

**CITY OF LOS BANOS  
CITY COUNCIL MEETING MINUTES  
JANUARY 18, 2017**

***ACTION MINUTES** – These minutes are prepared to depict action taken for agenda items presented to the City Council. For greater detail of this meeting refer to the electronic media (CD and/or audio) kept as a permanent record.*

**CALL TO ORDER:** Mayor Villalta called the City Council Meeting to order at the hour of 7:01 PM.

**PLEDGE OF ALLEGIANCE:** Police Chief Brizzee led the pledge of allegiance.

**ROLL CALL – MEMBERS OF THE CITY COUNCIL PRESENT:** Council Members Tom Faria, Deborah Lewis, Mayor Michael Villalta; Absent: Council Member Daronica Johnson-Santos.

**STAFF MEMBERS PRESENT:** City Attorney Vaughn, City Clerk/Human Resources Director Mallonee, Police Chief Brizzee, Fire Chief Marrison, Finance Director Williams Assistant Fire Chief Hurley, Senior Planner Elms, Public Works Director/City Engineer Fachin and Information Technology Director Spalding.

**CONSIDERATION OF APPROVAL OF AGENDA:** Motion by Silveira, seconded by Faria to approve the City Council Meeting agenda as submitted. The motion carried by the affirmative action of all City Council Members present, Johnson-Santos absent.

**PUBLIC FORUM: MEMBERS OF THE PUBLIC MAY ADDRESS THE CITY COUNCIL MEMBERS ON ANY ITEM OF PUBLIC INTEREST THAT IS WITHIN THE JURISDICTION OF THE CITY; INCLUDES AGENDA AND NON-AGENDA ITEMS. NO ACTION WILL BE TAKEN ON NON-AGENDA ITEMS. SPEAKERS ARE LIMITED TO A FIVE (5) MINUTE PRESENTATION. DETAILED GUIDELINES ARE POSTED ON THE COUNCIL CHAMBER INFORMATIONAL TABLE.** ERIK LIMON, Los Banos, invited all to the Rotary event to help the hungry on Tuesday, January 24, 2017 from 4:30-7:00 p.m. at the Ted Falasco Arts Center located at 1105 Fifth Street, tickets are available through David Dees at (209) 710-0764, Barbara Gomes (209) 826-2584, Marg Benton (209) 704-0014, or at the Los Banos Enterprise office at 907 Sixth Street; TONY COOK, Los Banos, inquired as to parking issues, is looking for clarification on matters he submitted to Merced County District Attorney's office, contacted other outside agencies on the same matter for their input, wants to know how the City can just take someone's vehicle for evidence and turn it around and reapply for the title and then get rid of it, for which Mayor Villalta directed him to call the Los Banos Police Department and speak to Police Chief Brizzee. No one else came forward to speak and the public forum was closed.

**CONSIDERATION OF APPROVAL OF CONSENT AGENDA.** Motion by Silveira, seconded by Faria to approve the consent agenda as follows: Check Register for #202641 – #202793 in the Amount of \$887,257.01; Second Quarter Investment Report for Fiscal Year 2016/2017; City Council Resolution No. 5829 – Authorizing the Release of Unclaimed Checks Pursuant to California Government Code Section 50055 to the City of Los Banos; City Council Resolution No. 5830 – Authorizing the City Manager to Execute an Out of Boundary Service Agreement Upon Local Agency Formation Commission (LAFCO) Approval for Real Property Located at 16778 Place Road, Los Banos, California (APN 083-100-071). The motion carried by the following vote: AYES: Silveira, Faria, Lewis, Villalta; NOES: None; ABSENT: Johnson-Santos.

**PUBLIC HEARING – TO RECEIVE PUBLIC COMMENT AND CONSIDERATION REGARDING THE PROPOSAL THAT THE CITY OF LOS BANOS ACT AS THE GROUNDWATER SUSTAINABILITY AGENCY FOR A PORTION OF THE DELTA-MENDOTA SUB-BASIN; CITY COUNCIL RESOLUTION NO. 5831 – DECLARING ITS INTENTION TO BECOME A GROUNDWATER SUSTAINABILITY AGENCY (GSA) UNDER THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT FOR A PORTION OF THE DELTA-MENDOTA SUB-BASIN OF THE SAN JOAQUIN VALLEY GROUNDWATER BASIN.** Public Works Director/City Engineer Fachin presented the staff report.

Mayor Villalta opened the public hearing. TONY COOK, Los Banos, stated he is very familiar with the State Water Resources Control Board from his previous employment, wanted to know if there was anything put in place in regards to threshold triggers; Public Works Director/City Engineer Fachin stated that emergency regulations have just been published weeks ago and that's as far as they've gotten with that, there are some mechanisms already in place due to existing groundwater requirements because of the San Joaquin River; TONY COOK inquired as to whether these water plans that are being implemented are going to be updated in the near future and be in compliance; Public Works Director/City Engineer Fachin stated the City updates their Storm Water Plan every year and that all City/private projects are inspected.

Council Member Silveira hopes as we get further down the road State legislators could come up with some way to make it a simpler process instead of spending time and money on having to remap to take a little piece out, hopes that they would allow those agencies to make common sense line changes that aren't changing the whole world; Public Works Director/City Engineer Fachin responded saying he does hope there will be some rationale so they only have to do this once a year and hopefully some of these areas will be taken out at that time.

Motion by Silveira, seconded by Faria to City Council Resolution No. 5831 – Declaring its Intention to Become a Groundwater Sustainability Agency Under the Sustainable Groundwater Management Act for a Portion of the Delta-Mendota Sub-Basin of the San Joaquin Valley Groundwater Basin. The motion carried by the following vote: AYES: Silveira, Faria, Lewis, Villalta; NOES: None; ABSENT: Johnson-Santos.

**CONSIDERATION OF APPROVAL OF CITY COUNCIL RESOLUTION NO. 5832 – AMENDING THE 2016-2017 FISCAL YEAR BUDGET AS IT PERTAINS TO EXPENDITURES AND AMENDING DIVISION 4, SALARY SCHEDULE EMPLOYEE CLASSIFICATIONS RELATING TO CHANGES TO SECTION C – COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT.** City Manager Terrazas presented the staff report, which included a PowerPoint presentation.

There was Council Member and staff discussion about Senior Planner Elms' promotion being well-deserved, how the reorganization of the Community & Economic Development Department is needed to take on bigger projects and keep the City moving forward in a positive direction of expansion.

Motion by Faria, seconded by Lewis to adopt City Council Resolution No. 5832 – Amending the 2016-2017 Fiscal Year Budget as it Pertains to Expenditures and Amending Division 4, Salary Schedule, Employee Classifications Relating to Changes to Section C – Community & Economic Development Department. The motion carried by the following action: AYES: Faria, Lewis, Silveira, Villalta; NOES: None; ABSENT: Johnson-Santos

**CONSIDERATION OF APPROVAL OF CITY COUNCIL RESOLUTION NO. 5833 – AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH BUXTON COMPANY FOR RETAIL RECRUITMENT STRATEGY AND RELATIONSHIP SERVICES AND AMENDING THE 2016-2017 BUDGET BY INCREASING THE COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT EXPENDITURES IN THE AMOUNT OF \$50,000.** Senior Planner Elms presented the staff report then turned the presentation over to Lisa McCay, Vice President of Community ID Division of Buxton, who spoke in greater detail as to the services that they would be providing.

Council Member Lewis commented that the tracking system this company uses is kind of like a cookie company in a box meaning it's almost as if they are tracking interests, it is kind of scary but good if it's able to assist cities in acquiring business, inquired as to whether there is any way to work with the business owners to look at existing capital/buildings instead of breaking new ground, for which Ms. McCay confirmed that this is something they do since it is common in a lot of communities and spoke about incentives for the business owners, how Buxton provides guidance in all these areas; Council Member Lewis brought up Ms. McCay's talk about 'Scout' and what kind of report it is; Ms. McCay clarified that 'Scout' is an analytical portal that is able to link the user to its data sets in real-time that is ready on the fly; Council Member Lewis asked whether the company would be reporting to the City Manager or Community & Economic Development Department if/when they are able to garner retailers for the City; Ms. McCay explained how whenever there are ribbon cuttings or opening events, it will be celebrated by national media to market out to other businesses.

Mayor Villalta stated he liked the fact that it's not just bringing new businesses to town, but supporting those that are already here; Ms. McCay said they do not want to over-

saturate the market of any one thing and want to have an eclectic range of retailers, they're looking for gaps in the City's market specifically for that reason; Mayor Villalta wanted clarification as to if there is an established business that's been here for a while and they start to flounder, will this company provide assistance; Ms. McCay confirmed that the company does do that and uses tutorials with these businesses to help utilize information given; Mayor Villalta asked if they could share market share capabilities through outside sources, such as the Chamber of Commerce, for the businesses here in town for which Ms. McCay answered absolutely.

Council Member Silveira stated he wanted to dive into some details of the contract, asked about the information in the Request for Proposal noting that it states that the company would pay 50% upon execution of the agreement and then the other 50% upon the targeted retail identification and then spoke of future invoice due dates falling on each year's anniversary, but stated that the City has the contract written up for being paid quarterly; Ms. McCay stated she was aware of that and that it's an easy revision to make and she will make that change on her end; Council Member Silveira thinks this is a tremendous tool, how he and everyone else wants a Costco and how this system would help guide the City as to whether or not a Costco would in fact do well here, he would like to see some sort of benchmarks involved in the three (3) year contract so the City is able to tell whether or not this system is in fact working for the City or not; Ms. McCay explained that the reason why they have a three (3) year option is because retailers already have their expansion strategies set out for two (2) years, how every year they work with around twenty (20) new prospective businesses as well as the twenty (20) old prospective businesses from the previous year knowing that only two (2) to three (3) will actually come through the pipeline, the company will be coming out and speaking to the City Council quarterly to make reports on where they are with the relationships of the prospective businesses and will also be conferencing weekly with staff, explained how labor intensive all this work is and how it will always continue to be that way with all the relationships they are building and maintaining; Council Member Silveira once again stated his concerns about cancellation and not having benchmarks; Ms. McCay appreciated his concerns and strongly suggested an assessment before renewing membership with this company; Council Member Silveira said he would feel more comfortable committing to one (1) year and leaving the other two (2) years optional; Ms. McCay stated that that's okay as long as the City is aware that year one (1) is mainly focused on figuring out where the City's relationships stand with these retailers and that regional things are going to happen a lot faster than national ones.

Council Member Faria asked whether there is a regional office with staff nearby to consult with; Ms. McCay stated that she is the point of contact and she gets on a plane to get to wherever she needs to be because she has such a wide span of clientele; Council Member Faria asked about the team that would be assigned to assist the City with this; Ms. McCay clarified that they would be headquartered in Fort Worth, Texas but that they are all road warriors and would be making appearances in town; Council Member Faria was very pleased to see the sophisticated style in target marketing, Los Banos is a very unique place and that the City has many different identities which makes it a pleasant place to live but also makes it hard to market the City, the

perception of Los Banos could be deceptive and how a lot of people think Los Banos is bigger than what it really is and suggested Ms. McCay and her colleagues take the time to walk around town and get a feel for what it really is.

City Manager Terrazas wanted to follow-up on Council Member Silveira's comments and add that he thinks it would be appropriate to recommend quarterly reports back to the City Council and re-evaluate the contract at the end of year one (1) to see if they want to continue with the contract.

Council Member Silveira inquired as to how long will it take the company to get the data inputted for which Ms. McCay stated that the analysis portion is about a forty-five (45) day process, every step thereafter is approved by staff before moving forward.

Motion by Lewis, seconded by Faria to adopt City Council Resolution No. 5833 – Authorizing the City Manager to Execute a Professional Services Agreement with Buxton Company for Retail Recruitment Strategy and Relationship Services and Amending the 2016-2017 Budget by Increasing the Community & Economic Development Department Expenditures in the Amount of \$50,000. The motion carried by the following vote: AYES: Lewis, Faria, Silveira, Villalta; NOES: None, ABSENT: Johnson-Santos.

**APPOINTMENT OF COMMISSIONER TO THE ECONOMIC DEVELOPMENT ADVISORY COMMITTEE – ONE (1) VACANCY.** Motion by Villalta, seconded by Faria to appoint Alex Dvorkin to the Economic Development Advisory Committee for an unexpired term, expiring December 31, 2017. The motion carried by the following vote: AYES: Villalta, Faria, Silveira, Lewis; NOES: None; ABSENT: Johnson-Santos.

**COMMUNITY VIDEO UPDATE PROVIDED BY CGI COMMUNICATIONS, INC.** Senior Planner Elms presented the staff report which included a preview of videos from the City's website.

**ADVISEMENT OF PUBLIC NOTICES (One Report).** Senior Planner Elms stated that there will be a public hearing held at the Planning Commission on January 25, 2017 at 7:00 p.m. regarding the consideration of a Type 41 alcohol license for Las Palmas restaurant located at 502 Pacheco Boulevard which is the location of the old Dairy Queen, there will be a continued public hearing from November regarding a subdivision of 5.5 acres into 25 single-family residential units.

**CITY MANAGER REPORT.** City Manager Terrazas was extremely pleased to bring forward the reorganization of the Community & Economic Development Department including Senior Planner Elms's promotion, has been extremely impressed with her work and congratulated her once again, looks forward to working with her in her new capacity and is pleased to see her family there supporting her.

## **CITY COUNCIL MEMBER REPORTS.**

**DEBORAH LEWIS:** Congratulated Senior Planner Elms on her promotion once again, and also congratulated City Manager Terrazas on the extraordinary job he has done in the short time he has been here, bringing forward the contract with Buxton and reorganizing the Community & Economic Development Department, looks forward to things happening particularly looking at certain codes pertaining to downtown and beefing up the retail options down there and possibly bringing in some businesses the community has been desiring.

**SCOTT SILVEIRA:** Nothing to report

**TOM FARIA:** Reminded all that the great pianist, Frank Wiens, will be performing in Los Banos on January 21, 2017 at the Arts Center, choir drive thru chicken dinner fundraiser on January 26, 2017 and tickets are \$10 provided by La Morenita Market with some firemen assisting with the cooking for this event, Chili's takeover for RM Miano Elementary School on January 26, 2017, Empty Bowls Event next week, he spoke in greater detail regarding the pianist, Frank Wiens, and his experience at University of the Pacific.

**DARONICA JOHNSON-SANTOS:** Absent

**MAYOR MICHAEL VILLALTA:** Spoke regarding the Rotary Empty Bowls Event on January 24, 2017, with 100% proceeds going to different organizations, this year the proceeds are going to the homeless, they were able to purchase 3,000-4,000 cans of food during the canned food drive put on by the Chief of Police, tickets can be purchased through any Rotarian and are \$15 for adults and \$10 for children, at the next City Council Meeting MCAG will be presenting Measure V, explained how MCAG is in a flux right now with staff members leaving and on leave, how Measure V needs to be discussed so we can figure out which pots of money belong to who so we can make sure the "Westside" is taken care of so we can further our projects, children's concert consisting of 800 fourth grade students and symphony music and this being the fourth straight year in conjunction with the School District, Merced County Office of Education, Allied, and a host of other people who have put this on, Merced County Office of Education has done a good job funding this concert.

**ADJOURNMENT.** The meeting was adjourned at 8:41 p.m.

APPROVED:

/s/ Michael Villalta  
Michael Villalta, Mayor

ATTEST:

/s/ Lucille L. Mallonee  
Lucille L. Mallonee, City Clerk