

**MINUTES OF THE SPECIAL MEETING OF THE MADERA CITY COUNCIL AS  
THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY,  
CITY OF MADERA, CALIFORNIA**

February 21, 2018  
6:00 p.m.

City Hall  
Council Chambers

**1. CALL TO ORDER**

Mayor Andrew Medellin opened the Regular Meeting of the City Council and the Special Meeting of the Madera City Council as the Successor Agency to the former Madera Redevelopment Agency at 6:00 p.m. and called for the roll call.

**ROLL CALL**

Present: Mayor Andrew J. Medellin  
Mayor Pro-Tem Jose Rodriguez  
Council Member Cecelia K. Foley Gallegos  
Council Member William Oliver  
Council Member Derek O. Robinson Sr.  
Council Member Charles F. Rigby  
Council Member Donald E. Holley

Absent: None

Successor Agency staff members present: Executive Director Bob Wilson, City Attorney Brent Richardson and Recording Secretary Claudia Mendoza.

City of Madera staff members present: City Administrator Steve Frazier, Police Chief Dino Lawson, City Clerk Sonia Alvarez, Human Resources Director Wendy Silva, Public Works Operations Director John Scarborough, Planning Manager Chris Boyle, City Engineer Keith Helmuth, Chief Building Official Steve Woodworth, Information Systems Manager Mark Souders and Grants Manager Ivette Iraheta.

**INVOCATION**

Pastor Joyce Lane, Glory of Zion Ministries Madera

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Andrew Medellin.

**PUBLIC COMMENT – REGULAR SESSION**

The first fifteen minutes of the meeting are reserved for members of the public to address the Council/Agency on items which are within the subject matter jurisdiction of the Council/Agency. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Mayor has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Council/Agency are prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council/Agency does not respond to public comment at this time.

***The Public Comment Section portion of the meeting minutes is in verbatim form.***

Vickie Sloan, 503 North O Street: When I addressed the council at the January 3<sup>rd</sup> meeting I asked Council Members Robinson, Foley Gallegos, Rodriguez and Holley to excuse themselves from my comments because I believed that they did not deserve to be included in them. Tonight I speak to you. As it has become obvious that the other three council members and the Interim City Administrator have an agenda that they intend to force upon us without regard for the consequences. It was refreshing to witness common sense reenter the discussion at the meeting held on February 14<sup>th</sup>. I want to thank you for the questions and comments of that evening. I am really so proud of you. I am encouraged by your joining together to effect change in the right direction. Mr. Robinson, thank you for providing the voice of reason. I can speak for most of us in the audience on the 14<sup>th</sup> and we were thinking exactly what you said, if it isn't broke there is no need to fix it. Thank you for sticking to your original comments throughout the discussion. Without you and your vote, the outcome could have been drastically different. Mr. Holley, thank you for acknowledging the shortcomings that you have grown tired of, having to learn things from the wrong sources and the failure of the council to act in the best interest of our people. Without you and your vote again, an outcome with dire consequences could have prevailed. Ms. Foley Gallegos, thank you for speaking to the promises that were made in the past and giving the necessary consideration to keeping them. So often in the political arena those promises are all too soon forgotten. Without you and your vote, those promises might have been altogether forgotten or blatantly ignored. Mr. Rodriguez, thank you for the attention to the details. It is so important and yet often overlooked to make sure the agenda items are clearly understood before being voted upon. Agendized items can be convoluted to the point of confusion and misrepresentation. Without you and your vote making of upmost importance that everyone be on the same page, we might not have received the appropriate attention. I hope that the opinion shared and the positive action taken on the 14<sup>th</sup> was an indicator that things have finally changed for the better. I hope that each of you will continue to vote with your conscience, with integrity and with the people who depend on you in mind. Each of you may only be one vote, but together you are the majority of four. Together you can effect change. Together you can stop our city from being dragged in a direction that we don't want to go. We are counting on you to do this. Stand together. Be the majority of four. Together you are strong. Together you can make the tough decisions and there will be many. It won't be easy but again we will support you. Together we can. Thank you.

Ron Montoya, 1292 Peach Court: I would like to continue with a couple of thank yous. Our neighborhood, who continues to pay \$20,000 - \$25,000 a month in the Community Facility District Tax, after four years finally got a 40 mile an hour speed limit sign on Knox. Thank you. Thank you for the two bus stops, thank you. We also have some no parking signs now and we would ask, as part of the Community Facility District Tax, that you would consider maybe some parking permits for our neighbors who are diesel truck drivers, who pay a ton of money on taxes. Cut them a break. At least give them a three day pass or some sort of permit to park their diesel trucks along Knox Avenue where the new no parking signs are. They work long hours and are gone months at a time and just to park their car to see their kids and family. I think it would be in everybody's best interest. They are hardworking people and most of them come to this country with nothing. And they all live together, buy a house cash and buy a diesel truck cash. They are very united people and I am proud that most of my neighbors are from India. They are spreading their unity and kindness and we are learning from them. But I also wanted to just thank Ms. Gallegos for her response for not cowering down from this horrific weekend in this town. Yeah, it is sad and thoughts and prayers are not enough. And what the lady said before, we need to become more interdependent and stop using the word I. It needs to stop. And having a gun show, and I know Ms. Gallegos you clarified that it was the Board of Supervisors who afforded that sign to the City of Madera. And yes, I was the one who put those pictures up and I sent you guys an email and

how disgusting it was. But I want to thank Ms. Gallegos for having the guts to say you know what and not cowering down and really doing her best to keep this city safe. Because that same weekend we are again on Channel 30 Action News Sunday night, half a mile away from our home. Thoughts and prayers are not enough. It needs to stop. And it's not like... you know we just need to work together. Just common sense. We really had a gun show after another mass shooting? Really? It's disgusting. Mr. Medellin now is your time to shine. You have been under a lot of heat, now is your time to have a voice. Now is your time to lead, we need it. And Ms. Gallegos thank you for having the guts to respond. Yeah I am going to the Board of Supervisors. I am going to the Madera Unified. They need to respond. And it's wonderful to see these kids out in Florida taking a stance. That is what diplomacy and what our country is all about. Thank you guys.

Eddie Block, 916 East Cleveland Avenue: I wanted to thank everybody first off for coming to my Business Watch Meeting with Chief Lawson last Tuesday night. It was a great turnout and we appreciate it. Secondly, the reason I am here today is I am giving you guys a heads up. I know that I can't ask for anything here but I would like to let you know that I am going to come to you guys and ask for the parking lot on the corner of 6<sup>th</sup> and D. This summer we want to do a food truck/fiesta night or something like that for the local people. Something to get everybody downtown. Something to get everybody out and not to Fresno, I should say. So we are trying to build up Madera. It's going to take a long time and I want your help. I was going to ask if maybe the City could help us by just giving it to us for a little bit. That way we can get permits going for all these people who do not have licenses. We can start teaching them how to get their licenses. Charge them \$20 for the night or something just to get them in the door. Then we can start working our way. I know a lot of them won't want to do it but if you show them that they can do it cheaply and do it right, I think they will. And we can start making taxes for our city and getting more people downtown. That's why things are going wrong. If you don't have people down there, they are going to go where there is less people so they can get in more trouble. The police are busy and this will help keep the police less busy by having more people downtown because people will be less likely to commit crimes down there. I want you guys to think about it and come with a plan and come meet me, you have my number. Maybe we can work on getting a Friday night, like a Gazebo Gardens type thing here in Madera. That way we have somewhere to go. So many people have told me that I will not be able to fix downtown. I have had more than sixty operations. I have been told I will never walk. I was told I will die before I was one. I am forty one and I am still here. So everybody that tells me I am not going to fix downtown, you are just giving me more of a power to do it. Thank you.

No other comments were offered.

### **PRESENTATIONS**

No presentations were given.

### **INTRODUCTIONS**

There are no items for this section.

## **2. WORKSHOP**

There are no items for this section.

### **ANNOUNCEMENT BY SECRETARY**

Per Government Code Section 54957.5, members of the public are advised, that less than 72 hours prior to this evening's meeting, amended resolution for Item 5A was provided to Council and staff. If you wish to obtain a copy of this item, it is located on the podium. Thank you.

### **3. CONSENT CALENDAR**

There are no items for this section.

### **4. PROJECTS AND REPORTS**

There are no items for this section.

### **5. AGREEMENTS**

#### **5A. Consideration of a Resolution of the City Council of the City of Madera as the Successor Agency to the former Madera Redevelopment Agency Directing Staff to Initiate the Process of Issuing Refunding Bonds to Refinance the Bonds of the Successor Agency and Authorizing the Executive Director or Treasurer to Engage the Selected Parties for Professional Services Required to Complete the Refunding (Successor Agency)**

Executive Director Bob Wilson stated if this item is approved it will give permission to move forward with the refunding of the Successor Agency bonds. This item will also allow the appointment of the financing team. The City has worked with Del Rio Advisors several times. Ken Dieker with Del Rio has taken an in depth look at the Successor Agency bonds and he will provide a presentation.

Ken Dieker reported in October of last year the Director of Financial Services requested the he take a detailed look at City's and Agency's debt portfolio. They completed the refunding of the police station in January 2018. They also refunded CFD No. 2006-1, this closed January 2018. We continue to look at refunding opportunities from some of the Water Revenue Bonds, Series 2010. Unfortunately those bonds not callable until March 1, 2020 and the new tax plan eliminated the ability to refund those bonds up until 90 days before that date. We are looking for other alternatives. We also took a look at the Successor Agency bonds from 1998, 2003 and 2008. Tonight's resolution seeks permission to move forward on the refunding and to appoint the financing team.

Mr. Dieker stated that in January from direction from the Agency and the City, he requested fee proposals from firms to act as Underwriter, Bond Counsel, Disclosure Counsel and Fiscal Consultant. It is his recommendation to hire Brandis Tallman LLC as Underwriter, Jones Hall as Bond Counsel and Disclosure Counsel, Fraser & Associates as Fiscal Consultant.

Mr. Dieker reported that there are four series of bonds outstanding for \$43.4 million. Interest rates from 4.375% to 5.375%. All these bonds are currently refundable in September. The estimated savings are conservative and are based on rates as of February 15<sup>th</sup>. Estimated cash flow savings are about \$620,000 a year, dropping down to about \$500,000 a year and dropping down to about \$400,000 a year at the end of the schedule. For a total savings of \$10.769 million, which is a net present value benefit of \$4.884 million or 11.01% of the outstanding prior bonds.

Mr. Dieker stated that if the Agency Board approves moving forward this evening, the remaining steps for formal approval are as follows:

- He will prepare Refunding Plan and Savings Analysis.
- Bond Counsel will prepare appropriate documentation for the issuance of the refunding bonds. The Agency Board will review the documentation and will approve the refunding, moving the item to the Oversight Board.



- The Oversight Board will review the documentation and if they approve the refunding, this will move documentation to Madera County Administrative Officer, Madera County Auditor-Controller, State of California Department of Finance.
- The Department of Finance has five days to reply that they will review the refunding and sixty days to reply with formal approval or denial of refunding plan.
- In the interim while we are in the sixty day period, the Disclosure Counsel will prepare the official statement. Which will be brought back again to the Agency Board for your final approval.

Mr. Dieker stated we are asking for permission to move forward tonight, get the team on board and start the clock ticking with DOF. All the parties were selected via competitive process. We are proposing a public offering seen as the preferred sale type due to final term of the financing and relatively large size (+/- \$40 million). There is a significant total savings of approximately \$10,769,122. Average annual savings of approximately \$538,456 per year through 2038. Net present value savings of approximately \$4,884,164 or 11.01%. And there is a significant benefit to the City's General Fund of approximately \$127,291 per year. Because of those savings about 23% of those savings would come back to the City's General Funds as unrestricted property taxes.

Mr. Dieker stated when they come back to the Successor Agency Board, they will discuss a couple of structuring alternatives. Once the team is assembled, there will be things that we need direction from the Agency Board.

Mayor Pro Tem Rodriguez asked for Mr. Dieker to define Total Cost Savings and Net Value Savings. Mr. Dieker responded the Total Savings the \$10.8 million and is the total debt service to debt service savings and that is what you will save over the term of the bonds. The Net Present Value Savings is the discounted figure back to today's dollars and that is the current day's dollar benefit of all of those future savings. Mayor Pro Tem Rodriguez asked would you say that the total savings that we would have for these bonds be \$10 million. Mr. Dieker replied that is correct. Over the life of the bonds and those aren't realized for a number of years out through 2038.

Mayor Medellin called for other questions or comments. No other questions or comments were offered.

Mayor Medellin called for a motion to adopt the Successor Agency resolution

**SA 18-06 RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY DIRECTING STAFF TO INITIATE THE PROCESS OF ISSUING REFUNDING BONDS TO REFINANCE THE BONDS OF THE SUCCESSOR AGENCY AND AUTHORIZING THE EXECUTIVE DIRECTOR OR TREASURER TO ENGAGE THE SELECTED PARTIES FOR PROFESSIONAL SERVICES REQUIRED TO COMPLETE THE REFUNDING**

On motion by Council Member Holley, seconded by Council Member Robinson, Resolution Number SA 18-06 was approved unanimously as presented by the following 7/0 vote: Ayes: Council Members Medellin, Rodriguez, Robinson, Foley Gallegos, Rigby, Oliver and Holley; Noes: None; Abstain: None; Absent: None.

**5B. Consideration of a Resolution of the City Council as the Successor Agency to the Former Madera Redevelopment Agency Approving the Debt Management Policy (Successor Agency)**

Executive Director Bob Wilson reported government code requires that prior to issuing debt the Successor Agency must approve the Debt Management Policy. Mr. Dieker along with the Successor Agency Treasurer has prepared a policy, if you have any questions Mr. Dieker can go into more detail.

Mr. Dieker stated the Successor Agency as a separate entity has to approve its own debt policy and it is very restricted to health and safety code limitations per dissolution. The Successor Agency can no longer issue bonds except to refund prior obligations and this is what we are proposing tonight.

Mayor Medellin called for questions or comments. No questions or comments were offered.

Mayor Medellin called for a motion to adopt the Successor Agency resolution

**SA 18-07 RESOLUTION OF THE OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY APPROVING THE DEBT MANAGEMENT POLICY**

On motion by Council Member Oliver, seconded by Council Member Holley, Resolution Number SA 18-07 was approved unanimously as presented by the following 7/0 vote: Ayes: Council Members Medellin, Rodriquez, Robinson, Foley Gallegos, Rigby, Oliver and Holley; Noes: None; Abstain: None; Absent: None.

**6. HOUSING**

There were no items for this section.

**7. GENERAL**

There were no items for this section.

**8. AGENCY MEMBER REPORTS**

No reports were given.

**9. CLOSED SESSION**

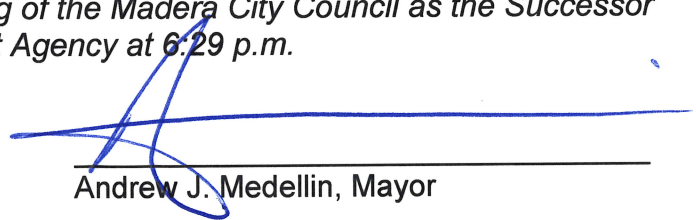
There are no items for this section.

**10. ADJOURNMENT**

Mayor Medellin adjourned the Special Meeting of the Madera City Council as the Successor Agency to the former Madera Redevelopment Agency at 6:29 p.m.



Claudia Mendoza, Recording Secretary



Andrew J. Medellin, Mayor