



CITY OF SIERRA MADRE
CITY COUNCIL REGULAR MEETING MINUTES

SIERRA MADRE CITY COUNCIL
SUCCESSOR AGENCY AND
PUBLIC FINANCE AUTHORITY

Tuesday, February 25, 2020 - 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 John Capoccia called the meeting to order at 6:33 p.m. City Clerk Sue Spears called the roll.

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

Absent: None

Also Present: Gabe Engeland, City Manager
Aleks Giragosian, Deputy City Attorney
Laura Aguilar, Assistant City Clerk/Administrative Services Manager
James Carlson, Management Analyst
Chris Cimino, Public Works Director
Vincent Gonzalez, Director of Planning & Community Preservation
Sophia Kownatzki, Management Analyst
Joe Ortiz, Police Chief
Jose Reynoso, Utilities Services Director
Rebecca Silva-Barrón, Community Services Manager
Sue Spears, City Clerk

PLEDGE OF ALLEGIANCE

Mayor Capoccia led the Pledge of Allegiance.

REPORT FROM CLOSED SESSION – FEBRUARY 25, 2020

Deputy City Attorney Giragosian reported that, pursuant to Government Code Section 54957.1, the City Council met with legal counsel in closed session to (1) conference with the City's real property negotiator for the property located at 700 N. Sunnyside Ave, no action was taken, and direction was provided to the legal counsel and (2) review a matter of anticipated litigation and direction was provided to the City Attorney.

APPROVAL OF MEETING AGENDA

Mayor Capoccia asked for a motion to approve the agenda as presented.

Council Member Harabedian moved to approve the agenda as presented.

Council Member Goss seconded the motion.

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

Noes: None

Absent: None

Abstain: None

The motion to approve the agenda as presented was passed by a unanimous vote.

APPROVAL OF MINUTES

Mayor Capoccia asked for the approval of the Minutes of the Regular Council Meeting of January 28, 2020.

Mayor Pro Tem Arizmendi moved to approve the Minutes of the Regular Council Meeting of January 28, 2020, as presented.

Council Member Harabedian seconded the motion.

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

Noes: None

Absent: None

Abstain: None

The motion to approve the Minutes of the Regular Council Meeting of January 28, 2020, as presented was passed by a unanimous vote.

MAYOR AND CITY COUNCIL REPORTS

- A. Mayor John Capoccia (1) reported that the Sierra Madre Community Foundation's (SMCF) Whiskey & Wine Event on Saturday was really fun and one of the best events that he has attended and (2) thanked event hosts, Jason and Heather Young, for opening their beautiful home.
- B. Mayor Pro Tem Rachelle Arizmendi congratulated the SMCF on its successful sold out event.
- C. Council Member Gene Goss (1) complemented the SMCF on a beautiful job and wonderful event that was well organized and (2) acknowledged Jason and Heather Young for opening their gorgeous home for an event that was quite something.
- D. Council Member John Harabedian reported that he had heard that the Sierra Madre Community Foundation had a nice event on Saturday and extended his congratulations.

PUBLIC COMMENT ON NON-AGENDA ITEMS

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

PRESENTATION – SIERRA MADRE ROSE FLOAT ASSOCIATION GIFT TO THE CITY

Gwen Robertson, Sierra Madre Rose Float Association Vice President, presented to the City a framed photograph of the 2020 Sierra Madre Rose Float, "Ka La Hiki Ola" (Dawning of a New Day), which won the President's Award for most outstanding use and presentation of flowers.

On behalf of the Sierra Madre Chamber of Commerce, Carol Canterbury and Robert Gjerde presented to the Sierra Madre Rose Float Association a check for \$1,200 to be used toward the purchase of an AED (defibrillator) for use in the Rose Float Barn.

PRESENTATION – LOS ANGELES COUNTY - SIERRA MADRE DAM PROJECT

Carol Leung, LA County Public Works Department Associate Civil Engineer, reported on this subject that included a PowerPoint titled, "Sierra Madre Dam – Slope Protection & Basin Access Road Improvement Project." Information regarding the project is as follows:

- Sierra Madre Dam, constructed in 1928, is a concrete dam located in Little Santa Anita Canyon that was converted into a debris dam in the 1980s.
- The purpose of the dam is to protect downstream communities by retaining large amounts of sediment and debris that storm water flows may bring, especially storms immediately following major fire events in the hills.
- California Division of Safety of Dams (DSOD) imposes strict restrictions on the amount of debris and sediment that is allowed to accumulate behind the dam.
- Once the debris has accumulated and the sediment reaches a certain level, DSOD mandates that the LA County Public Works Department hauls out the sediment.
- The purpose of this particular project is primarily aimed at providing a safe and stable access road for workers to enter the basin to remove the sediment and will include installation of a rockfall safety barrier. The current access road is eroding and needs to be stabilized.

- The project will last about one year and will begin in September 2020, with work hours of 7:00 am – 4:30 pm Monday through Friday. LA County will work with the City regarding the size of the trucks and adhere to local ordinances in the event of Red Flag Days.

AGENDA ACTION ITEMS:

1. CONSENT CALENDAR

City Clerk Spears gave the following reports under the Consent Calendar:

- (a) ADOPTION OF RESOLUTION 20-08 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS - Recommendation that the City Council approve Resolution 20-08 approving the payment of City warrants in the aggregate amount of \$396,484.71; Sierra Madre Library warrants in the aggregate amount of \$802.26; and payroll transfer in the aggregate amount of \$371,574.88; for fiscal year ending June 30, 2020
- (b) RECOMMENDATION TO APPROVE THE NOTICE OF COMPLETION FOR THE 2019 WATER MAIN REPLACEMENT PROJECT - Recommendation that the City Council approve the Notice of Completion for the project and direct Staff to file the Notice with the Los Angeles County Clerk.
- (c) CONSIDERATION OF AUTHORIZATION TO REQUEST BIDS FOR FISCAL YEAR 2019-20 STREET RESURFACING PROJECT - Recommendation that the City Council authorize City Staff to advertise the FY 2019-20 Street Resurfacing Project for construction bids, with construction work scheduled to begin May 2020.
- (d) CONSIDERATION OF CITY COUNCIL RESOLUTION NO. 20-10, A RESOLUTION OF THE CITY COUNCIL SUSPENDING ENFORCEMENT OF CHAPTER 17.22 (SECOND UNITS) OF TITLE 17 (ZONING) OF THE SIERRA MADRE MUNICIPAL CODE PENDING RECEIPT OF COMMENTS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT - Recommendation that the City Council read by title only and adopt Resolution No. 20-10 suspending enforcement of Chapter 17.22 (Second Units) of Title 17 (Zoning).

Mayor Capoccia asked if any Council Members had questions on Consent Items 1a – 1d. No questions were asked.

Mayor Capoccia opened the meeting for Public Comment on any of the Consent Items. Seeing no one, Mayor Capoccia closed Public Comment and brought the matter back to the Council for a motion.

Council Member Harabedian made a motion to approve Consent Items 1a – 1d as presented.

Mayor Pro Tem Arizmendi seconded the motion.

- Ayes: Mayor Capoccia (Items 1a, 1b, & 1d only), Mayor Pro Tem Rachelle Arizmendi (all items), and Council Members Gene Goss (all items) and John Harabedian (all items)
- Noes: None
- Absent: None
- Abstain: Mayor John Capoccia abstained from Item 1c only

The motion to approve Consent Items 1a – 1d as presented was passed by a unanimous vote for Items 1a, 1b, & 1d and a vote of three yes votes and one abstain for Item 1c.

2. DISCUSSION - CONSIDERATION OF SETTING A DEFAULT TIER LEVEL OF SERVICE FOR CLEAN POWER ALLIANCE CUSTOMERS

Management Analyst Carlson reported on this item that included a PowerPoint presentation, titled "Consideration of Repeal of Ordinance 1356U", and the recommendation that the City Council consider setting the default tier level of Services for Clean Power Alliance (CPA) to either "36% Lean Power", "50% Clean Power", or "100% Green Power", and direct Staff to notify CPA of the decision. Regardless of the default tier level approved, CPA customers may change their default level at any time without charge or may choose to remain with Southern California Edison.

Mathew Langer, Clean Power Alliance Chief Operating Officer (accompanied by Jennifer Ward, CPA Director of External Affairs) provided the following information:

- Sierra Madre had a very successful enrollment for Clean Power Alliance and the feedback has been positive.
- The number of Sierra Madre users that opted out of CPA is below average from other similar cities.

- Of the 10 member jurisdictions that have adopted the 100% Green Power default tier level, 85% – 95% of users have kept the 100% default choice and have not opted either down or out.
- Any change in the default level made by the City Council must be made by April 1st , would take place in October, and remain in place for two years.
- The CPA would do coordinated community outreach and education with City Staff. CPA would distribute at least two notifications, at the time of the decision and just before the actual default level change.
- Customers on qualifying programs (subsidy programs for low income and medical basis) would move to the 100% Clean Power default tier, but their rates would remain the same and do not go up. This way, everyone in the community gets to participate in renewable energy without putting on an extra financial burden on those who can least afford it.
- The benefit of the 100% Clean Power is that it is one of the most cost-effective ways to reduce greenhouse gas effects.
- Even with a default change, customers still have a choice and can opt out or opt down at any time. For customers who have already opted down on energy, that choice sticks and would not go to the 100% unless the customer makes the change. No customer's choice is overridden.

Mayor Capoccia asked if any Council Members had questions on this item.

City Manager Engeland and Mgmt. Analyst Carlson responded to City Council Member questions as follows:

- The impact on certain municipal accounts in which the City has previously opted down? – For the high energy water distribution municipal accounts that the City previously opted to 36% renewable energy, that rate would remain at 35%.

Mayor Capoccia opened this item for Public Comment.

- Ron Coleman, Sierra Madre, requested clarification regarding how the billing works when a user has solar panels.
- Michelle Ellison, Ojai, CA, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Keith Berman, Sierra Madre, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Robert Parkhurst, Sierra Madre, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Ron Borolla, Sierra Madre, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Cecilia Hyoun, Sierra Madre, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Bill Patzert, Sierra Madre, spoke in support of a change to 100% Green Power renewable energy as the CPA default level.
- Alison Snow, Sierra Madre Environmental Action Council President, Mayor Capoccia read into the record a letter from Ms. Snow expressing support of a change to 100% Green Power renewable energy as the CPA default level.
- Marguerite Schuster, Sierra Madre, submitted a quote to Mayor Capoccia that he read into the record during this Public Comment as follows: *"I strongly support a 100% clean power default, if and only if such a choice is not later used to undercut a mandate for rooftop solar on all new construction. Rooftop solar is space-efficient: it does not involve massive solar installations on our ever-more-threatened wildlands. That said, we have very nearly run out of time altogether to cut greenhouse gas emissions and avert the worst of the progressing climate catastrophe. I would be proud if Sierra Madre were to exert leadership on every possible front in this regard."*

Mayor Capoccia asked if anyone else would like to come forward to speak. Seeing no one, Mayor Capoccia closed Public Comment and brought the matter back to the City Council for discussion and a motion.

Discussion occurred and, except for Mayor Pro Tem Arizmendi, there was consensus to approve the 100% Green Power as the CPA default level.

Council Member Harabedian made a motion to set the default tier level of Services for Clean Power Alliance (CPA) to "100% Green Power".

Council Member Goss seconded the motion.

Ayes: Mayor John Capoccia and Council Members Gene Goss and John Harabedian

Noes: Mayor Pro Tem Rachelle Arizmendi

Absent: None

Abstain: None

The motion to set the default tier level of Services for Clean Power Alliance (CPA) to "100% Green Power" was passed by a vote of three yes votes and one no vote.

3. DISCUSSION – CONSIDERATION OF AWARD OF CONTRACT TO REC SOLAR INC FOR DESIGN AND CONSTRUCTION OF A 554 KW-DC SOLAR PHOTOVOLTAIC SYSTEM AT THE CITY YARDS AT A COST NOT TO EXCEED \$1,248,000

Management Analyst Carlson reported on this item with the recommendation that the City Council direct Staff to award a contract to Rec Solar Inc. for the design and construction of a 554 KW-Dc Solar Photovoltaic System at the City Yards at a cost not to exceed \$1,248,000 and authorize Staff to enter into a power purchase agreement with the firm to fund the project.

Mr. Carlson expressed sincere appreciation and thanks to Sierra Madre residents, Robert Parkhurst and Matthew Schneider, who volunteered their time and expertise to make sure that Sierra Madre receives the best possible solar photovoltaic system for City Yards.

Mayor Capoccia asked if any Council Members had questions on this item.

Mgmt. Analyst Carlson responded to City Council Member questions as follows:

- How does the project financing work? – This agreement provides for the City to have a completed project with no out of pocket costs. Staff's intention is to negotiate an agreement so that a future City Council may have an opportunity to pay off the remaining balance earlier and realize savings earlier. However, any buyout could not happen before five years without substantial penalties.
- What is it that the City Council is being asked to approve? – The City Council is being asked to award the contract to Rec Solar Inc. and allow Staff to negotiate a favorable power purchase agreement. City Manager Engeland said that the City Council could vote to require that Staff bring back the final negotiated power purchase agreement (with terms and conditions) for City Council approval.

Preston McGill, Rec Solar Inc. Project Developer, provided the following information regarding the power purchase agreement:

- A power purchase agreement is a way for the City to get the equipment by trading the City's tax credits (which cannot be used) in return for getting an energy rate that is fixed and stable over time.
- The finance company, Duke Energy (also owns Rec Solar Inc.), is providing the financing from its own in-house system, instead of using a 3rd-party banking system.
- The negotiated contract will have solid figures, which will not change over time. The rate quoted will be fixed, with no escalator.
- As part of the agreement, the City will purchase the power to generate the water pumping functions in the Settling Basin from Duke Energy, instead of CPA or SCE. This will be a lower per kilowatt hour rate than CPA or SCE (currently \$.04 per kilowatt hour less).
- The goal of the power purchase agreement is to negotiate a rate considering the scope of work that the City wants and what Duke Energy is willing/able to do regarding the installation of the equipment and make the profit margin necessary for their business operations.

- The contract is to provide the power to the City over 20 years, which is the term that Duke Energy offers. However, the City does not have to agree to a 20-year contract.
- The longer the contract term, the longer the payments, and this lowers the kilowatt per hour rate negotiated from the inception of the contract.
- The plan for the power purchase agreement path to ownership is that the City spends no money to get the solar and then earmarks the savings from the solar and, at 11 years, the City can buy the system outright
- Up and until the City buys the system outright, Duke Energy is required to make any and all repairs/refurbishments necessary without charge to the City.

Mayor Capoccia opened this item for Public Comment.

- Ron Coleman, Sierra Madre, asked questions regarding the project.
- Robert Parkhurst, SM EENR Commission, spoke in support of the project.

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

City Council discussion occurred and there was consensus to move forward with the project as presented.

Council Member Harabedian made a motion to (1) authorize Staff to enter into negotiations with Rec Solar Inc. for a power purchase agreement for the design and construction of a 554 KW-Dc Solar Photovoltaic System at the City Yards at a cost not to exceed \$1,248,000 and (2) require that the negotiated power purchase agreement be returned to the City Council for final approval.

Council Member Goss seconded the motion.

Ayes: Mayor John Capoccia, Mayor Pro Tem Rachele Arizmendi, and Council Members Gene Goss and John Harabedian

Noes: None

Absent: None

Abstain: None

The motion to 1) authorize Staff to enter into negotiations with Rec Solar Inc. for a power purchase agreement for the design and construction of a 554 KW-Dc Solar Photovoltaic System at the City Yards at a cost not to exceed \$1,248,000 and (2) require that the negotiated power purchase agreement be returned to the City Council for final approval was passed by a unanimous vote.

4. CONSIDERATION OF ORDINANCE 1426 AMENDING TITLE 10 (VEHICLES AND TRAFFIC) OF THE SIERRA MADRE MUNICIPAL CODE BY AMENDING CHAPTER 10.24.310 BY OMITTING THE FIVE-HOUR LIMIT RESTRICTION AND ADDING PROHIBITED ACTIVITIES FOR COMMERCIAL AND RECREATIONAL VEHICLES; AMENDING CHAPTER 10.24.230 (G) REMOVING THE DOWNTOWN DISTRICT EXEMPTION FOR OVERNIGHT PARKING; AND AMENDING CHAPTER 10.24.230 (I) EXEMPTING EMERGENCY VEHICLES FROM OVERNIGHT PARKING PROHIBITION

Management Analyst Kownatzki reported on this item with the recommendation that the City Council introduce and give first reading of Ordinance 1426 by title only to amend Title 10 (Vehicles and Traffic) of the Sierra Madre Municipal Code and direct Staff to return to the March 10, 2020 City Council meeting for second reading and adoption of Ordinance 1426. The report included a PowerPoint presentation titled "Consideration of Ordinance 1426 Concerning Overnight Parking of Recreational and Commercial Vehicles".

Mayor Capoccia asked if any Council Members had questions on this item. City Manager Engeland and Mgmt. Analyst Kownatzki responded to Council Member questions.

Mayor Capoccia opened this item for Public Comment.

- Ron Coleman, Sierra Madre, spoke against the ordinance.

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

City Council discussion occurred and there was consensus to approve the Ordinance 1426 with the elimination of item G and addition of language prohibiting the blocking of emergency vehicles.

Mayor Pro Tem Arizmendi made a motion to approve amended Ordinance 1426 with the elimination of item G and addition of language prohibiting the blocking of emergency vehicles.

Council Member Harabedian seconded the motion.

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

Noes: None

Absent: None

Abstain: None

The motion to approve amended Ordinance 1426 with the elimination of item G and addition of language prohibiting the blocking of emergency vehicles was passed by a unanimous vote.

NEW ITEMS PLACED FOR FUTURE AGENDAS:

Mayor Capoccia asked the Council Members if there are any new items for future meeting agendas. No news items were requested.

ADJOURNMENT:

Mayor Capoccia asked for a motion to adjourn.

Council Member Harabedian made a motion to adjourn the meeting.

The motion was seconded by Council Member Goss.

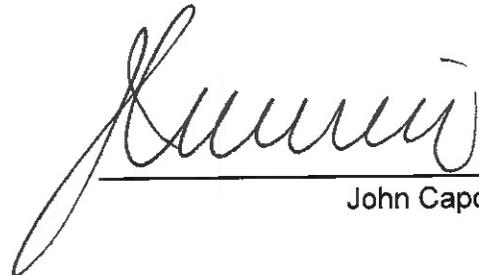
Ayes: Mayor John Capoccia, Mayor Pro Tem Rachelle Arizmendi, and Council Members Gene Goss and John Harabedian

Noes: None

Absent: None

The motion to adjourn was passed by a unanimous vote.

THIS SIERRA MADRE CITY COUNCIL REGULAR MEETING WAS ADJOURNED at 8:26 p.m. to a Regular meeting to be held on Tuesday, March 10, 2020, in the Sierra Madre City Hall Council Chambers.



John Capoccia, Mayor

Minutes taken and prepared by:

Sue Spears, City Clerk

11/11/11