

**MINUTES
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY**

**STUDY SESSION – 6:00 PM
July 12, 2016**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:02 p.m. by Mayor Pro Tem Giba in the Council Chamber located at 14177 Frederick Street.

Mayor Pro Tem Giba announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE

Pledge of Allegiance was led by Roy Bleckert.

INVOCATION

Pastor James Belle, Moreno Valley First Apostolic Faith Church

ROLL CALL

Council:	Jeffrey J. Giba	Mayor Pro Tem
	Jesse L. Molina	Council Member
	D. LaDonna Jempson	Council Member
Absent:	Dr. Yxstian A. Gutierrez	Mayor
	George E. Price	Council Member

INTRODUCTIONS

Staff:	Michelle Dawson	City Manager
	Steve Quintanilla	Interim City Attorney
	Thomas M. DeSantis	Assistant City Manager
	Ewa Lopez	Acting City Clerk

Marshall Eyerman
Ahmad Ansari
Jeannette Olko
Candace Cassel

Chief Financial Officer
Public Works Director/City Engineer
Electric Utility Division Manager
Special Districts Division Manager

PUBLIC COMMENTS ON MATTERS EITHER ON THE AGENDA OR NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Mayor Pro Tem Giba opened the public comments portion of the meeting, which was received from:

Rafael Brugueras

1. Thanked the Police Department and residents of Moreno Valley.
2. Requested the agendas be made available on the Community Calendar to help simplify searching.

Pete

1. Complaint provided, due to there was not enough being done for small businesses in the community.

Roy Bleckert

1. Responsibilities and communications to the public; all part of the strategic plan.
2. Transparency.
3. The cost to purchase the power poles was not included in the staff report.

Sean Fortine

1. Les Schwab Tires and World Logistics Center concerns.

A. SPECIAL ORDER OF BUSINESS

A.1. NATIONAL LEAGUE OF CITIES SERVICE LINE WARRANTY PROGRAM (Report of: Financial & Management Services)

Bonnie Cureton, of the National League of Cities (NLC) Service Line Warranty Program, presented a PowerPoint presentation that showed an established alternative program to assist residents with issues that may arise and are not covered by their homeowners insurance as it relates to water and sewer lines in case repairs are needed.

Key points and benefits made during the presentation:

- No cost to or liability for the city to participate.
- Utility Service Partners handles all marketing and management of the program.
- 24/7/365 bilingual customer service.
- Homeowner billed by NLC Service Line Warranty Program.

- City provides residents an affordable solution that covers cost of repairs to water and sewer lines for which the homeowner is responsible.
- Public funds are not used in the marketing, distribution or administration of the NLC Service Line Warranty Program.
- The NLC Service Line Warranty Program must be supported by the city into which it is being introduced before any warranty offer letters are mailed to the homeowners in the community.
- Provides non-tax revenue stream without any investment.
- Reduces calls to City/Public Works when a homeowner's line fails.
- Contractors undergo rigorous vetting process to ensure repairs meet city code.
- Reduces costs associated with sending public works to residents' homes to assess lateral line issues.
- Money is kept in the local economy by using contractors in the metro area.
- Contractors must be current with insurance and required licenses.
- Affordable utility line repair solution for families on a budget.
- Educates homeowners about their service line responsibilities.
- Prevents aggravation of having to find a reliable, reputable plumber.
- Peace of mind - with one toll-free call a plumber is dispatched.
- Keeps money in the homeowner's pocket; without warranty, repairs cost \$1,300 to \$4,000 or more.
- No service fees or deductibles, paperwork or forms to complete.

Recommendations: That the City Council:

1. Review and discuss participation in the National League of Cities (NLC) Service Line Warranty Program administered by Utility Service Partners, Inc. to offer residential property owners the opportunity to purchase a service line warranty to cover unanticipated sewer and water lateral repairs which are not covered by homeowner's insurance.

Council's direction: bring the item back to Council for final decision.

Mayor Pro Tem Giba recessed the meeting at 7:45 p.m.

Mayor Pro Tem Giba reconvened the meeting at 7:54 p.m.

A.2. ACQUISITION OF SOUTHERN CALIFORNIA EDISON STREET LIGHTS
(Report of: Public Works)

Candace Cassel, Special Districts Division Manager, reported and presented a PowerPoint presentation regarding the possible acquisition of Southern California Edison (SCE) street lights and the possibility of entering into discussions with SCE on the purchase and sale agreement and to identify potential financing options.

It was stated that the General Fund had been funding shortfalls since 2010/11 and unless new revenue sources or cost savings measures could be identified, the General Fund would have a liability to meet the funding shortfall.

Candace also provided an update with regards to WRCOG's efforts on forming a coalition. WRCOG requested valuations from SCE on behalf of all of its Member Cities and some of their Community Services Districts, although Edgemont Community Services District was not included. SCE provided a valuation for all of the Cities and WRCOG would be meeting with each City individually to provide a cash flow analysis. WRCOG retained a consultant for looking at LED lighting as well as a "test bed" to be placed in the City of Hemet. It's WRCOG's plan to install different LED lights from different manufacturers, which would include different levels of LED lighting that their members could explore. An example was given that one commercial area would require a level number 1 (bright), but that a residential area might be a level number 5 (not so bright). They also sent out an RFP and were negotiating with two companies on financing options. The City has not joined with WRCOG, specifically for the street lighting, and was not prevented from doing so. The City has an option with the operations and maintenance component. The City is at an advantage because they own their own electric utility. What role, what support and how can the City leverage our electric utility and provide the best street lighting program for our customers.

Council Questions:

Mayor Pro Tem Giba asked how much of our City would the Moreno Valley Utility (MVU) in conjunction with the street lighting cover, as the City doesn't cover the whole city.

Candace responded, if the City decided to acquire the lights (the MVU can acquire the lights, then 13% would be energized by the City, but 87% would be energized by SCE). If the City elected to acquire the street lights, then the City might be able to negotiate and leverage for the MVU to do the operations and maintenance of the street lights.

Council Member Jempson asked how the separation occurred relating to the street lights maintained by Edgemont Community Services District.

Marshall Eyerman responded that prior to the City's incorporation the street lights were maintained by Edgemont Community Services District for street light and sewer services. At the time of incorporation, the City was required to service other areas within the City and the Edgemont Community Services District was a separate legal entity for those purposes. For the City to be responsible, the City would need authorization from Edgemont Community Services District to go through as if they were a separate city.

Council Member Molina asked if the City was going to go into a hearing with the Public Utilities Commission or are we going through the other route, which takes 3-6 months.

Candace responded that staff anticipates the City would be eligible for the advice letter process, the shorter process.

Mayor Pro Tem Giba opened the agenda item for public comments, which were received from Robert Perez (additional Edgemont street lights) and Sean Fortine (motion technology and sensors).

1. Discuss the possible acquisition of SCE street lights and provide direction for staff to enter into discussions with SCE on the Purchase and Sale Agreement and to identify potential financing options.

Council direction: Bring Edgemont into discussion and provide more information. Bring back for formal action as an agenda item as soon as possible. No additional Study Session required.

A.3. CITY COUNCIL REQUESTS AND COMMUNICATIONS

Council Member Molina

1. Requested a separate calendar events for City Council on the website.

Council Member Jempson

1. MoVal Rock Concert "Wanted" and Movie in the Park "Goosebumps" reminder for Friday, July 15, at 6:45 p.m.
2. Coffee with a Cop - Wednesday, July 20, Farmer Boys on Hemlock, at 8:00 a.m.
3. Backpack giveaway reminder for Saturday, July 16, from 9:00 a.m. to 12:00 p.m., at 14340 Elsworth Street. Giveaway sponsored by Life Lifters International and Sigma Beta Xi.
4. Riverside Sheriff's Graduation Ceremony reminder for Thursday, July 14.
5. Will be available for the community during City Council Recess.

Mayor Pro Tem Giba

1. Discussed a VA program with the District Attorney Mike Hestrin.
2. Contact the City Clerk's office for those interested in running for a City Council

- seat.
3. City Council going dark until the middle of August.

(ITEMS MAY BE DEFERRED BY COUNCIL IF TIME DOES NOT PERMIT FULL REVIEW.)

PUBLIC INSPECTION

The contents of the agenda packet are available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

Any written information related to an open session agenda item that is known by the City to have been distributed to all or a majority of the City Council less than 72 hours prior to this meeting will be made available for public inspection on the City's website at www.moval.org and in the City Clerk's office at 14177 Frederick Street during normal business hours.

ADJOURNMENT

There being no further business the Study Session was adjourned at 9:01 p.m.

Submitted by:

Ewa Lopez, CMC, Acting City Clerk
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Secretary, Moreno Valley Housing Authority