

**TOWN OF APPLE VALLEY
TOWN COUNCIL/SUCCESSOR AGENCY**

REGULAR MEETING

MINUTES – February 24, 2015

CALL TO ORDER:

Mayor Cusack called to order the regular session of the Apple Valley Town Council and the Successor Agency at 6:30 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Council Members Bishop; Emick; Nassif; Mayor Cusack

Absent: Mayor Pro Tem Stanton

OPENING CEREMONIES

INVOCATION: Pastor Cheryl Denny, Apple Valley Faith Center

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Council Member Curt Emick.

PRESENTATIONS:

Apple Valley Ranchos Water Company, Tony Penna, Apple Valley Ranchos Water Company

Questions were asked by the Council regarding concerns with Apple Valley Ranchos Water Company and its relationship with the community of Yermo.

PUBLIC COMMENTS

Richard Rorex, Apple Valley, commented on his involvement with the Phoenix Foundation. He announced the upcoming fundraiser "Man About Town", and encouraged everyone to attend.

Hayden Martin, Representative for Assemblyman Jay Obernolte, invited the Town Council and public to meet with the Assemblyman for a Community Coffee to be held Friday, March 6, 2015 at 9:00 a.m.

Mike Lent, Apple Valley, spoke in opposition of the Town acquiring Apple Valley Ranchos Water Company.

Eric Larsen, Apple Valley Ranchos Water Company, commented on statements made at the last meeting regarding the Blue Ribbon Water Committee and his belief that the Town could not afford to purchase the water company.

Tom Piper, Victorville, recommended Wi-Fi be made available Town-wide and free of charge to residents.

Allen Jones, Apple Valley, commented on an event he is working on called Operation Rolling Thunder, to help assist and promote veterans.

Alison Rennie, Apple Valley, commented on Operation Rolling Thunder and the need to assist veterans in war distress and their recovery process.

Emely, (no written last name), spoke in opposition of the Town acquiring Apple Valley Ranchos Water Company.

Joe Saltmeris, Apple Valley, questioned how the Town would be able to keep the costs lower for water than Apple Valley Ranchos Water Company.

John Laraway, Apple Valley, commented on the presentation presented by Apple Valley Ranchos Water Company.

Jeff Kinnard, Apple Valley Ranchos Water Company Employee, read a prepared statement regarding his opposition to the Town acquiring the water company.

COUNCILMEMBER COMMITTEE/COMMISSION PARTICIPATION

Council Member Nassif commented on committee meetings and events that he attended.

Council Member Emick commented on committee meetings and events that he attended.

Council Member Bishop commented on committee meetings and events that he attended.

Mayor Cusack commented on committee meetings and events that he attended.

TOWN COUNCIL ANNOUNCEMENTS

Suggested items for future agenda:

Time, Date & Place for Next Town Council Regular or Special Meeting:

A. Regular Meeting – Tuesday, March 10, 2015 – Council Chambers at 6:30 p.m.

TOWN COUNCIL CONSENT AGENDA

Motion by Council Member Emick, seconded by Council Member Bishop, to approve the Consent Calendar items numbered 1, 3, 4 and 5, and that items numbered 2 and 6 be pulled for discussion.

Vote: Motion carried 4-1-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Cusack.

Absent: Mayor Pro Tem Stanton

1. **Approval of Minutes of the Town Council**
 - A. **Regular Meeting – February 10, 2015**

Recommendation:

That the Town Council approve the subject minutes as part of the consent agenda.

3. Acceptance of Work, Notice of Completion and Release of Retention for the Rancherias Road Improvements – Project No. 2012-13

Recommendation:

That the Town Council:

1. Accept the work completed as part of the Rancherias Road Improvements – Project No. 2012-13, for a total cost of \$768,387.12.
2. Direct the Town Clerk to file the Notice of Completion for the contract work.
3. Direct the Finance Director to release the retained funds thirty (30) days after the Notice of Completion has been filed, provided no claims are filed against the contractor.

4. Purchase of Property Available from Tax Lien Sales by the County of San Bernardino for the Purpose of Constructing New Affordable Housing Projects and a Storm Water Retention Basin

Recommendation:

That the Town Council direct the Town Manager to purchase said property using NSP (Neighborhood Stabilization Program) funds and Storm Water Drainage Impact Fees, made available through tax lien sales by the County of San Bernardino.

5. Adopt Resolution No. 2015-07 - A Resolution of the Town Council of the Town of Apple Valley, California, Approving the Submittal of a Federal Grant Application for a Recycled Water Feasibility Study

Recommendation:

That the Town Council adopt Resolution No. 2015-07 authorizing the Town Manager, or his designee, to submit an application to the US Department of the Interior - Bureau of Reclamation for a Title XVI WaterSMART Water Reclamation and Reuse program grant to fund a Recycled Water Feasibility Study.

PULLED FOR DISCUSSION

2. Approve Additional Funding to Complete the Refurbishing of the Existing Well at the Apple Valley Golf Course

Lawrence McCarthy, Apple Valley, asked questions regarding the cost of the project and whether or not purple pipes would still be considered for use at the Golf Course.

MOTION

Motion by Council Member Emick, seconded by Council Member Nassif, to approve a budget amendment and authorize an expenditure in an amount not to exceed \$45,000.00, to complete the work necessary to refurbish the existing irrigation well at the Apple Valley Golf Course.

Vote: Motion carried 4-1-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Cusack.

Absent: Mayor Pro Tem Stanton

PULLED FOR DISCUSSION

6. Presentation of the Apple Valley Community Resource Foundation 2013-14 Annual Report

Kathie Martin, Marketing and Public Affairs Officer, presented the staff report as filed with the Town Clerk.

MOTION

Motion by Council Member Emick, seconded by Council Member Bishop, to receive and file the Apple Valley Community Resource Foundation Annual Report for the fiscal year ended June 30, 2014.

Vote: Motion carried 4-1-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Cusack.

Absent: Mayor Pro Tem Stanton

PUBLIC HEARINGS

None.

REPORTS, REQUESTS AND COMMUNICATIONS

BUSINESS OF THE COUNCIL

7. Fiscal Year 2014-2015 Mid-Year Budget Review

Marc Puckett, Assistant Town Manager, presented the staff report as filed with the Town Clerk.

Mr. Puckett responded to questions by the Town Council regarding the funding for municipal bonds and how they would be affected if the tax exemption were removed.

MOTION

Motion by Council Member Emick, seconded by Council Member Bishop:

1. That the Town Council receive and file the Fiscal Year 2014-2015 Mid-Year Budget Review Report.
2. Approve Budget Amendment Number 15-15.

Vote: Motion carried 4-1-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Cusack.

Absent: Mayor Pro Tem Stanton

TOWN MANAGER'S COMMENTS & LEGISLATIVE UPDATE

Frank Robinson, Town Manager, congratulated Mayor Cusack on the Mayor's Weight Loss Challenge. He commented on the amount of public participation in this event. He also announced that there would be Public Utilities Commission Hearings held in the Apple Valley Conference Center on Monday, March 16, 2015 at 2:00 p.m. and 6:30 p.m. He stated that the general public is invited to attend and speak.

DEPARTMENTAL REPORTS AND BUSINESS:

STAFF REPORTS

CORRESPONDENCE

CLOSED SESSION

8. Closed Session

Mayor Cusack announced that he will be abstaining from one or more of the Closed Session items as it pertains to Apple Valley Ranchos Water Company, due to a potential conflict of interest. He stated that his company does business with the above company.

Mayor Cusack, with the consensus of the Town Council, adjourned to closed session at 8:25 p.m., to discuss the following:

- A. Conference with Legal Counsel – Anticipated Litigation – Significant exposure to litigation pursuant to Paragraph (2) of subdivision (d) of Section 54956.9: one or more potential cases.
- B. Conference with Legal Counsel – Anticipated Litigation – Initiation of litigation pursuant to Paragraph (4) of subdivision (d) of Section 54956.9: one potential case.
- C. Conference with Legal Counsel – Existing Litigation – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9, Case Name: Application No. 14-01-002, In the Matter of the Application of Park Water Company-Apple Valley Ranchos Water Company Water System (U346W) for Authority to Increase Rate Charges for Water Service by \$3,127,463.00 or 14.88% in 2015, \$2,056,455.00 or 8.48% in 2016, and \$2,160,731.00 or 8.19% in 2017.
- D. Conference with Real Property Negotiators – Pursuant to Government Code Section 54956.8. Property: Apple Valley Ranchos Water Company; Authority Negotiator: Town Manager; Negotiating Parties: Park Water Company, The Carlyle Group, Carlyle Infrastructure Partners, Western Water Holdings LLC; Under Negotiation: Price and terms of payment.

MAYOR CUSACK WAS EXCUSED FROM CLOSED SESSION AND THE MEETING OF THE APPLE VALLEY TOWN COUNCIL AND SUCCESSOR AGENCY AT 8:40 P.M.

Upon returning from Closed Session at 9:48 p.m., Council Member Bishop reported that there was no reportable action taken.

ADJOURNMENT

Motion by Council Member Emick, seconded by Council Member Nassif, and unanimously carried to adjourn the meeting of the Apple Valley Town Council at 9:50 p.m.

Larry Cusack, Mayor

La Vonda M-Pearson, Town Clerk