

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

REGULAR MEETING

MINUTES – September 22, 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 Pro Tem Stanton; Mayor Cusack

Absent: None.

OPENING CEREMONIES

INVOCATION: The Invocation was given by Pastor Denotra Johnson, Victory in Jesus Bible Faith Center

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

PRESENTATIONS: Certificate of Recognition - James Michels - Eagle Scout

PUBLIC COMMENTS

Cliff Reynolds, Apple Valley, expressed concern regarding the high cost of his water bill after moving to Apple Valley. He commented on the water surcharge fee being assessed on his bill and the comparisons he made when contacting all of the other water companies that service residents in Apple Valley.

Matthew Fairchild, Apple Valley, commented on the need for more sidewalks in Town.

Greg Raven, Apple Valley, commented on a presentation that was given at a previous meeting in which a transparency report was made. He believed the report was inaccurate.

Tom Piper, Apple Valley, expressed concern regarding his experiences at the traffic signal at Bear Valley and Hesperia Roads. He believed the timing should be adjusted at this location and many other locations throughout the cities in the Victor Valley.

Paul Jacobs, Apple Valley, commented on a fire that was started at the Hill Top House due to vagrants living at the property. He believed that the property should be secured as soon as possible.

Alexandra Gessesse, Hilltop House Junior Legacy Board Member, Apple Valley Legacy Trail Project, commented on their active work on this project. She spoke of the grant that was awarded for the project and the plans that have been established to create a destination for the community.

Donald Tatera, Apple Valley, commented on the 155 students, as well as additional community members, who are working on the board for the Legacy Trail project. He hoped for the consistent support from the Town on this project.

Chuck Hanson, Apple Valley, expressed concern regarding the Town Council's continued effort to purchase Apple Valley Ranchos Water Company.

Tony Tyler, Apple Valley, recommended that the Town support free market and accommodate multiple providers within the Town.

Thomas Morris, Apple Valley, complained about the enormous water bill that he is receiving. He respectfully requested assistance from the Town Council to stop the increases.

Wilfred Crepeau, Apple Valley, stated that he moved to the community in 1983. However, he stated that his last water bill was over \$500.00. He believed the fees are fraudulent and deceitful and was approved by the Public Utilities Commission. He welcomes the approach of the Town Council to purchase Apple Valley Ranchos Water Company.

Katie Manning, Apple Valley, commented on various concerns that she has regarding the Town's webpage and potholes in the community.

David Christman, Apple Valley, expressed concern regarding his water rates. He stated that his bill has increased constantly even after utilizing the cash for grass program. He stated that his bill was over \$950.00. He stated that he compared his rate usage and cost to that of other communities and discovered that their rates were significantly less.

Patrick Hayes, Chairman, Sun City Safety Committee, commented on concerns he has with the traffic on Del Oro Road and Apple Valley Road. He stated that the committee supported the installation of a three-way stop on Del Oro Road.

Rusty Green, Sun City Safety Committee, stated that he too supported the stop sign on Del Oro Road.

Kari Leon, Agio Realty, expressed concern regarding the impact that the high water rates are having on the real estate industry.

Eric Larsen, Finance Manager, Apple Valley Ranchos Water Company (AVR) stated that at a previous meeting Mr. Leigh Jordan was questioned about the surcharge rates. He stated that AVR is prepared to respond to those questions and would like an opportunity to do so at a future Town Council Meeting agenda.

Council Member Nassif asked a series of questions of Mr. Larsen regarding the drought surcharge and the threshold for the upcoming changes to the tier levels wherein the surcharge will be implemented on those using less water.

Mr. Larsen responded stating that water sales in the high desert are extremely seasonal. The vast majority of water sold is during the summer months. The drought surcharges are temporary and he believes the residents will see savings during the winter months.

Additional questions were asked by Mayor Pro Tem Stanton and Council Member Bishop regarding various practices of AVR meter readings, meter testing and concern about the new well being built on Apple Valley Road.

Mr. Larsen indicated that the AVR meters have a register, which is a battery-powered transmitter. AVR meter readers have a laptop computer and once they are within fifty (50) to seventy-five (75) feet of a residential meter, it pings their computer and provides usage. The new well is replacing wells on the outer edges of AVR service area, which are less efficient and have met their useful lives. Mr. Larsen stated it made more sense to have wells down by the river where the water is more consistent.

Mesrak Gessesse, Apple Valley, believes AVR could provide their ratepayers with equivalent rates as those in other High Desert cities.

Daniel Alexander, Apple Valley, expressed concern regarding his water bill. He stated the water representative was laughing as he left the building. He commented on all of his efforts to cut back on his water usage and his water bill is still over \$600.00.

Maria Cable, Apple Valley, stated that Apple Valley has always been marketed as an affordable place to live and a great community for families until they receive the water bill. She expressed concern regarding the comments made by the water representative indicating that she believed his comments were false. She stated that the residents' water usage should not be part of a sales plan.

Magi Gibbons, Apple Valley, stated that even though she has no landscaping, she still has a surcharge on her bill. She believed that it was all about profit and not the community.

Richard Rorex, Apple Valley, commented on his water bill and adjustments that were made by AVR due to the number of trees that he has on his property. He stated that he was able to reduce his usage by 70%.

COUNCILMEMBER COMMITTEE/COMMISSION PARTICIPATION

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

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

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

Mayor Pro Tem Stanton commented on committee meetings and events that she attended.

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

TOWN COUNCIL ANNOUNCEMENTS

Suggested items for future agenda:

None.

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

A. Regular Meeting – Tuesday, October 27, 2015 – Council Chambers at 6:30 p.m.

TOWN COUNCIL CONSENT AGENDA

Mayor Cusack announced that Council Member Nassif has a remote interest in specific warrants on tonight's commercial warrants dealing with NAPA Auto Parts for the Town of Apple Valley as the owner of NAPA Auto Parts. Therefore, he will be abstaining from voting on the warrants for NAPA Auto Parts listed under Agenda Item Number 2. Mayor Cusack stated that he, too, has a remote interest in specific warrants on tonight's commercial warrants dealing with Apple Valley Communication for the Town of Apple Valley as the owner of Apple Valley Communication; therefore, he, too, will be abstaining from voting on the warrants for Apple Valley Communications listed under Agenda Item Number 2. He also announced that he and Council Member Nassif would be abstaining from voting on Agenda Item Number 8 as Board Members of the PBID.

Mayor Cusack also stated that the motion to Agenda Item No. 7 has been revised to include:

"Approve An Extension To The Contract Completion Deadline For Thirty-Four (34) Additional Days, Extending The Completion Deadline From June 26 To July 30 Due In Part To Unforeseen Conditions Which Affected The Progress Of The Work"

Motion by Council Member Emick, seconded by Mayor Pro Tem Stanton, to approve the Consent Calendar items numbered 1, 2, 3, 5, 6, 7, 8, 10 and 12, respectfully, and that agenda items numbered 4, 9, 11 and 13, be pulled for discussion.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

Council Member Nassif and Mayor Cusack abstained from voting on specific warrants listed under Agenda Item #2 and abstained from voting on Agenda Item #6.

1. Approval of Minutes

A. Regular Meeting – August 25, 2015

Recommendation:

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

2. July 2015 - Commercial Warrants Schedule

Recommendation:

That the Town Council receive, ratify, and file the Commercial Warrants Schedule as presented.

3. July 2015 Payroll/Benefits Warrants Schedule

Recommendation:

That the Town Council receive, ratify, and file the Payroll/Benefits Warrants as presented.

5. Treasurer's Report – July 2015 and Schedules of Revenues, Expenditures and Changes in Fund Balance for the Parks and Recreation Fund and the Apple Valley Golf Course Fund

Recommendation:

That the Town Council receive and file the July 2015 Treasurer's Report

- 6. Adoption of Ordinance 474 – An Ordinance of the Town Council of the Town of Apple Valley Amending the Zoning Map by Changing the Zoning Designation of a Two (2) Acre Portion of Lenny Brewster Sports Complex (APN 0440-085-13) from Very Low Density Residential (R-VLD) to Open Space Recreation (OS-R) and to Change a 19.5 Acre Parcel within the Town of Apple Valley Dry Lake (APN 0440-085-06) from Very Low Density Residential (R-VLD) to Public Facilities (P-F)**
Recommendation:
Adopt Ordinance No. 474.
- 7. Acceptance of Work, Notice of Completion and Release of Retention for the Apple Valley Golf Course Irrigation Well Equipping Project**
Recommendation:
That the Town Council:

 1. Accept the work performed for the Apple Valley Golf Course Irrigation Well Equipping Project, total contract cost \$107,000.
 2. Direct the Town Clerk to file a Notice of Completion for the contract work.
 3. Approve an extension to the contract completion deadline for thirty-four (34) additional days, extending the completion deadline from June 26 to July 30 due in part to unforeseen conditions which affected the progress of the work.
 4. Direct the Finance Director to release retained funds thirty (30) days after the Notice of Completion has been filed, provided no claims are filed against the contractor.
- 8. Proposal to Continue the Village Enhanced Security Program in the Apple Valley Village Property and Business Improvement District (PBID)**
Recommendation:
Approve the San Bernardino County Sheriff's Department's (Sheriff) Proposal to Continue the Village Enhanced Security Program (Program) in the Village Property and Business Improvement District (PBID).
- 10. Budget Amendment for the 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 adopt Budget Amendment No. BA 16-03 allowing the Town Manager to purchase said Property using Neighborhood Stabilization Program (NSP) Funds and Storm Water Drainage Impact Fees, made available through tax lien sales by the County of San Bernardino.
- 12. Acceptance of Work, Notice of Completion, and Release of Retention for the Bear Valley Road and Mohawk Road Traffic Signal-Project 2012-07**
Recommendation:
That the Town Council:

 1. Accept the work completed as part of the Bear Valley Road and Mohawk Road Traffic Signal – Project 2012-07, for a total cost of \$350,162.50.
 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.

PULLED FROM CONSENT CALENDAR

4. Treasurer's Report – June 2015 and Schedules of Revenues, Expenditures and Changes in Fund Balance for the Parks and Recreation Fund and the Apple Valley Golf Course Fund

Tom Piper, Apple Valley, commented on the financial loss to the general fund due to the golf course.

Marc Puckett, Assistant Town Manager, clarified incorrect statements made regarding the golf course and the funding expended on its behalf after the Town assumed the assets of the course.

MOTION

Motion by Council Member Bishop, seconded by Council Member Emick, to receive and file the June 2015 Treasurer's Report

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

9. Adopt Resolution No. 2015-35, A Resolution Consenting to the Inclusion of Properties within the Territory of the Town of Apple Valley in the California Statewide Communities Development Authority Open PACE Program

Mayor Pro Tem Stanton expressed concern regarding these types of loan programs that have high interest rates.

Kari Leon, Agio Realty, commented on the non-transparency of these types of programs and the negative affect that it has on the homeowner. She recommended that lenders and the real estate community be invited to participate in any upcoming presentation.

Discussion ensued regarding homeowners and senior citizens understanding of how the program works and whether or not this program becomes a burden or an asset.

It was the consensus of the Town Council to continue this item to the next meeting to allow a presentation by San Bernardino Associated Government (SANBAG) on this item.

11. Three-Way Stop at the Intersection of Apple Valley Road and Del Oro Road

Brad Miller, Town Engineer, presented the staff report as filed with the Town Clerk.

MOTION

That the Town Council adopt Resolution 2015-36, "A Resolution of the Town Council of the Town of Apple Valley establishing the intersection of Apple Valley Road and Del Oro Road as a three-way STOP intersection", contingent upon completion and acceptance of the engineering analysis.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

13. Request to Dedicate Memorial Plaque in Honor of Ryan Cambridge at the Base of Golf Course Flag Pole

Council Member Bishop stated that on behalf of the Cambridge family, the parents of Ryan Cambridge thank the Parks and Recreation Commission and the Town Council for their support approving this item allowing them to continue honoring their son.

MOTION

Motion by Council Member Bishop, seconded by Council Member Emick, to approve the installation and dedication of Memorial Plaque for Ryan Cambridge at base of flag pole at the Apple Valley Golf Course.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

PUBLIC HEARINGS

14. A Request to Consider an Amendment to Title 9 "Development Code" of the Town of Apple Valley Municipal Code by Modifying Section 9.74.110 (G) "Digital Advertising Displays"

Mayor Cusack opened the public hearing at 8:54 p.m.

Pam Cupp, Associate Planner, presented the staff report as filed with the Town Clerk.

The Town Council ensued in a lengthy discussion regarding freedom of speech as it relates to advertisement on signs, lot frontage requirement, residential requirement limits as well as the ability to have signage in the village.

Kari Leon, Agio Realty, asked for clarification on the type of signage allowed.

Tom Piper, Apple Valley, believed that business owners should be able to put whatever they choose on their signs.

There being no additional requests to speak, Mayor Cusack closed the public hearing at 9:20 p.m.

Lori Lamson, Assistant Town Manager, indicated with the use of GIS, staff could identify parcels along those corridors that have a 100 foot width or a 200 foot width. She stated that this would allow Council and staff to visually see how many digital signs the Town could potentially have.

John Brown, Town Attorney, stated for the record, that Council should provide evidence as to how many parcels this standard would affect.

Mayor Cusack stated that this standard would affect most of the parcels along the main arterials only.

Mr. Brown stated for the record, that the public general exception applies to those properties affected by this Development Code Amendment and therefore none of the Council Members has a disqualifying conflict of interest.

Upon conclusion of the discussion and input from Town staff, the Town Attorney and the Town Council, it was the consensus of the Town Council to make the following amended recommendations:

"G. Digital Advertising Displays

- 1 b. Project site must have a minimum lot frontage of 100 feet.
- 1 e. Digital advertising displays may not be located within 150 feet of any residential unit or district, as measured from the sign. Signs may not be located within the direct line of sight of any existing residential unit within 150 feet of said sign.

1. Operating Standards

h. Except for billboards located along the I-15, digital advertising displays shall *not* advertise off-site businesses.

MOTION

Motion by Council Member Nassif, seconded by Council Member Emick, to:

1. **Determine** that, pursuant to Section 15061(b)(3) of the State Guidelines to Implement the California Environmental Quality Act (CEQA), the project is exempt from environmental review because the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question, the proposed Code Amendment, may have a significant effect on the environment, the activity is not subject to CEQA.

2. **Find** the facts presented within the staff report support the required Findings for approval of an amendment to the Development Code, and adopt the Findings.
3. **Find** that the proposed Town Council Ordinance, as amended, is consistent with the Goals and Objectives of the adopted Town of Apple Valley General Plan and that it is necessary to preserve the health, safety and general welfare of the citizens of Apple Valley.
4. **Move** to waive the reading of Ordinance No. 472 as amended in its entirety and read by title only.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

La Vonda M-Pearson, Town Clerk, read the title to Ordinance No. 472.

MOTION

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

5. **Introduce** Ordinance No. 472, revising Title 9 "Development Code" of the Town of Apple Valley Municipal Code by amending Section 9.74.110(G) "Digital Advertising Displays" of Chapter 9.74 "Signs and Advertising Displays".
6. **Direct** staff to file a Notice of Exemption.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

15. An Amendment to Title 9 "Development Code" of the Town of Apple Valley Municipal Code, as it Pertains to Regulations for Fencing Vacant Land and Vacant Developed Parcels.

Mayor Cusack opened the public hearing at 9:32 p.m.

Lori Lamson, Assistant Town Manager, presented the staff report as filed with the Town Clerk.

John Laraway, Apple Valley, indicated that the property owners should have the right to prohibit trespassers from accessing their property.

Kari Leon, Agio Realtor, stated that she supported property owner rights and did not agree that the Town should be allowed to dictate what type of fence an owner could install.

Tony Tyler, Apple Valley, commented on the problems with illegal dumping in the Town and the ultimate responsibility of the property owner to pay for clean up if their property has been damaged. He believed the owner should have the right to fence their property.

Mayor Pro Tem Stanton vehemently opposed the Town dictating to homeowners the type of fencing allowed on their property. She spoke of the high cost of wrought iron or block fencing

compared to that of chain link. She believed that the use of chain link would not distract from the beauty of the community.

Discussion ensued regarding owners rights on their property, fencing vacant land, types of fencing materials permitted, and security issues.

Ms. Lamson identified the exceptions contained within the staff report as it related to fencing.

There being no additional requests to speak, Mayor Cusack closed the public hearing at 9:50 p.m.

MOTION

Motion by Council Member Nassif, seconded by Mayor Cusack, to:

1. **Determine** that, pursuant to Section 15061(b)(3) of the State Guidelines to Implement the California Environmental Quality Act (CEQA), the project is exempt from environmental review because the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question, the proposed Code Amendment, may have a significant effect on the environment, the activity is not subject to CEQA.
2. **Find** the facts presented within the staff report support the required Findings for approval of an amendment to the Development Code, and adopt the Findings.
3. **Find** that the proposed Town Council Ordinance is consistent with the Goals and Objectives of the adopted Town of Apple Valley General Plan and that it is necessary to preserve the health, safety and general welfare of the citizens of Apple Valley.
4. **Move** to waive the reading of Ordinance No. 476 in its entirety and read by title only.

SUBSTITUTE MOTION

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

1. **Determine** that, pursuant to Section 15061(b)(3) of the State Guidelines to Implement the California Environmental Quality Act (CEQA), the project is exempt from environmental review because the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question, the proposed Code Amendment, may have a significant effect on the environment, the activity is not subject to CEQA.
2. **Find** the facts presented within the staff report support the required Findings for approval of an amendment to the Development Code, and adopt the Findings.
3. **Find** that the proposed Town Council Ordinance is consistent with the Goals and Objectives of the adopted Town of Apple Valley General Plan and that it is necessary to preserve the health, safety and general welfare of the citizens of Apple Valley.

4. **Move** to waive the reading of Ordinance No. 476, as amended eliminating the use of chain link fencing in residential areas, in its entirety and read by title only.

Vote: Motion carried 3-2-0-0

Yes: Council Members Bishop; Emick; Mayor Cusack.

Noes: Council Member Nassif; Mayor Pro Tem Stanton

Absent: None.

La Vonda M-Pearson, Town Clerk, read the title to Ordinance No. 476.

5. **Introduce** Ordinance No. 476 as amended, amending Title 9 of the "Development Code" as it pertains to regulations for fencing vacant land and vacant developed parcels.

6. **Direct** staff to file a Notice of Exemption.

Vote: Motion carried 3-2-0-0

Yes: Council Members Bishop; Emick; Mayor Cusack.

Noes: Council Member Nassif; Mayor Pro Tem Stanton

Absent: None.

16. **An Amendment to Title 5, Chapter 5.06 of the Apple Valley Municipal Code Applicable to Holders of State Video Franchises Issued by the California Public Utilities Commission Pursuant to the Digital Infrastructure and Video Competition Act ("DIVCA"): (i) to Establish a Fee to Support Public, Educational and Governmental Access ("PEG") Facilities In the Amount of One Percent (1%) of Gross Revenues Applicable to State Video Franchise Holders; and (ii) to Add Other Provisions Implementing DIVCA Related to Payment of Franchise Fees and PEG Fees and Processing of Encroachment Permit Applications of State Video Franchise**

Mayor Cusack opened the public hearing at 10:20 p.m.

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

There being no requests to speak, Mayor Cusack closed the public hearing at 10:27 p.m.

MOTION

Motion by Council Member Bishop, seconded by Council Member Emick, to waive the reading of Ordinance No. 475 in its entirety and read by title only.

La Vonda M-Pearson, Town Clerk, read the title to Ordinance No. 475.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

MOTION

Motion by Council Member Bishop, seconded by Council Member Emick, to introduce Ordinance No. 475 amending that portion of Title 5 (Business Regulations) of the Town of Apple Valley Municipal Code, Chapter 5.06 "Cable Communications Franchise".

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

REPORTS, REQUESTS AND COMMUNICATIONS

BUSINESS OF THE COUNCIL

17. **Adopt Resolution No. 2015-37, a Resolution of the Town Council of the Town of Apple Valley, California Approving the Transfer of Control of Verizon California Inc. from Verizon Communications Inc. to Frontier Communications Corporation**

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

MOTION

Motion by Council Member Emick, seconded by Council Member Nassif, to adopt the attached Resolution No. 2015-37 approving the transfer of control of Verizon California Inc. from Verizon Communications Inc. to Frontier Communications Corporation.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

18. **Irrigation and Cost to Drill a New Well – James Woody Park**

Dennis Cron, Assistant Town Manager, presented the staff report as filed with the Town Clerk.

Discussion ensued regarding well design, drilling, water storage and costs as it related to irrigation at this location.

MOTION

Motion by Council Member Bishop, seconded by Council Member Nassif, to authorize staff to prepare and circulate a Request for Proposal and enter into a Professional Services Contract to perform engineering design and construction bidding necessary to install a new irrigation well and associated appurtenant infrastructure at James Woody Park.

Vote: Motion carried 5-0-0-0

Yes: Council Members Bishop; Emick; Nassif; Mayor Pro Tem Stanton; Mayor Cusack.

Absent: None.

TOWN MANAGER'S COMMENTS & LEGISLATIVE UPDATE

DEPARTMENTAL REPORTS AND BUSINESS

Frank Robinson, Town Manager provided Council with an update on the application process for the Tiger Grant. He was pleased to announce receipt of a letter from Senator Feinstein in support of the Town's efforts.

Kathie Martin, Public Information Officer provided a list of upcoming events to the Town Council in the form of a poem.

CLOSED SESSION

19. 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 as his company does business with the above company.

Mayor Cusack adjourned the meeting of the Apple Valley Town Council at 11:07 p.m.

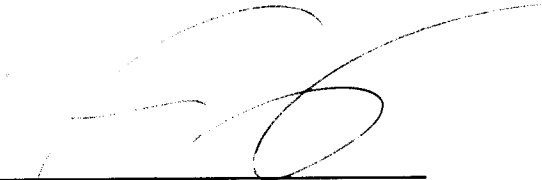
- A. Conference with Legal Counsel – Anticipated Litigation – Significant exposure to litigation pursuant to Paragraph (2) of subdivision (d) of Section 54956.9: one or more potential cases.
- B. Conference with Legal Counsel – Anticipated Litigation – Initiation of litigation pursuant to Paragraph (4) of subdivision (d) of Section 54956.9: one or more potential cases.
- 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 Legal Counsel – Existing Litigation – Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9, Case Name: Application No. 14-11-013 Joint Application of Liberty Utilities Co., Liberty WWH, Inc., Western Water Holdings, LLC, Park Water Company (U314W), and Apple Valley Ranchos Water Company (U346W) for Authority for Liberty Utilities Co. to Acquire and Control Park Water Company and Apple Valley Ranchos Water Company.
- E. Conference with Real Property Negotiators – Pursuant to Government Code Section 54956.8. Property: Apple Valley Ranchos Water Company; Authority Negotiator: Town Manager; Negotiating Parties: Chris Schilling, Chief Executive Officer, Park Water Company, The Carlyle Group, Carlyle Infrastructure Partners, Western Water Holdings LLC, Tony Penna, General Manager, Apple Valley Ranchos Water Company; Under Negotiation: Price and Terms of Payment.

- F. Negotiations with Real Property Negotiator – Parcel Number: 3112-181-01 located at Highway 18, between Dale Evans Parkway & Standing Rock, Apple Valley; Negotiating Parties: 360 Apple West, LLC; Town Negotiator(s) -Town Manager. Negotiations involve both price and terms.

Upon returning from Closed Session at 12:11 a.m., Mayor Cusack reported that the Town Council had no reportable action and that there was no discussion, which required him to abstain during Closed Session.

ADJOURNMENT

Motion by Council Member Emick, seconded by Mayor Cusack, and unanimously carried, to adjourn the meeting of the Apple Valley Town Council at 12:12 a.m.



La Vonda M-Pearson, Town Clerk



Larry Cusack, Mayor