

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA
REDEVELOPMENT AGENCY**

MINUTES

West Covina City Council Chambers
1444 West Garvey Avenue, West Covina, CA 91790

Special Meeting
Thursday, April 19, 2012
4:00 p.m.

I. CALL TO ORDER:

Meeting was called to order at 4:07 p.m.

A. Roll Call/Introduction

Board Members Present: Efrain Escobedo, Mike Lee, Fernando Oliveros, Michael Touhey, Ernesto Morales, Mike Gregoryk (arrived at 4:25 p.m.)

Board Members Absent: Dawn Bastin

Staff: City Manager/Executive Director Andrew Pasmant, Finance Director Tom Bachman, Successor Agency Staff Member Chris Chung, Oversight Board Secretary Sue Rush

Election of Chairperson

Board Member Touhey called for nomination for chairperson.

Board Member Lee nominated Mike Touhey. Board Member Morales nominated Fernando Oliveros, seconded by Escobedo. Motion carried 4-1. (Lee voted no).

B. Pledge of Allegiance

Board Member Oliveros led the Pledge of Allegiance.

C. Oath of Office

Secretary Rush administered the Oath of Office to Board Members.

D. Introduction of Staff

City Manager/Executive Director Pasmant introduced City staff.

II. CHANGES TO AGENDA:

Motion by Morales, seconded by Lee to confirm the agenda as presented. Motion carried 5-0.

III. PUBLIC COMMENT:

Gretchen K. Newsan, Consultant for the County of Los Angeles, requested to reserve her comment for when the ROPS item is presented.

A.J. Magana, Consultant for the County and people of Los Angeles, requested to reserve his time for any questions brought forth when the ROPS are discussed.

IV. CONSENT AGENDA:

A. Approval of Minutes:

No items.

V. BUSINESS ITEM(S):

A. Election of Chair and Vice Chair

Item introduced by Chairman Oliveros.

- a. Election of Chairperson conducted at beginning of meeting.
- b. Board member Touhey nominated Efrain Escobedo to serve as Vice Chair. Board Member Lee nominated Mike Touhey as Vice Chair, and then withdrew his nomination. With no other nominations, Efrain Escobedo was elected Vice Chair by a vote of 5-0.
- c. Motion by Touhey and seconded by Escobedo to designate Andrew G. Pasmant, Executive Director to be the Designated Official to the Department of Finance. Motion carried 5-0.
- d. Motion by Morales and seconded by Escobedo to adopt the following resolution.

RESOLUTION NOB OB-0001 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY DESIGNATING A CHAIRPERSON, VICE-CHAIRPERSON AND PUBLIC OFFICIAL FOR DEPARTMENT OF FINANCE CONTACT PURPOSES AS REQUIRED BY HEALTH AND SAFETY CODE SECTION 34179.

The Board engaged in discussion regarding errors and omissions insurance. Arnold Alvarez-Glasman, General Counsel to the Successor Agency of the West Covina Redevelopment Agency addressed the immunity provisions set forth in the statute.

Board Member Mike Gregoryk arrived at 4:25 p.m. Secretary Rush administered the Oath of Office to Board Member Gregoryk.

Motion by Escobedo and seconded by Morales to have Successor Agency Legal Counsel Alvarez-Glasman to contact and discuss with legal representatives from each Board Member's agency the issue of legal representation of the Board as a whole and to report findings to the Executive Director at the next meeting.

Motion carried 6-0.

Item V-A.d continued - Secretary Rush stated a vote has not yet been recorded on the motion and second on the floor for Resolution No. OB-0001.

Motion carried 6-0.

B. Date and Time for Future Meetings

Item introduced by Chairman Oliveros.

Motion by Gregoryk and second by Lee to adopt the following resolution.

Motion carried 6-0

RESOLUTION NO. OB-0002 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY ESTABLISHING THE DATE, TIME AND LOCATION OF OVERSIGHT BOARD MEETINGS

C. Approval of Oversight Board Resolutions adopting Bylaws and Rules of Procedure for the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency.

Item introduced by Chairman Oliveros. Executive Director Pasmant stated that a typographical error correction is to be made as follows:

Resolution OB-0004, Exhibit A, Section 7B, the reference to Article III, should properly read Article I, not III.

Board engaged in discussion as to when the public would address the Board, during one public comment period or at the time each action item is being discussed, and for amount of time a speaker may speak before the Board.

Motion by Gregoryk and second by Oliveros to allow the public to address the board once for both agenda and non-agenda items for a maximum of 5 minutes.

Motion failed 2-4 (Escobedo, Lee, Morales, Touhey voting no).

Following further discussion regarding when during the meeting the public would be allowed to address the Board, and for how long the public will be allowed to speak, Board Member Gregoryk restated his previous motion.

Motion by Gregoryk and second by Touhey to allow the public to address the board for one five-minute period, with the public comment portion being held following "changes to the agenda" on the agenda. Motion carried 4-2 (Escobedo and Morales voting no).

Motion by Touhey and second by Gregoryk to adopt the following resolutions, as amended to change oral communications to a total of 5 minutes per speaker, from 3 minutes.

Motion carried 6-0.

RESOLUTION NO. OB-0003 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY APPROVING BYLAWS AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RESOLUTION NO. OB-0004 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY APPROVING RULES OF PROCEDURE AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

D. Role and Responsibilities of the Oversight Board

Item introduced by Chairman Oliveros. Successor Agency staff member Chung provided a brief report. Motion by Touhey and second by Gregoryk to receive and file the report.

Motion carried 6-0.

E. Proposed Legislation that could affect Oversight Board and Successor Agency

Successor Agency staff member Chung provided a brief report. Motion by Touhey and second by Escobedo to receive and file the report.

Motion carried 6-0.

F. Recognized Obligation Payment Schedule

Gretchen Newsan, Consultant for the County of Los Angeles, addressed the Board of her opinion on certain line items within the ROPS.

Item introduced by Chairman Oliveros. West Covina Finance Director Bachman provided a staff report and brief overview of each line item on the ROPS for the period of January 2012 through June 2012.

A.J. Magana, Consultant for the City of Los Angeles, commented on several points of the discussion.

Arnold Alvarez-Glasman, City Attorney for the City of West Covina and counsel to the West Covina Successor Agency, addressed items on the ROPS and aspects of the AB1X26 legislation.

It was the concurrence of the Board to receive further information regarding each ROPS item. Motion by Morales and second by Gregoryk for a standard template which provides an executive summary and relevant information regarding every ROPS line item, including dates of agreements, parties involved, resolutions, dollar amounts, and whether parties met their obligations.

Motion carried 6-0

The Board engaged in discussion regarding the first ROPS schedule for the period of January 1, 2012 through June 30, 2012.

Motion by Gregoryk and second by Touhey to adopt Resolution No. OB-0005 approving the ROPS for the period of January 1, 2012 through June 30, 2012. The following audible votes were recorded.

AYES – Gregoryk, Lee, Touhey, NOES – Morales, ABSTAIN – Escobedo, Oliveros

Following discussion that all Oversight Board actions require four affirmative votes, the Board revisited Resolution No. OB-0005.

Motion by Escobedo and second by Gregoryk to adopt the following resolution.

Motion carried 4-1-1 (No-Morales, Abstain-Oliveros)

RESOLUTION NO. OB-0005 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE WEST COVINA REDEVELOPMENT AGENCY APPROVING A SCHEDULES OF DISTRIBUTION OF FUTURE TAX REVENUES, ALSO KNOW AS THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2012 AND ENDING JUST 30, 2012, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

The Board engaged in discussion whether to hold the ROPS schedule for the period of July 1, 2012 through December 31, 2012 over to the May 3 meeting and results of not meeting the May 1 submittal deadline to the Department of Finance.

Motion by Escobedo and second by Morales to not approve Resolution No. OB-0006 and carry to May 3 meeting.

Motion failed by a vote of 3-3.

Motion by Gregoryk and second by Touhey to approve Resolution No. OB-0006 with the ability at the May 3 meeting to amend the ROPS schedule and that a submittal cover letter would state the Board has the right to amend.

Motion carried 5-1 (No-Morales)

RESOLUTION NO. OB-0006 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE WEST COVINA REDEVELOPMENT AGENCY APPROVING A SCHEDULES OF DISTRIBUTION OF FUTURE TAX REVENUES, ALSO KNOWN AS THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 31, 2012 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

G. Successor Agency Administrative Budget

Brief staff report presented by West Covina Finance Director Tom Bachman.

Chairman Oliveros left the dais at 8:43 p.m.

Motion by Touhey and second by Gregoryk to adopt the following resolution.

Motion carried 5-0.

RESOLUTION NO. OB-0007 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF WEST COVINA REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JANUARY 1, 2012 AND ENDING JUNE 30, 2012, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

Motion by Touhey and second by Gregoryk to adopt the following resolution.

Motion carried 5-0.

RESOLUTION NO. OB-0008 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF WEST COVINA REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 31, 2012, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

Chairman Oliveros returned to the dais at 8:46 p.m.

H. Housing Successor Agency

Brief staff report presented by Successor Agency staff Chris Chung.

Motion by Gregoryk and second by Oliveros to adopt the following resolution.
Motion carried 6-0

RESOLUTION NO. OB-0009 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE WEST COVINA REDEVELOPMENT AGENCY RECOGNIZING THE CITY OF WEST COVINA COMMUNITY DEVELOPMENT COMMISSION (CDC) AS THE SUCCESSOR TO THE HOUSING FUNCTIONS OF THE FORMER WEST COVINA REDEVELOPMENTS AGENCY AND FURTHER RECOGNIZING THE TRANSFER OF HOUSING ASSETS TO THE CDC

VI. STUDY SESSION

No Items

VII. BOARD MEMBERS' COMMENTS

Chairman Oliveros expressed his appreciation and patience with the process.

Board Member Touhey introduced his fellow councilmember Fred Sykes in the audience.

Board Member Escobedo thanks staff for all the information provided and stated he is looking forward to working with his fellow board members and stated the need to resolve the issue regarding legal counsel for the board.

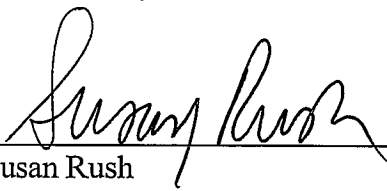
VIII. CLOSED SESSION

No Items

IX. ADJOURNMENT

Motion by Oliveros and second by Escobedo to adjourn the meeting at 9:05 p.m.

Submitted by



Susan Rush
Oversight Board Secretary