

**SAN JOAQUIN CITY COUNCIL MEETING MINUTES  
AUGUST 1, 2017  
UPDATED MINUTES**

1. CALL TO ORDER – Called to order by Mayor Hernandez at 6:00 P.M.

**ROLL CALL AND DECLARATION OF QUORUM -**

Julia Hernandez	Present
Amarpreet Dhaliwal	Absent – arrived at 6:05 p.m.
Abel Lua	Present
Jose Ornelas	Present
Betty Vallejo	Absent

Staff present was Elizabeth Nunez, City Manager; Hilda Montoy, City Attorney and Lupe Estrada, Deputy City Clerk.

Guest Present – See Attached

2. APPROVAL OF AGENDA –

**Motion: Councilmember Ornelas moved to approve the agenda. The motion was seconded by Councilmember Lua and approved by the following vote: 3 Ayes, 2 Absent (Councilmember Vallejo, Mayor Pro Tem Dhaliwal)**

3. PRESENTATION-

Fresno County EDC regarding services to the City and the Community. Presenters, Nikki Newsome, Jacob Villagomez and Amanda Bosland. Address three major services available to the city focusing on Business Expansion, Attraction and Retention Services.

Nikki Newsome introduced the services provided to the community and also introduce members of EDC, Jacob Villagomez and Amanda Bosland. Amanda Bosland is the Retail Attraction Specialist and Jacob Villagomez is the Economic Development Specialist. Works with the NEO program to assist individuals who receives public assistance and to place into the work place.

Mayor Pro Tem Dhaliwal, EDC has their work cut out for them, the Council has been working with Leon there are challenges one being training part we need to have training, and also people losing interest in blue collar jobs. Mayor Pro Tem was contacted by Temp Agency regarding the needs of workers to work 10 to 12 dollars per hours to work at True Organic they are hiring and they might hire another 30 people. The challenge is getting people to work a lot of people not showing interest in the blue collar work.

Christina Covarrubia- regarding the five focus mentioned she hopes those focus come to develop here in this city that more companies come here to open their business and

regarding the training is very important she think here in the city there are people here work in the fields and would like to progress and do a better jobs.

4. CONSENT CALENDAR -

A. Approval of Minutes: Regular Meeting Minutes of July 11, 2017

B. Approval - Warrant #'s 48458 – 48484

C. Approval Second reading; waiving full reading and adopt Ordinance 2017-100: An Ordinance of the City Council of the City of San Joaquin Amending Subsection (A) of Section 30.22 of Title III Chapter 30 of the San Joaquin Municipal Code Relating to Council Compensation

D. Approval Second reading waive full reading and adopt Ordinance 2017-101; An Ordinance of the City Council of the City of San Joaquin Adding Chapter 116 to Title XI of the San Joaquin Municipal Code Relating to Moving Food Vendor

**Motion: Mayor Pro Tem Dhaliwal moved to approve 4.a, 4.b and 4.c as presented. The motion was seconded by Councilmember Lua and approved by the following vote: 4 Ayes, 1 Absent (Councilmember Vallejo)**

5. SHERIFF REPORT - Lt. Reynolds presented new monthly stat report was presented to the council.

Mayor Hernandez, agrees and approves new format, Mayor Pro Tem Dhaliwal thanks the Sheriff Department for their commend center posted at the park during the Carnival to have sheriff present at all time during the event was very important for the success of the carnival.

6. CITY MANAGER REPORT – Informational

West Hills College-Day Care Center, city manager had a meeting with the Chancellor and Deputy Chancellor, to discuss MOU terms, provided an overview of the City's financial state and the need to start charging facility use fee. They stated the need to take the information back to their board for consideration and will regroup.

City Manager met with Fresno Diocese and St. Vincent Church regarding road closure, she provided a thorough overview of the road closure permit process adopted by council, Representative of the Diocese, Church, Sheriff Department and City were present to ensure all are in the same page. Diocese staff stated all application submitted to the City must be signed by Father Raynana or Father Gonzalo to be valid for purpose of liability to the church and diocese. Administrative Priest Father Raynana stated this a normal business practice he is familiar with and has dealt with this process with many other cities he has served for. Diocese commended the City for a quick response to the matter and transparency demonstrated throughout the process. The Diocese also stated they are a united front with the City on all matters related to the Catholic Church.

Community Carnival, was 17 rides, 14 games, entertainment included Mariachi, Folkloric Dancers, DJ and live band, 12 vendors participated selling variety of foods. All staff worked throughout the carnival, including the Proteus workers, 12 volunteers, It was a safe family atmosphere, incident free, two minor injuries involving children nothing required medical attention, total revenue \$25,828, total expenses (estimated) \$20,000 potential profit \$5,800 but not all invoices are in so far.

7. PUBLIC FORUM - None
8. OLD BUSINESS - None
9. NEW BUSINESS –

A. Report and Recommendation – Consider and adopting of Ordinance No. 2017-102 addition to Chapter 100 to Title IX of the San Joaquin Municipal Code Relating to Vacant, Blighted Building- Registration and Maintenance.

Delia Montana has power of attorney for her aunt and has a property on Sixth Street, and she just boarded up the windows would like to know if she would have to change the already installed plywood to the new required material as indicated in the ordinance. There are a lot of homes with plywood on the windows will they also have change to the new required material. She has already registered the property with the Sheriff Department via website already will not need to go through the City, and there are also people installed plywood on windows for their coolers has someone maintaining the property

Christina Covarrubia regarding maintenance that is required to have in the yards is that regarding that is fenced in and property that are open to the public. She also notice that it mentioned regarding the maintenance of the sidewalk, that it also has to be maintenance, she has a large tree leaning and has no problem removing it, but she has been mentioned that there is no sidewalk, in here property and they need a sidewalk not just here area but the entire area where there is no sidewalk. She understand that the funds given from the government it's specifically for the repairs of major streets.

Mayor Hernandez, explained the Ordinance is specifically to facilities which are vacant, and there is no one living in the facilities and regarding the sidewalk there has been workshops related to the issue specifically the area Christina is mentioning.

Christina Covarrubia asking to considered the ordinance because it is confusing because there are many people who goes on vacation for thirty days but has someone maintenance while they are on vacation.

**Motion: Mayor Pro Tem Dhaliwal moved to waive the first reading and approve Ordinance No. 2017-102 adopting the addition to Chapter 100 to Title IX of the San Joaquin Municipal Code relating Vacant, Blighted Building Registration and Maintenance and bring back to next meeting for adoption. The motion was seconded by Councilmember Lua and approved by the following vote: 4 Ayes, 1 Absent (Councilmember Vallejo)**

10. CITY ATTORNEY'S REPORT- None
11. COUNCILMEMBER COMMUNICATIONS/ANNOUNCEMENTS/AGENDA ITEMS – 6:54 p.m.
  - A. Councilmember Ornelas' Request- Overview of CDBG Loan process for Hinojosa Loan; State CDBG response; and how to deal with loans in future

Couple of weeks ago council received memo from City attorney who conducted a review on some concerns brought to her by councilmember Ornelas. City Manager stated her involvement in the process. City Manager received an email from CDBG on May 30<sup>th</sup> informing her there was some concerns about the ownership of a property that the City issued a rehabilitation loan on in addition to two Notice of Completion recorded with the county. Her timeline in response to the CDBG, she immediately contacted the City Attorney to inform her of the concerns from CDBG. City Manager re-pulled the Notice of Completion to review what the concerns were. What she found that on the Notice of Completion that was recorded with the State the contractor on record was Yanez Construction at the point she immediately identified that there was a clerical error the actual contractor on record is All American Construction AKA Borgess Bros. She contact the grants consultant to find out why the Notice of Completion stated Yanez Construction and not All American Construction AKA Borgess Bros. The grant consultant confirm that indeed was a clerical error. Yanez Construction had originally been selected by the family to complete the project for unknown reason, Yanez Construction last minute backed out, the family contacted the City to notify they no longer had a contractor, Yanez Construction was the lowest bidder, the City had a loan committee meeting to review the pending bids on file, All American Construction AKA Borgess Bros. was the next lowest bidder.

The City reached out to the family to get clarification on the ownership of the property on Railroad Ave., the family provided a grant deed dated 1981 listing Mr. Fausto Ruiz deeming the property to Mrs. Hinojosa formally ex-wife. The document was immediately forwarded to CDBG so they would have a record of who the property owner was. The document was not recorded with the county for unknown reason other than the family did not know it had to be recorded with the County. The family also provided with a California Identification and a passport verifying that Juana Ruiz and Maria Hinojosa is indeed the same person her name is Maria Juana Hinojosa she is the rightful owner of the property and her husband by the State of California by marriage becomes the property owner. The document was forward to CDBG immediately

Councilmember Ornelas, there is not email attached as mentioned, Mayor Hernandez read the email in question, city manager explained the response from CDGB accepting the information provided. Councilmember Ornelas informed that the APN indicated in the Notice of Completion is from a different property, he went to the county to verify the APN and it was confirm that that APN does not belong to the property, Councilmember Ornelas notice the Note the City does the City doesn't file it, he has two different Notes with different amounts neither one of them are not filed with

county. Should the family decides to sell the property there is nothing way we can get the money back because there is nothing filed with the county or the escrow company that they owe money to the City. So is the City supposed to file something with the County. City Manager will confirm with the Grants Consultant to clarify,  
Councilmember

Councilmember Ornelas, recalls last year choose a committee to be involved in loan, but does not see councilmember sign in the committee, he knows councilmember Vallejo is one of them but does not recall if there is another one in case she is not available councilmember Ornelas feels it is important to be involve in those types of loans. Another question especially on the Notes why was there two different loans, City Manager explained the first Note was when Yanez Construction was selected but then backed out, so the Note was revised to reflect the second construction company All American Construction AKA Borgess Bros. as the contractor and to reflect the new amount as well. Councilmember Ornelas requested a final Note with signatures indicating the dollar amount. In the future have two councilmembers involve in the loan, and knows the title company charges between 500 to 1000, thinks is better to use a title company to do the whole serving instead of using an employee so they can do things right. He caught this loan and does not know if there are other loans with the same issues, city manager informed councilmember Ornelas she had the consultant review all the existing loans because she wanted to ensure if there was any other loans that were not aware she has those findings and is working with the consultant to address the findings.

Councilmember Lua, asked if the city had a total count of how many loans there was, city manager explained that there was a total of 12 rehab loan still active.

Delia Montana aunts property currently has a lien on the property at the time of the loan and wants to know why the Hinojosa does not have a lien on the property, city manager explain one of the items she will be looking in to it.

Delia Montana also spoke with the state and they informed her they are still actively investigating but has not gotten back to her. She also spoke with Yanez Construction and they informed her all they did was submit a bid and they never agree to the project. Also, Borgess Bros. do have ties to the City of San Joaquin they are related to the Hannaman's and Hale family, doesn't know if that is a conflict of interest, but they do have ties to the City. Also, just because Emilio Hinojosa is married he is not the rightful owner of the property because there will have to have a will or go through probate. Mr. Hinojosa signed the agreement under penalty of perjury that he is the owner and he is not the owner his name is not in the deed.

Christina Covarrubia, asking the same question, doesn't want to bad about the city or the property owner, but in the future the important civil citizens caught this we took it to Councilmember Ornelas, we try to take it to other councilmembers but they did not get their response, they did their investigation going to the State and the County, and in the documents there was two checks made to Mr. Hinojosa let's just say the city is not going to release any money until the project is completed she doesn't know why there

was two checks made, when they went to Mrs. Elizabeth, and she did not want to cooperate with them and work with them a little bit better to avoid getting where we are right not. In the future she thinks there should be more personnel involve and have another set of hands so that if someone don't catch any wrong doing the other person will do that there will so it can be more transparency for the city and to the person to the person who is doing it, so that there are no comments where the money go if there is no personnel adequate then need to find someone who can do that type of work, because that opens a lot of doors for the for money to go out, if they were able to catch this how many more cases are they out there.

Mayor Pro Tem Dhaliwal stated he is a very close friend to Fausto Hinojosa they went to college together and when Fausto was inquiring on the loan he called Mayor Pro Tem Dhaliwal to ask if he knew of any contractors. Mayor Pro Tem Dhaliwal then asked the City Attorney if there is any conflict with this acquaintance with Mr. Hinojosa where upon she stated no there is no conflict.

Mayor Hernandez, would like to say that it's a task and a very lengthy task, she appreciates all the comments that it has been said and she agrees a lot of what it has been said unfortunately we don't have the manpower, which is why there was the decision to de-obligate the funds. She is hopeful the City will be able to report back to council with the help of the city attorney and have a final report.

- B. Report and Recommendation- Councilmember Ornelas' request consideration and approval of the use of the Leo Cantu Community Center for community sports team.

City Manager report- councilmember Ornelas requested at the last council meeting, to be added to the agenda. There was two groups interested in starting two sports program, both of them requested access to the use of the Community Center, earlier in the month she met with the boxing trainer, he asked the City for the support and use of the community center there are about five to six register boxers and have other youths in the boxing club, they are using a facility out of the city and lost a lot of the youth because they are training out of the city, their request was to be able to use community center. She reached out to Mr. Ornelas as his hat of president of the chamber to see if he had any access to any real estate within the City and asked him if he could be able to help them and connected Mr. Bravo with Mr. Ornelas as far as she knows they still do not have a place, she is working in assisting them identifying a grant. It is important to support them and tying them to the Community Center but that is a decision of council. Reaching out to the Superintendent and ask if one of his facilities will be available for use for this program.

City Manager also met with another gentleman Juan Echeverria regarding a soccer program he has proposed. He is proposing to serve about forty six kids, ages 10 to 12 years of age for a period of six weeks program meeting two times per week at the Community Center will be a indoor soccer program. He does have some equipment but will also need funding for more equipment in addition to the use of the community center.

It is a daily use of the use of the Community Center especially during the actual event. They are a nonprofit organization. Mr, Echeverria is an independent resident who will like to start this program up.

Motion: Councilmember Ornelas moved to table and direct staff to look at other facilities

- C. Report and Recommendation- Mayor Hernandez request consideration and approval of Resolution No. 2017-24 regarding City Staff, City Attorney and Consultant requests and work generated by individual councilmembers.

Mayor Hernandez, the resolution she has requested the City attorney to prepare its not to prevent the councilmembers from taking anything to the city manager or city attorney far from it. It's to make sure that as a group as a council we all work together and are all aware and she knows they all are aware about the city's budget constrains the city currently facing, and that they all follow the process and the protocol.

Councilmember Ornelas in regards to the Hinojosa's file going back and forth with some of the information, in the beginning when he ask a few questions to the city manager and some of the community also did the same thing, if they would have straighten thing right away and accept that there was errors on that loan they would have stop right there on his side he sent an email asking a few questions but his answer were not response he feels he was wrong, he was going to prove that things are not right he met with the attorney and sent emails to the attorney twice, because of all that loan and they went through everything he explained to her that was the reason why he went to meet with her because he was not getting his answers, at least he was not feeling that they were accepting there was errors on that specific loans but he agrees there are some issues they can handle with the city manager but everyone needs to accept they are wrong we need to accept it and they can work it out make sure if we fail on something then work it out so it doesn't happen in the future, but he agrees with everything.

Christina Covarrubia- Agrees with Jose Ornelas, sometimes when they go to the city manager, we can try to talk to her but she never accept that she is wrong but she thinks if there was some communications, things can be resolve and not go too far like in this case of Hinojosa they had to contact the state because they knew something was happening that was not right and Delia and her went to talk with her to ask questions but they never got anywhere

City Manager, the fact that they did not like the response that don't mean that she did not work with them or did not get a response. She specifically met with Mrs. Montana, Mrs. Covarrubia was present and explained to her the reason why there was two notes, explained to her about the deed, with the 1981 date that is actually how she found out about the deed she seen it on her desk she actually showed it to her, they were made aware of the information and the fact that they don't like it doesn't mean that she didn't present or did not go over them. Does not recall her communications with Mr. Ornelas, he said he emailed her maybe he did, has a lot to deal with will have to go back and

look at her email communication but again if she responded was what she thought was accurate at that time if they don't agree with it there is nothing she could do at that point every issue that arises she communicates to the city attorney to ensure she is involve in the process and in this file she has been involved from the begin as seen in the timeline that has been presented. Her responses have not change or information has change from the beginning until now to say she has provided the incorrect information.

Mayor Hernandez, the point in bringing the Hinojosa file is the City hired have to work with the city manager and city staff through her have to trust that there is a process and as counsel, need to be able to work with her and legal counsel to make sure that the process gets complete understands the concerns and appreciates all the foot work that has been done on their behalf to look up all the documents through the county but it's important as a council if they have a city manager that unanimously agree to hire they have to allow the process to proceed and that's the kind of thing she is trying to avoid that is the whole purpose of the resolution.

**Motion: Councilmember Ornelas moved to approve Resolution No. 2017-24 regarding City Staff, City Attorney, and Consultant requests and work generate by individual councilmembers the motion was second by councilmember Lua and approved by the following votes: 4 Ayes, 1 Absent (Councilmember Vallejo)**

**12. ADJOURN MEETING – 8:05 p.m.**

**Motion: Councilmember Lua moved to adjourn the meeting at 8:05 P.M. The motion was seconded by Mayor Pro Tem Dhaliwal and approved by the following vote: 4 Ayes, 1 Absent (Councilmember Vallejo)**