



SAN FERNANDO CITY COUNCIL
ADJOURNED REGULAR MEETING NOTICE AND AGENDA
WEDNESDAY, DECEMBER 12, 2018 – 4:00 PM

CITY HALL COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CA 91340

CALL TO ORDER/ROLL CALL

Mayor Sylvia Ballin
Vice Mayor Antonio Lopez
Councilmember Jaime Soto
Councilmember Joel Fajardo
Councilmember Robert C. Gonzales

PLEDGE OF ALLEGIANCE

Led by Mayor Sylvia Ballin

APPROVAL OF AGENDA

PUBLIC STATEMENTS – WRITTEN/ORAL

There will be a three (3) minute limitation per each member of the audience who wishes to make comments relating to City Business. Anyone wishing to speak, please fill out the blue form located at the Council Chambers entrance and submit it to the City Clerk. When addressing the City Council please speak into the microphone and voluntarily state your name and address.

CONSENT CALENDAR

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the City Council wishes to discuss any item, it should first be removed from the Consent Calendar.

SAN FERNANDO CITY COUNCIL**Adjourned Regular Meeting Notice and Agenda – December 12, 2018**Page 2 of 3

1) CONSIDERATION TO AUTHORIZE A NOTICE OF COMPLETION FOR THE COMPRESSED NATURAL GAS FUELING STATION UPGRADES PROJECT, PROJECT NO. 7586

Recommend that the City Council:

- a. Accept the improvements as constructed by Clean Energy, and consider the work complete;
- b. Authorize the issuance and filing of the Notice of Completion with the Los Angeles County Registrar-Recorder/County Clerk; and
- c. Authorize the release of the five percent retention amount (\$72,764.77) after the 35-day lien period from the date the Notice of Completion is recorded.

ADMINISTRATIVE REPORTS**2) ADOPTION OF RESOLUTION DECLARING THE RESULTS OF THE GENERAL MUNICIPAL ELECTION AND CONFIRMATION/FINAL ADOPTION OF ORDINANCE EXTENDING INDEFINITELY THE GENERAL PURPOSE TRANSACTIONS AND USE TAX ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION AND CODIFIED UNDER ARTICLE V (TRANSACTIONS AND USE TAX) OF CHAPTER 82 (TAXATION) OF THE SAN FERNANDO MUNICIPAL CODE PURSUANT TO REVENUE AND TAXATION CODE SECTIONS 7251 ET SEQ.**

Recommend that the City Council:

- a. Adopt Resolution No. 7898 declaring the results of the November 6, 2018 General Municipal Election; and
- b. Confirm and ratify adoption of Ordinance No. 1678 (second reading), entitled: "An Ordinance of the City Council of the City of San Fernando, California, extending indefinitely, subject to voter approval, the General Purpose Transactions and Use Tax administered by the California Department of Tax and Fee Administration and codified under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code pursuant to Revenue and Taxation Code Sections 7251 et seq."

3) PRESENTATION OF CERTIFICATES OF ELECTION AND ADMINISTRATION OF THE OATH OF OFFICE TO NEWLY ELECTED OFFICIALS

The City Clerk will present Certificates of Election and administer the Oath of Office to newly elected officials: Sylvia Ballin, Antonio G. Lopez, and Hector A. Pacheco.

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4) REORGANIZATION OF THE CITY COUNCIL – SELECTION OF MAYOR AND VICE MAYOR

Due to the November 6, 2018 General Municipal Election, this item is placed on the agenda for consideration.

GENERAL COUNCIL COMMENTS**STAFF COMMUNICATION****ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.

Elena G. Chávez, CMC

City Clerk

Signed and Posted: December 6, 2018 (4:00 p.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet website (www.sfcity.org). These are also available for public reviewing prior to a meeting in the City Clerk Department. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk Department at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's website at www.sfcity.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk Department at (818) 898-1204 at least 48 hours prior to the meeting.

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Adjourned Regular Meeting San Fernando City Council

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AGENDA REPORT

To: Mayor Sylvia Ballin and Councilmembers

From: Alexander P. Meyerhoff, City Manager
By: Yazdan T. Emrani, P.E., Director of Public Works/City Engineer

Date: December 12, 2018

Subject: Consideration to Authorize a Notice of Completion (NOC) for the Compressed Natural Gas (CNG) Fueling Station Upgrades Project, Project No. 7586

RECOMMENDATION:

It is recommended that the City Council:

- a. Accept the improvements as constructed by Clean Energy, and consider the work complete;
- b. Authorize the issuance and filing of the "Notice of Completion" (Attachment "A") with the Los Angeles County Office of the Registrar-Recorder/County Clerk; and
- c. Authorize the release of the five percent retention amount (\$72,764.77) after the 35-day lien period from the date the NOC is recorded.

BACKGROUND:

1. In 2008, the City was awarded a Federal Transportation Administration (FTA) Grant of approximately \$1.6 million to improve the City's existing CNG fueling station at 120 Macneil Street and purchase new transit vehicles.
2. In November 2014, the City was notified by the Mobile Source Air Pollution Review Committee (MSRC) and South Coast Air Quality Management District (SCAQMD) that \$387,091 in funding through the Clean Transportation Funding Grant Program was awarded for improvements to the City's CNG fueling station.
3. In late 2015, the City compiled a list of potential contractors with the requisite experience and qualifications that specialize in the construction of compressed natural gas fueling stations for inclusion in a Request for Proposals (RFP) process. The City also reviewed a draft RFP document with the Metropolitan Transportation Authority (Metro) and Federal Transit Administration (FTA) in order to ensure compliance with provisions related to the expenditure of federal transportation funds.

Consideration to Authorize a Notice of Completion for the CNG Fueling Station Upgrade Project, Project No. 7586Page 2 of 3

4. On January 4, 2016, a Request for Proposals (RFP) for the CNG Fueling Station Upgrades Project was published on the City Website and in the *San Fernando Valley Sun*.
5. On February 29, 2016 (Proposal Due Date), the City received six proposals from contractors to deliver the design-build of the CNG Fueling Station Upgrades Project.
6. On April 4, 2016, staff retained the consulting services of Fuel Solutions Incorporated (FSI) to review and evaluate all proposals submitted for the upgrades project and provide project management during construction phase of project.
7. On April 14, 2016, a committee made up of four Public Works staff members and FSI evaluated and scored all six proposals and agreed upon a short list of two contractors to interview.
8. On May 12, 2016, interviews were conducted with selected contractors. It was determined that Clean Energy provided the lowest cost responsive proposal.
9. On July 18, 2016, staff recommended and the City Council awarded Contract No. 1824 to Clean Energy in the amount of \$1,356,683 and established a 15% contingency in the amount of \$203,502 to cover the cost of unforeseen project expenses for a total of \$1,560,185.
10. On November 23, 2016, a Notice to Proceed was issued to Clean Energy.
11. On November 29, 2016, staff held a kickoff meeting with Clean Energy for commencement of the design of the project.
12. On January 16, 2018, Clean Energy completed the design of the project.
13. On February 12, 2018, Clean Energy started construction of the project.
14. On November 16, 2018, Clean Energy completed the project.

ANALYSIS:

In 2006, the City developed and built a City-owned and operated CNG Station in the Civic Center (120 Macneil Street) that is used by City vehicles, Los Angeles County Metropolitan Transportation Authority (Metro) buses, Caltrans vehicles, and the general public. After 10 years of service, the station's mechanical equipment had reached the end of its design life and was considered technologically obsolete. The Station's fueling capacity had become severely limited. In most cases, the station was only capable of filling approximately 50 to 55% of a large

Consideration to Authorize a Notice of Completion for the CNG Fueling Station Upgrade Project, Project No. 7586Page 3 of 3

vehicle's (trucks and buses) fuel tank before the system shut down in order to generate more fuel; it took approximately 90 minutes for the station tanks to refill and for the system to begin pumping an ample amount of additional fuel.

Due to the inefficiencies in how the station was operating and the drastic increase in ongoing maintenance and repair costs, it was clear to staff that upgrading the station's equipment was essential. Upgrading and expanding the City's CNG station has, at this time, practically eliminated all maintenance and repair costs and has established a more efficient fueling operation.

The project scope of services included the design, engineering, fabrication, installation, commissioning, testing and training associated with the CNG station equipment upgrades.

BUDGET IMPACT:

The project was funded through several funding sources consisting of FTA Grant, AQMD/MSRC Grant, and AB 2766 Subvention Funds. The total design-construction cost was \$1,356,683 plus \$98,612.40 in design/construction change orders for a total of \$1,455,295.40. The total design-build cost was within the total budget appropriation of \$1,560,185 for the project.

CONCLUSION:

The CNG Fueling Station Upgrades Project is now complete. All work has been completed to staff satisfaction and is in conformance with the approved plans and specifications. Project acceptance and filing the NOC allows for the project to be closed out.

ATTACHMENT:

A. Notice of Completion

EXEMPT FROM RECORDING FEES PER GOVT
CODE SECTION 6103

ATTACHMENT "A"

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of San Fernando

Elena G. Chávez, City Clerk
San Fernando City Hall
117 Macneil Street
San Fernando, CA 91340

Space Above This Line Reserved For The Recorder's Use

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

1. **NOTICE IS HEREBY GIVEN THAT:** work on the subject project has been completed, and it is recommended that a Notice of Completion be executed and recorded
2. **NAME AND ADDRESS OF OWNER:** City of San Fernando, a municipal corporation, 117 Macneil Street, San Fernando, CA 91340
3. **DESCRIPTION OF THE PUBLIC WORK:** Construction of the CNG Fueling Station Upgrades Project consisted of the design, engineering, fabrication, installation, commissioning, testing and training associated with the CNG station equipment upgrades.
4. **DESCRIPTION OF PROPERTY:** The property on which said work of improvement was completed is in the City of San Fernando, County of Los Angeles, State of California, and is described as: 120 Macneil Street.
5. **ACCEPTED AND COMPLETED:** Work on said contract was completed and accepted on December 17, 2018
6. **NATURE OF OWNER'S INTEREST:** In fee
7. **NAME AND ADDRESS OF CONTRACTOR:** Clean Energy, 4675 MacArthur Court, Suite 800, Newport Beach, CA 92660
8. **DECLARATION:** I, Yazdan T. Emrani, duly appointed Director of Public Works/City Engineer of the City of San Fernando, have read the foregoing Notice of Completion, have made my verification on behalf of said City, and know the contents thereof to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Yazdan T. Emrani, P.E., Director of Public Works/City Engineer
City of San Fernando, California
(City Seal)

Date

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES SS.

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by Yazdan T. Emrani, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

Julie M. Fernandez, Notary Public

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AGENDA REPORT

To: Mayor Sylvia Ballin and Councilmembers

From: Elena G. Chávez, City Clerk

Date: December 12, 2018

Subject: Adoption of Resolution Declaring the Results of the General Municipal Election and Confirmation/Final Adoption of Ordinance Extending Indefinitely the General Purpose Transactions and Use Tax Administered by the California Department of Tax and Fee Administration and Codified Under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code pursuant to Revenue and Taxation Code Sections 7251 et seq.

RECOMMENDATION:

It is recommended that the City Council:

- a. Adopt Resolution No. 7898 declaring the results of the November 6, 2018 General Municipal Election (Attachment "A"); and
- b. Confirm and ratify adoption of Ordinance No. 1678 (second reading), entitled: "An Ordinance of the City Council of the City of San Fernando, California, extending indefinitely, subject to voter approval, the General Purpose Transactions and Use Tax administered by the California Department of Tax and Fee Administration and codified under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code pursuant to Revenue and Taxation Code Sections 7251 et seq." (Attachment "B").

BACKGROUND:

1. On July 2, 2018, the City Council adopted Resolution No. 7870 calling for a General Municipal Election on Tuesday, November 6, 2018 and requesting consolidation with the County-administered General Election. The election was for the purpose of electing three members of the City Council and for adopting regulations pertaining to candidate statements.
2. On July 16, 2018, the City Council adopted Resolution No. 7872, which called for the submission of a ballot measure to San Fernando voters that would extend the City's existing half-percent (1/2%) Transactions and Use Tax indefinitely.

**Adoption of Resolution Declaring the Results of the General Municipal Election and Confirmation/
Final Adoption of Ordinance Extending Indefinitely the General Purpose Transactions and Use Tax**Page 2 of 3

The City Council also introduced for first reading Ordinance No. 1678 extending indefinitely, subject to voter approval, the General Purpose Transactions and Use Tax administered by the California Department of Tax and Fee Administration and codified under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code pursuant to Revenue & Taxation Code Sections 7251 et seq. Ordinance 1678 was subject to voter approval of the ballot measure submitted to San Fernando voters by way of Resolution No. 7872 referenced above.

3. On November 6, 2018, the General Municipal Election was held and semi-official results were tabulated (election night tally did not include provisional ballots nor Vote by Mail ballots that were dropped off at polling places). The Los Angeles County Registrar-Recorder/County Clerk (RR/CC) continued counting ballots through the Official Election Canvass period through the end of November.
4. On December 3, 2018, the City Clerk received the Certificate of the Canvass of the Election Returns completed and certified by the RR/CC for the November 6, 2018, General Municipal Election (Exhibit "A" to Attachment "A"). In addition to identifying the candidates for elective office of the City who have been elected to the City Council, the Certificate of the Canvass of Election Returns also indicates that the transactions and use tax ballot measure referenced above was approved by San Fernando voters.

ANALYSIS:

Per Elections Code Section 10262(b), the City Clerk is required to certify the results to the City Council. In turn, the City Council, as required by Elections Code Section 10263, must meet to declare the results of the election. As soon as the result of the election is declared by the City Council, the City Clerk must enter in its records a statement of the election results. Thereafter, the City Clerk must deliver a certificate of election to each person elected and administer the oath of office to each elected official, per Elections Code Section 10265.

BUDGET IMPACT:

The Fiscal Year 2018-2019 election budget includes \$40,000 to cover the cost of the election.

CONCLUSION:

It is recommended that the City Council approve the following in the following order by separate vote:

**Adoption of Resolution Declaring the Results of the General Municipal Election and Confirmation/
Final Adoption of Ordinance Extending Indefinitely the General Purpose Transactions and Use Tax**
Page 3 of 3

1. Adopt Resolution No. 7898 declaring the results of the November 6, 2018 General Municipal Election; and
2. Confirm and ratify adoption of Ordinance No. 1678 (second reading), entitled: "An Ordinance of the City Council of the City of San Fernando, California, extending indefinitely, subject to voter approval, the General Purpose Transactions and Use Tax administered by the California Department of Tax and Fee Administration and codified under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code pursuant to Revenue and Taxation Code Sections 7251 et seq.".

ATTACHMENTS:

- A. Resolution No. 7898
- B. Ordinance No. 1678

ATTACHMENT “A”**RESOLUTION NO. 7898****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 6, 2018, DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW**

WHEREAS, at its regular meeting of July 2, 2018, the City Council of the City of San Fernando (“City Council”) approved Resolution No. 7870 which called a General Municipal Election to be held on November 6, 2018 (“City Election”), for the election of three Members of the City Council; requesting consolidation of the City Election with the Statewide General Election; requesting that the Board of Supervisors of the County of Los Angeles issue instructions to the Registrar-Recorder/County Clerk (“County Registrar”) to take any and all steps necessary for the holding of the consolidated election; and adopting regulations pertaining to candidate statements; and

WHEREAS, at its regular meeting of July 16, 2018 the City Council approved Resolution No. 7872 which called for the submission of a ballot measure to San Fernando voters that would extend the City’s existing half-percent (1/2%) transactions and use tax indefinitely; and

WHEREAS, the City of San Fernando (the “City”) conducted the City Election on Tuesday, November 6, 2018 which was consolidated with the Statewide General Election held on the same day; and

WHEREAS, notice of the City Election was given in time, form and manner as provided by law; the candidates were nominated to fill the vacancies as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the City Election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form, and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in general law cities; and

WHEREAS, the City Election was conducted for the purpose of electing three (3) Members of the City Council for the full term of four years. Also to present a City-initiated ballot measure referred to as “San Fernando Preservation and Beautification Measure”, given the ballot measure designation of Measure A, that would extend the City’s existing half-percent (1/2%) transactions and use tax indefinitely; and

WHEREAS, Measure A presented the following question to San Fernando voters at the City Election:

San Fernando Preservation and Beautification Measure Shall the City extend the half percent (1/2%) transactions and use tax to continue to preserve funding for essential city services such as SFPD, LAFD and SFPW; street repairs, park beautification, and other public works infrastructure projects; cultural and recreational programs; economic development; staffing recruitment, retention and wages; restoration of the City's emergency "rainy day" fund; and other unrestricted general revenue purposes until voters decide to end it?	Yes
	No

WHEREAS, pursuant to Elections Code Section 15300 et seq., the County Registrar canvassed the returns of the City Election and has certified the results and issued a Certificate of Canvass of the Election Returns, which is attached hereto as **Exhibit "A"** and is incorporated by this reference as though fully set forth herein.

WHEREAS, pursuant to Elections Code Section 10263, upon completion of the canvass and before installing new officers, the City Council must adopt a Resolution reciting the fact of the City Election and declaring the persons for whom the highest number of votes were cast for each office.

BASED UPON THE ABOVE RECITALS, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. The Recitals stated above are true and correct and incorporated herein by this reference.

SECTION 2. On November 6, 2018, the City undertook the 2018 City Election, which was administered by the County Registrar.

SECTION 3. On November 30, 2018, the County Registrar issued a Certificate of Canvass of the Election Returns for the City Election (hereinafter, the "Canvass"). A true and correct copy of the Canvass is attached hereto as **Exhibit "A"** and is incorporated by this reference as though fully set forth herein. In satisfaction of Elections Code Section 10264, the City Council hereby adopts the findings, calculations, and determinations of the Canvass as relates to the City Election, including: (1) the number of ballots cast in the City; (2) the names of the persons voted for; (3) the measure voted upon; (4) for what office each person was voted for; (5) the number of votes given at each precinct to each person, and for and against the measure; and (6) the total number of votes given to each person, and for and against the measure.

SECTION 4. At its November 6, 2018 General Municipal Election, three (3) of the City Council's five (5) seats were up for election with each such seat having a term of four (4) years. The names of the incumbents for the three (3) City Council seats that were up for election were Sylvia Ballin, Antonio G. Lopez and Jaime Soto. The names of the persons voted for at the City Election for Members of the City Council were as follows: Sylvia Ballin, David C. Bernal, Antonio G. Lopez, Yvonne Mejia Pena, Hector A. Pacheco, and Jaime Soto.

SECTION 5. The City Council does declare and determine that: Sylvia Ballin, Antonio G. Lopez, and Hector A. Pacheco were elected as Members of the City Council for the full term

of four (4) years each. Sylvia Ballin received the most votes with 2,246; Antonio G. Lopez received the second most votes with 2,199; Hector A. Pacheco received the third most votes with 2,120; Yvonne Mejia Pena received the fourth most votes with 1,931; Jaime Soto received the fifth most votes with 1,407; and David C. Bernal received the sixth most votes with 1,244.

SECTION 6. At the City Election, Measure A was passed and approved by a majority of those voting on the measure. San Fernando voters approved Measure A by the following vote count: 3,551 votes cast in favor and 1,576 votes cast in opposition out of a total of 5,598 ballots cast.

SECTION 7. This Resolution shall take effect immediately upon its adoption by the City Council and the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 8. Pursuant to Elections Code Section 10265, the City Clerk shall immediately sign and deliver to each person elected a Certificate of Election and administer to each person elected the oath of office prescribed in the Constitution of the State of California.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of San Fernando an adjourned regular meeting held on the 12th day of December 2018.

Sylvia Ballin, Mayor

ATTEST:

Elena G. Chávez, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SAN FERNANDO)

I, Elena G. Chávez, City Clerk of the City Council of the City of San Fernando, do hereby certify that the foregoing Resolution was duly adopted by the City Council at its meeting held on the 12th day of December, 2018, by the following vote to wit:

AYES:

NOES:

ABSENT:

Elena G. Chávez, City Clerk

EXHIBIT “A”

**LOS ANGELES COUNTY
REGISTRAR-RECORDER/COUNTY CLERK**

CERTIFICATE OF CANVASS OF THE ELECTION RETURNS

AND

OFFICIAL STATEMENT OF VOTES CAST

EXHIBIT "A"

Los Angeles County
Registrar-Recorder/County Clerk

Certificate of the Canvass of the Election Returns

I, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, of the State of California, DO HEREBY CERTIFY that pursuant to the provisions of Section 15300 et seq. of the California Elections Code, I did canvass the returns of the votes cast for each elective office and/or measure(s) for

San Fernando City

at the General Election, held on the 6th day of November 2018.

I FURTHER CERTIFY that the Statement of Votes Cast, to which this certificate is attached, shows the total number of ballots cast in said jurisdiction, and that the whole number of votes cast for each candidate and/or measure(s) in said jurisdiction in each of the respective precincts therein, and the totals of the respective columns and the totals as shown for each candidate and/or measure(s) are full, true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 30th day of November 2018.



Dean Logan
DEAN C. LOGAN
Registrar-Recorder/County Clerk
County of Los Angeles

[illegible]

[illegible]

[illegible]

[illegible]

ATTACHMENT “B”**ORDINANCE NO. 1678**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, EXTENDING INDEFINITELY, SUBJECT TO VOTER APPROVAL, THE GENERAL PURPOSE TRANSACTIONS AND USE TAX ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION AND CODIFIED UNDER ARTICLE V (TRANSACTIONS AND USE TAX) OF CHAPTER 82 (TAXATION) OF THE SAN FERNANDO MUNICIPAL CODE PURSUANT TO REVENUE & TAXATION CODE SECTIONS 7251 ET SEQ.

WHEREAS, the budget of the City of San Fernando (“City”), like the budgets of municipalities throughout the State of California, has continued along the path to full recovery from the strains and stresses of the Great Recession of the late 2000’s; and

WHEREAS, since 2005, the City’s financial position has changed significantly in that the General Fund, which pays for police, fire, recreation programs, cultural events, street maintenance, and public works services and other general services experienced a dramatic decrease in the amount of money available to provide for these services; and

WHEREAS, the City’s reserves fell from \$7.1 million in 2006 to negative (\$5.7 million) in 2014; and

WHEREAS, this dramatic reduction was the result of a perfect storm as the City’s expenditures on services began to increase (e.g. the San Fernando Regional Pool and other projects added significant ongoing operations and maintenance costs) just before the onset of the “Great Recession” in 2007; and

WHEREAS, to remain solvent, the City reduced employee benefits, discontinued retiree medical benefits for new employees, implemented layoffs and furloughs, eliminated vacant positions and reduced department budgets; and

WHEREAS, the number of City employees was reduced from 160 in 2008 to 128 in 2017 (20% reduction); and

WHEREAS, the number of sworn Police Officers was reduced from 37 in 2008 to 31 in 2017 (16% reduction); and

WHEREAS, in 2013, the City’s financial auditors expressed their concern regarding the City’s ability to continue operate and carry out its financial commitments, obligations and objectives; and

WHEREAS, the City’s general sales tax revenues are still below pre-Great Recession levels; and

WHEREAS, the circumstances described, above, were further aggravated a succession of adverse economic and legislative developments, including, but not limited to, City sales tax

reductions, rising costs for City pensions and health care, and state takeaways and new unfunded regulatory mandates; and

WHEREAS, on December 29, 2011, the California Supreme Court issued a decision ordering the dissolution of community redevelopment agencies throughout the State of California, including the San Fernando Community Redevelopment Agency; and

WHEREAS, the United States Congress has also implemented reductions in Federal Funding of the Community Develop Block Grant (“CDBG”) Budget as well as the Home Program Budget; and

WHEREAS, the loss of these vital funding sources has created short and long-term strains on the City’s General Fund revenues and General Fund reserves; and

WHEREAS, in response to these ongoing fiscal stresses, City Departments have worked diligently under the City Manager’s Office and the City’s Finance Department to reduce departmental expenditures and implement strategies for greater cost efficiency; and

WHEREAS, against the financial backdrop described above, the voters of the City of San Fernando approved a half-cent (\$0.005) or half-percent (½%) transactions and use tax presented to the voters as Measure A at a Special Municipal Election held June 4, 2013; and

WHEREAS, without the revenues generated by the transactions and use tax, the City would have struggled to stay out of bankruptcy; and

WHEREAS, it is proposed that the existing half-cent transaction and use tax be extended by City voters beyond its current September 31, 2020 expiration (sunset) date until such time that the tax is repealed by vote of the City electors in order to keep the City on the path to full recovery; and

WHEREAS, the proposed extension of the half-cent transactions and use tax does not constitute the establishment of a new tax or the increase in the rate of an existing tax within the meaning of Government Code Section 54954.6(a); and

WHEREAS, at its meeting of July 2, 2018, the City Council approved Resolution No. 7870 calling the City’s General Municipal Election of November 6, 2018 for election contests for three of the five City Council seats and for consideration of a ballot measure seeking approval of this Ordinance and the tax extension contemplated herein; and

WHEREAS, the ballot question for the ballot measure appeared as follows:

San Fernando Preservation and Beautification Measure	
Shall the City extend the half percent (1/2%) transactions and use tax to continue to preserve funding for essential city services such as SFPD, LAFD and SFPW; street repairs, park beautification, and other public works infrastructure projects; cultural and recreational programs; economic development; staffing recruitment, retention and wages; restoration of the City’s emergency “rainy day” fund; and other unrestricted general revenue purposes until voters decide to end it?	Yes
	No

WHEREAS, the City Council unanimously approved (5 “Yes” and 0 “No”) the placement of the proposed transactions and use tax measure onto the November 6, 2018 ballot by approval of Resolution No. 7872 on July 16, 2018 in accordance with Revenue & Taxation Code Section 7285.9 which provides in relevant part: “The governing body of any city may ... extend a transactions and use tax for general purposes..., if the ordinance proposing that tax is approved by a two-thirds vote of all members of that governing body and the tax is approved by a majority vote of the qualified voters of the city voting in an election on the issue...”

WHEREAS, the City Council, by a vote of 5 “Yes” and 0 “No”, approved this Ordinance for first reading at a public hearing conducted as part of its Regular Meeting of July 16, 2018 and approved the Ordinance for second reading at an Adjourned Regular Meeting of December 12, 2018, subject to the requirement that the Ordinance may not take effect unless approved by San Fernando voters at the General Municipal Election of November 6, 2018; and

WHEREAS, the Ordinance, by its terms, would only take effect if the ballot measure requesting its approval is approved by a majority of San Fernando voters at the General Municipal Election of November 6, 2018 or by such greater margin of victory as may be legally required for general tax ballot measures presented to the voters in the year 2018; and

WHEREAS, at the General Municipal Election of Tuesday, November 6, 2018, San Fernando voters approved the measure requesting approval of this Ordinance by a margin of 69.26% (or 3,551) voting in favor (“Yes”) and 30.74% (or 1,576) voting in opposition (“No”); and

WHEREAS, the election results were certified at an Adjourned Regular Meeting of the City Council held on December 12, 2018 by way of Resolution No. 7898.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, ACTING WITH THE CONSENT OF THE VOTERS FOLLOWING A NOVEMBER 6, 2018 GENERAL MUNICIPAL ELECTION, HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The foregoing Recitals are true and correct.

SECTION 2. Section 82-135 (Automatic expiration date) of Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal and the expiration (sunset) clause set forth therein are hereby repealed in their entirety and replaced with a new Section 82-135 entitled “Termination of Tax Upon Repeal by Voters” which shall state the following:

82-135 Termination of Tax Upon Repeal by Voters.

This article and the transactions and use tax established and codified hereunder shall have an indefinite term. The forgoing notwithstanding, this Article and the transactions and use tax established hereunder may be later terminated by the voters of the City of San Fernando by means of a ballot measure to repeal the same at a future general or special municipal election of the City.

[EDITOR’S NOTE: This Article and the transactions and use tax established and codified under this Article was first enacted by a vote of the people at a Special Municipal Election held on June 4, 2013. The tax was first approved as Measure A, the City of San Fernando Temporary Transactions and Use Tax. The operative date of the tax was October 1, 2013 and the expiration date of the tax was to be 7 years thereafter at midnight, September 31, 2020. With the passage of Ordinance No. 1678 as Measure A, the San Fernando Preservation and Beautification Measure at a General Municipal Election held on November 6, 2018, the September 31, 2020 expiration date for the transactions and use tax was repealed and the tax was extended indefinitely until such time as Article V (Transactions and Use Tax) of Chapter 82 (Taxation) is repealed in its entirety by the vote of the people of the City of San Fernando at a future general or special municipal election or by such other legal procedures as may be authorized by law for the repeal of taxes.]

SECTION 3. Section 82-119 (Title) of Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal is hereby amended in its entirety to now state the following:

82-119 Title.

This article shall be known as the "San Fernando Preservation and Beautification Measure" and is codified under the following San Fernando Municipal Code article heading: "Transactions and Use Tax."

SECTION 4. The first clause of the first sentence of Section 82-121 (Purpose) of Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal is modified by the addition and insertion of the word “first” between the word “was” and the word “adopted” such that the clause now reads as follows:

*“The ordinance implementing this article was **first** adopted by a majority of San Fernando voters who cast votes at a June 4, 2013, special municipal election to achieve the following ...”*

The remaining text of Section 82-121 (Purpose) that follows the first clause referenced above shall remain intact and unchanged.

SECTION 5. The title and text of Section 82-136 (Declaration) of Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal are hereby amended in their entirety to now state the following:

82-136 Declaration Regarding Use of Tax Revenues.

The revenues generated by the tax imposed under this article may be used for any lawful governmental purpose of the city, as authorized by ordinance, resolution or action of the city council or by ordinance adopted by the electorate of the city. The transactions and use tax established

under this article does not meet the criteria established by California Constitution Article IIIC, section 1(d) for special taxes and said tax is instead a general tax within the meaning of California Constitution Article IIIC, section 1(a) whose revenues may be used for any unrestricted general revenue purpose.

SECTION 6. **AUTHORIZED USE TAX PROCEEDS.** The revenues generated by the transactions and use tax extended under this Ordinance may be used for any lawful governmental purpose of the City, as authorized by ordinance, resolution or action of the City Council or by ordinance adopted by the electorate of the city. Said transactions and use tax does not meet the criteria established by California Constitution Article IIIC, section 1(d) for special taxes, and is approved as a general tax within the meaning of California Constitution Article IIIC, section 1(a) whose proceeds may be used for any unrestricted general revenue purposes.

SECTION 7. **SEVERABILITY.** If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 8. **EFFECTIVE DATE.** This Ordinance relates to an extension of the City's existing transactions and use tax and shall take effect and become operative (i) only if approved by a majority of San Fernando voters (i.e., by more than 50% of votes cast) at the General Municipal Election held November 6, 2018 or by such greater margin of victory as may later be required by State law applicable to general tax ballot measures that are presented to voters at any time during the year 2018; and (ii) in accordance with Government Code Section 36937(a) as an Ordinance relating to an election. If approved by the voters by the requisite margin of victory, the transaction and use tax codified under Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code will be extended indefinitely until such time as Article V (Transactions and Use Tax) of Chapter 82 (Taxation) of the San Fernando Municipal Code is repealed by the voters at a later general or special municipal election. If the measure fails or fails to win by the legally mandated margin of victory applicable to the General Municipal Election of November 6, 2018, this Ordinance shall be rendered inoperative and void, however, the defeat of the measure shall not operate to extinguish or amend the existing transaction and use tax as presently constituted and approved by the voters on June 4, 2013 which will not expire until midnight on September 31, 2020.

SECTION 9. **CEQA.** This Ordinance and the contemplated extension of the transactions and use tax referenced herein is not a "project" within the meaning of the California Environmental Quality Act codified as 21000 et seq. of the California Public Resources Code ("CEQA") because it will not result in a direct or reasonably foreseeable indirect physical change in the environment nor does it involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

SECTION 10. The City Clerk shall certify the adoption of this Ordinance and shall cause the same to be published pursuant to California Government Code Section 36933.

PASSED, APPROVED AND ADOPTED by the City Council of the City of San Fernando at an Adjourned Regular Meeting held on this 12th day of December, 2018.

Sylvia Ballin, Mayor

ATTEST:

Elena G. Chávez, City Clerk

APPROVED AS TO FORM:

Richard Padilla, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SAN FERNANDO)

I, ELENA G. CHAVEZ, City Clerk of the City of San Fernando, do hereby certify that the foregoing Ordinance No. 1678 was introduced for a first reading on the 16th day of July, 2018 and approved for a second reading and adopted by said Council at an Adjourned Regular Meeting held on the 12th day of December, 2018 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Elena G. Chávez, City Clerk

PRESENTATION OF CERTIFICATES OF ELECTION AND ADMINISTRATION OF THE OATH OF OFFICE TO NEWLY ELECTED OFFICIALS

The City Clerk will present Certificates of Election and administer the Oath of Office to newly elected Members of the City Council:

Sylvia Ballin
Antonio G. Lopez
Hector A. Pacheco

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AGENDA REPORT

To: Mayor Sylvia Ballin and Councilmembers

From: Elena G. Chávez, City Clerk

Date: December 12, 2018

Subject: Reorganization of the City Council – Selection of Mayor and Vice Mayor

RECOMMENDATION:

Due to the November 6, 2018 General Election, this item is placed on the agenda for consideration.

BACKGROUND:

Government Code §36801 states that *“The City Council shall meet at the meeting at which the declaration of the election results for a general municipal election is made pursuant to Elections Code Sections 10262 and 10263 and, following the declaration of the election results and the installation of elected officials, choose one of its members as Mayor and one of its members as Mayor Pro Tempore.”*

Please refer to San Fernando City Council Procedural Manual, Section 11. Reorganization (Attachment “A”).

BUDGET IMPACT:

There is no budget impact associated with City Council reorganization.

ATTACHMENT:

A. Procedure for City Council Reorganization

**ATTACHMENT "A"****CITY COUNCIL REORGANIZATION**

San Fernando City Council Procedural Manual, Section 11. Reorganization

1. Election of Mayor:

- A. City Clerk opens the nominations for the position of Mayor
- B. Nomination(s) is/are made for Mayor, and seconded
- C. Hearing no objections, motion to close nominations
- D. City Clerk conducts a roll call vote in the order in which nominations are received until a Mayor is elected by majority vote
- E. City Clerk announces the results

2. Election of Vice Mayor:

- A. City Clerk opens the nominations for the position of Vice Mayor
- B. Nomination(s) is/are made for Vice Mayor, and seconded
- C. Hearing no objections, motion to close nominations
- D. City Clerk conducts a roll call vote in the order in which nominations are received until a Vice Mayor is elected by majority vote
- E. City Clerk announces the results

3. Council Changes Seats as Follows:

- A. Vice Mayor takes his/her seat at the Mayor's right side

4. City Council Comments/Remarks**5. Resume City Council Meeting**