CITY OF PASADENA
MEETING OF THE FINANCE/AUDIT COMMITTEE MINUTES
PASADENA CITY HALL
100 NORTH GARFIELD AVENUE
CITY HALL COUNCIL CHAMBER S249
NOVEMBER 24, 2025
SPECIAL MEETING

OPENING Chair Gordo called the special Meeting of the Finance/Audit Committee to order at 3:13 p.m.

ROLL CALL: Mayor Victor M. Gordo (Chair)
Councilmember Rick Cole (Left at 4:43 p.m.)
Councilmember Tyron Hampton (Arrived at 3:51 p.m.)
Councilmember Gene Masuda

Staff: Miguel Márquez, City Manager
Vic Erganian, Acting Director of Finance/City Treasurer
Arnold Lee, Chief Assistant City Attorney
Tim Wellman, Chief Assistant City Prosecutor
Michele Beal Bagneris, City Attorney/City Prosecutor
Manuel Carmona, Director of Public Health
Jennifer O'Reilly Jones, Program Coordinator III
William Grisafe, Police Commander
Dan Augustin, Fire Chief
Joaquin Siques, Director of the Department of Transportation
Donson Liu, Engineer
Eugene Harris, Police Chief
Kimberly Sieman, Management Analyst V
Bradley May, Lieutenant
Dustin Gomez, Police Sergeant
Alex Souto, Deputy City Manager
Alex Hernandez, Assistant to the City Manager
Ani Antanesyan, Internal Audit Manager
Steven Andersen, Senior Internal Auditor
Gloria Acevedo, Recording Secretary

Guests: Greg Matayoshi, Principal Consultant, Tap International

NEW BUSINESS: **AUTHORIZE THE CITY MANAGER TO EXECUTE AGREEMENTS TO ACCEPT A CALIFORNIA PROPOSITION 47, COHORT 5, GRANT IN THE AMOUNT OF $4,498,269 FOR PASADENA'S HOME DIVERSION PROGRAM AND TO ENTER INTO AGREEMENTS TO EFFECTUATE THE SCOPE OF WORK FOR THE GRANT, AMEND THE CITY ATTORNEY/CITY PROSECUTOR DEPARTMENT'S FISCAL YEAR 2026 OPERATING BUDGET AND ADD 1.0 LIMITED-TERM FTE**

Chair Gordo introduced the item and Tim Wellman, Chief Assistant City Prosecutor, provided a PowerPoint Presentation and responded to questions.

Chair Gordo thanked Mr. Wellman and his staff for the grant award. Chair Gordo asked if there were motel agreements in place. Mr. Wellman mentioned an informal agreement was in the works.

Councilmember Cole echoed Chair Gordo's comment. He was pleased that individuals were going to receive needed services, and that benchmarks and auditing requirements are in place. In addition, he suggested for staff to monitor the program and make adjustments as necessary for the program's success.

Councilmember Masuda also thanked Mr. Wellman and his staff for the grant award and inquired about the majority of the funds going to a non-governmental subrecipient. Mr. Wellman stated that the grant stipulated that over 50% of the funds are awarded to a non-governmental subrecipient; however, the majority of the funds are allocated for direct service costs.

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 ENTER INTO A CONTRACT TO LEASE PURCHASE TWO (2) MISSION-EQUIPPED HELICOPTERS AND TO ENTER INTO TWO FIVE-YEAR SERVICE CONTRACTS WITH CNC TECHNOLOGIES, LLC, IN AN AMOUNT NOT TO EXCEED $12,574,760 AND AMEND THE POLICE DEPARTMENT'S FISCAL YEAR 2026 OPERATING BUDGET BY APPROPRIATING $4,000,000 FROM THE ASSET FORFEITURE FUND (207)

Chair Gordo introduced the item and Miguel Márquez, City Manager, introduced Eugene Harris, Chief of Police, who introduced Bradley May, Lieutenant. Mr. May provided a PowerPoint presentation and responded to questions. In addition, Chad Augustin, Fire Chief, and Kimberly Siemen, Management Analyst V, participated in the presentation and responded to questions.

Councilmember Hampton requested clarification on the use of asset forfeiture funds. Kimberly Sieman, Management Analyst V responded that the funds are restricted for law enforcement use. Councilmember Hampton asked staff to describe the difference in noise levels between the existing helicopters to the new helicopters and asked for the manufacturers' data on noise levels, staff will forward the information.

Lastly, Councilmember Hampton requested staff to create a dashboard that could be posted on the department's website, allowing the public to view helicopter activity in the City and to provide a link on the website to the Federal Aviation Agency' website on where to file a complaint.

Councilmember Cole expressed concern over transparency as it is not clear from the report how asset forfeiture is budgeted. He recommends for the City Council to set priorities on how asset forfeit funds are spent while complying with federal regulations.

Chair Gordo shared with the Committee that since these funds are not accounted for in the General Fund budget until received there had been several conversations regarding the future receipt of the dollars. As well as discussions on replacing the police helicopter fleet to ensure safety, improve efficiency and reduce noise concerns. He acknowledged the process for these funds is unique due to the federal regulations, earmarking is not allowed.

Councilmember Masuda asked about the expected life expectancy of the new helicopters, the improvements in noise reductions, the increased speed, and about the heat transfer technology.

The following individual spoke on the priorities of the City Council and the Police Department and on how to continue to make technology improvements aimed at bringing public safety to the twenty first century.

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Gloria Acevedo, Recording Secretary, reported that one letter of correspondence was received, which was distributed to the Committee, posted online, and made part of the record for this item.

Councilmember Cole left the meeting at 4:43 p.m.; however, shared his support for the item before leaving the meeting.

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

DIRECT THE CITY ATTORNEY TO PREPARE AN ORDINANCE WITHIN 60 DAYS AMENDING CHAPTER 10.46 OF THE PASADENA MUNICIPAL CODE UPDATING THE POLICE TOWING FRANCHISE PROCESS SYSTEM

Chair Gordo introduced the item and William Grisafe, Police Commander, provided a brief overview.

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) (Councilmember Hampton)

AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE CALIFORNIA BOARD OF STATE AND COMMUNITY CORRECTIONS FOR $2,000,000 AND RECOGNIZE AND APPROPRIATE $300,000 TO THE FISCAL YEAR 2026 PUBLIC HEALTH DEPARTMENT OPERATING BUDGET FOR THE PASADENA OUTREACH RESPONSE TEAM EXPANSION ("PORT-E") PROGRAM

Chair Gordo introduced the item and Miguel Márquez, City Manager, introduced Mauel Carmona, Director of Public Health, who provided a PowerPoint presentation and responded to questions.

Councilmember Masuda thanked Mr. Carmona and his staff for their efforts in securing the funding and for the work of the Pasadena Operating Response Team (PORT). He also shared his district's gratitude for PORT's work and attendance at some of the district's meetings.

Councilmember Cole welcomed the news that funding was obtained for this program through 2029. He emphasized the importance of keeping moving past outreach to provide a consistent place for the homeless population. He shared that the PORT does a great job in providing immediate help, but is not equipped to assist the population long-term, the program needs additional support.

Chair Gordo committed to keeping the topic on the Finance and Public Safety Committee's agenda. He also clarified that the PORT team does have long-term agreements with hotels to accept vouchers. Lastly, Chair Gordo thanked staff and the PORT team members for their work.

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 ENTER INTO CONTRACT AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) TO ACCEPT LOCAL HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) CYCLE 12 FUNDS IN THE AMOUNT OF $610,110; $324,630 FOR THE INSTALLATION OF RECTANGULAR RAPID FLASHING BEACONS AT THE INTERSECTIONS OF VILLA STREET AT CHESTER AVENUE, ARROYO BOULEVARD AT SECO STREET, AND BELLEFONTAINE STREET AT FAIRMOUNT AVENUE; AND $285,480 FOR THE INSTALLATION OF A ONE-HALF MILE BIKE FACILITY ON UNION STREET BETWEEN ARROYO PARKWAY AND ST. JOHN AVENUE

Chair Gordo introduced the item and Miguel Márquez, City Manager, introduced Joaquin Siques, Director of the Department of Transportation, who introduced Donson Liu, Engineer. Mr. Liu provided a PowerPoint presentation and responded to questions.

Councilmember Cole is pleased with the department's ability to access state and federal funding. However, is concerned with the installation of a bike lane on a narrow and fast one-way street, signage and stripping provide limited protection to bikers. He is glad the department will continue to explore options to improve safety at this corridor, such as speed reduction measures. Councilmember Cole asked if the item had received a recommendation from the Transportation Advisory Commission. Mr. Siques shared it was presented as part of the larger department bicycle program.

Chair Gordo supports providing space for cyclists and is pleased with the department's recommendation, based on the limited resources. He pointed out limiting street cleaning becomes problematic and impacts neighborhoods negatively.

Councilmember Hampton shared that data shows most collisions take place at intersections and that other jurisdictions have placed parking stops as drivers pull up to the intersection. He asked if the department has explored this option. Mr. Siques stated that the department is evaluating how to make intersections safer for cyclists, pedestrians, and cars and will continue to seek solutions to make this corridor more bike friendly.

It was moved by Councilmember Cole with the understanding that discussions will continue on Union Street to ensure this solution is as safe as possible, seconded by Councilmember Hampton, to approve staff's recommendation and forward the item to the City Council for consideration. (Motion unanimously carried, absent None)

QUARTERLY INVESTMENT REPORT ENDING SEPTEMBER 30, 2025

Chair Gordo introduced the item and Vic Erganian, Acting Director of Finance/City Treasurer, provided an overview of the item and responded to questions.

Chair Gordo asked about future interest rate cuts. Mr. Erganian shared that the Federal Reserve is uncertain about the scheduled reduction in December; however, there are three cuts slated for 2026, and those cuts were considered in the current forecast.

It was moved by Councilmember Cole, seconded by Councilmember Hampton to approve staff's recommendation and forward the item to the City Council for consideration. (Motion Unanimously carried) (Absent: None)

INFORMATION ONLY:

FINAL REPORT ON WORKERS' COMPENSATION AUDIT: MEDICAL AND SETTLEMENT PAYMENT ACCURACY HIGH; TEMPORARY DISABILITY AND SALARY-CONTINUANCE PROCESSING NEEDS CLARIFICATION

Chair Gordo introduced the item and Ani Antanesyan, Internal Audit Manager, provided a PowerPoint Presentation and responded to questions.

Chair Gordo thanked staff for their presentation and asked about Workers' Compensation reports coming in through the fraud hotline. Ms. Antanesyan and Alex Souto, Deputy City Manager, stated none have been received in the last ten years.

Following discussion, on the order of the Chair, and consensus of the Committee, information was received and filed.

INTERNAL AUDIT STATUS UPDATE

Chair Gordo introduced the item and Ani Antanesyan, Internal Audit Manager, provided a PowerPoint Presentation and responded to questions.

Chair Gordo shared the importance of conducting citywide risk assessments.

Councilmember Hampton inquired about external audits on the cost of materials and supplies. Ms. Antanesyan shared that there is a practice in place.

Following discussion, on the order of the Chair, and consensus of the Committee, information was received and filed.

ADJOURNMENT: On the order of the Chair, the special meeting of the meeting of the Finance/Audit Committee was adjourned at 5:11 p.m.

ATTEST:

Mayor Victor M. Gordo, Chair
Finance/Audit Committee

Gloria Acevedo
Recording Secretary