

**MINUTES
CITY COUNCIL REGULAR MEETING
DECEMBER 11, 2012 - 6:00 p.m.**

CALL TO ORDER

The regular meeting of the City Council of the City of Highland was called to order at 6:13 p.m. by Mayor McCallon at the Donahue Council Chambers, 27215 Base Line, Highland, California.

ROLL CALL

Present: Lilburn, McCallon, Racadio, Scott, Timmer
Absent: None

REPORT FROM CLOSED SESSION

No Reportable Action

SPECIAL PRESENTATIONS

Mayor McCallon presented Denise Moreno with a Five Year Employee Service Award recognizing her dedicated service to the City of Highland.

Mayor McCallon presented Lance Arnegard with a Twenty Year Employee Service Award recognizing his dedicated service to the City of Highland.

PUBLIC COMMENT

None

1. Resolution No. 2012-044 Certifying the Results of the General Municipal Election Held on November 6, 2012

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to adopt Resolution No. 2012-044 reciting the facts of the General Municipal Election held on Tuesday, November 6, 2012, declaring the result and such other matters as provided by law. Motion carried, 5-0.

RESOLUTION NO. 2012-044
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL
ELECTION HELD ON NOVEMBER 6, 2012, DECLARING THE RESULT AND
SUCH OTHER MATTERS AS PROVIDED BY LAW

SWEARING IN OF NEWLY ELECTED COUNCIL MEMBERS

Penny T. Lilburn
John P. Timmer

2. Appointment of Mayor and Mayor Pro Tem for 2012/13

City Clerk Hughes opened the nominations.

Councilman Racadio nominated Larry McCallon for Mayor.

Councilwoman Scott nominated Penny Lilburn for Mayor.

City Clerk closed the nominations and called for the vote.

Larry McCallon received 3 votes for the appointment of Mayor.

Mayor McCallon opened the nominations for Mayor Pro Tem.

Councilman Timmer nominated Penny Lilburn for Mayor Pro Tem.

Councilman Racadio moved to close nominations.

Penny Lilburn will retain the position of Mayor Pro Tem.

3. Membership on Various Council Subcommittees, Ad Hocs and Agency Organizations

Mayor McCallon stated the 25th Anniversary Ad Hoc and the IVDA Ad Hoc committees do not need to be continued but the EHR Open Space Ad Hoc will remain open.

Councilman Timmer stated the Neighborhood Revitalization Subcommittee can be disbanded since there are no longer Redevelopment funds.

A MOTION was made by Councilman Timmer, seconded by Councilman Racadio, to disband the 25th Anniversary Ad Hoc Committee, the IVDA Ad Hoc Committee and the Neighborhood Revitalization Subcommittee and to keep the assignments for the current membership on various Council Committees, Ad Hocs and Agency Appointments. Motion carried, 5-0.

CITY COUNCIL CONSENT CALENDAR

A MOTION was made by Councilman Racadio, seconded by Councilman Timmer, to approve the consent calendar as submitted with the exception of Item #15 being pulled for further discussion and with Councilwoman Scott abstaining from Item #14 and Item #16. Motion carried on a roll call vote, 5-0.

4. Waive the Reading of All Ordinances
Waived the reading of all Ordinances in their entirety and read by title only.
5. Minutes – November 13, 2012 City Council Regular Meeting
Approved the Minutes as submitted.
6. Minutes – November 13, 2012 City Council Special Meeting
Approved the Minutes as submitted.
7. Minutes – November 27, 2012 City Council Regular Meeting
Approved the Minutes as submitted.
8. Minutes – November 27, 2012 City Council Special Meeting
Approved the Minutes as submitted.
9. Claim Consideration – Philip Sequeira
Rejected claim.
10. Warrant Register
Approved Warrant Register No. 553 for December 11, 2012, in the amount of \$917,000.66 and Payroll of \$67,715.53.
11. Opening of Time Capsule
Approved the time capsule to be opened during its 50th anniversary in November, 2037.
12. Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2012, the GAS Letter, the Gann Limit Letter, the SAS 114 Letter and the Single Audit Report on Federal Awards
Received and filed the Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2012, the GAS letter, the Gann Limit letter, the SAS 114 letter and the Single Audit Report on Federal Awards.
13. Easement Acceptance/Greenspot Road Improvements (SR-210 to Boulder Avenue)
 1. Accepted the Grant of Easement for Road and Drainage purposes from Boulder Holdings, LLC; and
 2. Directed the City Clerk to record the Grant of Easement.

14. Bid Award – Bid No. 2012-11 “Janitorial and Park Clean-up Services”
Awarded the contract for Bid No. 2012-11 “Janitorial and Park Cleanup Services” to Merchants Building Maintenance.
16. Extension of Landscape Maintenance Contract with CAM Services
Extended the Landscape Maintenance Contract with CAM Services for one year for landscape maintenance of public buildings, parks and two Landscape Maintenance District annexations.

ITEMS PULLED FROM CONSENT CALENDAR

15. Rejection of Bid No. 2012-12 “Landscape Maintenance Contract”

Assistant Public Works Director Zamano stated staff is recommending rejecting the bid for the Landscape Maintenance Contract as well as requesting an extension with our current contractor. In the staff reports, it states there will not be an increase in the contract. He would like to clarify there would be a slight increase. For the three month extension, for the months of January/February there would be a 5% increase and a 10% increase for the month of March. The reason for the increase is the contractor usually does an annual contract. They wanted to be compensated for the fact they would not be able to recover the full costs for them to do their work.

City Manager Hughes stated the overall cost over the three months, the increase, is approximately \$850.00. All we are asking them to do is extend their current contract while we put it out to bid again.

A MOTION was made by Councilman Timmer, seconded by Mayor Pro Tem Lilburn, to:

1. Reject the only bid received;
2. Re-advertise for construction bids; and
3. Extend the Landscape Maintenance Contract with Lasting Images, Inc., for a period of three months. Motion carried, 5-0.

CITY COUNCIL PUBLIC HEARING

17. Extension of Time for Urgency Ordinance No. 366 of the City of Highland Declaring an Interim Moratorium on the Issuance of any Land Use Approval or Permit for a Recycling Facility or any Project Including a Recycling Facility During the Pendency of the City’s Review and Adoption of Relevant Building and Zoning Regulations and Declaring the Urgency Thereof

Mayor McCallon opened the public hearing.

Community Development Director Jaquess stated this is more of a bookkeeping exercise. We are actually in public hearing on a revision to the overall code for the recycling centers, which is currently in hearing before the Planning Commission, but it is not finalized yet. We do not want the current moratorium to expire until we have a new ordinance in place. What staff is proposing is to just extend the current moratorium for one more year even though we will not need this much time. When the new ordinance is adopted we will supersede this.

Mayor McCallon called for any speakers in favor or in opposition, seeing none; the public hearing is now closed.

Councilman Timmer stated he saw an article in the newspaper stating the facilities could only be in the industrial area and only shopping centers would have them. When he first saw this he thought we were adopting it, but if we are just extending it, it makes sense.

Councilwoman Scott stated she is again going to ask that the ones who are working on it to please include shopping carts, for the establishments to refuse to accept recycling materials if they are pushed in a shopping cart. She knows that some of the stores that have recycle centers if anyone takes a shopping cart there they will lose their recycling license.

Councilman Timmer stated it sounds like the ordinance is already going forward.

Community Development Director Jaquess stated it is coming forward as a separate round of public hearings; it is not on the agenda tonight.

Mayor Pro Tem Lilburn stated she thinks this came to the Public Safety Subcommittee as well.

Community Development Director Jaquess stated we did bring the new ordinance to the Public Safety Subcommittee and the recommendation from the Subcommittee was to forward the item to the Planning Commission and they are making a recommendation to the Council.

Councilwoman Scott stated the reason she said that was because when we first discussed this, before it was ever rewritten and taken to the Subcommittee, she brought this same issue up and she would like to have it in there. This way, we will not delay the adoption of the ordinance by having to go back and put something in that was requested to be put in to begin with.

A MOTION was made by Councilman Timmer, seconded by Councilwoman Racadio, to adopt Ordinance No. 372 extending the subject Urgency Ordinance No. 366 for a full year (expiring on December 11, 2013). Motion carried, 5-0.

City Clerk Hughes introduced Ordinance No. 372:

ORDINANCE NO. 372
AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HIGHLAND, CALIFORNIA, EXTENDING THE INTERIM MORATORIUM ON
THE ISSUANCE OF ANY LAND USE APPROVAL OR PERMIT FOR A
RECYCLING FACILITY OR ANY PROJECT INCLUDING A RECYCLING
FACILITY DURING THE PENDENCY OF THE CITY'S REVIEW AND
ADOPTION OF RELEVANT BUILDING AND ZONING REGULATIONS, AND
DECLARING THE URGENCY THEREOF

which title was read.

CITY COUNCIL LEGISLATIVE

18. Memorandum of Understanding with SANBAG to Participate in the Property Assessed Clean Energy (PACE) Program

Community Development Director Jaquess gave a brief review of the staff report. SANBAG has elected to promote this on a regional scale rather than by a City by City scale and what they are offering is to allow the Cities who are members of SANBAG to participate in the AB811 program. This would allow Highland citizens to be eligible to apply for loans to do energy improvements on their homes in the City of Highland. It is not a mandatory program, it is purely voluntary.

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to approve and authorize the Mayor to sign the Memorandum of Understanding with SANBAG to allow residential and commercial property owners in Highland to benefit from and participate in the PACE program. Motion carried, 5-0.

19. Regional Greenhouse Gas Inventory and Reduction Plan

Community Development Director Jaquess gave a brief review of the staff report. This item is being brought to the Council for information purposes tonight. Other Cities, again using SANBAG's umbrella and leadership, have teamed up and the Council has authorized the City of Highland to participate in the Greenhouse Gas Reduction Plan Study, which includes Highland and 21 other cities in the County of San Bernardino. A document was given to you showing two tables on it and this is a revision to the Highland chapter, which we received on Monday, and we are being asked to review it. If you will note the goal of 22% is marked on there, but we are actually achieving a 35% reduction in Greenhouse Gas. We are doing so largely by the actions of others, the State and the Building Code and most significantly in water conveyance. We are well beyond our goal which is a positive for the City of Highland.

Mayor McCallon stated at SCAG it has been discussed about trying to come up with a model climate action plan to suggest to the cities. Also, he would hope this information is forwarded to SCAG because, as a region, come up with Greenhouse Gas reductions.

Councilman Timmer stated on page 3-68, bottom of the page, regarding emission reductions and how the City will meet and exceed the goals, 95% of it will be accomplished through the State and 5% through local. Then the next page states the sector State/County and local measures. Will the Counties be included in the State's 95%, or are they included in the local category?

Community Development Director Jaquess stated what Councilman Timmer is referring to is the earliest draft, and in the documents which were handed out today the County is identified in the State category.

Councilman Racadio stated regarding the fiscal impact, is this all paid for?

Community Development Director Jaquess stated yes, it is all paid for.

20. Adoption of Resolution No. 2012-045 Authorizing the Acceptance by the City of Highland of Property (APN's 1192-421-02 and 1192-421-39) and Design Plans for a New Fire Station from the Successor Agency to the Highland Redevelopment Agency

City Manager Hughes gave a brief review of the staff report.

A MOTION was made by Councilman Timmer, seconded by Mayor Pro Tem Lilburn, to adopt Resolution No. 2012-045 authorizing the acceptance of the Property (APN's 1192-421-02 and 1192-421-39) and Plans and execution of documents relating thereto. Motion carried, 5-0.

21. Agreement with Orange County Flood Control District Regarding Reimbursement of Greenspot Road Bridge Utility Infrastructure

City Engineer Wong gave a brief review of the staff report.

Councilwoman Scott asked why isn't Orange County paying?

City Engineer Wong stated their goal is to get the property with entitlement, approval from the City, so they sell the property to a master plan developer. They themselves do not want to do any construction or do anything beyond the entitlement process.

Councilman Timmer stated actually the property is owned by Orange County Flood Control.

City Manager Hughes stated they will be paying the money back, this is a loan.

Councilwoman Scott asked what happens if we are not paid back in the five years?

City Attorney Steele stated we would end up going to collection actions and sue them.

Councilwoman Scott stated this is an agreement between the City of Highland and Orange County Flood Control, and yet if we go ahead and do this, but then if Orange County Flood Control does not get it taken care of within the five years of the contract, then the developers that they have brought in who have expended monies for the homes and they cannot get C of O's because of the five year agreement.

Mayor Pro Tem Lilburn stated there will not be any homes in five years.

Mayor McCallon stated he does not think it is a huge risk that we are not going to get our money back and it is a good investment at 2.5%.

A MOTION was made by Councilman Timmer, seconded by Councilman Racadio, to approve the Greenspot Road Bridge Utility Infrastructure Reimbursement Agreement with Orange County Flood Control District. Motion carried, 5-0.

22. Memorandum of Understanding and Agreement with San Bernardino County Transportation Authority Regarding the SR-210/Base Line Interchange

City Engineer Wong gave a brief review of the staff report.

City Manager Hughes stated he would like to point out to the Council, his opinion on this issue, is we are not just committing to the \$434,000. By doing this action, we are in fact committing that the City of Highland will ultimately be a partner with SANBAG and looking at a little more than 6 million dollars of participation. We will have to come up with a loan if SANBAG does not come up with an alternative mechanism to fund this, probably from our General Capital financing fund into our DIF fund and then over time it will have to be paid back. Now, do we have the money to do this? Yes we do. What this will mean though, is that it is going to impact our ability in the future to have matching funds available for other grant opportunities and projects down the road.

Mayor McCallon stated this is an opportunity since this is number two on the priority list along with the widening project.

Councilwoman Scott asked on this particular project, 42% is our portion, and what do they base this on?

Mayor McCallon stated it is based on a Nexus study that was done. They looked at the impact of development on the traffic patterns and it was determined that at the interchange, Highland would be the only one contributing.

City Engineer Wong stated they did a Countywide traffic model which looked at all the interchanges and looked at the future population within the County and after all this, it was said new development will have a 40% impact to the need to widen the interchange.

Councilwoman Scott stated they should have made that a wider freeway to begin with. She cannot understand how the City of Highland, with our 58,000 population, is going to have 42% of an impact on this when you have San Bernardino, Loma Linda.

Mayor McCallon stated we are discussing the interchange only, not the widening of the freeway.

Councilman Timmer stated if we do not address this and if we challenge some of these numbers that were done in the Nexus study, we will drop to the bottom of the list. Right now we have an opportunity because we are at number two of the list to get construction done and yes, it will cost some money.

Councilwoman Scott stated this will prevent us from doing any projects anywhere else in the City.

City Manager Hughes stated no, he did not say that. He did not say it would preclude us from doing any improvements throughout the City. He said it will significantly impact our ability, in the future, to do public works projects. We also will have a one-time infusion of former redevelopment funds as well which we plan on making a recommendation to put the funds back into our General Capital financing funds.

Councilwoman Scott stated it states Base Line Interchange project. Is it just the on-ramps and the off-ramps at Base Line and the 210?

City Manager Hughes stated it also is the widening of Base Line over the freeway.

Councilwoman Scott asked how far will the widening go?

City Engineer Wong stated from Buckeye to Seine. There is a drawing included in the staff report for reference.

A MOTION was made by Councilman Timmer, seconded by Councilman Racadio, to approve:

1. Memorandum of Understanding with San Bernardino County Transportation Authority for the development of the SR-210/Base Line Interchange project; and
2. Cooperative Agreement with San Bernardino County Transportation Authority for preparation of Preliminary Engineering and Environment Document for the SR-210/Base Line Interchange. Motion carried, 5-0.

23. Update on SANBAG, SCAG, Omnitrans, Work Program and Regional/Legislative Issues/Development Issues/Subcommittees/AB 1234 Updates

Mayor McCallon stated a workshop was held at SANBAG regarding the I-10 and I-15 expansion having either HOV or express lanes. There was a presentation by San Diego SANBAG on their express lanes and they also had Los Angeles SANBAG speak about their express lanes which are just opening.

City Manager Hughes stated blank worksheets have been sent to Council in their mailboxes as well as electronically regarding requesting Work Program items. He also received a Legislative item today, which is a request from the League of California Cities requesting the City of Highland send a letter opposing a proposal by the Federal Government to eliminate the Tax Exempt status of Municipal Bonds.

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to send a letter in opposition regarding a proposal by the Federal Government to eliminate the tax exempt status of Municipal Bonds. Motion carried, 5-0.

24. San Bernardino International Airport Authority and IVDA

None

ANNOUNCEMENTS

January 24	League of California Cities Meeting
December 25	City Council Meeting – Dark
December 26	City Council Special Meeting

CLOSED SESSION

None

ADJOURN

There being no further business, Mayor McCallon adjourned the meeting at 7:42 p.m. in memory of Tim Sabo, James Smith and Patty Newcombe.

Submitted By:

Approved By:

Betty Hughes, MMC
City Clerk

Larry McCallon
Mayor