

City of La Cañada Flintridge
City Council Minutes
Regular Meeting



Tuesday, November 21, 2023
City Council Chambers
One Civic Center Drive
La Cañada Flintridge, CA 91011

REGULAR CITY COUNCIL MEETING

CALL TO ORDER: Mayor Gunter called the Regular Meeting to order at 6:02 p.m.

ROLL CALL: Councilmember Kim Bowman, Keith Eich, Terry Walker, Mayor Pro Tem Michael T. Davitt, and Mayor Rick Gunter.

STAFF PRESENT: City Manager Jordan, City Attorney Guerra, Director of Administrative Services Parseghian, Director of Community Development Koleda, Director of Finance Kung, Director of Public Works DeChellis, Management Analyst Klein, Management Analyst Jeffrey, and City Clerk Garcia.

PLEDGE OF ALLEGIANCE: City Treasurer Kelly Wine led the pledge of allegiance.

COMMENTS FROM THE PUBLIC:

Pat Anderson, President and CEO of the LCF Chamber of Commerce, announced the Summer Intern Showcase on November 27th and Festival in Lights on December 1st. Lastly, she shared that the 2024 Miss La Cañada Flintridge Court will be selected and introduced at the Festival in Lights event.

Grant Haxton noted that he is a North Carolina resident and La Cañada Flintridge native. He expressed his appreciation for the Hometown Heroes Program. He had the opportunity to walk on Foothill Boulevard and saw a few people he recognized. He noted that he is on active duty in the 82nd airborne.

Mayor Gunter thanked Mr. Grant Haxton for his service and shared that this program is excellent.

David Haxton, resident, addressed the City Council on Consent Calendar Item Five, a \$21,000 contract with GrassrootsLab for community outreach. He raised concerns that the work started on October 1st and is being disclosed publicly until now. At the October 3rd Council meeting, the Sales Tax Subcommittee provided an update and did not mention the hiring of a consultant. He noted that the Subcommittee was planning and executing a pitch to residents for a sales tax without making this information public. Flyers were mailed to residents and a survey was conducted. A town hall meeting was held on November 15th, and the next day the City published an agenda for a vote on whether to have a sales tax measure.. He also pointed out that the agenda report calls GrassrootsLab a consulting firm, but their website states they are a public relations firm. The contract includes creating talking points, press releases, social media content, graphic designs, answers to frequently asked questions, mailers, community survey, and community presentations, all for \$250 an hour. He stated that it appears the City Council is using taxpayer money to persuade residents to vote for a sales tax, and they are doing it in secret by using a Subcommittee that is not subject to the Brown Act.

PRESENTATIONS:

a) Public Safety Update

Battalion Chief Allender presented the fire activity report for October. He reported 143 responses, 90 patients received medical care, and 81 patients were transported. He also reported seven fires, including three cooking fires, three miscellaneous fires, one vehicle fire that led to \$11,000 in damages, one structure fire that led to \$300,000 in damages, and 14 traffic accidents. He raised awareness about kitchen safety as we approach Thanksgiving which is the leading day for fires.

Captain Hahnlein presented the Sheriff's Department report for October. He reported that there were no murders, aggravated assaults, or rapes. There was one robbery at Target involving three female suspects. He reported ten residential burglaries, nine commercial burglaries, 19 thefts, and one arson. Despite the increase in residential burglaries, there was a 34 percent decrease compared to last year. The department is deploying 10-12 additional patrols every month to address burglaries. He shared a success story where two suspects were arrested thanks to the surveillance video of the resident. He mentioned that Mr. Parseghian and he appeared on TV to discuss the City's Flock Camera System and the Camera Rebate Program. He also reported one vandalism incident, six fraud and identity thefts, 23 reported traffic collisions, 61 citations issued, and 40 warnings. Additionally, there were 38 stolen felony-related hits in the Flock Camera System. There were eight arrests, 11 trespassing or possible trespassing calls, and three illegal shooting calls. He highlighted the success of their Trunk or Treat event. Lastly, he wished everyone a happy Thanksgiving and informed them about an upcoming cigar night fundraiser.

Councilmember Eich thanked the Sheriff's Department for participating in the Halloween event on Indianola Way.

In response to questions raised by the City Council, Captain Hahnlein clarified that the arson incident was a transient type of fire. He also raised awareness about scam calls and noted that phone companies are expected to work on addressing this issue.

Director of Administrative Services Parseghian noted that City staff would be included in the Public Safety Update. He reported that the City will be installing additional Flock cameras to enhance security. In partnership with the Crescenta Valley Sheriff's Department, City staff have identified the camera locations, and Flock accepted the proposed locations. He encouraged the public to visit the City's website to learn about the Camera Rebate and Neighborhood Watch programs. Lastly, the City partnered with the Sheriff's Department for the toy and food drive, and residents are encouraged to drop off toys or non-perishable food items at City Hall. In response to a question raised by Councilmember Walker, Director of Administrative Services Parseghian responded that the new camera locations cannot be disclosed publicly.

b) City Treasurer's Report

City Treasurer Wine presented a report on the City's investments for October. The portfolio remains stable and safe, with little activity other than the maturity of one million US Treasury bonds. The portfolio's overall yield was slightly higher than the previous month at 3.63 percent. She plans to purchase a five-year US Treasury note to replace the matured bond. The money market rates continue to provide good value. There has been a slight change in rates, with the

benchmark yield closing at 507 and today at 488. The economy has turned the corner on inflation, and there is optimism that the Federal Reserve will not increase rates this year or next. The yields have retreated from August highs, indicating that economic growth and inflation are cooling.

c) Legislative Update

Director of Administrative Services Parseghian provided a summary of the following Senate Bills that the City is tracking in 2023: SB 4, SB 423, AB 1287, AB 1490, SB 43, SB 58, AB 413, SB 55, and AB 645. The 2024 tentative legislative calendar and a complete summary were included in the agenda packet.

d) Staff Update on Pending Projects

Director of Public Works DeChellis reported on several Public Works projects. The Soundwall Phase IV Project includes five additional segments that should be completed by the fall of 2020. The Sister Cities Friendship Trail Project is set to start construction after Thanksgiving and be completed by February 2024. The 2024 Citywide Resurfacing Project and 2024 Miscellaneous Citywide Concrete Repair Project are both in the design phase and expected to be completed this month, with construction to start in early 2024 and will be completed in spring 2024. The former skate park will be redeveloped into pickleball courts, with the design expected to be completed by the end of the year and construction to start in spring. The Foothill Boulevard Median Link Project and the relandscaping of the rest of Foothill Boulevard are in the design phase, with construction set to begin in spring. The new signal on Foothill Boulevard at Viro Road is expected to start construction in the fall of 2024. The various traffic signal upgrades are in the design phase and almost completed. However, the difficulty lies in determining whether the City has sufficient right-of-way to meet ADA standards, as larger poles are needed.

In response to a question raised by Mayor Pro Tem Davitt, Director of Public Works DeChellis reported that the contractor installing a fiber network linear through Foothill Boulevard hit a storm drain and a couple of other utilities. There was a lot of repair and recovery work. Although this is not a City project, the staff is monitoring the work.

REORDERING OF AND ADDITIONS TO THE AGENDA: None

CONSENT CALENDAR:

A **MOTION** was made by Councilmember Eich, seconded by Mayor Pro Tem Davitt, and carried (5 – 0) to approve Consent Calendar Items one through nine. Councilmember Bowman recused himself from Warrant Resolution item 26, which is a check reimbursement.

- 1. Approval of Warrant Resolution No. 23-20, dated November 21, 2023, for \$1,030,271.90 (Approved 5 – 0, with a recusal from Councilmember Bowman)**
- 2. Receive and File Commission Meeting Action Agendas:**
 - a) Parks and Recreation Commission Action Agenda for November 8, 2023 (Approved 5 – 0, as recommended)

- 3. Receive and File Public Safety Reports for October 2023**
(Approved 5 – 0, as recommended)
- 4. Receive and File Monthly Report of Investments for October 2023**
(Approved 5 – 0, as recommended)
- 5. Approve an Agreement with GrassrootsLabs Consulting Firm for a Public Information and Education Campaign and a Budget Amendment**
(Approved 5 – 0, as recommended)
- 6. Approval of the Agreement with Psomas for Housing Planner Consultant Services**
(Approved 5 – 0, as recommended)
- 7. Approval and Delegation of Authority to City Manager to Execute a Task Order, in the Amount of \$39,250, to HR Green Pacific, Inc. for the Preparation of Plans, Specifications, and Estimates (PS&E) for the Hampstead Road Slope Repair Project (CIP 31-2408), and any Change Orders up to \$5,750 Each, Provided such Change Orders do not Exceed the Total Project Amount of \$45,000**
(Approved 5 – 0, as recommended)
- 8. Award of Contract to Koff & Associates, a Gallagher Company, to Conduct a Classification and Salary Compensation Study in the Amount of Not-To-Exceed \$88,060**
(Approved 5 – 0, as recommended)
- 9. Approval of Memorandum of Agreement Between Heart of Compassion Distribution, the San Gabriel Valley Council of Governments, the City of Glendora, the City of La Cañada Flintridge, and the City of Montebello for a Food Recovery Hub Program**
(Approved 5 – 0, as recommended)

PUBLIC HEARINGS: None

ORDINANCES:

10. Second Reading and Adoption of an Ordinance, Approving the City’s Membership in Clean Powers Alliance of Southern California

Management Analyst Klein reported that this is a second reading and adoption of an ordinance to implement Community Choice Aggregation through membership in Clean Power Alliance, and authorizes the Mayor to execute Joint Powers Authority (JPA) agreement. She indicated that the first step is for the City Council to adopt the ordinance and approve the JPA agreement. CPA will then vote at its December 7th board meeting to accept the City and file an implementation plan addendum with CPUC by December 31st to begin service in October 2025. The final step is CPUC's approval or rejection of the implementation plan, which is expected in March 2024. She addressed the City Council's questions regarding public outreach. She indicated that staff created an educational webpage on the City's website with videos and other resources. If the ordinance is adopted, the team will use social media, the City's newsletter, newspaper ads, and town halls to

educate the community. Following CPUC approval in March, the City will host additional town hall meetings and work with the LCF Chamber of Commerce for presentations. Finally, staff will include any unnecessary costs in the fiscal 2024-2025 budget. Regarding the impact of Community Choice aggregation on residents and businesses, She indicated that changes in the rates may directly impact CPA customers. As a reminder, CPA rates are competitive compared to Southern California Edison (SCE). Regarding long-term liabilities, the City will now be more involved in providing electricity, including a share of the JPA liabilities. These liabilities begin with the complete execution of the JPA agreement. Should the City decide to withdraw from CPA, three categories of liabilities can be expected. The liabilities include the cost of clean power, administrative reentry fees, and the price for consultants and legal experts to assist the City.

Councilmember Eich mentioned that the City of Baldwin Park decided to withdraw and initially looked at a \$30 million liability but was able to withdraw for about \$1 million. He highlighted that the City would have to wait an entire year if the second reading is not passed.

Clean Power Alliance CEO Ted Bardacke clarified that residential customers of Western Community Energy experienced a \$100 increase during a recent bankruptcy case. If the City withdraws, customers will be notified well before the involuntary return process. The impact on customers would be minimal as it will be sorted out with SCE.

Following a discussion between the City Council and staff, it was mentioned that the City expects customers to approach them with service complaints. However, customers will be advised to contact SCE about power outages as they will still be responsible for energy delivery. CEO Ted Bardacke added that SCE is bound by the CPUC's code of conduct, which governs their interactions with Community Choice Aggregators. The code of conduct prohibits discriminatory practices. Additionally, due to the increased involvement of cities in the Clean Power Alliance, a group has been formed that meets with SCE to discuss energy issues in their communities.

In response to questions raised by Councilmember Eich, CEO Ted Bardacke clarified that when City staff refer a complaint to them, it is managed internally by their in-house customer care team. In response to the Better Business Bureau rating, he stated that occasional billing inaccuracies can occur. Additionally, he explained that they set rates annually in June, which become effective in July. For the upcoming 2025 rates, the City will be involved in all the discussions. He noted that the recently joined cities receive the same rate comparison and marketing dollars.

Councilmember Bowman pointed out that Section 14 of the JPA discusses the voting process. The percentage of voting shares becomes essential, and being a smaller community, it can make a significant difference. Larger cities with more voting shares have a more notable say in decision-making.

CEO Ted Bardacke clarified that a weighted vote is only used as a veto and not to enforce any decisions on the board. The possibility of using a weighted vote is highly unlikely, and it has never been used before.

In response to a question raised by Councilmember Eich, CEO Ted Bardacke explained that the launch of a service in a new community is risky from a risk management perspective. Nonetheless, they plan to engage with all customers, particularly businesses that consume more energy.

In response to a question raised by Councilmember Walker, CEO Ted Bardacke noted that the City of Baldwin Park is an excellent example of the potential risks involved in liquidating contracts. At the same time, Baldwin Park managed to break even. Most of their cost was administrative cost and consulting fees. He emphasized that the liability exposure in such situations is unpredictable. It is written in the JPA that they will liquidate and attempt to resell in case of a withdrawal.

Mayor Gunter highlighted that the formation of the JPA benefits residents as they now have a new option for their electrical needs. They can choose either Clean Power Alliance or SCE. Residents have always expressed interest in having multiple options for utilities. Additionally, the City would have a say in the rates.

City Attorney Guerra explained that if the CPUC approves the program by March, the City would incur only administrative and legal expenses if we withdraw. However, by April the contracting process would start at that point, potentially increasing the City's liability. The procurement process can extend up to 15 years, hence, the City may be responsible for that liability. It may be challenging to determine the exact amount of the liability, and it may involve legal experts.

Mayor Gunter noted that he would not use the term 'liability.' He would say that the City has agreed to a 'contract' that could last up to 15 years. This means that we are committed to fulfilling the end of the contract. The term 'liability' only applies if we choose to withdraw from the contract. The City is making a long-term commitment, which has consequences if we withdraw like any other contract.

Mayor Gunter opened the public comment period at 6:57 p.m.

Julie Kane Ritsch, resident, noted that at the previous meeting, the City Council voted to pass an ordinance to join the Clean Power Alliance and reduce greenhouse gas emissions starting in 2025. This action is urgent and vital because the Earth's temperature has surpassed the dangerous threshold of 2.08 degrees Celsius, exceeding the pre-industrial average by 2.0 degrees Celsius. By voting to join the Clean Power Alliance, the City Council is committed to reducing greenhouse gas emissions by up to 123 million pounds annually. She urged the City Council to vote in favor.

Mayor Gunter closed the public comment period at 6:59 p.m.

Councilmember Eich thanked staff for highlighting the liabilities.

A **MOTION** was made by Councilmember Eich, seconded by Councilmember Walker, and carried (5 – 0) to direct the City Attorney to read the title of the attached ordinance, waive further reading, and adopt the ordinance on a roll call vote, and authorize the Mayor to execute the Clean Power Alliance Joint Powers Authority Agreement.

OTHER BUSINESS:**11. Adoption of Resolutions and Conduct of First Reading of an Ordinance Relating to a Ballot Measure to Establish a General Transactions and Use Tax at a Rate of 0.75%**

City Manager Jordan explained that the proposed motion is to adopt three resolutions and conduct the first reading of an ordinance, which would set in motion the actions required to put a sales tax measure on the March 5, 2024, ballot. This measure would propose an increase of the local sales tax from the current 9.5 percent to 10.25 percent, which is a 0.75 percent increase. He then introduced GrassrootsLab Principal Robb Korinke for the next part of the presentation.

Principal Robb Korinke provided an update on the City's community outreach and education efforts. The City organized 15 community presentations that took place virtually and in person aimed to provide an overview of the City's budget. During the meetings, community members were asked to provide their input on their priorities. This was part of a community survey that was conducted, and the City collected over 110 responses from residents. The City used various channels to promote the survey, such as its website, social media, and a mailer. Residents were requested to identify the importance of various City services, ranging from low priority to medium priority or high priority. The top priorities identified were public safety, preventing crimes, thefts, burglaries, and maintaining 911 response times. This was followed by infrastructure-related items, such as keeping public areas safe and clean, repairing streets, sidewalks, and potholes, protecting local drinking water sources, and maintaining parks and playgrounds.

Furthermore, Mr. Korinke explained that at the meetings they discussed that the City has a total budget of \$54 million and a General Fund of \$19 million for core services. The staff also discussed the most significant expenditures within the General Fund, which are public safety items. Staff explained the City's efforts to control and reduce costs. The staff also spoke about how half of the General Fund revenues are funded by property tax, which tends to grow slower than other sources. The City has no transient occupancy tax, hotel tax, utility user tax, or voter-approved local sales tax, and the City's sales tax rate has remained unchanged for 47 years. The City staff were transparent that they are considering a possible revenue measure that would be presented to the City Council, and a supermajority vote would be required to refer this to the voters. The revenue would fund anything funded by the General Fund. Staff also explained that there is a limit on how high the sales tax rate can be under state law in the County, which is 10.25 percent. The City's sales tax rate at 9.5 percent is tied with the lowest rate among 30 other cities, while there are 57 cities in the County with higher rates. The staff also illustrated how the current sales taxes are distributed among the City and County.

Lastly, Mr. Korinke explained that the City only receives 15 cents for every dollar collected. The sales tax is expected to generate an estimated \$2.75 million annually, and 100 percent of the funds would stay local to support the General Fund. He noted that certain essentials, such as most groceries, prescriptions, medical supplies, and utilities, are exempt from sales tax. He mentioned that accountability measures such as annual independent audits and expenditure reports are being considered. Lastly, he noted approximately 30 residents at each town hall.

City Manager Jordan explained that the process has been lengthy. He then shared the community's priorities. He mentioned that these priorities are familiar to everyone as they have been discussed extensively by multiple Councils. The issues identified are public safety, particularly the prevention of theft and burglaries. Additionally, the participants expressed concerns about emergency preparedness, a clean and safe environment, street projects, and pedestrian safety. During the last budget deliberations, the City made some decisions that impacted public safety. One of these decisions was to add a special assignment deputy. However, if we consider a year with higher costs and with the cost for additional deputies, we will have to spend anywhere from \$600,000 to \$800,000. Furthermore, he emphasized that there have been requests for additional patrols, new technology, and private security, which would require more resources. During the discussions, residents also expressed their concerns about road maintenance. Currently, the City follows a re-pavement cycle of 35 to 40 years, maintaining the roads just above the fair pavement standard. However, once the roads deteriorate to poor condition, the cost to repair them doubles or triples. It would be better to have a re-pavement cycle of 20 to 25 years. Residents also addressed their desire to expand recreation opportunities and obtaining open space land. Also, the possibility of expanding the Joint Use Agreement with the school district. These items would take resources. The question would be whether the City would have additional revenue sources to draw from.

Mayor Gunter opened the public comment period at 7:20 p.m.

Anne Tryba, resident, noted that the City's total budget shows \$50 million but there is only \$19 million available in the General Fund. She expressed her support for hiring a consultant to educate the residents and help the City identify what needs to be communicated. Additionally, she expressed her support for the sales tax as a source of revenue but acknowledged that the final decision rests with the voters.

Julie Kane Ritsch, resident, noted that it is understandable that nobody wants to pay more taxes. Yet, taxes are necessary to provide essential services, such as maintaining award-winning schools and ensuring the town remains habitable. The City's needs exceed its budget, which is a pressing concern. After speaking with Mr. Korinke, it became apparent to her that if the County imposes another tax the City will end up paying for it despite receiving a smaller portion compared to larger cities. She would like to allocate those funds towards the Climate Action Plan implementation to prepare for potential natural disasters such as droughts, floods, and fires.

Stephanie Fossan, resident, acknowledged that 30 percent of the sales tax revenue would come from shoppers who visit the City. This statistic is crucial as it can motivate the community. While acknowledging the current challenges, she emphasized the importance of presenting a balanced and truthful picture of the City.

Mayor Gunter closed the public comment period at 7:27 p.m.

Mayor Pro Tem Davitt clarified that the proposed action is not to decide how the resources will be allocated. Instead, it aims to give the community a chance to voice their opinion. The Sales Tax Subcommittee and staff worked with Mr. Korinke to bring it to this point. Although there are still some issues to be addressed, the Subcommittee felt it was crucial to move forward.

Councilmember Eich clarified that tonight's discussion aims to determine whether the sales tax measure would be added to the March 2024 ballot for voters to decide. The City Council is not deciding on priorities at this point, although he agreed with the issues raised by the City Manager. He thanked City Manager Jordan and Mr. Korinke for holding the town halls. He added that if the City Council decides to proceed, they cannot advocate for the proposal moving forward.

City Attorney Guerra explained that City Council members cannot advocate for the measure at a City event or facility. However, if City Councilmembers are in their private time where there is no City funding, and it's not a city event, they can advocate for the measure. He also mentioned that he would send a memo to the City Council to address this issue.

A **MOTION** was made by Mayor Pro Tem Davitt, seconded by Councilmember Eich, and carried (5 – 0) to adopt the following resolutions: **1.)** Adopt a resolution ordering the submission to the qualified electors of the City of a certain measure relating to a transactions and use (sales) tax at the consolidated General Municipal Election to be held on Tuesday, March 5, 2024, as called by Resolution No. 23-35; **2.)** Adopt a resolution setting priorities for filing written argument(s) and directing the City Attorney to prepare an impartial analysis, regarding the La Cañada Flintridge Essential Services Measure; and **3.)** Adopt a resolution providing for the filing of rebuttal arguments for a measure submitted at a General Municipal Election on March 5, 2024.

A **MOTION** was made by Councilmember Eich, seconded by Mayor Pro Tem Davitt, and carried (5 – 0) to conduct the first reading, by title only, of an Ordinance relating to the proposed general transactions and use tax measure.

A roll call vote was taken and the results were read by City Clerk Garcia as follows:
AYES: Bowman, Eich, Walker, Davitt, and Gunter; **NOES:** None; **ABSTAIN:** None

City Attorney Guerra stated that the second reading will be conducted after the election, assuming the voters approve the measure.

CONCLUDING BUSINESS:

Meetings attended at the expense of the local Agency

Mayor Gunter reported that on November 14th, the City Council had a joint special meeting with their sister city, Villanueva de la Cañada. The meeting was productive and enjoyable as they strengthened their bond and shared ideas. Additionally, he attended a San Gabriel Valley Council of Governments meeting where they discussed common interests.

Regional and local representation –

Councilmember Bowman mentioned that he missed several events due to the birth of his daughter.

Subcommittee Updates - Permit Streamlining Subcommittee

Mayor Gunter advised that the City has issued an RFP to revamp the Building and Safety Department, and he expressed his gratitude towards the staff for their work. He further reported that he is working with the City Manager to create a new subcommittee focusing on developing

policies and procedures for the City Council. Councilmember Bowman and he will serve on this new subcommittee.

Councilmembers' questions and suggestions – None

City Manager closing comments

Director of Community Development Koleda informed the City Council that the City received a letter from the State Department of Housing and Community Development stating that the City's Housing Element is in substantial compliance.

Mayor Gunter wished everyone a happy Thanksgiving.

MOTION TO ADJOURN:

A **MOTION** was made by Councilmember Walker, seconded by Councilmember Bowman, and carried (5 – 0) to adjourn the Regular City Council meeting at 7:41 p.m.

DocuSigned by:

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Tania Garcia, City Clerk

Minutes approved by the City Council on January 16, 2024.