



Minutes

Lakewood City Council

Regular Meeting held
January 25, 2011

MEETING WAS CALLED TO ORDER at 7:30 p.m. by Mayor Esquivel in the Council Chambers at the Civic Center, 5000 Clark Avenue, Lakewood, California.

INVOCATION was offered by Rabbi Howard Laibson, Congregation Shir Chadash

PLEDGE OF ALLEGIANCE was led by Council Member Diane DuBois

ROLL CALL: PRESENT: Mayor Joseph Esquivel
Vice Mayor Larry Van Nostran
Council Member Steve Croft
Council Member Diane DuBois
Council Member Todd Rogers

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ANNOUNCEMENTS AND PRESENTATIONS:

Mayor Esquivel announced that the meeting would be adjourned in memory of the victims of the January 5th high school shooting, including Vice Principal Vicky Kaspar, cousin to a Lakewood resident, Kathy Lopez.

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ROUTINE ITEMS:

COUNCIL MEMBER DUBOIS MOVED AND VICE MAYOR VAN NOSTRAN SECONDED TO APPROVE ROUTINE ITEMS 1 THROUGH 7.

- RI-1 Approval of Minutes of the Meetings held December 14, and December 18, 2010, and January 8, and January 11, 2011
- RI-2 Approval of Personnel Transactions
- RI-3 Approval of Registers of Demands
- RI-4 Approval of Agreement for Emergency Drinking Water with DS Waters of America, Inc.
- RI-5 Approval of Report of Monthly Investment Transactions
- RI-6 Approval of Quarterly Schedule of Investments
- RI-7 Acceptance of Notice of Completion for Public Works Contract No. 2010-1; Centre HVAC Replacement; Pardess Air, Inc.

ROUTINE ITEMS: Continued

UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, DuBois, Croft, Rogers and Esquivel

NAYS: COUNCIL MEMBERS: None

2.1 • EXPRESSING OPPOSITION TO THE GOVERNOR'S PROPOSAL REGARDING ELIMINATION OF REDEVELOPMENT AGENCIES

Administrative Services Director Diane Perkin gave a presentation based on the memo in the agenda and stated that the voters of California had approved Proposition 22 in November 2010, to prevent the State from taking away funding from redevelopment agencies. The new Governor's budget proposal included provisions that would completely eliminate all redevelopment agencies. She stated that redevelopment was an essential tool for the State's economic recovery and a resolution had been drafted which would express opposition to the Governor's proposal.

RESOLUTION NO. 2011-1; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD IN OPPOSITION TO THE STATE OF CALIFORNIA ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA

Council Member Rogers expressed outrage over the State's proposal. He noted that of the Federal, State and local levels of government, only the local level was working effectively. He stated that redevelopment funds had been effectively used to spur development and encourage growth, not provide developer give-aways. He stated that even the proposal to eliminate redevelopment agencies was not made public until the decision had already been made – without any input or advice from the agencies involved. He concluded by stating that since no one at the State level was willing to make the tough decisions, they should ask the locals doing a good job for their advice.

Council Member DuBois pointed out how the Agency's housing funds had been utilized to assist with housing opportunities for victims of domestic violence.

Vice Mayor Van Nostran stated that Lakewood had used redevelopment in the way it was intended to be used. He pointed out some of the projects that had been accomplished and stated it would make no sense to take away this tool.

Council Member Croft noted that it was great that the State was getting serious about its budget problems, but that cities had been working hard all along to live within their means. He stated that redevelopment was one of the tools available to cities to help attract businesses. He also noted that it would not help the economy in the long run if the State balanced their budget by putting cities into the red.

2.1 • EXPRESSING OPPOSITION TO THE GOVERNOR'S PROPOSAL REGARDING ELIMINATION OF REDEVELOPMENT AGENCIES - Continued

Mayor Esquivel stated that this was just another attempt to balance the State budget by using local money. It was important to let our legislators in Sacramento know how unhappy we are about the proposal.

COUNCIL MEMBER DUBOIS MOVED AND COUNCIL MEMBER CROFT SECONDED TO ADOPT RESOLUTION NO. 2011-1. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, DuBois, Croft, Rogers and Esquivel

NAYS: COUNCIL MEMBERS: None

3.1 • ANNUAL REVIEW OF CITY INVESTMENT POLICY

The Director of Administrative Services displayed slides and presented a report based on the memo in the agenda. She stated the City's Investment Policy was based upon the priorities of safety, liquidity and yield, in that order. She reported that the City's principal was never put at risk. She advised that a change in the policy this year was the re-introduction of Commercial Paper as an authorized and suitable investment option, now that the market had somewhat settled since Commercial Paper was removed in 2008. She reported that Lakewood's portfolio was well diversified, with investments in Treasuries, Agencies and Negotiable CDs. She also advised that the Portfolio Manager received compensation based upon the value of the portfolio, providing incentive to maximize its size and performance. It was the recommendation of staff that the City Council approve the amended Investment Policy as presented with the addition of Commercial Paper and continuation of the existing financial management contract.

In response to a question from Vice Mayor Van Nostran, Ms. Perkin stated that the value of Commercial Paper was not so much from a difference in yield, but in that it could be sold quickly when necessary.

Council Member Croft inquired whether new, more stringent regulations on the stock market made Commercial Paper safer. Ms. Perkin responded by stating that Commercial Paper had been dropped from the City's Policy more as a precaution and that it was not an area of the market where any great losses had been experienced.

Responding to a question from Council Member Rogers regarding the small percentage of funds invested in CDs, Ms. Perkin stated that they were useful for their liquidity.

VICE MAYOR VAN NOSTRAN MOVED AND COUNCIL MEMBER DUBOIS SECONDED TO APPROVE STAFF'S RECOMMENDATION. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, DuBois, Croft, Rogers and Esquivel

NAYS: COUNCIL MEMBERS: None

3.2 • CENTRALIA STREET RESURFACING UPDATE

Public Works Director Lisa Rapp displayed slides and provided an update on the City's Street Resurfacing Program and progress on the Centralia Street Project. She reported that since 2000, 92 percent of all residential streets had been resurfaced, for a total of 196 miles of new pavement. She stated that the Centralia Project work had begun in early October with concrete repairs and that pavement was currently being laid down. She showed slides depicting the progress of the work, which could be completed as early as the end of the week. She advised that the next residential paving project, scheduled to begin in April, would include 2.8 miles of streets in the northwest portion of the City that had recently undergone water main replacement. She also advised that there were seven segments of major streets that were under design.

Council Member Croft stated he was a big advocate for the use of rubberized asphalt, as the impact on the riding surface was quite noticeable and it also seemed to clear the streets faster of water runoff. Ms. Rapp noted that water was the worst enemy of paved surfaces and that use of the rubberized asphalt delayed the start of cracks leading to potholes.

Council Member DuBois inquired about the pricing and source of funds used. Ms. Rapp stated that the bids received had been quite favorable and that the Centralia Project would use the last of the Federal stimulus funding available to the City. She noted that while residential street pavement would last up to 30 years, major streets only lasted about 10 years, due to the volume of traffic, until they required repaving.

Vice Mayor Van Nostran determined from Ms. Rapp that even the grindings left over from the surface preparation portion of the project would be re-used for leveling and grading.

At 8:22 p.m., the Regular Meeting of the City Council was recessed for the Meeting of the Lakewood Redevelopment Agency. At 8:33 p.m., the City Council Meeting was reconvened.

ORAL COMMUNICATIONS: None

ADJOURNMENT

There being no further business to be brought before the City Council, Mayor Esquivel adjourned the meeting at 8:34 p.m. in memory of Vicky Kaspar.

Respectfully submitted,

Denise R. Hayward, CMC
City Clerk