

CORRECTED

**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
LA VERNE HELD IN THE COUNCIL CHAMBERS
OF THE LA VERNE CITY HALL
Monday, October 15, 2018**

1. A regular meeting of the La Verne City Council was called to order by Mayor Kendrick at 6:30 p.m.

2. Council Members present: Mayor Don Kendrick
Mayor Pro Tem Muir Davis
Council Member Charlie Rosales
Council Member Tim Hepburn

Absent: Council Member Carder

Advisory personnel present: City Manager Robert Russi
City Attorney Robert L. Kress
Assistant City Manager/Public Works Director Dan Keesey
Assistant City Clerk Lupe Gaeta Estrella
Community Development Director Eric Scherer
Community Services Director Bill Aguirre
Police Chief Nick Paz
Fire Chief Pete Jankowski
Personnel Officer JR Ranells

3. Pledge of Allegiance was led by Mayor Kendrick.

4. La Verne Little League 11U All-Star Team Mayor Kendrick, on behalf of the City Council, introduced and congratulated La Verne Little League 11U All-Star Team. The La Verne Little League 11U All-Star Team won the Little League District 20 Tournament going 4-1. They then went on to win the Section 3 Tournament by beating Ontario Western 9-0 in the championship game. They then advanced to the State Tournament and ended up tied for 5th place out of ten teams. The team was managed by Randy White and was coached by Mark Garcia and Valerie Terrazas. The team roster is as follows:

Jaren Blumberg	Samuel Duenas	Greyson Fernandez	Ayden Garcia
Dominic Garcia	Jacob Gill	Owen Hughes	Noah Jimenez
Nick Ramirez	Anthony Terrazas	Ryan Upole	Nathan Uribe
Cody White			

Badge Pinning for Police Officer Janessa Gonzalez Mayor Kendrick, on behalf of the City Council, congratulated and introduced newly hired Police Officer Janessa Gonzalez. Janessa was born in the City of West Covina and is the oldest of three siblings. She graduated from San Dimas High School where she was Associated Student Body Vice President and was involved in basketball, cross-country, and track teams. After graduating high school, Janessa attended California State University at Fullerton and graduated with her Bachelor's Degree in Criminal Justice. The following year, Janessa was hired at La Verne Police Department on January 11, 2016 as a Police Records Clerk. On September 10, 2017, Janessa attended the Los Angeles County Sheriff's Academy and graduated February 1, 2018 as a Level 2 Reserve Police Officer. Upon graduating the Reserve Academy, she was hired as a full-time officer and sent back to the LASD full-time academy on May 4, 2018. Janessa graduated October 5, 2018 and is currently training with FTO Cpl. Quinn. Janessa's mother Patricia Gonzalez pinned her badge.

Presentation to Jody Gmeiner for her retirement as Executive Director of Pomona Valley Habitat for Humanity Mayor Kendrick, on behalf of the City Council, introduced Jody Gmeiner and congratulated her on her retirement as Executive Director of Pomona Valley Habitat for Humanity. He thanked her for her commitment and service to the community in providing housing for hard working low-income families in La Verne and the surrounding communities.

Presentation by Bob Cruz, Public Affairs Manager, Southern California Gas Company Bob Cruz, Public Affairs Manager, Southern California Gas Company reported on the importance of the Balanced Energy Initiative.

5. At 6:56 pm., the City Council recessed and reconvened at 7:04 pm.

6. Consent Calendar It was moved by Davis and seconded by Rosales, and carried by a vote of 4-0 (Carder absent to accept, approve, or act on the Consent Calendar items, except for Item No 5d, Case Nos. 94-18PPR, 95-18CUP, 96-18VAR – 1401 Foothill Boulevard - New multi-tenant building with drive through (CUP) and setback/height variance (VAR). and Item No. 5e, Appropriation for Streetlight Purchase and Upgrade was pulled for further discussion by La Verne resident Joyce Kelly. Please note that due to his employment with Southern California Edison, Mayor Pro Tem Davis will abstain from voting on Item No. 5.e, Appropriation for Street Light Purchase and Upgrade.

City Council Minutes City Council Minutes of September 1, 2018, **received and filed.**

Register of Audited Demands **Register of Audited Demands** in the amount of \$284,206.13, dated September 19, 2018, and in the amount of \$1,150,762.96, dated September 26, 2018 in the amount of \$1,196,498.03, dated October 3, 2018, in the amount of \$1,180,430.92, dated October 10, 2018. **Approved as recommended by staff.**

Treasurer's Report **Treasurer's Report** for the Month of September, 2018, **received and filed.**

Pulled by La Verne Resident
Joyce Kelly for further
discussion.

Case Nos. 94-18PPR, 95-
18CUP, 96-18VAR – 1401
Foothill Boulevard - New multi-
tenant building with drive
through (CUP) and
setback/height variance (VAR)

Case Nos. 94-18PPR, 95-18CUP, 96-18VAR – 1401 Foothill Boulevard - New multi-tenant building with drive through (CUP) and setback/height variance (VAR) - The Planning Commission and the Development Review Committee have conditionally approved the applications to demolish the existing building at 1401 Foothill Boulevard and to redevelop the site with a 5,700 square foot multi-tenant building with a drive through use. The Foothill Boulevard Specific Plan requires all new development to be reviewed by the City Council, providing an opportunity to review the decisions of the Development Review Committee and Planning Commission.

Joyce Kelly, 7235 Monterey, La Verne, asked if the City looked at all traffic issues with the drive-through and vehicles stacking at the site.

The City Council assured her that the project has been vetted through the Planning Commission.

It was moved by Davis, seconded by Hepburn, and carried by a vote of 4-0, (Carder Absent) to conditionally approve Case Nos. 94- 18PPR, 95-18CUP, and 96-18VAR with the proposed conditions of approval (Attachment A).

Pulled by La Verne Resident
Joyce Kelly for further
discussion

Conflict of Interest- Mayor Pro
Tem Davis

Mayor Pro Tem Davis declared a conflict of interest on this matter due to his employment with Southern California Edison and left the Council Chambers.

Appropriation for Streetlight
Purchase and Upgrade

Appropriation for Streetlight Purchase and Upgrade - In June 2017, the City authorized a purchase and sale agreement with Southern California Edison (SCE) to acquire 1,988 streetlights from SCE as a cost savings measure, estimated to be \$1.8 million over the next 20 years. The agreement was subsequently executed by SCE and approved by the California Public Utilities Commission (CPUC) in July 2018. Project funding, however, was not included in the current budget as CPUC approval had yet to be obtained and their timing for review was unknown. With CPUC's approval in place, SCE began fulfilling the terms of the purchase and sale agreement and is expected to be completed mid-November. Upon City concurrence of the data, payment for the assets will be required. This project was previously approved by the City Council at their June 19, 2017 meeting, but not included in the 2018/19 budget for reasons noted; therefore, a new budget appropriation is necessary.

Joyce Kelly, 7235 Monterey, La Verne, asked how the City could afford to purchase streetlights when it was not in the budget.

City Manager Russi stated it has been a three-year process of meetings and discussion and the matter was vetted in 2017.

Mayor Kendrick stated that in the long term it will save the City over a million dollars in energy savings. In addition to the savings, cellular companies will be paying the City to place cellular antennas on the light poles providing better cell phone service to the community.

Council Member Hepburn also agreed and asked if borrowing the money from the City's sewer fund, will it impact it.

Assistant City Manager Keeseey stated that borrowing the money would not impact the sewer budget or future improvements budgeted in the 5-year Capital Improvement Plan.

It was moved by Hepburn, seconded by Kendrick, and carried by a vote of 3-0 (Carder Absent and Davis Abstained) to authorize a budget appropriation for the current fiscal year in the amount \$1.6 million for the purchase and upgrade of streetlights and to approve funding in the form of a 20 year, 1.9% interest loan from the sewer capital fund (531).

Cost Allocation Study Final Report

Cost Allocation Study Final Report - Acting on guidance from Council to assess the reasonableness of overhead cost allocations charged to City utilities, City staff hired HF&H consultants to undertake a cost allocation study. The study evaluated the City's method of determining the amount of administrative and overhead costs applicable to running City water and sewer utilities. The preliminary findings were presented, by the consultant in July. The final report was now presented to Council for acceptance.

Staff recommended that the City Council receive and file the Utility Cost Allocation Study prepared by HF&H Consultants; LLC dated September 24, 2018. **Received and filed.**

Resolution (s) passed & adopted, as recommended, as follows:

Resolution No. 18-54,
Nominating Rosemead Council Member Margaret Clark to Represent Cities without Prescriptive Water Pumping Rights on the Board of the San Gabriel Basin Water Quality Authority

Resolution No. 18-54 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, NOMINATING ROSEMEAD COUNCIL MEMBER MARGARET CLARK TO REPRESENT CITIES WITHOUT PRESCRIPTIVE WATER PUMPING RIGHTS ON THE BOARD OF THE SAN GABRIEL BASIN WATER QUALITY AUTHORITY - Rosemead Council Member Margaret Clark is seeking the City Council's support of her nomination to the San Gabriel Basin Water Quality Authority (WQA) to fill the recently vacated seat. Rosemead Council Member Margaret Clark currently serves as the alternate on the WQA Board as the member representing cities without pumping rights and has previously been supported by the La Verne City Council during her last few elections to the WQA Board.

Staff recommended that the City Council adopt Resolution No. 18-54, nominating Rosemead Council Member Margaret Clark for appointment to the San Gabriel Basin Water Quality Authority as the member representing cities without pumping rights. **Approved.**

Resolution No. 18-55,
Approving the Los Angeles
Area Regional Training Group
(RTG) Joint Powers
Agreement, Authorizing the
City's Membership in the Los
Angeles Area Regional Training
Group Authority and
Authorizing the City Manager to
Execute the JPA Agreement

Resolution No. 18-55 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA VERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, APPROVING THE LOS ANGELES AREA REGIONAL TRAINING GROUP (RTG) JOINT POWERS AGREEMENT; AUTHORIZING THE CITY'S MEMBERSHIP IN THE LOS ANGELES AREA REGIONAL TRAINING GROUP AUTHORITY; AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE JPA AGREEMENT. - Fire agencies within the Los Angeles County Operational Area have worked together for years to prepare for natural, technological and human-caused disasters. By establishing the RTG Joint Powers Agreement (JPA), the Los Angeles Region will continue to improve regional training and become less dependent on dwindling federal grant dollars.

Staff recommended that the City Council approve Resolution No.18-55, Los Angeles Area Regional Training Group Joint Powers Agreement approving membership within the Los Angeles Area Regional Training Group Joint Powers Authority and authorizes the City Manager to execute the JPA agreement.
Approved.

7. Water Utility Rate Adjustments

Public Works Director Keesey reported on the Water Utility Rate Adjustments and the Notice and Hearing in accordance with the requirements Proposition 218. He stated that every year, water and sewer rates are evaluated against proposed operational budgets and other related expenses to determine if the existing rates are sufficient to fully fund each operation, including capital replacement and improvements. With respect to water operations, expenditures have slightly increased for personnel, engineering services, electrical power, and water quality testing. The major driver of the proposed increase, however, is fully funding overhead support services received from general funded operations per unanimous direction of the City Council at its September 4, 2018 study session on the utility rates. Similar is true for sewer functions through personnel and regulatory compliance efforts are the largest cost increase elements. The proposed rate changes are summarized as follows: 1) no change to the meter charge; 2) increase of \$0.37 per water unit; 3) increase of \$4.43 on bi-monthly sewer fees; and \$0.02 increase on consumption based sewer charges for nonresidential customers. The cost to the average customer with both water and sewer service will be a 9.0% increase, which amounts to \$8.88 each month.

It was moved by Hepburn, seconded by Davis, and carried by a vote of 4-0 (Carder Absent) to approve Resolution, No. 18-53, which sets the public hearing to review water and sewer rates for December 3, 2018 and further authorizes staff to mail notice of the public hearing in accordance with the requirements of Proposition 218.

Resolution No. 18-53,
Setting Public Hearing on Water
and Sewer Rates in Accordance
with Proposition 218

Resolution No. 18-53 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAVERNE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA SETTING THE PUBLIC HEARING ON WATER RATES AND SEWER RATES IN ACCORDANCE WITH PROPOSITION 218. **Approved.**

8. Public Comment

This was the time set aside for anyone wishing to address the City Council on items not listed in any other place on the agenda. Mayor Kendrick called for public comment.

Sherry Best, President of the La Verne Historical Society, 3949 Bradford Street, La Verne, reported on the upcoming events of the Historical Society and handed out flyers.

Joyce Kelly, 7235 Monterey, La Verne, asked about the following:

- The status of the Fire Chief and the hostile work environment at the Fire Department and can it be placed on Agenda.
- Questioned the approval of the Resolutions approving the Meet and Confer and Litigation Committees and how can they be rescinded.
- Asked if Mayor Pro Tem Davis and Council Member Carder were being investigated for disclosing closed session information.
- Asked why Mayor Pro Tem Davis did not recuse himself from voting on the Chase's Loan Agreement. She stated that even having a family member related by marriage to the owners looks bad.
- Asked the City to look into videotaping or having student's video tape the Council meetings for residents who are unable to attend Council meetings.

Patti Hepburn, 2230 Via Del Sol, La Verne, wife of Council Member Hepburn spoke about her husband's lifetime of service and dedication to the City. She stated it was a discredit to her husband to exclude him from closed sessions and that it was not in the best interest of the City. She also stated that it was a political attack on her husband.

Linda Lockhart Wilkinson, 5077 Old Ranch Road, La Verne, addressed the City Council regarding her Third Street lease and the Chase loan. She presented the Assistant City Clerk Estrella with a Claim for Damages alleging the tortious interference with her Third Street lease with her tenants by the City entering into an Economic Assistant Agreement with her tenants, resulting in tenants vacating and causing her economic damage.

Andy Glaze, La Verne Firefighters' Association President, spoke about the comments made by the City Manager regarding placing Fire Battalion Chief Thompson on Administrative Leave as soon as the City was aware of his actions to the media. He accused City Manager Russi of a cover up. He stated that the City knew months before of the Fire Battalion Chief actions. He stated that the Fire Battalion Chief's videotaped and took numerous pictures of fire staff. He demanded that the City Council take control of the City and do the right thing.

Anna Anderson, 2486 Sloan Drive, La Verne, stated she wrote to the Fire Chief regarding a fire hazard at Wilderness Park and did not get back a response, but when she calls the La Verne Police Department they respond. She presented the Council photographs of the park and that she was very concerned it was a fire hazard and that it needed to be cleaned up. She stated it was a high-risk area for fires. She also spoke about the videotaping of the fire staff by the Fire Battalion Chief and that it was against the law. She spoke about the Chase's loan, and the owner. She spoke about the problems with the loan and that the owner should have gone to the bank for the loan and that Mayor Pro Tem Davis should have not voted on the Chase's loan.

Tony Robles, La Verne resident did not understand how the Fire Chief was still on duty. He stated that the Fire Chief was culpable just as the Fire Battalion Chief and he should be put on leave too. He spoke about the lawsuit filed by La Verne Firefighters Association and the cost to the City.

Kathy Rojas stated it was disgraceful what was done to Council Member Hepburn by excluding him from the closed sessions. She accused the Mayor of not accepting or taking responsibility for the problems in the Fire Department and that he was just as culpable.

Cory Halabrian, 2287 Manzanita Circle, La Verne, spoke about the two committees that were established. She stated that Council will now meet in closed session to discuss confidential matters, and that will give the impression of impropriety.

Hugh Kelly, 2713 Monterey, La Verne, spoke about the two resolutions establishing the committees which excluded Council Member Hepburn and that it was not right. He stated that it efficiently disfranchised 50% of the residents and that he would see City Council on Election day.

8. Council Comments and Meeting/Conference Reports

Council Member Hepburn reported on the "On Tap" beer walk event in downtown La Verne and that it was a big success. He suggested closing D Street and portions of Third Street and Bonita Avenue for the safety of the public for future events. He thanked everyone for coming and for their support.

Mayor Kendrick spoke about the vote by Mayor Pro Tem Davis on Chases' economic loan and the alleged conflict of interest. He stated that the City Attorney who has 46 years of experience in City government law advised the Mayor Pro Tem Davis that he did not have a conflict of interest. He stated that La Verne is a great City.

Council Member Hepburn stated he personally called for the Fire Chief to be fired or placed on administrative leave. He spoke about the stacks of dispositions and that an employer cannot not treat employees like that. He stated that the City should be open and transparent. He spoke of the pictures taken by the Fire Battalion Chief and that it was despicable. He stated that La Verne is a great city, that this situation needs to stop right now, and that it was ridiculous.

9. At 8:11 pm., the City Council recessed to meet in closed session.

10. Closed Session

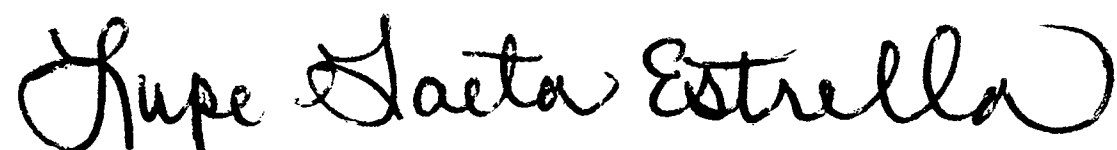
Conference with Labor Negotiator (Government Code Section 54957.6).

Negotiators: City Manager, Personnel Officer, and City Attorney

Employee Organization(s): La Verne Police Officers' Association

11. Adjournment at 9 pm.

Respectfully submitted,



Lupe Gaeta Estrella, CMC
Assistant City Clerk