

MINUTES OF THE REGULAR CITY COUNCIL MEETING OF THE
CITY OF VERNON HELD TUESDAY, OCTOBER 18, 2016, IN THE
COUNCIL CHAMBER OF THE CITY HALL LOCATED AT 4305
SANTA FE AVENUE, VERNON, CALIFORNIA

MEMBERS PRESENT: Davis, Woodruff-Perez, Ybarra, and Lopez

MEMBERS ABSENT: Martinez

The meeting was called to order at 9:00 a.m. by Mayor Davis; Battalion Chief Andrew Guth led the flag salute.

CHANGES TO THE AGENDA

City Clerk Maria Ayala announced a change in language on item number 2(c) as noted in Minutes.

PUBLIC COMMENT

Mayor Davis announced that this was the time allotted for public comment, and inquired whether anyone in the audience wished to address the City Council. The public will also be given an opportunity to comment on matters on the posted agenda during Council deliberation.

Sandra Orozco, Southeast Political Activist, spoke briefly about the Multiple Sclerosis Association of America (MSAA).

PUBLIC HEARING

1. Resolution No. 2016-55 - A Resolution of the City Council of the City of Vernon Adopting a New Transmission Revenue Requirement for 2017 in Accordance with Vernon's Transmission Owner Tariff and Providing for Tariff Sheet Changes to Implement the Adjustment

Recommendation:

- A. Find that the approvals requested in this staff report do not constitute "projects" pursuant to section 15378(b)(2) of the Guidelines to the California Environmental Quality Act ("CEQA"), because such actions constitute administrative activities; and even if the adoption of the proposed items did constitute projects, they would be exempt in accordance with CEQA Guidelines section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and
- B. Conduct a Public Hearing; and
- C. Adopt the attached Resolution to thereby:
 - i. Approve, pursuant to the Transmission Owner Tariff, and to be effective on January 1, 2017, the establishment of the City's new TRR Transmission Revenue Requirement (TRR) and Appendix I to the TO Tariff implementing the new TRR, as described in the Gas & Electric TRR Report dated on or about October 18, 2016; and
 - ii. Authorize outside counsel to submit the City's TRR, the amended Appendix I to the Vernon TO Tariff, and supporting documentation such as the TRR Report, to the Federal Energy Regulatory Commission (FERC) on behalf of the City of Vernon.

Director of Gas and Electric Kelly Nguyen reported on the proposed.

Mayor Davis opened the public hearing at 9:07 a.m.

No public comment was provided.

Mayor Davis closed the public hearing at 9:07 a.m.

It was moved by Woodruff-Perez and seconded by Lopez to approve Resolution No. 2016-55. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

2. Resolution No. 2016-56 - A Resolution of the City Council of the City of Vernon Establishing a Transmission Revenue Balancing Account Adjustment for 2017 in Accordance with Vernon's Transmission Owner Tariff and Providing for Tariff Sheet Changes to Implement the Adjustment

Recommendation:

- A. Find that the approval of the TRBAA referenced in this document does not constitute a "project" pursuant to section 15378(b)(2) of the Guidelines to the California Environmental Quality Act ("CEQA"), because such action constitutes an administrative activity; and even if the adoption of the proposed item did constitute a project, it would be exempt under the in accordance with CEQA Guidelines section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and
- B. Conduct a Public Hearing; and
- C. Adopt the Resolution establishing a New Transmission Revenue Balancing Account Adjustment (TRBAA) for 2017 which:
 - i. Adopts the newly calculated TRBAA of a ~~positive~~ negative \$47,616; and
 - ii. Adopts the replacement of the existing TRBAA of positive 411 with the new TRBAA for 2017 of a ~~positive~~ negative \$47,616; and
 - iii. Adopts the attached revised Appendix I of Vernon's TO Tariff reflecting the TRBAA of ~~positive~~ negative \$47,616; and
 - iv. Authorizes outside counsel to submit Vernon's TRBAA and supporting documentation to FERC on behalf of the City of Vernon

Director Nguyen reported on the proposed.

Mayor Davis opened the public hearing at 9:10 a.m.

No public comment was provided.

Mayor Davis closed the public hearing at 9:10 a.m.

It was moved by Woodruff-Perez and seconded by Ybarra to approve Resolution No. 2016-56. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

NEW BUSINESS

City Administration Department

3. Resolution No. 2016-57 - A Resolution of the City Council of the City of Vernon Appointing Michael Earl to Serve as the Director of Human Resources of the City of Vernon and Approving and Authorizing the Execution of a Related At-Will Employment Agreement

Recommendation:

- A. Find that approval of the attached resolution in this staff report is exempt from California Environmental Quality Act (CEQA) review, because it is a general administrative activity that will not result in direct or indirect physical changes in the environment and therefore does not constitute a “project” as defined by CEQA Guidelines Section 15378; and
- B. Adopt the attached resolution appointing Michael Earl to serve as the Director of Human Resources of the City of Vernon effective October 24, 2016, approving and authorizing the execution of a related at-will employment agreement.

City Administrator Carlos Fandino reported on the proposed.

It was moved by Ybarra and seconded by Woodruff-Perez to approve Resolution No. 2016-57. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

4. Oath & Appointment of Michael Earl as Director of Human Resources, City of Vernon

City Clerk Ayala administered the oath of allegiance to newly appointed Human Resources Director Michael Earl.

Mr. Earl briefly spoke and thanked the Council for the new opportunity.

Mayor Davis recessed the meeting at 9:19 a.m.

Mayor Davis reconvened the meeting at 9:31 a.m.

PRESENTATION

5. A Proclamation of the Mayor and the City Council of the City of Vernon commending Michael A. Wilson for his many years of dedicated service to the City of Vernon

City Clerk Ayala read the proclamation.

Battalion Chief Andrew Guth spoke on behalf of Retired Fire Chief Michael Wilson, who thanked the City for allowing him to serve for over 29 years.

6. Service Pin Awards for September 2016

NAME	DEPARTMENT	TITLE	YEARS
Felix Saldana	Public Works	Engineering Aide	30
Janette Ramos	Police	Police Dispatcher	5

Interim Director of Human Service Lizette Grizzelle awarded the service pins to Felix Saldana, who was in attendance, and also recognized Janette Ramos who was not in attendance.

7. Status of I-710 South Corridor Improvements - Early Action Soundwall Program
Presented by: METRO Representative

Director of Public Works, Water and Development Services Department Derek Wieske provided a brief overview of the project.

Susan Chau, CH2M/METRO Project Manager, provided a PowerPoint Presentation.

CONSENT CALENDAR

John Van de Kamp, Independent Counsel, inquired about the Health Department monthly report, specifically about the testing results with respect to Vernon residents. Director of Health and Environmental Control Keith Allen responded that test results were available to the public. Fred McFarlane, Senior Advisor to the City Administrator, added that the results were also available online.

It was moved by Ybarra and seconded by Woodruff-Perez to approve all matters listed under the Consent Calendar under one motion as presented. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

Claims Against the City – Received and Filed

8. None

Warrant Registers

9. Ratification of the following Light & Power Warrant Registers to record the following voided checks:

A. Light & Power Warrant Register No. 421 to record voided Check No. 512253 in the amount of \$607.00.

10. Approval of City Payroll Warrant Register No. 724, totaling \$4,778,471.35, which covers the period of September 1 through September 30, 2016 and consists of the following:

A. Ratification of direct deposits, checks and taxes totaling \$3,309,192.85; and

B. Checks and electronic fund transfers (EFT) totaling \$1,020,594.69.

11. Approval of City Warrant Register No. 1458, totaling \$1,737,461.55, which covers the period of September 27 through October 10, 2016, and consists of the following:

A. Ratification of wire transfers totaling \$1,309,036.84; and

B. Ratification of the issuance of early checks totaling \$221,546.82; and

C. Authorization to issue pending checks totaling \$206,887.89.

12. Approval of Light & Power Warrant Register No. 423, totaling \$1,772,198.47, which covers the period of September 27 through October 10, 2016, and consists of the following:

- A. Ratification of wire transfers totaling \$1,655,208.05; and
 - B. Ratification of the issuance of early checks totaling \$52,889.98; and
 - C. Authorization to issue pending checks totaling \$64,100.44.
- 13. Approval of Gas Warrant Register No. 211, totaling \$168,987.48, which covers the period of September 27 through October 10, 2016, and consists of the following:**
- A. Ratification of wire transfers totaling \$159,661.27; and
 - B. Ratification of the issuance of early checks totaling \$1,415.67; and
 - C. Authorization to issue pending checks totaling \$7,910.54.

City Administration Department

14. Council Conference Attendance Report

Recommendation:

- A. Receive and file this Council Conference Attendance Report to the League of California Cities Annual Conference and Expo.

Gas and Electric Department

15. Grazing Agreement by and between the City of Vernon and Hafenfeld Ranch, LLC

Recommendation:

- A. Find that approval of the Grazing Agreement (as defined below) is exempt under the California Environmental Quality Act (“CEQA”), because such is an administrative activity of government that will not result in direct or indirect physical changes in the environment and, as such, is not a “project” as defined by CEQA Guidelines Section 15378, and even if such were considered a “project,” it would still be exempt in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment; and
- B. Approve and authorize the City Administrator to execute the Grazing Agreement by and between the City of Vernon and the Hafenfelds.

Health and Environmental Control Department

16. September 2016 Health & Environmental Control Department Monthly Report

Police Department

17. Activity Log and Statistical Summary of Arrests and Activities for the period of September 16, through September 30, 2016, to be received and filed

Public Works, Water and Development Services Department

18. Orangeline Development Authority Fifth Amended Joint Exercise of Powers Agreement

Recommendation:

- A. Find that approval of the Orangeline Development Authority Fifth Amended Joint Exercise of Powers Agreement (JEPA) (hereinafter referred to as the “Fifth Amended JEPA”) (copy attached) is exempt from California Environmental

Quality Act (“CEQA”) review, because it is a government fiscal activity that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378; and

- B. Approval to enter into the Fifth Amended JEPA between the Orangeline Development Authority and the Members listed on Exhibit A of the Fifth Amended JEPA for the Eco-Rapid Transit Project; and
- C. Authorize the City Administrator to execute the Fifth Amended JEPA.

NEW BUSINESS (CONT'D)

City Administration Department

19. Resolution No. 2016-58 - A Resolution of the City Council of the City of Vernon Appointing Andrew Guth to Serve as the Interim Fire Chief of the City of Vernon

Recommendation:

- A. Find that approval of the attached resolution in this staff report is exempt from California Environmental Quality Act (CEQA) review, because it is a general administrative activity that will not result in direct or indirect physical changes in the environment and therefore does not constitute a “project” as defined by CEQA Guidelines Section 15378; and
- B. Adopt the attached resolution appointing Andrew Guth to serve as the Interim Fire Chief effective October 12, 2016.

City Administrator Carlos Fandino reported on the proposed.

Council inquired about job preparedness, ongoing projects, and upcoming projects. Battalion Chief Guth responded to all comments and questions.

It was moved by Ybarra and seconded by Lopez to approve Resolution No. 2016-58. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

City Clerk Department

20. Resolution No. 2016-59 - A Resolution of the City Council of the City of Vernon Excusing Luz Martinez from Attendance at Meetings of the City Council and Boards and Commissions from September through October 2016

Recommendation:

- A. Find that excusing the absences of Councilmember Luz Martinez is exempt from California Environmental Quality Act (“CEQA”) review, because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment, and therefore does not constitute a “project” as defined by CEQA Guidelines section 15378. Moreover, even if the activity in question were a project, it would be exempt from CEQA review, in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and

- B. Adopt a Resolution of the City Council of the City of Vernon excusing Luz Martinez from attendance at meetings of the City Council and Boards and Commissions from September through October 2016.

City Clerk Ayala reported on the proposed.

Mayor Pro-Tem Woodruff-Perez inquired about Councilmember Martinez's return. City Clerk Ayala responded that Councilmember Martinez informed the City she would return for the first meeting in November.

It was moved by Woodruff-Perez and seconded by Lopez to approve Resolution 2016-59. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

Gas and Electric Department

- 21. Resolution No. 2016-60 - A Resolution of the City Council of the City of Vernon Approving and Adopting the Vernon Gas & Electric Department Resource Adequacy Plan for 2017, which Includes the Peak Demand Forecast, the Planning Reserve Margin, the Qualifying Capacity Criteria and the Qualifying Capacity from such Resources, City's Resource Adequacy and Supply Data and approves the Resources Used to Satisfy the California Independent System Operator's Tariff Requirements**

Recommendation:

- A. Find that the approval of the City of Vernon Gas & Electric Department Resource Adequacy Plan for 2017 referenced in this document is exempt under the California Environmental Quality Act ("CEQA"), because it is an administrative activity and therefore does not constitute a "project" under CEQA Guidelines section 15378(b)(2); and even if the adoption of the proposed item did constitute a project, it would be exempt in accordance with Section 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and
- B. Adopt the Resolution establishing the City of Vernon Gas & Electric Department Resource Adequacy Plan for 2017 that adopts:
 - 1. The approval of the coincident peak Demand Forecast for 2017;
 - 2. The approval to retain the same 15% Reserve Margin for planning purposes;
 - 3. The approval of the Qualifying Capacity Criteria that will be used for determining qualifying resource types and the Qualifying Capacity from such resources;
 - 4. The approval of the City's annual and monthly Resource Adequacy and Supply data;
 - 5. The approval of the Resource Adequacy resources that will be counted on to satisfy the City's Local Capacity Requirement and Flexible Resource Adequacy Capacity Requirement for 2017.
- C. Authorize staff to submit the City of Vernon Gas & Electric Department's Resource Adequacy Plan for 2017 and the Monthly Resource Adequacy and Supply data to the California Independent System Operator.

Director Nguyen reported on the proposed.

Mayor Davis inquired about the megawatt load in the City of Vernon. Staff responded that the City had a 121 megawatt load and since 2009/2010 usage has slowly declined.

It was moved by Woodruff-Perez and seconded by Ybarra to approve Resolution No. 2016-60. Motion carried, 4-0.

Davis: Yes
Woodruff-Perez: Yes
Martinez: Absent
Ybarra: Yes
Lopez: Yes

ORAL REPORTS

22. City Administrator Reports – brief reports on activities and other brief announcements by the City Administrator and Department Heads.

Police Captain Michael Gillman reported on an employee theft at a local business and stolen credit card crime.

Interim Fire Chief Andrew Guth briefly thanked the Council and staff and reminded everyone of the great shakeout earthquake drill.

Director of Public Works, Water and Development Services Derek Wieske provided a brief update on Measure M issues.

Director of Gas and Electric Kelly Nguyen reported on one outage on October 17 that lasted 2 hours 52 minutes.

Finance Director William Fox gave a brief update on the Moody's bond review.

City Clerk Maria Ayala provided a brief report on voter outreach for the Presidential Election and the upcoming City of Vernon Election.

City Administrator Carlos Fandino provided a brief report on the following: continued recruitment of a Fire Chief; Halloween event at City Hall; League of Cities Conference; and briefly shared about an employee who had recently suffer a serious accident (outside of work hours).

23. City Council Reports – brief AB1234 reports, or report on: activities, announcements, or directives to staff.

Councilmember Ybarra requested that staff look into and provide a report on multi-use housing and possible locations. Director Wieske and City Administrator Fandino stated that they would explore the issue.

With no further business, at 10:11 a.m., Mayor Davis adjourned the meeting.

William J. Davis
Mayor

ATTEST:

Maria E. Ayala
City Clerk