



**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL/REDEVELOPMENT SUCCESSOR AGENCY
PUBLIC FINANCING AUTHORITY/HOUSING AUTHORITY
OF THE CITY OF SOUTH PASADENA CONVENED
THIS 2ND DAY OF JULY 2014, AT 7:30 P.M.
AMEDEE O. "DICK" RICHARDS, JR., COUNCIL CHAMBERS
1424 MISSION STREET**

ROLL CALL

Mayor Khubesrian convened the Regular Meeting of the South Pasadena City Council/Redevelopment Successor Agency (Agency)/Public Financing Authority (Authority)/Housing Authority (Authority) at 7:41 p.m.

Chief Deputy City Clerk Hall called the roll. Present were City Councilmembers/Agency/Authority Members Cacciotti, Mahmud, and Schneider; and Mayor Pro Tem/Agency/Authority Vice Chair Joe and Mayor/Agency/Authority Chair Khubesrian.

Absent: None.

Other Officials and Staff present: City Manager/Agency/Authority Executive Director Gonzalez; Assistant City Attorney/Agency/Authority Counsel Adams; Police Chief Miller; Deputy Fire Chief Riddle; Finance Director Batt; Public Works Director Toor; Planning and Building Director Watkins; Community Services Director Pautsch; City Librarian Fjeldsted; Principal Management Analyst Lin, and Chief Deputy City Clerk Hall.

INVOCATION

Councilmember Mahmud presented the invocation.

PLEDGE OF ALLEGIANCE

Zachary Dunn and Clement Witherall, Valedictorians, South Pasadena High School, led the Pledge of Allegiance.

Alison Farrar and Jason Wang, Valedictorians, South Pasadena High School, were unable to attend.

1. CLOSED SESSION ANNOUNCEMENTS

City Attorney Adams reported that at approximately 6:30 p.m., Mayor Khubesrian called to order the Closed Session Meeting of the City Council of July 2, 2014. He stated all Councilmembers were present. Councilmember Cacciotti arrived at approximately 6:56 p.m. City Attorney Adams indicated there was one member of the public, Christopher Sutton, who spoke regarding Closed Session Agenda Item No. 5. He stated Mayor Khubesrian recessed the meeting into Closed Session to discuss the following items as listed on the Closed Session Agenda: 3) Personnel Item, Pursuant to Government Code Section 54957, Public Employee Appointment, Title: City Attorney; 4) Conference with Real Property Negotiators, Pursuant to Government Code Section 54956.8, Property: 1503-1507 El Centro Street (APN 5315-003-903 & 5315-003-904); and Southwest corner of El Centro Street and Edison Lane (APN 5315-003-902), Authority Negotiators: City Manager Sergio Gonzalez and City Attorney Richard L. Adams II, Negotiating Parties: Stephen Godwin and Sally Smythe; Under Negotiation: Price and Terms of Lease; 5) Conference with Legal Counsel – Pending Litigation, Pursuant to Government Code Section 54956.9(d)(1), Name of case: City of South Pasadena et al. v. Federal Highway Administration: CA Department of Transportation et al. [United States District Court CV-98-6996]; and 6) Labor Negotiations, Pursuant to Government Code Section 54957.6, Conference with Labor Negotiators regarding labor negotiations with the Unrepresented Employee: City Manager; City negotiator: City Attorney Richard L. Adams II. City Attorney Adams announced there was no reportable action regarding Closed Session Agenda Item Nos. 3, 4, 5, and 6.

2. PRESENTATION OF A CERTIFICATE OF RECOGNITION TO HOPE PERELLO FOR BEING NAMED AS THE EMPOWERMENT AWARD RECIPIENT FOR THE 2014 WOMEN MEAN BUSINESS AWARDS

Mayor Khubesrian presented a Certificate of Recognition to Hope Perello for being named as the Empowerment Award Recipient for the 2014 Women Mean Business Awards.

3. COUNCILMEMBERS' COMMENTS (3 MINUTES EACH)

Mayor Pro Tem Joe announced the following events: 1) The Senior Center will be hosting a 4th of July Luncheon on July 3, 2014, at 11:45 a.m., with a performance by Matt Sidoti; and 2) The 2014 Summer Concert Series beginning July 6, 2014, with a performance by The Skinny Little Twits, and July 13, 2014, with a performance by The Wise Guys, at Garfield Park, and displayed a PowerPoint slide.

Councilmember Schneider announced the following: 1) The Adult Wind Symphony, Colburn School, will be performing outside the South Pasadena Public Library Community Room and Farmers' Market on July 3, 2014, at 5:30 p.m., and displayed a flyer; and 2) The South Pasadena Tournament of Roses Committee will be making their annual presentation on the 2015 Rose Parade Float and provide a summary of their activities at the July 16, 2014 City Council Meeting.

Councilmember Mahmud requested that the Mike Roos & Associates Incorporated agreement be agendaized for a future City Council meeting, seconded by Councilmember Cacciotti. She encouraged residents to attend the 710 Day in Alhambra event on July 10, 2014. Councilmember Mahmud attended the San Gabriel Valley Council of Governments' Energy, Environment, and Natural Resources (EENR) Committee Meeting on June 25, 2014, in which she was elected as Vice-Chair of the EENR Committee.

Councilmember Cacciotti displayed a PowerPoint presentation of photographs of Fair Oaks Avenue and Monterey Road, and a river rock meadow at Encanto Parkway in Duarte. Councilmember Cacciotti announced two events on July 20, 2014, at Garfield Park: 1) Green Living Expo from 2:00 p.m. to 7:00 p.m.; and 2) Greenest Fastest Mile Run at 3:00 p.m.; and displayed a flyer. He requested that Caltrans' Freight Mobility Plan be agendaized for the July 16, 2014, City Council Meeting and indicated that public comments were due on July 31, 2014, seconded by Councilmember Mahmud.

Mayor Khubesrian reported that she and City Manager Gonzalez were invited by Assemblymember Chris Holden of the 41st Assembly District to offer testimony regarding Assembly Bill 1147 Massage Therapy (AB 1147) in Sacramento. She provided an update on AB 1147. Mayor Khubesrian announced the 15th Annual Community Resource Fair & Block Party hosted by Assemblymember Holden on July 26, 2014, from 11:00 a.m. to 3:00 p.m., and displayed a PowerPoint slide. Mayor Khubesrian announced, as part of the City being named by Sunset Magazine as a "Best Place to Live in the West," that promotional items such as Frisbees and decals would be available for free to the public at City Hall, South Pasadena Senior Center, South Pasadena Recreation Office, Chamber of Commerce, and at South Pasadena City (City) events throughout the summer.

4. CITY MANAGER COMMUNICATIONS

City Manager Gonzalez introduced Community Services Director Pautsch, who displayed a PowerPoint slide for the "South Pasadena Community Center Needs Survey" and encouraged the community to participate in the survey.

City Manager Gonzalez announced the City's mass notification system "Connect South Pasadena" and displayed a PowerPoint slide.

City Manager Gonzalez introduced Public Works Director Toor, who provided an update on the Wilson Reservoir Replacement Project as part of a PowerPoint presentation and responded to Councilmembers' questions.

5. REORDERING OF AND ADDITIONS TO THE AGENDA

None.

CONSENT CALENDAR

Councilmember Schneider requested that Item No. 6 be removed from the Consent Calendar for separate consideration. Councilmember Cacciotti requested that Item No. 10 be removed from the Consent Calendar for separate consideration. Members of the public requested that Item No. 9 be removed from the Consent Calendar for separate consideration.

MOTION: M/S Cacciotti/Mahmud to approve Consent Calendar Item Nos. 7, 8, 11, and 12 and including Prepaid Warrants #183835-183943 in the amount of \$1,685,093.32, and Payroll 06-20-14 in the amount of \$409,571.50 totaling \$2,094,664.82; and seated as the Successor Agency to the Community Redevelopment Agency, approve Redevelopment Successor Agency warrants for \$8,662.15 (included in above total). By roll call vote, the motion passed unanimously. Absent: None.

The Consent Calendar consisted of the following items:

- 7. APPROVAL OF PREPAID WARRANTS IN THE AMOUNT OF \$1,685,093.32 AND PAYROLL IN THE AMOUNT OF \$409,571.50**
- 8. REQUEST TO CO-SPONSOR AND WAIVE ASSOCIATED CITY FEES FOR THE MOON FESTIVAL ON SEPTEMBER 13, 2014**
- 11. REJECTION OF ALL BIDS FOR 2014 MV-1 CNG PASSENGER VEHICLE**
- 12. AUTHORIZATION TO AMEND CONTRACT WITH DUDEK FOR ENGINEERING DESIGN SERVICES FOR THE CITYWIDE SEWER LINING AND REHABILITATION PROJECT**

ITEMS PULLED FROM THE CONSENT CALENDAR FOR SEPARATE CONSIDERATION

- 6. APPROVAL OF THE MINUTES OF THE REGULAR CITY COUNCIL MEETING OF JUNE 18, 2014, THE SPECIAL CITY COUNCIL MEETING OF JUNE 24, 2014, AND THE SPECIAL CITY COUNCIL MEETING OF JUNE 25, 2014**

Councilmember Schneider requested that South Pasadena Resident Glen Eddy's public comment on page 17 of the Regular City Council Meeting Minutes of June 18, 2014 be revised to reflect that the Monterey Road Citizens' Design Advisory Ad Hoc Committee did not reach a consensus regarding the road diet option.

MOTION: M/S Schneider/Joe to approve the Minutes of the Regular City Council Meeting of June 18, 2014, with the aforementioned revision, the Special City Council Meeting of June 24, 2014, and the Special City Council Meeting of June 25, 2014. By roll call vote, the motion passed unanimously. Absent: None.

9. REQUEST TO CO-SPONSOR AND WAIVE ASSOCIATED CITY FEES FOR THE VECINOS Y AMIGOS CAREER AND ART FAIR ON SEPTEMBER 14, 2014

Mayor Khubesrian opened the Public Comments section.

The following persons spoke in support of the proposed request to co-sponsor the event and waive the associated City fees for the Vecinos y Amigos Career and Art Fair:

Judith Harris, South Pasadena Resident
Lupe Trevizo-Reinoso, South Pasadena Resident
Imelda Nava, South Pasadena Resident
Olga Aguilar, South Pasadena Resident

There being no additional speakers, Mayor Khubesrian closed the Public Comments section.

MOTION: M/S Khubesrian/Cacciotti to approve the following: 1) Co-sponsor the Vecinos y Amigos Career and Art Fair on September 14, 2014, organized by the Vecinos de South Pasadena; and 2) Waive the associated City fees in the amount of \$828. By roll call vote, the motion passed unanimously. Absent: None.

10. APPROVAL OF A FEE REDUCTION REQUEST FOR THE USE OF THE ORANGE GROVE RECREATION CENTER BY "THE PLACE" TEEN CENTER

In response to Councilmember Cacciotti's question, Community Services Director Pautsch explained staff's concerns related to supervision and public perception, and how the concerns were addressed by the "The Place" Teen Center.

MOTION: M/S Cacciotti/Mahmud to approve a fee reduction request by "The Place" Teen Center for the use of the Orange Grove Recreation Center. By roll call vote, the motion passed unanimously. Absent: None.

PUBLIC COMMENTS

Mayor Khubesian opened the Public Comments section.

Sam Burgess, South Pasadena Resident, spoke regarding the sale of Caltrans' property along the SR-710 Route and indicated that public comments were being accepted by Caltrans. He read comments from a tenants' association letter regarding the terms of sale for the Caltrans properties.

Scott Feldmann, President, South Pasadena Chamber of Commerce, announced the Arts Crawl event on July 19, 2014, from 5:00 p.m. to 9:00 p.m.

Vicky Kirkwood, South Pasadena Resident, commented on the City's ban on plastic bags. She indicated she reuses plastic bags.

There being no additional speakers, Mayor Khubesian closed the Public Comments section.

PUBLIC HEARING

13. ADOPTION OF RESOLUTION NO. 7359 CONFIRMING AN ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR THE LIGHTING AND LANDSCAPING MAINTENANCE DISTRICT (LLMD) FOR FY 2014-15

Public Works Director Toor provided the staff report as part of a PowerPoint presentation and responded to Councilmembers' questions.

Mayor Khubesian opened the Public Hearing.

There being no speakers, Mayor Khubesian closed the Public Hearing.

In response to Councilmember Schneider's question, Public Works Director Toor explained that it would take a ballot measure process to create an annual pass through for increased costs. Public Works Director Toor stated the current impact was very minimal and it would take a significant amount of time to prepare. He indicated that a majority of cities subsidize assessments from their general fund.

Councilmember Mahmud questioned the discrepancy between the assessment and the amount the City is subsidizing. She stated it might be cost effective for the City to consider a Proposition 218 process if a more practical estimate of the cost of sidewalk repairs was identified.

MOTION: M/S Cacciotti/Mahmud to adopt **RESOLUTION NO. 7359** confirming the Fiscal Year 2014-15 Annual Levy and Collection of Assessments for the Lighting and Landscaping Maintenance District pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California. By roll call vote, the motion passed unanimously. Absent: None.

ACTION/DISCUSSION

14. CONSIDERATION TO ADOPT WATER AND SEWER CAPACITY CHARGES, AND CONSIDERATION TO SERVE PROPERTIES OUTSIDE CITY LIMITS

Public Works Director Toor provided the staff report as part of a PowerPoint presentation and responded to Councilmembers' questions.

Mayor Khubesian opened the Public Comments section.

Loren Adams, Senior Vice President, Operations/Development, Intracorp Real Estate Development (Intracorp), indicated that Intracorp is under contract to purchase the Abbotts Lab site at 820 Mission Street, and a comment letter was submitted to the City Council. Senior Vice President Adams indicated concern that the project was approved for development several years ago before the impact fee was being imposed. He indicated Intracorp did not have the opportunity to assess the impact and cost benefit analysis of the impact fee. He stated Intracorp researched fees that needed to be paid as part of the project planning and that the proposed impact fee could amount to \$200,000 to \$400,000 that was not accounted for. He suggested the impact fees be listed by category instead of project specific, and that the proposed impact fees were high.

Councilmember Cacciotti asked Senior Vice President Adams what was his estimate of the impact fee cost if it was approved today.

Senior Vice President Adams estimated the cost would be \$400,000.

Public Works Director Toor clarified that staff was not requesting that specific impact fees be approved today. He stated staff was seeking direction on collecting the capacity charges. He explained that staff would review all developments in progress and future developments in order to make proper accommodations for those developments which are already committed.

Councilmember Mahmud asked Senior Vice President Adams what was the median home sales cost of the development.

Senior Vice President Adams indicated the median home sales cost was between \$700,000 and \$1,000,000.

Carrie Adrian, Chair, Finance Committee (FC), stated the FC discussed impact fees and recommended that the City Council consider adopting impact fees.

Mayor Khubesian closed the Public Comments section.

In response to Mayor Pro Tem Joe's question, Public Works Director Toor stated the impact fees collected would be above and beyond the fees collected by the Sanitation Districts of Los Angeles County.

In response to Councilmember Mahmud's inquiry, Public Works Director Toor confirmed that the impact fees would apply to commercial and residential applications for connection to the water and sewer systems.

In response to Councilmember Mahmud's question, City Attorney Adams expressed concerns that the different fees being calculated based on different assumptions could be considered discriminatory and open to a legal challenge. He indicated that he was aware that other cities follow this policy; however, he was not comfortable with it.

Councilmember Schneider asked where the City was going to get the extra water to serve new developments.

Public Works Director Toor explained the water approval process for new developments. He stated when projects are approved, the City has to ensure that water is available from the watermaster. He indicated the City Council has the right to deny water service at any time.

Mayor Khubesian indicated support of impact fees and requested that rate options for the City, and comparable fees from surrounding cities, be brought back to City Council for consideration.

Councilmember Mahmud concurred with Mayor Khubesian's comment.

Discussion followed among the City Council and staff regarding consideration to serve properties outside City limits, proposed capacity charges, and water usage authorization.

In response to Mayor Khubesian's question, Planning and Building Director Watkins stated that Intracorp filed for a plan check approximately one week ago, which begins the process of reviewing plans for building code compliance. He explained the review process would take a few months and that upon approval, Intracorp could possibly pull a permit by the end of the year.

MOTION: M/S Mahmud/Khubesrian to direct staff to develop proposed water and sewer capacity charges and impact fees, and provide additional impact fee information from comparable cities. By roll call vote, the motion passed unanimously. Absent: None.

MOTION: M/S Cacciotti/Khubesrian to approve new water and sewer service to properties outside City limits, on a case by case basis, dependent on current drought and water conditions in the City. By roll call vote, the motion passed unanimously. Absent: None.

15. ADOPTION OF RESOLUTION NO. 7360 ESTABLISHING A LIST OF PROTECTED NATIVE TREES, ADDING DROUGHT TOLERANT TREES AND RESCINDING RESOLUTION NO. 6509

Public Works Director Toor provided the staff report as part of a PowerPoint presentation and responded to Councilmembers' questions.

Mayor Khubesrian opened the Public Comments section.

There being no speakers, Mayor Khubesrian closed the Public Comments section.

MOTION: M/S Cacciotti/Mahmud to adopt **RESOLUTION NO. 7360** establishing a list of protected native and drought tolerant trees and rescind Resolution No. 6509. By roll call vote, the motion passed unanimously. Absent: None.

16. AUTHORIZE THE CITY MANAGER TO EXECUTE FOUR PROFESSIONAL SERVICES AGREEMENTS ON BEHALF OF THE "5-CITIES ALLIANCE" FOR CONSULTING SERVICES FOR THE SR-710 NORTH STUDY AND ALLOCATE AN ADDITIONAL \$5,000 FOR INDIVIDUAL IN-PERSON MEETINGS WITH CITY COUNCIL AND STAFF

City Manager Gonzalez provided a summary of the staff report and responded to Councilmembers' questions.

Mayor Khubesrian opened the Public Comments section.

Sam Burgess, South Pasadena Resident, questioned what the additional \$5,000 for individual in-person meetings was for. He indicated that City Manager Gonzalez provided the answer in his presentation.

There being no additional speakers, Mayor Khubesrian closed the Public Comments section.

It was suggested by Councilmember Mahmud that the City Council consider amending the agreements and offered the following recommendations: 1) Include a recital reflecting that the City is the fiduciary agent for the 5-Cities Alliance (Alliance) and indicate that the City is entering into these agreements; 2) Include billing method for consultant work that is done individually with any of the Alliance cities; 3) Include provision that specifically allows for consultant to enter into side agreements with other cities; 4) Revise the scopes of work of all agreements to align with the current draft SR-710 Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) release date; 5) Utilize standard boilerplate agreement for Shute, Mihaly & Weinberger LLP instead of the retainer agreement.

In response to Mayor Khubesrian's question regarding the retainer agreement for Shute, Mihaly & Weinberger LLP, City Attorney Adams clarified that the City has a standard retainer agreement for special counsel that has all the standard boilerplate terms that Councilmember Mahmud discussed. He explained that the City has retained special counsel, such as Liebert Cassidy Whitmore, with this type of retainer agreement that is attached in the report. He indicated the retainer agreement was chosen; however, the standard agreement can be used.

In response to Mayor Pro Tem Joe's inquiry, City Manager Gonzalez advised that there is no urgency for the approval of the agreements as the draft SR-710 EIR/EIS was set to be released in February of 2015. He indicated that the City, as the fiduciary agent, could take the lead to revise the agreements and anticipated that the Alliance would be understanding.

Councilmember Cacciotti recommended proceeding forward with a specific stand on an alternative. He would like to approve a transportation agreement with Nelson/Nygaard Consulting Associates, Inc. to start work soon as it will take time to complete preliminary work.

Councilmember Mahmud concurred with Councilmember Cacciotti's recommendation; however, she advised that the agreement, with the existing scope of work, would authorize Nelson/Nygaard Consulting Associates, Inc. to begin work when the draft SR-710 EIR/EIS is prepared.

Discussion followed among the City Council and staff regarding the existing scopes of work as written in the agreements, release and timing of the draft SR-710 EIR/EIS, and discussion with the Alliance to receive approval of the Nelson/Nygaard Consulting Associates, Inc. agreement to be proactive.

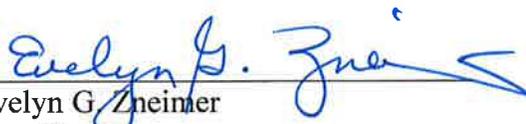
Councilmember Cacciotti presented a YouTube video entitled "The Buses of Bogota, Columbia."

City Manager Gonzalez summarized City Council's recommended course of action as follows: 1) Revise scopes of work and add standard boilerplate language for all agreements, and bring back for City Council approval, upon confirmation of the revisions with the Alliance; and 2) Enter into a separate City agreement with Nelson/Nygaard Consulting Associates, Inc. immediately to begin preliminary transportation work on a preferred alternative, such as a light rail, and bring back for City Council approval.

MOTION: M/S Joe/Mahmud to direct staff to enter into an agreement with Nelson/Nygaard Consulting Associates, Inc. to develop a scope of work, cost estimate, and recommend a preliminary preferred alternative, for City Council approval. By roll call vote, the motion passed unanimously. Absent: None.

ADJOURNMENT

Mayor Khubesrian adjourned the Regular Meeting of the South Pasadena City Council/Redevelopment Successor Agency/Public Financing Authority/ Housing Authority at 10:08 p.m.



Evelyn G. Zheimer
City Clerk



Marina Khubesrian, M.D.
Mayor

Minutes approved by the South Pasadena City Council on July 16, 2014.