

AGENDA AMENDED 06/10/2021

Recognition of 2021 Outstanding Older American was removed from the Agenda and scheduled for a later date.

**CITY OF SAN GABRIEL  
CITY COUNCIL  
REGULAR MEETING AGENDA**

**Tuesday, June 15, 2021 - 6:30 P.M.**

**City Hall Council Chamber  
425 South Mission Drive  
San Gabriel, California 91776**

**Due to Executive Order N-25-20 Members of the Council may  
Teleconference into the meeting.**

Chin Ho Liao  
Mayor

Tony Ding  
Vice Mayor

John R. Harrington  
Council Member

Denise Menchaca  
Council Member

Jason Pu  
Council Member



Mark Lazzaretto  
City Manager

Keith Lemieux  
City Attorney

Julie Nguyen  
City Clerk

Kevin B. Sawkins  
City Treasurer

Pursuant to State and County Directives, San Gabriel City Hall is **closed to the public** and physical access to the meeting has been suspended. To provide members of the public access to the meeting and an opportunity to comment on items on and off the Agenda, the following opportunities have been established:

**Public Comments**

Please email all public comments to [cityclerk@sgch.org](mailto:cityclerk@sgch.org) and include the following on the subject line of your email: the section (Public Comment, Consent, Public Hearing, Continued Business, New Business) and Item Number you are commenting on. The Clerk will read public comments into the record for up to the three-minute limit. Words that would disrupt the meeting, including profanity, obscenity, and discriminatory language, will not be read.

*Example: PUBLIC COMMENT: New Business Item A*

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[City Council Meeting Videos](#)

Spectrum cable: Live streaming on Channel 3, Public Access Channel.

**City Council Meeting Agenda**  
**Tuesday, June 15, 2021**

- **CALL TO ORDER**
- **PLEDGE OF ALLEGIANCE LED BY:** Mayor Liao
- **ROLL CALL:** Mayor Liao, Vice Mayor Ding, Council Members Harrington, Menchaca, Pu

**1. APPROVAL OF AGENDA ORDER**

**2. PRESENTATION**

**A. PROCLAMATION FOR JUNETEENTH**

**B. PROCLAMATION FOR LGBTQ+ PRIDE MONTH**

**C. COVID-19 BRIEFING**

**3. PUBLIC COMMENT**

**4. CONSENT CALENDAR**

All items listed under the Consent Calendar are considered routine and recommendations will be approved in one motion unless a member of the City Council or audience requests separate discussion.

**A. APPROVAL OF MINUTES**

The minutes are a record of the official actions taken at the City Council meeting.

1. [Minutes of the City Council Regular Meeting of June 1, 2021.](#)

Recommended Action: Approval.

**B. MATERIAL DEMANDS**

The most recent Material Demands from the Finance Department are presented to the City Council for review and approval.

Recommended Action:

Staff recommends that the City Council approve Material Demands as presented.

### **C. CASH AND INVESTMENT REPORT – MAY 2021**

In accordance with the City of San Gabriel's 2020-21 Adopted Investment Policy (Resolution No. 20-30 dated June 16, 2020) and California Government Code §53646, the Finance Director is to render an investment report to the City Council, City Treasurer, City Manager, and the City Attorney. The May 2021 Cash and Investment Report is presented to receive and file in accordance with the City's adopted 2020-21 Investment Policy.

#### Recommended Action:

Staff recommends that the City Council receive and file the Cash and Investment Report for May 2021.

### **D. CORRECTIVE ACTION PLAN TO THE COMPLETED STATE AUDIT**

As required by the California State Auditor, City staff has prepared a corrective action plan for the twelve recommendations documented in the audit report. The corrective action plan is due to the California State Auditor by June 26, 2021.

#### Recommended Action:

Staff recommends that the City Council receive and file the report.

### **E. ADOPT RESOLUTION NO. 21-27 APPROVING THE FISCAL YEAR 2021/2022 SENATE BILL 1 (SB1) ROAD REPAIR AND ACCOUNTABILITY ACT PROJECT LIST**

Senate Bill 1, also known as the Road Repair and Accountability Act of 2017, provides the City of San Gabriel with funds for basic road maintenance, rehabilitation, and safety projects. In Fiscal Year 2021-2022, the City must adopt a list of eligible street improvement projects. This item adopts the project list and authorizes the Public Works Director to file the required documents with the California Transportation Commission. Approval of Resolution No. 21-27 will allow the City to receive SB1 funding estimated by the State of California to be \$770,410 for Fiscal Year 2020-2021.

Recommended Action:

Staff recommends that the City Council:

1. Adopt Resolution No. 21-27; and
2. Authorize the Director of Public Works to file necessary documentation to satisfy SB1 funding requirements and act as the signature authority.

**F. AGREEMENT FOR USE OF SMITH PARK POOL BY SAN GABRIEL SEA GULLS**

On June 30, 2021, the Agreement between the City of San Gabriel and the San Gabriel Sea Gulls for the use of Smith Park Pool will expire. The San Gabriel Sea Gulls (SGSG) use Smith Park Pool for their regular swim team use. The SGSG uses the pool throughout the year for its swim team practices and swim meets. There is no cost to the City in that the hourly rate covers the cost of pool personnel and utility expenditures. Based on a typical-use year and the proposed hourly rate, the estimated revenue for Fiscal Year 2021-2022 will be \$45,500.

Recommended Action:

Staff recommends that the City Council approve the Agreement for San Gabriel Sea Gull's use of Smith Park Pool to be effective immediately and ending June 30, 2022, and authorize the City Manager to execute the agreement.

**G. AGREEMENT FOR USE OF SMITH PARK POOL BY MID VALLEY WATER POLO**

On June 30, 2021, the Agreement between the City of San Gabriel and Mid Valley Water Polo for the use of Smith Park Pool will expire. Mid Valley Water Polo (MVWP) has had use of Smith Park Pool since October 2020 for their regular water polo team practices. There is no cost to the City in that the hourly rate covers the cost of pool personnel and utility expenditures. Based on a typical-use year and the proposed hourly rate, the estimated revenue for Fiscal Year 2021-2022 will be \$29,250.

Recommended Action:

Staff recommends that the City Council approve the Agreement for Mid Valley Water Polo's use of Smith park Pool to be effective immediately and ending June 30, 2022, and authorize the City Manager to execute the agreement.

#### **H. ADOPTION OF RESOLUTION NO. 21-28, RELATED TO PERMANENT LOCAL HOUSING ALLOCATION (PLHA) YEAR 2 FUNDING AND PROPOSED ELIGIBLE ACTIVITIES**

The Los Angeles County Department Authority (LACDA), on behalf of Los Angeles County and its participating cities, will be applying for funding for Year 2 of the Permanent Local Housing Allocation (PLHA) Program from the California Department of Housing and Community Development. The allocation is based on real estate recording fees, and it is estimated that the City of San Gabriel will be allocated \$292,199 from the \$17 million grant for the period July 1, 2021 – June 30, 2022 (Year 2). The City of San Gabriel has the opportunity to utilize this funding opportunity toward eligible housing activities as identified in the PLHA grant guidelines.

##### Recommended Action:

Staff recommends that the City Council adopt Resolution No. 21-28, which approves the following actions:

1. Elect the following eligible activities, subject to the State approval, for Year 2 of the 5-year PLHA grant period:
  - (1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary operating subsidies.
  - (3) Matching portions of funds placed into Local or Regional Housing Trust Funds.
2. Allocate, upon State approval, \$261,929 of the Year 2 PLHA allocation toward eligible activity #1, and \$30,270 toward eligible activity #3 to renew the City's affiliate membership to the San Gabriel Valley Regional Housing Trust (SGVRHT) and for use as capital funds by SGVRHT to support affordable housing in the region; and

3. Authorize the City Manager to execute new contracts with LACDA for the 5-year PLHA Plan grant period and for Year 2 of the allocation, and make adjustments as necessary to reflect the actual allocation of funds to San Gabriel.

#### Alternatives

The City Council may want to consider alternative activities for Year 2 of the 5-year PLHA Plan grant period, which can include the following:

1. Elect a different eligible activity other than staff's recommendation.
2. Elect a combination of different eligible activities.

#### **I. PROFESSIONAL SERVICES AGREEMENT WITH WILLIAM HEZMALHALCH ARCHITECTS (WHA) FOR ARCHITECTURAL, URBAN DESIGN, AND HISTORIC PRESERVATION PROFESSIONAL SERVICES**

On January 4, 2021, the City of San Gabriel issued a Request for Proposals (RFP No. 21-01) for a qualified firm to provide architectural, urban design, and historic preservation professional services. The City received six proposals and William Hezmalhalch Architects (WHA) best met the criteria outlined in the RFP.

#### Recommended Action:

Staff recommends that the City Council:

1. Approve the Professional Services Agreement with William Hezmalhalch Architects (WHA);
2. Authorize the City Manager to execute said agreement; and
3. Issue a purchase order in the amount of \$40,000.

## 5. PUBLIC HEARING

### A. ADOPTION OF PROPOSED OPERATING BUDGET, CAPITAL IMPROVEMENT PROGRAM, FEE SCHEDULE AND APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021-22 AND FIRST READING OF ORDINANCE NO. 672 INSTITUTING A CANDIDATE FILING FEE FOR CANDIDATES FOR ELECTIVE OFFICE AND ORDINANCE NO. 673 AMENDING CHAPTER 9 OF THE SAN GABRIEL MUNICIPAL CODE RELATING TO ALARM PERMITS

Select the links below to access the staff report and attachments.

<a href="#">Staff Report</a>	<a href="#">City Council</a>	<a href="#">Fire</a>
<a href="#">Budget Message</a>	<a href="#">Administration</a>	<a href="#">Community Development</a>
<a href="#">Budget Summaries</a>	<a href="#">City Clerk</a>	<a href="#">Public Works</a>
<a href="#">Operating Budgets</a>	<a href="#">City Attorney</a>	<a href="#">Community Services</a>
	<a href="#">Finance</a>	<a href="#">Capital Improvement Program</a>
	<a href="#">Human Resources</a>	<a href="#">Appropriations Limit</a>
	<a href="#">Non-Departmental</a>	<a href="#">Fee Schedule</a>
	<a href="#">Police</a>	

The City Council will hold a Public Hearing to consider adoption of the Proposed Operating Budget, Capital Improvement Plan (CIP), Appropriations Limit and Fee Schedule for Fiscal Year 2021-22. The operating budget is balanced, with revenues totaling \$81,196,446 and expenditures totaling \$67,261,477. The General Fund is also balanced, with \$48,191,860 in revenues and \$43,876,659 in expenditures. The CIP totals \$21,396,700, for 27 projects, utilizing a combination of new revenues and existing fund balances. The Appropriations Limit is calculated at \$46,355,277. The Proposed Fee Schedule requires amendments to the San Gabriel Municipal Code, which are proposed in Ordinance Nos. 672 and 673, which will be introduced for first reading.

#### Recommended Action:

Staff recommends that the City Council conduct a public hearing on the Proposed 2021-22 Operating and Capital Improvement Program Budgets, Fee Schedule and related Ordinances, and Appropriations Limit, and after receiving comments and testimony adopt the following resolutions:

Resolution No. 21-22 adopting the City of San Gabriel Fiscal Year 2021-22 Operating Budget;

Resolution No. 21-23 approving the City of San Gabriel 2020-21 to 2024-25 Five-Year Capital Improvement Program and adopting the 2021-22 Capital Improvement Program Budget;

Resolution No. 21-20 establishing the City of San Gabriel's appropriation limit for the Fiscal Year 2021-22; and

Resolution No. 21-21 adopting the Fee Schedule for Fiscal Year 2021-22.

It is further recommended that the City Council introduce the following Ordinances for first reading by title only:

Ordinance No. 672 entitled, "An Ordinance of the City Council of the City of San Gabriel, California, Instituting a Candidate Filing Fee for Candidates for Elective Office;" and

Ordinance No. 673 entitled, "An Ordinance of the City Council of the City of San Gabriel, California, Amending Chapter 91 of the San Gabriel Municipal Code Relating to Alarm Permits."

**6. CONTINUED BUSINESS** – None.

**7. NEW BUSINESS**

**A. DRAWDOWN OF CALPERS OPEB RETIREMENT TRUST**

The City has established a California Employer's Retirement Trust with CalPERS (OPEB Trust) to provide funding for employee retiree health costs. Since Fiscal Year 2008-2009 funds have been deposited into the OPEB Trust. The funds in the OPEB Trust can only be used to pay employee retiree healthcare costs. A drawdown from the OPEB Trust will improve the General Fund's fund balance and cash position. A drawdown will reduce the balance in the OPEB Trust and increase the OPEB liability.

Recommended Action:

Staff recommends that the City Council direct staff to drawdown \$600,000 from the OPEB Trust to pay a portion of retiree healthcare costs incurred during the fiscal year.



## **B. OPTIONS FOR THE PUBLIC WORKS YARD LOAN**

In December of 2014, the City borrowed \$7.8 million from Citizens Business Bank (CBB) for the construction of the Public Works maintenance facility. The City was required to provide collateral for the loan in the form of a 10-year certificate of deposit for the loan amount. The General Fund cash used as collateral for the loan is restricted. Due to the cash restrictions, the General Fund has had to borrow cash from other City funds. City staff has been soliciting offers to refinance the loan to improve the General Fund's cash position. Due to the City's financial condition and being listed as a high-risk city by the California State Auditor, offers to refinance the loan have been limited. The City has received an offer to refinance the loan. The loan offer and the current loan terms are presented and analyzed for City Council consideration.

### Recommended Action:

Due to the \$402,000 increase in debt payments, the low interest rate on the Public Works Loan, the higher interest rate on the Royal Business Bank Loan, and the projected improvements to the General Fund's cash and fund balance position, staff recommends that the City Council hold steady with the current Public Works Loan.

### Alternatives

- A. Hold steady with the Public Works Loan and direct staff to continue to solicit offers to refinance the Public Works loan, potentially through a bond issuance.
- B. Move forward with the Royal Business Bank Loan at the proposed terms.

## **C. HUMAN EQUITY, ACCESS AND RELATIONS (HEAR) COMMISSION 2021 PROPOSED ANNUAL WORKPLAN**

The Annual Workplan developed by the Human Equity, Access and Relations Commission is intended for the 2021 calendar year. The Commissioners have had open and constructive dialogue to develop a plan that best fits in alignment with the goals and scope of the HEAR Commission as well as the City of San Gabriel's Mission.

Recommended Action:

Staff recommends that the City Council review and approve the HEAR Commission's Annual Workplan for 2021.

**D. DISCUSSION ON RE-OPENING OF CITY FACILITIES TO THE PUBLIC AND THE TIMING OF RETURNING TO IN-PERSON CITY COUNCIL MEETINGS**

Since the spring of 2020, when the COVID-19 pandemic began, City facilities have been open to the public by appointment only and City Council meetings have been held virtually. Beginning on July 6, 2021, City facilities will reopen to the public for walk-in service. The City Council directed staff to place an item on the agenda to talk about the timing of returning to in-person City Council meetings.

Recommended Action:

Staff recommends that the City Council discuss the proposed social distancing and safety protocols and direct staff on when to schedule in-person City Council meetings.

**8. PUBLIC COMMENT**

**9. CITY MANAGER'S REPORT**

**10. COUNCIL COMMENTS AND CONFERENCE/MEETING REPORTS**

Each Council Member may address the City Council and public on matters of general information and/or concern. This is also the time for Council Members to report on conferences and/or meetings they have attended.

**11. CLOSED SESSION – None.**

**12. ADJOURNMENT**

The next regular City Council meeting will be held on Tuesday, July 6, 2021, at 6:30 P.M. Information regarding matters to be considered at each meeting will be available on the Friday before the City Council Meeting on the City's website at [www.sangabrielcity.com](http://www.sangabrielcity.com).

**Materials Available for Inspection.** You may view agenda items online at [www.sangabrielcity.com/agendacenter](http://www.sangabrielcity.com/agendacenter). Materials related to an item on this Agenda, submitted to the City Council after distribution of the Agenda packet, will be posted on the City website.

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**Questions about this Agenda?** Should any person have a question concerning any of the above Agenda items prior to the meeting, please contact the City Clerk at [cityclerk@sgch.org](mailto:cityclerk@sgch.org) during regular office hours.

*Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such a request to the City Clerk Department by emailing [cityclerk@sgch.org](mailto:cityclerk@sgch.org) at least 48 hours before the meeting, if possible.*