



**CITY OF SOUTH PASADENA
CITY COUNCIL**

AGENDA

**SPECIAL MEETING
CLOSED SESSION**

**WEDNESDAY, MAY 25, 2022
5:00 P.M.**

**CITY MANAGER’S CONFERENCE ROOM, SECOND FLOOR, CITY HALL
1414 MISSION STREET, SOUTH PASADENA, CA 91030**

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

The South Pasadena Special City Council Closed Session Meeting will be conducted in-person from the City Manager’s Conference Room, Second Floor, City Hall, 1414 Mission Street, South Pasadena. Pursuant to AB 361 Government Code section 54953, subdivision (e)(3), the City Council may conduct its meetings remotely and may be held via video conference.

Public comment regarding items on the Closed Session agenda will be taken at the beginning of the meeting. The public will be released from the meeting so that the Council can convene closed session discussion of items allowed under the Government Code. Any reportable action taken in closed session will be reported by the City Attorney during the next open session meeting. A separate Zoom webinar link will be provided for the open session for the public to attend.

Public Participation may be made as follows:

- In Person Hybrid – City Hall, City Manager’s Conference Room, Second Floor, 1414 Mission St
- Via Zoom – Meeting ID: **226 442 7248**
- Written Public Comment – written comment must be submitted by 12:00 p.m. the day of the meeting

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/2264427248?pwd=aEFuSGszQ2I5WjJkemoTms0RTIVUT09> or
3. You may listen to the meeting by calling: +1-669-900-6833 and entering the Zoom Meeting ID and Passcode when prompted.

CALL TO ORDER: Mayor Michael Cacciotti

ROLL CALL:

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

PUBLIC COMMENT

CLOSED SESSION AGENDA ITEMS

A. CONFERENCE WITH LEGAL COUNSEL: EXISTING LITIGATION

(Government Code Section 54956.9(d)(1))

1. *City of South Pasadena v. California Department of Transportation* (LASC Case No.21STCP01779)

CERTIFICATION OF POSTING

*I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on **May 25, 2022**, on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's, website as required by law, on the date listed below.*

5/19/2022

Date

Christina A. Muñoz

Christina A. Muñoz, Deputy City Clerk



**CITY OF SOUTH PASADENA
CITY COUNCIL**

A G E N D A

**SPECIAL MEETING
WEDNESDAY, MAY 25, 2022
6:00 P.M.**

**CITY COUNCIL CHAMBERS
1424 MISSION STREET, SOUTH PASADENA, CA 91030**

South Pasadena City Council Statement of Civility

As your elected governing board, we will treat each other, members of the public, and city employees with patience, civility and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all city business and community participation. The decisions made tonight will be for the benefit of the South Pasadena community and not for personal gain.

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

The South Pasadena City Council Meeting will be conducted in-person from the Council Chambers, Amedee O. "Dick" Richards, Jr., located at 1424 Mission Street, South Pasadena. Pursuant to AB 361 Government Code section 54953, subdivision (e)(3), the City Council may conduct its meetings remotely and may be held via video conference.

The Meeting will be available:

- In Person Hybrid – City Council Chambers, 1424 Mission Street
- Live Broadcast via the website - http://www.spectrumstream.com/streaming/south_pasadena/live.cfm
- Via Zoom – **Webinar ID: 825 9999 2830**

To maximize public safety while still maintaining transparency and public access, members of the public can observe the meeting via Zoom in one of the three methods below.

1. Go to the Zoom website, <https://zoom.us/join> and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/82599992830> or
3. You may listen to the meeting by calling: +1-669-900-6833 and entering the Zoom Meeting ID.

CALL TO ORDER:	Mayor	Michael Cacciotti
ROLL CALL:	Mayor	Michael Cacciotti
	Mayor Pro Tem	Jon Primuth
	Councilmember	Jack Donovan
	Councilmember	Diana Mahmud
	Councilmember	Evelyn G. Zneimer

PUBLIC COMMENT GUIDELINES

The City Council welcomes public input; Special Meetings only allow for public comment on items listed on the agenda.

Option 1:

Participate in-person at the City Council Chambers.

Option 2:

Participants will be able to “raise their hand” using the Zoom icon during the meeting, and they will have their microphone un-muted during comment portions of the agenda to speak for up to three minutes per item.

Option 3:

Email public comment(s) to ccpubliccomment@southpasadenaca.gov.

Public Comments received in writing will not be read aloud at the meeting, but will be part of the meeting record. Written public comments will be uploaded online for public viewing under Additional Documents. There is no word limit on emailed Public Comment(s). Please make sure to indicate:

- 1) Name (optional), and
- 2) Agenda item you are submitting public comment on.
- 3) Submit by no later than 12:00 p.m., on the day of the Council meeting.

PLEASE NOTE: The Mayor may exercise the Chair's discretion, subject to the approval of the majority of the City Council, to adjust public comment(s) to less than three minutes.

Pursuant to State law, the City Council may not discuss or take action on issues not on the meeting agenda, except that members of the City Council or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

STUDY SESSION**1. FISCAL YEAR 2022/23 PROPOSED BUDGET WORKSHOP****Recommendation**

It is recommended that the City Council:

1. Review the Proposed 2022-2023 Proposed Budget and make recommendations for the final Preliminary Budget to be presented on June 1;
2. Review potential Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and make recommendations on which items to fund with SLFRF dollars; and
3. Review the current list of Committed Fund Balances and consider any modifications.

ADJOURNMENT**FOR YOUR INFORMATION****FUTURE CITY COUNCIL MEETINGS**

June 1, 2022	Regular City Council Meeting	7:00 p.m.
June 15, 2022	Regular City Council Meeting	7:00 p.m.

PUBLIC ACCESS TO AGENDA DOCUMENTS AND BROADCASTING OF MEETINGS

City Council meeting agenda packets, any agenda related documents, and additional documents are available online for public inspection on the City's website:

www.southpasadenaca.gov/CityCouncilMeetings2022

Regular meetings are live streamed via the internet at:

http://www.spectrumstream.com/streaming/south_pasadena/live.cfm

AGENDA NOTIFICATION SUBSCRIPTION

If you wish to receive an agenda email notification please contact the City Clerk's Division via email at CityClerk@southpasadenaca.gov or call (626) 403-7230.

ACCOMMODATIONS

The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230 or CityClerk@southpasadenaca.gov. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

CERTIFICATION OF POSTING

*I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on **May 25, 2022**, on the bulletin board in the courtyard of City Hall at 1414 Mission Street, South Pasadena, CA 91030, and on the City's, website as required by law, on the date listed below.*

5/19/2022

Christina A. Muñoz

Date

Christina A. Muñoz, Deputy City Clerk



City Council Agenda Report

ITEM NO. 1

DATE: May 25, 2022
FROM: Arminé Chaparyan, City Manager *AC*
PREPARED BY: Ken Louie, Interim Director of Finance
SUBJECT: **Fiscal Year 2022/23 Proposed Budget Workshop**

Recommendation

It is recommended that the City Council:

- 1) Review the Proposed 2022-2023 Proposed Budget and make recommendations for the final Preliminary Budget to be presented on June 1;
- 2) Review potential Coronavirus State and Local Fiscal Recovery Funds (SLFRF) and make recommendations on which items to fund with SLFRF dollars; and
- 3) Review the current list of Committed Fund Balances and consider any modifications.

Background

The City of South Pasadena adopts a comprehensive Annual Adopted Budget ("Budget") for all funds including the General Fund. In addition to the General Fund, there are Enterprise Funds, Special Funds and Internal Service Funds. Unlike the General Fund, Enterprise funds such as the Water and Sewer Funds can be for-profit, and serve to provide a public service while making sure that they are solvent, where revenues meet or exceed expenses. The City also has Special Funds which include but are not limited to Prop A, Prop C, and Metro grants. These funds must be spent on a specific purpose, are usually funded via a federal, state or county source, and are highly regulated by a third-party secured by the grantor. Internal Service funds are implemented within the agency to ensure that all funds are paying/receiving their fair share of revenue and expenses, as is the case with the City's Fund 103 - Insurance Fund, which collects from the appropriate internal entity so each entity can be charged its fair share of insurance costs.

The Budget process begins early in the calendar year and is a lengthy process of department meetings, revenue and expenditure analyses, and projections for the year ahead, coordinated through the Finance Department. Once all departments have submitted their proposal for the upcoming fiscal year, they confer on the final proposal with the City Manager. The proposed budget is presented to the Finance Commission, where their recommendation of the document is requested for the City Council's consideration. A budget study session is held for the City Council and community to provide feedback and input on the proposed budget, and give direction to staff on

furthering the document toward a final draft. Recommendations and any further requested information are included and clarified in a return item to City Council, the Final Preliminary Budget, for which City Manager and Finance Director seek adoption in June 2022.

Discussion/Analysis

For all City funds, which features Total Budget Revenues of \$69,748,864 and Total Budgeted Expenditures of \$69,724,739, we project a net positive balance of \$24,125. The General Fund is budgeting revenues of \$36,129,935 and expenditures/outflows of \$35,929,826, for a projected net positive change of \$200,109. The focus of this report will be on the General Fund, as all other funds are highly regulated by a third-party and revenue within those funds are for a specific purpose whereas, the General Fund is at the sole discretion of the City Council.

Major Revenues

Property Tax	\$18,140,368
Sales Tax	5,806,000
Utility Users' Tax	4,299,703
Planning/Bldg. Fees	1,636,200
All Others	<u>6,247,664</u>
Total	\$36,129,935

Major Expenditures

Labor costs	\$24,870,216
Mtce. & Operations	9,258,648
CIP Contribution	1,133,483
Transfers Out	383,079
Capital Outlay – Equip.	<u>284,400</u>
Total	\$35,929,826

Net Proposed Change	\$200,109
---------------------	-----------

Department Specific Proposed Budget Highlights

Below are some highlights in the proposed budget, reflecting the big takeaways from each respective department:

Library

- New full-time Librarian
- New workstations for Support Services Division
- Budgeted \$20,000 for books/DVD's/CD/e-books

Community Services

- Return of all Senior, Recreation events, classes, programs
- Funding for Festival of Balloons/Fourth of July Fireworks Show and Event
- Construction of Berkshire and Grevelia Pocket Parks- Funding via Impact Fees and grants

Fire

- Requesting Coronavirus State and Local Fiscal Recovery Funds (SLFRF) consideration for three (3) critical apparatus replacement:
 - Air Quality Apparatus (\$600,000)
 - Rescue Ambulance (\$250,000)
 - Breathing Apparatus (\$150,000)

Management Services

- Phase II of Class and Comp Study
- City General Election (November)
- Recruitment and employee engagement efforts
- Return of Commissioner Congress program

Community Development

- New Senior Management Analyst focused on housing programs
- New Part-Time Code Enforcement Officer for weekends/evenings
- Convert 3 part-time positions into 1 full-time Permit Counter Technician
- Historical Residential Property Survey (\$65,000)

Public Works

- New Transportation Engineer
- Increase in tree planting budget to accelerate planting
- Requesting Coronavirus State and Local Fiscal Recovery Funds (SLFRF) consideration for asphalt truck replacement (\$300,000)

Police

- Unfreezing of Deputy Chief position
- Unfreezing of Officer position
- Continued exploration of fleet replacements and carryover of Mental Health programming funding
- Implementation of city-wide license plate reader

Staffing Changes from FY 21/22 Budget to Proposed FY 22/23 Budget

In the FY 21/22 Budget Mid-Year, City Council approved five (5) positions: Deputy City Manager, Management Services Director, two Management Analysts in Public Works and an Accountant in Finance. Positions were added in a reorganization of the City Manager's Office and in development of the Management Services Department, as well as a reorganization of the Public Works Department. In the proposed FY 22/23 budget, three (3) new positions are being proposed: Transportation Engineer (Public Works), Permit Counter Technician and Senior Management Analyst for Housing (Community Development). We are also requesting the unfreezing of three (3) positions: Deputy Police Chief, Police Officer and Librarian. These positions reflect a change of 11 new or unfrozen positions across the organization between the two fiscal year budgets, and provide for further capacity for priority areas. All other modifications are reclassifications of existing positions.

Other Considerations

Staff seeks City Council direction on the following items:

“Wish List”

Items that are under consideration to be added to the upcoming budget but that are not in the upcoming budget as-built are placed on the Wish List. These will be discussed at the May 25, 2022 Budget Presentation. The current list is as follows:

- Skating rink for holiday season (\$30,000) – Council request
- LED lighting for Golf Course (\$16,000) – may be funded through Golf Course fund

Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

The City has received \$6,059,235 in unrestricted SLFRF. These funds were initially intended to assist local entities in offsetting the costs and circumstances encountered due to the COVID-19 pandemic. However, in January 2022, a “Final Rule” with regards to these funds was issued, which lifts restrictions on the use of the funds for entities receiving less than \$10 million. The funds must be appropriated by December 2024 and expended by December 2026. The City Council has expressed preliminary interest in funding the following projects/items with SLFRF dollars.

- Reimbursement to General Fund of already-incurred emergency supplies/equipment costs in response to the pandemic (\$1M)
- MOU Negotiations (\$1.5-2M to be determined)
- Fire Apparatus/Ambulance (\$1M)
- Public Works Asphalt Utility Truck (\$300,000)
- Community Services Registration Software (\$50,000)
- Police Electronic Control Devices (ECD’s) (\$70,000)
- Employee engagement/retention (to be determined)
- Citywide Technology Enhancements (to be determined)

Total: \$3,920,000-\$4,420,000+

Fiscal Impact

If adopted as-is, the net General Fund fiscal impact of the Proposed Budget is a positive increase to fund balance of \$200,109.

Community Outreach

The proposed budget document has been made available for public review through the posting of the document for the Finance Commission meetings, on the City’s website, through the City’s social media and e-newsletter communications tools.

Commission Review

The Finance Commission met on May 16, 2022 to receive a presentation on the FY 22/23 Proposed Budget, and provided good feedback to staff deliberate on the

Proposed Budget. The Commission requested additional time to review the document, and as of the posting of this item, is scheduled to meet a second time on May 23, 2022.

Attachments:

1. Proposed FY 22/23 Budget
2. Committed Fund Balances

ATTACHMENT 1
Proposed FY 22/23 Budget
([Click Here](#))

ATTACHMENT 2
Committed Fund Balances

City of South Pasadena
Proposed FY 22/23 Budget- Committed Fund Balances

Library Expansion	\$200,000
Library Park Drainage Reserve	\$22,000
Arroyo Seco Golf Course Fund	\$600,000
Maintenance Yard and Community Center	\$267,067
Caltrans Vacant Property	\$392,000
SR-110 Interchange Project- "Rogan" Match Fund	\$1,410,000
Vehicle Replacement Reserve	\$100,000
Storm Water Reserve	\$600,000
Renewable Energy Sources	\$700,000
Fiscal Sustainability Reserve	\$900,000
Slater Reimbursement	\$345,876
Legal Services Reserves	\$500,000