SPECIAL ONTARIO CITY COUNCIL/ ONTARIO HOUSING AUTHORITY/ SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY MINUTES June 15, 2016

JOINT MEETINGS

Special meetings of the Ontario City Council/Ontario Housing Authority/Successor Agency to the Ontario Redevelopment Agency were held on Wednesday, June 15, 2016, in the Community Conference Rooms at the Ontario City Hall, 303 East B Street, Ontario, California.

CALL TO ORDER – OPEN SESSION

The Mayor called the Ontario City Council/Ontario Housing Authority/Successor Agency to the Ontario Redevelopment Agency meetings to order at 5:34 p.m., and requested the City Clerk call the roll.

PRESENT:	Mayor/Chairman	Paul S. Leon
	Mayor pro Tem/Vice Chairman	Debra Dorst-Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman, and Paul Vincent Avila
ABSENT:	None	

Also present were City Manager/Executive Director Al C. Boling, and City Clerk/Secretary Sheila Mautz.

The Pledge of Allegiance was led by Mayor pro Tem Dorst-Porada.

PUBLIC HEARING

1. **A PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING TITLE 2, CHAPTER 6, ENTITLED PURCHASING SYSTEM, OF THE ONTARIO MUNICIPAL CODE AND IMPLEMENTING THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT PURSUANT TO SECTION 22000, ET SEQ. OF THE PUBLIC CONTRACT CODE; AND AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO ESTABLISH AND MAINTAIN A PURCHASING POLICIES AND PROCEDURES MANUAL**

City Council introduced and waived further reading of an ordinance:

(1) Amending Title 2 of the Ontario Municipal Code, rescinding Ordinance Nos. 2632, 2698, 2737 and 2764, and establishing the rules and regulations of the City's current Purchasing System;

(2) Implementing the California Uniform Public Construction Cost Accounting Act; and

(3) Authorizing the City Manager or his designee to establish and maintain a citywide Purchasing Policies and Procedures Manual.

ORDINANCE NO. 3054 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ELECTING TO BECOME SUBJECT TO THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT, REPEALING CHAPTER 6 OF TITLE 2 OF THE ONTARIO MUNICIPAL CODE, AND ADOPTING A NEW CHAPTER 6 OF TITLE 2 OF THE ONTARIO MUNICIPAL CODE CONCERNING THE PURCHASE OF GOODS, SERVICES AND PUBLIC PROJECTS.

City Council conducted a public hearing, introduced and waived further reading of an ordinance electing to become subject to the Uniform Public Construction Cost Accounting Act, repealing Chapter 6 of Title 2 of the Ontario Municipal Code, and adopting a new Chapter 6 of Title 2 of the Ontario Municipal Code concerning the purchase of goods, services and public projects.

Notice of public hearing was given and affidavits of compliance are on file in the Records Management Department.

There were no written communications.

Mayor Leon opened public hearing.

Stephen Rogers, commented regarding his understanding of streamlining the process for procurement. He questioned if a project is considered a public works project, whether prevailing wages are paid to the contractors. He voiced his concerns regarding authority being given to staff without much information being provided and expressed concerns about how things have been handled in the past.

Mayor Leon closed the public hearing.

MOTION: Moved by Council Member Bowman, seconded by Council Member Wapner and carried by unanimous vote to introduce and waive further reading of Ordinance No. 3054.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

2. REVIEW AND ADOPTION OF THE CITY'S FISCAL YEAR 2016-17 BUDGET AND APPROVAL OF BUDGET-RELATED ACTIONS

City Council and Housing Authority Board:

(A) Adopted resolutions establishing the appropriations limit of the City of Ontario for Fiscal Year 2016-17 and approved the operating budgets of the City of Ontario and Ontario Housing Authority for Fiscal Year 2016-17;

(B) Approved the annual budget of the Redevelopment Successor Agency for Fiscal Year 2016-17; and

(C) Approved the annual budget of the Ontario Convention Center for Fiscal Year 2016-17.

RESOLUTION NO. 2016-044 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE CITY OF ONTARIO FOR FISCAL YEAR 2016-17.

RESOLUTION NO. 2016-045 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING THE OPERATING BUDGET OF SAID CITY FOR THE FISCAL YEAR 2016-17.

RESOLUTION NO. OHA-087 A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A BUDGET FOR SAID AUTHORITY FOR THE FISCAL YEAR 2016-17.

Mayor Leon asked if there were any specific departments that City Council would like to speak to.

Mayor pro Tem Dorst-Porada had no specific department requests.

Council Member Wapner requested the following departments: Utilities, Equipment Services, Traffic Engineering, Library, Arena and Convention Center, Finance, Police, and Code Enforcement.

Council Member Bowman had no specific department requests.

Council Member Avila stated he had prepared questions for the meeting however his dog ate them.

City Manager Boling presented the Proposed Operating Budget for the City of Ontario and the Ontario Housing Authority and highlighted the following; the total Proposed Budget for next year of approximately $469 million; the long term fiscal challenges the City continues to contend with, such as: significant increases in CalPERS, rising medical costs and associated unfunded liabilities for retiree medical benefits, and the need to grow air passenger traffic at the Ontario Airport; funding recommendations such as Focus Resources in the City's Commercial and Residential Neighborhoods; Maintaining a High Level of Public Safety; Investing in the City's Infrastructure; and designation of $125,000 toward a new community college scholarship program to assist Ontario's youth.

City Council asked to first speak with Police Chief Kaylor.

Council Member Wapner commented on the increase in crime and reassured Chief Kaylor that public safety is the City Council's top priority.

Police Chief Kaylor stated that legislation like AB109 early release and Proposition 47 decriminalizing of narcotic offenses, have caused a substantial increase in violent

crimes. He has requested an increase of staff for the MET team and the Bicycle Patrol team which have been effective during critical times.

Council Member Wapner noted additional funding has been allocated to allow for additional positions.

Mayor Leon asked about perceived presence and deterrents that can be used in high crime areas. He commented on the need for permanent speed bumps, traffic signs, etc., to remind drivers about their speed. He asked if the visibility of a police vehicle with its lights on, or trailers with signs limiting speed would deter the criminals from committing a crime.

Chief Kaylor commented regarding his concerns with desensitizing the public and mentioned that a greater impact can be made with temporary trailer signs.

Council Member Wapner noted that concerns about public safety have a correlation to economic development. He requested a consensus from the City Council that any surplus funds identified during future budget actions be committed to public safety.

Council Member Bowman and Mayor pro Tem Dorst-Porada agreed with Council Member Wapner's request to allocate surpluses to public safety.

Council Member Avila asked if the Ontario Police Department had been monitoring the individuals released from prison.

Chief Kaylor confirmed, noting that with the approval of AB109, the County assigned a full time probation officer to the City to monitor the behavior of criminal offenders released. He added that the City has a dedicated employee who works directly with the County employee in evaluating the individuals that are released. He also described the method used to track criminal offenders once they are released from custody.

Mayor Leon noted that there was no opposition to funding public safety to the fullest extent.

Mayor pro Tem Dorst-Porada commented regarding the Governor's proposition for the early release of individuals that have committed crimes and expressed hopes that police organizations like PORAC (Peace Officers Research Association of California) will be in opposition of the bills proposed by the Governor.

Chief Kaylor thanked the City Council for their continuing support.

Mayor pro Tem Dorst-Porada asked about the increase in the cost for helicopter patrol.

Chief Kaylor stated that their services have remained the same, but in the past they were able to provide the services by using funding in other areas of the budget to fund the use of the helicopter patrol.

Mayor Leon noted positive comments made by the community regarding the Bicycle Patrol Officers in the City.

Council Member Wapner noted a potential source of federal funding from COPS (Community Oriented Policing Services) by the U.S. Department of Justice. He asked the City to participate and apply for a federal grant to gain additional funds for the City's Police Department.

City Manager Boling stated that the City qualifies for one of four categories and will be applying for the federal grant. He also added that an outside grant writing consultant will prepare the grant for submittal.

Council next asked to speak with Utilities General Manager Burton and staff.

Council Member Wapner noted that water pumps are the largest consumer of electricity in the City. He asked if there have been efforts to find alternative energy solutions for powering the water pumps.

Utilities General Manager Burton, stated that current available energy solutions are very expensive.

Council Member Wapner asked about the use of natural gas.

Utilities General Manager Burton, stated that in order to use natural gas, there would have to be available gas from the street. He mentioned their partnership with Edison on the tariffs and commented on the efficiencies of the tariffs.

Council Member Wapner asked if the pumps are running during off-peak hours.

Utilities General Manager Burton stated that there are multiple pumps that run off-peak hours.

Mayor pro Tem Dorst-Porada stated that she would appreciate the research of gas systems and comparative costs. She also asked about recycled water for Euclid Avenue and Riverside Drive.

Utilities General Manager Burton, stated that the project will be divided into multiple phases.

Council Member Wapner commented regarding SANBAG (San Bernardino Association of Governments) and WRCOG (West Riverside Council of Governments) doing a study of electric power. He asked if the City had dedicated staff attending the meetings. He noted the two agencies agreed to do a study on the cost effectiveness of aggregating costs to purchase electricity.

Council Member Wapner commented on the cost of materials and parts for repair, in particular the lack of change in the cost from year to year.

Municipal Services Director Johnson, commented that fuel and oil is under a separate account and vehicles have been routinely replaced.

Council Member Wapner made a motion to remove the City Prosecutor position from the proposed budget and asked that any surplus from the budget be transferred to the Police Department for the funding of additional Police Officers.

Mayor pro Tem Dorst-Porada asked if an identification number can be place on each street light post.

Council Member Wapner asked Code Enforcement Director Gluck if code enforcement staff are enforcing during the weekends.

City Manager Boling stated that code enforcement staffing has been on duty almost every weekend this year.

Mayor Leon commented regarding the visible change in street vendor sales during the weekends and encouraged the public to contact the Police Department if there are vendor's illegally selling merchandise on the street.

Council Member Wapner commented regarding the maintenance budget remaining the same for the past year.

Council requested to speak with Development Director Kroutil and staff.

Engineering Traffic/Transportation Manager Danna stated that the cost of maintenance for signals and lights varies however, it remains fairly consistent. He stated that if equipment is damaged or gets knocked down, there will be a significant fluctuation. He stated that street lights have a five-year life cycle and are maintained by Siemens Company.

Council Member Wapner asked for the status of the replacement of street lights to LED lights and requested LED lights at all parks.

Mayor Leon commented regarding the replacement of street lights with LED lights and stressed the visible difference it makes and the cost savings benefits it brings.

Mayor pro Tem Dorst-Porada questioned the differences in cost savings from the use of sodium based lights to LED lights and reiterated the request for numbering the street light posts. She also asked who manages and monitors Siemens Company.

Mr. Danna stated that the City has a dedicated staff signal technician that follows Siemens Company, to monitor their contract services.

Mayor Leon commented regarding the importance of street lights and the association it has with crime. He asked if there was a plan in place to add more lights and look for alternative funding solutions or partnerships.

Council Member Wapner requested the status of the street rehabilitation project for Convention Center Way between Holt Boulevard and Kline Street and asked about the increase in cost.

Development Director Kroutil stated that the increase in cost is due to the freeway on-ramp. He said due to the heavy traffic, heavy duty materials are needed and the rubberized concrete will allow flexibility.

Assistant City Engineer Kassih commented that he will be using a rubberized mix concrete as an approach to the intersection to eliminate rutting.

Council Member Bowman commented that the damage to the asphalt is because of the hot weather and the trucks stopping.

Mr. Kassih confirmed that damage to the streets is caused by trucks stopping and hot weather.

Council Member Wapner asked about the status of Eighth Street and asked if there have been any partnerships or coordination efforts with City of Rancho Cucamonga.

Development Director Kroutil stated that the City of Rancho Cucamonga is not interested, so only Ontario's half will be rehabilitated.

Council Member Wapner inquired about why the Development Department's Budget decreased $3.5 Million and asked why the developers are asking the City to pay for the new infrastructure.

Administrative Services/Finance Director Yee, stated that the City will be reimbursed for the full amount, but in order to take advantage of the funding the City had to advance the money. He added the City will receive about an eight percent return on its investment.

Mayor Leon stepped out of the meeting at 7:11 p.m. and returned at 7:13 p.m.

Council asked to speak with Community and Public Services Department and Staff.

Council Member Wapner commented about the location of e-books funding in the budget and requested to transfer the dollars to another cost center.

City Manager Boling stated that the budget for the Library may appear to have differences in the breakdown of the funding because of the combining of funding for the Branch Library with the Main Library.

Mayor pro Tem Dorst-Porada commented regarding the increase in salary for the Graffiti Removal Program and asked if the City still uses a contractor.

Community and Public Services Director Chase stated the City has a portion of funding for a supervisor overseeing the Graffiti Removal Program.

City Manager Boling commented about GPC, the Contractor for removal of graffiti and added that they are doing a good job of removing the graffiti in a timely manner.

Mayor pro Tem Dorst-Porada commented on the Reindeer Run and the lack of work from the other agencies and requested the City retain some of the profit made and use it for scholarships or programs.

City Manager Boling stated that 100 percent of our cost is recovered and 20 percent of the net proceeds are retained and put toward scholarship programs.

Mayor pro Tem Dorst-Porada inquired about restoring the Anthony Munoz Park pool and hiring qualified lifeguards.

City Manager Boling stated that it is a high-use pool, and staff is looking for alternatives such as the YMCA to provide the programs.

Council next requested to speak with Michael Krouse, CEO of Ontario Convention Center and Visitors Bureau.

Council Member Wapner commented about the request for $150,000 to re-slurry the Arena parking lot and the request to purchase hockey equipment. He asked if hockey equipment should be provided by the tenant.

Krouse, CEO of Ontario Convention Center and Visitors Bureau stated that the request for additional funding is for deep cleaning the cosmetics such as painting of the rooms and remodeling of the Celebrity Room.

City Manager Boling stated that the initial amount was requested by the former operator and it was requested to keep the budget as it is, to allow the new operator time to review and assess the needs for the Arena. He added that changes may then be made during the quarterly budget amendment allowing time for the operator to review all associated costs.

Council Member Wapner commented regarding the increases in the cost of part-time employees at the Convention Center.

Mr. Krouse stated he would like to increase staff instead of using contract labor because traditionally, employees will be invested in the Convention Center and will overall be better for customers.

Council Member Wapner requested clarification about the 50 percent increase in the computer support budget.

Mr. Krouse commented regarding the CRM System a web-based program which controls the space availability among other things, and will be used for the Ontario Convention Center and the Citizens Business Bank Arena. He added that the cost is initially high during the first year due to the purchase of the system; however, the cost for the following years will be reduced to just licensing and annual fees.

Council Member Wapner commented on the prediction of revenues being on the low end and the decrease in telecommunication revenue.

Mr. Krouse stated that wi-fi is something they plan on providing as an incentive for the customers, he noted that wi-fi would cost a fee, however would have to be built into the operating expense. He detailed the importance of providing wi-fi and hardwire internet and added that the initial cost would have to be absorbed.

Council Member Wapner questioned the replacement of the chairs, utensils and supplies in the budget as a capital expense.

Mr. Krouse stated that they are in the process of replacing all the old inventory and stated that the cost for replacement of supplies is not traditionally considered a part of the operating cost when purchased in bulk.

Mayor pro Tem Dorst-Porada stated that the purchase of new supplies is prevention of future liability.

City Manager Boling stated that the classification of the funds as capital or operating expense will be dependent on the threshold amount purchased.

Council Member Wapner commented regarding the proposed development of a café.

Mr. Krouse stated the current café is in dire need of replacement. He added that he envisions a high traffic café fit for a multipurpose use and mentioned its similarity to Starbucks. He explained the café may also be used as a special event room and plans to have a three-year return on investment.

Council Member Wapner asked about the amount of revenue and asked if he has looked into other options for a café.

Mr. Krouse stated that he has looked at other options such as a Starbucks; however, it wasn't feasible.

Mayor Leon expressed support for Krouse's proposal for the development of a café.

Mayor pro Tem Dorst-Porada commented regarding the proposed scholarship program which offers high school graduates in the community two years free community college tuition.

City Manager Boling commented on the potential collaboration with other agencies that are planning on providing scholarships to students such as the Promise Scholars Program. He also mentioned legislation that will be introduced by Assemblyman Rodriguez that could pay for community college tuition.

Council Member Wapner asked if the City is subsidizing the fees to use credit cards to pay for water bills and asked staff to look into other cities and their practices.

Administrative Services Director Yee, stated that she believed the City is not charging any fees at this time.

Mayor pro Tem Dorst-Porada stated that it is costing too much money.

Administrative Services Director Yee stated that the cost of processing the fees will require additional expenses by the City.

Council Member Wapner would like staff to look into the fees and other options we may have.

City Manager Boling stated that approximately 30 percent of the residents are delinquent in their payments and are currently struggling to pay, so adding an additional amount will just cause them to struggle more.

MOTION: Moved by Mayor pro Tem Dorst-Porada seconded by Council Member Bowman and carried by unanimous vote to adopt Resolution No. 2016-044 establishing the appropriations limit of the City of Ontario for Fiscal Year 2016-17 approving the operating budgets of the City of Ontario and Ontario Housing Authority for Fiscal Year 2016-17 with the amendment to remove the City Prosecutor from the budget; Resolution No. 2016-045 approving the annual budget of the Redevelopment Successor Agency for Fiscal Year 2016-17; and Resolution No. OHA-087 approving the annual budget of the Ontario Convention Center for Fiscal Year 2016-17.

3. A RESOLUTION APPROVING THE 2017-2021 FIVE-YEAR CAPITAL IMPROVEMENT EXPENDITURE PLAN AND EXPENDITURE STRATEGY

City Council adopted a resolution approving the 2017-2021 Measure I Five-Year Capital Improvement Expenditure Plan and Expenditure Strategy.

RESOLUTION NO. 2016-046 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING THE FY 2017-2021 MEASURE I FIVE-YEAR CAPITAL IMPROVEMENT EXPENDITURE PLAN, AND EXPENDITURE STRATEGY.

Stephen Rogers commented regarding the streets shown to have improvements made in the New Model Colony. He questioned how the cost of improvements were delineated between the City and the developers and asked how Measure I is used. He noted problems with the use of Measure I in other cities based on his audits.

MOTION: Moved by Mayor pro Tem Dorst-Porada, seconded by Council Member Bowman and carried by unanimous vote to adopt Resolution No. 2016-046 approving the 2017-2021 Measure I Five-Year Capital Improvement Expenditure Plan and Expenditure Strategy.

STAFF MATTERS

City Manager Boling thanked the City Council for providing clear direction for staff to implement the budget and programmed projects.

COUNCIL MATTERS

None.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 8:03 p.m. He announced the next regular meetings on Tuesday, June 21, 2016.

Respectfully submitted,

VICKI KASAD, MMC, ASSISTANT CITY CLERK/SECRETARY

APPROVED:

PAUL S. LEON, MAYOR/CHAIRMAN