



CITY OF SIERRA MADRE
CITY COUNCIL REGULAR MEETING MINUTES
SIERRA MADRE CITY COUNCIL
SUCCESSOR AGENCY AND
PUBLIC FINANCE AUTHORITY

Tuesday, July 24, 2018 - 6:30 pm
Sierra Madre City Hall Council Chambers
232 W. Sierra Madre Blvd., Sierra Madre, CA 91024

CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL

Mayor Denise Delmar called the meeting to order at 6:30 p.m. City Clerk Sue Spears called the roll.

Present: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, Council Members Rachelle Arizmendi, John Capoccia, and Gene Goss

Absent: None

Also Present: Gabe Engeland, City Manager
Teresa Highsmith, City Attorney
Marcie Medina, Assistant City Manager
Donna Cayson, Police Captain
Chris Cimino, Director of Public Works
Vincent Gonzalez, Planning & Community Preservation Director
Miguel Hernandez, Human Resources Manager
Sofia Kownatzki, Intern
Rebecca Silva-Barrón, Community Services Manager
Christine Smart, Library Services Manager
Sue Spears, City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION

Council Member Arizmendi led the Pledge of Allegiance and recognized that today is Aloha Shirt Day at City Hall. In addition, she spoke about “mahalo” as the sacred Hawaiian word to express thanks and gratitude but also conveys a powerful spiritual understanding that is hinted at by the root words of the word.

APPROVAL OF AGENDA

Mayor Delmar asked if there were any changes to the agenda.

City Manager Engeland reported that there was no closed session meeting this evening and that agenda item #3 is being removed from today’s agenda to be continued to a future meeting.

Mayor Delmar asked for a motion to approve the agenda as amended.

Council Member Arizmendi moved to approve the agenda as amended.

Mayor Pro Tem Harabedian seconded the motion to approve the agenda as amended.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, Council Members Rachelle Arizmendi, John Capoccia, and Gene Goss

Noes: None

Absent: None

Abstain: None

The motion to approve the agenda as amended was passed unanimously.

REPORT OUT FROM CLOSED SESSION

MAYOR AND CITY COUNCIL REPORTS

- A. Mayor Denise Delmar congratulated Mayor Pro Tem Harabedian on the recent birth of his son, Joshua, on July 11, 2018, with mother and baby both doing well.
- B. Pro Tem John Harabedian did not make a report.
- C. Council Member Rachele Arizmendi reported that (1) she attended the Community Services Commission meeting last week and they have been reviewing plans for the renovation of Kersting Court and (2) it is anticipated that the recommendations regarding Kersting Court will be brought to City Council soon.
- D. Council Member John Capoccia reported (1) he attended the LA County Board of Supervisors Meeting last week with the storm water tax as an agenda item and at which they voted to put it on the agenda in November 2018, (2) it passed by a vote of 4-1, with Supervisor Kathryn Barger voting no, (3) he spoke at the meeting regarding Sierra Madre's opposition to the storm water tax, (4) most of the speakers seemed to be in favor of the storm water tax, (5) the issue is going to come up with the San Gabriel Council of Governments (SGCOG) soon and he will attend to try to convince them not to support the storm water tax, (6) at the last SGCOB meeting a presentation was made on Assembly Bill HR113 to mandate training in recognizing evidence of domestic violence and child abuse for personnel dealing with children/health & human services, (7) additionally, there was a vote of 10 yes-3 no (7 abstentions) to oppose Proposition 6, which would repeal SB1 – the gas tax, (8) he abstained because the issue had not come before the Council, and (9) that Sierra Madre has benefitted from SB1, as noted in the repaving of many City streets.
- E. Council Member Gene Goss reported that (1) he and Council Member Capoccia attended the Chamber of Commerce Town Hall @ City Hall last night, which was well attended and the business community turned out, (2) City Manager Engeland and Staff were there and took a variety of questions regarding several areas, (3) discussion was good and event will be scheduled again next year, (4) he attended the Joint Powers Insurance Authority (JPIA) Annual Board of Directors Meeting (last Wednesday), which Sierra Madre is a member agency, (5) JPIA has determined that its members need more training in risk management and will be spending over \$1M in risk management training, and (6) JPIA will be holding a risk management education forum on 9/19 - 21/18 in Carlsbad, CA and will underwrite the cost for City managers, employees, with City Councils invited as well.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Mayor Delmar opened the meeting for Public Comment on items not on the agenda. Seeing no one come forward, Mayor Delmar closed Public Comment.

1. AGENDA ACTION ITEM: CONSENT CALENDAR

City Manager Engeland gave the following reports under the Consent Calendar:

- a) NOTICE OF COMPLETION FISCAL YEAR 2017/2018 STREET IMPROVEMENT PROJECT - Recommendation that the City Council accept the completed work for the Fiscal Year 2017-2018 Street Improvement Project and direct staff to file a *Notice of Completion* with the Los Angeles County Clerk/Recorder.
- b) FY 2018-2019 BLANKET PURCHASE ORDERS FOR VENDORS IN EXCESS OF \$45,000 - Recommendation that the City Council approve the issuance of blanket purchase orders for vendors in excess of \$45,000 for Fiscal Year 2018-2019.
- c) GRANULAR ACTIVATED CARBON REPLACEMENT - Recommendation that that the City Council award a contract in the amount of \$122,000 to Carbon Activated Corporation for the replacement of virgin carbon in the City's granulated treatment vessels.
- d) RECOMMENDATION TO APPROVE PLANS AND SPECIFICATIONS FOR WATER MAIN REPLACEMENTS AT VARIOUS CITY LOCATIONS AND DIRECT TO CITY STAFF TO SEEK CONSTRUCTION BIDS - Recommendation that the City Council approve plans and specifications for the replacement of water mains at various City locations, and direct staff to advertise the project for bids; recommendation that the City Council approve a change in the order authorizing OnWard Engineers to design an alternate bid schedule and specifications for the installation of C-900 PVC pipe in the amount not to exceed \$6,480.00
- e) ADOPTION OF RESOLUTION 18-39 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS - Recommendation that the City Council approve Resolution 18-39 for approval of payment of City warrants in aggregate amount of \$598,594.82;

Library warrants in the aggregate amount of \$3,429.43, and payroll transfer in the aggregate amount of \$317,014.75 for fiscal years ending June 2018 and June 2019.

Mayor Delmar asked if any Member of the Council had questions on items on the Consent Calendar.

Council Members did not ask any questions.

Mayor Delmar opened the meeting for Public Comment on the Consent Calendar. Seeing no one, Mayor Delmar closed Public Comment and brought the matter back to the Council for discussion.

Council Member Capoccia thanked Staff for the Street Improvement Project, which came in at \$46,000 less than what was awarded and appreciated the way the Water Main Replacements were set up to squeeze in extra things if there are sufficient funds.

In response to a question by Council Member Capoccia regarding the use of PVC pipe vs ductile iron, City Manager Engeland said that ductile iron comes out in a spiral so that if it cracks or gets a pin hole, it can be clamped and replaced, and the PVC comes out more linear, so a crack can spread sideways, which is harder to clamp. However, he stated that (1) the way the PVC is produced now it is less of an issue so City staff is confident of the lifespan and application, (2) they just want to make sure that it works here before going ahead and replace everything with it, (3) PVC is cheaper with a longer life span, is more durable, and less susceptible to rust and the other issues that make the pipes break down with the water here.

Council Member Capoccia commented that, because PVC is so much cheaper, even if cracks appeared and it cost the City more 50 years down the road, the net present value of that savings is tremendous. City Manager Engeland responded that the City gets savings on both ends as well, so the City is going to put a pretty good application of it out with this bid, as the savings is anticipated to be about \$300,000, which equates to three more blocks of main. He said that City staff wants to see how PVC reacts in Sierra Madre soil first.

Council Member Goss commented that he is cautious about PVC and agrees with the plan of beginning on a trial basis, with testing, but that as soon as we know we need to jump on it and reap the savings.

City Manager Engeland responded that the City's application of PVC has come a long way and that many cities use it exclusively, so PVC use has been more frequent and commonly applied. He stated that until we get it in our soil and with our water chemistry, we are going to be cautious.

Mayor Pro Tem Harabedian made a motion to approve Consent Items 1a, 1b, 1c, 1d, and 1e as presented.

Council Member Capoccia seconded the motion for approval.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, Council Members Rachelle Arizmendi, John Capoccia, and Gene Goss

Noes: None

Absent: None

Abstain: None

The motion to approve Consent Calendar Items 1a, 1b, 1c, 1d, and 1e as presented was approved unanimously.

APPROVAL OF MINUTES

Mayor Delmar asked for the approval of the Minutes of the Regular Council Meeting of July 10, 2018, and the Minutes of the Special Joint Meeting of the City Council and Library Board of Trustees of July 10, 2018.

Council Member Capoccia moved to approve the Minutes of the Regular Council Meeting of July 10, 2018, and the Minutes of the Special Joint Meeting of the City Council and Library Board of Trustees of July 10, 2018, as presented.

Council Member Arizmendi seconded the motion for approval.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, and Council Member Rachelle Arizmendi, John Capoccia and Gene Goss

Noes: None
Absent: None
Abstain: None

The motion to approve the Minutes of the Regular Council Meeting of July 10, 2018, and the Minutes of the Special Joint Meeting of the City Council and Library Board of Trustees of July 10, 2018, as presented was passed unanimously.

AGENDA DISCUSSION ITEMS:

2. DOWNTOWN PEDESTRIAN SAFETY – Recommendation that the City Council authorize the installation of flashing crosswalk signs at four pedestrian crosswalks in the Downtown District.

Director of Public Works Cimino gave a report on this item, with a Downtown area overview map, of the engineering study conducted to review potential traffic calming measures, pedestrian safety, and the mid-block crosswalks in the Downtown District.

Staff is recommending the installation of solar-powered flashing crosswalk signs at four (4) uncontrolled locations as indicated below, utilizing the accounts of the Downtown Assessment Lighting Districts A and B. The flashing crosswalk signs consist of a sign in each direction flashing on both sides of the signs. Once a pedestrian walks up and hits the button, the lights begin to flash, and a sound occurs for visually impaired pedestrians as well. The flashing will be only when a pedestrian presses the button and last for the time it takes a person to cross.

1. W. Sierra Madre Blvd. @ City Hall
2. W. Sierra Madre Blvd. @ Kersting Court
3. N. Baldwin Ave. @ Kersting Court
4. S. Baldwin Ave. @ Post Office

Additional recommendations were as follows:

5. Remove two (2) uncontrolled crosswalks at (a) W. Sierra Madre Blvd. @ N. Hermosa Ave. and (b) W. Sierra Madre Blvd. @ Park Ave.
6. Enhancing signage and striping per the CA MUTCD at five (5) uncontrolled locations.

Mayor Delmar asked if any Member of the Council had questions on this item.

In response to questions by Council Member Goss, Director Cimino said that speed really picks up after Lima into Downtown and that is why the flashing crosswalk sign @ City Hall is suggested, the City could install more, but at this time are just suggesting the installation of flashing crosswalk signs at four intersections. He said that, with Council's direction, the City could do more. City Manager Engeland said the recommendations are based on a multitude of factors, including pedestrian crossing volume and accident history. He also concurred that the City could install more flashing crosswalk signs than the four intersections but does not want to go less than the four recommended.

Council Member Capoccia questioned the timing of when the surveys were conducted and that in the summer, Sundays, and events in the Park, the intersection at W. Sierra Madre Blvd. @ North Hermosa gets a lot of use.

Director Cimino stated at the intersections of (a) W. Sierra Madre Blvd. @ Kersting Court and (b) Baldwin Ave. & Kersting Court, speed is not a factor, it is inattention with people looking around in Downtown and not paying attention to the crosswalks.

In response to a question by Council Member Capoccia, Director Cimino said that the cost for each crosswalk is approximately \$6,500 for a set of two signs (flashing on both sides) with pedestals.

City Manager Engeland stated that the funds would be coming from the Downtown Assessment Lighting Districts A and B and that there is a surplus. He emphasized that, if Council wanted more flashing crosswalk signs, cost would not be a factor.

Council Member Arizmendi also questioned the timing/day of the week of when the surveys at the various intersections were conducted.

In response to a question by Mayor Pro Tem Harabedian regarding having flashing crosswalk signs by schools and agreed that we want the schools to pay for them, Director Cimino stated that once

the City installs the Downtown flashing crosswalk signs, the plan is to talk to The Gooden School and Saint Rita's School, as they are the two schools that are really affected. He said that the Sierra Madre Middle School intersection at Highland Ave. is a controlled crosswalk, not an uncontrolled crosswalk.

Mayor Delmar reported that she was shocked that no flashing crosswalk sign was recommended for W. Sierra Madre Blvd. @ Auburn Ave., as she was hit in that crosswalk and a lot of disabled people use that crosswalk, as well as the one @ Hermosa Ave.

Mayor Delmar opened the meeting for Public Comment on this item.

- Pat Alcorn, Sierra Madre, (1) questioned the Engineer's recommendation to remove the crosswalk at Sierra Madre Blvd. and North Hermosa and (2) said that it is a very hazardous intersection that is used frequently, especially during Memorial Park events.

Mayor Delmar asked if anyone else would like to speak on this item. Seeing no one, Mayor Delmar closed Public Comment and brought the matter back to the Council for discussion.

City Manager Engeland said that painted crosswalks give pedestrians a false feeling of safety and if they are included mid-block, where there is very little direction from the uniform traffic code with higher posted speeds,

that is more likely to cause an incident than not having a traffic crossing or pedestrian crossing at all.

Discussion among City Council took place and it was agreed that pedestrian safety is a high priority, that there should be flashing crosswalk signs every crosswalk in the Downtown area to have consistency and to avoid confusion, and it does not cost that much.

City Manager Engeland said that there is a surplus in the Downtown Lighting District funds sufficient to cover the cost of nine (9) flashing crosswalk signs - \$6,500 x 9 = \$58,500

Council Member Capoccia made a motion to approve the purchase and installation of flashing light crossing signs at the following nine (9) intersections:

1. W. Sierra Madre Blvd. @ City Hall
2. W. Sierra Madre Blvd. @ North Hermosa Ave.
3. W. Sierra Madre Blvd. @ South Hermosa Ave.
4. W. Sierra Madre Blvd. @ Auburn Ave.
5. W. Sierra Madre Blvd. @ Windsor Lane
6. W. Sierra Madre Blvd. @ Kersting Court
7. N. Baldwin Ave. @ Kersting Court
8. N. Baldwin Ave. @ E. Montecito Ave.
9. S. Baldwin Ave. @ Post Office

Council Member Goss seconded the motion to approve the purchase and installation of flashing light crossing signs at the nine (9) intersections listed above.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, and Council Members Rachelle Arizmendi, John Capoccia and Gene Goss

Noes: None

Absent: None

Abstain: None

The motion to approve the purchase and installation of flashing light crossing signs at the nine (9) intersections listed above was approved unanimously.

3. DISCUSSION REGARDING TITLE 17, ZONING, CHAPTER 17.22.130 – RECORDATION REQUIREMENT FOR SECOND UNIT PERMIT – Recommendation that the City Council provide staff with direction.

4. PENSION RATE STABILIZATION PLAN - Recommendation that the City Council approve Resolution 18-40, a Resolution approving a fund balance policy for the General Fund; authorize the lump sum pre-payment to CalPERS for PERS Unfunded Accrued Liability and the budget amendments necessary to fund the payment; and authorize the establishment of a Pension Rate Stabilization (115) Trust Fund.

City Manager Engeland gave a report on this item, including a detailed PowerPoint presentation titled "Pension Stabilization Plan – Pension Prepayment & 115 Investment Plan Creation," regarding the City's Unfunded Accrued Liability (UAL) CalPERS payment obligation. A summary of which follows:

- a. Amortization Schedule Without Stabilization Plan
 - Current due CalPERS = \$27.9M.
 - Annual payments exceed \$1M from 18/19 through 35/36.
 - "Ability to Pay" exceeded in 17/18 through 35/36.
 - Payments will increase an additional 32% in the next five years.
 - Pension payments will equal more than 10% of General Fund expenditures in 20/21.
- b. CalPERS Stabilization Plan (Part 1 and Part 2) Benefits
 - Projected savings in 19/20 of \$200,000 - \$300,000.
 - Increased projected annual savings from 19/20 through 40/41.
 - "Ability to Pay" achieved in 19/20.
 - Reduction of total due to CalPERS from \$27.9M to \$15.9M (42%).
 - Savings total is \$6.9M = 25% savings of total bill.
- c. CalPERS Stabilization Plan – Part 1 - \$5M UAL Prepayment to CalPERS
 - \$6.9M savings total.
 - \$12M reduction due to CalPERS from \$27.9M to \$15.9M (42.7% reduction).
 - Significant annual cash flow increase (estimated @ \$250,000 in 19/20).
 - Short-term and long-term benefits for budget stabilization.
- d. CalPERS Stabilization Plan – Part 2 – \$600,000 earmarked to Establish a 115 Investment Account
 - Flexible investment with greater return potential, 10.9% (1 year) 7.9% (5 year).
 - Funds available for use in emergencies.
 - Available for payment of UAL or normal CalPERS payments.
 - Long-term benefits for budget stabilization (solves the next CalPERS crisis).
- e. Sources of Funding for CalPERS Stabilization Plan Part 1 + Part 2 = \$5,600,000
 - Apply current General Fund balance above 50% = \$1,800,000
 - Apply sale of SCE underground credits = 628,000
 - Apply funding from close out of accounts/transfers = 800,000
 - Revise minimum GF balance from 50% to 25% = 2,500,000

Mayor Delmar asked if any Member of the Council had questions on this item.

Mayor Pro Tem Harabedian asked a question regarding what would happen in the event that reserve levels are reduced to 25%, the City experiences a catastrophic disaster/emergency/fire, and the City does not have sufficient reserves to cover the related expenses. City Manager Engeland said that, based on previous City incidents, Staff is comfortable with having the 25% reserve level and the additional funds available from the 115 Investment Account. In addition, if costs go beyond that, the City can do inter-fund loans, interagency loans, or potential reimbursement in State or Federal declaration of emergency situations.

Mayor Delmar opened the meeting for Public Comment on this item. Seeing no one, Mayor Delmar closed Public Comment and brought the matter back to the Council for discussion.

Council Member Arizmendi made a motion to approve

Council Member Goss seconded the motion for approval.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, and Council Members
Rachelle Arizmendi, John Capoccia and Gene Goss
Noes: None
Absent: None
Abstain: None

The motion to approve was approved unanimously.

NEW ITEMS PLACED FOR FUTURE AGENDA:

Mayor Delmar asked the members of the City Council if there are any new items for future meeting agendas.

Per suggestion by Council Member Capoccia, a resolution regarding HR 113 is to be added to a future meeting agenda.

Mayor Delmar reminded everyone that there will be a Special Meeting of the City Council on Tuesday, July 31, 2018, at 6:30 p.m.

ADJOURNMENT

Mayor Delmar asked for a motion to adjourn.

Mayor Pro Tem Harabedian made a motion to adjourn the meeting.

The motion to adjourn was seconded by Council Member Arizmendi.

Ayes: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, Council Members Rachelle Arizmendi, John Capoccia, and Gene Goss.

Noes: None

Absent: None

Abstain: None

The motion to adjourn was passed unanimously.

THIS SIERRA MADRE CITY COUNCIL REGULAR MEETING WAS ADJOURNED at 7:44 p.m. to a Regular Meeting to be held on Tuesday, September 11, 2018, in the Sierra Madre City Hall Council Chambers.



Denise Delmar, Mayor

Minutes taken and prepared by:



Sue Spears, City Clerk