



Tuesday, June 26, 2012

A Regular Meeting of the City Council and Successor Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Mayor Archuleta called the meeting to order at 6:02 p.m. on behalf of the City Council/Successor Agency.

PRESENT: Armenta, Camacho, Salcido, Tercero, Archuleta

ABSENT: None

COMMISSIONERS PRESENT:

Linda Martinez, Sister City Commission

Carlos Cruz, Parks & Recreation Commission

INVOCATION: Councilmember David Armenta

PLEDGE OF Zachary Johnson, Eagle Scout

SPECIAL PRESENTATIONS:

- Certificate of Recognition for Eagle Scout Zachary Johnson
- Presentation on Launch of Economic Development Web Page – Business Assistance Services by Community and Economic Development Director Martinez

PUBLIC HEARING(S):

1. **Public Hearing – Zoning Code Amendment No. 167 – Amending Title 18, Chapter 18.54, Non-Conforming Uses.** (1300)

Mayor Archuleta opened the public hearing and noted that there was no written communications or public comment cards to provide public testimony.

Mayor Archuleta closed the public hearing.

Motion by Councilmember Armenta, seconded by Mayor Pro Tem Camacho to continue the item to a date uncertain. Motion carries by the following roll call vote:

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

CONSENT CALENDAR:

2. Minutes:

- Approved City Council and Successor Agency meeting of June 12, 2012
- Received and filed Parks and Recreation Commission meeting of May 10, 2012
- Received and filed Planning Commission meeting of June 4, 2012

3. Approved 21st Warrant Register of the 2011-2012 Fiscal Year. (700)

Check Numbers: 252154-252392

Special Checks Numbers: None

4. Investment Policy for 2012-2013. (700)

1. Adopted the City's Investment Policy for 2012-2013.

5. Purchase of Technological Equipment for the REACH After School Program. (700)

1. Approved purchase of 187 new iPads (3rd Generation) and 8 Multidock storage units from PC Mall Gov for use in the REACH after school program.

6. City Hall Emergency Backup Generator Project, CIP No. 21243 – Award Professional Services Agreement for Engineering Services. (500)

1. Awarded a Professional Services Agreement for a not-to-exceed amount of \$42,659 to Dahl, Taylor & Associates to provide engineering services for the City Hall Emergency Backup Generator Project, CIP No. 21243, and authorized the Mayor to execute the agreement in a form approved by the City Attorney.

Agreement No. 12-1317

7. Approval of City Blanket Purchase Orders above \$25,000 for Fiscal Year 2012-2013. (700)

1. Authorized the City Manager to issue Blanket Purchase Orders above \$25,000 for Fiscal Year 2012-2013.

Motion by Councilmember Salcido, seconded by Councilmember Armenta to approve Consent Calendar items 2 through 7. Motion carries by the following roll call vote:

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

CONSENT CALENDAR ITEMS PULLED: None.

CITY COUNCIL LEGISLATION:

8. Amendment to the Contract between the City of Pico Rivera and the California Public Employees' Retirement System for New Hires – Tier II. (500)

Motion by Councilmember Armenta, seconded by Councilmember Salcido to: 1) Adopt Urgency Ordinance No. 1072 authorizing an Amendment to the Contract between the City Council of the City of Pico Rivera and the Board of Administration of the California Public Employees' Retirement System; and 2) Approve the Certification of Final Action of Governing Body (Form PERS-CON-5). Motion carries by the following roll call vote:

Urgency Ordinance No. 1072 AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF PICO RIVERA AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

1st PERIOD OF PUBLIC COMMENTS – AGENDA ITEMS ONLY:

Kia Tehrany, Director of Operations, Fiesta Taxi:

- Addressed the City Council to speak about the quality of service their company provides to the community, quality of the drivers and the quality of equipment.

Julio Alvarado, Owner/Operator Fiesta Taxi:

- Addressed the City Council regarding driver contract and quality of services.

Marco Soto, Fiesta Taxi:

- Addressed the City Council regarding the services their company provides to 19 other municipalities, their swipe card system and wheel chair vans.

Mayor Pro Tem Camacho inquired as to who the members of the transportation committee consisted of with City Manager Bates stating the Finance Director, Administrative Analyst Chavez, and the former City of Montebello transit manager of the Montebello Bus Lines. Mr. Camacho reiterated that the reason to bring in members from other communities to be part of the evaluation committee is to get a fair and objective result.

In regard to staff's recommendation, Mr. Bates stated that if Express Transit is selected the recommendation would allow the city a month to verify that Express Transit would have the swipe card system in place and would be able to meet all the licensing requirements. If Express Transit is not able to meet the requirements, staff's recommendation is to then negotiate with Fiesta Taxi Service for the contract. Mr. Chavez added that the swipe card system is a \$5,000 investment for the software/hardware and a maintenance cost for the cards. Mr. Bates stated that there is no added cost to the city for the implementation of this system.

Diego Ruiz and Aline Franco:

- Addressed the City Council to speak in favor of Fiesta Taxi services and a pending litigation.

Roel Mazariegos, Fiesta Tax:

- Addressed the City Council representing the shareholders and to speak of the companies service and taxi system.

Scott Transue, Southland Transit Inc.:

- Addressed the City Council to speak about further clarification in regard to Demand Response and Fixed Route Services as stated in the RFP and the award of the contract.

Victor Caballero, Express Transit Service:

- Addressed the City Council to speak about the services that Express Transit provides and about the Dial-A-Taxi service cost provided to the City of South Gate by Fiesta Taxi Services.

Gilbert Espino, resident of the City of Montebello:

- Addressed the City Council to speak in favor of the services that Express Transit provides to the community of Montebello.

Councilmember Tercero stated that he and Mayor Pro Tem Camacho were on the Transportation Committee. He stated he is concerned about some of the issues that were presented today and that one of his concerns with Express Transit is that one of the terms of the condition of their agreement with the City of Montebello has not been met. Mr. Tercero stated that he considers this to be a major problem and that Express Transit should be disqualified for not complying with the terms of the agreement.

Councilmember Armenta stated that he has many concerns with Express Transit Service. He stated his own dissatisfaction with their service based on his own personal experience and that based on his own personal experience with Fiesta Taxi that they are his preference for providing taxi services to the city.

Mayor Pro Tem Camacho stated that he shares the same concerns as his colleagues pertaining to the swipe card system and based on his investigation is satisfied with staff's response that the swipe card would not impede on the services provided by Express Transit. His recommendation is based on the fact that Express Transit is the most responsible lowest bidder and that the City of Montebello has expressed their satisfaction with the vendor.

In regard to comments made by previous speaker Marco Soto pertaining to Old Timers Foundation, Councilmember Salcido asked what affiliation Fiesta Taxi has with this organization. City Manager Bates stated that in the City of South Gate, the two organizations partnered; Old Timers Foundation provided the fixed route and Fiesta Taxi provided the taxi system.

Marco Soto of Fiesta Taxi stated that Old Timers Foundation provided transportation services to the City of South Gate before Fiesta came on board. He stated that Fiesta Taxi co-bid a transportation service in the City of South Gate. Old Timers, he stated, did the fixed route service and Fiesta provided the taxi services and that they were two separate contracts.

Councilmember Salcido stated that when he reviewed the minutes of the Transportation Committee meetings it seem clear that the swipe card issue was significant to staff. He stated if that is such an issue why the city would award a contract to a firm that does not have the basic capabilities that the city is looking for. It appears from the Transportation Committee minutes, he stated, that there was a push to get a consensus that gives the recommendation before Council tonight. Mr. Salcido stated that his preference would be to recommend Fiesta Taxi Service as they seem to have more of the services that the city is looking for.

Councilmember Tercero concurred with Councilmember Salcido's comments and stated that staff did their due diligence and based on the facts presented before them recommended Express Transit as they were the most responsible lowest bidder and were given satisfactory reports from the cities that they serve. He also stated that because not all the requirements of the contract were met between Express Transit and the City of Montebello he supports awarding the contract to Fiesta Taxi.

Mayor Pro Tem Camacho stated that both companies could provide the service but based on the facts that he has been presented, he prefers to stay with staff's recommendation for Express Transit Services which is a \$28,000 cost difference.

Councilmember Salcido made reference to a statement in the Transportation Committee meeting minutes by City Manager Bates to which Mayor Pro Tem Camacho asked the City Manager to elaborate on. City Manager Bates asked Administrative Analyst Chavez to respond. Mr. Chavez stated that he spoke to Mr. Robert Porteo of Montebello Bus Lines who confirmed that in the agreement the swipe card system was to be in place and had not been in place for various reasons as of to date.

Mayor Archuleta stated his concern is that the Ad Hoc Committee did not get enough information to which Councilmember Salcido disagreed.

9. Selection of Contractors for Operation and Maintenance of City Demand Response (Dial-A-Ride) Transit System. (500)

City Manager Bates stated that the City Council has a request from STI Services stating that they did not understand the bid that was sent out. Based on the letter Council has been provided with from STI, it is clear that STI understood that this was in essence a package. Mr. Bates stated that he reviewed the RFP and that the RFP clearly states that the contractor shall provide separate costs as described below which outlines the Dial-A-Van Service and the Fixed Route Service. Because of financial limitations, he stated,

staff was forced to break the contract down and start with the initial Demand Response System (Dial-A-Van) and taxi service. Staff is holding off for six months, he stated, with the fixed route system in order to determine if there would be sufficient funds to start the fixed route system in the beginning of the next calendar year. He stated that STI could not hold the bid because they were bidding it from the perspective that they would have both services immediately. Based on that, staff's recommendation he stated is that Council not take action tonight and allow all four vendors to update their bids so that staff will have another competitive process in order to award the contract for the Dial-A-Van service. The recommendation, he stated, is coming from both the Transportation Committee and from staff based on the fact that Southland Transit was the lowest most responsive bidder. He stated that there is a typographical error on Attachment "A" pertaining to Empire Transit, their bid recorded as \$313,355 should have been recorded as \$345,330. Mr. Bates recommended that the City continue services with Southland Transit and allow staff to have all four of the bidders update their number for the Dial-A-Van service, meet back with the Transportation Committee, and then make a recommendation to City Council.

The second issue, City Manager Bates stated, is the Taxi Service. Staff bid the taxi service out with two taxi companies responding, Express Transit and Fiesta Taxi. A committee was formed that interviewed the two candidates and presented the information to the Transportation Committee. Based on the lowest most responsive bidder, Express Transit Service was recommended with a total cost per trip at \$11.28. With regard to Express Transit, staff did their due diligence by checking with a member of the committee who is from Montebello and involved in the transportation service, and with the City of Lynwood who both expressed that Express Transit provided satisfactory service. He stated based on the satisfactory reports and Express Transit being the lowest most responsive bidder, staff recommended Express Transit.

Mayor Pro Tem Camacho asked if any of the other vendors that submitted bids had the same unclear issue as Southland Transit with City Manager Bates stating that this issue was new to him as of today. Administrative Analyst Chavez added that no other vendor responded with this issue and stated that he had a conversation with Mr. Transue of Southland Transit letting him know that this item would be brought to City Council and that there would be an adjustment to this service for the fixed route.

Councilmember Armenta stated that there has been a problem with this particular contract from the beginning in regard to misunderstanding and interpretation.

Mayor Archuleta stated that he is in favor of sending the bid back out to rebid.

Motion by Mayor Archuleta, seconded by Councilmember Armenta to hold the professional services agreement for the City Dial-A-Van services and refer back to staff to rebid. Motion carries by the following roll call vote:

AYES: Armenta, Salcido, Tercero, Archuleta

NOES: Camacho

Motion by Councilmember Salcido, seconded by Councilmember Armenta to approve the City Dial-A-Cab services with Fiesta Taxi Services. Motion carries by the following roll call vote:

Agreement No. 12-1318

AYES: Armenta, Salcido, Tercero, Archuleta

NOES: Camacho

10. Fiscal Year 2012-2013 Budget Adoption.

(700)

City Manager Bates stated that staff has worked with employees, employee unions, sports organizations, charitable organizations, and that it has been a joint effort with the community to present a budget that moves the city towards fiscal stability bringing yearly expenditures into balance with yearly revenues.

Director of Finance provided a brief presentation on the Fiscal Year 2012-2013 Budget summarizing revenues, expenditures, general fund resources, and general fund uses. He stated that the budget began with a \$3.9 million dollar deficit before the reductions were made and that this was a joint effort by everyone. He stated reductions were made in all departments, staff worked with the Sheriff's Department to reduce the cost while retaining a high level of service to the community, and staff will be working to procure surveillance cameras and mobile data computers. An early retirement incentive program, he stated, was implemented to reduce total payroll without the layoff of full-time staff. He continued stating that the employees stepped up to the plate to help balance the budget by all full-time employees offering a 5% pay reduction through reduced benefits; the directors are foregoing their auto allowance which is a 7% reduction in pay; and the Council members are foregoing their auto allowance and the cell phone reimbursements giving the largest percentage reduction. The community groups, he stated, have agreed to some fee increases.

City Manager Bates added that this is a balanced budget and that it is being balanced by using \$965,000 of reserves that leaves about 18% for reserves of the 25% that is the guideline set out by the City Council. He stated that the reserves are dropping a little but the city is still sound in terms of the reserve category which will give the city the last year that staff recommends to get the budget back to where structural revenues and expenditures meet.

Council members discussed the following budgetary topics: loss of five part-time maintenance workers at the golf course; loss of part-time positions and impact on maintenance of parks and street medians; reduction of funding to Chamber of Commerce; options to save two part-time hourly maintenance positions such as the elimination of funding to Chamber of Commerce, Hearts of Compassion, Catholic Charities, and youth sports teams; health insurance costs; \$6.5 million dollar sales tax; revenue as it pertains to licenses and permits; increases to Parks & Recreation programs in child supervision programs and contract classes; filling full-time Finance positions; and law enforcement budget reductions.

Motion by Councilmember Salcido, seconded by Councilmember Armenta to eliminate the funding to the Chamber of Commerce, Hearts of Compassion, Catholic Charities and youth sports team travel costs and reallocate the funds to save two hourly maintenance worker positions. Motion failed.

AYES: Salcido, Tercero

NOES: Armenta, Camacho, Archuleta

Council members further discussed the impact of eliminating the funding to the Chamber of Commerce, Hearts of Compassion, Catholic Charities, and the youth sports teams and dipping further into the reserves for an additional \$75,000.

Motion by Councilmember Tercero, seconded by Councilmember Salcido to: 1) Approve the Fiscal Year 2012-2013 Budget presented and as amended by reallocating \$75,000 in general fund funding provided to Chamber of Commerce, Hearts of Compassion, Catholic Charities and youth team travel costs to save two hourly maintenance positions; and 2) Approve Resolution No. 6691 approving and adopting the annual appropriations limit for the Fiscal Year 2012-2013. Motion carries by the following roll call vote:

Resolution No. 6691 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2012-2013

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

SUCCESSOR AGENCY ACTIVITIES:

11. Recognized Obligation Payment Schedule. (700)

Motion by Councilmember Armenta, seconded by Mayor Pro Tem Camacho to adopt Resolution No. SA-12-02 of the Successor Agency to the Pico Rivera Redevelopment Agency approving the preliminary Recognized Obligation Payment Schedule (ROPS) for the period January 1, 2013 through June 20, 2013. Motion carries by the following roll call vote:

Resolution No. SA-12-02 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA SITTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PICO RIVERA, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34173, ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY THROUGH JUNE 2013

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

NEW BUSINESS:

Councilmember Armenta stated that the City Councils stipend is \$825/month.

Councilmember Tercero provided direction to staff for next year's budget to plan for an increase in payments to the bond that was purchased from Measure P by \$500,000/year and make that part of the permanent budget moving forward after this year.

In response to Mayor Pro Tem Camacho's request for an update on the new trash hauler transition, Administrative Analyst Chavez stated that NASA will start service

affective July 2, 2012 and that the new trash containers have been delivered to all residents and businesses.

OLD BUSINESS:

Councilmember Salcido and Mayor Pro Tem Camacho commended Parks & Recreation staff for their great level of service in providing instruction and training for swimming lessons and in the Tiny Tots Program.

Mayor Pro Tem Camacho mentioned the El Rancho High School District's annual scholarship awards which provided over \$350,000 in scholarships that included donations from Wells Fargo, Target and the Jackie & Gilbert Cisneros Foundation. It was also noted that Patricia & Gregory Salcido contributed to the scholarship awards donations.

Mayor Archuleta and Mayor Pro Tem Archuleta congratulated the Go-Getters on their win against the city employees at their annual softball game on Friday, June 22, 2012.

2ND PERIOD OF PUBLIC COMMENTS – ALL OTHER CITY-RELATED BUSINESS:

Barbara Diaz:

- Addressed the City Council regarding saving the canopy of trees at Smith Park and read a poem that she wrote.

April Saucedo-Hood:

- Addressed the City Council regarding Community Development Block Grant social service funding and spoke in favor of supporting and not reducing funding for Meals on Wheels, SASSFA and Women & Children's Crisis.

ADJOURNMENT:

Mayor Archuleta adjourned the City Council meeting at 9:00 p.m. There being no objection it was so ordered.

AYES: Armenta, Camacho, Salcido, Tercero, Archuleta

NOES: None

Bob J. Archuleta, Mayor

ATTEST:

Anna M. Jerome, Assistant City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the City Council and Successor Agency Regular meeting dated June 26, 2012 and approved by the City Council on July 10, 2012.

Anna M. Jerome, Assistant City Clerk