

**PARAMOUNT CITY COUNCIL  
MINUTES OF A REGULAR MEETING  
DECEMBER 13, 2016**

City of Paramount, 16400 Colorado Avenue, Paramount, CA 90723

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**CALL TO ORDER:** The regular meeting of the Paramount City Council was called to order by Mayor Daryl Hofmeyer at 6:02 p.m. at City Hall, Council Chambers, 16400 Colorado Avenue, Paramount, California.

**PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was led by Councilmember Tom Hansen.

**INVOCATION:** The invocation was delivered by Reverend Grady Jones, New Commandment Baptist Church.

**ROLL CALL OF COUNCILMEMBERS:** Present: Councilmember Gene Daniels  
Councilmember Tom Hansen  
Councilmember Diane J. Martinez  
Vice Mayor Peggy Lemons  
Mayor Daryl Hofmeyer

**STAFF PRESENT:** John Moreno, City Manager  
John E. Cavanaugh, City Attorney  
Kevin Chun, Assistant City Manager  
Christopher Cash, Public Works Director  
David Johnson, Com. Serv. & Recreation Director  
Karina Liu, Finance Director  
Maria Meraz, Public Safety Director  
Clyde Alexander, Assistant Finance Director  
Chris Callard, Public Information Officer  
John Carver, Assistant Community Development Director  
Lana Chikami, City Clerk  
Marco Cuevas, Community Development Planner  
Jaime De Guzman, Senior Accountant  
Danny Elizarraras, Management Analyst  
Antulio Garcia, Development Services Manager  
Magda Garcia, Senior Com. Serv. & Recreation Supervisor  
Yecenia Guillen, Asst. Com. Serv. & Rec. Director  
John King, Planning Manager  
Adriana Lopez, Assistant Public Safety Director  
Wendy Macias, Public Works Manager  
Jonathan Masannat, Management Analyst  
Patrick Matson, Human Resources Manager

## PRESENTATIONS

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1. COMMENDATION  
Paramount Education  
Partnership (PEP)  
Moms  
CF 39.6  
Mayor Hofmeyer, on behalf of the City Council, honored the City's "PEP" moms and thanked these ladies for their dedication and hard work throughout the year.
2. COMMENDATIONS  
Corsairs  
CF 39.6  
Mayor Hofmeyer, on behalf of the City Council, thanked the members of the Paramount High School Corsairs Club for helping with the City's Senior Thanksgiving Luncheon and making it a successful event.
3. INTRODUCTION  
Youth Commissioners  
CF 62.35  
Mayor Hofmeyer introduced the members of Paramount's first Youth Commission: Zoe Pamonag, Miriam Mercado, Gabriel A. Garcia, Karla Rodriguez, Angel Macias, Karla Navarro, Armando Alexis Torres, Ayline Alcaraz, Stacey Maciel, Kimberly Arreola, Catherine Zaragoza, Ethan Persi, Vivian Rodriguez, Valerie Salazar, and Michelle Lizarraga.
4. COMMENDATION  
Breanna Hernandez  
Eduardo Hernandez  
Rafael Hernandez  
CF 39.6  
Mayor Hofmeyer, on behalf of the City Council, recognized Breanna, Eduardo, and Rafael Hernandez. He said that they are members of the Pirates Swim Club and California State Games' champions, in their age groups, and will be advancing to compete at the national level.
5. COMMENDATION  
Our Place Housing  
Solutions – Kingdom  
Causes  
CF 39.6  
Mayor Hofmeyer, on behalf of the City Council, expressed his appreciation to Our Place Housing Solutions – Kingdom Causes, a non-profit agency who has partnered with regional organizations to provide services to the homeless. He presented a commendation to Ms. Daina Villanueva, Ms. Rebekah Vanderzee, and Mr. Manuel Salgado and thanked them for the important work they do.
6. COMMENDATIONS  
Sheriff's Department –  
Dedicated Service  
Detective Pascual  
Delgadillo, Deputy  
Michael Abbot, Deputy  
Alfonso Esqueda,  
Deputy David Howard,  
and Deputy Miguel  
Rivera  
CF 39.6  
Mayor Hofmeyer, on behalf of the City Council, recognized Detective Pascual Delgadillo, Deputy Michael Abbot, Deputy Alfonso Esqueda, Deputy David Howard, and Deputy Miguel Rivera for their dedicated and long-time service to the Paramount community.
7. PRESENTATION  
Government Finance  
Officers Association  
Mr. Phil White, Partner of Vavrinek, Trine, Day & Co., honored the City of Paramount for excellent finance reporting and presented the City Council, Finance Director Liu,

Comprehensive Annual  
Financial Report Award  
for Fiscal Year 2015  
CF 26

Assistant Finance Director Alexander, and Senior  
Accountant De Guzman with the Government Finance  
Officers Association Comprehensive Annual Financial  
Report Award for Fiscal Year 2015.

8. VIDEO  
Holiday Social Media  
Review  
CF 39.2

A video highlighting the City's holiday events was shown.

Following the presentations, Mayor Hofmeyer recessed the meeting for a break at 6:35 p.m. He reconvened the meeting at 6:47 p.m.

### **PUBLIC COMMENTS**

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CF 10.3

Mr. Alex Yanez, 7330 Lugo Avenue, Paramount, addressed the City Council regarding discrimination and negativity directed at handball players. He stated that there have been no bathroom amenities available to them at Paramount Park and talked about handball players being accused of drinking and smoking weed. He questioned how many people do this, the frequency that this happens, and if individuals had been arrested for their activities. Mr. Yanez noted that the City boasted that criminal and violent crimes have gone down and stated that the handball courts were open during that time.

Mr. Yanez stressed the need for adult activities (baseball, soccer, basketball, football) and asked that the City provide recreational opportunities, especially for kids in the 16-18 year old range who may be vulnerable to gangs. He told the City Council that he wants to work with them and that he is proud of the city. He then wished everyone a Merry Christmas and Happy New Year.

Ms. Cindy Guillen inquired about the recycling plant agenda item that was on the City Council's November 15, 2016 agenda and asked when it would be placed back on the agenda. City Manager Moreno replied that this item may come before the City Council in three months and explained that the project has already been approved and that the item will be for Council's consideration to approve an agreement. Ms. Guillen requested to go on record that she does not want any more recycling plants in the city, she does not want any increases in tonnage, and she does not want any more toxins in the air from recycling plants. Vice Mayor Lemons discussed the new facility and told Ms. Guillen that it will be completely enclosed and have a reverse air flow system.

She mentioned that she went on a tour of the Whittier recycling facility and invited Ms. Guillen to also tour the facility.

Next, Ms. Guillen inquired about having a committee that would oversee metal companies to make sure that they have the required permits. She also stated that there are numerous companies that do not have signage and asked if an ordinance can be passed that would require proper signage. Vice Mayor Lemons mentioned the formation of a subcommittee and plans to have this committee very involved in these issues.

### **CONSENT CALENDAR**

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9. APPROVAL OF  
MINUTES  
November 1 and  
November 15, 2016

It was moved by Vice Mayor Lemons and seconded by Councilmember Hansen to approve the Paramount City Council minutes of November 1 and November 15, 2016. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

10. Register of Demands  
CF 47.2

Vice Mayor Lemons requested that this item be pulled from the consent calendar. She stated that she had a conflict of interest and disqualified herself from voting on check numbers 300809, 300858, and 300920 made payable to her employer (Paramount Chamber of Commerce).

It was moved by Vice Mayor Lemons and seconded by Councilmember Hansen to approve the Paramount City Council Register of Demands with the exception of check numbers 300809, 300858, and 300920. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

It was moved by Councilmember Martinez and seconded by Councilmember Daniels to approve check numbers 300809, 300858, and 300920. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: Vice Mayor Lemons

11. ACCEPTANCE OF  
WORK  
Construction of the  
Community Center Roof  
Replacement  
City Project No. 9751

It was moved by Vice Mayor Lemons and seconded by Councilmember Hansen to accept and approve the work performed by Dick Madsen Roofing, Whittier, California, for construction of the Community Center roof replacement and authorize payment of the remaining retention. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

12. AWARD OF  
CONTRACT  
"Touch the Sky"  
Sculpture at Spane Park  
CF 39.20, 43.1044

It was moved by Vice Mayor Lemons and seconded by Councilmember Hansen to approve the plans and specifications, award the contract for acquisition and installation of a bronze sculpture, "Touch the Sky," in the amount of \$30,900, and authorize the Mayor to execute the contract subject to City Attorney review and approval. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

13. RESOLUTION NO.  
16:027  
Authorizing the City of  
Paramount's  
Participation in Voting  
for Central Basin  
Municipal Water  
District's Board of  
Directors  
CF 113.16

It was moved by Councilmember Lemons and seconded by Councilmember Hansen to read by title only and adopt Resolution No. 16:027, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT, CALIFORNIA, AUTHORIZING THE CITY OF PARAMOUNT'S PARTICIPATION IN VOTING FOR CENTRAL BASIN MUNICIPAL WATER DISTRICT'S BOARD OF DIRECTORS." The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

14. Construction Services  
Payment for Housing  
Rehabilitation – 8212  
Olanda Street  
CF 54.9 HOME

It was moved by Vice Mayor Lemons and seconded by Councilmember Hansen to approve payment for construction services to Affordable Built Construction for \$39,360.00 and the 10% retention of \$4,373.40 payable after 35 days from the Notice of Completion, for a total of \$43,734.00 from the Home Investment Partnership Program (HOME) grant. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

### **NEW BUSINESS**

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15. ORAL REPORT  
South Coast Air Quality  
Management District  
(AQMD) Update  
CF 31.20

Public Works Director Cash reported on the City's water system, water testing, and water quality. Next, City Manager Moreno noted that the City's consultant had an emergency and that he would be presenting her report. He then highlighted the City's efforts, provided an overview and timeline of the South Coast Air Quality Management District's (AQMD) efforts, discussed hexavalent chromium, and reviewed AQMD's air monitoring sampling locations and data results.

Mr. Moreno also reported that AQMD is inspecting sites in Paramount and that violation notices have been issued to Anaplex and Aerocraft. Aerocraft was found to be operating furnaces without AQMD permits—potentially a source of toxic emissions. Anaplex was found to be operating 28 plating tanks without AQMD permits and operating another 7 devices without legally required air pollution control equipment, and was also found to be a source of very high hexavalent chromium emissions. He stated that both companies must attend an AQMD mandatory Hearing Board hearing on December 14, 2016 as part of an Order for Abatement. Mr. Moreno announced that the City will be providing free transportation to those wishing to attend the hearing and will also provide live streaming of the hearing in the City Hall Council Chambers

The following speakers addressed the City Council:

**Ramona Fujimoto:** Ms. Fujimoto requested to go on record regarding companies forging during the early morning hours and requested that the City adopt an ordinance to prohibit this public nuisance. She also requested to go on record regarding an incinerator in her back yard and stated that she

does not want it there due to the release of toxins. Additionally, she wanted to go on record regarding the toxicologist's statement, made at Saturday's town hall meeting, that "no molecule is safe." She stated that the levels are still in the high range (orange/red) and even though they are not at the 350 level, she re-stated that the toxicologist had said that no molecule is safe.

**Laurie Guillen** commented on questions that City Manager Moreno was asked and stated that these questions should have been directed to the Air Quality Management District Commission at past meetings. Ms. Guillen expressed her concern for the community and requested that water testing be done immediately and to not wait until October 2017, and she added that the Department of Toxic Substances Control should be allowed to test the water and soil. She stated that the community is well aware of the air status now and commented on the City not being proactive in dealing with the issue as an air problem was brought to the City's attention over two years ago. And, she also said that it wasn't until the City was in a state of crisis that a consultant firm was hired to assist and advise on air quality. Ms. Guillen said that there are over 100 metal companies and 4 forging companies in Paramount and that there is a high probability that these companies could collectively cause some type of air emission problem. She also said that, at the Saturday town hall meeting, there was mention of the City inheriting some of these companies and suggested that there be a charter amendment. Additionally, she commented on it being unsatisfactory for the City to have allowed more and more metal and industrial businesses in areas where residents live. She told the City Council that they are supposed to be the community's representatives and said that residents have been fighting for some type of representation for years. She also mentioned a meeting with Supervisor Janice Hahn and said that the Supervisor will be drafting a letter to inform the City that air quality is the City's issue. She cited Senate Bill 1000, a Senate bill requiring cities to reduce pollution.

Ms. Guillen said that residents are tired of being neglected. She said that the City may look pretty, but she asked what the City is going to do about the health crisis and the individuals who have died of rare cancers. She also said it is not fair and the community deserves better.

**Sarah Huevo** stated that she resides near Zone 3 and commented on the smell in her neighborhood and in front of Lincoln School. She said that AQMD has been monitoring

the air for three years in this area and found it surprising that the City just found out about the air quality crisis. She stated that she is very upset about this issue because individuals have been dealing with this problem for a long time and that nobody listened until the media got involved. She said that the City may have put too much trust in AQMD, but now is the time for the City to take responsibility and take action. She said that the City Council said they would do all they can to make the situation with the air better and that the community is asking its City representatives to look out for the best interest of their residents and stop allowing metal companies who endanger the community's health into Paramount. She also requested that City representatives speak to the Paramount Unified School District Board about allowing the installation of air monitors at schools. She requested testing of the air and water for toxins and for testing to be expanded beyond just chromium 6. Lastly, she said that words are nice, but actions make all the difference.

Vice Mayor Lemons stated that the AQMD informed the City that they have been granted access to school sites and will be putting monitors up at the schools. She also stated that meetings are constantly taking place in an effort to move things along quickly. Discussion followed regarding the City Council's awareness of the air quality issue, the level and duration of the high toxic readings, and AQMD's abatement hearing for Anaplex and Aerocraft.

**Lisa Lappin** informed the City Council that she attended a 2014 AQMD town hall meeting and information was disseminated regarding Carlton Forge emitting excessive levels of nickel, hexavalent chromium, cadmium, and other metals. She talked about AQMD working with Carlton Forge on pollution control, monitors being placed at the School District office and at Jefferson and Vermont, and noted that the numbers for nickel and hexavalent chromium came down. She also commented on the statement that hexavalent chromium does not travel that was made at the AQMD town hall meeting, and stated that she wanted to make it clear that hexavalent chromium does travel subtly. She asked if any Councilmembers attended AQMD's second town hall meeting that was held on August 16 when AQMD informed the community that there had been a spike in hexavalent chromium starting January 2016. Mayor Hofmeyer stated that he and Assistant Community Development Director John Carver attended the meeting. Ms. Lappin then stated that she isn't a Paramount resident but spoke at that meeting. Next, she addressed Mayor Hofmeyer and told him that she does not like how things



have been managed in the city and was shocked when she read in the Los Angeles Times that money was accepted from Press Forge for rent. She stated that she wanted to make it clear that Precision Cast Parts owns Carlton Forge, Aerocraft, and Press Forge. And, she added that Press Forge, until a month ago, was grinding in the open air in very close proximity to Gaines and Jackson Schools. She asked about monitoring Aerocraft and other companies when pollution controls were put on Carlton Forge and commented on Precision Cast Parts not taking responsibility. She also asked that a document provided by Tox Strategies (the company hired by Carlton Forge to do their testing) be put on record. She also stated that she had a copy for each Councilmember and the City Attorney. She then referred them to page 15 of this document and read the following, "The City of Paramount did not provide access to collect samples in parks. Soil sample area A was moved across Illinois Avenue from the skateboard park." She also read, "Changes to Sample Location: Background soil sample areas were moved to tree wells on Alondra Avenue west of Texaco Avenue." Ms. Lappin said that she knew that samples were collected on the street and under the trees, but pointed out that there was no sampling allowed at the parks. She quoted a statement written by John Adams and stated that the document (page 15) referred to above is available on the Community Coalition Against Toxins page and on the Concerned Paramount Residents Fight Pollution page.

Next, Mayor Hofmeyer commented on his rental property and stated that he signed a 10-year lease eight years ago with Jeff Carlton of Press Forge—this was before they became part of Carlton Forge or Aerocraft.

**Jessica Gonzalez** asked the City Council what they are going to do about the air quality problem and stated that there are no monitors placed at school campuses. She inquired about the City's efforts to notify the community about what is happening and asked Mayor Hofmeyer what he is going to do about his lease with Jeff Carlton.

Mayor Hofmeyer and Vice Mayor Lemons commented on the placement of air monitors at school campuses and the City's efforts working with the School District and AQMD to install these monitors quickly. Vice Mayor Lemons also stated that updates are regularly posted on the City's and AQMD's websites. And, Mayor Hofmeyer indicated that he will probably not renew his lease with Jeff Carlton when it is up for renewal.

**Tonya Martin** addressed the City Council on behalf of Senator Ricardo Lara. She stated that the Senator will continue to monitor the situation and looks forward to working with the City, residents, and AQMD.

**Phillip Leavenworth** addressed the City Council and talked about the need to be on the side of science and learn all about the environmental effects from chromium 6, cadmium, etc. because science is not going away. He said that climate change is a real thing and that a lot of these companies are making a profit. He also said that if you cannot find somebody to save the world then you have to do it yourself, and added that if the City Council doesn't do their job, then he or any of the people from the community against toxins must do it. He then said that he believes that we all need to take it upon ourselves to take science into consideration and not pass it on as something ephemeral—it has to be taken seriously and considered by all. He stressed again that everyone needs to be on the side of science and to not forget that.

**Michele Lewis** told the City Council that she is a kindergarten teacher and has worked in Paramount for 22 years. She then talked about feeling that there was something in the air or water, and said that she never suspected the discovery of hexavalent chromium. When she became aware of the issue, she said that her daughter encouraged her to fight for the children and to speak on their behalf. She said that she is aware of many Paramount students and teachers who have health problems. At her school, many young students suffer from chronic asthma and sinus problems, rare birth defects, heart and lung defects, seizure disorders and she also stated that there are several cases of cancer in young children. Just in the last few years, she said that she had a 5 year old student who had chronic nose bleeds and required surgery and daily medication. Additionally, she said that she had a few students in her classes with leukemia, just in the recent years. And, she noted that another teacher had two students with seizure disorders. Ms. Lewis told the City Council that she is not accusing them of not caring about children and said that Paramount teachers have been fighting and trying to get someone to listen to them since about 2011. And, finally after the recent AQMD test results and the discovery of high numbers, she said that the residents of Paramount are finally being listened to. She said that it is very clear that a public health danger exists due to poor zoning and poor permit enforcement in Paramount. She thanked the City Council for the proposed moratorium and asked them to continue to be

active in the contamination investigation and direct resources to air quality, soil testing, toxicology, and water testing in order to get a full picture of the contamination and the public health risks to Paramount residents and children. She told the City Council that their cooperation is needed and asked that resources be provided to clean up the schools. She emphasized the need for testing and said that it is her hope that the schools are found to be clean. Ms. Lewis also stated that she spoke with AQMD and that monitors will be placed at only 5 schools and will be put on a rotating schedule as there aren't enough monitors to put at all of the schools at the same time. AQMD will start placing monitors at the schools closest to the hot spots and Ms. Lewis added that she will continue her pursuit to have AQMD place monitors at Press Forge, Matco, Weber, and Gaines because she believes there will be findings. Ms. Lewis stated that she isn't a resident and clarified that she is not asking to close down businesses and not trying to harm people's lives or jobs in Paramount—she said that she is asking for tough corrective actions and controls to be taken and implemented by both AQMD and the City to bring the numbers down. She also mentioned that she met with Supervisor Janice Hahn to express appreciation to her for helping put forth an effort to have the Los Angeles County Public Health Department assist with cleaning up Paramount.

**Eleanor Mendoza** identified herself as the one with the dead people cards. She stated that the cards represent people in her neighborhood (“the little barrio”) that died from cancer. Ms. Mendoza said that she drove down by Adams, by the Carlton Forge gate, and said that she has great concern for the people living near there. There are many fruit trees in this neighborhood and she is concerned that the fruit may be polluted.

Mayor Hofmeyer called for a brief recess at 8:05 p.m. He reconvened the meeting at 8:10 p.m. and gave the floor back to Ms. Mendoza. Ms. Mendoza told the City Council that she is very upset with them because they have never cared about her neighborhood and asked why they allowed trash to be dumped in her neighborhood. Mayor Hofmeyer told her that this decision was made by the County and Ms. Mendoza responded and said that the City Council does not assume responsibility for anything.

**Hollie Enriquez** stated that she lives near Progress Park and has resided there for about two years. She said that she receives the Paramount newspaper and reads it, but was just recently educated on the air quality issue in Paramount

by the group in attendance at the meeting. Ms. Enriquez told the City Council that it is the City's responsibility to inform the public and said that the City must expand its outreach to the community beyond posting information on the City's website. She said that she does not look at the City's website on a regular basis and only looked at it because of the community group making her aware of the situation. She voiced her frustration and said that it is disturbing. She said that City Manager Moreno presented a slide showing that the City was aware that AQMD was getting complaints about a burning metal smell in 2012 and that she never received any information regarding this. She feels that she has been lied to and betrayed by City officials and doesn't understand as it is the City's responsibility to keep the people in town safe. She commented on the City doing some really great things that she appreciates superficially, but said that she feels that there was an intentional effort to cover up this issue and not tell the community. She expressed her appreciation to the group at the meeting and said that she was unaware of the many people with cancer. She told the Council that they did not put in the effort to inform the community about what is going on and asked that they keep the community informed so everyone can work together. She said it doesn't make sense and voiced her frustration. She said that something needs to change--it may mean a change in City officials or businesses having to leave. Ms. Enriquez expressed her appreciation to the City Council for the positive things—scholarships and new things happening in the City. She said that those things are great and then asked the City Council to provide more notification to the community and more substantive information dealing with health and safety. Lastly, she asked the City Council when they are up for re-election and was told that Vice Mayor Lemons and Councilmember Daniels are up for re-election in 2017 and Mayor Hofmeyer and Councilmembers Hansen and Martinez are up for re-election in 2019.

**Enedina Chhim** addressed the City Council next and told them that she is a concerned resident. She said that she was extremely alarmed to learn about the pollution and toxins in Paramount. She commented on the new parks, ribbon cutting, celebrations, new developments, and holiday events, but said that she felt that she was deceived. She said that there was an earlier award presentation to the Finance Department and that it was great to hear that the budget is doing well, but questioned what is happening with the City's money and investments given the serious and urgent air quality issue. She questioned having parks when kids are going to be exposed to toxins and said that it is time

to wake up, buckle down, and get to work and deal with this very serious matter. She told the City Council that by accepting their positions that they also accepted the responsibilities that come along with the position. She said it doesn't just mean ribbon cuttings and having all these nice new developments show up in the community—it means that when things get tough and there's serious matters at play, the City must take action and inform the community. And, she stated that, if needed, change the street banners weekly if that is what is needed to keep people informed and use City money to do that. She also said that she learned about the issue from reading the article in the L.A. Times and has been attending meetings since then. She told the City Council that she wants to see more accountability, more energy, and more concern as it is not something to be taken lightly. She also said that it is time for them to listen and hear what the community has to say and take action on this extremely serious matter. She again emphasized the need to communicate and do a better job informing residents about what is going on.

Ms. Chhim also talked about the levels going down after the companies were notified and stated that by the time the monitors are put up at the schools, the levels may be reduced even more and that a real measure of the high levels will not be attainable. She also said that only those levels measured during the study period are available and that the levels prior to that may have been much worse.

**Melissa Parra** asked why the long-term effects of chromium 6 changed from 40 years to 30 years. City Manager Moreno told Ms. Parra that he would need to check with the toxicologist as this presentation was given to him by the consultant. Next, Ms. Parra stated that AQMD said that the Paramount Petroleum plant is leaking benzene. She said that benzene is known to cause cancer and asked the City Council to comment on it. Mayor Hofmeyer and Vice Mayor Lemons informed Ms. Parra that they were unaware of this. Ms. Parra also asked for acknowledgement about there being no monitors placed in the Paramount Petroleum plant area. Vice Mayor Lemons said the AQMD stated that they were going to start monitoring the area and said that the City contacted Paramount Petroleum in the morning and asked for their readings. Ms. Parra asked when they would be available and Vice Mayor Lemons informed her that the data is being collected and they are in the process of putting together a whole history. Ms. Parra commented on her memory loss and the possible memory loss of Councilmembers and asked Mayor Hofmeyer when he first

found out about the air quality issue. Mayor Hofmeyer told her that he found about the air pollution when the information was released in the L.A. Times article. She then stated that, at this meeting, City Manager Moreno said that the City Council found about this issue in the summer. Vice Mayor Lemons told Ms. Parra that there are two different issues and that one date dealt with Carlton Forge and the other one dealt with the elevated hexavalent chromium levels from Anaplex and Aerocraft. Ms. Parra commented that it is the same chemical and then cited what the scientist said at a previous meeting, "It only takes one molecule." Vice Mayor Lemons agreed with Ms. Parra and reported that the City was informed by AQMD that the Carlton issue was handled immediately and that the AQMD had provided them with weekly reports. However, she stated that the AQMD did not inform them about the recent air quality issue.

**Marco Martinez** came before the City Council and asked when AQMD first started taking readings and if it started in 2012. Mayor Hofmeyer stated that he believes 2012 was when the AQMD started taking readings at Carlton Forge. He asked for confirmation regarding there being no prior monitoring of air quality and pollution. Mayor Hofmeyer and Vice Mayor Lemons responded that the law requires AQMD to monitor this and added that AQMD's monitoring of the current situation is probably different than their prior monitoring of this situation and that AQMD's prior monitoring was not handled properly. Mr. Martinez told the City Council that they have a lot of work to do and mentioned that he grew up on Fairlock Avenue (north of Anaplex and Aerocraft) and commented on his and his dad's relationships with some of the Councilmembers. He also told the City Council that his dad, who has lived on Fairlock Avenue for many years, has a rare form of lung cancer. He added that he doesn't know if his dad's cancer is the result of emissions from Anaplex and Aerocraft, but stated that his dad has never smoked. He also said that he understands that people can get cancer without having smoked. He then told the City Council that he hopes they work extra hard and make sure they are aware of potential problems earlier. He voiced that he does not want a repeat of what happened—the City Council not hearing about the issue until after L.A. Times released an article. He also commented on having to go two cities over to buy marijuana, but it being okay for companies to create and process metal in Paramount. He said that he would much rather be able to buy marijuana in Paramount than have these companies processing metal. He asked the City Council to be more proactive in the future regarding cancer-causing agents.

Mr. Martinez also stated that he was a butcher for 14 years and, even though it is embarrassing to admit, he said workers tend to lapse with regard to health inspection. A clean standard should always be maintained, but he said that when the Health Department visited, that was when everyone worked really hard to make sure that everything was done properly. He made a recommendation to City Council to have more inspections and said that he would be happy if they would speak, on behalf of the community, to the appropriate agencies. Mr. Martinez also said that he believes the water is fine but asked that the water be re-tested prior to October. Vice Mayor Lemons told him that testing will be done right away and will be done monthly. Mr. Martinez told the Council that he is confident that they are going to do a good job going forward and hopes that they really care about the community's health. He said that he is proud of Paramount and is currently an Uber driver and proudly tells his passengers that he is from Paramount. He mentioned that a passenger commented on Paramount being the city named in the L.A. Times, and said that he is telling the City Council, not out of disrespect, but because he hopes that he can continue to be proud of Paramount.

**Mauricio Hernandez** told the City Council that he just recently found about the air quality issue from a client he was visiting. His client told him that Paramount was mentioned in the L.A. Times newspaper and advised him to read the Paramount article due to there being a lot of pollution. Mr. Hernandez then stated that he received notification in the mail about a meeting and said that he attended the meeting held at the park. He noted that he is still pretty new to the issue, but has noticed that the City Council has taken a defensive stance. The City Council is proactive now, but he said that this issue has been going on for years and made a comment about the City Council stalling. He added that it is very upsetting that the City Council is defensive and stated that their questions and comments seem to downplay the issue. He then asked them about what is being done to test the dirt around the businesses, at homes, and on sidewalks. Vice Mayor Lemons responded that the Department of Toxic Substances Control (DTSC) will do testing. A start date has not been confirmed, but the DTSC is coordinating this with the AQMD.

Mr. Hernandez also asked if there is a reason that the City has not done an independent study (instead of having to wait for information from the governmental agencies). Vice Mayor Lemons told him that the City found out about this issue a couple of months ago and hired an expert to explain

the issue and provide information to them because AQMD, at the time, was unable to explain to them the risk to residents. Ms. Lemons referred to a list previously shown during Mr. Moreno's presentation and said that the City is attempting to use every possible resource to try and get answers. Mr. Hernandez said that the timeline doesn't make sense to him, and then discussed a water handout that was made available at the meeting. He noted that the water results look great but highlighted that the handout is missing a page from the Water Confidence Report that he downloaded. He read the following statement, "The City's Water Confidence Report has been updated. The Water Replenishment District (WRD), the independent entity that conducts testing of the City of Paramount's water supply, found an error in the results of their latest testing. That change is reflected in the chart on the last page." He said that he used an online tool to find previous versions of the report and stated that the numbers do not match. Vice Mayor Lemons noted that the City Council is aware of this and Mr. Hernandez asked for more information about the discrepancy.

Public Works Director Cash said that when the hexavalent chromium issue came up, staff immediately reviewed the City's water quality data. And, at that time, he said the Water Replenishment District (WRD), an agency who does the City's water quality testing, was also asked to go back and review samples in that area. When WRD did so, he said they discovered that a clerical error was made and that the hexavalent chromium data had been swapped out. Mr. Hernandez told Mr. Cash that there were many numbers that did not match and that it is discrepancies like this that cause mistrust. Vice Mayor Lemons asked Mr. Cash who posts this information and he told her that WRD produces the report. He also stated that the City notified WRD about the error when it was discovered, WRD resubmitted the report to the State and also revised the actual report which was then posted on the City website with the statement. City Manager Moreno also told Ms. Lemons that during a call this morning that the WRD mentioned that a mistake was made on the report.

Mr. Hernandez asked about how to get a report on these companies going back to their inception in the city. Mr. Cash stated that an annual water quality report must be done every year and believes that the City has reports going back at least 20 years. Mr. Hernandez thanked Mr. Cash for answering his questions. He ended by saying that he believes that the water will be fine but that chromium will



always be in the dirt. Chromium is a particle and he acknowledged that it may not travel far, but that it is landing (on clothing and cars) and is being transferred somewhere. He said that the only thing that's standing still is the dirt and that it should be checked as it will have a history. He suggested that the City do an independent study and not wait for government agencies to do the testing. He also said that he hopes the City Council will be actively engaged.

**Jackie Avila** said that she is a lifelong Paramount resident and mentioned that her first job was at City Hall. She then posed a question regarding the City's jurisdiction over the Paramount Unified School District (PUSD). She also said that she is the parent of a second grade student at Wesley Gaines Elementary and talked about Measure I being on the ballot this past November and there being constant communication about voting yes on Measure I. She said that PUSD was vigilant about communicating about Measure I, but commented on there being no communication about what is going on in the backyards or playgrounds of places that children play at or attend schools at in the city. Ms. Avila stated that she spoke to the principal at Wesley Gaines, who was not aware of the air quality issue. She then asked the City Council when they are going to get the PUSD involved and questioned why there is no school representation. She acknowledged that teachers do a lot and expressed her gratitude for their hard work and the countless hours they put in outside of the classroom, but she said that they are breathing in this air and touching the same soil that the children are touching. She said that it is unfair that they have not been involved and are not active at these meetings. She wanted to know who is responsible for communicating to the teachers and asked why no one is communicating information to parents. She said that there is no communication and no transparency and commented on there being numerous signs about other things (Farmer's Market, ribbon cuttings, tree lightings), but no signs or communication about town hall meetings. She stated that she receives many calls about the STAR program and City events and wondered why communication is not being sent about town hall meetings. Vice Mayor Lemons stated that two robocalls were made (last Wednesday and last Friday) regarding the town hall meeting, and Ms. Avila stated that she did not receive them.

Councilmember Martinez addressed Ms. Avila and told her that the PUSD and the City Council have worked together closely for many years. Two Councilmembers, two School Board Members, the PUSD Superintendent, and the City

Manager meet once a month and she said that information will be shared with them. She also relayed that she has heard that the PUSD is in favor of having monitors at the schools and said that the City will continue to send out robocalls about town hall meetings. She also noted that a School Board Member was in attendance at Saturday's town hall meeting and said that there will be a PUSD representative at future meetings. She noted that a PUSD representative and the Superintendent were present for a conference call with the AQMD in the morning. Ms. Martinez pointed out that the Superintendent was also present at this meeting and told Ms. Avila that the City Council hears her and will definitely continue to work closely with the PUSD. Ms. Martinez asked the meeting attendees if they have addressed the School Board Members. She also said that the children in this community are the responsibility of not only the PUSD, but all of us.

Ms. Avila said the City Council should be accountable and asked them to work with the PUSD on putting together a notification plan that will provide awareness about what is going on to the parents of all PUSD school students. She said that they should know about the monitors being placed at schools and added that if she wasn't an involved and active parent, she would have been unaware of her daughter's exposure to the nearby emissions while at school. She also mentioned that there are innocent children with cancer, including little babies. Ms. Avila said that parents need to be kept aware and told the City Council that the community has put their trust in them.

**Marisol** Meza addressed the City Council about the formation of a subcommittee. She asked if the subcommittee has already been formed, how many members are on the subcommittee, how they will be chosen, and when will the subcommittee meet. City Manager Moreno, Assistant City Manager Chun, Mayor Hofmeyer, Councilmember Martinez, and Commissioners Vasquez Garcia are members of this subcommittee, and Mayor Hofmeyer told Ms. Avila that the subcommittee will be expanding to include members of the community. He also told her that the subcommittee will probably meet in January and that the last subcommittee meeting was held on a Saturday.

Next, Ms. Meza discussed the monitors to be placed at schools. She stated that there was mention by a teacher that AQMD said that they do not have enough monitors for all of the schools and that Vice Mayor Lemons had said that the City made an offer to AQMD to pay for the monitors. Ms.

Meza then directed the City Council to find out how many monitors will be needed for the schools. She also wanted to know how quickly the monitors could be ordered and requested that she be provided with a timeline.

Vice Mayor Lemons told Ms. Meza that the monitors for the schools were addressed at yesterday's meeting. She said that there is a lead time of 3 weeks for the monitors, but that the AQMD must draft a plan for putting the monitors up and that the plan then needs to go before the Board for approval. Ms. Lemons said that this will probably take 90 days, and Ms. Meza said that the City Council needs to put pressure on AQMD to expedite this process. Vice Mayor Lemons agreed with her. Ms. Meza also confirmed that the AQMD reports are online and available for viewing. She thanked the City Council for their time, said that she is glad the City Council is becoming active, and said that everyone must work together.

**Melissa Campbell** voiced her concern about the air quality situation in Paramount. She lost her father to lung cancer in 2014 and said that her husband works at a forging business in Paramount. She also said that she was recently made aware of how dangerous it is to wash her husband's work clothes in their washing machine. A family member told her that Carlton Forge instructs their workers to leave their clothes outside and provides laundry service. She said that all companies should have regulations and mentioned that there may be companies that don't realize they are forging and asked that this be addressed.

**Dean Chhim** addressed the City Council and stated that he is a lifelong Paramount resident, attended Paramount schools, graduated with a law degree from UCLA, and is currently a partner at a law firm in Century City. He told the City Council that he lives in Paramount because he loves this city and wants to stay here. However, he stated that the recent revelations are very troubling to him and his wife, and even though they want to invest and give back to the City and acknowledge that Paramount has great teachers, he said that when there are cancer statistics, it causes people to leave and go elsewhere. And, he said this creates a vicious cycle where talented people leave to go somewhere else and leave the city with a brain drain.

Mr. Chhim then talked about the term appeal. He said that, as an attorney, the term is scary. There has already been a lot of delays in identifying the problem and he discussed the possibility of those companies with violations appealing decisions. He said appeals delay the process and delay

justice and the law. He then cited, "Justice delayed is justice denied." Mr. Chhim told the City Council that if there is an appeal, they should take action to abate the problem so that it does not drag on indefinitely. He also said that litigation was mentioned at the last town hall meeting and that the facts in this case cry out for a class action. He said that there are a lot of cancer victims and that people have lived their whole lives in the city and suffered, and funds should be used to compensate these victims for what's happening in the city.

**Magdalena Guillen** commented on the need for better communication from the City. She suggested that the City communicate with the community through the Pulse Beat, banners on Paramount Boulevard, mailings, and phone calls. She also asked if there is an annual air quality report. She said she knows there is an annual water report and financial report, and stated that she has heard others in the community asking for an air quality report. Guillen families have been in Paramount for a long time and she said that she is proud of Paramount and loves Paramount. She also told the City Council that they need to be progressive and come up with new things and take initiative.

**Erik Carlini** stated that he lives on Verdura, next to Progress Park, and told the City Council that he would like to have monitors in his neighborhood. Next, he asked when the subcommittee would be adding new members and how these members would be selected. Mayor Hofmeyer told Mr. Carlini that two members will be added to the subcommittee and that notification will be sent out prior to the date of the meeting. He also told him that a meeting date has not been scheduled yet. Mayor Hofmeyer and Councilmember Martinez stated that the committee is currently strategizing on the selection process for the new members. They do not currently know who the new members will be but that they want the subcommittee to be well represented. Mr. Carlini commented that the current members do not represent the subcommittee well. City Attorney Cavanaugh suggested that the selection of committee members be placed as an item on the next subcommittee agenda.

Mr. Carlini asked to be put on record that he has heard many community members voice concern about other metals and stated that he would like the City to expand their study to include other chemicals in the air, soil and water. He said that there are a lot of different hazards out there—people can smell them. He asked the City Council how they felt about moving in that direction, and Vice Mayor Lemons told

him that she is in favor of testing everything. He said that the AQMD is only testing for chromium 6 right now but that there is technology available to test for other chemicals.

There was a discussion regarding soil testing and testing for more than a single metal. Vice Mayor Lemons said that soil testing is a priority. She also said that they were informed by the Department of Toxic Substances Control that testing for a single item is the best strategy for quick identification and that testing for other metals at the same time will slow down the process for identifying chromium. Ms. Lemons stressed that the City Council is working diligently on this and trying to get answers quickly.

Mr. Carlini also asked about the involvement of Cal/OSHA and an investigation of safety and health standards for the metal company workers. City Manager Moreno told him that both he and AQMD have contacted Speaker Rendon's office to request his assistance in getting Cal/OSHA involved.

Next, Mr. Carlini asked about the water because he has noticed that it sometimes has a strong chlorine smell. Public Works Director Cash told him that the water is disinfected and that this is pretty standard in most urban water systems. Mr. Cash encouraged Mr. Carlini to contact the Public Works Department when this happens again so that samples can be taken for testing. Mr. Carlini also asked about flushing and Mr. Cash stated that the system is flushed on a periodic basis for maintenance and water quality purposes.

**Franklin Orantes**, told the City Council that a lot of people have lost faith in the City's elected officials. He brought up the subcommittee and suggested that the people should elect the new subcommittee members. He also wanted to know the date of the next meeting so that he could make plans to attend, and Councilmember Martinez mentioned that the last meeting was held on Saturday so that more people could attend.

Mr. Orantes re-emphasized that he wants the residents of Paramount to choose who will be the new members on the subcommittee. He was informed that the subcommittee meeting is a public meeting that anyone can attend and that there would be notification regarding the date of the next subcommittee meeting.

Mayor Hofmeyer thanked everyone for coming out and presenting their views, and said that he is hopeful that as a community, this can all be worked out. He then wished

everyone a Merry Christmas and a Happy New Year.

**Grady Jones** approached the City Council. He said that he did not complete a Speaker's Card, but has been listening to all of the comments and heard about everything that is going on. He told everyone that we can do more as a group and believes that everyone at the meeting (including City Councilmembers) have the same concerns. He said that he is 73 years old, has lived in Paramount for 41 years, and lives about a block and a half from Texaco where a lot of factories are located. He said that while living in Paramount and attending City Council meetings, he believes the City Council is doing their best to make things right in the city and have the best interest of the city at heart. He said that we need to start praying and that we can accomplish everything we desire if we act together. He also said that this issue was a surprise to everyone and encouraged everyone to attend City Council meetings, work with the City Council, and give them a chance to solve the issue. Additionally, Pastor Jones suggested that the City Council contract with an environmental company to do monthly samplings.

16. INTERIM URGENCY  
ORDINANCE NO.  
1078  
Adopting an Interim  
Urgency Ordinance  
Pursuant to California  
Government Code  
Section 65858  
Prohibiting the Issuance  
of Permits, Licenses or  
Approvals for  
Construction,  
Establishment,  
Expansion or Operation  
of Any Business  
Involved in the  
Manufacturing and/or  
Processing of Metals,  
Including, But Not  
Limited to the Following  
Operations: Grinding,  
Sanding, Plating,  
Electroplating, Welding,  
Deburring, Heating,  
Heat Treating,  
Straightening, Forming,  
Machining, Cutting,

Mayor Hofmeyer recused himself due to a conflict of interest and left the dais at 9:12 p.m. City Attorney Cavanaugh stated that he advised Mayor Hofmeyer to recuse himself due to a financial interest.

Ms. Laurie Guillen inquired about Mayor Hofmeyer's prior participation on these types of issues and City Attorney Cavanaugh told her that he is not aware of these types of issues coming up prior to this. Ms. Guillen asked about participation on items dealing with the expansion of Carlton Forge or companies under Precision Cast Parts, and City Attorney Cavanaugh told her that he believes they were handled by the Planning Commission. Ms. Guillen commented on the City dealing with a big issue and yet the elected Mayor has to walk out and is on the subcommittee.

Vice Mayor Lemons took over for Mayor Hofmeyer and said that she had consulted with the City Attorney and was advised that she may have a potential conflict of interest due to an indirect receipt of income from Weber Metals. She disclosed that her adult daughter is employed by Weber Metals and lives at her home, and then stated that she intends to vote on the item.

City Attorney Cavanaugh told Vice Mayor Lemons that a legal conflict of interest has not been established. He stated that she may have a potential conflict of interest, which

Rolling, Pressing, Forging, Fabricating, Polishing, Milling, Swaging, Conversion Coating, Anodizing, and Passivation Within the M-1 (Light Manufacturing), M-2 (Heavy Manufacturing), and PD-PS (Planned Development With Performance Standards) Zones During the Pendency of the City's Review and Adoption of Regulations of Such Uses and Declaring the Urgency Thereof  
CF 108:M-1, 108:M-2, 108:PD-PS

normally she would be advised to recuse herself. However, because this matter requires a four/fifths vote of the Council to pass, he stated that the City Council would not have the necessary number of Councilmembers to consider this Ordinance. Because the Council has dictated that action be taken on this Ordinance, he stated that State law authorizes a public official who has a potential conflict of interest to make a government decision. He stated that this rule is known as the "Rule of Necessity." He then told Vice Mayor Lemons that she is allowed to vote on the matter so that if there is a four/fifths vote of approval, the required number of votes will have been attained and the Ordinance passes and is adopted immediately.

Assistant City Manager Chun gave the report. He stated that Government Code Section 65858 allows a city to adopt an ordinance without normal notice procedures to protect the public health. And, proposed Interim Urgency Ordinance No. 1078 will allow the City to implement possible modifications to the Zoning Code and, during the 45-day moratorium, will prohibit the issuance of permits for any business involved in the manufacturing and processing of metal in the M-1 (Light Manufacturing), M-2 (Heavy Manufacturing), and PD-PS (Planned Development with Performance Standards) zones, prohibit new metal manufacturing and processing businesses from opening, and prohibit expansion of existing metal manufacturing and processing businesses. Mr. Chun also reported that on three separate occasions, the South Coast Air Quality Management District's monitors have detected high levels of hexavalent chromium and the proposed moratorium is to protect public health.

The following speakers addressed the City Council:

**Steve Kucharczk** stated that this moratorium may be a "business killer." He indicated that he was glad that the moratorium does not apply to current businesses and discussed Carlton Forge's ability to put in a new tank. Vice Mayor Lemons provided clarification and informed Mr. Kucharczk that the moratorium prohibits expansion of current businesses. Mr. Kucharczk also commented on AQMD's mishandling of the hexavalent chromium issue and talked about the possible harmful odors coming from nail salons and discarded chrome furniture. He also mentioned that there are a lot of muffler shops and that there is no monitoring of chrome mufflers and catalytic converters. Vice Mayor Lemons stated that the moratorium deals specifically with metal companies for now. It halts any new metal companies from opening a business in Paramount and will

allow the City to gather data and more time to do an in-depth study of the situation, and also provides AQMD more time to do their job. There was also discussion regarding California Air Resources Board (CARB) monitoring moving vehicle emissions.

Mr. Kurcharczk also stated that a lot of individuals are talking about “cover-up,” and said that he has not seen these individuals at Commission or City Council meetings. He mentioned that the City Council had outlawed his chickens and then stated that these individuals may find out that the City Council is really doing their job, even though they were vilified at this meeting.

**Tammy Koegle** stated that she is a long-time Paramount resident and requested clarification regarding the recycling plant and whether it is new or being replaced. City Manager Moreno responded that it will be an addition to the existing plant. She also commented on the formation of a subcommittee and said that is great, but she voiced that there should be more than two open appointments and that these appointments should be held by Paramount residents. She also said that she learned that AQMD is checking permits for over 170 businesses and stated that the subcommittee should assist City staff and the AQMD with the monitoring of permits. The City and AQMD should share the responsibility of making sure permits are kept up-to-date and notifying the State when companies are in violation. Ms. Koegle said that she is a proud Paramount resident and wants to continue to keep her business in Paramount; however, if the air quality and pollution continues, she does not want to keep her family in town. She also told the City Council that she appreciates the City for bringing businesses to town and inquired about expanding inspection of companies beyond non-metal companies.

Vice Mayor Lemons stated that issues will be discussed with the subcommittee. She mentioned that the AQMD inspected some non-metal companies that may have harmful materials, and reported that AQMD inspected 170 businesses. There were 135 companies that were given a clean bill of health and she said that the results for the remaining businesses are pending. Ms. Lemons noted that AQMD issued 6 citations for emissions to the following three companies: Anaplex, Aerocraft Engineering and ProCast. She also stated that the City is waiting to receive data from AQMD and will act accordingly.



Ms. Koegle mentioned brown water at her residence and at the schools, and asked what is being done to make sure water at the schools is safe. Public Works Director Cash explained how brown water may happen and directed Ms. Koegle to talk to the Paramount Unified School District (PUSD) regarding how the water is handled at schools. He also explained that water testing is handled by a variety of agencies and that the City may do the sampling but the State Water Quality Control Board controls the testing requirements. Mr. Cash provided his business card to Ms. Koegle and was directed to contact him if she had additional questions.

Next, City Manager Moreno read a Speaker's Card from **Julia Clabault**. Ms. Clabault left the meeting but asked that her questions be read and entered onto the record. Mr. Moreno said that she asked when the 80 plus metal businesses will be checked by AQMD and the City to ensure that they are not emitting unsafe levels of chromium 6, and he responded that inspections are currently being done. Ms. Clabault also asked what the City is prepared to do to limit metal businesses, and City Attorney Cavanaugh responded that the moratorium will limit the number of businesses coming in or expanding. He explained that the moratorium provides a legal exception which allows the City to create a temporary pause on new businesses or expanding businesses from operating until the City has time to evaluate data from AQMD and other agencies, and then after evaluation, discuss what legal limitations there are that may exist with regards to these types of businesses.

It was moved by Councilmember Martinez and seconded by Councilmember Daniels to read by title only, waive further reading, and adopt Ordinance No. 1078, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PARAMOUNT ADOPTING AN INTERIM URGENCY ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 PROHIBITING THE ISSUANCE OF ANY PERMITS, OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT, EXPANSION OR OPERATION OF ANY BUSINESS INVOLVED IN THE MANUFACTURING AND/OR PROCESSING OF METALS, INCLUDING, BUT NOT LIMITED TO THE FOLLOWING OPERATIONS: GRINDING, SANDING, PLATING, ELECTROPLATING, WELDING, DEBURRING, HEATING, HEAT TREATING, STRAIGHTENING, FORMING, MACHINING, CUTTING, ROLLING, PRESSING, FORGING, FABRICATING, POLISHING, MILLING, SWAGING, CONVERSION COATING, ANODIZING, AND PASSIVATION WITHIN THE

M-1 (LIGHT MANUFACTURING), M-2 (HEAVY MANUFACTURING), AND PD-PS (PLANNED DEVELOPMENT WITH PERFORMANCE STANDARDS) ZONES DURING THE PENDENCY OF THE CITY'S REVIEW AND ADOPTION OF REGULATIONS OF SUCH USES AND DECLARING THE URGENCY THEREOF." The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons  
NOES: None  
ABSENT: None  
ABSTAIN: Mayor Hofmeyer

At 9:40 p.m., Vice Mayor Lemons recessed the meeting for a break. At 9:50 p.m., Mayor Hofmeyer reconvened the meeting.

17. REPORT  
Fiscal Year 2016  
Comprehensive Annual  
Financial Report (CAFR)  
CF 26

Finance Director Liu gave a report on the Fiscal Year 2016 Comprehensive Annual Financial Report (CAFR). She provided an overview of the City's three major revenue funds (General Fund, Restricted Fund, and Water Fund), and reviewed the City's revenue trend for the past ten years. She noted that the biggest revenue source in the General Fund is sales tax and said that the City received approximately \$7.4 million.

Next, she provided an overview of the City's expenditure trend for the past ten years, and reported a General Fund surplus of \$284,970 (increase for unassigned fund). Ms. Liu also provided a breakdown of the City's reserves within the General Fund as of Fiscal Year 2016. She reported that the General Fund reserve increased by \$285,000, totaling \$12.5 million.

Ms. Liu presented a 10-year review of the unassigned portion of the General Fund reserves and reported a balance of approximately \$12.22 million. She also reviewed the Water Enterprise Fund and reported a net loss of \$645,340, and mentioned that a minor water rate increase may be proposed in the next budget cycle. Ms. Liu concluded by acknowledging the collaborative efforts of the City's departments.

It was moved by Councilmember Daniels and seconded by Vice Mayor Lemons to receive and file the Fiscal Year 2016 Comprehensive Annual Financial Report. The motion was passed by the following roll call vote:

AYES: Councilmembers Daniels, Hansen, Martinez  
Vice Mayor Lemons, Mayor Hofmeyer  
NOES: None  
ABSENT: None  
ABSTAIN: None

### **COMMITTEE REPORTS**

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Councilmember Hansen provided an update on the West Nile Virus.

Mayor Hofmeyer reported that Workers Compensation rates have gone down.

### **COMMENTS FROM STAFF**

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There were none.

### **COMMENTS FROM COUNCILMEMBERS**

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Councilmember Martinez commented on the City's successful holiday events. She praised staff and gave special thanks to Community Services & Recreation Director Johnson.

### **ADJOURNMENT**

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There being no further business to come before the City Council, Mayor Hofmeyer adjourned the meeting at 10:05 p.m. to a meeting on January 10, 2017 at 6:00 p.m.

/s/ Daryl Hofmeyer

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Daryl Hofmeyer, Mayor

ATTEST:

/s/ Lana Chikami

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Lana Chikami, City Clerk