Agenda
Regular Meeting of the Sierra Madre City Council,
Successor Agency and Public Finance Authority
Tuesday, November 24, 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 the Closed Session. The City Council returned from Closed Session at 6:43 p.m. and the Mayor opened the Open Session at 6:45 p.m. City Clerk, Nancy Sue Shollenberger, read the Roll, noting that all 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, Director of Library Services
Captain Joe Ortiz, Sierra Madre Police Department
Larry Giannone, Safety Director and Police Chief
James Carlson, Management Analyst
Stave Heydorff, Fire Chief
Nancy Sue Shollenberger, City Clerk

PLEDGE OF ALLEGIANCE AND INVOCATION/INSPIRATION:

Mayor, John Capoccia, led the Pledge of Allegiance and followed with this prayer:

> Dear God in Heaven:
> As we are approaching that uniquely American holiday, Thanksgiving, let us all thank you for the many blessings you have bestowed on Sierra Madre. We are all truly blessed to be living in such a wonderful, scenic, family-oriented town that's endowed with great beauty, a rich heritage, dedicated public servants and a community atmosphere.
> I believe I speak for my colleagues as well as myself when I give thanks for the opportunity to serve our citizens as a member of this City Council. It is truly a blessing, and a privilege.
> I pray that we always serve our citizens in a way that brings us together to do what's right for the community – to listen carefully to the thoughts and opinions that are expressed to us, evaluate the wishes and need of our citizens as a whole, carefully consider alternatives so that we can make the right call to ensure that our town remains the pride of its citizens for generations to come.
> In the name of God we pray,
>
> Amen.

REPORT OUT FROM CLOSED SESSION:

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

Conference with Labor Negotiator
Pursuant to Calif. Government Code Section 54957.6
City Negotiators: City Manager Elaine Aguilar and Human Resources Analyst Miguel Hernandez.
Employee Organization: Police Association

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

APPROVAL OF AGENDA:

City Manager, Elaine Aguilar, asked that Item 1e) under the Consent Calendar be pulled and agendized at the December 8, 2015 Regular City Council Meeting.

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

APPROVAL OF MINUTES OF NOVEMBER 10, 2015:

Council Member, Rachelle Arizmendi moved and it was seconded by Council Member, John Harabedian for approval of the Minutes of November 10, 2015 as presented. The motion passed by unanimous voice vote of the City Council.

MAYOR AND CITY COUNCIL REPORTS:

1). Council Member, John Harabedian, wished everyone a Happy Thanksgiving and asked that they stay safe and warm.

2). Council Member, Denise Delmar announced that Saturday was the Shopping Day with the Winter Festival in town. Please come and support the businesses. The Mayor enjoyed being Master of Ceremonies at a Dog Contest, with Council Member Arizmendi and I attending. Thanks everyone for coming out.

3). Mayor Pro Tem, Gene Goss, also wished everyone a Happy Thanksgiving.

4). Council Member, Rachelle Arizmendi, thanked all the Veterans for being here this evening and also wished everyone a Happy Thanksgiving. She announced the Winter Festival and hoped that everyone would support the businesses in town. She thanked the Sierra Madre Woman's Club for another wonderful Prayer Breakfast. There was filming in town. The Dog Whisperer, Caesar Millan was in town and there will be a special public showing in March, 2016. The Mayor and I worked on a 6% budget and we will discuss more later.

5). Mayor, John Capoccia announced that he went to Sacramento with the 710 Coalition Members. It was a really good session. Governor Brown did such a good job and is such a good quality person.

PUBLIC COMMENT – None

PRESENTATION:

Proclamation in Recognition of Arbor Day. The Mayor presented a Certificate of Recognition to Caroline Brown in recognition of Arbor Day. Ms. Brown announced that she was glad the City has the status as "Tree USA". Due to the drought, we will declare a City Tree as "Arbor Day Tree".

PRESENTATION:

Brue Inman, Director of Public Works, updated everyone regarding the water conservation and the City's Water Quality Report.

June 2015	State reported Conservation at 33.0%
Cumulative June-July Conservation:	28.57%
Cumulative June, July & August	24.8%
June thru Sept. Conservation:	23.0%
June thru October Conservation:	22.5%
June-November Conservation:	17.0%
October Water Billing:	$23,494 in over-use penalties assessed
November Water Billing:	$35,995 in over-use penalties assessed
Compliance? Since July 1:	
Notices of Violation Issued:	68
Citations Issued:	13
Well 5 – Aquifer Level Status:	
October 9, 2013	335.6 Above Mean Sea Level
November 216, 2015	379.0 Above Mean Sea Level

Council Member, John Harabedian asked why the Well 5 is going down, we aren't using our wells.

Mr. Inman noted that there is no water going in because of drought and neighbors are using water.

Mayor, John Capoccia, noted that the billing penalties went up – we are seeing more not meeting targets.

City Manager, Elaine Aguilar, remarked that the vast majority are repeat offenders. Some used more than their target all three billing periods. We have 65% repeats. We have a list of the major over-users. We will contact them.

Mayor, John Capoccia, asked the City Manager when the City Council would be discussing a "monthly billing"?

The City Manager said it will come back at the January 26, 2016 meeting. Maybe we can move it up.

Mayor Capoccia asked that staff return with some suggestions on how we get into compliance. We can't ignore this, otherwise we will be fined.

Council Member, Denise Delmar, questioned the production levels – we are using less water, but the conservation level goes down.

The City Manager remarked that it is based on production in 2013.

Mr. Inman noted that the monthly conservation – cumulative amount takes us back to June 2013.

Council Member, Denise Delmar, asked staff if they were working on the numbers she requested?

The City Manager stated, "yes".

ACTION ITEMS:

1. CONSENT CALENDAR

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

1a). WARRANTS:

Staff is recommending approval of Resolution No. 15-70 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS" and approval for payment of City Warrants in the aggregate amount of $215,904.37; Sierra Madre Library Warrants in aggregate amount of $2,649.00 and Payroll Transfer in the aggregate amount of $317,711.48 for the fiscal year ending June 30, 2016.

1b). RESOLUTION NO. 15-72: RESOLUTION OF THE CITY OF SIERRA MADRE APPROVING THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT PROPOSITION "A" FUNDING FOR FIFTH SUPERVISORIAL DISTRICT FOR THE ATHLETIC FIELDS AT SIERRA MADRE MIDDLE SCHOOL PROJECT.

The Safe Neighborhood Parks Proposition of 1996 through Supervisor Michael D. Antonovich's Office has provided a $50,000 grant to the City of Sierra Madre through the Fifth Supervisorial District Excess Funds.

In 1992 and 1996, Los Angeles County voters passed "The Safe Neighborhood Parks" Propositions, giving various municipalities and county youth agency funds to improve facilities or enhance programs. The bond acts provided cities with funding based upon a per parcel basis, specific projects, and grants. The Propositions provide $270 million for park improvement throughout Los Angeles County. The measure provides on-going operations and maintenance funds on an annual basis for these facilities as well. An Excess Grant Fund was created for each supervisorial district in the county to grant the interest of those bond funds to cities throughout the County of Los Angeles meeting the intent of the original proposition. The City of Sierra Madre is currently eligible to receive $50,000 in Excess Grant Funds through Supervisor Michael Antonovich's 5th District program.

Past projects in Sierra Madre funded through the proposition program have included the purchase of hundreds of acres of natural open space to be maintained as such in perpetuity, the rehabilitation of the Sierra Madre Elementary School Field, seismic retrofit of the Sierra Madre Senior Center/Hart Park House, the construction of the Youth Activity Center, improvements including interpretive signage in Bailey Canyon Park, Goldberg Park and most recently the landscaping project at City Hall.

Alternatives:

1. It is recommended that the City Council approve Resolution No. 15.72 accepting the grant funds by application for the SMMS Field Project.
2. The City Council can choose not to approve the grant application and provide further direction to staff.
3. The City Council may request additional information from staff regarding this project and the grant award.
4. The City Council may elect to deny receipt of the grant funds.

It is recommended the City Council approve Resolution No. 15-72 "RESOLUTION OF THE CITY OF SIERRA MADRE APPROVINGT THE APPLICATION FOR GRANT FUNDS FROM THE LOS ANGELES COUNTY REGIONAL PARK ANHD OPEN SPACE DISTRICT FOR FIFTH SUPERVISORIAL DISTRICT PROPOSITION A FUNDING FOR ATHLETIC FIELDS AT THE SIERRA MADRE MIDDLE SCHOOL AND APPROVES THE ADOPTION OF A YOUTH EMPLOYMENT PLAN".

Council Member, John Harabedian remarked that he received e-mails on the grant funds. These are supposed to go to public parks. If we accept $50,000 to Middle School Field, will it be open to the public? I will vote for it anyway. I can see buildings locked, but not the fields.

The City Manager noted that it is considered public parks scheduled for League play. It is locked for security and staffing issues. The City will be using the parks. Pasadena Unified will secure all gates now.

1c). <u>RESOLUTION NO. 15-74: APPROVAL OF THE UPDATED PUBLIC PARKS AND RECREATION CENTERS AND PROGRAM USE POLICIES</u>

Attached to the Agenda was the City Council's review and consideration of the updated Public Parks and Recreation Centers and Program Use Police. The Community Services Commission reviewed the changes at the Commission's October 29, 2015 meeting and is recommending the City Council approve the revision to the Public Parks and Recreation Centers and Program Use Policy.

Staff last presented an update to the department policies for programs and facilities in 2011. The Program Policy includes policies governing the City's recreation programs, special events, partnered programs and refund policy. The Public Parks and Recreation Centers Use Policy governs facility/park rental categories as well as conditions of use of facilities and parks.

Staff recommends that the City Council approve Resolution No. 15-74 "ADOPTION OF THE CITY OF SIERRA MADRE PUBLIC PARKS AND RECREATION CENTERS AND PROGRAM USE POLICIES".

The Mayor asked what was driving the policies?

Dani Cullens, Community Services Manager, remarked that the policies are constantly updated. We want a record of who comes into the parks. People use the picnic area and try to use the park as their own. We need a continual use agreement to open up timeframe to use the space. We had a request for three facilities per week.

The Mayor asked what needed done if we want it more?

Ms. Cullens noted that special occasions – it can be used quarterly. It guarantees a year's use. We will work with organizations. We need to have on file for the season.

1d). BANK RESOLUTION AND CERTIFICATE OF INCUMBENCY

Attached to the Agenda was the Bank Resolution and Certificate of Incumbency required to establish new bank accounts and implement new banking services.

At the November 10, 2015 meeting, City Council approved the Bank of the West banking services agreement and authorized staff to execute documents to secure banking services.

Resolution required to give the City Manager and the Finance Director the authority to enter into and manage investment and bank agreements, establish accounts, sign signature cards and execute other investment and bank related documents was attached to the Agenda. The Resolution also designates the authorized signers for city warrants and provides a certificate of incumbency.

It is recommended that the City Council approve Resolution No. 15-76 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AUTHORIZING CITY OFFICERS TO ACT ON BEHALF OF THE CITY TO EXECUTE INVESTMENT AND BANK ACCOUNT AGREEMENTS, SIGNATURE CARDS, AND OTHER RELATED DOCUMENTATION AND CERTIFICATE OF INCUMBENCY".

Item e). was pulled for discussion at the December 8, 2015 Regular City Council Meeting.

1f). MUNICIPAL CODE TEST AMENDMENT 15-03 (MCTA 15-03) – ORDINANCE NO. 1368 AMENDING CHAPTER 17.22 – SECOND UNITS

On November 10, 2015, the City council introduced for first regarding Ordinance No. 1368 amending Chapter 17.22 of the Sierra Madre Municipal Code pertaining to second units.

The City Council considered the amendments to Chapter 17.22 of the Municipal Code to revise various zoning standards related to Second Units, including the removal of the minimum allowable floor area of second units, and the reduction of the maximum height of single-story detached second units. The amendment also adds a side yard setback requirement for the secondary frontage of reverse corner lots, removes the requirement that new second units are only allowed on those residential lots that conform with all existing residential zoning standards, adds the requirement of a conditional use permit for the construction of a new second story unit, and adds a health and safety inspection requirement for the conversion of existing structures to second units.

The City Council did not make any modifications to the Municipal Code Test Amendments as proposed by staff.

Staff recommends that the City Council read by title only, pass second reading and adopt Ordinance No. 1358 "AN ORDINANCE OF THE CITY COUNCIL O FTHE CITY OF SIERRA MADRE AMENDING MUNICIPAL CODE CHAPTER 17.22 SECOND UNITS".

1g). COMPLETION OF CITY ACTIONS REGARDING TRAFFIC AND PARKING ON WINDSOR LANE

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

At the September 8th City Council meet5ing staff presented a report regarding proposed traffic and parking mitigation measures for Windsor Lane. The report was initiated by a petition received from the Windsor neighborhood requesting relief from speeding motorists and limited parking. A copy of that report was attached to the Agenda.

Following receipt of comments from the audience and Council discussion, staff was directed to notify the residents of the Windsor Lane neighborhood before taking any further action regarding that street. On September 10, a letter went out to all addresses in the Windsor neighborhood. The letter noted the proposal to relocate parking to the west side of the street and provided a ballot for residents to weigh in on the proposed parking modification.

Of the 14 addresses within the Windsor Lane neighborhood, 9 (64.3%) responded with votes against relocating the parking. The City's letter also resulted in staff receiving a second petition, signed by 12 residents of 8 of the neighborhood addresses. This second petition which was attached to the Agenda requested "that parking remain on the east (northbound) side of the street of Windsor Lane. Additionally, we request that no further surveys regarding parking and speeding issues on Windsor Lane are conducted." Six of the addressed represented on the first petition signed the second petition or voted against relocating the parking.

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

1h). LIBRARY FACILITY CONDITION ASSESSMENT

City Council approved an award of contract for a Library Facility Condition Assessment to Onyx Architects in the amount of $22,930 at the September 22, 2015 meeting. Attached to the Agenda was the final Assessment from Onyx Architects which identified improvements that can be made to the facility and estimated costs for making the recommended improvements. Staff recommends that Council receive and file this report.

Maintaining and upgrading the library facility is part of the Library Strategic Plan and the General Plan Update:

Library Strategic Plan 2014-2017 goal to:

- Provide a facility that is comfortable and welcoming, safe, energy efficient, accessible to all and well organized.

Library Section of General Plan 2015:

- Upgrading, expanding or replacing the 1955 building for current and future public services, including space for community meetings and library programs, and storage for local history collection.

The objective of this project was to identify improvements that can be made to the facility and provide estimated costs for making the recommended improvements. In addition, the assessment provides as potential expansion as an additive alternative. Once the assessment is completed, a Library Facilities Master Plan will be developed to prioritize projects and determine funding.

The Library Facility Master Plan Committee will next meet in early December to write the Facilities Master Plan. Project priorities and estimated costs for building upgrades will be incorporated in the Library Facility Master Plan which is expected to be completed in Spring 2016 and presented to the Trustees and Council. Project work is expected to begin in July 2016.

$22,930 from the Library Gift and Memorial Account was previously approved by Council to support the assessment and adequate funds are available. Gift & Memorial Balance: $94,115.71.

The Friends of the Sierra Madre Library approved $100,000 to begin to support library facility improvements at their July 2015 meeting.

There would be no impact to the Library General Fund at this time.

Staff is recommending that the City Council receive and file the Library Facilities Condition Assessment.

Mayor, John Capoccia, stated that we did a lot of work on this and now we are just receiving and filing.

The City Manager noted that the next step is the Facilities Master Plan and we will use this.
Mayor Capoccia stated that he would like a presentation on this – this is a big thing.

Council Member, Denise Delmar, remarked that she attended these meetings as the liaison. Most of it is ADA regulations. The report says it all.

Mayor Capoccia asked about structural concerns?

The City Manager noted that this will be addressed as Master Plan.

Mayor Capoccia noted that when the Facilities Master Plan comes back, we can discuss.

1i). REQUEST FOR MODIFIED LOS ANGELES COUNTY SHERIFF'S PHASE II MUNICIPAL LAW ENFORCEMENT SERVICES PROPOSAL.

At the November 10, 2015 City Council Meeting, direction was given to staff to move forward with a modified Phase II Study of the Sheriff's Contract Proposal. There is no cost for a modified Phase II Study. The County and Sheriff's Department have requested a Council Resolution and correspondence to the County Chief Executive Officer as well as Sheriff McDonnell. These documents are attached to this Agenda report.

At the October 27, 2015 City Council Meeting the Sheriff's Contract Proposal Committee presented to the City Council their final report on the proposals submitted by the Los Angeles County Sheriff's (LASD) to provide police services to the City of Sierra Madre. The City Council decided to proceed with a modified Phase II study. The modified Phase II study will evaluate the City's facilities and equipment, develop a modified staffing and deployment plan, better estimate the cost of city special events, and all other components of a Phase II study – EXCEPT for the Sierra Madre Police Department personnel component.

The next step to initiate the modified Phase II study is for the Council to approve a Resolution and authorize correspondence be sent to the County CEO Sachi Hamai and Sheriff McDonnell.

The modified Phase II Study is anticipated to take three to six months to complete.

There is no cost, other than direct Sierra Madre staff and overtime cost for completion of the modified Phase II study. The estimated overtime cost is $4,500 to $5,500 to assign the SMPD representative (PD Sergeant) to work with LASD for the six month period.

Staff recommends that the City Council authorize Resolution No./ 15-73 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE REQUESTING A MODIFIED PHASE II MUNICIPAL LAW ENFORCEME3NT SERVICES PROPOSAL FROM THE LOS ANHGELES COUNTY SHERIFF'S DEPARTMENT" and authorize the Mayor to sign the correspondence requesting the modified Phase II Study.

1j). RESOLUTION NO. 15-68 AMENDING THE CITY OF SIERRA MADRE CLASSIFICATION PLAN AND SALARY MATRIX TO ADD A POLICE RECRUIT TO THE NON-SWORN PUBLIC SAFETY CLASSIFICATION AND APPROVING THE EMPLOYMENT AGREEMENT FOR THE POLICE RECRUIT.

The City of Sierra Madre is continually looking to hire and retain quality employees in all departments, but most often in its public safety departments. Staff developed a Police Recruit Program to engage and hire potential Police Officers out of a police academy. Essentially, the City will pay an individual to go through a police academy in return for that individual's commitment to work for the City for a minimum of four years from that individual's graduation from a police academy.

The Police Recruit Program will be used when the City has two or more vacancies in the Department or when the Department has one vacancy that has not been filled after a full recruitment has been conducted. The Department will be limited to having one Police Recruit per fiscal year, unless otherwise authorized by the City Council.

Through this program the City will recruit for either people interested in attending a police academy, or directly from a basic Police Officers Standards and Training (POST) certified police academy already in session. The City will hire an individual as a full-time Police Recruit, a non-sworn, miscellaneous employee with limited health and welfare benefits, and pay the fee for the academy. In return, the individual will make a commitment to work for the city for a minimum of four (4) years from his/her academy graduation date. If the individual resigns before the four year mark, he/she will pay back the City for its investment in the police academy as well as any expenses related to academy uniforms and equipment.

Staff recommends the City Council approve Resolution No. 15-68 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING THE CITY OF SIERRA MADRE CLASSIFICATION PLAN AND SALARY MATRIX TO ADD A POLICE RECRUIT TO THE NON-SWORN PUBLIC SAFETY CLASSIFICATION AND APPROVINTG THE EMPLOYMENT AGREEMENT FOR THE POLICE RECRUIT".

Mayor Capoccia asked why we are only doing 1?

Larry Giannone, Safety Director and Police Chief, stated that we haven't done this in the past. We need personnel on board so recruits are trained well and stay with us.

1k). LETTER IN SUPPORT OF RENAMING SIERRA MADRE POST OFFICE AFTER WW1 VETERAN LOUIS VAN IERSEL AND LETTER IN SUPPORT OF ESTABLISHING A VETERANS COMMUNITY BASED OUTPATIENT CLINIC AT PASADENA CITY COLLEGE.

The Veterans of Foreign Wars of the United States (VFW), Post 3208 Sierra Madre is requesting support from the City of Sierra Madre in renaming the Sierra Madre Post Office after World War I Veteran Louis Van Iersel. The VFW is also requesting the City's support in their efforts to establish a Veterans Community Based Outpatient Clinic at Pasadena City College.

World War I Veteran Louis Van Iersel served in the United States Army and received the Medal of Honor inn 1919. During World War II he enlisted in the United States Marine Corps and served with the 3rd Marine Division in the Bougainville Campaign. Louis Van Iersel died at the age of 93 in Sierra Madre and is buried in Arlington Cemetery.

The VFW has also requested the City's support in establishing a Veterans Community Based Outpatient Clinic at Pasadena City College. Currently local Veterans must travel out of the San Gabriel Valley to receive treatment for service-connected injuries and trauma. This new clinic would offer Veterans the opportunity to obtain both their healthcare and educational benefits in one location, and provide guidance to Veterans transitioning back into civilian life.

It is recommended that the City Council sign letters to Congresswoman Judy Chu in support of renaming the Sierra Madre Post Office after WW1 Veteran Louis Van Iersel and to The Honorable Robert A McDonald of the U. S. Department of Veteran Affairs in support of establishing a Veterans Community Based Outpatient Clinic at Pasadena City College

Mayor Capoccia remarked that the City Council will sign the letters in the Agenda.

Council Member, John Harabedian, moved and it was seconded by Council Member, Rachelle Arizmendi, for approval of the Consent Calendar, except Item 1e). The motion passed unanimously by voice vote.

2). PUBLIC HEARING AND FIRST READING OF ORDINANCE 1372, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, AMENDING CHAPTER 15.30 (GREEN BUILDING STANDARDS) BY ADDING A NEW SUBSECTION 15-30.040 ("WATER METERING FOR MULTI-FAMILY DWELLINGS") REQUIRIING THAT ALL MULTI-FAMILY DWELLINGS CONSTRUCTED AFTER JANUARY 1, 2016 BE PROVIDED WITH INDIVIDUAL METERED WATER SERVICES.

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

Staff recommends that the City Council hold a public hearing and approve Ordinance 1372 upon first reading.

At its October 19th Special Meeting the City Council directed staff to return several matters to Council for action. One of those matters is a proposal to require individual water meters for each individual dwelling unit in any multi-family dwelling structure.

The Ordinance 1372 (attached to the Agenda) modifies the City's Municipal Code Green Building Standards Chapter to include the separate meter per dwelling unknit provision. The proposed code amendment applies only to specific residential zoning designations; R-2 (2-Family), R-3 (Multi-Family), and R-H (High Density). The individual meter requirement does not apply to Second Units, as Municipal Code 17.22.100 states that the water and gas utilities for second units shall be via the primary dwelling unit on the premises.

The proposed Code Amendment could have been inserted in the Code in a number of places, such as the Zoning code the Plumbing Code, or the Water conservation Plan. Staff proposes to amend the Green Building Code, as the requirement for individual meters is envisioned to improve the City's water sustainability, and the Green Building Standards are a section of the code presumed to be more often reviewed by project applicants.

Staff recommends that the City Council hold a public hearing and approve Ordinance No. 1372 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, AMENDING CHAPTER 15.30 (GREEN BUILDING STANDARDS) BY ADDING 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" upon first reading.

Council Member, John Harabedian questioned if there was any thought for remodel of facilities? This is a good idea. When refurbish we could require.

Mr. Inman stated that staff didn't look at it for this ordinance. It is just new development. It would require extreme plumbing additions.

The City Manager stated that when this was first discussed, during water meter moratorium, there were concerns to retroactively applying.

The Mayor opened for public input and there was none.

Mayor, John Capoccia, remarked that there was fear in untangling the plumbing. It could discourage remodeling. We can discuss this later.

Council Member, John Harabedian moved and it was seconded by Council Member, Denise Delmar, for approval of Ordinance No. 1372 for first reading as staff recommended. The motion passed unanimously by the City Council.

3). CONSIDERATION OF ORDINANCE 1370U, AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, AMENDING CHAPTERS 13.04 (WATER SYSTEM) AND 13.24 ("MANDATORY WATER CONSERVATION PLAN") BY ADDING A NEW SUBSECTION 13.24.240 ("IMPLEMENTATION OF STATE MANDATES") ALLOWIING FOR AMENDMENT OF THIS CODE BY CITY COUNCIL RESOLUTION, AMENDING SUBSECTION 13.04.100 ("DELINQUENT BILLS"), PROVIDING FOR UNPAID ADMINISTATIVE PENALTIES TO BE ADDED TO THE WATER BILLING, AMENDING SECTION 13.04.120 ("DISCONTINUING OF SERVICE"), PROVIDIING FOR UNPAID ADMINISTRATIVE PENALTIES TO BE ADDED TO THE WATER BILLIING, AND AMENDING SECTION 13.24.140 ("ADMINISTRATIVE FINES AND PENALTIES") ADDING A SUBSECTION D ESTABLISHING THE PROCEDURE FOR ADDING UNPAID PENALTIES TO THE WATER BILL.

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

Staff recommends that the City Council:

1. Hold a public hearing on the matter of the proposed urgency ordinance.
2. Approve and adopt Urgency Ordinance 1370U.

On October 19th, the City Council directed staff to return to Council for action several water conservation-related items. One of those items is the addition of irrigation restriction penalties to the customer's water bill, to ensure collection and to heighten the perception that compliance with irrigation restrictions is mandatory. Another item that staff was directed to bring back for local enactment is the state restriction on outdoor irrigation within 48 hours after measurable rain. (The proposed requirement that all new multi-family residential units be provided with individual water meters and the proposed prohibition on the use of potable water for dust control will be brought back to Council on a later date.

Ordinance 1370U provides for three changes in the Municipal Code relative to water conservation and the collection of administrative penalties. The proposed amendments to the Code are described in the first five Sections of the Ordinance.

Section 1 of the Ordinance modifies Section 13.04.100 (Delinquent Bills) to specifically include unpaid penalties. This addresses a statement commonly heard from water customers that they will pay for the water portion of the bill or' their water bill', but will not pay their penalties.

Section 2 of the Ordinance modifies Section 13.04.120 (A) (discontinuing of Service) to specifically include unpaid penalties in the range of conditions under which water service can be shut off.

Section 3 of the Ordinance modifies Section 13.24.140 (C) to include those future State regulations adopted by the City under the new Section 13.24.040.

Section 4 of the Ordinance adds a new subsection 13.24.140(D) to include a prohibition on outdoor irrigation within 48 hours of measurable rain. This is an adoption of a regulation adopted by the State Water Resources Control Board (SWRCB Resolution 2015-0013, March 17, 2015). The City's proposed regulation under this ordinance goes a step further by adopting a numeric value defining "measurable rain."

Section 5 of the Ordinance adds a new Section 13.24.240 which allows future regulations adopted by the state (or eliminated by the State) to be incorporated into the Code, or deleted from the Municipal Code by Council resolution.

Staff recommends that the City Council:

1. Hold a public hearing on the matter of the proposed urgency ordinance.
2. Approve and adopt Urgency Ordinance 1370U.

Council Member, Denise Delmar, asked that under Section 2, 3rd line (except the charges provided for under flat rates in Section 1.04.050) be taken out. Also, under Section B add "Owner's written request".

Council Member, John Harabedian, asked staff if they ever shut someone's water off?

The City Manager stated, "yes".

Council Member, John Harabedian, asked that perhaps you consider a mid-step – flow restrictor first.

The City Manager stated that we do turnoffs, but don't completely turn off.

Mayor Capoccia opened for public input and there was none.

Council Member, Rachelle Arizmendi moved for approval of Ordinance No. 1370U, with edits of deletion of Section A, and addition in Section 4. Council Member, John Harabedian seconded the motion and it passed unanimously by the City Council.

4). CONTINUED PUBLIC HEARING – HISTORIC DESIGNATION OF THE WEBSTER HOUSE. AN APPLICATION TO CONSIDER THE NOMINATIION AS A LOCAL HISTORIC CULTURAL LANDMARK FOR THE PROPERTY LOCATED AT 101 WEST BONITA AVENUE.

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

On November 5, 2015, the Planning Commission opened a public hearing, received a staff report and a presentation by the applicant, received public testimony, discussed the project, and recommended approval of the local Historical Cultural Landmark designation of the Webster House located at 101 West Bonita Avenue, pursuant to Planning Commission Resolution 15-14.

A legal public notice has been posted for the designation to be considered by the City Council on November 24, 2015.

The property owner, Mark Abernathy, is requesting that the City Council continue the nomination of the Webster House to January 12, 2016.

Staff recommends that the City Council continue the public hearing to January 12, 2016.

5). LIBRARY SERVICES PROPOSAL COMMITTEE REPORT

Elaine Aguilar, City Manager, gave the first staff report, followed by Glenn Putnam giving the Committee's report.

In light of the decrease in revenue due to the sun-setting of the UUT on July 1, 2015, the City Council created three committees to explore (1) contacting out public safety services, (2) contracting out library services, and (3) new revenue possibilities. The Library Services Proposal Review Committee reviewed proposals for contracting out library services, and reviewed costs of existing library services at the Sierra Madre Public Library. At the November 17, 2015 meeting, the Committee unanimously

recommended to not outsource library services. Further, in the event the UUT does not pass, the Committee recommends taking steps towards a level 2 service reduction which could result in loss of public service hours and programs but still retain local control of library services.

The Library Services Proposal Committee consists of Council Member Denise Delmar, the Chair and Vice Chair of the Library Board of Trustees, a representative of the Senior Community Commission, the President of the Friends of the Sierra Madre Library, and a representative of the Sierra Madre Historical Preservation Society (SMHPS). City staff who supported the meetings included the City Manager, Assistant City Manager and Library Director. All meetings were open to the public. The Committee met six times from July 21 to November 17, 2015.

Two proposals were received for contracting out library services:

- Library Services & Systems, LLC (LSSI)
- County of Los Angeles Public Library

The Committee unanimously recommends to not out-source library services. Further, in the event the UUT does not pass, the Committee recommends taking steps towards a level 2 service reduction which could result in loss of public service hours and programs but still retain local control of library services.

The Library Board of Trustees held a Special Meeting on November 16, 2015 in order to provide their recommendation regarding out-sourcing library services. The Trustees unanimously recommend retaining local control of library services, even though it may mean a reduction in programs and services should the UUT not pass.

Glen Putnam, Trustee and Committee Member for Library Proposal.

Mr. Putnam gave the final report which is dated November 24, 2015.

The committee's Recommendations:

- Committee voted unanimously to NOT outsource Library Services to either LSSI or the County of Los Angeles Public Library.
- The Committee recommends that the City and Sierra Madre Public Library continue current operations under approved 2015-2016 budget constraints of $757,000.
- The Committee further recommends the following:
  - No actions be taken with the Library until the UUT ballot results are known in April 2016.
  - UUT passes then the Library continues operations at a level 1 basis.
  - UUT does not pass then the Library institutes the Level II cuts soon after election results are known.

The basis for the Committee's recommendations were what the proposal committee received financials from City staff covering projects Library budgets through FY 2020.

The proposal committee also went and visited libraries around the Southland who were customers of LSSI to ask their Librarians, Friends of the Library organizations and Board members a set of questions to determine how well they could meet Sierra Madre's needs.

The Committee utilized the various assessment documents that were produced for the Library with City Council approval. These documents were used to define Sierra Madre's "must-haves".

- Linda Demmers Proposed Library strategic Plan 2014-2017.
- City wide survey, analysis and recommendations (January, 2013).
- Library Facility Master Plan (on-going).

Community Survey "care-abouts":

- Maintaining a 'small' town atmosphere.
- Loved the Library staff and the service they received.
- Enjoyed the programs given by SMOL, wanted more.
- Access to historical collections about Sierra Madre and surrounding area.
- Updating facility and furnishings, and
- More of everything.

    - Library hours especially in the morning.
    - Ebooks, study space (quiet), computer stations.
    - Programs.

Lessons learned about outsourcing:

- Existing staff must reapply for positions with no retention guarantee.
- Staff are the responsibility of the outsourcing company including vetting, selection, promotion, discipline, salaries, benefits…they are the outsourcing company's employee and manager not Sierra Madres.
- The jut installed ILS system would more than likely be replaced by the outsourcing company's system due to compatibility reasons throughout their family of libraries on their ILS system.
- Cost savings were borderline insignificant due to most of the Library budget is personnel related.

Mr. Putnam concluded by thanking all who were involved and acknowledged the committee, Janet Emery, Jacquie Pergola, Barry Ziff, Joan Spears, City Management and staff.

Council Member, Denise Delmar, remarked that she did not take part in the voting process. She commended the Committee for their hard work. The savings was not what it was thought it would be. The County would not be able to retain current personnel at the Library. LSI would have been good outsourcing option. There was a lot of hours and discussion that went into this. The committee did a good job.

Mayor, John Capoccia, remarked that when doing the cost comparisons, the Sierra Madre Level II cuts were compared to LSI? Level II would be similar to LSI?

Mr. Putnam stated that we wanted to compare if UUT doesn't pass. We felt it would be comparable. Level II would have reductions in services. It is best to go with Level II cuts. Staff at our Library understood our resident's better.

Mayor Capoccia asked Mr. Putnam "With a 6% UUT budget – will you stick around?"

Mr. Putnam stated, "I will be here".

Council Member, Denise Delmar, remarked that LSI will look for a 4% profit. LSI takes no responsibility for maintenance.

Mayor Capoccia asked if we have overhead for LSI overhead?

The City Manager stated that there is overhead, but not in Library budget.

Council Member Delmar stated, "LSI goes in, makes organization run as efficiently as possible, for 4% profit".

Council Member, Rachelle Arizmendi thanked Mr. Putnam for his work and the committee. Will LSI retain historic archives?

Mr. Putnam remarked that they did an aggressive weeding program. Historic information got weeded. We expressed our needs and wants. While doing weeding, they could order more books. It was not pleasing to us.

Mayor Capoccia opened for public input.

Richard Proctor, Trustee of the Library

> Mr. Proctor wished all a Happy Thanksgiving. He is present this evening to represent the Trustees. He agrees with the Proposal. The City Council has been under pressure to do the best with the money they have. There has been slight cutting of the Library. We want to keep the Library in Sierra Madre. With lower budgets, materials have been going out and up, more people coming into the Library. This is a great Library and staff. You are among friends. You have noticed hundreds of signs "Love My Library" in the City. Whatever money you get, do the best configuration for Sierra Madre..

Emmett Maquire

> Mr. Maquire has lived in Sierra Madre for 33 years. He loves the Library. As a normal community member, I am in awe of the people who did report and the quality. The feeling for the Library cannot be understated. I am so proud. Accept the report and recommendations.

Pat Alcorn, E. Grand View

> Ms. Alcorn remarked that when you are talking about wanting an efficient Library – when Carolyn Thomas came to our City she was asked to make the Library efficient. Carolyn has done magic, please accept the recommendations. I am sorry she is leaving. She leaves the Library in a good place.

Frances Smith

> Ms. Smith mentioned the overhead to the City with LSI. Will they be open on Sunday?

Joan Maquire, San Gabrial Court

Ms. Maquire remarked that she had no idea until she worked on the fundraiser for the Library. We have so few running the Library. I really hope the UUT passes. We have a gem here! They are the heart and soul of our City. The savings aren't there. Once you switch it is hard to switch back. Our Library is amazing and heart and soul of our City.

Barry Ziff, Ramona Avenue

Mr. Ziff stated that the Mayor was right to comparing LSI and the current Library. I am not in favor of outsourcing the Library. The City won't be able to honor the commitment. Even if UUT is at 10% and passes, you will still need to make cuts. Make the cuts now. We need to save now for water infrastructure.

Mayor Capoccia closed public input portion.

Council Member, Rachelle Arizmendi remarked that she was surprised at lack of savings we can see initially with LSI – it isn't significant. I am in favor of keeping the Library services in-house. We can discuss Level II cuts.

Council Member, John Harabedian, stated that it goes without saving, thanks to all who worked on this committee. I would have been quite surprised if there would have been any other result. I would recommend same solution. If UUT doesn't pass, at 6% we will have drastic cuts at the Library.

Mayor Pro Tem, Gene Goss, thanked Mr. Putnam and Richard Proctor, and the Committee for your reports. I have a sign in my yard. I am a big believer in our Library. There is no major cost savings so I don't support. If the UUT doesn't pass, there will be severe cuts in the Library. I hope the folks who have the same feeling about the Library, will pass the UUT.

Council Member, Denise Delmar stated, to be honest, I thought outsourcing was way to go, but there is no significant savings. We would be locked into a contract. If the UUT doesn't pass we may have to do more than Level II cuts. Step up and vote in April. I am not in favor of outsourcing.

Mayor, John Capoccia, stated that he agrees with all he has heard. The Library predates our City. We live in the best City. The Library is best institution. I don't want to compromise our Library. We have challenges ahead of us. To keep our town as we know and love, we will need more than a 10% UUT. For Sierra Madre, if you love this town the way it is, don't put your head in the sand. I am not in favor of contracting out the Library. Cuts at Phase II will be discussed. We must fix water pipes.

The City Council requested a BREAK at 8:35 p.m. The City Council reconvened at 8:47 p.m.

6). CONSIDERATION OF FINAL CORROSION STUDY AND DIRECTION TO BEGIN SPREADING IMPORTED WATER.

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

Staff recommends that the City Council receive and file the Final Corrosion Study, authorize the additional expenditure of $7,040 in water funds for additional services rendered by Dr. Baribeau that were not included in the original proposal, approve the attached letter to the Raymond Basin Management Board Executive Officer, and direct staff to immediately begin changing over water production from taking imported water directly into the distribution system to spreading the imported water and re-activating the City's wells for full production.

On October 27th, the City Council reviewed a draft of the Final Corrosion Control Study prepared by Helene Baribeau, PhD, P.E., of AQUALity Engineering, Inc. At that time, Dr. Baribeau was not present to answer questions from Council or provide further explanation of her report.

The October 27th draft document has been updated, with comments on the draft by staff addressed by Dr. Baribeau. An executive summary has been added, and some of the statements in the draft document have been clarified in the final version.

On October 27th, disappointment in the report was expressed by Council and other participants in the meeting. To the degree possible with the data that is available, the revised study addresses the disappointment; primarily that the study does not provide an easy or affordable answer to resolving the ongoing water discoloration problems. Although page 71 of the Study notes that baseline (pre-MWD) data was not available regarding oxygen-redox potential (ORP), dissolved oxygen (DO), and iron-relate bacteria, having that data would have provided better definition to the Study but would not have changed the recommendations.

However, several things are clear from the Study. First and foremost, there is no silver bullet, no easy and affordable solution to the water discoloration problem. The Study exhaustively lists a large number of parameters which can influence corrosion within the City's water distribution system, underlining the complexity of the issue.

Thus, the City may be facing different course of actions based on which water source(s) it intends to use, as noted on page 71 of the Study and summarized here:

1. If the City utilizes its own water sources (wells and tunnels), a corrosion inhibitor may not be necessary, however, to limit lead release from public and private system components an orthophosphate corrosion inhibitor may be considered. The annual cost of this treatment would be in the range of $20,000 to $25,000 according to figures quoted on page 62 of the Study.

   Returning to the City's own water sources may not mean that the discolored water events would immediately be eliminated. The distribution system pipes have significantly changed with the introduction of MWD water, as shown by the increasing number of leaks, which may be due to the fact that the pipes have been stripped from their old corrosion tubercles by the more corrosive MWD water.

2. If the City continues with MWD water, the blend of orthophosphate and zinc that appeared promising at first, may be limited in its efficiency. The Study suggests that increasing pH (with caustic, for example) may help limit corrosion rates and iron release. However, such corrosion control method would not limit lead release, and the high quantities of caustic estimated in Section 5.1.2 are concerning. The annual cost of this treatment would be in a range of $17,000 to $21,000 according to figures quoted on page 62 of the Study, plus any needed cost (unknown) to modify the injection facility to utilize the caustic solution.

3. The fact that the water sources available to the City require different corrosion control strategies indicates that the City should avoid switching back and forth between MWD water and its own water sources.

4. Another option that should be considered is changing and/or lining the older pipes of the distribution system, as this is the best solution to resolve the discolored water occurrences.

5. In a take-no-further-action option the fact that many providers of MWD water are successfully distributing this water indicate that the discolored water events will eventually sto9p. However, the time period that will be required to achieve this goal is impossible to predict and depends on changing water quality and on distribution system operation.

The current cost of imported water for Sierra Madre is $290 an acre foot, when taken directly into the distribution system. That purchase cost will remain unchanged when spreading the water, operational costs associated with pumping from the wells, Ande retreating the water will raise the price of the water by approximately $130 an acre-foot.

Inasmuch as previously-preferred treatment methods for MWD water taken directly into the distribution system have not fully eliminated the water discoloration experienced in the community, and because ongoing and future changes in the chemistry of the imported water have rendered the efficacy of any proposed treatment methodology to be highly variable, staff recommends that the City begin discharging the imported water into the spreading basins. In doing so, the groundwater basin can be recharged and restored, and variations in the imported water can be diluted or balanced by the larger mass of water in the basin. Staff recommends that the diversion of the imported water to the spreading grounds begin immediately in order to get a large amount of the imported water into the ground before winter spreading of local water begins.

Staff reviewed the implementation process.

Staff recommends that the City council receive and file the Final Corrosion Study, authorize the additional expenditure of $7,040 in water funds for additional services rendered by Dr. Baribeau that were not included in the original proposal, approve the attached letter in the Agenda to the Raymond Basin Management Board Executive Officer, and direct staff to immediately begin changing over water production from taking imported water directly into the distribution system to spreading the imported water and re-activating the City's wells for full production.

Council Member, Rachelle Arizmendi questioned what a "desk top study" was?

Mr. Inman stated that a desk top study has been done.

Dr. Baribeau stated that regarding the desk top study, we used existing data and models.

Council Member, John Harabedian, questioned when purchasing water to spread, will we lose some to spread – does it evaporate and not make it to our wells to meet 2,200 acre feet demand?

Mr. Inman stated that the water we spread now, we don't get full credit for it. It changes. A company does calculation for us. We have to purchase more than we pump out. This is an approximation.

Council Member Harabedian asked if staff could run this through the Management Board that we want 1 for 1?

Mr. Inman stated, "I don't think they set this criteria up."

Council Member Harabedian asked if the Management Board will have an argument that we are exceeding our allotment?

Mr. Inman stated that he didn't think that would be a concern with the Management Board. The city has water salvage credits.

Council Member Harabedian stated that the proposal is fine., You said we will not see immediate relief of discoloration.

Dr. Baribeau stated that there have been situations like this and when you return to original, you have been receiving water for a long time – technically, it should be quick, but many unknowns. Water doesn't move quickly through the system.

Mayor Pro Tem, Gene Goss, stated that if we don't have a lead issue, why would we consider?

Dr. Baribeau stated that it is not going to be used. My suggestion is don't bother with it now. Use well water and see what compliance results give you.

Mayor Capoccia remarked that lead is coming from pipes on private properties. Are the owners aware of the problem?

Jose Reynoso stated that the lead problem is in older homes. Residents are provided with results.

Council Member, Denise Delmar stated that staff needs to monitor – I want to be safe.

Jose Reynoso stated that if it comes up we will have to treat. Under our wells we never had a problem.

Mayor, John Capoccia, remarked that we are disappointed with Dr. Baribeau's accomplishments. We haven't solved the problem. The report is nebulous. There is nothing concrete to go on.

Dr. Baribeau stated that when we started the project, we tested and as study evolved, the water quality at MWD changed. Corrosion inhibitor was not affective. The way the City is laid out, some with large lots, we could not quantify water usage. Water doesn't move quickly in the pipes. There is no perfect answer. It is very disappointing.

Mayor Capoccia remarked to Dr. Baribeau that when she takes on a contract like this, will you be less optimistic that you can solve. You did your best. We could not have known.

Dr. Baribeau remarked that the inhibitor was not responding. In the spring of 2015 the water changed. The drought changes the water quality.

Mayor Capoccia remarked that we are praying for rain. We have to conserve e.

Council Member, Rachelle Arizmendi stated that regarding the time Dr. Baribeau spent on this project, the City is being asked to pay more money.

Mr. Inman stated that what you are seeing is that there was more of everything – City Council Meetings, Staff Meetings. There was more than expected.

Council Member, Denise Delmar, asked Dr. Baribeau how many times she came to a City Council Meeting, and how many meetings were in the contract?

Dr. Baribeau stated that attending City Council Meetings was not in the original contract. We had unexpected circumstances.

Council Member, Denise Delmar, asked staff why Dr. Baribeau wasn't expected to come to City Council Meetings.

City Manager, Elaine Aguilar, stated that it was just final report to come to City Council. We can call a recess and we will look at the Contract. I believe there was two times Dr. Baribeau was to attend City Council Meetings.

Mayor, John Capoccia, realized that going into this, the results could be uncertain. The objective of the contract was that we would get clean water out of it. Residents are not happy. Wasn't it your expectation, Dr. Baribeau, that you needed to do more work. As a professional, you should meet expectations.

Dr. Baribeau stated, "I have not charged for all of my time".

Council Member Delmar stated that you had additional work that goes with any contract we have. We expected you to come to City Council Meetings.

Mr. Inman stated that in reading the contract, it included three total meetings, staff, City Council, etc.

Mayor Pro Tem, Gene Goss, stated that he is not happy about the money we spent to get nowhere. The quality of our water system we know is outdated and needs to be replaced. Maybe we can stabilize it again. We have probably $40M of pipes that need replaced. I am not comfortable about paying $7,000 more.

Council Member, Rachelle Arizmendi stated that if there is approval to move forward on spreading, what is next step?

Mr. Inman stated that we need to notify the community because the residents will smell chlorine in water system again.

Jose Reynoso stated that as soon as we notify residents, which City Hall will do, our operations are ready. We need to notify the Health Department that we will resume our usual process, notify residents and proceed.

Mayor Capoccia opened for public input and there was none.

Council Member, John Harabedian, requested that the City Council continue discussion on the $7,040 billed by Dr. Baribeau. Let the City Attorney look at the contract. There is a contractual question. I am in favor of spreading and solving the problem.

Mayor Capoccia stated that we will take the $7,040 payment out and discuss at the next meeting.

Council Member Delmar stated, "I agree – I want to make sure".

Mayor Capoccia stated that we will receive and file the Final Corrosion Study. We hope our wells will hold up.

Council Member, Denise Delmar, noted that we will continue with MWD – spend extra money to do spreading basin. The more we keep changing what goes into our pipes, I need something more definitive.

Mayor Pro Tem, Gene Goss, stated that we have a duty to do something. What we are doing now isn't working.

Mayor Capoccia stated that he supports moving forward. We will have to do eventually. We will need imported water for some time. This will allow us to stabilize.

Council Member Delmar stated that she has a hard time the way this has been handled. I can't support.

Council Member, John Harabedian moved for approval to improve spreading, outreach, receive and file, carry over $7,040 and approve letter. Mayor Pro Tem, Gene Goss seconded the motion and upon voice vote, it passed 4-1 with Council Member Delmar voting no.

Council Member Arizmendi stated that communication to the residents is important.

City Manager, Elaine Aguilar, stated that it will take approximately three weeks to send letters to the residents.

7). <u>A BALANCED GENERAL FUND BUDGET BASED UPON REVENUES FROM A 6% UTILITY USERS TAX.</u>

Elaine I. Aguilar, City Manager, gave the staff report.

At the City Council's recent Strategic Plan Retreat the Council agreed on goals and objectives for the next six months. One of the "Three-Year Goals" is to "Achieve Financial Stability and Sustainability". Under this goal, the following objective was listed: A committee composed of Mayor Capoccia, Council Member Arizmendi, working with the City Manager, Assistant City Manager and Finance Director would present t the City Council a budget based on a 6% Utility Users Tax. This means that the committee was tasked with identifying approximately $1M in General Fund expenditure reductions.

The committee met on two occasions and developed the recommendations presented in this staff report.

The City's Utility Users Tax (UUT) decreases to 6% on July 1, 2016. While there is Council consensus to place a 10% UUT before the voters at the April 2016 election, it is financially prudent for the City Council to be prepared in the event the revenue measure is not approved by the voters. The currently projected shortfall for FY 2016-2017 is $994,474. So the committee attempted to identify $1M in reductions.

The majority of General Fund revenues are allocated to Public Safety (65%), with 43% to the Police Department and 22% to fund the Fire/Paramedic programs. This leaves just 35% of General Fund revenues for all other uses (Administration, Library, Community services, Public Works, Elected and Appointed).

To make a recommendation, the committee reviewed the previously prepared Level 1, 2 and 3 reductions, also considered the current estimated savings from contracting Police and Library Services.

Staff reviewed the recommended General Fund Budget Reductions, budget reductions in Administration, Finance, Human Resources, Elected & Appointed, Community Services, Library, Planning and Community Preservation, Police, and Public Works.

The City Council has the following options:

1. The City Council could provide direction regarding the recommendation for General Fund expenditure reductions.
2. The City Council could request additional information, or request that other alternatives be evaluated.

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

Council Member, Rachelle Arizmendi summarizes the Chart included in the Agenda. Changes can be made. Level II for Library, for example. Drastic measures will need to be made.

Mayor, John Capoccia, stated this is high level. To characterize what we would have to do – contract out Police Department, drastically reduce the Library hours. These scenarios will happen.

Council Member, John Harabedian, stated that this is a discussion where our City changes drastically. This is one way to skin a cat. Take biggest price – public safety outsourcing. Did you consider closing the Library?

The City Manager stated that completely closing the Library cannot be done without a vote of the residents.

Mayor Capoccia stated that we still can't balance the budget. When you tried to balance the budget, you couldn't do with Level III cuts.

Mayor Pro Tem, Gene Goss, noted that the Police Department saved $1M and Level III 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.

The City Manager stated that the Level II cuts were to current fiscal budgets. It was not carried over to next fiscal year.

Council Member Harabedian noted that originally Level I cuts got us to $750,000. We need to come up with other scenarios.

Mayor Capoccia stated that if we can't pass a 10% UUT maybe we can pass a budget for one year. We need to make radical cuts.

Council Member, Rachelle Arizmendi stated that we thought of other scenarios. Level III cuts don't know if it will be okay for 2017-2018. There was lots of discussion on options.

Council Member, Denise Delmar, thanked all for putting together this report. What is the major expense? Public Safety? What is cost to eliminate Paramedics? UUT at 10% would be sustainable for a couple of years.

Mayor Capoccia stated that we didn't think about eliminating Paramedics.

Council Member Delmar stated that the Fire Department was to bring on a program. I would suggest that the public needs to know if the UUT doesn't pass there will be drastic cuts in Public Safety.

Mayor Capoccia stated that we would have to explain to the public what will happen.

Council Member Delmar stated that we have reached a point where the UUT cannot provide all services we have now. We will need to make changes if we don't have a 10% UUT. All Public Safety services will be delivered differences – Library and Seniors get cut. There will be drastic changes in how we deliver services.

Mayor Capoccia opened for public input.

Emmett Maquire

> Mr. Maquire stated that his feelings toward L. A. County Sheriffs – don't see answer to public safety. Their recent record is that I would rather have Boy Scouts. Make drastic measures to keep our Police Department. We need alternative revenue sources. Education project needs to be done. There is not sufficient appreciation of drastic situation we are in. For many, they think everything will be fine. Use community meetings. You got my attention tonight. You have my support. Get the message out about the Police Department, the UUT and what needs to happen.

Glenn Putnam, Oak Crest

Mr. Putnam stated that he doesn't understand why the City Council is going to ballot box on 10%. Try 12%. The Library can't be dangling out there. It is not a luxury. Level III cuts will make the Library a lending institution. Who would want to work there. Let residents tell us at the ballot box. Voters need to step up or suffer the consequences. If you have to go to Level III, close the Library and sell assets.

Joan Maquire

Ms. Maquire feels it comes down to Safety or Library. I want Safety. I have lived here 32 years. If the citizens don't realize the costs, I would hate to see the City so cut. If that is what the people want, they will vote. Educate the people. Property values will be an issue. I need to be educated. It is disappointing to be here. It is the community. If the UUT passes at 10% we will fight the battle all over again.

Mayor Capoccia closed public input.

Mayor Capoccia feels we should leave in the terms Council Member Rachelle Arizmendi expressed. Services will be delivered differently. We can articulate in ballot arguments.

Council Member, Rachelle Arizmendi stated that we need different scenarios. We need concrete numbers. We need to deliver the message and description for services. It is necessary to take into account what has been said.

Council Member, John Harabedian stated that the reality is it is hard to come to 6% UUT. It is hard to come up with something before the election.

Mayor, John Capoccia stated that we have to conduct town hall meetings, go over numbers, reassemble, we know more now. We have the Sheriff and Library study. Let's keep working on it. We can't decide today.

Council Member, Denise Delmar stated that she really thinks we can agree on what will happen if UUT doesn't pass.

Mayor Capoccia stated that we have two more City Council Meetings after the election.

Council Member, John Harabedian stated, "We aren't together on cuts".

Mayor Capoccia stated, "Let's move to the next agenda item".

8). <u>DISCUSSION REGARDING UUT BALLOT QUESTION, AND OTHER ELECTION RELATED DIRECTION.</u>

Elaine Aguilar, City Manager, gave the staff report.

There is Council consensus to place a 10% Utility Users Tax (UUT) ballot measure on the ballot at the April 2016 municipal election. The various election resolutions will be returning to the December 8th meeting, but in the meantime there are a few items where Council direction can be obtained before December 8th. The first is the wording of the ballot question and the second is submittal of ballot arguments.

The Council can provide staff with direction regarding the question that will appear on the ballot, regarding the Utility Users Tax. This "question" will be included in the election resolutions that are returning to the December 8th meeting. The City Attorney has prepared the following draft question for the Council's consideration:

Utility Users Tax Extension
To maintain City services, such as Public Safety, Paramedic and Library services, shall an Ordinance be adopted to:

1. Increase the City's current 8% Utility User Tax to a maximum of 10% for all utilities, to be effective on July 1, 20167; and
2. Extend and stabilize the funding by eliminating the "sunset" clause; and
3. Provide an exemption from the UUT for very low income households?

The legal limit regarding the number of words is 75. Staff is seeking Council direction regarding the specific wording of the ballot question for inclusion in the election related resolutions.

Secondly, the Council can determine whether Council Members will be authorized to submit arguments for or against the measure, and whether all five Council Members will be signing the argument(s) and rebuttal argument(s).

The Council has a few alternatives to consider. If all five Council Members will be signing the arguments, either two Council Members can draft the argument, and the others will sign the argument, without being involved in the drafting of the argument. Or, in order to permit more than two City Council Members to participate in the drafting of the argument, it may be necessary to schedule a special Council meeting, depending upon when the City Clerk establishes the argument submittal deadlines. (In 2013, the deadline to submit arguments to the City Clerk was Tuesday, December 24, 2013 for the April 2014 election).

There are no financial impacts associated with the preparation of this report other than staff time. The City's FY 2015-2016 budget includes $51.,500 for the April 2016 municipal election.

The alternatives are:

1. The City Council could provide direction regarding the UUT Ballot question, and designate the Council Members who will be authorized to submit ballot arguments.
2. The Council could request additional information and direct that this item be returned to the next meeting.

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

Emmett Maquire

Mr. Maquire asked if the 10% figure had been decided?

Mayor Capoccia stated, "yes".

Mr. Maquire asked if the City Council could decide 11%?

Pat Alcorn, E. Grand View

Ms. Alcorn stated that she really thinks 10% is drop dead figure we can pass. It is not enough, but you will have two years to figure out if we need a property assessment, etc.

Barry Gold

Mr. Gold suggested a draft – Utility Users Tax INCREASE instead of Extension. The UUT tax continues if we do nothing. No sunset clause – eliminate. Current tax is 6% to 10% - should reword.

Mayor Capoccia closed public input.

City Attorney, Teresa Highsmith, noted that we are carrying on the same UUT, we are not creating a new one.

Council Member, Rachelle Arizmendi stated that she likes the word "Measure" instead of Extension. 6% is important.

Mayor Capoccia remarked that two City Council Members should draft the Argument, but all five sign it.

The City Council decided it would be Mayor Capoccia and Mayor Pro Tem, Gene Goss who will draft the Argument.

Nancy Sue Shollenberger, City Clerk, announced that December 28, 2015 would be deadline for Arguments For and Against, and January 8, 2016 would be deadline for Rebuttal to Arguments.

ADJOURNMENT:

Council Member, John Harabedian moved and it was seconded by Mayor Pro Tem, Gene Goss, for approval of adjournment at 10:48 p.m. The motion passed unanimously by voice vote of the City Council.

_____
John Capoccia, Mayor

Minutes taken and typed by:

Nancy Sue Shollenberger
City Clerk