

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL/REDEVELOPMENT SUCCESSOR AGENCY/PUBLIC
FINANCING AUTHORITY OF THE CITY OF SOUTH PASADENA
CONVENED THIS 15TH DAY OF MAY, 2013 7:43 P.M.
AMEDEE O. "DICK" RICHARDS, JR., COUNCIL CHAMBERS
1424 MISSION STREET**

**ROLL CALL, INVOCATION,
PLEDGE OF ALLEGIANCE**

Mayor Schneider convened the Open Session of the regular meeting of the South Pasadena City Council/Redevelopment Successor Agency (Agency)/Public Financing Authority (Authority) at 7:43 p.m. Deputy City Clerk/Agency/Authority Secretary Jimenez called the roll. Present were City Councilmembers/Agency/Authority Members Cacciotti, Joe and Putnam; Mayor Pro Tem/Agency/Authority Vice Chair Khubesrian; and Mayor/Agency/Authority Chair Schneider. Absent: None. Other Officials present: City Manager/Agency/Authority Executive Director Gonzalez; City Attorney/ Agency/Authority Counsel Adams; Assistant City Manager Straus; Interim Police Chief Miller; Fire Chief Wallace; Acting Finance Director Batt; City Librarian Fjeldsted; Community Services Director Pautsch; Public Works Director Toor; Planning and Building Director Watkins; Transportation Manager Woods; Police Captain Wheelless; Assistant Planner Vizcarra; Executive Assistant to the City Manager Kbjian; City Clerk Kilby; and Deputy City Clerk Jimenez.

Councilmember Putnam offered the invocation and led the Pledge of Allegiance.

**CLOSED SESSION
ANNOUNCEMENTS**

City Attorney Adams said that at approximately 6:30 p.m., Mayor Schneider called to order the regular meeting of the May 15, 2013, South Pasadena City Council/Redevelopment Successor Agency/Public Financing Authority. All members of the City Council were present for the Closed Session, he said. Prior to going into Closed Session, he said it was determined that there were no members of the public wishing to speak on Closed Session items. He said the City Council entertained a request by City staff to amend the Closed Session agenda to add as Item #5: conference with legal counsel concerning existing litigation, allowed into Closed Session pursuant to Government Code Section 54956.9(a)(d)(1). He

said it concerned Nansen et al., vs. City of South Pasadena et al., Case No. BC 493250. He said the City Council moved to add this to the agenda with a finding that it came up after the posting of the agenda in that the City Attorney's Office received communication from the Nansen's office yesterday, which was after the posting of the agenda, and that it requires immediate action. He reported that the City Council voted to add this item to the agenda with a unanimous vote. The City Council then recessed into Closed Session, he said, to discuss items on the Closed Session agenda.

City Attorney Adams said that the first Closed Session item was conference with real property negotiators pursuant to Government Code Section 54956.8, concerning property located at 1700 Mission Street. He said the City negotiators were City Manager Sergio Gonzalez and Assistant City Manager Hilary Straus. The negotiating parties are Lilian Myers and Kenneth D. Myers, he said, and under negotiation is price and terms of payment. The City Council was provided with an update on the negotiations, he said, and the City Council provided direction but took no final action.

City Attorney Adams said the next item was conference with labor negotiators, pursuant to Government Code Section 54957.6, regarding negotiations with the Battalion Chiefs' Association and the South Pasadena Police Officers' Association (POA). He said City negotiators were City Manager Sergio Gonzalez, Assistant City Manager Hilary Straus, and Special Counsel from Liebert Cassidy Whitmore. The City Council was provided with an update on labor negotiations, he said, and the City Council provided direction but took no final action.

City Attorney Adams said that Item #5 was a conference with legal counsel, existing litigation, which was allowed into Closed Session pursuant to Government Code Section 54956.9(a)(d)(1), the case of Nansen vs. City of South Pasadena. The City Council was provided with an update with regard to matters in that case, he said. The City Council provided direction but took no final action, he said, with regard to the overall case.

**PRESENTATION OF
LEGISLATIVE UPDATE -
JENNIFER QUAN, REGION-
AL PUBLIC AFFAIRS
MANAGER, LEAGUE OF
CALIFORNIA CITIES**

Jennifer Quan, Regional Public Affairs Manager, League of California Cities (League), presented an overview of the League's activities, and then provided a legislative update, accompanied by a PowerPoint slide show.

Mayor Pro Tem Khubesrian thanked Regional Public Affairs Manager Quan for attending the Council meeting and for providing the update. She stated it would be useful to have her provide a legislative update to the Council every six months.

**PRESENTATION OF
PROCLAMATION DECLAR-
ING THE WEEK OF MAY 19-
25, 2013, AS "NATIONAL
PUBLIC WORKS WEEK" IN
THE CITY OF SOUTH
PASADENA**

Mayor Schneider presented a proclamation declaring the week of May 19-25, 2013, as "National Public Works Week" in the City of South Pasadena to Public Works Department employees Richard Arriola, Steve Houlemard, Victor Magana, and Public Works Superintendent Marcelino Aguilar.

**PRESENTATION OF
REPORT FROM THE SOUTH
PASADENA COMMUNITY
GARDEN AD HOC
COMMITTEE**

Gretchen Robinette, Chair, South Pasadena Community Garden Ad Hoc Committee (Ad Hoc Committee), presented a report on the Ad Hoc Committee's work. Diana Mahmud, Ad Hoc Committee Member, added to the presentation. They responded to questions.

Judith McGibbons, 218 Fairview Avenue, who opposed using the Fairview site as a location for the community garden, asked if a site had been chosen. She stated she did not oppose the concept of a community garden. She said she has gathered signatures on a petition, 23 of them homeowners, who oppose the choice of Fairview Avenue as a site.

Discussion continued on a variety of issues: the use of Caltrans properties for a community garden; the process of identifying a Caltrans property and recommending it to the City Council for approval; the impact a garden may have on neighbors; and the fact that the City's community gardens ordinance does not apply to Caltrans properties. Mayor Schneider stated that when the idea is pursued further by a community group, there will be public review.

**COUNCILMEMBERS'
COMMENTS**

Councilmember Putnam announced an upcoming Girl Scout Gold Award ceremony on June 9, 2013, to be held at the Pasadena Civic Auditorium. He requested that the City prepare Certificates of Recognition for the nine South Pasadena recipients, seconded by Councilmember Cacciotti.

Councilmember Putnam invited the City Council, commissioners, and staff to a Sanitation Districts of Los Angeles County-sponsored boat trip designed to demonstrate how treated wastewater is released into the ocean. He distributed the summer tour schedule.

Mayor Pro Tem Khubesrian reported on a Southern California Association of Governments conference she and City Manager Gonzalez attended in Palm Desert. She said City officials are invited to take a boat tour of the Port of Los Angeles, and she asked staff to set this up. She said they met representatives of the National Trust for Historic Preservation, an organization supportive of the City's SR-710 fight, that is focused on public transportation, rail, and biking.

Mayor Pro Tem Khubesrian reported on a recent Downtown Ad Hoc Project Advisory Committee (Committee) meeting that she and Councilmember Putnam attended. She stated that the Committee voted to accept the five recommendations made by Jonathan Genton, Genton Property Group. She asked that staff communicate changes to the merchants in the downtown area.

Mayor Pro Tem Khubesrian asked that staff provide an update on the water budget study at a future date, seconded by Councilmember Cacciotti.

Councilmember Cacciotti announced the upcoming annual South Coast Air Quality Management District electric lawn mower exchange event being held at the Rose Bowl. He demonstrated the operation of an electric lawn mower and invited the community to participate in the program.

Councilmember Cacciotti discussed the upcoming "Bike to Work Day" on May 16, 2013. He demonstrated a bicycle for City employees, which he said

had been purchased with discretionary funds. He encouraged the community to join the “Bike to Work Day Challenge” and announced events to be held on the day. He discussed vehicle-caused pollution.

Councilmember Cacciotti said he and Councilmember Joe attended the Mother’s Day event at the South Pasadena Senior Center.

Councilmember Cacciotti requested that an item be added to a future agenda to consider establishing an Ad Hoc Committee to examine and address the issue of affordable housing and homelessness in the City, as well as the City’s relationship with other related organizations. He requested that representatives from the Parks and Recreation Commission, the Public Safety Commission, and other bodies be appointed to serve on the group. Mayor Pro Tem Khubesrian seconded the motion.

Councilmember Cacciotti requested that the Low Emission Vehicle (LEV) policy be redistributed to staff. He requested that this be sent to the Natural Resources and Environmental Commission (NREC) to determine whether the policy needs to be updated. In addition, he asked that NREC consider extending the policy to cover certain materials, such as paints and architectural coatings, seconded by Mayor Pro Tem Khubesrian.

Councilmember Cacciotti requested that the Public Safety Commission consider the issue of distributing cameras to police officers or attaching them to police vehicles, seconded by Mayor Schneider.

Councilmember Cacciotti requested that NREC re-examine the \$250,000 reserve account designated for energy efficiency and investigate solarizing City facilities. Councilmember Joe seconded the motion.

Councilmember Cacciotti reported that at the recent SR-710 Stakeholder Outreach Advisory Committee meeting, minimal discussion took place about a proposed light-rail alternative to the SR-710.

As requested by Councilmember Cacciotti, Transportation Manager Woods provided a report on the

status of the proposed SR-710 tunnel option. Transportation Manager Woods said a single-bore tunnel, instead of a dual-bore tunnel, is being proposed. He stated this cuts the capacity in half, greatly lessening the likelihood of reducing traffic. He stated that the City is awaiting a Metro analysis. He stated staff, the City Manager, and other cities have been working together on pertinent issues.

Councilmember Cacciotti requested that a Metro representative make a presentation at an upcoming City Council meeting. Transportation Manager Woods stated that two meeting dates have been presented to Metro, and that the City is awaiting a response. Councilmember Joe requested the attendance of Metro executives Frank Quan and Doug Failing at the meeting.

Councilmember Cacciotti requested that a letter be drafted to various elected officials, city councils, chambers of commerce, developers, and business owners regarding the current proposed light-rail option. He expressed concern as the stops on the proposed line bypass several population-dense locations, such as California State University, Los Angeles, and locations on Fremont Avenue, such as The Alhambra, The LA Fitness Center, and the Los Angeles County Department of Public Works. He stated that the City must act quickly to take advantage of the opportunity to change the entire discussion. Councilmember Cacciotti asked that a meeting be set up with Senator Carol Liu, Congresswoman Judy Chu, and Assemblymember Chris Holden regarding the matter.

Mayor Pro Tem Khubesrian requested that Metro ask its consultant how the alternative options will impact South Pasadena.

Councilmember Cacciotti reported that he and Councilmember Joe recently attended a "Disney on Ice" performance at the Ontario Citizens Bank Arena as guests of Paul S. Leon, Mayor, City of Ontario.

Councilmember Putnam asked that the LEV policy and solarization proposal also be referred to the Finance Committee.

Mayor Schneider expressed condolences on behalf of the City Council to Councilmember Joe on his father's passing.

Mayor Schneider requested a report on the reduction of hours of part-time employees in relation to the Affordable Care Act, seconded by Councilmember Joe.

Mayor Schneider announced the upcoming Memorial Day event taking place at the War Memorial Building on Monday, May 27, 2013, at 9:00 a.m.

Mayor Schneider reported that the City received a congratulatory letter from Assemblymember Chris Holden on obtaining a bicycle transportation grant.

**CITY MANAGER
COMMUNICATIONS**

City Manager Gonzalez invited the community to attend the next Ad Hoc Downtown Project Advisory Committee meeting on Wednesday, May 29, 2013, at 6:30 p.m., in the Library Community Room.

City Manager Gonzalez reported that he testified on AB 1147, as directed by the City Council, in Sacramento, California, on May 7, 2013. He provided an update on the massage establishment-related bill. Councilmember Cacciotti asked the City Attorney to prepare a legal opinion regarding the matter. In regard to a recent Supreme Court decision allowing cities to outlaw medical marijuana dispensaries, Councilmember Cacciotti asked about the Police Department's authority in the matter.

**REORDERING OF AND AD-
DITIONS TO THE AGENDA**

City Manager Gonzalez requested that the action items be heard in reverse order as youth were in the audience wishing to speak on Item #17. Without objection, Mayor Schneider moved to take the action items, Items #15, #16, and #17, in reverse order.

**ITEMS REMOVED FROM
THE CONSENT CALENDAR**

Mayor Schneider requested that Items #9, Warrants, and #11, Adoption of ordinance regarding second unit regulations to comply with State Law (AB 1866), be removed from the Consent Calendar for separate consideration.

A member of the public requested that Item #10, Proposed adoption of an ordinance to change the

position of the Elected City Clerk from a full-time salaried position to a part-time, stipend-compensated position and adoption of a resolution setting the monthly stipend, be removed from the Consent Calendar for separate consideration.

**APPROVAL OF THE
MINUTES OF THE
REGULAR CITY COUNCIL
MEETING OF MAY 1, 2013**

By roll call vote (5 ayes), the City Council approved the minutes of the regular City Council meeting of May 1, 2013.

(Cacciotti, Khubesrian)

**APPROVAL OF PREPAID
WARRANTS IN THE
AMOUNT OF \$296,572.43
GENERAL CITY
WARRANTS IN THE
AMOUNT OF \$508,898.75
AND PAYROLL IN THE
AMOUNT OF \$398,144.92**

Mayor Schneider asked about an item on Page 68 of the Warrants entitled "Dudek," in the amount \$40,380 for the State Revolving Loan Fund Assistance. City Manager Gonzalez explained that in order to borrow money from the State to repair the entire sewer system, the City needs to complete an environmental study. He said that Dudek is the engineering firm that will assist the City through the application process to secure the funds. He said the loan proceeds will cover this cost. Public Works Director Toor confirmed this and made additional remarks.

By roll call vote (5 ayes), the City Council approved Prepaid Warrants #178106-178168, in the amount of \$296,572.43; General City Warrants #178169-178341 in the amount of \$508,898.75; and payroll 05-10-13 in the amount of \$398,144.92, for a total of \$1,203,616.10. Sitting as the Successor Agency to the Community Redevelopment Agency, the City Council approved Redevelopment Successor Agency warrants for \$14,799.61 (included in above total).

(Joe, Khubesrian)

**SECOND READING AND
ADOPTION OF
ORDINANCE NO. 2245
TO AMEND THE SOUTH
PASADENA MUNICIPAL
CODE TO CHANGE THE
POSITION OF THE
ELECTED CITY CLERK
FROM A FULL-TIME
SALARIED POSITION TO A
PART-TIME, STIPEND-**

In regard to the proposal to change the position of the Elected City Clerk from a full-time, salaried position to a part-time, stipend-compensated position, Tony Catenacci, no address stated, said that the authority of the City Council comes from the State of California under Government Code Section 36501, the same code section that creates the Office of the City Clerk. He discussed the powers and duties of the City Clerk. He expressed concern regarding the reconfiguration of the City Clerk's Office. He stated the ordinance could be adopted but not enforced

COMPENSATED POSITION AND ADOPTION OF RESOLUTION NO. 7289 SETTING THE MONTHLY STIPEND FOR THE PART-TIME CITY CLERK

because it is not provided for under State law. He stated a qualified person needs to remain in the City Clerk's Office.

City Attorney Adams responded that the City Council is setting the stipend for the position of City Clerk. He stated this action needs to take place prior to the next election because it always takes effect after the next election.

By roll call vote (4 ayes; 1 no, Mayor Schneider), the City Council read by title only for second reading, waiving further reading, and adopted Ordinance No. 2245, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 2.7 (SALARIES) AND SECTION 2.11 (POWERS AND DUTIES OF THE CITY CLERK) OF ARTICLE II (OFFICERS AND EMPLOYEES GENERALLY) OF CHAPTER 2 (ADMINISTRATION) OF THE SOUTH PASADENA MUNICIPAL CODE, TO CHANGE THE POSITION OF THE ELECTED CITY CLERK FROM A FULL-TIME SALARIED POSITION TO A PART-TIME, STIPEND-COMPENSATED POSITION; and adopted Resolution No. 7289, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, SETTING THE STIPEND FOR THE ELECTED CITY CLERK IN THE CITY OF SOUTH PASADENA, TO TAKE EFFECT COMMENCING WITH THE TERM OF THE CITY CLERK THAT BEGINS AFTER THE GENERAL MUNICIPAL ELECTION OF NOVEMBER 5, 2013.

(Putnam, Joe)

SECOND READING AND ADOPTION OF ORDINANCE NO. 2246 TO AMEND THE SOUTH PASADENA MUNICIPAL CODE REGARDING SECOND UNIT REGULATIONS TO COMPLY WITH STATE LAW (AB 1866)

In regard to the proposed ordinance regarding second unit regulations, Mayor Schneider indicated that the City would be changing the requirement from a Conditional Use Permit to one permitted by right. He stated the remainder of the ordinance would remain in effect and read sections from the ordinance. He stated the ordinance still protects the City from overdevelopment and is needed.

By roll call vote (5 ayes), the City Council read by

title only for second reading, waiving further reading, and adopted Ordinance No. 2246, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AMENDING SECTION 36.220.030, SECTION 36.350.200, 36.400.020, AND SECTION 36.410.040 OF THE SOUTH PASADENA MUNICIPAL CODE ALLOWING SECOND DWELLING UNITS BY-RIGHT WITHIN RESIDENTIAL ESTATE (RE), RESIDENTIAL SINGLE FAMILY (RS), AND RESIDENTIAL MEDIUM DENSITY (RM) ZONING DISTRICTS PURSUANT TO GOVERNMENT CODE SECTION 65852.2.

(Cacciotti, Joe)

**AWARD OF CONTRACT TO
E.C. CONSTRUCTION
COMPANY IN THE
AMOUNT OF \$46,927 FOR
THE ARROYO PARK
PLAYGROUND
IMPROVEMENT PROJECT**

By roll call vote (5 ayes), the City Council accepted a bid dated April 30, 2013, from E.C. Construction Company for the Arroyo Park Playground Improvement Project; rejected all other bids received; approved an appropriation in the amount of \$17,500 from the Park Impact Fee account to account 275-6010-6410-8520 to fund this project; and authorized the City Manager to enter into a contract with E.C. Construction Company for a not-to-exceed amount of \$46,927.

(Cacciotti, Khubesrian)

**MONTHLY INVESTMENT
REPORTS FOR MARCH 2013**

By roll call vote (5 ayes), the City Council, and the City Council seated as the Successor Agency to the Community Redevelopment Agency and the Public Financing Authority, received and filed the monthly investment reports for March 2013.

(Cacciotti, Khubesrian)

**PUBLIC COMMENT
Hanscom Drive road repair**

Paul Yrisarri, 1817 Hanscom Drive, provided a chronology of what he described as the deteriorating condition of Hanscom Drive. He stated that he provided the City Council and staff with photographs on a CD of these conditions. He urged the City Council to address his concerns about the street.

REORDERING OF AGENDA

Councilmember Cacciotti asked that Item #17 be heard next. Mayor Schneider said that without objection, this was so ordered.

**DONATION OF
DISCRETIONARY FUNDS
TO SUPPORT THE
MARENGO ELEMENTARY
SCHOOL DESTINATION
IMAGINATION TEAM'S
PARTICIPATION IN THE
GLOBAL FINALS IN
TENNESSEE**

City Manager Gonzalez presented the staff report on the proposed donation of discretionary funds to support the Marengo Elementary School Destination Imagination Team's participation in the program's Global Finals in Tennessee. He responded to questions.

Dominic Marziali, no address stated, read a letter from Kim Sinclair, Principal, Marengo Elementary School, supporting the program and the donation. He described the Destination Imagination program further.

Vivian Lu, Team Manager, Destination Imagination, Marengo Elementary School, said the group has earned a chance to represent South Pasadena at the upcoming Global Final Competition in Knoxville, Tennessee. She thanked Community Services Director Pautsch for providing promotional items for the team. She provided an update on the fundraising efforts and responded to questions. Councilmember Cacciotti asked how the community could personally support this event, and she responded. She said the students would be fundraising at the upcoming "Movie in the Park" event held at Garfield Park. She and Community Services Director Pautsch provided information about making personal donations.

City Attorney Adams responded to a question as to whether this type of donation from the City would constitute a gift of public funds. City Attorney Adams stated the law indicates that donations can be made if they serve a public purpose. There was a consensus among the Councilmembers that a donation from the City would not constitute a sufficient public purpose. They expressed intentions to make personal donations and encouraged the community to donate.

**PUBLIC HEARING
ADOPTION OF
RESOLUTION NO. 7290 FOR
ESTABLISHMENT OF RULE
20A UNDERGROUND
UTILITY DISTRICT IN
GARFIELD PARK**

Public Works Director Toor presented the report on the proposed Rule 20A Underground Utility District (District) in Garfield Park. He stated if the District is approved, Southern California Edison (Edison) will begin working on the design of the project, which will take between 12 to 18 months to complete. The total project will take 3 to 5 years to complete, he said. The City would then be able to utilize the area

for parking, he said. The City Council will approve a layout at a later date, prior to construction, he said. He responded to questions. City Manager Gonzalez added to the description of the project and responded to questions.

Councilmember Putnam suggested that the Parks and Recreation Commission review the project. City Manager Gonzalez concurred and said the Parks and Recreation Commission's recommendations would be brought back to the City Council.

Carl Marziali, no address stated, said that in 2008, an Edison transformer issue on Stratford Avenue was resolved by the City Council. He urged the City Council to find a public use for the Edison segment between Mission Street and Oxley Street. He urged the City Council to do what it could to move the project along.

City Manager Gonzalez said that the City would work with Edison on whether a public use could be identified for this additional segment. To date, he said, Edison has determined that it does not qualify for Rule 20A funds.

Councilmember Cacciotti expressed concern about the possibility of overcrowding due to increased parking. He recommended limiting the parking. He suggested the incorporation of a bicycle path. Mayor Pro Tem Khubesrian stated a needs assessment could be conducted in the area.

By roll call vote (5 ayes), the City Council adopted Resolution No. 7290, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, ESTABLISHING AN UNDERGROUND UTILITY DISTRICT IN GARFIELD PARK FROM MISSION STREET TO GREVELIA STREET, ALONG PARK AVENUE.

(Cacciotti, Joe)

**AUTHORIZE A TRANSFER
OF \$507,298.61 FROM
GENERAL FUND RESERVES
TO FUNDS 201 AND 204 FOR**

City Manager Gonzalez presented the staff report on the proposed transfer of funds for the completed Fair Oaks Corridor and Mission Street Pedestrian Improvement Projects. He said there was a need to

**THE PREVIOUSLY
APPROVED FAIR OAKS
CORRIDOR AND MISSION
STREET PEDESTRIAN
IMPROVEMENT PROJECTS
AND AUDITOR'S ENTRIES**

close out the negative fund balance to ensure a positive audit report. He responded to questions. Acting Finance Director Batt clarified that all monies have been paid and all reimbursements have been received for the projects. He, City Attorney Adams, Grants Analyst Perkosky, and City Manager Gonzalez responded to additional questions, and discussion continued.

By roll call vote (5 ayes), the City Council authorized a transfer of \$507,298.61 from General Fund Reserves to Funds 201 and 204 for the previously approved Fair Oaks Corridor and Mission Street Pedestrian Improvement Projects and auditor's entries.

(Khubesrian, Cacciotti)

**DIRECTION REGARDING
SEVERAL COMPONENTS
OF THE PROPOSED FISCAL
YEAR 2013-14 CITY
BUDGET**

City Manager Gonzalez presented the staff report on the proposed FY 2013-14 budget. He commended the City Council for achieving a balanced budget and a surplus of approximately 50 percent. He narrated a PowerPoint presentation featuring reserve funds; the proposed budget and anticipated shortfall; the reserve policy; the four proposed street improvement projects; the additional street projects for funding consideration; the reserve level if all projects are funded; 11 proposed capital outlay projects; 15 supplemental requests; proposed staffing and total full-time positions; and other funding requests for FY 2013-14. He said he is seeking City Council policy direction on the reserve level, capital improvement (streets) program, proposed capital outlay, supplemental requests, and proposed staff changes. He responded to questions.

City Manager Gonzalez and department heads responded to questions about the proposed street improvement projects; the supplemental request for replacement of a War Memorial Building door and dance floor; the Mission Meridian Village Parking Management Plan; proposed improvements to the Council Chambers; the uninsured loss reserve; the request to replace bleachers at Arroyo Park; the Community Services Department Compressed Natural Gas (CNG) transit vehicle, fuel savings and the purchase of additional alternative fuel vehicles; the

City's sidewalk improvement program; the pavement management system and the need to develop a comprehensive street inventory; tree trimming; claims; the use of Community Development Block Grant (CDBG) funds for accessibility and senior meals; the increase in both full-time and part-time staff; and other topics.

Lisa Pendleton, no address stated, cautioned against making alterations to the City Council Chambers. She said this is the City Council's home, and that this appears to "put the cart before the horse," to have a budgeted line item to make physical changes to the room based on a staff-assessed need.

Extensive discussion followed. In regard to proposed changes in part-time staffing, there appeared to be some consensus for staff to return with a re-evaluation of individual part-time positions that are essential to the organization. Mayor Pro Tem Khubesrian requested a review of legal expenses, with the intent to develop a more cost-effective approach. By consensus, additional City Council suggestions were incorporated into staff direction for the final proposed budget.

By consensus, the City Council approved the following four street improvement projects: Hanscom Drive (Hill Drive to South Illinois Drive); for an estimated \$1,390,000; Hawthorne Street (Pasadena Avenue to Indiana Avenue) for an estimated \$442,000; Mission Street (Montrose Avenue to eastern City limit) for an estimated \$172,000; and San Pasqual Avenue (Stoney Drive to the City limit) for an estimated \$258,000—for a total of \$2,262,000.

After further discussion, the City Council approved adding \$1,273,000 million worth of additional street projects to the FY 2013-14 budget: Foothill Street (Meridian Avenue to Fremont Avenue) for an estimated cost of \$414,000; Hawthorne Street (Indiana Avenue to Orange Grove Avenue) for an estimated \$658,000; and Orange Grove Avenue (Monterey Road to south cul-de-sac) for an estimated cost of \$201,000.

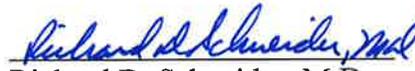
Summarizing City Council direction on budget changes, City Manager Gonzalez said that the proposed budget will be revised to include the following changes: increase of the Arroyo Golf Course Facility Reserve Fund from \$200,000 to \$500,000 and changing its name to the Arroyo Golf Course Facility and Bicycle Pedestrian Path Reserve Fund; increase of the Legal Reserve Fund by \$125,000 from \$255,000 to \$380,000, with the goal to increase the fund to \$500,000 in two years; increase of the Energy Reserve Fund by \$50,000 for a total of \$300,000; transfer of the Uninsured Loss Reserve Fund of \$401,000 to the Community Center/Public Works Yard Reserve Fund for a total of \$451,000; increase of the budget for trees and sidewalk repair, including accessibility, while maintaining the Community Development Block Grant Program, to \$211,000. The City Council determined that the final budget should achieve a goal of 42.5 percent in reserves or \$9,419,000. The City Council understood that in accord with its decision tonight regarding the Fair Oaks Corridor and Mission Street Pedestrian Improvement Projects, \$166,000 would be subtracted from the budget reserves. The City Council reached consensus not to commit the proposed \$50,000 for the Mission Meridian Village Parking Management Study until the proposal could be studied further. It was understood that no funds were included for the items listed in the category of "Other Items to Consider Funding," e.g., the General Plan Update and the shortfall for the SR-110/Fair Oaks Project. However, City Manager Gonzalez noted that these items would be brought back to the City Council. The City Manager was directed to make the changes directed by the City Council and to bring back the revised proposed budget at the June 5, 2013, regular City Council Meeting.

ADJOURNMENT

By consensus, the City Council adjourned the regular City Council/Redevelopment Successor Agency/Public Financing Authority meeting at 11:57 p.m.

(Khubesrian, Cacciotti)


Sally Kilby
City Clerk


Richard D. Schneider, M.D.
Mayor