

Minutes for the Regular City Council

25541 Barton Road, Loma Linda, CA 92354

January 9, 2024, 7:05 PM - January 9, 2024, 8:46 PM

Roll Call: *(The following members were in attendance)*

- **Phillip Dupper**, Mayor
- **Ronald Dailey**, Mayor pro tempore
- **Bhavin Jindal**, Councilmember
- **John Lenart**, Councilmember
- **Rhodes Rigsby**, Councilmember

1. Call to Order

1A. Call to Order- 7:05 PM

1B. Roll Call- 7:05 PM

Staff Present:

- **T. Jarb Thaipejr**, City Manager
- **Diane Robbins**, City Attorney
- **Lynette Arreola**, City Clerk
- **Sonia Fabela**, Finance Director
- **Dan Harker**, Fire Chief
- **Lorena Matarrita**, Community Development Director
- **Lt. Kaysie Smith**, SB County Sheriff's Department
- **Andrew Sanchez**, Customer Support Technician
- **Anna Briones**, Senior Accountant/Financial Analyst

1C. Workshop - 6:00pm - Community Room- 7:05 PM

Mayor Dupper stated that the Finance Department staff and the Audit Committee met before the City Council meeting in a workshop to go over the audit report that will be presented to the City Council.

1D. Invocation and Pledge of Allegiance - Mayor Dupper- 7:06 PM

Mayor Phillip Dupper led the Invocation and Pledge of Allegiance.

1E. Items to be Added or Deleted-

There were no items to be added or deleted.

1F. Oral Reports/Public Participation - Non-Agenda Items (Each Speaker limited to 3 minutes. Pursuant to the Brown Act, no action or discussion can be taken by City Council)- 7:06 PM

Peter Dangermond expressed gratitude to the City Council for the opportunity to speak and provide an update on the proposed development plans for the Adobe property, emphasizing their commitment to incorporate the property's rich 200-year history into the project. He briefly discussed design plans and site amenities that would include an area for small group events, a fish pond, a garden, a picnic area, an educational area for visitors, and a mural of the Zanja on one of the buildings. He discussed the landscape plans and the irrigation system. He noted they would need to raise funds and recruit volunteers to accomplish the project. He pointed out that Jacinto volunteered to do grading and construction work; that the Dangermond Family will donate plant material; that Supervisory Rowe

donated funds to the project and that the City and Lennar Homes have provided assistance with property security. Finally, he noted that they would like to host a community event for the neighboring community in the historic district to keep them informed and involved.

Joe Frink thanked staff for keeping him informed and including him in meetings, where he discovered much information on restoration. When appropriate, he would like to work with City staff on the connection of non-potable water. He asked for the City's help to coordinate the community event. He pointed out that Lennar Homes was irrigating and maintaining the existing orange trees. He asked if he could do minor maintenance work on-site, such as painting the bark and fertilizing the trees. He noted it will be a beautiful project. He asked if the City could schedule a Historic Meeting in February.

Mr. Oza commented on the challenges he has had getting in touch with his local elected representatives. He noted that a nearby city holds monthly coffee meetings with a Council member. He noted that he was pleased to hear the Senior Center is now serving hot lunches, but does not think the City has done enough to add programs and activities to the Senior Center. He stated that Redlands Senior Center provides more activities. He noted some volunteer instructors for Redlands have told him they would hold classes in Loma Linda. He submitted a petition for the record, which the petition is a request for the City to provide more resources, activities, and services for seniors, veterans, and disabled individuals in the community.

1G. Conflict of Interest Disclosure- 7:29 PM

No reported conflicts of interest by the City Council.

2. Scheduled and Related Items

2A. Joint meeting of the City Council and Housing Authority regarding presentation of Annual Comprehensive Financial Report for FY 2022/2023- 7:29 PM

Mayor Dupper Called to Order the Housing Authority meeting for discussion of this item.

Finance Director Sonia Fabela introduced Brad Welebir and Veronica Hernandez from Rogers, Anderson, Malody & Scott, LLP (RAMS), who will present the Annual Financial Statement, and Anna Briones, Financial Analyst, who will present the financial data.

Brad Welebir, Rogers, Anderson, Malody & Scott, LLP (RAMS), stated that they provided a summary of the Annual Audit to the Finance Staff and Audit Committee before the City Council meeting and that Ms. Hernandez will summarize and present the results of the Annual Audit for Fiscal Year ending June 30, 2023.

Ms. Veronica Hernandez presented the report summarizing the responsibilities of the City: 1) Present the City's financial position and results of its operations fairly and in conformity with generally accepted accounting principles; 2) Adopt sound accounting policies; 3) Provide reasonable accounting estimates; 4) Establish and maintain internal controls; and 5) Prevent and detect fraud.

She outlined the responsibilities of RAMS: 1) Obtain reasonable assurance that the financial statements are free of material misstatements; 2) Examine, on a test basis, evidence supporting amounts and disclosures; 3) Assess accounting principles used, estimates made, and evaluate the overall financial statement presentation; 4) Review the City's internal control policies and procedures; and 5) Express an opinion on the City's financial statements.

She noted that their Opinion was 1) The Financial Statements were fairly presented in all material respects; 2) The significant accounting policies had been consistently applied; 3) The estimates were reasonable; and 4) The disclosures were properly reflected in the financial statements.

She concluded by outlining Other Key Points: 1) No disagreement with management; 2) No material errors or irregularities were discovered; 3) No significant accounting issues were discovered; and 4) No internal control findings.

Mr. Welebir thanked Ms. Fabela and her team for the significant amount of time and effort spent in this process, including implementing the Council's directives and following policies throughout the year. He noted that the City is receiving the unmodified opinion on the financial statements, which is the highest level of assurance they can offer, and no findings they can report. He congratulated Ms. Fabela and her team for their excellent work.

Anna Briones, Financial Analyst, presented the Annual Comprehensive Financial Report (ACFR) for Fiscal Year ending June 30, 2023, briefly describing the three main sections of the report: 1) Introductory; 2) Financial, and 3) Statistical (Unaudited). She explained the

Financial Statements include: 1) The City; 2) the Loma Linda Housing Authority (Special Revenue Fund); and the Successor Agency (Private Purpose Trust Fund). She noted there are two presentations, the first being Government-Wide Statements that are presented using the full accrual basis of accounting and reporting the City as a whole, and, the second, is the Fund's Financial Statement of the Governmental funds that is based on the modified accrual basis of accounting and reporting the most significant funds.

She summarized the Statement of Activities of the City's Financial Results, for the year-end as follows:

- Government-Wide Financial Statement, including the Housing Authority, with calculations of the Beginning Net Position, the Net Change in Position, and the Net Position at Year End totaled \$131,392,829 (Governmental Activities); \$31,705,403 (Business-Type Activities) with a total of \$163,098,232.
- Government-Wide Financial Statements for Net Investments in Capital Assets with calculations of Restricted and Unrestricted to June 30, 2023, totaled \$131,392,829 (Governmental) and \$31,705,403 (Business-Type).
- Government-Wide Financial Statements, Statement of Activities with calculations of the Total Cost of City Services, Net Program Revenues for Governmental Activities and Business-Type Activities for 2023 totaled (\$10,966,274), General Revenues totaled \$17,409,684, resulting in a Change in Net Position of \$6,443,410.
- Fund Financial Statements for General Fund-Fund Balance - with calculations of Non-Spendable, Restricted, Committee, Assigned, and Unassigned for 2023 totaled \$19,329,610.
- General Fund-Statement of Revenues, Expenditures, and Change in Fund Balance with the calculation of Revenues, Expenditures, and Other Financing Sources with the Results of Operation totaled \$2,317,341 with the Beginning Fund Balance totaled \$17,012,269 and with an Ending Fund Balance for 2023 totaled \$19,329,610. A brief discussion ensued regarding the American Rescue Plan Act (ARPA) Federal funds, totaling around \$2.9 million for each Fiscal Year in 2022 and 2023. The funds, allocated as recovery funds from the COVID-19 public health emergency, were used for Fire Safety services. It was noted that FY 2023 marks the final year the City will receive those funds.
- Fund Financial Statements - General Fund-Budgetary Comparisons with calculations of the Budgeted Amount of Revenues, Expenditures, and Other Financing Sources (Uses) for Revenues Over (Under) Expenditures for the Original Budget totaled \$1,916,700, for the Final Budget Amount totaled \$1,376,800, for the Actual Amounts totaled \$2,317,341, and for the Variance with Final Budget totaled \$940,541.
- Statement of Net Position for the Proprietary Funds - Summary Change in Net Position by Business-Type Activities with calculations of Water Acquisition, Water Enterprise, Sewer Capital, and Loma Linda Connected Communities Program (LLCCP) in 2023 for a Change in Net Position totaled (84,759). Discussion ensued regarding the LLCCP deficit. City Manager Thaipr stated that there is an ongoing discussion with the Finance staff and the City Attorney to strategize an exit plan from LLCCP due to the unsustainable deficit. He noted the difficulties of competing with larger internet companies.
- Statement of Fiduciary Net Position for the Successor Agency for 2023 with calculations of Assets, Liabilities, and Deferred Inflow of Resources for 2023 totaled (\$1,279,862).
- Statement of Changes in Fiduciary Net Position for the Successor Agency with calculations of Additions and Deductions for the Change in Net Position for 2023 totaled \$4,488,549, for the beginning of the year for 2023 totaled (\$5,768,411), and at the end of the year for 2023 totaled (\$1,279,862).

That concluded her presentation. Financial Analyst Briones thanked everyone for their assistance in the preparation of the 2023 ACFR.

In response to Councilman Jindal's inquiry about the programs and activities necessitating support of the General Fund, it was noted that the Landscape Maintenance District (LMD) was one program that relies on General Fund subsidies. This is attributed to the fact that the assessment fees for maintenance and operations in several annexations were set never to increase, leading to the program being subsidized by the General Fund. To change that would have to go to the vote of the people, which probably would not pass. Finance Director Fabela pointed out that pages 19-20 of the ACFR provide in detail the list of activities that are subsidized by the General Fund. She noted that the report also provides how the program revenues received offset expenses. She concluded, stating that historically the program revenues received would hardly ever cover all of the expenses combined in the City.

Mayor Dupper discussed his experience sitting through numerous meetings with the Auditors. He was surprised to learn that the Auditors review all the City Council minutes to ensure the City is implementing all given directions. He acknowledged that Loma Linda is doing well compared to other cities, but pointed out that there will be a shortfall in revenues in the coming year requiring the City to strategize accordingly.

City Manager Thaipejr thanked Sonia, Anna, the Finance team and City Staff for their dedicated time and effort to gather all the data and put this report together.

The Annual Comprehensive Financial Report (ACFR) was accepted for filing.

3. Consent Calendar

Motion by John Lenart, seconded by Bhavin Jindal, and passing by a vote of 5-0-0-0 To Approve the Consent Calendar items as submitted.

3A. Demands Registers - December 26, 2023 and January 9, 2024 [Finance]- 8:02 PM

The demands register dated:

- December 26, 2023, with commercial demands totaling \$1,559,417.22 and payroll demands dated December 21, 2023, totaling \$356,305.30; and
- January 9, 2024, with commercial demands totaling \$1,065,999.18 and payroll demands dated January 4, 2024, totaling \$405,189.97.

3B. Approval of Minutes 12-12-2023 [City Clerk]- 8:02 PM

The Minutes of December 12, 2023, were approved as submitted.

3C. Treasurer's Report - December 2023 [Finance]- 8:02 PM

The Treasurer's Report for December 2023 was accepted for filing.

3D. Fire Department's Activity Report - December 2023 [Fire]- 8:02 PM

The Fire Department's Activity Report for December 2023 was accepted for filing.

3E. Council Bill #R-2024-01 - Resolution of a Purchase and Sale Agreement [Administration/Community Development]- 8:02 PM

Adopted Council Bill #R-2024-01.

RESOLUTION 3205

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, CALIFORNIA, AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT AS TO CERTAIN PROPERTY PREVIOUSLY DESIGNATED AS SURPLUS WITH ANLAI JIAO AND KELSEY BULLOCK

3F. Council Bill #R-2024-02 - Resolution to amend the Miscellaneous and Fire Compensation Plans [Administration]- 8:02 PM

Adopted Council Bill #R-2024-02.

RESOLUTION NO. 3206

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, CALIFORNIA, ESTABLISHING THE NEW SALARY TABLE FOR EMPLOYEES EFFECTIVE JANUARY 1, 2024.

3G. Amendment to the City Attorney Agreement [City Manager] - 8:02 PM

Approved the Amendment to the Agreement for the City Attorney effective March 1, 2024, through March 1, 2025, adjusting the fee schedule and authorizing the City Manager to execute the agreement.

3H. Fiscal Year 2023/2024 Supplemental Appropriations for Public Works Department [Public Works]- 8:02 PM

Approved the Supplemental Appropriation of \$464,800.00 for Public Works Projects as noted in the staff report.

3I. Authorize Purchase of Two Traffic Signal Backup Battery Systems [Public Works]- 8:02 PM

Authorized the purchase of two of two (2) Clary SP1250 traffic signal battery backup systems, including installation, for a total of \$18,820.91.

3J. Notice of Completion - Pavement Rehabilitation by Overlay Method (CIP 23-115) [Public Works]- 8:02 PM

Accepted as complete and authorized recordation of Notice of Completion for the pavement rehabilitation by overlay method at various locations by All American Asphalt in the amount of \$1,501,202.94.

3K. Water and Wastewater Rate Study Draft Report [Public Works/Finance]- 8:02 PM

Accepted the Water and Wastewater Rate Study and its findings and authorized staff to proceed with the notification and hearing process.

4. Old Business

No items.

5. New Business

5A. Approve an Agreement with CGI Digital in their Street Banner Program [Community Development]- 8:03 PM

Community Development Director Matarrita brought to the City Council's attention the recently approved video that showcased the City of Loma Linda, previously presented a few months ago. She noted that the same company, CGI Digital, approached the City with an offer to participate in a street banner program at no cost to the City for a three-year agreement. She noted that CGI Digital would provide the banners, hardware, installation, maintenance, repair, and insurance, and would seek out sponsorship from local businesses to promote their businesses on the banners. The sponsorship money would go to CGI Digital. As part of the agreement, CGI Digital will replace and repair banners that get damaged throughout the year. After a year, new banners will be installed. She explained that the City will have control over the design, content, theme, size, and locations of the banners; that the City will also determine the sponsor area on the banner, which is typically one-third or one-fourth of the banner space; and that the City can change the designs and themes of the banners each year, some considered themes were holidays, a salute to local veterans, fire and law enforcement officers, and the Blue Zone designation. The banners would be placed on public right-of-way so no violation of the City's Codes. She stated that CGI Digital will provide a minimum of 25 banners to the City, which will not be contingent on sponsorship. If more than 25 sponsorships are received, the City will receive additional banners. She is requesting City Council to approve the three-year agreement.

Mayor pro tempore Dailey stated that he was not opposed to the program but expressed concern about the maintenance of the banners after several months becoming dirty and deteriorating, which would not be aesthetically pleasing for the City. He was also concerned with having an excessive number of banners cluttering around the City.

Community Development Director Matarrita stated that City staff had similar concerns and would be considerate of those concerns. She pointed out that the agreement states CGI Digital will repair and/or replace damaged banners throughout the year. She did not foresee the vendor obtaining more than 25 sponsors since they had difficulties obtaining sponsors for the City video. She said City Council can establish a cap on the number of banners posted if they so choose.

Motion by Bhavin Jindal, seconded by Ronald Dailey, and passing by a vote of 5-0-0 To Approve the three-year agreement with Community Showcase Banners, LLC (DBA CGI Digital) for participation in their no-cost decorative street banner program.

6. Reports

6A. Reports of Council Members- 8:18 PM

Councilman Jindal reported on the following items:

- The Council of Government for San Bernardino County (COGS) has been underfunded for several years and is proposing a fee increase that will be applied towards program activities, namely, 1) a nurse triage program and 2) a grant research and writing

program to bring more funds into our region. The projected increase for Loma Linda would be from \$14,000 to \$25,000, which is not nearly as much as other cities.

- In speaking with residents and business owners regarding concerns about crime, he noted that the community is not fully aware of what the City is doing to address crime, such as the Flock cameras. He recommended keeping the community informed through social media, the city's website, or social community events.
- He discovered that the Redlands Police Department has an online reporting system and asked if the Sheriff's Department considered exploring that type of program.
- He recognized that the City has been actively posting information on its social media sites. He encouraged the continued ongoing promotion of the Senior Center through its posts.
- The Farmer's Market is positive exposure to attract businesses into our community.
- Consider reaching out to the veteran's village for volunteering opportunities.
- Commended staff on investigative work on a tree claim.
- Inquired about city-maintained landscape areas.

Lt. Kaysie Smith explained that the Sheriff's Department does not have an online reporting system, but has a reporting program where a group of trained individuals will take remote incident reports and issue a police report number.

Mayor Dupper stated that he was involved in the research of online reporting programs several years ago, but found that it would generate more man-hours on the back end. He noted that the online reports would still require staff review. He mentioned that certain reports necessitate investigations, and for this, an office must be involved in filling the report. If investigative reports are submitted online, an officer would have to go out and refile the report. He noted that it appeared to be a good program in the front end, but after their team's research, it was not cost-beneficial. He stated that the previous Sheriff preferred to have a live person respond to non-emergency calls for reporting; however, he noted the new Sheriff is more technology-minded and that option may be revisited.

He noted that CONFIRE has been operating a nurse triage program that has been successful. He pointed out that CONFIRE was awarded the administration ambulance service contract for the County that will go into effect in October of 2024. He noted that CONFIRE can determine when to send an ambulance to a fire call. Currently, he noted that AMR will go to fire calls. He stated that the First Responders will attend to and stabilize the patient and follow the patients when they are transported to the hospitals by AMR. First Responders are there from start to finish. He noted AMR will bill the insurance and collect all the money. The City cannot charge the insurance for services.

Chief Harker stated that it is a 5-year contract with CONFIRE. He emphasized that CONFIRE's approach focuses on more than just profit, prioritizing the enhancement of the system. The funds collected will initially be used to repay any debt and explore options to improve the program.

Discussion ensued pertaining to the fee increase and services from COGS. Comments pointed out that city representatives determined the selection of this organization; and that the fee increase, in comparison to other cities, is nominal considering the level of services that will benefit the City in regional activities.

6B. Reports of Officers - Status Report on 1.6 MG Reservoir [City Manager]- 8:40 PM

City Manager Thaipr provided a status report on the construction of the 1.6 million gallon reservoir, noting the total cost of the project is estimated to be over \$6.5 million and is scheduled for completion in April 2024.

7. Adjournment

The meeting adjourned at 8:46 pm.