MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF HAWTHORNE, CALIFORNIA HELD FEBRUARY 2, 2006.

Mayor Pro Tem Catano called the City Council meeting to order at 3:34 p.m. in the City Council Chambers of the City Hall, 4455 West 126th Street, Hawthorne, California.

ROLL CALL-Present: Councilmembers Catano, Lambert, Parsons, Velez.
Absent: Mayor Guidi. (excused)

The Pledge of Allegiance was led by Councilmember Velez.

1.

Under Oral comments, **Carmen Trutanich**, on behalf of H&C Disposal, stated that when the auditor comes to a conclusion on what the franchise fees are, they will agree to that number and pay. New investment money will be brought into the company no later than February 10th.

For the **record** Councilmember Lambert stated: I just wanted to ask a quick question of the attorney. The date that the money was due to us, a large sum of money was due on the 31st right? Of January? You agree that's correct?

Attorney Carmen Trutanich: That's correct

Councilmember Lambert: Okay. Do you not agree also that you called me yesterday and told me you had a letter of credit in your hand and you were going to the bank and you would forward it to the city manager and myself?

Attorney Carmen Trutanich: I said I had a letter from the bank

Councilmember Lambert: Whoever it was from.

Attorney Carmen Trutanich: Right, and I believe that letter was delivered to each of the council people to demonstrate that the money was being prepared.

Councilmember Lambert : Was being prepared. When we talked, you said you had a letter of credit. So actually what you had was an application.

Attorney Carmen Trutanich: No, that's no what I had.

Councilmember Lambert: What did you have?

Attorney Carmen Trutanich: We have a loan approval. I don't know if you're familiar with, I sure you are because you manage property. We have loan approval on documents right now. We have loan approval. What we are waiting now is for the underwriters to draw the doc so they can be approved and we can get funding. That's all we're waiting on right now. Our side is done. We have loan approval, they have the docs. We have a three-day rite of recision that as you know can't be waved. That money will be in our hand. I presented that letter to the city. I have another letter that's on my desk from another lender that I'm trying to secure financing for that is probably a little bit better than the one that you received.

Councilmember Lambert : I didn't receive anything that's why

Attorney Carmen Trutanich: I apologize then. You should of received it.

Councilmember Lambert: I received nothing.

City Manager Prentice: Yeah, I received that letter, but I didn't forward it to the council.

Attorney Carmen Trutanich: I'm sorry, then I misspoke. I apologize.

Councilmember Lambert: Okay, I'm just checking up on what happened to it.

Attorney Carmen Trutanich: I apologize. I thought it got to you.

Councilmember Lambert: Don't worry about it.

Attorney Carmen Trutanich: You told me not to send it to you directly, to send it through the city channels.

Councilmember Lambert: I said send it to the city attorney and he will forward it to us and he's been waiting for 24 hours or maybe 36 hours.

Attorney Carmen Trutanich: Evidently it got to Mr. Prentice and didn't get to the city attorney. I apologize.

Councilmember Lambert: No problem. Thank you.

Attorney Carmen Trutanich: I didn't know that so

Councilmember Lambert: Thank you Carmen.

No one else indicated a desire to be heard.

Mayor Pro Tem Catano ordered oral communications closed.

2.

Mayor Pro Tem Catano recessed the City Council meeting to conduct a **closed session** Initiation of Litigation Against H&C Disposal Company pursuant to subdivision (c) of Section 54956.9 (1 potential case)

Mayor Pro Tem Catano called the City Council meeting back to order following recess with all Councilmembers present except for Mayor Guidi who was excused. He announced that the closed session was to discuss a closed session on Initiation of Litigation Against H&C Disposal Company pursuant to subdivision (c) of Section 54956.9 (1 potential case) and the City Attorney announced that no action was taken.

3.

Under Elected Officials Reports and Recommendations

Discussion/Action Item:

- City's options and actions in collecting unpaid commercial refuse franchise fees against H&C Disposal Company. (Parsons)

Councilmember Parsons moved that staff be directed to sit down with H& C and try to bring back to the City Council an agreement that staff feels the City Council can support that will basically insure the City will get paid back the $1.9 million dollars with no strings attached.

MOTION DIED FOR A LACK OF A SECOND.

4.

Mayor Pro Tem Catano adjourned the meeting at 5:30 p.m.

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Angie Reyes English
City Clerk