AGENDA
REGULAR MEETING
SIERRA MADRE CITY COUNCIL,
SUCCESSOR AGENCY, AND
PUBLIC FINANCE AUTHORITY

Tuesday, December 8, 2015
Closed Session: 6:00 pm
Open Session: 6:30 pm

City Hall Council Chambers
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

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

Nancy Shollenberger, City Clerk
Richard Mays, City Treasurer

PUBLIC COMMENT
The Council will listen to the public on any item on the agenda. Under the Brown Act, Council is prohibited from taking action on items not on the agenda, but the matter may be referred to staff or to a subsequent meeting. Each speaker will be limited to three continuous minutes, which may not be delegated. These rules will be enforced but may be changed by appropriate City Council action.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA:
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PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA:
Time shall be devoted to audience participation early on the agenda. If additional time is needed, the Mayor will allow for same at the end of the agenda.

CLOSED SESSION

CALL TO ORDER/ROLL CALL — Mayor Capoccia, Mayor Pro Tem Goss, Council Member Arizmendi, Council Member Delmar, and Council Member Harabedian

PUBLIC COMMENT — Regarding Closed Session Items

RECESS TO CLOSED SESSION REGARDING:

CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Calif. Government Code Section 54957.6
City Negotiators: City Manager Elaine Aguilar and Assistant City Manager Elisa Cox
Employee Organization: Police Association

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OPEN SESSION

CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL

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

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION

Mayor Pro Tem Gene Goss

APPROVAL OF AGENDA

Vote of the Council to proceed with City business.

APPROVAL OF MINUTES

Approval of minutes from the Regular City Council meeting on November 24, 2015.

MAYOR AND CITY COUNCIL REPORTS

Reports of individual Council Member activities relating to City business.

PUBLIC COMMENT

Regarding items not on the Agenda.

PRESENTATION

Presentation of 2016 Sierra Madre Rose Float Princesses:

- Princess Emily Lopez
- Princess Cameron Martinez
- Princess Kari Savoie
- Princess Katherine Stapenhorst

PRESENTATION

Presentation to retiring Director of Library Services, Carolyn Thomas

PRESENTATION

Presentation of Public Works Annual Report by Public Works Director Bruce Inman

ACTION ITEMS

CONSENT

a) **ADOPTION OF RESOLUTION 15-78 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS**

Recommendation that the City Council approve Resolution 15-78 for approval of payment of City Warrants in aggregate amount of $113,140.36; Library warrants in the aggregate amount of $14,620.48, and payroll transfer in the aggregate amount of $314,374.74 for fiscal year ending June 2016.

b) **APPLICATION FOR ENERGY EFFICIENCY, LOW-INTEREST LOAN**

Recommendation that the City Council approve Resolution 15-79 authorizing the City to apply for low interest monies from the California Energy Commission to implement energy efficiency measures and authorize the City Manager and execute the California Energy Loan Application.

c) **CONSIDERATION OF REQUEST FOR USE OF CITY LOGO**

Recommendation that the City Council authorize the use of the City's logo by Collaborate PASadena for their Community Report Card.

d) **CONSIDERATION OF PAYMENT OPTIONS FOR WATER CONSUMED IN CALENDAR YEAR 2014**

Recommendation that the City Council approve the use of pre-purchased water held in Main Basin cyclic storage to offset the total purchase cost of imported water used by the City in calendar year 2014 and approve the expenditure of $190,639.80 in water fund to complete the purchase of water for that calendar year.

e) **REJECTION OF BID FROM PERRY C. THOMAS CONSTRUCTION FOR THE EMERGENCY REPLACEMENT OF WATER MAINS IN SKYLAND DRIVE AND IDLE HOUR LANE AND AWARD OF THE PROJECT TO JDC CONSTRUCTION IN AN AMOUNT NOT TO EXCEED $384,110**

Recommendation that the City Council reject the bid provided by Perry C. Thomas Construction for the emergency replacement of water mains in Skyland Drive and Idle Hour Lane and award the project to J. De Sigio Construction in an amount not to exceed $384,110

f) **SECOND READING AND ADOPTION OF ORDINANCE 1372 AMENDING CHAPTER 15.30 OF THE SIERRA MADRE MUNICIPAL CODE BY ADDING A NEW SUBSECTION 15.30.040 REQUIRING THAT ALL MULTI-FAMILY DWELLINGS CONSTRUCTED AFTER JANUARY 1, 2016 BE PROVIDED WITH INDIVIDUAL METERED WATER SERVICES**

Recommendation that the City Council read by title only and adopt Ordinance 1372 upon second reading.

PUBLIC HEARINGS

2. **URGENCY ORDINANCE 1373-U OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING TITLE 17, CHAPTER 17.93 (STANDARDS AND CRITERIA FOR WIRELESS COMMUNICATIONS FACILITIES) OF THE SIERRA MADRE MUNICIPAL CODE TO COMPLY WITH FEDERAL REQUIREMENTS FOR WIRELESS FACILITIES AND DECLARING THE URGENCY THEREOF IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36934 AND 36937**

Recommendation that the City Council hold a Public Hearing and direct the City Attorney to introduce and give first reading by title only, waiving further reading to the Urgency Ordinance No. 1373-U amending Title 17, Chapter 17.93 (Standards and Criteria for Wireless Communications Facilities) of the Sierra Madre Municipal Code to comply with federal requirements for wireless communications facilities and declaring the urgency thereof in accordance with Government Code Sections 36934 and 36937.

3. **PUBLIC HEARING: CONSIDERATION OF RESOLUTION 15-71, APPROVING THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR AMERICANS WITH DISABILITY ACT IMPROVEMENTS TO THE SIERRA MADRE PUBLIC LIBRARY**

Recommendation that the City Council hold a Public Hearing and adopt Resolution 15-71 approving the proposal to utilize the currently expended CDBG funds of $92,769 and to designate the 2016-2017 allocation of $43,920 for a total of $136,689 towards ADA improvements in the Sierra Madre Public Library

ITEMS FOR DISCUSSION

4. **CONSIDERATION OF APPOINTMENTS TO THE SENIOR COMMUNITY COMMISSION**

   Recommendation that the City Council provide staff with direction.

5. **CONSIDERATION OF:**
   RESOLUTION 15-80 – CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISION OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND FOR THE SUBMISSION TO THE VOTERS AN ORDINANCE EXTENDING AND MODIFYING THE CITY'S UTILITY USERS' TAX

   Recommendation that the City Council approve the various election related Resolutions for the April12, 2016 General Municipal Election.

   RESOLUTION 15-81 – ADOPTING REGULATIONS FOR CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016

   RESOLUTION 15-82 – REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO RENDER SPECIFIED SERVICES TO THE CITY OF SIERRA MADRE RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016

   RESOLUTION 15-83 – PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS

   RESOLUTION 15-84 – AUTHORIZING CERTAIN COUNCIL MEMBERS TO SUBMIT ARGUMENTS REGARDING A MEASURE TO AMEND THE EXISTING UTILITY USERS' TAX ORDINANCE TO INCREASE AND EXTEND THE EXISTING RATE STRUCTURE, WHICH WILL BE ON THE BALLOT FOR THE APRIL 12, 2016 MUNICIPAL ELECTION AND DIRECTING AN IMPARTIAL ANALYSIS OF THE MEASURE BY THE CITY ATTORNEY

6. **CONSIDERATION OF ARGUMENTS REGARDING UTILITY USERS' TAX MEASURE**

   Recommendation that the City Council provide staff with direction.

7. **UTILITY USERS' TAX PUBLIC INFORMATION**

   Recommendation that the City Council provide staff with direction.

8. **CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

   Recommendation that the City Council receive and file.

9.	**CONSIDERATION OF PURCHASE PROPOSAL FROM CROWN CASTLE TO OBTAIN PERPETUAL EASEMENTS FROM THE CITY FOR EXISTING CELLULAR SITES LOCATED ON CITY-OWNED PROPERTY**	Recommendation that the City Council approve the extension of two cellular site leases, and direct staff to negotiate terms of the extension of lease agreements, with final approval of the extended leases to return to the City Council for approval.
10.	**STRATEGIC PLAN UPDATE FROM OCTOBER 20, 2015 RETREAT.**	Recommendation that the City Council receive and file.

PUBLIC COMMENT

Council is prohibited from taking action on items not on the agenda, but the matter may be referred to staff or to a subsequent meeting. Each speaker will be limited to three continuous minutes, which may not be delegated. These rules will be enforced but may be changed by Council action.

ACTION ITEMS

Regardless of staff recommendation on any agenda item, the City Council will consider such matters, including action to approve, conditionally approve, reject, or continue such item.

PUBLIC HEARING

The appellant and/or applicant will each be provided a total of ten (10) minutes to address their item. A portion of their allotted time may be reserved for rebuttal or a summary conclusion at the close of public comment. All other speakers will be limited to a total of three continuous minutes, which cannot be delegated. These rules will be enforced but may be changed by appropriate City Council action.

AVAILABILITY OF AGENDA MATERIALS

Materials relateto items on this agenda are available for public inspection on the City's website at www.cityofsierramadre.com, and during normal business hours at City Hall, 232 W. Sierra Madre Blvd. and at the Sierra Madre Public Library, 440 W. Sierra Madre Blvd.

LIVE BROADCASTS

Regular City Council meetings are broadcasted live on Cable Channel 3 and rebroadcast on Wednesday and Saturday at 5:30 p.m.

MEETING ASSISTANCE

If you require special assistance to participate in this meeting, please call the City Manager's office at (626) 355-7135 at least 48 hours prior to the meeting.

ADJOURNMENT

The City Council will adjourn to a Regular Meeting on Tuesday, January 12, 2016.

Agenda
Regular Meeting of the Sierra Madre City Council,
Successor Agency, and Public Finance Authority
Tuesday, December 8, 2015
Closed Session: 6:00 p.m.; Open Session: 6:30 p.m.
City Hall Council Chambers, 232 W. Sierra Madre Boulevard

Mayor, John Capoccia, opened the Regular Meeting of the Sierra Madre City Council, Successor Agency and Public Finance Authority at 6:00 p.m. The Mayor asked for public comment and there was none, so the Mayor immediately adjourned to a Closed Session. The City Council returned from Closed Session at 6:32 p.m. and the Mayor opened the Open Session at 6:35 p.m. City Clerk, Nancy Sue Shollenberger, read the Roll, noting that all City Council Members were present.

CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL:

Present:	John Capoccia, Mayor; Gene Goss,, Mayor Pro Tem, Council Members Rachelle Arizmendi, Denise Delmar and John Harabedian
Absent:	None
Also Present:	Elaine Aguilar, City Manager Teresa Highsmith, City Attorney Bruce Inman, Director of Public Works Elisa Cox, Assistant City Manager Vincent Gonzalez, Director of Planning & Community Preservation Carolyn Thomas, Library Director Joe Ortiz, Captain, Sierra Madre Police Department Larry Giannone, Safety Director and Police Chief Steve Heydorff, Fire Chief James Carlson, Management Analyst Nancy Sue Shollenberger, City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION:

Mayor Pro Tem, Gene Goss, led the Pledge of Allegiance and followed with this prayer:

> Father in Heaven,
> As we thank you tonight for the blessings of life here in our beloved town, our hearts are heavy as we remember the barbarity and cruelty of the recent terrorist attack on our fellow citizens in San Bernardino. These people joyously celebrating the season's festivities when they were brutally murdered, were just like us: Ordinary people of different races, ethnicities and creeds, mothers and fathers, sons and daughters, brothers and sisters, grandparents, aunts and uncles, best friends, neighbors, co-workers; in short, they were Americans. We pray for them and for those they left behind who are trying to cope with unspeakable grief, and we pray for those who were injured and are facing long periods of difficult recuperation and healing. And finally, we pray for your guidance of our leaders and all our brave members of police departments across America and for our brave men and women in the military who are fighting and will defeat this metastasizing evil around the world. We pray for this tonight in the name of God Almighty. Amen.

REPORT OUT OF CLOSED SESSION:

Terry Highsmith, City Attorney, reported that the City Council met in Closed Session this evening to discuss the following:

Conference with Labor Negotiator
Pursuant to Calif. Government Code Section 54957.6
City Negotiators: City Manager Elaine Aguilar and Assistant City Manager Elisa Cox
Employee Organization: Police Association

The City Attorney reported that direction was provided to the Labor Negotiator, but no action was taken.

APPROVAL OF AGENDA:

Mayor Capoccia asked that Item 1d) under the Consent Calendar be pulled for separate discussion.,

Council Member, John Harabedian moved and it was seconded by Rachelle Arizmendi for approval of the Agenda as amended. The motion passed unanimously by voice vote.

APPROVAL OF MINUTES OF NOVEMBER 24, 2015:

Mayor Capoccia asked for a change on Page 2 of 28:

No. 5 under Mayor and City Council Reports:

It read: Mayor, John Capoccia announced that he went to Sacramento regarding 710 Coalition Members. It was a really good session. Governor Brown is such a good quality person.

Change to: Mayor, John Capoccia announced that he went to Sacramento regarding the 710 Coalition. Governor Brown is such a good quality person.

Mayor Pro Tem, Gene Goss asked that a change be made to Page 25 of 28:

It read: Mayor Pro Tem, Gene Goss, noted that the Police Department saved $1M and Level II cuts. That is the message we need to tell the residents. We can't make a decision tonight. The Retreat was to come up with multiple scenarios that could happen. We are back up to $1M.

Change to: Mayor Pro Tem, Gene Goss, noted that we can't make a decision tonight. The Retreat was to come up with multiple scenarios that could happen.

Mayor Pro Tem, Gene Goss moved and it was seconded by Council Member, John Harabedian for approval of the Minutes of November 24, 2015, with the above changes.. The motion passed unanimously by voice vote.

MAYOR AND CITY COUNCIL REPORTS:

1) Mayor, John Capoccia, Council Members Denise Delmar and Rachelle Arizmendi did not have a report.

2) Council Member, John Harabedian, thanked Mayor Pro Tem Goss for the prayer. He asked that the residents stay safe over the Holiday Season. If you have any doubts, call the Police Department and Fire Department. Please be vigilant.

3) Mayor Pro Tem, Gene Goss, announced that it was an honor to fill in for the Mayor at the Winter Festival. Santa and I lit the Christmas Tree. It was a joy.

PUBLIC COMMENT:

Sue Barrons, Alverno High School

Ms. Barrons announced that she was present this evening to announce an event to be held tomorrow night – Candlelight Celebration, Wednesday, December 9, 2015 at 7:00 p.m. at Villa Del Sol. It is free and she asked that everyone please come.

Richard Proctor, Trustee, Sierra Madre Library

Mr. Proctor announced all the activities at the Library, i.e., Pre-School Storytime, Baby Rhyme Time, Teen Book Club, Make Your Own Mini Rose at Rose Float Building on Monday, December 21st at 11:00 a.m.

Mr. Proctor also announced that the Library will be closed Christmas through New Year. He asked that the residents stop by on Thursday to wish Carolyn Thomas a happy retirement. He commended Ms. Thomas for her kindness and service. Thank you.

PRESENTATION:

President of the Rose Float Association, Dave Colchur, presented the 2016 Sierra Madre Rose Float Princesses: Princess Emily Lopez, Princess Cameron Martinez, Princess Kari Savoie and Princess Katherine Stapenhorst. The first entry in the Rose Parade was the Year 1917. We will be working on Sundays from 10:00-5:00. We won 9 out of the last 10 years. This year the Float is called "Rollin On The River".

The Princesses each gave a background of their impressive accomplishments.

Mayor Capoccia remarked that it is a very impressive group of ladies.

Mr. Colchur announced that donations for the Float can be sent to P.O. Box 603, Sierra Madre, CA 91025. He invited everyone to come and help with the decorations.

PRESENTATION:

The Mayor gave a Certificate of Recognition to Carolyn Thomas, who is retiring from being Director of Library Services.

Mrs. Thomas remarked that the Sierra Madre Public Library is a gem. She thanked the staff, Trustees, Friends of the Library. You have the best Library services for this town.

PRESENTATION:

Bruce Inman, Director of Public Works, gave the Annual Report for FY 2014-2015 in the Public Works Department.

The Public Works Team:	Water Division, Street & Sewer Division, Miscellaneous, City Hall and Contractors.
Street/Sewer Division:	1 Foreman, 4 Maintenance Workers. Responsibilities include: Sewer Maintenance, Street Maintenance, Community Event Support, Tree Maintenance, Banners/Flags and Storm Drain Maintenance. There were 32 Potholes repaired, 650 LF of sidewalk replaced, 47 sidewalks repaired, 126,430 LF of sewer cleans, 243 customer responses, 8 U.S. Flag Cycles, 30 Banner Cycles, 33 Community Events Supported and 24 Assists to the Water Department.
Water Division:	Deputy Director, Two Lead Workers, Three Pump Operators, Two Volunteer Interns. Responsibilities include producing, treating and delivering potable water to all city customers. There was 2474 Acre-feet of water served, 65 leaks repaired, 168 meters replaced, 2,288 hydrants flushed, 284 valves exercised, 6,311 water quality samples taken, 208 customer responses, 6 water audits and 393 acre-feet of water spread. There was 208 responses to customer contacts, 22 water color/debris, 60 water conservation and 14 taste/order.
The Public Works Team:	Miscellaneous: Facilities Maintenance Worker and Fleet Mechanic. Field Staff during 2014-15: 24 Brake Jobs, 135 Oil changes, 59 tire replacements/repairs, 12 major reports (Transmissions, manifolds, main seals, CNG fuel repairs, E/C), 47 out-shopped repairs (Dealer warranty work, smog test and transmissions), 56 irrigation repairs and 224 facility service calls. The Public Works Team at City Hall includes Administrative Assistant, Management Analyst and Director.
City Hall Staff 2014-15:	65 City Council staff reports, 41 commission staff reports, 3 NPDES complaints investigated, 144 plan checks processed, 4654 customer responses, 9 grading permits issued, 25 encroachment/excavation permits issued, 1179 conservation courtesy notices sent, 7f6 turf removal rebates processed, 127 conservation appeals processed and 1 state required sewer master plan update.
The Public Works Team:	Contractors: Solid Waste Disposal – Athens Services Street Sweeping – Athens Services Sidewalk Pressure Washing – Athens Services Tree Maintenance – West Coast Arborists Janitorial Services – United Building Maintenance Pest Control Services – Orkin Landscape Maintenance – Merchants City Engineer – Kev Tcharkhoutian

2014-15 Street Project:	South Michi8llinda, West Montecito, East Sierra Madre Boulevard and South Baldwin Avenue – Total Project Cost: $639,330.
	North Mountain Trail Water Main Replacement – Cost: $667,990
	Woodland Bridge Water Main Replacement – Cost $36,550
	West Grandview Sewer Main Replacement – Cost: $204,330
	CDBG – Funded Citywide ADA Ramp Construction: Cost: $44,900
Public Works Projects:	Water Conservation Projects: Drywell Installations and Re-landscape Entry Median.

Mayor Capoccia remarked that Mr. Inman's report is very impressive with the small staff. We appreciate what they do.

ACTION ITEMS:

1) CONSENT CALENDAR

Elaine Aguilar, City Manager, gave the following report under the Consent Calendar:

1a). WARRANTS:

Staff recommends approval of Resolution No. 15-78 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS" and approval of payment of City Warrants in the aggregate amount of $113,140.36; Sierra Madre Library Warrants in aggregate amount of $14,620.48 and Payroll Transfer in the aggregate amount of $314,374.74 for the fiscal year ending June 30, 2016.

1b). APPLICATION FOR ENERGY EFFICIENCY LOW INTEREST LOAN

Many California Cities have made energy efficiency improvements and developed renewable energy measures in response to the California legislative mandates to reduce California's energy consumption and derive energy from renewable energy sources. In recent years, the cost effectiveness of installing solar systems has improved substantially due to advances in the technology and the availability of California Solar Initiative (CSI) rebates (currently exhausted) and Federal and State tax incentives.

Attached to the Agenda was a Resolution to authorize the City to apply for low interest (1% - one percent interest) monies available from the California Energy Commission to develop solar photovoltaic facilities to be installed on City owned property.

Staff has been working in good faith with Connor Energy in reviewing the City's energy costs and potential facilities where solar photovoltaic installations could be accomplished. Connor Energy has worked with several California cities where they have developed renewable energy and energy conservation projects saving the cities millions of dollars over the life of the projects.

Connor Energy has developed a renewable energy proposal for the City of Sierra Madre with project funding from the California Energy Commission (up to $3M). As a first step in this process, the City will need to apply for funding with the California Energy Commission to ensure funding availability (funds are available on a first-come, first served basis). Currently there is $5.9M in funding available from the California Energy Commissi9n. The benefits of the California Energy Commission funds are:

1. No City Bonds issued – with the California Energy Commission loan, the city of Sierra Madre would simply enter into a promissory note with the Energy Commission without need for City Credit ratings or incur heavy bond financing costs.
2. Lowest Financing Cost – Although municipal bonds traditionally offer one of the cheapest forms of capital available, the CEC loan funds provides the greatest savings at 1% interest cost funds up to 20 years. This financing allows the project to be cash flow positive from day one.
3. Solar Asset Purchase – Unlike solar PPA's (power purchase agreements) or solar leases, the City of Sierra Madre is purchasing the solar structures, and even after the repayment period is complete, the asset will continue jto generate power for the City for years to come.

To date, a preliminary assessment of the proposed solar system has been completed. This work was completed without the expenditure of any City funds.

Staff is recommending approval of the financing request of the proposed solar photovoltaic system and the continued development of the solar PV project with staff to complete and deliver to the City Council at a future City Council date. The conceptual project design and layout is attached to the Agenda as Exhibit A. Please note, the design and layout shown in Exhibit A is conceptual only. The consultant who prepared the Exhibit has already been advised by staff that the location of solar shade structures along the Grandview Frontage of the spreading basins will not be acceptable to the community. A revised concept with similar generation capacity is forthcoming, but will not be available for this evening's Council meeting.

There is no cost to the City to apply for these funds, and the City is not committed to accepting the funds once the approval is complete in the event the solar photovoltaic project is not approved by City Council.

It is recommended that the City Council approve Resolution No. 15-79 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AUTHORIZING THE CITY TO APPLY FOR LOW INTEREST (1% INTEREST) MONIES FROM THE CALIFORNIA ENERGY COMMISSION TO IMPLEMENT ENERGY EFFICIENCY MEASURES" and authorize the City Manager to sign and execute the California Energy Commission Loan Application.

1c). <u>CONSIDERATION OF REQUEST FOR USE OF CITY LOGO</u>

The Pasadena Unified School District and the City of Pasadena are working in conjunction to develop a shared vision and framework to improve outcomes for children, youth, ad families in the area. The framework, called Collaborate PASadena, grew out of a school/city/community work plan and has been further refined by an Ad Hoc Committee consisting of various Council Members and PUSD Board Members.

Collaborate PASadena has requested the use of the City's logo for the Community Report Card. Council Member Arizmendi is the Leadership Council Member and Council Member Harabedian is her alternate representing the City of Sierra Madre in this effort for the three jurisdictions and community members and organizations to work together to improve outcomes for children, youth ad families in our three communities.

It is recommended that the City Council approve the use of the City's logo by Collaborate PASadena for their Annual Report.

Item 1d). was pulled for separate discussion.

1e). <u>REJECTION OF BID FROM PERRY C. THOMAS CONSTRUCTION FOR THE EMERGENCY REPLACEMENT OF WATER MAINS IN SKYLAND DRIVE AND IDLE HOUR LANE AND AWARD OF THE PROJECT TO JDC CONSTRUCTION IN AN AMOUNT NOT TO EXCEED $384,110.</u>

The low bidder for the City's emergency water main replacement has indicated that due to his current workload, he cannot begin work on the project until late February or March. This delay in project implementation is not an acceptable response to an emergency situation.

Staff, therefore, recommends that the City Council reject the bid provided by Perry C. Thomas Construction for the emergency replacement of water mains in Skyland Drive and Idle Hour Lane and award the project to J. De Sigio Construction in an amount not to exceed $384,110, with a total project cost of $406,683.

1f). <u>SECOND READING AND ADOPTION OF ORDINANCE 1372, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, AMENDING CHAPTER 15.30 (GREEN BUILDING STANDARDS) BY ADDIING A NEW SUBSECTION 15.30.040 ("WATER METERING FOR MULTI-FAMILY DWELLINGS") REQUIRING THAT ALL MULTI-FAMILY DWELLINGS CONSTRUCTED AFTER JANUARY 1, 2016 BE PROVIDED WITH INDIVIDUAL METERED WATER SERVICES.</u>

Staff recommends that the City Council read by title only and adopt Ordinance No. 1372 upon second reading.

Mayor Capoccia opened for public comment and there was none.

Council Member, Rachelle Arizmendi moved and it was seconded by Mayor Pro Tem, Gene Goss, for approval of the Consent Calendar, with the exception of Item 1d). as presented. The motion passed by unanimous voice vote of the City Council.

1d). <u>CONSIDERATION OF PAYMENT OPTIONS FOR WATER CONSUMED IN CALENDAR YEAR 2014:</u>

This item was originally on the Council Agenda for November 24th, and was pulled from Consent with staff being directed by Council to return with additional information. Staff recommends that the City Council approve the use of pre-purchased water held in Main Basin cyclic storage to offset the total purchase cost of imported water used by the City in Calendar Year 2014, and approve the expenditure of $190,639.80 in water funds to complete the purchase of water for that calendar year.

San Gabriel Valley Municipal Water District (the District) bills for water sold by that agency on a calendar year basis. In early October 2015 the City received a letter stating that the City's water use from the District via the MWD connection was 2,218.6 acre-feet. The letter further states that per the District's agreement with MWD, the City is responsible for the cost of 4,437.2 acre feet at the District's 2014 rate of $130 per acre foot. That cost is $576,836.

However, according to records held by the Main San Gabriel Basin Water Master, the City has 2,970.74 acre-feet remaining in its cyclic storage account. This is a remainder of the water purchased by the City in 2009 at a rate of $100 per acre-foot when the District had a surplus of water available. The District's October4 6 letter notes that the City may transfer water from its cyclic storage account to pay for water imported via MWD.

The City's payment options for the imported water consumed in calendar year 2014 are described in the SGVMWD letter. The City can either pay cash in the amount of $576,836 for the entire 4,437.2 acre feet or the City may reduce that cash outlay by transferring the City's remaining balance of 2,970.14 acre feet of cyclic storage water.

Staff reviewed Table A – Projected Water Costs; Table B – Value of Cyclic Storage Water and Table C – Value Comparison.

Transferal of the 2,970.74 acre feet currently held by the City in cyclic storage has two advantages that outweigh the attractive option of holding on to the water:

1). Reduction of the expenditure from water funds from $576,836 to $190,640 lessens the impact (by $386,196) of the water purchase on the current fiscal condition of the water fund in light of the conservation induced reduction in revenue.

2). Reduction of the expenditure of water funds for th water purchase frees $396,196 for re-investment in th3 water infrastructure.

Staff proposes to send the letter attached to the Agenda to the Main San Gabriel Basin Water Master requesting the transfer of all remaining cyclic storage water and then pay the District $190,639.80 for the remaining balance of water used by the City in 2014.

The 2015-16 Budget includes an expenditure of $650,000 for the purchase of imported water. Thus, no additional expenditure is necessary in order to pay for the 2014 usage. If the cyclic water is used, the water fund will have an expenditure of $190,640 for calendar year 2014. If the cyclic water is not used, the water fund will have an expenditure of $576,836 for 2014 water purchases.

Staff recommends that the City Council approve the use of pre-purchased water held in Main Basin cyclic storage to offset the total purchase cost of imported water used by the City in calendar year 2014 and approve the expenditure of $190,639.80 in water funds to complete the purchase of water for that calendar year.

Council Member, John Harabedian, asked Mr. Inman to remind us about the 2 for 1 cost – Water District and MWD.

Mr. Inman stated, "We are getting water for substantially less".

Mayor Capoccia commended the staff for buying water at $100.00/acre foot.

Mayor Capoccia opened for public input and there was none.

Mayor Capoccia stated "Wouldn't it be better to pay with General Fund now and save $157,000?

Council Member, John Harabedian, stated that we should pay for water now and wait until credits go up. Pay cash now – Water Fund Reserves or General Fund Reserves.

The City Manager remarked that if you want to pay the full costs, use Water Fund Reserves.

Council Member, Denise Delmar, questioned why staff wants to use credits?

The City Manager said there is a benefit to spending money now – we want the Water Fund to stay solvent. We have $2M in Water Fund Reserves. The General Fund can loan to the Water Fund.

Mayor Capoccia suggested that we put off one year and look at it next year.

Mayor, John Capoccia, moved for approval to pay for water out of Reserves instead of pre-purchased water. Council Member Harabedian seconded the motion and it passed by unanimous voice vote.

2) <u>URGENCY ORDINANCE 1373U OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING TITLE 17, CHAPTER 17.93 (STANDARDS AND CRITERIA FOR WIRELESS COMMUNICATIONS FACILITIES) OF THE SIERRA MADRE MUNICIPAL CODE TO COMPLY WITH FEDERAL REQUIREMENTS FOR WIRELESS FACILITIES AND DECLARING THE URGENCY THEREOF IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36934 AND 36937</u>.

Vincent Gonzalez, Director of Planning & Community Preservation, gave the staff report.

City Attorney, Teresa Highsmith, stated that this ordinance needs to be passed before January 1, 2016, when it comes into effect. AB57 is deemed approved. It won't increase any burden on the staff. The City Attorney followed by making some minor changes to the Ordinance which staff will make. There is formatting issues. The Ordinance will be published under the direction of Vincent Gonzalez.

The City Council will consider the adoption of Urgency Ordinance No. 1373-U, by amending Title 17, Chapter 17.93 (Standards and Criteria for Wireless Communications Facilities) of the Sierra Madre Municipal Code, governing wireless facility permitting.

Staff recommends that the City Council adopt the proposed urgency ordinance to update the City's standards for wireless facilities and rules for reviewing, processing, and approving wireless facility applications to take into account recent changes to federal and state law. The proposed amendments are intended to make the City's ordinance consistent with these laws and to ensure that the City has the tools in place to process wireless applications expediently while ensuring that proposed wireless facilities are in keeping with the community's aesthetic character.

Assembly Bill 57 (AB57) pertaining to Government Code Section 65964.1 takes effect on January 1, 2016 and requires a collocation or siting applications for a wireless telecommunications facility to be deemed approved, if both of the following occur:

1) The city fails to approve or disapprove the application within the time periods established by the Federal Communications Commission (FCC) 2009 Declaratory Ruling; and,
2) All public notices regarding the application hae been provided consistent with the public notice requirements for the application.

Staff recommends adopting Urgency Ordinance No. 1373-U. A copy of the ordinance was attached to the Agenda.

Staff recommends the City Council direct the City Attorney to introduce and give first reading by title only, waiving further reading to the following (Exhibit A) entitled:

URGENCY ORDINANCE NO. 1373-U

URGENCY ORDINANCE 1373-U OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING TITLE 17, CHAPTER 17.93 (STANDARDS AND CRITERIA FOR WIRELESS COMMUNICATIONS FACILITIES) OF THE SIERRA MADRE MUNICIPAL CODE TO COMPLY WITH FEDERAL REQUIREMENTS FOR WIRELESS FACILITES AND DECLARING THE URGENCY THEREOF IN ACCORDANCE WITH GOVERNMENT CODE SECTIONS 36934 AND 36937.F

Mayor Capoccia opened for public input and there was none.

Council Member, John Harabedian moved and it was seconded by Council Member, Denise Delmar, for approval of Urgency Ordinance No. 1373U with the changes made by the City Attorney. The motion passed by unanimous voice vote.

3). PUBLIC HEARING: CONSIDERATION OF RESOLUTION 15-71, APPROVING THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (CDBG) FOR AMERICANS WITH DISABILITY ACT (ADA) IMPROVEMENTS TO THE SIERRA MADRE PUBIC LIBRARY.

Bruce Inman, Director of Public Works, gave the staff report.

The City of Sierra Madre has participated in the Community Development Block Grant (CDBG) Program through the County of Los Angeles for the past 42 years. In the past funds have been used for the construction of handicapped curb access ramps and a Handyworker Program to benefit lower income Sierra Madre residents. Although Council approved Resolution No. 13-04 approving CDBG funds for fiscal Year 2014-2015 to reinstate the Handyworker Program, due to reduced staffing this project has not been implemented. Because the City is required to expend its current allocations or lose them, staff recommends adoption of Resolution No. 15-71 approving the proposal to utilize three years (14/15, 15/16, 16/17) of Federally funded CDBG allocations totaling $136,689 to fund American with Disability Act (ADA) improvements for the Sierra Madre Public Library.

Staff recommends adopting Resolution No. 15-71 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, APPROVING THE USE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (CDBG) FOR AMERICAN WITH DISABILITY ACT (ADA) IMPROVEMENTS TO THE SIERRA MADRE PUBLIC LIBRARY".

Council Member Harabedian remarked that it is a good use of the funds.

Council Member Arizmendi hoped that we could reinstate the Handyman Program in the future.

Mayor Capoccia opened for public comment and there was none.

Council Member, Rachelle Arizmendi moved and it was seconded by Council Member, John Harabedian, for approval of staff's recommendation of approval of Resolution No. 15-71, as noted above.

4). CONSIDERATION OF APPOINTMENTS TO THE SENIOR COMMUNITY COMMISSION

Elaine Aguilar, City Manager, gave the staff report.

There are currently two vacancies on the Senior Community Commission. This item is on the agenda for the City Council's appointment of new Commissioners.

The applicants are (in alphabetical order):

Judie Cimino
Suzanne Decker
Donna Sutcliffe
Jo Ann Williams

It is recommended that the City Council provide staff with direction regarding the appointment of two Senior Community Commissioners.

Mayor Capoccia asked if any of the residents would like to speak?

Jo Ann Williams, Colony Drive

Ms. Williams remarked that she is proud to live in Sierra Madre. I want new things to do. Classes are great. Yoga is terrific. Paul does a wonderful job. I retired, after 22 years, at Gamble House and a career of teaching. I would like to be on the Senior Community Commission. The lunches are good. I enjoy life with the seniors.

Mayor Capoccia asked the City Council to make their recommendations:

1) Council Member Harabedian	1.	Judy Cimino
	2.	Suzanne Decker
2) Mayor Pro Tem, Gene Goss	1.	Judy Cimino
	2.	Suzanne Decker
3) Council Member, Rachelle Arizmendi:	1.	Jo Ann Williams
	2.	Suzanne Decker
4) Council Member, Denise Delmar	1.	Jo Ann Williams
	2.	Suzanne Decker
5) Mayor, John Capoccia	1.	Suzanne Decker
	2.	Jo Ann Williams

Mayor, John Capoccia moved and it was seconded by Council Member, Denise Delmar, for the appointment of Jo Ann Williams and Suzanne Decker to the Senior Community Commission. The motion passed by unanimous voice vote.

BREAK: The Mayor requested a break at 8:15 p.m. and the City Council reconvened at 8:20 p.m.

5). CONSIDERATION OF:

RESOLUTION NO. 15-80 – CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISION OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND FOR THE SUBMISSION TO THE VOTERS AN ORDINANCE EXTENDING AND MODIFYING THE CITY'S UTILITY USERS' TAX;

RESOLUTION NO. 15-81 – ADOPTING REGULATIONS FOR CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016;

RESOLUTION NO. 15-82 – REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO RENDER SPECIFIED SERVICES TO THE CITY OF SIERRA MADRE RELATING TO THE CONDUCT OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, APRIL 12, 2016;

RESOLUTION NO. 15-83 – PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT MUNICIPAL ELECTIONS;

RESOLUTION NO. 15-84 – AUTHORIZING CERTAIN COUNCIL MEMBERS TO SUBMIT ARGUMENTS REGARDING A MEASURE TO AMEND THE EXISTING UTILITY USERS' TAX ORDINANCE TO INCREASE AND EXTEND THE EXISTING RATE STRUCTURE, WHICH WILL BE ON THE BALLOT FOR THE APRIL 12, 2016 MUNICIPAL ELECTION AND DIRECTING AN IMPARTIAL ANALYSIS OF THE MEASURE BY THE CITY ATTORNEY.

Elaine Aguilar, City Manager, gave the staff report.

Staff is recommending approval of the five election related Resolutions for the Council's consideration. It is recommended that the Council review and approve the resolutions attached to the Agenda.

Mayor Capoccia opened for public comment and there was none.

Council Member, John Harabedian moved and it was seconded by Council Member, Rachelle Arizmendi for approval of the above five election resolutions as recommended by staff. The motion passed by unanimous voice vote of the City Council.

6). CONSIDERATION OF ARGUMENTS REGARDING UTILITY USERS' TAX MEASURE

Elaine Aguilar, City Manager, gave the staff report.

There are a number of April 12, 2016 election related resolutions on tonight's agenda. One of the resolutions places a UUT measure on the ballot, and another Resolution authorizes the City Council to submit an argument. At the previous Council Meeting, the Council authorized Mayor Capoccia and Mayor Pro Tem Goss to draft an argument so that the argument could be available this evening for the entire Council to review and edit. Upon the drafting of an argument that the Council can agree to, each of the Council Members will be signing the argument for presentation to the City Clerk pursuant to the deadline stablished by the City Clerk.

The City Clerk has established December 28, 2015 as the deadline to submit arguments, and January 8, 2016 as the deadline for rebuttal arguments. (The January 8th deadline is before the date of the next Council meeting of January 12, 2016.) The Council may wish to discuss how to process the rebuttal argument. If all Council Members desire to participate in the drafting of the rebuttal argument it may be necessary to schedule a special Council meeting before the January 8th deadline.

It is recommended that the City Council provide staff with direction regarding the UUT ballot argument.

Mayor Capoccia presented a draft Argument in Favor of the UUT to the City Council and all agreed on its contents.

The City Clerk will provide the appropriate forms to the City Manager.

Mayor Pro Tem, Gene Goss and the Mayor will do the rebuttal. It will be e-mailed to the City Council and if all agree on its wording, there is no need for a special meeting. If they do not agree, a special meeting will be scheduled for January 7th at 6:00 p.m. The City Manager will e-mail the City Council and City Clerk if a special meeting is needed.

7). UTILLITY USERS' TAX PUBLIC INFORMATION

Elaine Aguilar, City Manager, gave the staff report.

The City Council's Strategic Plan includes a three-year goal of "Achieving financial stability ad sustainability." One of the objectives under this goal is, "the City Manager, Finance Director, Assistant City Manager and the UUT Oversight Committee, with Mayor Pro Tem Goss ad Council Member Harabedian, present to the City Council for action a draft Utility users Tax public education materials."

The Committee met on December 1st, and discussed a proposed plan and the types of information that could be prepared as public information for the UUT measure. A significant amount of draft information was presented to the Committee (a sampling of this information was attached to the Agenda in "raw form"). The Committee reviewed the information and provided input and suggested possible publications, brochures, charts, and other information that could be produced. This additional information will be prepared during the month of December, based upon the Council's authorization at tonight's meeting. The Committee members have agreed to continue to meet to provide input and critique the actual publications, charts, brochures, etc. If the Committee met the first or second week of January, it is possible for the council to review the initial information at the first or second meeting in January, should the Council desire to review and approve the final information. It was acknowledged that ideas for additional information may arise between now and the election.

The City is allowed to prepare and provide legally permissible ballot measure information. The means that it is legal to use city resources, including the use of staff time, to prepare unbiased, factual information regarding a ballot measure. City resources cannot be used to advocate for one position or another. As verification of the materials being factual in nature, all materials will be reviewed by the City Attorney before being finalized.

The Council's Committee met and reviewed the type of information that can be provided and they also gave input regarding additional information that may be useful to factually explain the UUT ballot measure and city revenues in general. The Committee looked at the 'process' to disseminate information and also the 'type of information' that could be assembled.

The Public information dissemination options discussed by the Committee was included in the Agenda.

There are no financial impacts associated with the preparation of this report, other than the staff time in preparing this report. The costs of preparing the information and posting the information on the website or on social media is in-house staff time. The cost of printing publications could range from $600 to $1,000 for a full-color two-sided brochure., The postage costs (to all mailing addressed) range from $1,000 *(bulk rate) to $2,000 first class postage. For example, the total costs for a city wide mailer (two sided brochures) to be printed and mailed could range from $1,600 to $3,000.

It is recommended that the City Council provide staff with direction.

Mayor Capoccia announced that the Committee will stay engaged for a while.

City Attorney, Teresa Highsmith, remarked that she reviewed the attachments in the agenda and they are factual. They are questions the people asked. They do not attempt to encourage a vote.

Council Member Delmar remarked that she likes the fact that the Committee wants to stay engaged. We need to be unbiased. I appreciate their work.

Mayor Pro Tem, Gene Goss, remarked that he was involved with the Committee and was very impressed with the members.

The City Manager noted that the Committee is a working committee – it is very helpful.

Council Member, John Harabedian, stated: "Job well done". Thanked the Mayor Pro Tem for his participation. Maybe you could list what the other cities are paying.

Mayor Capoccia opened for public input.

Joan Maquire

> Ms. Maquire remarked that she likes what she has heard. It is important to let the citizens know what other cities are paying.

The Mayor closed public input.

Mayor Pro Tem Goss remarked that many residents have no clue what we are doing. We need one good mailer – just facts. I am strongly in favor of one mailer.

Council Member Harabedian also feels a mailer is important ad a good use of resources.

Council Member Delmar asked that staff time the mailer prior to forums.

Mayor Pro Tem Goss stated that the timing of this should be the weekend before absentee mailers come out.

Mayor Capoccia thanked the Committee for their hard work.

8). <u>CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM</u>

Elisa C. Cox, Assistant City Manager, gave the staff report, and provided a slide presentation..

At a previous meeting, Council Member Delmar requested that information regarding the City's CalPERS program be placed on a future agenda.

The City provides a defined benefit retirement benefit (pension) to its employees through the California Public Employees' Retirement System (CalPERS). Approximately 60% of the City's CalPERS costs are paid from the General Fund. This is attributed to the fact that Police and Fire Departments are funded by the General Fund, and 56% of the City's CalPERS costs are associated with the Police and Fire Departments. However, Police and Fire employees only represent approximately 40% of the total employees enrolled in CalPERS. The other 44% of CalPERS costs are associated with non-public safety employees (560% of the total employees enrolled in CalPERS). The higher cost for public safety employees occurs for two reasons: first, the higher benefit formulas for public safety employees cost more than the retirement plans for non-safety employees. Secondly, part-time employees, Classified employees, Fire employees, Confidential Exempt and Executive Management employees are paying 100% of the employees' contribution to the pension. The City is still paying a portion of the employees' contribution to the pension (referred to as the Employer Paid Member Contribution or EPMC) for employees in the Police Association.

In 2012 Governor Brown signed the Public Employees' Pension Reform Act (PEPRA) into law, which provided a number of changes to the Public Employees' Retirement Law; including implementing a new lower retirement formula for any new member into CalPERS after January 1, 2013. If the City hires an employee who worked for a neighboring CalPERS agency, that employee is considered a "Classic Member" and he/she will receive the retirement formula the City had in place on December 31, 2012. If the City hires a new employee who has only worked in the private sector, then that employee would be a "New Member" and will receive the new, lower retirement formula. As time goes on, more employees will fall under the lower retirement formulas for New Members, resulting in a decrease in the City's CalPERS expense.

Staff reviewed the History of the city in CalPERS, Public Employees' Pension Reform Act, and Additional Changes to CalPERS.

What can the City do to reduce its CalPERS cost and liabilities?

- Continue to hire New Members (There is pending legislation making it illegal to make hiring decisions based on retirement status)
- Negotiate with the Police Association to remove the EPMC (The City cannot impose a reduction of the EMPC until after January 1, 2018).
- Negotiate with employee groups to pay a portion of the employer's contribution (This must be agreed upon with the bargaining units and cannot be imposed upon the employees).
- Continue to pay the annual lump sum prepayment option for the unfunded liability.
- Make additional lump sum payments towards the unfunded liability.
- Shorten the City's amortization schedule for the unfunded liability.

Staff recommends the City Council receive and file this informational report.

Council Member, Rachelle Arizmendi, remarked that OPEB is fully funded. We are waiting for the 2014 figures to come in. Thank you Elisa for your presentation.

Elisa Cox remarked that there is no way for staff to do.

Council Member, Denise Delmar, wanted to bring forward inaccurate information that is out in the City's CalPERS. The liability is over our heads. It makes it impossible to get out. Thank you for your report.

Mayor Capoccia also thanked the staff for the great report.

The Mayor opened for public input. No one spoke. The Mayor announced that this agenda item is a "receive and file" report.

Pat Alcorn, E. Grand View Avenue

Ms. Alcorn remarked, "Very enlightening. Thank you very much".

9). <u>CONSIDERATION OF PURCHASE PROPOSAL FROM CROWN CASTLE TO OBTAIN PERPETUAL EASEMENTS FROM THE CITY FOR EXISTING CELLULAR SITES LOCATED ON CITY-OWNED PROPERTY</u>

Bruce Inman, Director of Public Works, gave the staff report.

Staff recommends that the City Council approve the extension of two cellular site leases, and direct staff to negotiate terms of the extension of lease agreements, with final approval of the extended leases to return to the City Council for approval.

Staff has been approached by a representative of Crown Castle (formerly Global Signal), lease holder of two cellular sites located on City property in the City's maintenance yard, with proposals for extension of their rights to operate those cellular facilities. One of the proposals is for an extension of the existing leases. L The other proposal is for the purchase of long-term or permanent easements for those sites.

The first site in question is identified as the gray steel traditional pole adjacent to the Dog Park, identified as Crown Castle Site #877947 location of a Sprint operation. The second site is adjacent to the main gate to the maintenance yard and in the form of a mono-pine tower shared by T-Mobile and AT&T. This is Crown Castle Site #824768. For purposes of this report the sites will be identified by their primary occupants, Sprint and T-Mobile.

Current Crown Castle Leases:

Leaseholder	Began	Term	Extensions	Expiration	Current Rent
Sprint	8/9/'96	5 Yrs.	1 x 5 yrs.	8/31/2006	Global Signal
Global Signal	8/1/2007	10 Yrs.	2 x 5 Yrs.	8/31/2027	$31,565/Yr.
T-Mobile	10/11/2007	10 Yrs.	2 x 5 Yrs.	10/31/2017	$27,109/Yr.

Rent on both leases automatically increased by a CPI factor (4% maximum) each year.

Staff reviewed the Crown Castle Proposal.

Utilizing a 2.1 percent inflation rate (average over the last ten years) and the Crown Castle proposal 15% rent increase in 2027, staff has estimated that the total rental revenue that would be generated by the two sites would be slightly more than $3.6M. Or, using the same criteria, the proposed $963,900 lump sum amount would be equaled in about 2028, with forfeiture of any subsequent rental revenue if the lump sum option is selected. The options proposed in the Crown Castle letter of December 1, 2015 are shown in the following table. As noted in the Crown Castle letter other options may be available.

Staff reviewed the leasing option, lease expiration and estimated total revenue (Does not include $15,000 signing bonus or subtenant rental revenue).

Staff recommends that the City Council approve the extension of two cellular site leases, and direct staff to negotiate terms of the extension of lease agreements, with final approval of the extended leases to return to the City Council for approval.

The City Attorney reported that cellular companies want to seek easements. A long-term lease is good.

Council Member Harabedian noted that the City needs a term to trigger at any time.

Mayor Capoccia remarked that we are not under any pressure and would suggest continuing negotiations.

10). <u>STRATEGIC PLAN FROM OCTOBER 20, 2015 RETREAT</u>

Elaine Aguilar, City Manager, gave an update to the Strategic Plan from the October 20, 2015 Retreat.

Staff is recommending that this agenda item be received and filed.

<u>FUTURE AGENDA ITEMS:</u>

The City Manager announced that there may be a special meeting in January if the City Council feels necessary.

<u>ADJOURNMENT:</u>

<u>Council Member, John Harabedian</u> moved and it was seconded by Council Member, Rachelle Arizmendi for approval of adjournment at 9:50 p.m. The motion passed unanimously by the City Council.

John Capoccia, Mayor of Sierra Madre

Minutes taken and typed by:

Nancy Sue Shollenberger

Nancy Sue Shollenberger
City Clerk