



CITY OF SIERRA MADRE
CITY COUNCIL REGULAR MEETING MINUTES

SIERRA MADRE CITY COUNCIL
SUCCESSOR AGENCY AND
PUBLIC FINANCE AUTHORITY

Tuesday, June 26, 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 6:31 p.m. City Clerk Sue Spears called the roll.

Present: Mayor Denise Delmar, Mayor Pro Tem John Harabedian, and Council Member Rachelle Arizmendi

Absent: Council Members John Capoccia Gene Goss, both excused

Also Present: Gabe Engeland, City Manager
Teresa Highsmith, Assistant City Attorney
Marcie Medina, Assistant City Manager
Laura Aguilar, Assistant City Clerk
James Carlson, Management Analyst
Chris Cimino, Director of Public Works
Vincent Gonzalez, Planning & Community Preservation Director
Miguel Hernandez, Human Resources Manager
Joe Ortiz, Police Chief
Jill Schofield, Acting Library Services Manager
Rebecca Silva-Barrón, Community Services Manager
Christine Smart, Associate Librarian
Sue Spears, City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION:

Mayor Delmar led the Pledge of Allegiance.

APPROVAL OF MINUTES:

Mayor Delmar requested approval of the Minutes of the Regular Council Meeting of June 12, 2018.

Council Member Arizmendi moved to approve the Minutes of the Regular Council Meeting of June 12, 2018 as written.

Mayor Pro Tem Harabedian seconded the motion to approve the Minutes of the Regular Meeting of June 12, 2018 as written.

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

Noes: None

Absent: Council Members John Capoccia and Gene Goss

Abstain: None

The motion to approve the Minutes of the Regular Council Meeting June 12, 2018 as written was passed unanimously by those present.

MAYOR AND CITY COUNCIL REPORTS:

A. Mayor Denise Delmar did not make a report.

B. Pro Tem John Harabedian did not make a report.

C. Council Member Rachelle Arizmendi did not make a report.

APPROVAL OF AGENDA AS PRESENTED:

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

Mayor Pro Harabedian stated that Consent Calendar Item 1a is being pulled from the agenda and will be added to the agenda on a future date.

Mayor Pro Tem Harabedian moved to approve the agenda as amended.

Council Member Arizmendi seconded the motion to approve the agenda as amended.

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

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

PUBLIC COMMENT ON NON-AGENDA ITEMS:

Mayor Delmar opened the meeting for Public Comment on items not on the agenda.

- Barry Gold, Sierra Madre, said that the proposed two-tier water rates were unfair and suggested that the proposed water rates should include three tiers.
- Carol Parker, Sierra Madre, expressed excitement that Mike Smith was at the Council Meeting today and conveyed her concerns with the schedule and operations of the Sierra Madre Pool by Water Works. Ms. Parker volunteered to serve on a SM Pool advisory committee.

City Manager Engeland said that City staff has already contacted Water Works regarding these concerns and is awaiting a response.

Mayor Delmar asked if anyone else would like to come forward to speak on items not on the agenda. Seeing no one come forward, Mayor Delmar closed Public Comment.

PRESENTATION – RECOGNITION OF MIKE E. SMITH, SIERRA MADRE RESIDENT AND JOCKEY, ON HIS WINNING OF THE 2018 TRIPLE CROWN OF THOROUGHBRED RACING (TRIPLE CROWN)

Mayor Delmar presented a Sierra Madre Certificate of Recognition to Mike E. Smith, 12+ year Sierra Madre resident and Jockey, on his winning of the 2018 Triple Crown riding Justify. Mr. Smith said that he is honored, thanked Mayor Delmar, and expressed his appreciation to the Sierra Madre City Council for this recognition. Mr. Smith noted that he is the second Sierra Madre resident to win the Triple Crown, the first being Jockey Victor Espinoza who won the Triple Crown in 2015 riding American Pharaoh. Attending the presentation with Mr. Smith were his fiancée, Cynthia Naanouh, and Pete Siberell, Sierra Madre resident and Director of Community Services and Special Projects, Santa Anita Park.

REPORT ON THE CLOSED SESSION SPECIAL MEETING OF THE SIERRA MADRE CITY COUNCIL ON TUESDAY, JUNE 26, 2018 AT 5:30 PM

City Attorney Highsmith reported that the City Council met in Closed Session with the City's Labor Negotiator to receive an update on the status of labor negotiations and that no action was taken.

1. AGENDA ACTION ITEM: CONSENT CALENDAR:

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

- ~~a) CONSIDERATION OF AMENDMENT TO THE RAFTELIS PROFESSIONAL SERVICES AGREEMENT TO COVER ADDITIONAL COSTS OF THE WATER AND WASTEWATER RATE STUDY – Recommendation that the City Council approve the amended Professional Services Agreement, including \$22,471 in additional consultant costs associated with the preparation of the Water and Wastewater Cost Services Analysis, and appropriate said amount from the Fiscal Year 2017–2018 Water Enterprise Fund.~~
- b) APPOINTMENT OF COMMISSIONERS AND TRUSTEES FOR A SECOND TERM - Recommendation that the City Council reappoint those Commissioners and Board Members

seeking a second term and direct City staff to solicit applications for those commissions with vacancies.

- c) ADOPTION OF RESOLUTION 18-33 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS - Recommendation that the City Council approve Resolution 18-33 for approval of payment of City warrants in the aggregate amount of \$1,015,910.94; Library warrants in the aggregate amount of \$7,317.39, and payroll transfer in the aggregate amount of \$300,673.28 for fiscal year ending June 2018.
- d) APPOINTMENT OF MAYOR PRO TEM HARABEDIAN AS A SECOND ALTERNATE VOTING DELEGATE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND BUSINESS MEETING IN SEPTEMBER 2018 – Recommendation that the City Council appoint Mayor Pro Tem John Harabedian as a Second Alternate Voting Delegate for the League of California Cities Annual Conference and Business Meeting on September 12 – 14, 2018.

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

Mayor Delmar explained that Council Member Arizmendi and she are the voting delegates from Sierra Madre to the League of California Cities Annual Conference and that, due to the pending birth of her grandson, she will be unable to attend the conference in September.

Council Member Arizmendi commented that she also will not be able to attend the League of California Cities Annual Conference in September and advised Mayor Pro Tem Harabedian that he must be there. Council Member Arizmendi also stated that, after September, she will no longer be on the Board for the League of California Cities.

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.

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

Council Member Arizmendi seconded the motion for approval.

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

The motion to approve Consent Calendar Items 1b, 1c, and 1d as presented was approved unanimously by those present.

2. AGENDA ACTION ITEM: PUBLIC HEARING – FIRST READING OF ORDINANCE NUMBER 1399 AMENDING AND REAUTHORIZING THE CITY’S PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) ACCESS SUPPORT FEE – Recommendation that the City Council conduct a Public Hearing and introduce for the first reading, by title only, Ordinance No. 1399, an ordinance amending and reauthorizing the City’s Public, Educational, and Governmental (PEG) Access Support Fee.

Mayor Delmar opened the item for Public Hearing.

Management Analyst Carlson gave a report on the first reading, by title only, of Ordinance No. 1399, an Ordinance Amending and Reauthorizing the City’s Public Educational, and Governmental (PEG) Access Support Fee, which reauthorizes fees paid to the City by State video franchise holders for public, educational, and government access purposes. He noted that Ordinance No. 1399 amends Ordinance No. 1398, which had a typographical error. Ordinance No. 1398 erroneously listed a 2% fee to be collected from State Franchise Holders, when the maximum amount that the City of Sierra Madre is allowed to collect is 1%.

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

In response to a question from Council Member Arizmendi, Management Analyst Carlson said that the cost to the City to provide community media is approximately \$28,000 and that the City collects about \$32,000 in PEG funds annually, which varies. He said that any surplus income received is allocated to purchase updated equipment, as necessary.

Mayor Delmar said that this is a Public Hearing and asked if anyone else would like to come forward to comment on this item. Seeing no one, Mayor Delmar closed the Public Hearing and brought the matter back to the Council for discussion.

Mayor Pro Tem Harabedian made a motion to approve the first reading, by title only, of Ordinance No. 1399, an Ordinance Amending and Reauthorizing the City's Public Educational, and Governmental (PEG) Access Support Fee.

Council Member Arizmendi seconded the motion for approval.

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

The motion to approve the first reading, by title only, of Ordinance No. 1399, an Ordinance Amending and Reauthorizing the City's Public Educational, and Governmental (PEG) Access Support Fee was approved unanimously by those present.

3. AGENDA DISCUSSION ITEM – CONSIDERATION OF SUPPORT OF ASSEMBLY BILL 533 (HOLDEN) SR 170 NORTH

City Manager Engeland reported that Mayor Pro Tem Harabedian was contacted by staff representing Assemblymember Chris Holden asking the City of Sierra Madre to support Assembly Bill (AB) 533. City Manager Engeland requested direction and clarified that the City Council may direct staff to send a letter supporting AB 533 or may determine to take no action.

Mayor Pro Tem Harabedian said that, given recent new information about potential changes to AB 533, he recommends that the City Council postpone any discussion on this item and move it to the next Sierra Madre City Council meeting.

Mayor Delmar said that she agrees and asked City Manager Engeland whether he had sufficient direction at this time. City Manager Engeland responded in the affirmative.

No action was taken on this item.

4. AGENDA DISCUSSION ITEM – CONSIDERATION OF RESOLUTION 18-35 ADOPTING THE MEMORANDUM OF UNDERSTANDING WITH THE CLASSIFIED EMPLOYEES' ASSOCIATION, RESOLUTION 18-36 ADOPTING THE MEMORANDUM OF UNDERSTANDING WITH THE SIERRA MADRE POLICE OFFICERS ASSOCIATION, AND RESOLUTION 18-37 AMENDING THE CLASSIFICATION PLAN AND SALARY MATRIX

Human Resources Manager Hernandez gave a report on Resolution 18-35 Adopting the Memorandum of Understanding with the Classified Employees' Association, Resolution 18-36 Adopting the Memorandum of Understanding with the Sierra Madre Police Officers Association, and Resolution 18-37 Amending the Classification Plan and Salary Matrix. He said that both parties have agreed to (1) a five year contract in which there will be an opportunity to reopen negotiation through a limited re-opener in Years 3, 4, and 5, for the sole purpose of discussing and considering up to two MOU terms/conditions or benefits, (2) a 1.9% cost of living increase next year, with the exception of Water Department employees, and (3) a 5% salary increase for Water Department employees retroactive to June 24, 2018 (in lieu of the 1.9% COA above). Human Resources Manager Hernandez stated that City staff is recommending approval of the three resolutions as presented.

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

In response a question by Council Member Arizmendi, Human Resources Manager Hernandez said that, due to the vote taken today by the POA, there is a change on the impact to the Year 1 and Year 2 General Fund to \$60,600 (from \$86,000), a reduction in General Fund impact of \$25,400.

Mayor Delmar opened this item for Public Comment.

- Barry Gold, Sierra Madre, said the issue of providing employee raises is coming at an inopportune time and is recommending a delay in deciding.
- Debbie Sheridan, Sierra Madre, said that (1) she would like to second Mr. Gold's comments, (2) she questions why only Water Department employees are getting a 5% raise, and (3) this is an unfortunate time to give our hard-working employees a raise.
- Pat Alcorn, Sierra Madre, said that (1) she disagrees with both of the previous speakers' opinions on this issue, (2) she thinks that our public employees are the City's finest asset, (3) our employees deserve a cost of living increase, and (4) this is a five year agreement and, if we do not do it now, when will we do it.

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

In response to a request by Mayor Delmar, Human Resources Manager Hernandez explained that the 5% salary increase for Water Department employees was because of the certification required to do their work and as an incentive for employee retention. Furthermore, he stated that the 5% increase for Water Department employees is still under market and continues to put Water Department employees' salaries considerably less than what is paid in neighboring cities. City Manager Engeland said that the Water Department responds to more calls for service than the Fire Department.

Mayor Delmar expanded that, when you come across a job that is hard to fill, we need to be as competitive as possible to attract and retain the outstanding employees that we need, especially at a time when the City is investing so much in its water infrastructure now and in the future.

In response to a question by Council Member Arizmendi, City Manager Engeland stated that the CalPERS Unfunded Liability Plan will be presented to the City Council at its meeting on July 24, 2018.

Mayor Pro Tem Harabedian thanked and expressed kudos to both management representing the City and management representing the bargaining units for conducting historically one of the most efficient and least contentious bargaining processes to date. He opined that this is a great deal for the City and a great deal for the employees. Mayor Pro Tem Harabedian said that (1) he looks at this as a way for employees to maintain their purchasing power to be able to keep up with inflation, (2) that COLAs are important for morale, and (3) that the 5% for Water Department employees is necessary to help the City be somewhat competitive to attract/retain quality employees for one of the most demanding services that the City is providing on a daily basis. He also said that the City is managing its funds properly and that the fiscal impact of the salary increases over the next two fiscal years, at approximately \$100,000, as a percentage of our General Fund and Sewer and Water Fund is minuscule (approximately ½%). Mayor Pro Tem stressed the importance of retaining well performing employees who are happy to work here. He expressed his full support of the MOUs.

Mayor Delmar expressed that (1) she is excited that, per the MOUs, only employees who meet expectations or higher on their evaluations are eligible for the step increase, (2) this is all part of a compensation philosophy and a way to retain the best employees in Sierra Madre, (3) this is a five year plan, which has not been done before, (4) the fiscal impact is not significant to the point of putting the City in debt, and (5) the MOUs allow the City to acknowledge to its employees that they are valued and that we do expect performance. Mayor Delmar expressed her full support of the MOUs.

Council Member Arizmendi said that (1) looking at what has been done previously in reducing FTEs and other fiscal savings measures, the small fiscal impact in the next two years of the salary increases is a necessary change, (2) recognizing that this is a five year plan, there will be a reduction in staff and employee time devoted to negotiations, thus increasing productivity, (3) the MOUs provide employees with reassurance where they have not felt that consistency over the last 4-5 years, (4) as we plan over the next 5-10 years, this can provide a foundation that our employees are taken care of, and (5) we are looking at pay for performance and holding each other accountable. Council Member Arizmendi thanked all of those involved in the negotiations and recognized that this was a streamlined negotiations process.

Mayor Pro Tem Harabedian made a motion to approve Resolution 18-35 Adopting the Memorandum of Understanding with the Classified Employees' Association, Resolution 18-36 Adopting the Memorandum of Understanding with the Sierra Madre Police Officers Association, and Resolution 18-37 Amending the Classification Plan and Salary Matrix as written.

Council Member Arizmendi seconded the motion for approval.

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

The motion to approve Resolution 18-35 Adopting the Memorandum of Understanding with the Classified Employees' Association, Resolution 18-36 Adopting the Memorandum of Understanding with the Sierra Madre Police Officers Association, and Resolution 18-37 Amending the Classification Plan and Salary Matrix as written was approved unanimously by those present.

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.

Mayor Pro Tem Harabedian suggested that the issues of the Sierra Madre Pool and the possibility of a SM Pool community advisory committee be added to a future City Council Meeting agenda.

ADJOURNMENT:

Mayor Delmar asked for a motion to adjourn.

Council Member Arizmendi made a motion to adjourn the meeting.

The motion to adjourn was seconded by Mayor Pro Tem Harabedian

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

The motion to adjourn was passed unanimously by those present.

THIS SIERRA MADRE CITY COUNCIL REGULAR MEETING WAS ADJOURNED at 7:13 p.m. to a Regular Meeting to be held on Tuesday, July 10, 2018, in the Sierra Madre City Hall Council Chambers.



Denise Delmar, Mayor

Minutes taken and prepared by:


Sue Spears, City Clerk