

CITY OF PASADENA
City Council Minutes
June 22, 2009 – 4:30 P.M.
City Hall Council Chamber

SPECIAL MEETING

OPENING:

Mayor Bogaard called the special meeting to order at 4:59 p.m. (Absent: Councilmembers Holden, Robinson, Vice Mayor Gordo)

The following person expressed concerns regarding procedural matters and the alleged lack of opportunity for public input involving the ice skating rink matter (Closed Session D on the agenda):

Timothy A. Price, Daisy Villa Neighborhood Association
President speaking as an individual

The Mayor clarified that the public is given the opportunity for public comment any time there is a closed session on the agenda (prior to the Council recessing into the closed session portion of the agenda); and confirmed that no final decision would be made during the closed session, which will be limited to discussion of the management of the ice skating rink.

Councilmember Haderlein asked staff to provide Council with a history of the advisory body review that has been conducted on the ice skating rink project.

The following persons expressed various concerns regarding the proposed management of the ice skating rink and/or spoke in support of the project moving forward (Closed Session D on the agenda):

April Hicks, Pasadena resident
Jon Dudley, Pasadena Hockey Association (Pasadena
Maple Leafs Vice President) representative
Monique Boore, West Covina resident
Andrew Zahorecz, South Pasadena resident
Leslie Linde, Altadena resident
Justin Akiyama, Pasadena resident

On order of the Mayor, the special meeting recessed at 5:18 p.m., to discuss the following closed sessions:

**CITY COUNCIL CONFERENCE WITH REAL PROPERTY
NEGOTIATORS pursuant to Government Code
Section 54956**

**Property Locations: 36 South Michigan Avenue (1208 East
Colorado Boulevard)**

Councilmember Holden
arrived at 5:31 p.m.

Agency Negotiator: Michael J. Beck
Negotiating Party: John Grech
Under Negotiation: Price and terms of payment

**CITY COUNCIL AND COMMUNITY DEVELOPMENT
COMMISSION CONFERENCE WITH REAL PROPERTY
NEGOTIATORS pursuant to Government Code
Section 54956.8**

**Property Location: Assessor's Parcel Nos. 5730-028-058,
059, 060 and 061 (North Lake Square Retail Center - 1241
through 1337 North Lake Avenue)**

**Agency Negotiators: Michael J. Beck and Richard
Bruckner**

Negotiating Party: Yury Orlov

Under Negotiation: Price and terms of payment

**CITY COUNCIL CONFERENCE WITH LEGAL COUNSEL
REGARDING CONSIDERATION OF INITIATION OF
LITIGATION pursuant to Government Code
Section 54956.9(c): One potential case**

**CITY COUNCIL CONFERENCE WITH REAL PROPERTY
NEGOTIATORS pursuant to Government Code
Section 54956.8**

**Properties: 3026 East Orange Grove Boulevard, Pasadena,
CA; 3005 East Foothill Boulevard, Pasadena, CA**

**Agency Negotiators: Michael J. Beck and Richard J.
Bruckner**

Negotiating Parties: Polar Ice Ventures, LLC (PIV)

Under Negotiation: Price and terms of payment

The above four closed session items were discussed, with no reportable action at this time.

**CITY COUNCIL CONFERENCE REGARDING PUBLIC
EMPLOYMENT pursuant to Government Code
Section 54957 and with Labor Negotiators pursuant to
Government Code Section 54957.6**

City Representative: Bill Bogaard

Employee Title: City Clerk

The above closed session item was not discussed.

On order of the Mayor, the special meeting reconvened at 6:47 p.m. The colors were presented and posted by members of Boy Scout Troop 5 from the Pasadena Polytechnic School, Rose Bowl District of San Gabriel Valley Council of Boy Scouts. The Pledge of Allegiance was led by Taylor Mediano, soccer player for Los Angeles Futbol Club (LAFB) Chelsea.

ROLL CALL:

Councilmembers:

Mayor Bill Bogaard
Vice Mayor Victor Gordo (Absent)
Councilmember Steve Haderlein
Councilmember Chris Holden
Councilmember Steve Madison
Councilmember Margaret McAustin
Councilmember Jacque Robinson (Absent)
Councilmember Terry Tornek

Staff:

City Manager Michael J. Beck
City Attorney Michele Beal Bagneris
City Clerk Mark Jomsky

CEREMONIAL MATTERS

Don Sheppard, LAFC Chelsea President, announced that a professional international soccer match between the teams of Chelsea FC and Inter Milan will be held on July 21, 2009 in the Rose Bowl, and submitted an informational card on the game.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Nancy Nelson, Pasadena resident, invited the community to a Community Dialogue – “The Handbill Ordinance” – Green Ecology vs. First Amendment, a panel discussion to be held on June 27, 2009 at the Central Library; and submitted a flyer on the event and an Awareness Magazine article titled “Ed Begley Jr. ... on Living Green”.

CONSENT CALENDAR

AUTHORIZE THE INCREASE OF PURCHASE ORDER NO. 39913 WITH GENERAL PETROLEUM RESOURCES, INC., FOR FLEET FUEL BY \$340,000 FOR AN AMOUNT NOT TO EXCEED \$2,340,000

Recommendation of City Manager: Authorize an increase to Purchase Order No. 39913 with G.P. Resources, Inc., by \$340,000 for the City's annual purchase of fuel for the City's fleet vehicles, thereby increasing the Purchase Order to \$2,340,000.

Item discussed separately, due to request for public comment.

CONTRACT AWARD TO INTER-CON SECURITY SYSTEMS, INC., FOR CITYWIDE PARKING ENFORCEMENT SERVICES

AUTHORIZATION TO ENTER INTO A CONTRACT WITH FEHR AND PEERS TO DEVELOP A TRAVEL DEMAND MODEL TO SUPPORT THE UPDATES OF GENERAL PLAN LAND USE AND MOBILITY ELEMENTS FOR A NOT TO EXCEED AMOUNT OF \$149,300

Recommendation of City Manager: Authorize the City Manager to enter into a contract with Fehr and Peers to develop a travel demand model for the City of Pasadena to be used as a tool in the evaluation of the General Plan Land Use and Mobility Element Updates for an amount not to exceed \$149,300. (Contract No. 19,945)

APPROVAL OF AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE PASADENA POLICE OFFICERS ASSOCIATION

Recommendation of City Manager: Approve an amendment to the Memorandum of Understanding between the City of Pasadena and the Pasadena Police Officers Association (PPOA). (Agreement Amendment No. 19,235-1)

APPROVAL OF AN AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE PASADENA MANAGEMENT ASSOCIATION

Recommendation of City Manager: Approve an amendment to the Memorandum of Understanding between the City of Pasadena and the Pasadena Management Association (PMA). (Agreement Amendment No. 19,782-1)

ADOPTION OF RESOLUTION AMENDING THE SALARY RESOLUTION RELATING TO COMPENSATION FOR NON-SAFETY CLASSIFICATIONS IN THE UNREPRESENTED GROUPS

Recommendation of City Manager: Adopt a resolution amending the Salary Resolution to establish benefits and compensation for classifications in the Unrepresented groups effective April 12, 2009. (Resolution No. 8961)

ADOPTION OF APPROPRIATIONS LIMIT FOR FISCAL YEAR 2010

Recommendation of City Manager: Adopt a resolution that:
(1) Selects the California per Capita Income and the population increase for the City of Pasadena as the indices to be used in calculating the Appropriations Limit for Fiscal Year 2010;
(2) Establishes the Appropriations Limit for Fiscal Year 2010 at \$205,630,268; and
(3) Establishes Appropriations Subject to the Limit for Fiscal Year 2010 at \$123,252,650. (Resolution No. 8962)

AUTHORIZE THE CITY MANAGER TO EXECUTE THE RECOVERY ACT JUSTICE ASSISTANCE GRANT (JAG) MEMORANDUM OF UNDERSTANDING (MOU) FOR THE RECEIPT OF STIMULUS FUNDING

Recommendation of City Manager: Authorize the City Manager to execute the Recovery Act Justice Assistance Grant (JAG) Memorandum of Understanding (MOU) to allow for the receipt of stimulus funding in the amount of \$342,008. (Agreement No. 19,954)

MINUTES APPROVED

May 11, 2009

CLAIMS RECEIVED AND FILED

Claim No. 10,890 Stephen L. Belrum, Attorney \$25,000.00+
for Ronald Minardo

Claim No. 10,891	So Cal Self Storage- Colorado Boulevard, LP	10,000.00+
Claim No. 10,892	Sonia Mercado, Attorney for Solomon Roshodesh, Katherine Roshodesh	25,000.00+
Claim No. 10,893	USAA, Subrogee for Lynette A. Williams	Not Stated

PUBLIC HEARING SET

July 13, 2009, 7:30 p.m. - Appeal of Decision by the Code Enforcement Commission Panel No. 3, Concerning Violations of the Pasadena Municipal Code for the Property Located at 125 East Orange Grove Boulevard (Super Liquor)

It was moved by Councilmember McAustin, seconded by Councilmember Holden, to approve the Consent Calendar, with the exception of Item 2 (Contract with Inter-Con Security Systems, Inc.), which was discussed separately. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

CONSENT ITEM DISCUSSED SEPARATELY

CONTRACT AWARD TO INTER-CON SECURITY SYSTEMS, INC., FOR CITYWIDE PARKING ENFORCEMENT SERVICES
Recommendation of City Manager: Authorize the City Manager to enter into a contract with Inter-Con Security Systems, Inc., for citywide parking enforcement services on designated streets, surface parking lots and parking structures in an amount not to exceed \$1,901,100 for the initial three-year term of the contract. The initial contract term is for three years with an option for two additional one-year terms at the sole discretion of the City Manager based upon performance, price and availability of City funds. Competitive bidding is not required pursuant to City Charter Section 1002 (F), professional or unique services. (Contract No. 19,950)

The following persons spoke in support of the contract:

- Richard Stack, Inter-Con Security Systems, Inc. representative
- Richard Eaton, Inter-Con Security Systems, Inc. representative

The City Manager discussed the constraints faced by the contractor due to the City's rules and regulations.

Fred Dock, Director of Transportation Department, responded to questions regarding the contractor/contract.

Bill Bortfield, Parking Manager, responded to questions regarding the bid process and proposed contractor.

Discussion followed on issues related to the contractor's style of enforcement based on concerns/complaints expressed by local businesses and residents.

Councilmember McAustin expressed concerns regarding the quality of customer service exhibited by this contractor in the past, the need to address the business community's concerns and establish measurements for improvements in the quality of service prior to authorization of the contract, and the need to ensure that the City is receiving the best service at the best price from any contractor.

The Mayor suggested staff consider holding semi-annual meetings with the contractor and business community representatives to discuss parking enforcement issues that might arise, with Council to be informed about the outcomes of these meetings.

Following discussion, it was moved by Councilmember Haderlein, seconded by Councilmember Madison, to approve the City Manager's recommendation; and to direct staff to coordinate semi-annual meetings involving the contractor, business management districts' boards, and applicable parking meter commissions to address the issues raised by the business community about parking enforcement in the downtown area, with Council to be informed on the outcomes of the meetings. (Motion carried, with Councilmember McAustin objecting) (Absent: Councilmember Robinson, Vice Mayor Gordo)

**REPORTS AND COMMENTS
FROM COUNCIL
COMMITTEES**

FINANCE COMMITTEE

**AUTHORIZATION TO AMEND AND EXTEND CONTRACT NO. 18,820 WITH CORVEL CORPORATION FOR ONE OF THE TWO OPTIONAL ONE-YEAR EXTENSION PERIODS
Recommendation of City Manager:**

- (1) Authorize an extension of Contract No.18,820 with Corvel Corporation, formerly Hazelrigg Risk Management Services, for administration of the workers' compensation claims for the City's public safety departments (Police and Fire) and the processing of Bill Review for the safety and non-safety claims for a period of one year not to exceed \$760,728;
- (2) Authorize the City Manager to extend the contract for up to one additional year; and
- (3) Grant the proposed extension an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code Chapter 4.08, pursuant to Section 4.08.049(B), contracts for which the City's best interests are served. (Contract Amendment No. 18,820-4)

Andy Green, Director of Finance Department, introduced the agenda item.

Antoinette Lee, Worker's Compensation Supervisor, reviewed the agenda report as part of a PowerPoint presentation, and responded to questions.

It was moved by Councilmember Holden, seconded by Councilmember Haderlein, to approve the City Manager's recommendation. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

**AUTHORIZATION TO ENTER INTO A CONTRACT WITH
MAYER HOFFMAN MCCANN P.C. FOR AUDIT SERVICES
FOR FISCAL YEARS 2009-2013**

Recommendation of City Manager: Authorize the City Manager to execute a contract with the public accounting firm of Mayer Hoffman McCann P.C., to perform the annual audits of the financial statements of the City of Pasadena, the Pasadena Community Development Commission, the Rose Bowl Operating Company, and the Pasadena Center Operating Company. The proposed contract is exempt from competitive bidding pursuant to City Charter Section 1002(F), contracts for professional or unique services. (Contract No. 19,946)

Andy Green, Director of Finance Department, introduced the agenda item and responded to questions.

Robert Ridley, Controller, summarized the agenda report as part of a PowerPoint presentation, and responded to questions.

It was moved by Councilmember Holden, seconded by Councilmember McAustin, to approve the City Manager's recommendation. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

In response to the Mayor's questions, Mr. Green noted that a report had been recently presented to the Finance and Audit Committees on the annual workplan for the internal audits that are to be performed during the next year.

**RECOMMENDATIONS FROM
OFFICERS AND
DEPARTMENTS**

**JOINT ACTION: REFINANCING OF LAKE/WASHINGTON
RETAIL CENTER UNDER DISPOSITION AND
DEVELOPMENT AGREEMENT (DDA) BETWEEN
COMMUNITY DEVELOPMENT COMMISSION AND
WATT/JOHNSON COMMERCIAL VENTURE (DEVELOPER)**

Recommendation of City Manager/Chief Executive Officer: It is recommended that the City Council and Community Development Commission (Commission) adopt a resolution approving Watt/Johnson's request to redeem and retire all of the outstanding 1984 demand certificates of participation, which were used to initially finance the development of the property, and replace them with a conventional mortgage loan. (Resolution No. CDR-262)

Recommendation of Community Development Committee:

On April 23, 2009, the Community Development Committee recommended that the Community Development Commission approve Watt/Johnson's request to redeem and retire all outstanding 1984 demand certificates of participation (COP), which were used to initially finance the development of the property, and replace them with a conventional mortgage loan.

Richard Bruckner, Director of Planning and Development Department, outlined the report.

It was moved by Councilmember Holden, seconded by Councilmember McAustin, to approve the City Manager's/Chief Executive Officer's recommendation. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

APPROVAL OF KEY BUSINESS TERMS OF AMENDED PREDEVELOPMENT LOAN AGREEMENT AND ACQUISITION, DISPOSITION, DEVELOPMENT AND LOAN AGREEMENT WITH ABODE COMMUNITIES FOR A PROPOSED 45-UNIT AFFORDABLE SENIOR RENTAL HOUSING PROJECT AT 1267 NORTH HUDSON AVENUE (HUDSON OAKS PROJECT); APPROPRIATION OF \$4,312,115 IN CITY HOUSING FUNDS

Recommendation of City Manager:

(1) Approve key business terms of an Amended Predevelopment Loan Agreement as set forth in the agenda report;

(2) Approve key business terms of an Acquisition, Disposition and Development Agreement as set forth in the agenda report;

(3) Approve a journal voucher appropriating \$3,207,292 from the Inclusionary Housing fund balance and \$1,104,823 from the HOME fund balance, for a total not to exceed \$4,312,115 for the Hudson Oaks Project; and

(4) Authorize the City Manager to approve any documents necessary to implement the Hudson Oaks Project. (Agreement Amendment No. 19,841-1; Journal Voucher No. 2009-30)

Recommendation of Northwest Commission: The Northwest Commission, at its regular meeting of May 28, 2009, unanimously approved the staff recommendation.

Recommendation of Community Development Committee: The Community Development Committee, at its regular meeting of June 11, 2009, unanimously approved the staff recommendation.

Bill Huang, Director of Housing Department, summarized the agenda report and responded to questions.

It was moved by Councilmember Holden, seconded by Councilmember McAustin, to approve the City Manager's recommendation. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

APPOINTMENT OF MARK PERSICO TO THE PLANNING COMMISSION (District 2 Nomination)

APPOINTMENT OF GREG HARRISON TO THE RECREATION AND PARKS COMMISSION (District 2 Nomination)

REAPPOINTMENT OF ANDREA RAWLINGS TO THE HISTORIC PRESERVATION COMMISSION (Mayor Nomination)

REAPPOINTMENT OF MILENA ALBERT TO THE HUMAN RELATIONS COMMISSION (Mayor Nomination)

REAPPOINTMENT OF JENNIFER WATTS TO THE LIBRARY COMMISSION (At Large/District 7 Nomination)

REAPPOINTMENT OF RHEA ROBERTS TO THE OLD PASADENA PARKING METER ZONE ADVISORY COMMISSION (At Large/District 6 Nomination)

REAPPOINTMENT OF CAROLYN ROBINSON TO THE SOUTH LAKE PARKING PLACE COMMISSION (At Large/District 7 Nomination)

APPOINTMENT OF ROBERTO MORENO TO THE DESIGN COMMISSION (At Large/District 6 Nomination)

REAPPOINTMENT OF MICHAEL CHUNG TO THE LIBRARY COMMISSION (Mayor Nomination)

It was moved by Councilmember McAustin, seconded by Councilmember Haderlein, to approve the above appointments and reappointments. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

CONSIDERATION OF A CALL FOR REVIEW OF A STAFF DECISION TO THE BOARD OF ZONING APPEALS REGARDING A PRIVATE TREE REMOVAL AT 3839 MAYFAIR DRIVE, TR-2009-00152 (Councilmember Haderlein)

Councilmember Haderlein stated his reasons for asking that the decision to deny removal of the tree be reviewed (as staff provided a PowerPoint presentation).

Councilmember Tornek stated his support for the staff decision to deny the tree removal permit.

It was moved by Councilmember Haderlein, seconded by Councilmember Madison, to call this matter for review to the Board of Zoning Appeals. (Motion carried, with Councilmember Tornek objecting) (Absent: Councilmember Robinson, Vice Mayor Gordo)

ORDINANCES – ADOPTED

Adopt "AN ORDINANCE OF THE CITY OF PASADENA AMENDING VARIOUS PROVISIONS OF TITLE 17 (THE ZONING CODE), INCLUDING LIMITING CONTINUANCES OF PUBLIC HEARINGS AND REQUIRING RENOTICING THEREOF; REGULATING MERCHANDISE DISPLAYS ASSOCIATED WITH PERSONAL PROPERTY SALES; CHANGING THE TITLE OF THE NORTHWEST ENTERPRISE ZONE; ALLOWING PARK AND RECREATION FACILITIES IN THE PS DISTRICT WITH A CONDITIONAL USE PERMIT; AND A SERIES OF OTHER MINOR AMENDMENTS" (Introduced by Councilmember Tornek) (Ordinance No. 7169)

The above ordinance was adopted by the following vote:
AYES: Councilmembers Haderlein, Holden, Madison, McAustin, Tornek, Mayor Bogaard
NOES: None
ABSENT: Councilmember Robinson, Vice Mayor Gordo

Adopt "AN ORDINANCE OF THE CITY OF PASADENA SUSPENDING IMPLEMENTATION OF THE SCHEDULED JULY 1, 2009 CONSUMER PRICE INCREASE TO THE STIPENDS OF THE MAYOR AND MEMBERS OF THE CITY COUNCIL SET FORTH IN SECTION 2.05.210 (B), OF THE PASADENA MUNICIPAL CODE" (Introduced by Councilmember Madison) (Ordinance No. 7170)

The above ordinance was adopted by the following vote:
AYES: Councilmembers Haderlein, Holden, Madison, McAustin, Tornek, Mayor Bogaard
NOES: None
ABSENT: Councilmember Robinson, Vice Mayor Gordo

PUBLIC HEARINGS

PUBLIC HEARING: CONSIDER GRANTING NON-EXCLUSIVE SOLID WASTE FRANCHISES
Recommendation of City Manager:

- (1) Hold a public hearing to consider granting non-exclusive solid waste franchises to: Direct Disposal, Interior Removal Specialist and Nu-Way Roll-off Service;
- (2) After closure of the public hearing, grant a franchise to all applicants from the date of execution through June 30, 2010, consistent with the solid waste collection franchise ordinance; and
- (3) Direct the City Attorney to prepare the necessary ordinances for the approved applications and authorize the City Manager to enter into the franchise agreements on or after the effective date of the ordinance approving such franchise. (Agreement Amendment No. 18,954-4; Agreement Amendment No. 18,964-4; Agreement Amendment No. 18,966-4)

The Mayor opened the public hearing.

The City Clerk reported the notice of public hearing was published on June 10, 2009 in the Pasadena Star-News; and no correspondence was received.

Martin Pastucha, Director of Public Works Department, introduced the agenda item and responded to questions.

Arlington Rodgers, Jr., Administrator for Street Maintenance and Integrated Waste Management, summarized the agenda report as part of a PowerPoint presentation.

No one appeared for public comment.

It was moved by Councilmember Holden, seconded by Councilmember Haderlein, to close the public hearing. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

Discussion followed on the progress made in increasing the required diversion rate required of franchisees and the use of alternative fuels in the haulers' vehicles.

By consensus, the issue of requiring franchisees to use alternative fuels was referred to the Municipal Services Committee for discussion.

It was moved by Councilmember Holden, seconded by Councilmember Haderlein, to approve the City Manager's recommendation. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

PUBLIC HEARING: ZONING CODE AMENDMENTS – TO UPDATE THE DEVELOPMENT STANDARDS FOR SINGLE-FAMILY DEVELOPMENTS FOR SETBACKS, ENCROACHMENT PLANE, HEIGHT, LOT COVERAGE, FLOOR AREA AND OTHER MINOR AMENDMENTS

Recommendation of City Manager: It is recommended that the City Council, following a public hearing:

- (1) Adopt the Initial Study (Attachment E of the agenda report) and the Negative Declaration for the proposed Code Amendments and direct the City Clerk to file a Notice of Determination;
- (2) Approve staff's recommendation to amend the Zoning Code as described in the agenda report;
- (3) Approve a finding of consistency with the General Plan; and
- (4) Direct the City Attorney to prepare an ordinance codifying these amendments and return within 90 days for first reading.

Recommendation of Planning Commission: On April 22, 2009, the Planning Commission recommended the proposed Code Amendments as prepared by staff with the following changes:

- A. Reduce the length of first floor additions with non-conforming setbacks from 20 feet to 10 feet.
- B. Reduce the length of second floor additions which project into the encroachment plane from 20 feet to 10 feet.
- C. Allow an increase in lot coverage from 35 to 40 percent (for properties between 7,200 square feet and 12,000 square feet) for single-story construction only.
- D. Instruct staff to return to the Planning Commission on a later date to discuss adding the square footage of basements to floor area.

Staff agrees with Item C of the Planning Commission's recommendation and has included this in the recommended action. In regard to Items A and B (reducing the length of first and second floor), both staff and the Planning Commission agree that additional limits are appropriate; however, there is a difference of opinion as to what those limits should be, as discussed further in the body of the agenda report. In addition, staff feels Item D (the issue of adding basements) has been analyzed and addressed in previous amendments, as discussed in Attachment A (Areas Analyzed but not included in the Amendments) of the agenda report. Therefore, staff does not recommend approval of the Planning Commission's recommendation D.

The Mayor opened the public hearing.

The City Clerk reported the notice of public hearing was published on June 1 and 8, 2009 in the Pasadena Star-News and on June 18, 2009 in the Pasadena Journal; and no correspondence was received.

Richard Bruckner, Director of Planning and Development Department, introduced the agenda item and responded to questions.

Jason Mikaelian, Senior Planner, reviewed the agenda report as part of a PowerPoint presentation, and responded to questions.

Discussion followed on uses allowed for basement areas and code modifications involving the encroachment plane.

Councilmember McAustin expressed concerns regarding the use of basements as added living area, and suggested the Planning Commission study the use of basement areas and possible impacts of these uses on the neighborhood.

Councilmember Tornek suggested that the maximum length of second floor additions that project into the encroachment plane be set at 16 feet.

No one appeared for public comment.

It was moved by Councilmember Haderlein, seconded by Councilmember McAustin, to close the public hearing. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

Following discussion, it was moved by Councilmember McAustin, seconded by Councilmember Holden, to approve the City Manager's recommendation, as amended to limit the maximum length of second floor additions that project into the encroachment plane to 16 feet, and to direct the Planning Commission and staff to study the use of basement areas and related impacts of these uses on the neighborhood. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

CONTINUED PUBLIC HEARING: PROPOSED WATER RATE INCREASES AND IMPLEMENTATION OF WATER RATE PROPOSAL – REVISED

Recommendation of City Manager:

- (a) Receive public Comment on the Proposed Water Rate Increases in accordance with the requirements of Proposition 218;
- (b) Close the Public Hearing; and
- (c) Direct the City Attorney to prepare an ordinance amending Pasadena Municipal Code Section 13.20 in accordance with the recommendations of the Municipal Services Committee (MSC) described in the agenda report.

Recommendation of Municipal Services Committee (MSC):

At a special meeting on June 17, 2009, the MSC considered additional public comment and alternatives to the original rate proposal. The MSC recommended approval of the June 8, 2009 staff proposal (as presented in the agenda report), with the following modifications:

- 1) Three-year Implementation of Distribution and Customer Charge (D&C) Increase;
- 2) Provide Credit to Customers for Charges in Rate Blocks 4 and 5 for Revenues Collected in Excess of Actual Penalty Costs Imposed by the Metropolitan Water District (MDW); and
- 3) Provide Relief from Block 5 Rates for Efficient Water Consumers.

The Mayor announced now was the time for the continued public hearing.

The City Manager commented on community outreach regarding the proposed water rate increases, and on responses from two water-related questions that had been included in a recent citizens survey conducted by the City; and indicated that the City had reviewed its own water usage and conservation measures.

Phyllis Currie, General Manager of Water and Power Department, summarized the agenda report as part of a PowerPoint presentation, discussed staff's work with consumers on water conservation measures, and responded to questions.

Shari Thomas, Assistant General Manager/Finance, responded to questions regarding the proposed rates.

Scott Rasmussen, Senior Assistant City Attorney, responded to questions regarding staff's current review of the City's ability to implement fees for new developments based on their impacts on water demand.

The following persons spoke in opposition to, and/or expressed various concerns regarding, the proposed water rate increases:

Paul Little, Chamber of Commerce President and Chief Executive Officer

David Powell, Pasadena resident, submitted a handout dated June 22, 2009 and titled "Supplemental Comments on Water Rates".

Wayne Lusvardi, Citizens for Responsible Government representative, submitted a handout titled "A Resolution on Water Rates and Enforcement".

Rosalind Binger Makuh, Pasadena resident

Nancy Nelson, Pasadena resident

Mary Dee Romney, Pasadena resident

The following person spoke in support of a rate structure that captures the full cost of service:

Michael Hurley, Pasadena resident

Councilmember McAustin, Chair of the Municipal Services Committee, reported on the Committee's recommendations cited above.

Councilmember Holden expressed concerns regarding the need to provide assistance to fixed-income, low-income consumers in paying these increased rates.

Councilmember Madison suggested staff explore providing more information regarding base usage and conservation, as part of each consumer's water bill; and reviewing various

water-related costs for appropriate adjustments, as part of the City's annual fee review.

The Mayor asked staff to take into consideration renters who are not actually water customers, but will be impacted by the increased rates when developing the assistance program for fixed- or low-income persons.

It was moved by Councilmember McAustin, seconded by Councilmember Holden, to close the public hearing. (Motion unanimously carried) (Absent: Councilmember Robinson, Vice Mayor Gordo)

Following discussion, it was moved by Councilmember McAustin, seconded by Councilmember Haderlein, to approve the City Manager's recommendation and staff proposal, as amended by the Municipal Services Committee (MSC) recommendation cited above, and to direct staff to report to the MSC on a means to address the impacts of the rate increases for fixed- and low-income residents/customers:

AYES: Councilmembers Haderlein, Holden, Madison, McAustin, Tornek, Mayor Bogaard

NOES: None

ABSENT: Councilmember Robinson, Vice Mayor Gordo

The Mayor thanked the community and staff for their extensive work on this matter.

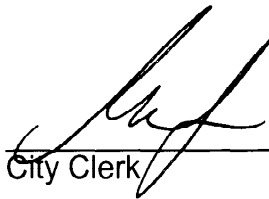
ADJOURNMENT

On order of the Mayor, the special meeting of the City Council adjourned at 10:36 p.m.



Bill Bogaard, Mayor
City of Pasadena

ATTEST:



City Clerk