



**CITY OF SOUTH PASADENA
CITY COUNCIL - SPECIAL MEETING**

MINUTES
WEDNESDAY, JANUARY 12, 2022 AT 6:30 PM

CALL TO ORDER:

The Special Meeting of the South Pasadena City Council was called to order by Mayor Cacciotti on Wednesday, January 12, 2022, at 6:30 p.m. The City Council Chamber is located at 1424 Mission Street, South Pasadena, California.

ROLL CALL

PRESENT

Mayor Michael Cacciotti
Mayor Pro Tem Jon Primuth
Councilmember Jack Donovan
Councilmember Diana Mahmud
Councilmember Evelyn G. Zneimer

ABSENT

None

Tameka Cook, Chief City Clerk, announced a quorum.

CITY STAFF PRESENT: Arminé Chaparyan, City Manager; Andrew Jared, City Attorney; Tameka Cook, Chief City Clerk, Christina Muñoz, Deputy City Clerk were present at Roll Call. Other staff members presented reports or responded to questions as indicated in the minutes.

PLEDGE OF ALLEGIANCE

The Flag Salute was led by Councilmember Diana Mahmud.

PUBLIC COMMENT

Public Comment – Items on the Agenda

Mayor Cacciotti announced public comments are intended to address matters on the agenda for the meeting. Members of the public have the option of emailing, participating

via Zoom (audio), or speaking in-person to address the City Council, as listed on the agenda.

Zoom Public Comment:

Yvonne LaRose stated that she'll submit her comments in writing for the next meeting since her topic is not on the agenda.

John Cervantes comments were inaudible.

PRESENTATIONS

1. INTRODUCTION OF STAFF

Management Services Director Demirjian introduced Tameka Cook, Chief City Clerk.

City Manager Chaparyan introduced Domenica Megerdichian, Deputy City Manager.

CONSENT CALENDAR

2. ADOPTION OF A RESOLUTION AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA, CALIFORNIA, AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY OF SOUTH PASADENA FOR THE PERIOD OF JANUARY 12 THROUGH FEBRUARY 12, 2022, PURSUANT TO BROWN ACT PROVISIONS

Recommendation

It is recommended that the City Council approve the attached authorizing remote teleconference meetings of the legislative bodies of the City.

COUNCIL ACTION AND MOTION

A motion was made by Councilmember Zneimer, seconded by Councilmember Donovan and approved by roll call vote to approve Consent Calendar Item 2.

Motion carried, 5-0.

STUDY SESSION

3. CELL TOWER REVENUE DATE ON CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS AND DISCUSSION OF FISCAL YEAR 2022 – 2026 CIP PROJECTS

Recommendation

1. Receive and file presentation by Bartel & Associates, LLC
2. That the City Council give direction on the use of the Cell Tower Revenue.

COUNCIL ACTION AND MOTION

Interim Finance Director Louie made a presentation and provided an overview of the item.

Mary Beth Redding, Bartel & Associates, LLC, made a presentation regarding CalPERS liability in the City.

Councilmember Zneimer asked should the City pay CalPERS and their investment dropped, would the City's unfunded liability interest go up.

Ms. Redding stated that's correct and noted anytime money is invested in a trust, there is a chance it might not do well but expects that the CalPERS investments should earn approximately 7%.

Councilmember Mahmud asked what CalPERS rate of return has been for the previous 10 years.

Ms. Redding stated that their last 10 years has been approximately 8.5%.

Councilmember Mahmud inquired about different types of investments.

Ms. Redding stated CalPERS offers five pre-set trust options that are conservatively invested; moreover, she is unable to provide specific advice pertaining to investments.

Mayor Pro Tem Primuth inquired about the projection of the actual costs and asked if that is "pay as you go" to pay off the pension liability.

Ms. Redding referenced the contribution projection slide in the PowerPoint and clarified part of the bill allocates funding for future benefits and the payments include paying interest and paying down the principle.

Mayor Pro Tem Primuth inquired if Public Employees' Pension Reform Act (PEPRA) employees will make a significant impact for the unfunded liability in the future.

Ms. Redding stated that is correct and noted the PEPRA employees have a lower cost in the long run.

Mayor Pro Tem Primuth stated that Governor Brown's administration passed legislation in 2014 that increased the contribution rates and inquired why the City is way above the rates set by the State.

Ms. Redding noted that compared to other cities, South Pasadena is in good shape and stated that its partially due to the investment results over the years.

Mayor Pro Tem Primuth inquired if the City should be aiming at any targets to be fiscally prudent.

Ms. Redding stated that its financially advantageous to pay it down as soon as possible to avoid interest payments and noted it is a up to the City on how it budgets contribution payments.

Councilmember Mahmud noted that when she was elected to the City Council, the City was hit with an unfunded liability from CalPERS. She inquired when the phasing in of the new rate of return will end.

Ms. Redding stated it will be phasing in during fiscal year 2024/25.

Mayor Pro Tem Primuth inquired what type of contribution would it take to decrease the City's contribution projection.

Ms. Redding noted that its difficult to determine but it is possible.

Mayor Cacciotti inquired regarding the impacts on Cities who had increased benefits.

Ms. Redding noted that the agencies who were the worst funded, had adopted those benefits.

Councilmember Mahmud suggested allocating funds to unfunded liabilities in proportion to their respective allocation.

Ms. Redding suggested if the City Council allocated funds to Other Post-Employment Benefits (OPEB) plan or pre-funding, the discount rate would change and the liability would drop. She noted the more funds the City allocates, the more the liability decreases.

Mayor Pro Tem Primuth expressed his support for prorated allocation.

Staff expressed their support for Councilmember Mahmud's recommendation.

There was a discussion amongst the City Council and staff to designate a flat amount to OPEB.

A motion was made by Councilmember Mahmud, seconded by Councilmember Zneimer and approved by roll call vote to allocate 1.25 million to OPEB and the remaining balance

of the \$5.374 million would be allocated to PERS to satisfy unfunded actual liability and to direct staff to bring back an item at a future City Council meeting to approve those actions.

Motion carried, 5-0.

4. UPDATE ON CURRENT CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS AND DISCUSSION OF FISCAL YEAR 2022 – 2026 CIP PROJECTS

COUNCIL ACTION AND MOTION

Public Works Director Gerber made a presentation and provided an overview of the item.

Senior Management Analyst Medina made a presentation regarding the funding and allocations for projects.

Councilmember Zneimer referenced the recently approved Rectangular Rapid-Flashing Beacon (RRFB) and inquired when they would be installed. She inquired if it would be cost-effective to use electricity instead of solar if there is electrical access at the project site.

Public Works Director Gerber noted that not all projects may be synchronized and staff is re-examining all projects to ensure the most cost-effective manner. He noted the two RRFB's on Mission Street are currently in the design phase. He stated the one by Fairview Street, there was a discussion to install the RRFB on a lamp post but will seek Commission and City Council feedback.

Councilmember Mahmud inquired about the Water Master Plan and its timeline.

Public Works Director Gerber noted that the document will go before the Public Works Commission and City Council for review and approval.

Councilmember Mahmud noted that she did not see a reference to the Fremont Complete Streets project, amongst the other transportation project and asked if it was omitted.

Public Works Director Gerber confirmed that the project is on the current list and is referenced as the Fremont/Huntington Mobility Active Transportation Project.

Councilmember Mahmud asked if there will be a recommendation to fully fund the Maintenance of Effort (MOE) and noted that if the City does not satisfy MOE, that it could potentially leave \$500,000 on the table that could fund transportation projects.

Public Works Director Gerber stated that staff believes they could use the other grant funds to qualify for the MOE.

Councilmember Mahmud asked if there is a plan to provide funding for the Mission Street

traffic study and safety enhancement for the Farmer's Market.

Public Works Director Gerber stated there are plans for events with that funding in the near future. He noted that enhancements to the Farmer's Market has always been apart of the operating budget.

Mayor Pro Tem Primuth inquired about budgetary pressure points for the CIP budget.

Public Works Director Gerber responded that water infrastructure projects and street rehabilitation account for significant budget commitments for the future.

Mayor Cacciotti inquired about the Fair Oaks off ramp project.

Public Works Director Gerber noted that project is within the proposed plan.

Mayor Cacciotti inquired about a list of streets identified for cape and slurry seal repairs.

Public Works Director Gerber stated that he can send a list out once the CIP is adopted and have the information readily available for the public.

Councilmember Mahmud noted that it was previously discussed that staff would determine which streets would need repairs.

Councilmember Zneimer inquired about tree maintenance and replacement.

Public Works Director Gerber stated that a proposed urban forest master plan is included in the proposed CIP budget.

Councilmember Zneimer inquired if there will be a list of protected and historic trees in the community.

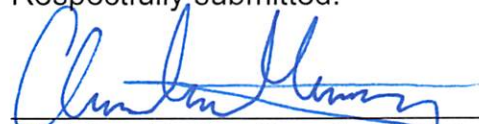
Public Works Director Gerber answered affirmatively.

City Manager Chaparyan provided a brief recap of the discussion points and thanked the City Council for their feedback.

ADJOURNMENT

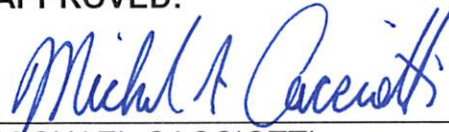
There being no further matters, Mayor Cacciotti adjourned the meeting of the City Council at 8:43 p.m., to the next Regular City Council meeting scheduled on Wednesday, January 19, 2022.

Respectfully submitted:



Christina Muñoz, Deputy City Clerk

APPROVED:



MICHAEL CACCIOTTI
MAYOR

ATTEST:



Christina Muñoz
Deputy City Clerk

Approved at City Council Meeting: 07/20/2022.