CITY OF PASADENA
FINANCE COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER S249
MARCH 24, 2025
SPECIAL MEETING

OPENING Chair Gordo called the special meeting of the Finance Committee to order at 3:09 p.m.

ROLL CALL: Mayor Victor M. Gordo (Chair)
Councilmember Rick Cole
Councilmember Tyron Hampton (Absent)
Councilmember Gene Masuda

Staff: Miguel Márquez, City Manager
Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance
Arnold Lee, Chief Assistant City Attorney
Tim Park, Budget Administrator
Chad Augustin, Fire Chief
Greg de Vinck, Director of Public Works
Phyllis Hallowell, Management Analyst IV
Brent Maue, Acting City Engineer
Hayden Melbourn, Principal Engineer
David Reyes, Interim General Manager of Water and Power
Lynne Chaimowitz, Assistant General Manager
Stacie Takeguchi, Assistant General Manager
Gary Takara, Engineering Manager
Art Silva, Power Plant Manger
Gloria Acevedo, Recording Secretary

Guests: Jens Weiden, Chief Executive Officer, Rose Bowl Operating Company

APPROVAL OF MINUTES: It was moved by Councilmember Masuda, seconded by Councilmember Cole, to approve the March 10, 2025, cancellation notice (Motion Unanimously carried) (Absent Councilmember Hampton).

NEW BUSINESS:

AMEND THE FIRE DEPARTMENT FISCAL YEAR (FY) 2025 OPERATING BUDGET AND AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH STRYKER SALES LLC FOR THE PURCHASE OF 24 UNITS OF MONITOR/DEFIBRILLATOR DEVICES AND PREVENTATIVE SERVICE AND MAINTENANCE FOR 26 DEVICES FOR FIVE YEARS IN AN AMOUNT NOT TO EXCEED $1,007,678

Chair Gordo introduced the item and Chad Augustin, Fire Chief, provided a PowerPoint presentation and responded to questions.

Councilmember Masuda asked for the number of times defibrillators are used on calls. Chief Augustin stated that they are used several times a week. Councilmember Masuda supports upgrading the equipment used in response to emergency calls.

Councilmember Cole inquired about the decision to purchase the units rather than continuing to lease, considering the technology will most likely be advanced in the future. Chief Augustin responded that after careful consideration purchasing the units in a staggered fashion was the most cost-effective way to go, while also obtaining the most recent upgrades. It is anticipated it will be several years before new technology is introduced.

Chair Gordo thanked Chief Augustin and his staff for the outstanding work during the Eaton Canyon Fire and for the day-to-day response to medical calls.

It was moved by Councilmember Cole, seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

AUTHORIZE THE CITY MANAGER TO AMEND CONTRACT NO. 32268 WITH HAMEL CONTRACTING INC. TO INCREASE CONTRACT AMOUNT BY $172,354 FOR CHANGE ORDER WORK AT THE HON. JOHN J. KENNEDY POOL FOR A REVISED TOTAL CONTRACT AMOUNT NOT TO EXCEED $4,862,592 AND AMENDMENT TO THE FISCAL YEAR 2025 CAPITAL IMPROVEMENT PROGRAM BUDGET FOR PROJECT CLOSE OUT

Chair Gordo introduced the item and Greg de Vinck, Director of Public Works, provided a PowerPoint presentation and responded to questions.

Councilmember Cole expressed concern that the overspending in this project can be followed by the library retrofit project also going over budget. Mr. de Vinck does not anticipate the same to happen with the library project.

Councilmember Masuda acknowledged that the cost to complete large projects can increase; however, the results are a great product.

It was moved by Councilmember Cole, seconded by Councilmember Masuda, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton)

AMEND THE FISCAL YEAR 2025 CAPITAL IMPROVEMENT PROGRAM

Chair Gordo introduced the item and staff members responded to questions from the Committee.

The following individual provided comments on the matter.

> Sonja Berndt expressed concern regarding funding the new cantilevered netting for the Brookside Golf Course, both the City's funding of the project and the loan. She also reminded the Committee that there is a great need for funding for homeless services.

Councilmember Cole asked if the Brookside Golf Course Installation cantilevered project is being implemented due to liability concerns. Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance, stated that project resulted out of liability concerns. Chair Gordo added that there is concern related to injuries caused by golf balls. Chair Gordo added that the City Attorney will update the City Council during closed session on the claims related to golf ball injuries.

Miguel Márquez, City Manager, added that the golf balls are impacting the roads the City owns and controls; therefore, it is important to add and share the cost of an additional cantilevered at the Brookside Golf Course.

Councilmember Cole suggested for staff to consider putting out a bond measure to support moving the overhead power lines underground and asked where information on the utility's plan for this project could be found. David Reyes, Interim General Manager of Water and Power, responded that the information can be found in the City's undergrounding hazard mitigation plan, provided to the City Council, and that the department is expediting moving the high voltage primary distribution lines underground following the Eaton Canyon Fire. Chair Gordo reminded the Committee that the utility lines that are thought to have caused the fire did not belong to the City, and that none of the homes near Canyon Close Road and Fox Ridge Drive were burned.

Councilmember Cole requested data come back to the Committee regarding how Community Development Block Grants enhance the City's capital investment programs/projects in the eligible areas.

Councilmember Masuda shared that community members had some concerns post the embezzlement on charges related to the underground fund.

It was moved by Councilmember Cole seconded by Councilmember Masuda, to approve staff's recommendation except item 15 and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: Councilmember Hampton). It was moved by Councilmember Masuda, seconded by Chair Gordo to approve staff's recommendation on item 15 (Brookside Golf Course Installation of Cantilevered Netting) and forward the item to the City Council for consideration (Councilmember Cole voted no, absent Councilmember Hampton)

INITIAL PRESENTATION ON CITY BUDGET PROCESS, OVERVIEW OF CURRENT FINANCIAL STATUS, AND DISCUSSION ON CITY COUNCIL BUDGET PRIORITIES

Chair Gordo introduced the item and Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance, provided a PowerPoint presentation and responded to questions.

Chair Gordo reminded the Committee that preparing the budget will take prudence and careful consideration, in particular when it comes to drawing down on reserves.

Councilmember Cole suggested staff consider formulating a budget that refrains from the status quo or from engaging in a zero-based budget, revisiting/restructuring/eliminating programs that may not be serving the needs of the majority of the City, consider charging or increasing fees for programs where applicable, ensure programs and services are equally balanced in all districts, and incentivize departments to find savings and use those savings towards new projects otherwise not feasible due to budget constraints. Councilmember Cole believes a Citywide 1% cost reduction in the budget is always feasible and significant restructuring over the next few years is needed to free resources for climate change, affordable housing, and homeless services, should be greatly considered.

Chair Gordo does not agree different levels of service are provided to one part of the city intentionally and added service levels are based on the density levels, it is important to keep this in mind when planning for future projects. He spoke about the challenge to fund programs according to density levels primarily with affordable housing and challenged staff and the Committee to come up with improvements.

Councilmember Masuda concurred with Chair Gordo and inquired about the Transient Occupancy Tax (TOT) lost during the COVID-19 pandemic. Mr. Hawkesworth responded that pre-pandemic annual receipts were $17- $18 million and during the first calendar year of the pandemic (2020),

collection of TOT dropped to $6 million. The City is back to the pre-pandemic numbers; however, it has taken four-years.

Chair Gordo shared with the Committee that a few years ago the budget review process changed from the entire budget being presented to the City council, with short presentations by departments, to where currently individual Committees with jurisdiction over departments hear more detailed presentations. The new process allows Committee members more time to rereview the budget; however, all Councilmembers do not listen to all the presentations. Chair Gordo is open to feedback on how well the new process is working.

On the order of the Chair and consensus of the Committee, the item was received and filed.

INFORMATION ONLY: **FY 2025 CAPITAL IMPROVEMENT PROGRAM - SECOND QUARTER MONITORING REPORT**

Chair Gordo introduced the item and Matthew Hawkesworth, Acting Assistant City Manager/Director of Finance, provided a brief introduction.

On the order of the Chair and consensus of the Committee, the item was received and filed.

ADJOURNMENT: On the order of the Chair, the special meeting of the Finance Committee was adjourned at 4:47 p.m.

ATTEST:

Victor M. Gordo

Mayor Victor Gordo, Chair
Finance Committee

Gloria Acevedo

Gloria Acevedo
Recording Secretary