't do the work.

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Interim City Administrator Ansari stated that is a work in progress. They held a couple of meetings with council members and the remaining council member are planning to do it in October.

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Mayor Pro Tem Scott stated that he would like to pull these two items E.5 and E.6.

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ITEMS E.5 and E.6 were tabled.

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Motion by Council Member Baca Jr., second by Mayor Pro Tem Scott and carried by a 5-0 vote to approve the Consent Calendar with the exception of E.5, E.6 and E.7. Council Member Carrizales abstained from Items E.8, and E.9.

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TAB 1 - Amending the Land Use Map of the Renaissance Specific Plan

Gina Gibson Williams, Development Services, presented the staff report regarding the amending the Land Use Map of the Renaissance Specific Plan.

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Mayor Robertson declared the public hearing open.

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ORAL COMMUNICATIONS

Mark Horvath, Trustee for the Airport Industrial Trust, thanked the city for the agreement to change the zone from Low Density Residential (LDR) to Employment (EMP) for a 3.07-acre parcel (APN 0264-212-27).

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TAB 1 - Amending the Land Use Map of the Renaissance Specific Plan

Motion by Mayor Pro Tem Scott, second by Council Member Trujillo and carried by a 4-0 vote, Council Member Carrizales abstained, to close the public hearing.

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Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr. and carried by a 4-0 vote, Council Member Carrizales abstained, to Approve Resolution No. 7391 for Specific Plan Amendment No. 2018-0004 and Environmental Review Assessment No. 2018-0079 amending the Land Use Map of the Renaissance Specific Plan to change the zone from Low Density Residential (LDR) to Employment (EMP) for a 3.07-acre parcel (APN 0264-212-27) located at the southwest corner of Fitzgerald Avenue and Leiske Drive and adopt a Negative Declaration in accordance with the California Environmental Quality Act (CEQA).

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TAB 2 - Approving a Tentative Parcel Map Application (Tentative Parcel Map No. 2018-0001) to merge 4 parcels into 3 separate lots for the Development

Gina Gibson Williams, Development Services, presented the staff report regarding the Tentative Parcel Map Application (Tentative Parcel Map No. 2018-0001) to merge 4 parcels into 3 separate lots for the Development.

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Mayor Robertson declared the public hearing open. No one came forward.

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Motion by Council Member Baca Jr, second by Council Member Trujillo and carried by a 4-0, Council Member Carrizales abstained, to close the public hearing.

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Motion by Council Member Scott, second by Council Member Baca Jr. and carried by a 4-0 vote, Council Member Carrizales abstained, to approve (1) Resolution No. 7399 (Exhibit A) Approving a Tentative Parcel Map Application (Tentative Parcel Map No. 2018-0001) to merge 4 parcels into 3 separate lots for the Development of 3 Speculative Industrial Buildings on 28.41 acres, (2) Resolution No. 7400 (Exhibit B) Approving Environmental Assessment Review (EAR) No. 2018-0022 including an Addendum to the previously adopted and certified Environmental Impact Report (EIR) for the Amended Renaissance Specific Plan.

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TAB 3 - EAR No. 2018-0060 for review of an EIR Addendum to the previously Adopted and Certified Environmental Impact Report (EIR) for the Amended Renaissance Specific Plan

Gina Gibson Williams, Development Services presented the staff report regarding the EAR No. 2018-0060 for review of an EIR Addendum to the previously Adopted and Certified Environmental Impact Report (EIR) for the Amended Renaissance Specific Plan.

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Mayor Robertson declared the public hearing open.

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TAB 3 - EAR No. 2018-0060 for review of an EIR Addendum to the previously Adopted and Certified Environmental Impact Report (EIR) for the Amended Renaissance Specific Plan

Don Ayres, Ayres Group, expressed their excitement on bringing their Ayres product to Rialto. They are going to work hard on bringing the history of Rialto into the lobby and public spaces. He thanked the Development Services staff for helping them get across the finish line.

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Motion by Council Member Trujillo, second by Council Member Baca Jr. and carried by a 4-0 vote, Council Member Carrizales abstained, to close the public hearing.

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Motion by Council Member Scott, second by Council Member Trujillo and carried by a 4-0 vote, Council Member Carrizales abstained, to approve (1) Resolution No.7401 (Exhibit A) Approving EAR No. 2018-0060 for review of an EIR Addendum to the previously Adopted and Certified Environmental Impact Report (EIR) for the Amended Renaissance Specific Plan; (2) Resolution No. 7402 (Exhibit B) Approving Conditional Development Permit (CDP) No. 2018-0019 to allow a hotel use; and, (3) Resolution No. 7403 (Exhibit C) Approving CDP No. 2018-0032 to establish a Type 70 ABC License in conjunction with a restaurant/bar within a hotel.

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TAB 4 - Updating Fees and Charges for Civil Engineering Plan Check Services

Robert Eisenbeisz, Public Works Director presented the staff report regarding Updating Fees and Charges for Civil Engineering Plan Check Services.

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Mayor Robertson declared the public hearing open.

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ORAL COMMUNICATIONS

Lupe Camacho, Rialto resident, expressed concerns regarding the percentage calculations for the fee increases.

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Mr. Eisenbeisz stated that the fees are intended to reflect the actual costs and the last update was in August 2013. There are costs incurred from contract staff and costs from in-house staff. Some vary because they found that it required more time to provide those services. the large increases have to do with the new annexations to the LMDs.

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Ms. Camacho asked if the analysis was done with in-house staff and the percentages were developed by staff? Did they use a particular model? Was it Public Works or Finance?

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Mayor Robertson stated that she was looking for the same answers.

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TAB 4 - Updating Fees and Charges for Civil Engineering Plan Check Services

Mayor Pro Tem Scott stated that he has concerns as well. Did this go to EDC? He would like to know why there are no comparisons with other cities. He will ask that they pull this item, take it to EDC a more accurate report.

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This TAB was pulled and will be continued to the November 13th City Council Meeting.

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TAB 5 - General Plan Amendment No. 2017-0003, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12

Gina Gibson Williams, Development Services presented the staff report regarding the General Plan Amendment No. 2017-0003, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12.

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Mayor Robertson declared the public hearing open.

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ORAL COMMUNICATIONS

Jeffrey Moore, Senior Vice President of Construction for RC Hobbs, expressed some key points of the project.

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Mayor Pro Tem Scott asked about their project on Willow and Bloomington Avenue. They are not the only builder to do this but they cut into the street to connect utilities and then put temporary patch which is not good for those that live near. He asked the Public Work Director to look at alternatives. He wants to make sure there are no cuts into Acacia or Randall that sit there while they are building out the project.

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Mr. Eisenbeisz stated that they are updating with all the utility is to base pave to the surface with actual base course material hot mix so it will provide a smooth repair. The final cap can be done at a later time.

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Mr. Moore stated that they do experience that same type of situation in other cities. It does vary from city to city. They don't have objection, after doing the cuts and connections, to do the patch back as recommended.

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Council Member Trujillo stated that he had the opportunity to be at a neighborhood meeting. One of the resident concerns was the traffic. Entrances are close to the school. In the future does it look like the entrance will be off Acacia?

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Mr. Moore stated it's not guaranteed but they demonstrated that it was feasible. The secondary access is an emergency access so it will be gated. Not a normal thoroughfare for residents.

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TAB 5 - General Plan Amendment No. 2017-0003, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12

Council Member Carrizales stated on the West side of Acacia there are four lanes and then also on the East side of Eucalyptus there is also four, then they merge in. how many lanes are going to be between those 2 streets. A lot of the parents park on the dirt road. There is an opportunity to make it one size.

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Ms. Williams stated that she was at the school to see the school traffic. There will be an 88 feet right-of-way, two lanes of traffic on Acacia Ave. and will be fully improved.

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Mr. Eisenbeisz stated that will be able to accommodate four lanes and they will need to work with the adjacent jurisdictions, Colton and San Bernardino. It will be wider, west of the City boundary. It will allow for the striping to transition. They will need to coordinate that through the plan check process. They also have to make sure past Acacia it lines up.

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Council Member Carrizales asked about the Northwest corner of Randall and Acacia to finish the curb and gutter so it connects all the way through.

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Mr. Eisenbeisz stated that is their concern they may end up still with a bottleneck because they don't control that corner and they may not have enough right-of-way. When they submit their plans they will be able to look at the opportunity. That would be a future project the City would have to do. If that property doesn't develop then there would be some right-of-way acquisition to complete that widening further west.

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Council Member Carrizales stated yes it would be a good opportunity to connect that whole area so the residents can walk through.

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Mr. Eisenbeisz stated in the meantime they will work out a transition with the striping to make that work.

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Mayor Robertson asked because there is a school, did they identify making any improvements to the right-of-way for the corner. If not shouldn't they go back and look at it, if it's something they should consider with Safe Routes to School.

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Mr. Eisenbeisz stated that he would have to go back and look at the assessments that were done.

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TAB 5 - General Plan Amendment No. 2017-0003, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12

Motion by Council Member Baca Jr., second by Council Member Trujillo can be carried by a 5-0 vote to close the public hearing.

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Mayor Robertson asked if there could be any future consideration or notations that if at any time this property sells or develops that they have to make the provisions for them to preserve the right-of-way for public access.

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Ms. Williams stated they will need to amend the motion for the tentative map because that is the avenue if they were to discuss it at the design stage it would be a condition of approval but it wouldn't be anything recorded against the site.

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City Attorney Galante stated so the concern is potentially creating a land lock parcel?

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Mayor Robertson stated that it's a large piece of land owned by one person and if they ever do sell to have a condition to allow for access point to Acacia St.

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Ms. Williams stated the 2 lots in question are remainder parcels for the tentative map and if it will be conditioned then it will have to be amended this evening with the Resolution. It wouldn't be something they can address at the Development Review Committee.

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City Attorney Galante stated that he would ask the applicant if he concurs with that condition.

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Mayor Robertson stated that they don't own the land so it's not a condition on the applicant.

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City Attorney Galante stated that he misunderstood and thought they were trying to condition this property to allow access should the other property be developed. They can't add a condition here that would impact neighboring property. It's not part of the hearing.

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Mayor Robertson stated it was for the point that Council Member Trujillo said and the residents in the community meetings they expressed creating some way to have access. Both access points are on Randall.

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TAB 5 - General Plan Amendment No. 2017-0003, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12

Mayor Pro Tem Scott stated they should have something in the Planning Dept. that “red flags” it if the neighboring property gets developed.

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Ms. Williams stated that they can do that through the Trak-It System and they can make that accommodation.

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City Attorney Galante read the title of the Ordinance:

ORDINANCE NO. 1610

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIALTO, CALIFORNIA, APPROVING ZONE CHANGE NO. 2017-0003 TO CHANGE THE ZONING DESIGNATION OF APPROXIMATELY 6.80 NET ACRES OF LAND (PORTIONS OF APNS: 0131-131-02, -08, & -09) LOCATED AT THE NORTHEAST CORNER OF RANDALL AVENUE AND ACACIA AVENUE FROM AGRICULTURAL (A-1) TO MULTI-FAMILY RESIDENTIAL (R-3)

Motion by Council Member Carrizales, second by Council Member Trujillo and carried by a 5-0 vote to approve of (1) **Resolution No. 7404** approving **General Plan Amendment No. 2017-0003**, which is a request to change the land use designation of approximately 6.80 net-acres of land from Residential 2 with an Animal Overlay to Residential 12, (2) **Resolution No. 7405** approving **Tentative Tract Map No. 2018-0001 (TTM 20106)**, which is a request to allow the subdivision of approximately 6.80 net-acres of land into fifty (50) single-family lots and eleven (11) common lots, and (3) introduce for first reading **Ordinance No. 1610** approving **Zone Change No. 2017-0003**, **Resolution No. 7406** Approving a Mitigated Negative Declaration (**Environmental Assessment Review No. 2018-0017**) is included for consideration in conjunction with the project.

The vote was: AYES: Mayor Robertson, Council Members Scott, Baca Jr., Carrizales and Trujillo. NOES: none. ABSENT: none. ABSTAIN: none.

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Council Member Carrizales left the dais at 8:08 pm

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TAB 6 – Ayala@210 LLC – Release Parcel 3 for Development

Robb Steel, Development Services Director presented the staff report regarding the Request City Council Consider requests from Ayala@210 LLC to (1) release Parcel 3 for Development, and (2) subordinate the City’s Land and Improvement Investment in Parcel 3 to the Developer’s proposed Construction Financing for Vertical Improvements in the Renaissance Plaza Retail Project.

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TAB 6 – Ayala@210 LLC – Release Parcel 3 for Development

Mayor Robertson asked for clarification, was the request to release parcels 3, 4, and 5?

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Mr. Steel stated its just parcel 3 and parcels 4 and 5 will still be subject to the restriction that parcel 6 has to be acquired to develop before 4 and 5 are acquired.

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Mayor Pro Tem Scott asked via us not subordinating, is this going to slow the project down while they look for other alternatives?

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Mr. Steel stated the easier alternative would be to subordinate it. It makes the financing easier to obtain. There are other options that are expeditious.

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Fernando Acosta, Developer stated when they hear the option to release Parcel 3, the project so far is funning smooth. Cracker Barrel has completed the underground plumbing and electrical and will be framing by next week. Sonic is expected to commence construction in November. The hotel is ready to submit elevations and site plans for the hotel. The project has exceeded costs tremendously. He is not here to ask the city to waive any fees. He is asking the city to give him some time to continue with the project. These building will generate a high demand from investors at a good cap rate. Coffee Bean just sold and the developer made a ton of money. He has commitment for parcel 4 and 5. One is a 4000 sq. ft. restaurant and the other is a 4000 sq. ft. sushi restaurant. The tenants on parcel 3 would like to open as soon as possible.

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Mr. Steel stated that the other option would be financing the equity. He thinks there will be a lot of buyers who would be interested in taking this project on. In this case Mr. Acosta wants to be the developer, then he needs to go out and get the financing. This is a financeable project.

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Mayor Pro Tem Scott stated when they say relatively quickly, it's going to slow the project down. He is not in favor of slowing it down.

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Mr. Steel stated he is at the point of just getting the release tonight. They met him half way with that. He wouldn't think it would be hard to get a commitment for financing within 30 days.

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**TAB 6 – Ayala@210 LLC – Release Parcel
3 for Development**

Mayor Robertson stated with the request, they are saying it's kind of risky and at the same time there is nothing they can add in the way of collateral to support or guarantee the investment would be returned.

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Mr. Steel stated that if they go down that path they will need to talk about all those things. Equity investors seek collateral guarantees, recourse against personal assets of the developer. They shouldn't treat this any different than a private investor would. He didn't offer a rate of return for them for their equity investment. He thinks they may have modified that in recent conversations. Equity is risky positions so there should be a significant rate of return for the city.

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Mayor Pro Tem Scott asked if it would be any advantage for them to go to somebody like Banner Bank and asking them to assist with financing.

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Mr. Acosta stated that he is already in the process with Banner Bank of trying to get the financing. They are currently looking at the project to be able to provide the financing he needs.

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City Treasurer Carrillo stated that he spoke to Banner Bank in the past about this project and looked at the possibility of them doing the lending and the City offering the guarantee of the loan. Meanwhile the City had already gone ahead with the project, so the conversation with Banner Bank had ended. They can go back and talk to Banner Bank.

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Mr. Steel stated that Banner Bank will probably provide the construction financing. Mr. Acosta needs the equity component part of it. Usually the construction lender wants the developer to have some skin in the game. The land is usually what they own but the City owns the land at this point. Mr. Acosta is looking for somebody to be the equity partner. With the city's land value he gets to 68%, his loan to value ratio which is why the bank would be interested because of a high cushion. There are equity investors out there. The City's money is already in it so it makes them the quickest solution. They wouldn't be a candidate but they would need to negotiate all the terms of the equity investment. It's just a risky position. Unfortunately he has experienced cities who have lost millions of dollars for taking subordinate positions.

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Mayor Robertson asked so what they looking at, roughly \$437,000?

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Mr. Steel stated that the land is \$437,000 and construction loan component is another \$450,000. There is \$200,000 that Mr. Acosta plans to repay the city for the construction loan in that equity position.

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TAB 6 – Ayala@210 LLC – Release Parcel 3 for Development

Mayor Pro Tem Scott stated that he is going to go back to this project getting slowed down because they have to go out for financing. They have had a good relationship with them and they have provided what the City asked them to provide. Landing Cracker Barrel was a big deal. He is in favor of either doing it or a hybrid alternative.

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City Treasurer Carrillo stated that there is a meeting with Banner Bank on Thursday on another matter, but they can look at some options then.

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Mayor Robertson stated she is also trying to see what direction to take to move it forward. She too doesn't want to see it end up being delayed.

0o0

Mr. Acosta stated that Sonic will close in November and the City will get \$400,000 more. They already recouped the investment from Cracker Barrel close to \$1.5 million from the release of the land. The reimbursement of all the on-site improvement loans. The next pay-off to the City will be in November. The hotel would like to close the deal by December.

0o0

Mayor Robertson asked if they can get any other further commitments.

0o0

Mr. Acosta stated that Sonic in November and the Hotel in December.

0o0

Mr. Steel stated that Mr. Acosta hasn't prepared construction drawings in advance for parcel 3 at this point because he had to get that approval from City Council. He has 3 months preparing construction drawings. He has plenty of time to seek the equity from someone outside the City. They are very early in the project life cycle.

0o0

City Attorney Galante asked if it came back in Nonmember would it have impact on the schedule.

0o0

Mr. Steel stated no, he doesn't think so.

0o0

Mr. Acosta stated that he will be able to move forward with the project without a commitment. This is why he started talking to lenders and Banner Bank. He will not do any marketing on the property or make any commitments until he has a commitment from a lender to provide the construction money.

0o0

**TAB 6 – Ayala@210 LLC – Release Parcel
3 for Development**

Mayor Pro Tem Scott asked if they took 30 days for Mr. Acosta to work with Banner Bank.

0o0

Mr. Acosta stated that it will take about 30 days from them to reach some kind of commitment.

0o0

Mayor Pro Tem Scott asked if they come back at the first meeting in November, will this work for him?

0o0

Mr. Acosta stated that he will do whatever he gets directed to do. He is only asking for time.

0o0

Mayor Pro Tem Scott stated, what Mr. Acosta is asking for is a guarantee. He is asking for something that puts them at risk. The alternative is to work with Banner Bank to give them some guarantee on it.

0o0

Mr. Acosta stated he is not asking for a guarantee. He is asking, instead of him paying the city \$400,000 in 60 days, he is asking to waive their payment until he gets his construction loan and his building gets completed. He is expecting for it to be a year.

0o0

Mayor Robertson asked if Mr. Acosta is asking for the City to defer the payment, instead of 60 days.

0o0

Mr. Steel stated to subordinate it until he refinances or sells the project upon completion. If he is a year away from starting construction, then it will be another 9 months from that to complete and refinance.

0o0

Mr. Acosta stated that he got a letter today from a broker firm that told him once he gets the project, to sell it at a 6% cap rate.

0o0

Mr. Steel stated that the risk the city takes happens in 2 years, so if the market drops.

0o0

Mayor Pro Tem Scott asked if it would hurt him to wait until the November meeting to make a decision on this, if something else can be worked out on this.

0o0

TAB 6 – Ayala@210 LLC – Release Parcel 3 for Development

Mr. Acosta stated that it will probably hurt, because he wants to make sure he is done. For him to wait, what if he can't get an investor and a year goes by and they are talking about the same thing.

0o0

Mayor Pro Tem Scott stated that they are talking about November.

0o0

Mayor Robertson stated her concern is that Mr. Acosta is in a position where he really needs something to happen. What is the sense of releasing parcel 3? It sounds like it would still be held up with the inability to move.

0o0

Mr. Steel stated that he thinks the direction they are heading in is to be the equity investor. And if so, they need to negotiate those terms but they need at least 30 days to work that out anyways. They are not going to negotiate the terms of their equity investment at the dais tonight.

0o0

Mayor Robertson asked then if there was a need to act on parcel 3 now.

0o0

Mr. Steel stated that if they approve the release of parcel 3 then that would be a good indicator.

0o0

Mr. Acosta stated that if they release parcel 3 and subordination then he will start spending money. He will have his architect within 30 days to start construction drawings. He has a proposal to do the architect engineering and landscaping which is over \$100,000. He will spend the money, he doesn't want to wait. The faster you provide construction plans then the lender will know it's a commitment and they will move faster.

0o0

Mr. Steel stated they can send them a signal with a parcel 3 release but he thinks they have to come back on November 13th with the terms of the subordination because that is the way the City Council wants to go.

0o0

Mayor Pro Tem Scott stated well it's a subordination or a type of financing.

0o0

Mayor Robertson stated apparently they don't seem like they can explore or come up with while they are sitting there.

0o0

TAB 6 – Ayala@210 LLC – Release Parcel 3 for Development

Mayor Pro Tem Scott stated that his thought is to go ahead and release parcel 3 and ask him to come back for either the subordination or negotiation. Or to come back with a different financing package that the City Treasurer and Banner Bank worked out with Mr. Acosta.

0o0

Mayor Robertson stated and to bring it to EDC so they can see what can transpire and what financial arrangements they can come up with. She hears them say release parcel 3 but with caution she is concerned with what would be the timeframe and when will be delivered.

0o0

Mr. Acosta stated that the release of parcel 3 is important because he can't go out there and start looking for tenants and making commitments. He told his tenants that the building would be completed in a year.

0o0

Mayor Robertson stated they will release parcel 3 today.

0o0

Mayor Pro Tem Scott stated but they will come back in November with either terms of the subordination or a financing alternative.

0o0

Mayor Robertson stated for them to give a report at EDC on where they are and then they will have a staff report for the first meeting in November.

0o0

Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr., and carried by a 4-0 vote to approve the early release of parcel 3, report back to EDC in October and to bring it back to City Council on the first meeting in November which will include either terms of the subordination or a financing alternative. Council Member Carrizales abstained.

0o0

Council Member Carrizales returned to the dais at 8:37pm.

0o0

TAB 7 – On-Call Professional Services Agreement – Civil Engineering Services

Robert Eisenbeisz, Public Works Director presented the staff report regarding an On-Call Professional Services Agreement with Lockwood Engineering Company for Civil Engineering Services.

0o0

Oral Communications

Lupe Camacho, resident, expressed concern regarding the amount of monies being committed to contract services.

0o0

TAB 7 – On-Call Professional Services Agreement – Civil Engineering Services

Mayor Pro Tem Scott stated that while he doesn't disagree with Ms. Camacho's comments. They have begun the process of weaning off contract consultants. For them to find an engineer expeditiously may be complex or difficult. Especially in light of the fact they are out looking for a City Administrator, a Finance Director, a Police Chief and other positions. When he looks at the list of projects, he doesn't want to lose momentum on those and he knows Lockwood is engaged in those. His suggestion would be to move forward but have the door open to start looking for an Engineer at an appropriate time. He does appreciate the recommendation of the BAC, because he believes they are right on target to have more in-house employees.

0o0

Council Member Baca Jr. stated that he concurs with Ms. Camacho and the Budget Advisory Committee. He also believes they need to keep these projects moving. There are vacancies in the city and they have to address those vacancies.

0o0

Mayor Robertson stated that it's not just capital projects but other projects as well. They need to stay on track like the community center rehab building, which is CDBG dollars. If they delay the money is put into jeopardy. Some of the projects on the list are committed and as the work tapers off it won't be the expenditures, this is why it's a purchase order.

0o0

Mr. Eisenbeisz stated this why it's not a definite quantity type contract so it has the flexibility. As the city's needs change, the contract is reduced to meet those needs. Both on the plan check side and as they are able to fill staff and reduce the augmentation side. It's not committing the city to any specific amount.

0o0

Mayor Robertson stated that when she looks at the chart for services. Have they committed a contract with the understanding they were going to adopt a new fee schedule or is that what is on the market?

0o0

Mr. Eisenbeisz stated there is some inter-relationship because on the fee schedule because there is component that is part of the cost that is a city side cost. They will be able to work with the timing of coming back to EDC to go through that report and adopt those fees at a later time. He doesn't think it will have an immediate impact on the plan checking.

0o0

Mayor Robertson stated they pulled the fee item and it would have been nice to know the fees that replace here and if they are consistent with what is on the market with the increase of about 5% or 10%. Or was it aligned with the fee schedule they put on hold. Perhaps they can minimize the types of services.

0o0

TAB 7 – On-Call Professional Services Agreement – Civil Engineering Services

Motion by Council Member Baca Jr., second by Council Member Trujillo and carried by a 5-0 vote to Request City Council to approve an On-Call Professional Services Agreement with Lockwood Engineering Company for Civil Engineering Services and Authorize the Issuance of a Purchase Orders in the Amount of \$839,100 for Fiscal Year 2018/2019.

0o0

TAB 8 – Contract Services Agreement - Landscape and Grounds Maintenance Services at City Parks and Facilities in Fiscal Year 2018/2019

Robert Eisenbeisz, Public Works Director presented the staff report regarding the Landscape and Grounds Maintenance Services at City Parks and Facilities in Fiscal Year 2018/2019.

0o0

Oral Communications

Lupe Camacho, Rialto resident, expressed concern on the amount of money being spent on contract services.

0o0

Council Member Trujillo asked about the area at the Metrolink Station where the crate art is located with a little garden.

0o0

Tony Brandyberry, Public Works Superintendent explained that it will be maintained in the next contract. They separated the bids this year. They took street medians, parkways and LMD1 and LMD2. Anything that required traffic control went to one contract. The second contract went to city facilities and parks. Currently it's being maintained by Inland Empire Landscaping because they have the entire contract. Starting November 1st it will be separating the contract. They are requiring that all the work be done, Monday through Thursday. If there is any extra works such as Pepper/Baseline, can be taken care of on Friday.

0o0

Mayor Pro Tem Scott asked if Willowbrook has worked for Rialto before.

0o0

Mr. Brandyberry stated no, they have not. They have done an extensive investigation and checked their references.

0o0

Mayor Pro Tem Scott asked if there has been any analysis of what it will cost to do both of these contracts with in-house employees.

0o0

Mr. Eisenbeisz stated he doesn't think they have.

0o0

Mayor Pro Tem Scott asked if they discussed landscaping with the BAC.

0o0

TAB 8 – Contract Services Agreement - Landscape and Grounds Maintenance Services at City Parks and Facilities in Fiscal Year 2018/2019

Robert Eisenbeisz, Public Works Director stated that they had a general discussion about contractors v. employees.

0o0

Mayor Pro Tem Scott asked why they wouldn't do an analysis. He thinks they need a cost analysis, internal employees v. contractors and report back to City Council. He knows they need to move forward with this because they cannot not take care of landscaping.

0o0

Council Member Baca Jr .stated that he would like to see an analysis. He knows other cities that assign 1-2 employees per park. Rialto parks have a high-volume of use and he doesn't want the parks to start looking bad because they cut corners.

0o0

Motion by Council Member Baca Jr., second by Council Member Trujillo and carried by a 5-0 vote to Award a Contract Services Agreement with Willowbrook Landscape, Inc., a California Corporation, in the Not-to-Exceed Amount of \$238,288 for Landscape and Grounds Maintenance Services at City Parks and Facilities in Fiscal Year 2018/2019.

0o0

TAB 9 – Contract Services Agreement - Landscape Maintenance Services on Street Medians and Parkways in Fiscal Year 2018/2019

Robert Eisenbeisz, Public Works Director presented the staff report regarding Contract Services Agreement - Landscape Maintenance Services on Street Medians and Parkways in Fiscal Year 2018/2019.

0o0

Council Member Trujillo stated that he sees they included trees. They just approved a contract for trees. Is there an overlap.

0o0

Tony Brandyberry, Public Works Superintendent stated the trees mentioned in the contract are the trees in the LMD areas. It's the contractor's responsibility to maintain the canopy of a tree so people have a walkway. If there is anything above that such as a tree limb break then they will call West Coast Arborists.

0o0

Mr. Eisebeisz stated that West Coast Arborist will continue to do the tree trimming that is on a cycle basis.

0o0

Council Member Trujillo why the tree maintenance was not included in with West Coast Arborists.

0o0

**TAB 9 – Contract Services Agreement -
Landscape Maintenance Services on
Street Medians and Parkways in Fiscal
Year 2018/2019**

Mr. Brandyberry stated that it is easier to keep the LMD work with the LMD contract. Therefore while the LMD contractor is there weekly, they are able to see if the trees in the LMD need to be trimmed. West Coast Arborist would come in once a year to tree trimming in a certain area and it's on a six year cycle.

0o0

Council Member Baca Jr. stated that he likes that this contractor is local from San Bernardino County. He sees them on the weekends and holidays. They work days that the city employees will have to get paid overtime for weekends and holidays. Those are things they have to consider.

0o0

Mayor Pro Tem Scott asked about Bloomington Ave. and who did the work out there. When they have someone do a landscaping project like that do they get a warranty period like Caltrans does?

0o0

Mr. Eisenbeisz stated that he will need to check which contractor did the project. Yes, they have an establishment and maintenance period of about 3 months. They don't get the 3 years that Caltrans gets for an interchange.

0o0

Sam Sung, Public Works Dept. stated that it is 90 days for the maintenance period. One year for the irrigation.

0o0

Mayor Pro Tem Scott asked why are they only doing 3 months? There are a lot of weeds growing there. If they drive down that road every day they will see the weeds. They need re-evaluate that and make it a longer period of time. Who is responsible for the weeds now?

0o0

Mr. Sung stated that currently it's Inland Empire Landscaping maintaining it.

0o0

Mr. Eisenbeisz stated that they will be part of this contract and they will get them out there.

0o0

Mayor Robertson stated that she wasn't aware that they were only allowing 90 days. She had seen some of the plants had died and was told they would be replaced. With only 90 days chances are they didn't replace them.

She stated she did know what Inland Empire was getting paid for everything before.

0o0

TAB 9 – Contract Services Agreement - Landscape Maintenance Services on Street Medians and Parkways in Fiscal Year 2018/2019

Tony Brandyberry, Public Works Superintendent stated it was \$869,000 for everything. With the new contract they added additional services.

0o0

Mr. Eisenbeisz stated that the two contracts combined is cheaper than that price.

0o0

Council Member Trujillo asked about the Monday – Thursday work schedule.

0o0

Mr. Brandyberry stated that they are asking that the bulk of the work is done Monday – Thursday but will allow Fridays. Currently Mr. Sam Sung has to work 5-6 days a week for landscaping inspections and they would like to have him only work 4 days. The intent is to get the areas the employees can't get to because they are striping streets and other work.

0o0

Motion by Council Member Baca Jr., second by Council Member Carrizales and carried by a 5-0 vote to award a Contract Services Agreement and Issue a Purchase Order to Inland Empire Landscape, Inc., a California Corporation, in the Not-to-Exceed Amount of \$478,696, for Landscape Maintenance Services on Street Medians and Parkways in Fiscal Year 2018/2019.

0o0

TAB 10 - Professional Service Agreement with Innovative Planning for Temporary Contract Professional Planning Services on a month-to-month basis

Gina Gibson Williams presented the staff report regarding the Professional Service Agreement with Innovative Planning for Temporary Contract Professional Planning Services on a month-to-month basis.

0o0

Oral Communications

Lupe Camacho, Rialto resident, expressed her concerns regarding contract services.

0o0

Mayor Pro Tem Scott asked what is the hourly rate?

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Ms. Williams stated that the hourly rate for Principal Planner is \$160/hr. Other firms were \$175/hr. when they initially contracted out.

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Mayor Pro Tem Scott stated that it seems extremely high and he has a problem with it. He knows that was the highest contractor on their list. When they hire a Planner what kind of rate is that?

0o0

TAB 10 - Professional Service Agreement with Innovative Planning for Temporary Contract Professional Planning Services on a month-to-month basis

Gina Gibson Williams, Development Services stated that the Senior Planner position is \$86,000 for one to start. So it will be significantly less.

0o0

Mayor Pro Tem Scott asked what tis the timeframe to get somebody hired.

0o0

Lucy Garcia, Human Resources Director stated that she estimates 4 months and told Ms. Williams probably no more than six months.

0o0

Mayor Pro Tem Scott asked why does it take so long.

0o0

Ms. Garcia stated it takes about a 1.5 months to adequately put the announcement out and collect a suitable number of candidates for it to move forward. They will go through the interview process and then the selection process and then of course background checks.

0o0

Mayor Pro Tem Scott stated that sometimes they need to find some ways to move some stuff forward faster. That is a lot of time to hire employees. He finds it hard to believe that it would be that difficult to find a Planner. He would like to see what they can do to expedite that.

He is assuming they can terminate the contract at any time if they hire somebody?

0o0

Ms. Williams stated yes. The Agreement is month to month.

0o0

Mayor Pro Tem Scott stated that he is against this item tonight because it's extremely expensive but he will make the motion.

0o0

Motion by Council Member Scott, second by Council Member Baca Jr. and carried by a 5-0 vote to approve a First Amendment to extend the Professional Service Agreement with Innovative Planning for Temporary Contract Professional Planning Services on a month-to-month basis in an amount not to exceed \$86,400 for a total contract amount of \$201,600.

0o0

TAB 11 - Fiscal Year 2018/2019 -2022/2023 Measure I - Five-Year Capital Improvement Plan and Expenditure Strategy

Robert Eisenbeisz, Public Works Director presented the staff report regarding the Fiscal Year 2018/2019 -2022/2023 Measure I - Five-Year Capital Improvement Plan and Expenditure Strategy.

0o0

**TAB 11 - Fiscal Year 2018/2019 -2022/2023
Measure I - Five-Year Capital
Improvement Plan and Expenditure
Strategy**

Lupe Camacho, Rialto resident, clarified that with Measure I, the projects that are submitted yearly, the plan of expenditures. It can be amended but it will be done through the mid-year budget and requested through SBCTA only that one time or they would have to wait until the following year.

0o0

Mr. Eisenbeisz stated that is incorrect, he just spoke to SBCTA staff and confirmed that this plan can be amended anytime by City Council. The local agency has complete control over this plan.

0o0

Ms. Camacho stated correct, you can amend it here but SBCTA can only process it through their mid-year, otherwise it doesn't get put into the record with SBCTA until the mid-year.

0o0

Mr. Eisenbeisz stated the only requirement on the local agency is that it is part of their amended plan and/or current plan. So it has to be amended before expenditure are made on the project. Once they amend locally, they can expend the funds that have been allocated. There is no hindrance to the delivery of the project. Maybe they won't update their list until mid-year but it doesn't affect their ability to deliver the project.

0o0

Mayor Pro Tem Scott asked about the carryover balance of \$4,874,000. How long of a period is that?

0o0

Mr. Eisenbeisz stated that is what was carried over from the previous year. Some are long term projects. All that reflects is what has currently been allocated from Measure I and was already in the previous year's plan.

0o0

Mayor Pro Tem Scott asked how much of that is long term projects versus short term projects that just weren't done.

0o0

Mr. Eisenbeisz stated that the long term projects are the widening projects that take time. A short term project would be like the bike lane project, chip seal, ramps project that the County is leading. There really is no time limit on Measure I Funds.

0o0

Mayor Pro Tem Scott stated that the reason he is asking is because this is the poster child for what he is talking about. He understands the long term projects but there are short term projects that are not getting done. When is this due?

**TAB 11 - Fiscal Year 2018/2019 -2022/2023
Measure I - Five-Year Capital
Improvement Plan and Expenditure
Strategy**

0o0

Mr. Eisenbeisz stated that they need to have this plan submitted this month by recent action of SBCTA Board. He doesn't know if it would have an immediate cash flow complication.

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Mayor Pro Tem Scott asked why they would wait until the very last meeting in September for approval.

0o0

Mr. Eisenbeisz stated that their hope was to have the Capital Plan ready and approved prior so they would be able to reflect all the new allocation and new projects. So they are bringing this forward so they can comply. Again they can bring back an amended plan that reflects what is in the final CIP.

0o0

Mayor Pro Tem Scott asked Interim City Administrator Ansari to verify they can do an amended plan.

0o0

Council Member Baca Jr. stated that he would like to see street projects a high priority so they can keep the roads looking good.

0o0

Mayor Robertson stated that her concern is trying to understand because they are carrying over funds and she was looking at the amount for FY 18/19. How do they know the length they have been carried over? Why aren't they dated?

0o0

Mr. Eisenbeisz stated that they are working on a spreadsheet that will help explain all the projects and what that timeline has been. The form is the SBCTA template. Going forward they can put a fiscal year in the description.

0o0

Mayor Robertson asked about the projects that are with the county.

0o0

Mr. Eisenbeisz stated that they have a Cooperative Agreement with the County. They are the lead on these projects. The City's portion is being through Measure I. they are paying for the improvements occurring in Rialto.

0o0

Mayor Robertson stated that this something that should be discussed on EDC. She is concerned when she sees North Bloomington projects that started in 2017. Moving the projects forward who has the responsibility to keep them on track? These are on the list but not our projects.

**TAB 11 - Fiscal Year 2018/2019 -2022/2023
Measure I - Five-Year Capital
Improvement Plan and Expenditure
Strategy**

0o0

Roberts Eisenbeisz, Public Works Director stated it's because they have allocated funds so the City can pay their share but the County is the one leading the project. They have already started the ramp project and six months to a year later they will do the chip seal. They are behind their original schedule on that.

0o0

Mayor Robertson asked for clarification is it all the projects listed are their other projects they have no control over.

0o0

Interim City Administrator Ansari stated bringing back the CIP for approval, they will go through that exercise of knowing where each project is in terms of when they became a project and the status.

0o0

Mayor Robertson stated and also the total money on the project.

0o0

Mayor Pro Tem Scott asked about the bike lane on south Riverside Avenue. When is that scheduled to be done?

0o0

Mr. Eisenbeisz stated they are at the end of the design phase and almost ready to approve those plans. They will come back with an authorization to go out to bid.

0o0

Mayor Pro Tem Scott asked why would they put bike lanes down there when it needs to be paved down there.

0o0

Mr. Eisenbeisz stated that there will be some paving as part of that.

0o0

Mayor Pro Tem Scott asked, on South Riverside Ave.?

0o0

Mr. Eisenbeisz stated yes, enough for the bike lanes. It may not be entire paving. There is some rehabilitation work that needs to happen with the bike lanes.

0o0

Mayor Pro Tem Scott stated that rehabilitation needs to be done with the entire block.

0o0

Mr. Eisenbeisz stated that he agrees but he can't get the entire grant for the bike lane project to pay for the entire road.

0o0

TAB 11 - Fiscal Year 2018/2019 -2022/2023 Measure I - Five-Year Capital Improvement Plan and Expenditure Strategy

Mayor Pro Tem Scott stated so they are going to spend grant money on a road that needs to be replaced.

0o0

Motion by Council Member Baca Jr., second by Council Member Trujillo and carried by a 5-0 vote to adopt Resolution No. 7407, Adopting the Fiscal Year 2018/2019 -2022/2023 Measure I –Five-Year Capital Improvement Plan and Expenditure Strategy.

0o0

TAB 12 – Amending the Classification Plan and Authorized Positions

TAB 12 was PULLED from the Agenda.

0o0

TAB 13 - Tentative Agreement with the Rialto Mid-Management and Confidential Employee Association

TAB 13 was TABLED.

0o0

TAB 14 - Tentative Agreement with the Rialto City Government Management Association

TAB 14 was TABLED.

0o0

TAB 15 -Tentative Agreement with the Rialto Fire Management Association

TAB 15 was TABLED.

0o0

TAB 16 - Equipment Lease/Purchase Agreement with Banner Bank to Refinance

Robb Steel, Development Services Director presented the staff report regarding Equipment Lease/Purchase Agreement with Banner Bank to Refinance.

0o0

Mayor Pro Tem Scott asked why it cost \$35,000 for Aleshire & Wynder to review this.

City Attorney Galante stated they had explained that on a private placement they charge an amount not to exceed \$35,000. They also explained that in this case it wouldn't come anywhere near that amount. So that number is not accurate. They do need a tax opinion, so they will need to contract for. He believes that is \$5000. He anticipates it wouldn't exceed \$20,000.

0o0

Mayor Pro Tem Scott stated in the staff report it says \$35,000 and financial advisory services \$10,000. He called City Treasurer Carrillo to ask him why it's so expensive. He was told that others can do it for much less.

0o0

TAB 16 - Equipment Lease/Purchase Agreement with Banner Bank to Refinance

City Treasurer Carrillo stated that he was concerned as well after reading the staff report. After speaking to Banner Bank and with their experience working with other municipalities they estimated that the tax opinion that they need wouldn't exceed \$2000. The other portion of bond counsel is \$5000-\$6000. Setting a budget of \$45,000 was a concern for him as well. In addition to that he had a discussion with Wells Fargo in case they needed additional time to look at this. They have agreed to reduce the current interest rate by a quarter percent and he's working on them reducing it another quarter percent.

0o0

Mr. Steel stated that they can set a lower amount on the fees.

0o0

City Attorney Galante stated that he doesn't know enough about how much the tax opinion would cost but \$2000 could be right.

When they were asked for an estimate, they said for a private placement, they do not exceed \$35,000. They also explained that most of the documents are already prepared so it would be significantly less than that.

0o0

Council Member Carrizales asked what would it take to have another company assess that.

0o0

City Treasurer Carrillo stated that there is a meeting with Banner Bank on Thursday to discuss this specific transaction. City Council can consider and approve to proceed with Banner Bank with the exception of seeking other estimates on Bond Counsel and the tax advice they need.

0o0

Council Member Carrizales stated that it was mentioned that Wells Fargo Bank would be more competitive now.

0o0

City Treasurer Carrillo stated that he is working on another quarter percent reduction but it requires for the Treasurer to deposit additional investments with Wells Fargo Advisors in order to do that. He is not sure if that convenient at this time. To buy additional time, as Mr. Steel indicated that this a marginal loan, so it's a moving interest rate and the rate can change from today and again in 30 days, 60 days, and 90 days. That was just in anticipation of buying some additional time.

0o0

Mr. Steel stated that he thinks they should use Aleshire & Wynder for Bond Counsel and maybe set a lower limit on the legal fees. Then set a limit on the external third-party law firm.

0o0

TAB 16 - Equipment Lease/Purchase Agreement with Banner Bank to Refinance

City Attorney Galante stated that he is fine with it because \$35,000 is not an accurate number. He can't say what an accurate number is until they see all the documents.

0o0

Mayor Pro Tem Scott stated that he is not authorizing the \$35,000 and Aleshire & Wynder doesn't even know what they are charging.

0o0

City Attorney Galante stated that they have not reviewed all the documents yet and there may be some filing requirements. If they want to limit the amount, that is fine.

0o0

Mayor Robertson stated City Treasurer managed to get an assessment of what it should cost for the services. From where?

0o0

City Treasurer Carrillo stated that in his conversations with Banner Bank, they gave a rough estimate of what other municipalities had spent for the same thing. Their estimation is that the majority of work has already been done, the cost should not be \$35,000. He thinks the City Attorney is saying the same thing. They estimated that the cost should be around \$5000-\$6000 for review of the documents already prepared. The tax opinion was estimated at \$2000.

0o0

City Attorney Galante stated the he is certain that if that's the right estimate.

0o0

City Treasurer stated so they can say \$10,000 and that is a lot less than \$45,000.

0o0

Mr. Steel stated that he doesn't mind reducing it to \$5000 but they need a Financial Advisor to oversee the work and to provide the fairness opinion at the conclusion of the financing. They do a competitive marker analysis to make sure they got fair pricing. It was quoted the \$10,000 but if there is concern about the cost he will make them live within the \$5000.

0o0

Mayor Robertson stated that is three component that equal to \$15,000.

0o0

TAB 16 - Equipment Lease/Purchase Agreement with Banner Bank to Refinance

Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr. and carried by a 5-0 vote to adopt Resolution No. 7412 approving an Equipment Lease/Purchase Agreement with Banner Bank to Refinance the original principal \$3,612,710 Wells Fargo Advisors Margin Loan, Authorizing the Execution and Delivery of Financing Documents, and the Exercise of all other Actions necessary to Consummate the Transactions contemplated by the Resolution. The three components of bond counsel, tax opinion and financial advisor for an amount not to exceed \$15,000.

0o0

**RETURN TO TAB 12
Oral Communications**

Lupe Camacho, Rialto resident, stated the Resolution is to reclassify individuals. The BAC's question was how these individuals got evaluated. Was it based on a class & comp evaluation.

0o0

Lucy Garcia, Human Resources Director stated that three of the positions are new. One is a change in job duties.

0o0

Ms. Camacho stated since the TAB is being brought back, she is ok to defer for now.

0o0

**RETURN TO TAB 13, 14, 15
Oral Communications**

Robin Austin, Rialto resident, with the understanding that they recommended hiring more personnel. She understands that the lump sum salaries are the compensation of operating without contracts for three years. She has some issues when comes to moving forward. TAB 14 and TAB 15 has an 8% increase for year 18/19. Where in the world does someone get an 8% increase for one year? Considering the repeated reminders of the median income of Rialto and how their people are not at the top. And how at one point to compensate for most salaries there was a very generous benefit package given to people. She is wondering if what was mentioned to them in the BAC meetings is under consideration as they negotiate these contracts. She sees changes for new people coming on board that are positive. She has concerns of some of the things she sees.

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Joe Raden, resident, expressed concerns regarding salary increases. He read the recommendations from PMAM, city consultant.

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TAB 17 - proposed freeway sign on property owned by Thrifty Oil Company

John Dutrey, Development Services Dept. presented the staff report regarding a proposed freeway sign on property owned by Thrifty Oil Company.

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Mayor Pro Tem Scott stated looking at the map he doesn't see the location of the sign.

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TAB 17 - proposed freeway sign on property owned by Thrifty Oil Company

John Dutrey, Development Services Dept. stated on the corner of Valley and Riverside, Thrifty Oil own a gas station and there is a separate parcel next to it.

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Mayor Pro Tem Scott stated that he understands that but where on the parcel will it be located. His concern is that they already permitted a Lamar sign there. Depending on where you put this sign, it will block the Lamar sign.

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Mr. Dutrey stated Thrifty did a line of sight. They placed a flag and drove the freeway to determine the blockage of the signage. It can be viewed from the freeway with no blockage.

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Mayor Pro Tem Scott asked if they gave Lamar the opportunity to be out there?

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Mr. Dutrey stated no Lamar wasn't a part of it.

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Mayor Pro Tem Scott stated that he doesn't intend to vote for this tonight, because Lamar has had that sign up there and they need to show some consideration and show there is no impact to their sign.

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Robb Steel, Development Services Director stated that they added a condition that it couldn't block the existing signage along the freeway. They can bring it back and formalize that.

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Mayor Robertson stated that she has some concerns about they do need to indicate where on the parcel are they proposing to place the sign. There is constant discussion of improvements to the Riverside Ave. interchange. Also if they look they will see that the flood channel runs under the freeway. He knows there is going to be some proposal on improvements to the flood channel. It will limit the ability to have the sign as close to freeway as possible just because it may eventually impact it. Not to mention the sight distance for the existing sign. She agrees that out of courtesy hat Lamar and Thrifty oil work in coordination.

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Mayor Pro Tem Scott asked if this went to EDC.

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Mr. Dutrey stated yes in 2017.

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TAB 17 - proposed freeway sign on property owned by Thrifty Oil Company

TAB 17 was tabled.

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TAB 18 – Purchase of one Aerial Fire Truck

Fire Chief Sean Grayson presented the staff report regarding the purchase of one Aerial Fire Truck.

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Mayor Robertson left the dais at 10:26 p.m.

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Council Member Carrizales stated he heard refurbishing but they are buying?

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Fire Chief Grayson stated that they cannot refurbish the current truck they will be buying.

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Council Member Carrizales asked what this the purpose of the aerial truck?

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Fire Chief Grayson stated that it has multiple purposes and will have the same functions as the fire engines and has 4 times the storage capacity. This have a ladder that will reach taller buildings for example but not high rises.

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Council Member Baca Jr. thanked the Fire Chief for bringing this forward, it's a great investment for the City of Rialto.

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Motion by Council Member Baca Jr., second by Council member Trujillo and carried by a 4-0 vote to adopt Budget Resolution No. 7414 and issue a Purchase Order to South Coast Fire Equipment Inc. in the amount \$1,449,779.87 for the purchase of one Aerial Fire Truck. Mayor Robertson was absent.

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TAB 19 - Operating Repair and Replacement Funds for Eligible Maintenance Tasks

Tom Crowley, Utilities Manager presented the staff report regarding the Operating Repair and Replacement Funds for Eligible Maintenance Tasks.

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Mayor Robertson returned to the dais at 10:35 p.m.

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TAB 19 - Operating Repair and Replacement Funds for Eligible Maintenance Tasks

Motion by Mayor Pro Tem Scott, second by Council Member Carrizales and carried by a 5-0 vote to approve the Operating Repair and Replacement Funds for Eligible Maintenance Tasks As Listed for Fiscal Year 2018/2019 in the Amounts of \$488,863 for Water and \$908,497 for Wastewater.

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TAB 20 – Citywide Roof Repair Project

Robert Eisenbeisz, Public Works Director presented the staff report regarding citywide roof repairs project.

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Dennis Barton, Rialto resident, commended staff for moving forward and maintaining the buildings, in particular the historical church that is an icon in Rialto.

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Mayor Robertson asked if there was any contingencies in this project?

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Mr. Eisenbeisz stated with roofs and buildings they don't know what they will run into when they start to tear them apart, so they do have some ability to approve that based on the City initiating that.

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Mayor Robertson stated that the Engineer's estimate is \$585,000 to \$685,000 and the contractor even came in below the estimate. Then there is such a spread between the 3 bidders.

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Mr. Eisenbeisz stated they have some experience with this contractor. They accomplished some recent roofing projects. There isn't any reason to believe that they would be looking for that type of an issue. They need to have an ability to address anything that may arise during construction. Especially building issues like that. There is a lot of fluctuations of these kinds of bids and they already have familiarity since they won a previous bid and done successful work and more local.

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Motion by Council Member Baca Jr., second by Council Member Carrizales and carried by a 5-0 vote to 1) Award a Construction Contract to All Seasons Insulation Inc. in the Amount of \$455,970 for the Citywide Roof Repairs Project, City Project No. 180202; 2) Authorize the Issuance of a Purchase Order with Wallace & Associates in the amount of \$29,910 for Construction Management and Inspection Services for the Project; and 3) Authorize Approval of Additional Costs Not-to-Exceed \$45,500.

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TAB 21 - Budgeting 2 additional Police Officers immediately using General Fund Reserves

Robb Steel, ACA/Development Services Director presented the staff report regarding the Budgeting 2 additional Police Officers immediately using General Fund Reserves.

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Oral Communications

Joe Raden, resident, expressed concerns regarding the shortage of police officers.

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Mayor Pro Tem Scott stated he still doesn't think his question about CFD's has been answered. Where the money has gone and how much was supposed to go to police and fire.

They had established CFD's to cover services. Every time they brought a CFD forward they talked about police and fire services. Yet he doesn't see any of that money going towards police and fire. It's clear to him that they don't have enough police officers in the City. They are doing nothing to add any on. Yet, they continue to build houses and continue to have CFD's. He doesn't see those dollars impacting anything. He is not sure where they go. Maybe they are filling up the reserve.

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Mr. Steel stated that they go to the General Fund and then it gets allocated.

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Mayor Pro Tem Scott stated the bottom line is that they are not doing what they are supposed to be doing. He appreciates what they are doing and appreciates bringing this forward and wanting to immediately authorize 2 additional officers. He is bothered that they are asking the City Council to direct the 2 member of the budget sub-committee to come up with funding sources. This what the staff is paid to do, to come up with funding sources and bringing it to the Budget subcommittee so they can make a recommendation to City Council.

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Mr. Steel apologized for the language but the intent was exactly what Mayor Pro Tem Scott stated.

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Mayor Pro Tem Scott stated that they have to add some officers on and determine how to fund it and move forward. If they can't get to 125 officers then they have to stop building houses in the City or start charging on CFDs enough money to accomplish how much each project is supposed to bring on additional officers. Every time they had a presentation on housing projects they talk about how many officers they would need but never add them on. For Renaissance the number was 4-6 officers. They clearly have an issue with the south end of the city in the new Walmart project. They can't continue to build and think they can make do with the number of officers they currently have.

TAB 21 - Budgeting 2 additional Police Officers immediately using General Fund Reserves

Mayor Pro Tem Scott stated that they are building a new fire station and they are keeping up with that. But they are not keeping up with the Police Dept. He is to the point where he is not going to keep voting on dollars for projects when they keep ignoring doing something about the police department. It also includes the facilities they are in, it's horrific. This has gone on for 20 years. He is for moving forward with this item and for staff to identify funding sources but they need to get the police department up to where it needs to be.

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Council Member Trujillo stated he hears from residents and business owners that there are not enough officers patrolling. He is hoping they can address these issues.

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Council Member Baca Jr. stated that he appreciates Mr. Raden and giving his valid thoughts. When people are looking for a place to live, the bottom line is safety. He is for adding these 2 additional officers.

Clearly there are a lot of young families in the community that spend time in the parks and shopping in the community and they want them to feel they have a level of comfort. At the same time they want the businesses to feel safe. Lytle is going to come back with a project and add a lot of roof tops to the community. They will also need to add the county pockets. It will be an additional burden expense but they need to make it a priority to find the money.

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Council Member Carrizales stated that he agrees with everything that has been said and thanked Mr. Raden for stating his concerns. They are focusing a lot on all the new developments and getting a lot of new residents from surrounding cities. It's nice to see they are coming in and spending their dollars in Rialto. He wants to make sure they feel safe, and cars not being vandalized. He looks forward to seeing more officers in the streets.

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Mayor Robertson stated that they had a meeting last week with one of the property owners for the Rialto Marketplace. Of course the conversation is ongoing. She doesn't think any of them realizes they are behind in the numbers. She didn't understand and sees they looked at the CFDs and Districts but how do they factor in the commercial side because they are paying fees as well.

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Mr. Steel stated that they pay one time development impact fees for capital projects to mitigate growth impact. There is no ongoing revenue stream. Cities typically use to pay for growth is sales tax, utility tax, property tax from the growth of new development. That model has been broken in recent years.

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TAB 21 - Budgeting 2 additional Police Officers immediately using General Fund Reserves

Mayor Robertson stated that is part she would really like to understand, the model has been broken. She feels when they make the investments, they have this one-time fee and that one-time fee was supposed to add to. But they also bring the positive and also bring the fact that there needs to be greater visibility and greater services available to their commercial areas. This is what they have been hearing from their new developments. She wanted to understand the percentage of breakdown on the expense side.

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Mr. Steel stated that is from the 2018 Budget. So general government is the consolidation of Finance, City Clerk/Management Services, Administration, and City Council. It includes the smaller services but add up to something. The three majors are Public Works, Fire and Police. They should be mirroring what the budget allocations are for the General Fund. Public Safety is at 67% which is typical for most cities 65%-70%.

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Mayor Robertson stated that there is more they need to do to figure out a formula to factor in.

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Motion by Council Member Carrizales, second by Mayor Pro Tem Scott and carried by a 5-0 vote to Add Police Officers, budgeting 2 additional Police Officers immediately using General Fund Reserves and directing staff to work with the Council Budget Subcommittee to identify funding sources for 2 additional officers (for a total of 4) within the next 60 days.

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TAB 22 - E CAM SECURE for Security Camera Services at 1479 N. Linden Avenue

Staff report was not presented.

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Motion by Mayor Pro Tem Scott, second by Council Member Trujillo and carried by a 5-0 vote to Request City Council to Approve an Increase to Purchase Order 2016-1495 with E CAM SECURE by \$12,858 for total of \$98,133 for Security Camera Services at 1479 N. Linden Avenue.

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TAB 23 - Construction Contract for Rialto Community Center ADA Path of Travel City Project No. 150305

Robert Eisenbeisz, Public Works Director presented the staff report regarding the Construction Contract for Rialto Community Center ADA Path of Travel City Project No. 150305.

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Mayor Robertson stated that it was stated they had sufficient funding but she didn't see a breakdown of where the funds are coming from.

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Council Member Baca Jr. stated CDBG funds.

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**TAB 23 - Construction Contract for
Rialto Community Center ADA Path of
Travel City Project No. 150305**

Robert Eisenbeisz, Public Works Director apologized and they should have had a table of the breakdown on the staff report. If they recall they swapped out some of the General funds with CDBG funds to do the field lights. But there is still remaining general fund from prior allocations in reserves from a prior year that is included with the CDBG funds. It's actually combined with the overall rehabilitation.

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Oral Communications

Lupe Camacho, Rialto resident, stated that she sees Wallace as project management but then she seen this project listed awarded to Lockwood for project management. If they see the history of the project, it's been fully managed and conducted by consultants. There is no city representation. These are the projects that end up having a lot of problems.

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Council Member Baca Jr. stated that he met with staff on this project and its and important project and the clock is ticking on the CDBG funds they have to spend. The path of travel is important because that is one of the most active community facilities with a lot of families there. They will soon start the phases of building 200, 300, 400, 500 and had the opportunity to see the design of building 200. It will be a great investment for their kids. Priory of staff was to lay all the foundation and get all the ADA done so as they go to the next phases it's done.

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Motion by Council Member Baca Jr., second by Council Member Carrizales and carried by a 5-0 vote to 1) Award a Construction Contract in the amount of \$281,925 to ABNY General Engineering, Inc. for the Construction of Rialto Community Center ADA Path of Travel City Project No. 150305; and 2) Authorize a Purchase Order with Wallace Consulting, Inc. in the amount of \$22,230.00 for Construction Management, Inspection and Testing Services for the Project.

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Council Member Carrizales left the dais at 11:24 p.m.

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**TAB 24 - Authorize Funding for
Deployment of Additional Patrol Officers
on Overtime to the Renaissance and
Rialto Marketplace Plazas**

Interim Police Chief Mark Kling presented the staff report regarding Authorize Funding for Deployment of Additional Patrol Officers on Overtime to the Renaissance and Rialto Marketplace Plazas.

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Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr. and carried by a 4-0 to Authorize Funding for Deployment of Additional Patrol Officers on Overtime to the Renaissance and Rialto Marketplace Plazas and Adopt Budget Resolution No. 7416 Appropriating Funds in the Amount of \$181,865. Council Member Carrizales Abstained.

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Council Member Carrizales returned to dais at 11:30 p.m.

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TAB 25 – Rahban CPA & Consulting to Provide Accounting Services in the Finance Department for Fiscal Year 2018/19

Robb Steel, ACA/Development Services Dept. presented the staff report regarding CPA & Consulting to Provide Accounting Services in the Finance Department for Fiscal Year 2018/19.

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Motion by Mayor Pro Tem Scott, second by Council Member Trujillo and carried by a 5-0 vote to Authorize Issuance of Purchase Order with Rahban CPA & Consulting in the amount of \$50,000 to Provide Accounting Services in the Finance Department for Fiscal Year 2018/19.

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TAB 26 (E.7) - Authorize the Purchase of Police Vehicle Modifications and Equipment from 10-8 Retrofit, Inc.

Interim Police Chief Mark Kling presented the staff report regarding Purchase of Police Vehicle Modifications and Equipment from 10-8 Retrofit, Inc.

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Motion by Council Member Baca Jr., second by Mayor Pro Tem Scott and carried by a 5-0 vote to Authorize the Purchase of Police Vehicle Modifications and Equipment from 10-8 Retrofit, Inc. in the Amount of \$164,834.62.

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ADJOURNMENT AND CONTINUATION

Motion by Mayor Pro Tem Scott, second by Council Member Baca Jr. to adjourn and continue the Closed Session of the Regular City Council Meeting of September 25th to Wednesday, September 26th at 6:00 p.m.

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REPORTS

Mayor and City Council gave their reports.

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Motion by Council Member Baca Jr., second by Council Member Trujillo and carried by a 5-0 vote to adjourn the City Council Meeting at 11:35 p.m. in Memory of:

Don Courtney

Husband of Sandy Courtney

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MAYOR DEBORAH ROBERTSON

ATTEST:

CITY CLERK BARBARA A. McGEE