



MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

June 24, 2014

6:30 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org
Please silence all cell phones

Call to Order

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

Roll Call

PRESENT: Council Members Krupa, Wright, Youssef and Mayor Smith

ABSENT: Mayor Pro Tem Milne

Council Member Youssef moved and Council Member Wright seconded a motion to excuse Mayor Pro Tem Milne. Motion carried 4-0.

Closed Session

Notice of Opportunity for Public Comment

Morgan Newlin, Public Works Inspector, I have worked for the City for almost decade and my job is on the list of proposed layoffs. Last week I asked the City Council to delay the decisions until the City engages into the collective bargaining process with all of the facts. My position is funded primarily by Measure A Gas Tax, various grants and funds by developers and other agencies who seek inspections and plan checks. The City Council wants Hemet to be more attractive to builders and companies. The price for this service will double if contract inspectors are hired. I am not just a classification in a budget line I have worked hard for you over the last 10 years and take pride in the work I do. The City's recommended reserves will still be above the minimum that you set. Postponing this decision will not spell out financial disaster for the City. Mr. Newlin asked the City Council to consider the impact that this decision will have on the City, the employees and his family.

Tim Burke, SEIU, requested for the third time that the City Council respect the collective bargaining process and reject the proposal to layoff current City employees. The budget can be amended at any time. Mr. Burke recommended that the City Council wait until the 2014 CAFR has been prepared to determine the true financial situation of the City. However four of them are hard-working dedicated employees. These effected employees have been here for the budget discussions. These are real hard-working families that will be impacted by your decision. It is recommended that the City Council delay the decision to layoff active employees and allow the collectively bargaining process to move forward.

Mayor Pro Tem Milne arrived at 6:33 p.m.

The City Council recessed to Closed Session at 6:34 p.m.

1. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: *City Manager Hill*
Employee organization:
Service Employees International Union (SEIU) General Employees
Hemet Fire Fighters Association
Hemet Mid-Managers Association

REGULAR SESSION

7:00 p.m.
City of Hemet City Council Chambers
450 E. Latham Avenue

Call to Order

Mayor Smith called the meeting to order at 7:05 p.m.

Roll Call

PRESENT: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne and Mayor Smith

ABSENT: None

OTHERS PRESENT: City Manager Hill, City Attorney Vail and City Clerk McComas

Invocation

Invocation was given by Jan DeSpain, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Mayor Pro Tem Milne

City Attorney Closed Session Report

2. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: *City Manager Hill*
Employee organization:
Service Employees International Union (SEIU) General Employees
Hemet Fire Fighters Association
Hemet Mid-Managers Association

The City Council received briefing from the City's Chief Negotiator. There was no additional reportable action.

City Council Business Consent Calendar

3. **Recommendation by Council Member Krupa** – Library Board Appointment
 - a. Appoint JoAnn Kuehl to Seat 1 on the Library Board in order to fill an unscheduled vacancy. The term will expire June 30, 2016.
4. **Recommendation by Mayor Pro Tem Milne** – Library Board Re-Appointment
 - a. Re-Appoint Noah Seaton to Seat 2 in order to fill a term expiration. The three year term will expire June 30, 2017.
5. **Receive and File** – Investment Portfolio as of April 2014
6. **Receive and File** – Warrant Registers
 - a. Warrant registers dated June 3, 2014 in the amount of \$3,967,368.17 and June 12, 2014 in the amount of \$1,228,672.86. Payroll for the period of May 26, 2014 to June 8, 2014 was \$579,235.08.
7. **Recommendation by Community Development** - Ramona Creek Specific Plan No. 12-001 (Regent Properties)
 - a. Adopt an ordinance establishing the Ramona Creek Specific Plan on 208.9± acres located on the northwest corner of West Florida Avenue and Myers Street (APN 448-090-003) as the official zoning and development plan for the property.
Ordinance No. 1889
8. **Recommendation by Human Resources** – Memorandum of Understanding with the Hemet Non-Sworn Police Employees Association (HNSPEA)
 - a. Authorize the City’s negotiation team to execute the Memorandum of Understanding (MOU) between the City and the Hemet Non-Sworn Police Employees Association (HNSPEA), which shall be effective upon adoption by the City Council through October 31, 2015.
9. **Recommendation by Community Investment** – Modification of Terms for a Disposition, Development and Loan Agreement and Related Documents for the Greystone Apartments Project
 - a. Adopt a resolution authorizing the City Manager to prepare and execute all documents necessary to revise the Disposition, Loan and Development Agreement and related documents for the Greystone Apartments Phases 1 and 2, to reflect a change in loan repayment terms and a modification to the residential unit sizes. **Resolution No. 4579**
10. **Recommendation by City Manager** – Amend the City’s Classification Manual to Add Two New Position Classifications
 - a. Amend the Classification Manual to add the new classification of Facilities Manager and Senior Building Inspector.

11. **Recommendation by Human Resources** - Confidential Employee Resolution
 - a. Adopt the Confidential Employee Resolution which has been amended to include the classification of Human Resources Technician. **Resolution No. 4580**

Mayor Pro Tem Milne moved and Council Member Krupa seconded a motion to approve the Consent Calendar as presented. Motion carried 5-0.

Council Member Krupa, introduced newly appointed Library Board Member, JoAnn Kuehl.

Approval of Minutes

12. May 27, 2014

Council Member Youssef moved and Council Member Wright seconded a motion to approve the Minutes as presented. Motion carried 5-0.

Public Hearing

13. **Ordinance Repealing and Restating Chapter 62 of the Hemet Municipal Code pertaining to Solid Waste Management** – Public Works Director Jensen
 - a. Conduct a public hearing; and
 - b. Introduce, read by title only and waive further reading of an ordinance repealing and restating Chapter 62 of the Hemet Municipal Code [Solid Waste Management]. **Ordinance Bill No. 14-038**

Kristen Jensen, Public Works Director, gave the City Council a powerpoint presentation regarding the proposed Ordinance to repeal and restate Chapter 62 of the Hemet Municipal Code. Chapter 62 [Solid Waste Management] established the solid waste management regulations to protect the public health, welfare and safety within the City by: providing definitions related to solid waste handling; requiring all persons in charge of property to arrange for appropriate solid waste handling services; authorizing City to issue franchises and establishing minimum requirements for agreements; providing self-hauling options for single family residential; defining prohibited acts; and providing authority and parameters for enforcement of the Chapter. The proposed Ordinance: reorganizes and condenses the Articles; clarifies self-haul eligibility criteria and container requirements for single family residential properties; updates the language to coincide with the Franchise Agreement as amended; updates any language required under new law; and more clearly defines “public nuisance” as related to solid waste. The proposed amendment to Section 62.24.B. allows the processing of delinquencies to be placed on the tax roll. Ms. Jensen explained the process that CR&R and the City would follow. CR&R would submit a report the City in May of all delinquencies for the previous calendar year. The City will schedule hearings for protests and objections. The report will be confirmed via City Council resolution and filed with Riverside County for placement of special assessments. Collection will occur through the property tax billing. The City conducted the necessary public notice for a Proposition 218 protest hearing. All effected parcel owners were notified. As of the close of business today, the City received 101 valid written protests and one letter in support. 16,969 valid protests would be required to reach the 50% threshold to exclude Section 62-24.B from the HMC. Staff recommends that the City Council conduct the public hearing and protest hearing, then introduce Ordinance Bill No. 14-038.

Eric Vail, City Manager, this ordinance just restructures Chapter 62 of the HMC. Except for codifying and incorporating the delinquency process that is used state wide.

The City Council and staff discussed the process. It was noted that CR&R cannot stop refuse service. Prior to the Franchise Agreement with CR&R the refuse accounts were tied to water accounts. In the event the refuse account was delinquent water was turned off. The City had the ability at that time to place the delinquent accounts on the tax roll, however, they were usually paid to restore water service. Currently there are 714 parcels with delinquent accounts.

Mr. Vail, the City entered into the agreement with CR&R 2.5 years ago. CR&R asked us to include it at that time. At that time, we wanted them to use a civil debt collection processes and would consider something else if that didn't work. That has turned out to be a burden on the City's Code Enforcement resources.

Mayor Smith declared the Public Hearing opened at 7:30 p.m.

Su Sallee, Hemet, expressed concern over CR&R being a for profit company based out of Stanton. The money is not even coming back to this community. Ms. Sallee spoke in opposition to the Ordinance.

Wiggs Mendoza, Hemet, I understand the restatement on this ordinance, the owners should be responsible. Mr. Mendoza expressed concern with the word "delinquent". CR&R bills quarterly and in advance. Residents that have made payment arrangements are still considered "delinquent" by CR&R until paid in full. Mr. Mendoza expressed concern for the senior residents on fixed incomes.

John Seps, San Jacinto, presented 29 additional protest letters. Mr. Seps spoke in opposition to the ordinance. The landlords should not have to pay the bills for their tenants. Mr. Seps read his protest letter.

Lori VanArsdale, Hemet, spoke in opposition to the letter. Ms. VanArsdale expressed concern with the billing cycle. CR&R bills every three months in advance. Residents are considered delinquent after the 35th day of the 3-month billing cycle for services that have not been rendered. Ms. VanArsdale agrees with encouraging tenants to pay, but disagrees with forcing the landlord to pay.

Eric Koettnitz, Hemet, told the City Council about a situation that he had with CR&R. A neighbor placed their trash cans in front of his vacant rental and CR&R began service. Mr. Koettnitz sent letters to CR&R and to the City of Hemet and has not received a response. Mr. Koettnitz suggested that CR&R charge a deposit similar to the City's water deposit.

Virginia VanderMel, Hemet, spoke in opposition to the ordinance. Ms. VanderMel does not feel that landlords should be responsible to their tenants bills it sets a really bad precedence. CR&R should do their own collection. Ms. VanderMel expressed concern that the practice might not be legal.

Mayor Smith declared the Public Hearing closed at 7:47 p.m.

Mr. Vail, the City has the right to use the delinquency billing pursuant to Sections 38790.1 and 25831 of the Government Code. It is a simple process that eventually gets attached to the property tax bill as a separate charge and becomes the responsibility of the landlord. For health and safety reasons the State will not allow the refuse service to be stopped even if the account is delinquent. Without the delinquency provision this could never be resolved. Many landlords pay for refuse service to make sure it gets paid. The City of Hemet has expressed statutory right to do this.

The City Council discussed the ordinance. It was recommended that landlords increase the rent to cover the cost of the refuse and pay it themselves. One of the components of Hemet

ROCS is holding landlords accountable for their nuisance tenants. \$57,000 in delinquent fees is serious. Trash is a health hazard.

Council Member Wright, expressed concern for landlords being held responsible for someone else's debt but understands the undue burden this is placing on the City. Council Member Wright suggested that the adoption of this ordinance be delayed to allow time for the property owner to take this into consideration when they rent and make refuse owner paid.

Mayor Pro Tem Milne, most surrounding jurisdictions handle their delinquent refuse account in the same manner.

Mayor Pro Tem Milne moved and Council Member Youssef seconded a motion to approve this item as presented. Motion carried 5-0.

The Ordinance was read by title only.

14. **Weed Abatement** – Chief Bryan

- a. Conduct a public hearing to hear protests and objections to the proposed removal of weeds, rubbish and refuse per Resolution No. 4575 adopted by the City Council on June 10, 2014.

Chief Bryan, requested that the City Council conduct a public hearing to hear protests or objections per Resolution No. 4575. The City has surveyed and noticed 237 parcels for removal of weeds, rubbish and refuse. Some of the parcels might have already been abated by the property owners.

The City Council and staff discussed the process. The City Council expressed concern that the same contractor identifies and abates the parcel. Chief Bryan explained the process including the notification requirements.

Wally Hill, City Manager, noted that it is appropriate to separate the two roles in the future.

Mayor Smith declared the Public Hearing opened at 8:12 p.m.

There were no public comments presented at this time.

Mayor Smith declared the Public Hearing closed at 8:12 p.m.

15. **Repeal Ordinance No. 1832 and Termination of Restated and Amended Development Agreement No. 10-001** – City Attorney Vail

- a. Conduct a public hearing; and
- b. Introduce, read by title only and waive further ready on an ordinance repealing Ordinance No. 1832 and terminating Restated and Amended Development Agreement No. 10-001 [Stetson Crossing Development] between the City of Hemet and Stetson Crossing Partners, L.L.C. **Ordinance Bill No. 14-034**

Council Member Youssef, recused himself due to the close proximity to his primary residence.

Eric Vail, City Attorney, this ordinance will repeal Ordinance No. 1832 and terminate Development Agreement No. 10-001. Mr. Vail explained in detail the history regarding the Development Agreement and the Purchase and Sale Agreement. The Development Agreement requires the City to give a \$1 million dollar credit to the Developer for offsite improvements if the project developed. Staff is recommending the termination of the Development Agreement. The improvements that have been made to the property were accepted by the City and Riverside County Flood Control and paid by the former Redevelopment Agency. This property is unencumbered.

Mayor Smith declared the Public Hearing opened at 8:21 p.m.

Tab Johnson, Santa Ana, asked that the City Council consider continuing this item for 60 days. Rich Development owns half of the project across the street and are actively trying to market that property. Rich Development is interested in this property and has been talking with staff about our plans. Krikorian Theaters is still interested in this site. We would like to continue the project with the Development Agreement that is in place as the substitute developer.

Jeff Kristoff, Krikorian Theaters, we are still committed to this site. We have been working with Stetson Crossing Development for a long time and now working with Rich Development. Krikorian Theaters would still like to develop what we offered a couple of years ago and would like to see this project come to fruition. The project in Menifee will not affect this project. There is a market for both of these facilities.

Mr. Johnson, Rich Development has been in contact with and actively trying to be involved in the Stetson Crossing project for well over a year. We are requesting the opportunity to follow through with the project and not start the process over again.

Mayor Smith declared the Public Hearing closed at 8:28 p.m.

Mr. Vail, the recommendation before you tonight is to repeal the ordinance and terminate the current Development Agreement. The Purchase and Sale Agreement has already expired. There is another item on the agenda to discuss the sale of city owned property. Your action tonight is just to introduce this ordinance. The adoption of the ordinance can be pushed out, however I would suggest that it not be farther than 60 days.

The City Council and staff discussed the property and the current Development Agreement requirements.

Mayor Smith, recommended that the adoption be agendized for July 22nd giving staff and Rich Development an opportunity to meet.

Mayor Smith moved and Council Member Wright seconded a motion to introduce, read by title only and waive further reading of Ordinance Bill No. 14-034 and agendize the adoption of the ordinance on July 22, 2014. Motion carried 4-0.

The Ordinance was read by title only.

The City Council briefly recessed at 8:36 p.m.

Reconvened at 8:45 p.m.

Discussion/Action Item

16. **Ad Hoc Committee Recommendation to fund Community Events in the amount of \$25,000 for fiscal year 2014-2015** – Community Investment Director Jansons

- a. Approve the recommendation of the City Council Ad-Hoc Committee to fund Community Events in the amount of \$25,000 for fiscal year 2014-2015

John Jansons, Community Investment Director, this item was continued from June 16, 2014. The City Council Ad-Hoc Committee of Council Members Krupa and Wright presented their recommendations to the City Council but the item was deferred.

Council Member Krupa, as usual there were more requests than money. Council Member Wright and I were able to narrow it down. Some of the events bring people from outside the Valley into the Valley. Council Member Krupa explained the Ad-Hoc Committee recommendations.

The City Council discussed the applications and the process. The City Council discussed the need to show a return on the City's investment.

Mayor Smith moved and Mayor Pro Tem Milne seconded a motion to suspend this item and gave direction to staff to distribute the applications to the entire City Council. Motion carried 5-0.

Andy Anderson, Hemet-San Jacinto Chamber of Commerce, the last Harvestfest was the largest in its tenure. We have discussed expanding the event, it has proven to be a revenue generator for the City.

The City Council discussed the limited funding for special events. Events that have been successful year after year, are well attended and are a benefit to the City were considered.

17. **Fiscal Year 2014/15 Annual Budget** – City Manager Hill
 - a. Discussion of the proposed Fiscal Year 2014/15 budget; and
 - b. Adopt a resolution adopting the budget and approving appropriations for the fiscal year commenting July 1, 2014 and ending June 30, 2015.

Resolution No. 4581

Wally Hill, City Manager, presented the City Council with the updated proposed budget for City Council consideration. The proposed budget includes the elimination of funding for the Federal and State lobbyists. As well as, allowing the CHP contract to expire in August. It also reinstates funding of \$175,000 per year for Valley Wide to operate the Simpson Center. Funding to demolish the Potato Shed has been eliminated. The proposed budget also includes the abolishment of the recommended positions.

The City Council again discussed the lobbyists. It was recommended that the City consider maintaining the Federal lobbyist. It was also recommended that if funding is restored for a Federal lobbyist a different firm be considered. Mayor Smith met with David Turch & Assoc. and was very impressed with them and their alignment with RCTC. It was recommended that a City Council legislative agenda be prepared. The City Council Members discussed the services provided by David Turch & Assoc during the term of their contract.

The City Council agreed to eliminate funding for the State Lobbyist.

The City Council agreed to continue funding for the Federal Lobbyist.

Mayor Smith, recommended that staff look into contract for Library Services. Mayor Smith also requested a schedule from City Manager Hill regarding the proposed "Blue Ribbon Committee".

Paul Raver, Hemet, recommended that the City Council utilize their staff. Your officials in DC can help you get there. Your elected representatives will help you open doors. Instead of paying for a lobbyist you should put that money in the CM's budget to do the lobbying for you. It pains me that you would back out of the League of California Cities activities. You are proposing to change the start of emergency calls to meet CalFire's response time indicators. Mr. Raver feels that is not appropriate. Also, by adopting this budget, you are eliminating Fire Prevention. You should consider making one of the floater's a full time Fire Inspector and hire a certified Fire Prevention Officer.

Tim Burke, SEIU, requested that the City Council respect the collective bargaining process and reject the recommendation to layoff currently employees. The budget is a living document you can modify as the money increases and decreases. The four effected employees are hardworking SEIU members with families. These families may be faced with loss of their homes which will negatively impact our City. These employees have provided quality services that add to this City. As well as generate revenue.

Morgan Newlin, PW Inspector, I have worked for the City for almost a decade. I asked the City Council last week to delay this decision. My position is funded through Measure A Gas Tax, Building Permits, grant funding and Developers. This action will increase the cost for development in Hemet.

Lori VanArsdale, Hemet, previously the City had legislative assistance in DC. Those appointments are important, but it is equally important for you to be there. Ms. VanArsdale also sees value in the Mayor's Conference.

Council Member Krupa, asked if by passing the proposed budget is the City Council interfering or causing harm to the meet and confer process.

Mr. Hill, no, the Negotiating Team has done its due diligence and is currently in negotiations with the effected bargaining units.

Mr. Vail, concurred, the City does have the opportunity to look for alternatives. However, the City Council cannot make that decision in this budget. The City has to move forward with the layoff process. No one will be laid off tomorrow morning.

The City Council discussed the fact that this is still not a structurally balanced budget. Any recommendations that are not accepted add to that imbalance.

Council Member Youssef moved and Mayor Pro Tem Milne seconded a motion to approve this item as amended. Motion carried 5-0.

Council Member Wright, expressed concerns with the Fire Department using the CalFire's response time start and stop points.

Mr. Hill, that is one of the goals and objectives set forth by the Fire Department. The timing model is the method used by most agencies and would be considered a more comparable measurement. However, the Fire Department can still measure both timing models.

18. **Disposition Options for City-Owned Real Property** – Community Investment Director Jansons

- a. Presentation by staff on disposition options for City-owned real property, deliberate on the retention or sale of City-owned real property and provide direction to staff.

The City Council gave direction to staff to bring this back as a work study item at a later date.

Communications from the Public

There were no communications from the public requested at this time.

City Council Reports

19. CITY COUNCIL REPORTS AND COMMENTS

- A. Council Member Krupa
 1. Traffic and Parking Commission
 2. Riverside Conservation Authority (RCA)
 3. Ramona Bowl Association
 4. Indian Gaming Distribution Fund
 5. Riverside Transit Agency (RTA)
 6. Watermaster Board

- B. Council Member Wright
 - 1. Park Commission
 - 2. Planning Commission
 - 3. Indian Gaming Distribution Fund
 - 4. Riverside County Habitat Conservation Agency (RCHCA)
 - 5. Ramona Bowl Association

 - C. Council Member Youssef
 - 1. Western Riverside County of Governments (WRCOG)
 - 2. Riverside County Transportation Commission (RCTC)

 - D. Mayor Pro Tem Milne
 - 1. Library Board
 - 2. League of California Cities
 - 3. Riverside County Habitat Conservation Agency (RCHCA)
 - 4. Riverside Transit Agency (RTA)
 - 5. Riverside Conservation Authority (RCA)
 - 6. Disaster Planning Commission

 - E. Mayor Smith
 - 1. League of California Cities
 - 2. Riverside County Transportation Commission (RCTC)
 - 3. Western Riverside County of Governments (WRCOG)
 - 4. Public Safety Update
 - 5. National League of Cities
 - 6. Hemet Community Activities

 - F. Ad-Hoc Committee Reports
 - 1. Crime Stoppers Plus Ad-Hoc Committee
 - 2. West Hemet MSHCP Ad-Hoc Committee
 - 3. Regent Development Agreement Ad-Hoc Committee

 - G. City Manager Hill
 - 1. Manager's Reports
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The City Council recessed the Housing Authority Meeting at 9:54 p.m.
Reconvened at 9:55 p.m.

Future Agenda Items

Investment Policy

Adjournment

Adjourned at 9:56 p.m. to Tuesday, July 8, 2014 at 7:00 p.m.