

**TOWN OF YUCCA VALLEY
SPECIAL TOWN COUNCIL MEETING MINUTES
APRIL 30, 2013**

OPENING CEREMONIES

Mayor Abel called the meeting to order at 6:00 p.m.

Council Members Present: Huntington, Leone, Lombardo, Rowe and Mayor Abel.

Staff Present: Town Manager Nuaimi, Deputy Town Manager Stueckle, Community Services Director Schooler, Administrative Services Director Yakimow, Police Capt. Boswell, and Deputy Town Clerk Copeland

PLEDGE OF ALLEGIANCE

Led by Mayor Pro Tem Lombardo

INVOCATION

Led by Mike Kelliher, San Bernardino Sheriff's Chaplain

PRESENTATION

Employee of the Quarter

1. Town employee of the fourth quarter 2012

Project Engineer Alex Qishta was recognized as employee of the quarter for the fourth quarter of 2012. Deputy Town Manager Stueckle stated the reasons for Qishta's award including the management of several substantial capital projects currently underway in Yucca Valley.

APPROVAL OF AGENDA

Council Member Huntington moved to approve the agenda. Council Member Rowe seconded. Motion carried 5-0.

CONSENT AGENDA

- 2. Approve**, Minutes of the Budget Workshop of April 6, 2013, as presented.
- 3. Waive**, further reading of all ordinances and read by title only.
- 4. Adopt**, Resolution No. 13-17 and approve the revised Notice Inviting Bids that

incorporates County required language regarding Community Development Block Grant funds, Community Center Playground Improvement- Town Project No. 8961.

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, AMENDING RESOLUTION NO. 13-12 APPROVING PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OF THE COMMUNITY CENTER PLAYGROUND IMPROVEMENTS IN SAID TOWN AND AUTHORIZING AND DIRECTING THE TOWN CLERK TO ADVERTISE TO RECEIVE BIDS.

5. **Adopt** Resolution No. 13-18 declaring the intent to vacate an approximate 60' x 100' easement at the intersection of SR 62 and Dumosa Avenue, as identified on Exhibit A to this staff report, being a portion of APN 595-371-14, and setting a Public Hearing for June 4, 2013 at 6:00 P.M.

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, DECLARING ITS INTENTION TO VACATE THAT PORTION OF EASEMENTS ON ASSESSOR'S PARCEL NO. 595-371-14 IDENTIFIED ON THE ATTACHED MAPS AND SETTING A TIME AND PLACE FOR HEARING THEREON

6. **Adopt** Resolution No. 13-19, approve the plans and specifications for Project No. 8327 and authorizes the Town Clerk to advertise and receive bids, pending final Caltrans and FHWA approvals, and authorizing the Town Clerk to modify the bid period, if required, based upon timing of state and federal agency approvals.

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA APPROVING PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OF THE TRANSPORTATION CONGESTION RELIEF PROGRAM PROJECT (TCRP): SR 62, LA HONDA WAY TO DUMOSA AVENUE. FEDERAL PROJECT NO. HSIPLN-5422-(017), IN SAID TOWN AND AUTHORIZING AND DIRECTING THE TOWN CLERK TO ADVERTISE TO RECEIVE BIDS.

7. **Receive and file** the Treasurer's Report for the Third quarter of fiscal year 2012-13
8. **Ratify** the Warrant Register total of \$393,268.58 for checks dated April 18, 2013; and, **Ratify** Payroll Register total of \$213,332.57 for checks dated April 12, 2013 and April 16, 2013.

Council Member Leone questioned the election expense paid to the Registrar of Voters, listed on the Warrant Registrar dated April 18, 2013. Town Manager Nuaimi explained the expense is for the November 2012 election.

Council Member Lombardo moved to adopt Consent Agenda Items 2-8. Council Member Leone seconded. Motion carried 5-0 on a roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

DEPARTMENT REPORTS

9. Youth Commission Recommendation Regarding Designated Smoking Areas at the Community Center Complex

Museum Supervisor Richardson introduced Nicholas Lombardo, Youth Commission Chairperson to present the item. Lombardo gave a brief overview of recent Youth Commission activity, including the Teen Topic Community Forum. As a result of the forum and Youth Commission discussion, smoking in Town parks is an item of community concern. 50% of forum attendees reported that smoking in Town parks bothers them. Of this 50%, 25% do not use Town parks because of second-hand smoke. To address this concern, the Youth Commission proposes to prohibit smoking at areas of use by the younger population including: the Community Center soccer field area, the softball field area, the basketball court area, and the skate park area.

Mayor Abel asked if the Youth Commission considered an alternative approach by stating the allowance of smoking only in certain areas such as the parking lots, instead of stating where smoking would not be allowed. Chair Lombardo explained by focusing on the main concern of smoking around children, it gave the Youth Commission a narrower scope to consider and allows the Town Council to consider the alternatives.

Council Member Rowe questioned that since smoking is a legal behavior for those aged appropriate and some may feel this is an intrusion into these rights, did the Youth Commission discuss this concern. Chair Lombardo explained that the Youth Commission is focusing on the areas that were most heavily used by children to limit the impact to the smoking population.

Council Member Leone stated it is very commendable for the Youth Commission to tackle such a health risk as second-hand smoke.

Council Member Huntington asked if the Youth Commission only focused their efforts to the Community Center. Chair Lombardo stated it did.

Mayor Pro Tem Lombardo stated that the Town Council should consider this recommendation considering the amount of time the Youth Commission has spent on this

recommendation.

Council Member Rowe moved to receive and file the Youth Commission recommendation and provide direction to staff to schedule the matter for future consideration in conjunction with the Facility Use Policy and/or Parks Use Ordinance review. Council Member Leone seconded. Motion carried 5-0 on voice vote.

10. FY 2013-14 Preliminary Special Revenue Funds Budget Review

Administrative Services Director Yakimow presented the staff report including a Powerpoint presentation on the item. Yakimow gave an overview of the special revenue funds, as restricted funds by definition. Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. These funds have their own budget and are subjected to the Town's annual audit. The Town currently has 34 special revenue funds, of which 83% are related to transportation. Capital Projects Reserve is a special revenue fund, which is funded through General Fund residual dollars above reserve policy. The Capital Projects Reserve is used for one-time project and repairs. The Town Housing Fund is new this year and is considered an extension of the prior, RDA Low-mod housing fund with no long-term funding source. The Internal Service Fund is a proprietary fund to track internal activity related to business-type expenses.

Mayor Abel asked Yakimow to explain how each of these funds is included into our portfolio. Yakimow explained that in most cases the need for a special revenue fund is a result of state legislation, or Town Council policy direction. Grants or federal sources also require special tracking.

Ron Cohen, Yucca Valley, spoke requesting the creation of an ad-hoc committee for budget review and presented council with a list of questions regarding the proposed general fund budget.

Lori Herbel, Yucca Valley, spoke requesting the creation of a Town Council ad-hoc committee and stated figures from the proposed general fund budget. Herbel continued to offer concern with the Special Revenue Funds with funding contingent on potential risks.

Curt Duffy, Yucca Valley, spoke of his concern with health care benefits for Town Council Members.

Margo Sturges, Yucca Valley, stated the necessity of a budgetary ad-hoc committee and questioned the FY 2012-13 budget transmittal letter. Low-mod housing expenditures should not come out of the General Fund.

Yakimow explained that many comments received were in reference to the General Fund,

not on the agenda for consideration this evening. The General Fund will be presented for Council review at a later date. In response to the public comment regarding Town's staff availability, staff is always available during regular business hours and also upon request, after hours. Special revenue funding risks are limited since Town Council would not authorize any special project without secure funding sources. The General Fund risk on low/mod housing is with respect to current assets used for transitional housing assistance, traditionally paid out of low-mod housing funding. Because of ongoing maintenance on these assets, it is requested to include annual funding for such expenses.

Town Manager Nuaimi emphasized that staff has committed that the public and the council members receive answers to questions. Believes there is a learning curve when the public opens up a municipal budget. Staff is available to meet with the public to review and answer their questions.

Mayor Abel suggested that the public meet with staff with their questions, especially with items pertaining to the Warrant Register. If the explanation is unsatisfactory at that time, then address the Town Council with those concerns.

Nuaimi responded to public comment regarding a Special Revenue Budget where expenditures are greater than the revenue in the upcoming fiscal year. Many capital projects are funded with sources over a period of several years. There is no deficit spending. Each fund has its own comprehensive budget.

Council Member Huntington questioned the projected Special Revenue Fund balance as the staff report is showing \$2.8 million when stamped page 67 is reported in excess \$3 million. Yakimow confirmed that the correct total projected amount Special Revenue Funds is \$3,037,643.

Mayor Abel commented that there are different levels of funds, some opening, others closing and most geared toward specific projects over a span of several years.

Yakimow responded to prior public comment by explaining the budget reporting of these special funds is a culmination of several years over the life of the fund. It is not specific to the given year.

Council Member Rowe moved to include the Special Revenue Funds Budget for adoption with the implementing resolutions as part of the Town's comprehensive FY 2013-14 Proposed Budget. Lombardo seconded. Motion carried 5-0 on a roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

11. GASB 45 Actuarial Study and Funding Method Implementation Update

Administrative Services Director Curtis Yakimow presented the staff report and visual presentation, defining Other Post-Employment Benefits (OPEB) expenses incurred after an employee retires from the Town of Yucca Valley. OPEB are not related to pension. Current health-care policy does not provide OPEB by definition, however because the Town participates in CalPERS health care, CalPERS mandates post-employment benefits for retirees. With the Town implementing in 2008, GASB45 requires a calculation and disclosure on the Town’s financial statements, the actuarial liability associated with OPEB. Since 2008, the Town opted to utilize a pay-as-you-go plan and contributed \$5,000-\$8,000 per year. As a result, unfunded liability has been growing. To address this unfunded liability, prefunding alternative approach is recommended. Staff recommendation is to establish a 3% funding factor which will generate approximately \$71,000 annually or about \$60,000 in addition to the current pay-as-you-go amount and establish an irrevocable trust for the payments of OPEB related expenditures.

Council Member Rowe questioned the outcome if the Town opens an irrevocable trust and the possibility of not using CalPERS in the out years. Yakimow explained that the trust is used for the purpose of the trust, not specific to the provider.

Mayor Pro Tem Lombardo asked for clarification of the term irrevocable trust, used for the OPEB purpose.

Council Member Leone moved to receive and file the July 1, 2012 Actuarial Report on GASB 45 Retiree Benefit Valuation; Direct staff to adopt a prefunding approach and include a total payroll allocation equal to 3%; and direct staff to evaluate various third-party alternatives for the establishment of an irrevocable trust and return to Council with a recommended trust structure. Robert Lombardo seconded. Motion carried 5-0 on a roll call vote.

- AYES:** Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
- NOES:** None
- ABSTAIN:** None
- ABSENT:** None

12. Tourism and Regional Marketing Budget Allocation

Town Manager Mark Nuaimi presented the staff report and visual presentation, seeking policy direction from the Town Council. Historically, the Town has played an active role in tourism and regional marketing with partnerships with the Yucca Valley Chamber of Commerce and the development and management of the California Welcome Center. The California Welcome Center currently reports 15,000 visitors annually. Desert Regional Tourism Agency (DRTA) relies on funding from a variety of area agencies, including the Town of Yucca Valley; several of these funding resources are diminishing.

Cheryl Nankervis, Executive Director for Yucca Valley Chamber of Commerce, spoke of efforts and accomplishments in supporting area tourism.

Cary Harwin, DRTA, spoke about the history of the California Welcome Center in Yucca Valley and past partnership funding.

Margo Sturges, Yucca Valley, spoke in favor of the California Welcome Center and questioned the utility cost and DRTA agreement.

Lori Herbel, Yucca Valley, spoke in support of the California Welcome Center

Richard Harwin, Yucca Valley spoke in support of the California Welcome Center and the services it provides to area visitors, yet questioned the cost of such services.

Council Member Leone commented that local motel prices could support an increase of Transient Occupancy Tax (TOT). The tax is currently at 7% and should be increased to 10-12%. Allocate the revenue from TOT to support these tourism agencies.

Council Member Huntington spoke of concern of the voter requirement to pass a special tax measure for a TOT increase.

Mayor Pro Tem Lombardo spoke in favor of a TOT increase, but questioned the time frame it would take to get on a ballot.

Nuaimi reminded the Council that there has been previous discussion about increasing the TOT tax to assist local hoteliers with their sewer connections.

Mayor Abel spoke in favor of local tourism and would like to see the California Welcome Center stay open. Thanked the volunteers who provide a service to area visitors.

Council Member Rowe questioned Cary Harwin about the past-due utilities DRTA owes the Town.

Council Member Leone spoke in favor of the California Welcome Center and offered his stipend in support.

Mayor Pro Tem Lombardo also spoke in favor of supporting the California Welcome Center.

Council Member Huntington moved to allocate \$25,000 in the FY 2013-14 budget to fund Tourism and Regional Marketing, in addition to in-kind facility contribution currently identified in the lease agreements; and to direct staff to report back to council after working with local and regional agencies in formulating a recommendation for expending these resources. Council Member Rowe seconded. Motion carried 5-0 on a

roll call vote

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

13. Park Maintenance Transition Plan

Town Manager Nuaimi presented the staff report and visual presentation seeking policy direction on recommended strategies for providing long-term maintenance for current and future park facilities. Town currently maintains 36 improved acres of parks, 1.7 acres per 1,000 population. With the addition of Brehm Park and the Youth Sports Park into the public inventory, Town maintained parks would equal 52 acres, approximately 2.5 acres per 1,000 population. Maintenance cost drivers were discussed, including maintenance personnel, water, and utilities. A transition plan was presented explaining the intent for the Town to assume responsibility for Youth Sports Park maintenance and operations at the start of fiscal year, 2013-14. Basin Wide Foundation would complete Brehm Park and operate and maintain during a warrantee period of six months, and then dedicate it to the Town for long-term operations and maintenance as early as January 2014. Estimated maintenance costs for the first year is \$29,463 for Youth Sports Park, and 50% (6 months) of \$103,213 for Brehm Park. After the water purchase agreement expires, the estimated annual cost would increase to \$48,367 for Youth Sports Park and \$149,402 for Brehm Park.

Cindy Melland, Basin Wide Foundation spoke about the amenities included at Brehm Park, including two full-sized soccer/football fields, concession stand, meeting center, restrooms, Miracle Field designed for those with special needs, educational walking path, and picnic area. Melland thanked contractor, Brett Morrison and invited the public to visit the park. Basin Wide Foundation anticipates opening the park on Memorial Day weekend for the Grubstake Days community event.

Kristina McCune, Joshua Tree, spoke about roller derby and its recreational benefits and gave support of Brehm Park.

Ron Cohen, Yucca Valley, spoke in favor of supporting Brehm Park.

Richard Harwin, Yucca Valley, expressed concern of spending money.

Jitu Sadiki, Yucca Valley offered positive comments for the amenities of Brehm Park.

Kim Hoover, Yucca Valley Lobos Football, spoke in support of Brehm Park and continuing partnerships with the youth sports organizations

Brandi King, Joshua Tree, explained her involvement with the youth in the organization and the benefits of Brehm Park.

Margo Sturges, Yucca Valley posed concerns with the presented transition plan.

Fritz Koenig, Yucca Valley spoke regarding the inclusion of everyone at Brehm Park

Frank Luckino, Yucca Valley spoke in favor of supporting Brehm Park

Nico Luckino, Yucca Valley, spoke in favor of supporting Brehm Park and explained the multiple amenities for children to enjoy.

Council Member Rowe thanked those in attendance for coming out and staying late for this item, and explained the benefits recreational facilities bring to the community.

Council Member Huntington commented that the community is very blessed to have a benefactor presenting a park to its residents and spoke in favor of the staff recommendation.

Mayor Pro-tem Lombardo spoke in favor of moving forward with the transition plan and to continue to look for cost effective ways to maintain Town facilities.

Council Member Leone thanked the Brehm family for their generosity.

Mayor Abel agreed that Brehm Park is a wonderful project for the community and thanked the Brehm family and Basin Wide Foundation for their dedication. Mayor Abel asked staff to research the inclusion of a security system at the park to curtail vandalism.

Council Member Rowe moved to receive and provide policy direction on recommended strategies for providing long-term maintenance for current and future park facilities. Council Member Huntington seconded. Motion carried on a 5-0 roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

14. Partnership Requests Budget Allocation

Town Manager Nuaimi presented the staff report regarding policy direction on partnership requests.

The Town received requests totaling \$76,000 for partnerships, and agency contracts from the Yucca Valley Chamber of Commerce and DRTA. Nuaimi gave highlights of the requests received and the possibility outside funding for community events. The Boys

and Girls Club did not request partnership funding this year, however a facility use agreement, may be presented for future consideration.

Kari Grimes, Executive Director for the Morongo Basin Senior Support Center, thanked the council for its consideration

Cheryl Nankervis, Yucca Valley Chamber of Commerce introduced the Chamber board members present and explained the agency's mission of supporting the community.

Sam Handley, Executive Director for the Boys and Girls Club of the Hi Desert thanked council for their assistance over the years and explained by using a use agreement instead of a partnership, a savings of 34% is anticipated.

Cindy Melland, Yucca Valley, as a local Rotarian thanked the council and many others who have received support for the fireworks display.

Council Member Leone moved to receive update and provide policy direction on partnership requests. Allocate \$19,500 towards partnership requests and reaffirm prior action to allocate \$25,000 towards the tourism and regional marketing contract requests. Council Member Rowe seconded. Motion carried 5-0 with on roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

15. Appointments to Parks, Recreation and Cultural Commission and Planning Commission

Town Manager Nuaimi briefly presented the staff report regarding the appointments to the Parks, Recreation and Cultural Commission and the Planning Commission. Two applications were received for the single vacancy on the Parks, Recreation and Cultural Commission and six applications were received for the single vacancy on the Planning Commission.

Council Member Leone nominated Dr. Edith Jones-Poland to the Parks, Recreation and Cultural Commission and Warren Lavender to the Planning Commission.

Charles McHenry, Yucca Valley thanked Council Member Leone for his consideration.

Fritz Koenig, Yucca Valley spoke about community interest in Town commissions.

Council Member Leone moved to appoint Warren Lavender to the Planning Commission. Council Member Rowe seconded. Motion carried 5-0 on a roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

Council Member Leone moved to appoint Edith Jones-Poland to the Parks, Recreation and Cultural Commission. Council Member Huntington seconded. Motion carried 5-0 on a roll call vote.

AYES: Council Members Huntington, Leone, Lombardo, Rowe and Mayor Abel
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENT

James Walker, Yucca Valley, spoke in regards to the requirements of serving on a Town commission or committee, and presented written comments to the Town Council.

Ron Cohen, Yucca Valley, presented information regarding a proposed recall of Council Member Lombardo

Bob Stadum, Yucca Valley spoke of gratitude, respect, cooperation, purpose and legacy.

Ed Montgomery, Yucca Valley, spoke of serving proposed recall papers to Council Member Huntington earlier in the day.

Lori Herbel, Yucca Valley, presented written comments to the Town Council and spoke of proposed budget items.

Margo Sturges, Yucca Valley spoke regarding the 2012-13 budget transmittal letter, budgetary items and recent Town staffing reductions.

Nicholas Lombardo, Yucca Valley, spoke with concern of the negativity in the room and gave encouragement to the Town Council.

Richard Harwin, Yucca Valley spoke about budget numbers and asked for clarification on the cuts and additions being made in the proposed budget.

Tim Humphreville, Yucca Valley, thanked council for their dedication and all they have done for the community.

Shannon Luckino, Yucca Valley thanked council for their hard work, dedication, and service to the community.

Sarann Graham, Yucca Valley expressed concern about the intent to recall and the negative destruction it will do to the community.

STAFF REPORTS AND COMMENTS

16. Town Manager Comments

Town Manager Nuaimi thanked the Town Council and staff for working through the heavy agenda. May 28, 2013 is the target date for 2013-14 proposed budget hearing.

MAYOR AND COUNCIL MEMBER REPORTS AND COMMENTS

- 17. Council Member Leone** spoke in support of Brehm Park and believes it is quite an asset to the community.
- 18. Council Member Rowe** congratulated Alex Qishta as Employee of the Quarter and praised the Youth Commission for their recommendation.
- 19. Council Member Huntington** congratulated Alex Qishta as Employee of the Quarter and thanked Sarann Graham for her support.
- 20. Mayor pro tem Lombardo** gave congratulations to the newly appointed commissioners and Alex Qishta for his award. Noted that he recently attended the League of California Cities conference and found it beneficial to converse with officials from other cities.
- 21. Mayor Abel** thanked San Bernardino County for hosting a recent job fair at Copper Mountain College; the Town and other area employers were present. Congratulated Nick Lombardo on his college acceptance offer.

ANNOUNCEMENTS

Next Town Council Meeting, Tuesday, May 14, Yucca Valley Community Center Yucca Room

ADJOURNMENT

There being no further business the meeting was adjourned at 10:02 p.m.

Respectfully submitted,

Lesley Copeland, CMC
Deputy Town Clerk