

CITY OF PASADENA
City Council Minutes
February 11, 2019 – 5:30 P.M.
City Hall Council Chamber

REGULAR MEETING

OPENING:

Mayor Tornek called the regular meeting to order at 5:30 p.m.
(Absent: Councilmembers Hampton, Madison)

On the order of the Mayor, the regular meeting recessed at 5:30 p.m. to discuss the following closed session:

Councilmember Madison
arrived at 5:38 p.m.

**CITY COUNCIL CONFERENCE WITH LEGAL COUNSEL
regarding pending litigation pursuant to Government Code
Section 54956.9(d)(1)**

**Name of Case: In the Matter of: CITY OF PASADENA - PUBLIC
HEALTH DEPARTMENT**

**DHCS Office of Administrative Appeals Appeal No. SR18-
0915-693-AC**

**CITY COUNCIL CONFERENCE REGARDING PUBLIC
EMPLOYEE PERFORMANCE EVALUATION pursuant to
Government Code Section 54957 and CITY COUNCIL
CONFERENCE with Labor Negotiator pursuant to
Government Code Section 54957.6**

**Employee Title and Unrepresented Employee: City
Attorney/City Prosecutor**

City Representative: Terry Tornek

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

On order of the Mayor, the regular meeting reconvened at 6:30 p.m. The pledge of allegiance was led by Councilmember Hampton.

ROLL CALL:

Councilmembers:

Mayor Terry Tornek
Vice Mayor John J. Kennedy
Councilmember Victor Gordo
Councilmember Tyron Hampton
Councilmember Steve Madison
Councilmember Gene Masuda
Councilmember Margaret McAustin
Councilmember Andy Wilson

Staff:

City Manager Steve Mermell
City Attorney/City Prosecutor Michele Beal Bagneris
City Clerk Mark Jomsky

Councilmember Madison arrived at 6:32 p.m.

**PUBLIC COMMENT ON
MATTERS NOT ON THE
AGENDA**

The Mayor spoke on the passing of Robert W. Winter, Ph.D., an architectural historian and Pasadena resident, and asked that the meeting be adjourned in his memory.

The following individuals spoke on the City's cannabis regulations, and advocated for the continued operation of existing commercial cannabis businesses in the City:

Shaun Szameit, residence not stated
Dylan Arthur, Revo Medical Group
Susan Gomez, Pasadena resident
Craig F. Thompson, residence not stated
Samantha Cervantes, Pasadena resident
Elizabeth Cortez, Pasadena resident
Taylor M., Pasadena resident
Isidro Cerda, Pasadena resident
Ani, Pasadena resident
Thomas Coderko, Pasadena resident
Katherine Saucedo, Los Angeles resident
Kevin Whitaker, Los Angeles resident
Eugene Tripling, Pasadena resident
Alma R. Gavia, Pasadena resident
Jasmine Richards Abdullah, Black Lives Matter Pasadena
Mike Derderian, Pasadena resident
Armen Khodaverdian, Pasadena resident

Emanuel Najera, Pasadena resident, suggested that the City rename Fire Station 36 in honor of Jackie Robinson.

Ralph Frammolino, Northwest Commission, distributed information and spoke on the Commission's community survey providing information on community concerns in Northwest Pasadena.

CONSENT CALENDAR

**AUTHORIZATION TO AMEND INITIAL TERM AND
EXTENSIONS FOR CONTRACT NO. 30949 WITH HAR-BRO
ENVIRONMENTAL INC.**

Recommendation:

(1) Find that the proposed action is categorically exempt pursuant to the guidelines of the California Environmental Quality Act ("CEQA") Public Resources Code Section 21080(b)(9); Administrative Code, Title 14, Chapter 3, Class 1 Section 15301 (Existing Facilities) and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and

(2) Authorize the City Manager to amend initial term and extensions for Contract No. 30949 with Har-Bro Environmental, Inc. (Contract No. 30949-1)

FINANCE COMMITTEE: AMENDMENTS TO FISCAL YEAR 2019 ADOPTED OPERATING BUDGET

Recommendation:

- (1) Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
- (2) Amend the Fiscal Year (FY) 2019 Adopted Operating Budget as detailed in the "Proposed Budget Amendments" section of the agenda report by a net amount of \$4,938,982; and
- (3) Amend Contract No. 22,671 with Los Angeles County Metropolitan Transportation Authority for removal of bike share equipment by increasing the total amount by \$85,048.61 for a revised total contract amount not-to-exceed \$2,195,976.61. (Contract No. 22,671-1, Budget Amendment No. 2019-17)

FINANCE COMMITTEE: FISCAL YEAR JUNE 30, 2018 ANNUAL FINANCIAL REPORTS

Recommendation: It is recommended that the following reports for the year ending June 30, 2018 be reviewed, discussed, and filed by the City Council and/or the Successor Agency to Pasadena Community Development Commission:

- A. Comprehensive Annual Financial Report
- B. Single Audit Reports
- C. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (This replaces what was called the "Management Letter.")
- D. Pasadena Center Operating Company Basic Financial Statements
- E. Rose Bowl Operating Company Basic Financial Statements
- F. Pasadena Community Access Corporation Basic Financial Statements
- G. Pasadena Fire and Police Retirement System Independent Auditor's Report and Basic Financial Statements with Required Supplemental Information
- H. Air Quality Improvement Fund Financial Statements and Compliance Report
- I. Independent Accountant's Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheets
- J. Independent Accountant's Report on Agreed-Upon Procedures Applied to Employee Deductions for the Internal Revenue Code Section 457 Deferred Compensation Program

- K. The Auditor's Communications with the City's Audit and Finance Committee
- L. Pasadena Housing Successor Basic Financial Statements, Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an audit of Financial Statements, Independent Auditors' Report on Compliance with Applicable Requirement and on Internal Control Over Compliance, and Housing Successor Annual Report Regarding the Low and Moderate Income Housing Asset Fund *

*Report previously delivered

RESIGNATION OF PRISCILLA HERNANDEZ FROM THE SENIOR COMMISSION (District 4 Nomination)

APPROVAL OF MINUTES

January 28, 2019

CLAIMS RECEIVED

Claim No. 13,239	National Interstate Insurance	\$	6,639.83
Claim No. 13,240	Lan Ong		515.23
Claim No. 13,241	Raffi A. Tchakerian		169.67
Claim No. 13,242	Robert Trujillo		120.00
Claim No. 13,243	Tracy L. LeBlue		1,325.00
Claim No. 13,244	Wenhua Sun		1,163.52

PUBLIC HEARING SET

April 8, 2019, 7:00 p.m. – Submission of Public Housing Agency Annual Plan (2019) to the U.S. Department of Housing and Urban Development

It was moved by Vice Mayor Kennedy, seconded by Councilmember Wilson, to approve all items on the Consent Calendar. (Motion unanimously carried) (Absent: None)

RECOMMENDATIONS FROM OFFICERS AND DEPARTMENTS

POSSIBLE AMENDMENTS TO CITYWIDE MINIMUM WAGE ORDINANCE CHAPTER 5.02 OF THE PASADENA MUNICIPAL CODE

Recommendation: It is recommended that the City Council: 1) receive two independent reports which analyze the impact of the City-wide minimum wage; and, 2) provide direction to staff regarding a possible amendment to Chapter 5.02 of the Pasadena Municipal Code, to establish future increases to the City-wide Minimum Wage as follows:

- July 1, 2019, the hourly wage shall be \$14.25 (\$13.25 for small employers).
- July 1, 2020, the hourly wage shall be \$15.00 (\$14.25 for small employers).
- July 1, 2021, the hourly wage shall be \$15.00 for small employers.

- Beginning July 1, 2022, and each July 1 thereafter the hourly wage shall be adjusted by an amount equal to the change in consumer price index as that term is defined in Title 1, Chapter 1.08, Section 1.08.060, consumer price index adjustments (CPI).

The Mayor provided introductory comments, and City Manager Mermell presented a PowerPoint presentation on the item, and responded to questions.

Dr. Edward Leamer, and Dr. Michael Reich, consultants and economists hired by the City, provided PowerPoint presentations on their analysis of the impacts related to the City's minimum wage ordinance; and responded to questions.

Kim Douglas, Co-Chair of Pasadenans Organizing for Progress (POP!), and Daniel Flaming, President of the Economic Roundtable, advocated for the City to increase the minimum wage to \$15.00/hour; submitted information and spoke on survey results illustrating support for increasing the minimum wage; and commented on the economists presentation.

Justin Tsui, John Leano, Bob Harrison, and Robin McCarthy, representing the Pasadena Chamber of Commerce and Civic Association of Pasadena, presented a PowerPoint presentation on the impacts of the 2016 minimum wage increase to local businesses. Paul Little, Pasadena Chamber of Commerce Executive Director, and Robin Salzer, restaurant owner, responded to questions related to increases to the City-wide Minimum Wage and impacts on businesses.

Vice Mayor Kennedy expressed his hope that employers and employees could meet and compromise on the issue, suggesting that the two sides might be able to reach an agreement to continue to increase the City's minimum wage to \$15.00/hour within a timeframe consistent with the City's and the State's minimum wage increase schedule.

The following individuals spoke in opposition to the City increasing the minimum wage to \$15.00/hour, preferring to follow the State's scheduled increases related to minimum wage:

R-lene Mijares de Lang, Mijares Mexican Restaurant
Gregorio Sanchez, Pasadena resident
Armen Shirvanian, Mi Piac
David Wagner, Pasadena resident
Rick Liss, Pasadena resident

Ole Olson, Pasadena resident
Merlin Froyd, Pasadena resident
Ruth M. Tatom, Pasadena resident
Elizabeth Dever, Pasadena Chamber of Commerce

The following individuals spoke in favor of the City Council taking action to continue on with the agreed upon City schedule to increase the minimum wage to \$15.00/hour by July 1, 2021:

Claudia Hathcock, Pasadena resident
Christy Zamani, Day One
Jessica Kubel, Pasadena resident
Catalina Gonzalez, Pasadena resident
Steve Weddel, American Federation of State, County and
Municipal Employees, Local 858
Jazmine De La Torre, Pasadena resident
Jennifer Jimenez, Pasadena resident
Cameron Hughes, residence not stated
Juan Antonio Espino, POP!
Cornelia Dai, Pasadena resident
Louise Siskel, San Marino resident
Brooke Teal Robbins, Indivisible Suffragists
Michael F. Duran, Pasadena resident
John Srebalus, Pasadena resident
Allen Edson, National Association for the Advancement of
Colored People (NAACP)
Rev. Michael Kinman, All Saints Church
Rabbi Marv Gross, Sierra Madre resident
Manuel Carcido, Pasadena Teachers Union
Joanne Wendler, ACT Steering Committee
Hugo Romero, LA County Federation of Labor
Anne-Marie, LA/OC Building and Construction Trades
Council
Pat Cahalen, Pasadena resident
Larry Torres, Sierra Madre resident
Angelic Salas, The Coalition for Humane Immigrant Rights
(CHIRLA)
Irma Rincon, Pasadena resident
Paul Castillo, Pasadena resident
Ed Washatka, Pasadena resident
Juliana Serano, POP!
Julie McKune, Pasadena resident
Dorothy Keane, League of Women Voters Pasadena Area
Elizabeth Ben-Ishai, Pasadena resident
Carl Selkins, Pasadena resident
Michelle White, Pasadena resident
Rabbi Jonathan Klein, Throop Unitarian Universalist Church

Emanuel Najera, Pasadena resident
Stephanie Sharp, Pasadena resident

The Mayor spoke on the importance of the business community; and the City Council's request for staff to present a report on the impacts of the City-wide minimum wage to determine if there was a dramatic unanticipated consequences; He spoke in favor to continue the City's minimum wage schedule of \$15.00/hour by July 1, 2020 for large businesses, and July 1, 2021 for small businesses; and stated that the City Council can at any time amend the minimum wage ordinance, if necessary

Councilmember Gordo spoke on the various crisis in the City (i.e. access to healthcare, affordable housing), the collective investment of the City and spoke in favor to continue on with the City's minimum wage schedule of \$15.00/hour by July 1, 2020 for large businesses, and July 1, 2021 for small businesses.

Councilmember Masuda expressed concerns with the possibility of job losses in the City with the City Council moving forward to continue the City's minimum wage schedule, preferring the State's schedule.

Councilmember Madison spoke on the investments made by the restaurateurs to the City and the Pasadena Chamber of Commerce. He spoke in favor to continue with the City's minimum wage schedule. However, he did express concerns with the possibility of negative impacts to the City's local economy by proceeding with this schedule ahead of the State.

Councilmember McAustin spoke on the wage compression that is affecting small businesses in the City, and the need to provide a balance between small and large businesses, and recommended that the City take a bifurcated approach to the application of the minimum wage, such that small businesses (1 – 25 employees) abide by the State's minimum wage increase schedule (\$15.00/hour by January 1, 2023), and those businesses with 26 or more employees be subject to the City's minimum wage scheduled (\$15.00/hour by July 1, 2021).

Councilmember Wilson echoed concerns related to small businesses and the impacts to the local economy, however, spoke in favor of the City continuing with the minimum wage schedule of \$15.00/hour by July 1, 2021.

Councilmember Hampton spoke on the possible negative impacts (i.e. job loss, risk of automation replacing hourly employees, etc.) in proceeding with the City's minimum wage schedule; the need to support local businesses, and individuals who cannot afford health care; and spoke in favor of such actions that will allow employees to keep their jobs.

Original Motion:

Following discussion, it was moved by Vice Mayor Kennedy, seconded by Councilmember Madison, to direct the City Manager to move forward with amending Chapter 5.02 of the Pasadena Municipal Code, to increase the city-wide minimum wage according to the following schedule: July 1, 2019, the hourly wage shall be \$14.25 (\$13.25 for small employers); July 1, 2020 the hourly wage shall be \$15.00 (\$14.25 for small employers); July 1, 2021, the hourly wage shall be \$15.00 for small employers; and beginning on July 1, 2022, and each July 1 thereafter the hourly wage shall be adjusted by an amount equal to the change in consumer price index as that term is defined in Title 14, Chapter 1.08, Section 1.08.060, consumer price index adjustments (CPI):

Substitute Motion:

Following further discussion, it was moved by Councilmember McAustin, seconded by Councilmember Hampton, to move forward with the amending the Chapter 5.02 of the Pasadena Municipal Code, to increase the city-wide minimum wage according to the following schedule: July 1, 2019, the hourly wage shall be \$14.25; July 1, 2020 the hourly wage shall be \$15.00; and beginning on July 1, 2022, and each July 1 thereafter the hourly wage shall be adjusted by an amount equal to the change in consumer price index as that term is defined in Title 14, Chapter 1.08, Section 1.08.060, consumer price index adjustments (CPI), amended to allow small employers (1-25 employees) to follow the State of California's minimum wage increase schedule as detailed in Attachment A of the agenda report:

AYES: Councilmembers Hampton, McAustin
NOES: Councilmembers Gordo, Madison, Masuda, Wilson,
Vice Mayor Kennedy, Mayor Tornek
ABSENT: None
ABSTAIN: None
(MOTION FAILED)

Vote on Original Motion:

It was moved by Vice Mayor Kennedy, seconded by Councilmember Madison, to direct the City Manager to move forward with amending Chapter 5.02 of the Pasadena Municipal Code, to increase the city-wide minimum wage according to the following schedule: July 1, 2019, the hourly wage shall be \$14.25 (\$13.25 for small employers); July 1, 2020 the hourly wage shall

be \$15.00 (\$14.25 for small employers); July 1, 2021, the hourly wage shall be \$15.00 for small employers; and beginning on July 1, 2022, and each July 1 thereafter the hourly wage shall be adjusted by an amount equal to the change in consumer price index as that term is defined in Title 14, Chapter 1.08, Section 1.08.060, consumer price index adjustments (CPI):

AYES: Councilmembers Gordo, Madison, Masuda,
McAustin, Wilson, Vice Mayor Kennedy, Mayor
Tornek
NOES: Councilmember Hampton
ABSENT: None
ABSTAIN: None

**ORDINANCE – FIRST
READING**

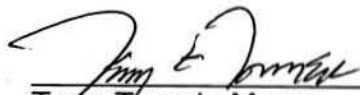
**Conduct first reading of "AN ORDINANCE OF THE CITY OF
PASADENA AMENDING CHAPTER 5.72 OF THE PASADENA
MUNICIPAL CODE (VEHICLES FOR HIRE)"**

The above ordinance was offered for first reading by Vice Mayor
Kennedy:

AYES: Councilmembers Gordo, Hampton, Madison
Masuda, McAustin, Wilson, Vice Mayor Kennedy,
Mayor Tornek
NOES: None
ABSENT: None
ABSTAIN: None

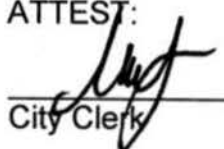
ADJOURNMENT

On order of the Mayor, the regular meeting of the City Council
adjourned at 11:34 p.m. in memory of Mr. Robert W. Winter, Ph.D.



Terry Tornek, Mayor
City of Pasadena

ATTEST:



City Clerk