CITY OF WEST COVINA

CITY COUNCIL/SUCCESSOR AGENCY

DECEMBER 3, 2024, 7:00 PM
REGULAR MEETING

CITY HALL COUNCIL CHAMBERS
1444 W. GARVEY AVENUE SOUTH
WEST COVINA, CALIFORNIA 91790

Mayor Brian Calderón Tabatabai
Mayor Pro Tem Tony Wu
Councilwoman Letty Lopez-Viado
Councilman Ollie Cantos
Councilwoman Rosario Diaz

Please turn off all cell phones and other electronic devices prior to entering the Council Chambers

AMERICANS WITH DISABILITIES ACT

The City complies with the Americans with Disabilities Act (ADA). If you will need special assistance at Council meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8 to 5 Monday through Thursday. Do call at least one day prior to the meeting date to inform us of your particular needs and to determine if accommodation is possible. For sign language interpreter services at Council meetings, please request no less than four working days prior to the meeting.

AGENDA MATERIAL

Agenda material is available for review at the City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue South, West Covina and at www.westcovina.org. Any writings or documents regarding any item on this agenda, not exempt from public disclosure, provided to a majority of the City Council that is distributed less than 72 hours before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall located at 1444 W. Garvey Avenue South, West Covina, during normal business hours.

NOTICE

The City Council will regularly convene on the first and third Tuesday of the month. The West Covina Community Development Commission, West Covina Public Financing Authority and the West Covina Community Services Foundation are agencies on which the City Council serves as members. Agendas may contain items for these boards, as necessary.

PUBLIC COMMENTS
ADDRESSING THE CITY COUNCIL
(Per WCMC 2-48, Ordinance No. 2150)

Any person wishing to address the City Council on any matter listed on the agenda or on any other matter within their jurisdiction should complete a speaker card that is provided at the entrance to the Council Chambers and submit the card to the City Clerk.

***Please identify on the speaker card whether you are speaking on an agenda item or non-agenda*. Requests to speak on agenda items will be heard prior to requests to speak on non-agenda items. All comments are limited to five (5) minutes per speaker.**

Oral Communications may be limited to thirty (30) minutes, unless speakers addressing agenda items have not concluded.

Any testimony or comments regarding a matter set for a Public Hearing will be heard during the hearing.

RULES OF DECORUM

Excerpts from the West Covina Municipal Code and Penal Code pertaining to the Rules of Decorum will be found at the end of agenda.

AGENDA

CITY OF WEST COVINA
CITY COUNCIL/SUCCESSOR AGENCY

TUESDAY DECEMBER 3, 2024, 7:00 PM
REGULAR MEETING

MOMENT OF SILENT PRAYER/MEDITATION

PLEDGE OF ALLEGIANCE
Led by Mayor Pro Tem Wu

ROLL CALL

REPORTING OUT FROM CLOSED SESSION

PRESENTATIONS

CITY MANAGER'S REPORT
City Manager's report on current City projects.

ORAL COMMUNICATIONS - Five (5) minutes per speaker
Please step forward to the podium and state your name and city of residence for the record when recognized by the Mayor.

CONSENT CALENDAR
All matters listed under CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the City Council/Community Development Commission request specific items to be removed from the Consent Calendar for separate discussion or action.

APPROVAL OF MEETING MINUTES

1) CONSIDERATION OF APPROVAL OF THE NOVEMBER 19, 2024, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES AND THE NOVEMBER 19, 2024, CITY COUNCIL/SUCCESSOR AGENCY REGULAR CLOSED SESSION MEETING MINUTES.

That the Council approve the November 19, 2024, City Council/Successor Agency Regular Session Meeting Minutes and the November 19, 2024, City Council/Successor Agency Regular Closed Session Meeting Minutes.

ORDINANCES FOR ADOPTION - Procedural Waiver. *Waive full reading of each ordinance on the agenda and authorize the approval of each ordinance by title only.*

2) CONSIDERATION OF AN ORDINANCE AMENDING PURCHASING PROCEDURES

It is recommended that the City Council adopt the following ordinance:

ORDINANCE NO. 2524 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING DIVISION 2 (PURCHASING PROCEDURES) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE

CITY MANAGER'S OFFICE

3) CONSIDERATION OF FIRST AMENDMENT TO OPERATING AGREEMENT AND MEMORANDUM OF AGREEMENT REGARDING EXERCISE OF SECOND OPTION TO EXTEND SUBLEASE FOR PARKING FACILITIES AT THE LAKES AT WEST COVINA

It is recommended that the City Council authorize the City Manager to execute:

1. The First Amendment to the Operating Agreement for a Portion of the Parking Facilities with CIP 2014/SG Covina Owner LLC (CIP), to renew and extend the term of the Agreement through May 14, 2028.
2. The Memorandum of Agreement Regarding Exercise of Second Option to Extend Sublease of Parking Facilities at the Lakes at West Covina with CIP 2014/SG Covina Owner LLC, extending the term of the Sublease through July 31, 2028.

POLICE DEPARTMENT

4) CONSIDERATION OF EXPENDITURES OF FISCAL YEAR 2024-25 SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT FUNDS

It is recommended that the City Council approve using Fiscal Year (FY) 2024-25 Supplemental Law Enforcement Services Account (SLESA) funds totaling $168,488 for the frontline law enforcement supply and services items list in the staff report.

END OF CONSENT CALENDAR

MAYOR/COUNCILMEMBERS REPORTS
AB 1234 Conference and Meeting Report (verbal, if any)
(In accordance with AB 1234, Councilmembers shall make a brief report or file a written report on any meeting/event/conference attended at City expense.)

CITY COUNCIL REQUESTS FOR REPORTS, STUDIES OR INVESTIGATION
(Per City of West Covina Standing Rules 4.f - Requests for reports, studies, or investigations that are not readily available must be placed on the City Council/Successor Agency agenda as items of business and must be approved by a majority of the City Council/Successor Agency Board.)

CITY COUNCIL COMMENTS

ADJOURNMENT

RULES OF DECORUM

The following are excerpts from the West Covina Municipal Code:

Sec. 2-48. Manner of addressing council; time limit; persons addressing may be sworn.

a. Each person addressing the council shall step up to the rostrum, shall give his or her name and city of residence in an audible tone of voice for the record and unless further time is granted by the council, shall limit his or her address to five (5) minutes.
b. The city council may establish a limit on the duration of oral communications.
c. All remarks shall be addressed to the council as a body and not to any member thereof. No person, other than the council and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the council, without the permission of the presiding officer. No question shall be asked of a councilmember except through the presiding officer.
d. The presiding officer may require any person to be sworn as a witness before addressing the council on any subject. Any such person who, having taken an oath that he or she will testify truthfully, willfully and contrary to such oath states as true any material matter which he knows to be false may be held to answer criminally and subject to the penalty prescribed for perjury by the provisions of the Penal Code of the state.

Sec. 2-50. Decorum--Required.

a. While the council is in session, the members shall preserve order and decorum, and a member shall neither, by conversation or otherwise, delay or disrupt the proceedings or the peace of the council nor interrupt any member while speaking or refuse to obey the orders of the council or its presiding officer, except as otherwise herein provided.
b. Members of the public shall not willfully disrupt the meeting or act in a manner that actually impairs the orderly conduct of the meeting. For the purposes of this code, “willfully disrupt” includes, but is not limited to, continuing to do any of the following after being warned by the Mayor that continuing to do so will be a violation of the law:
    a. Addressing the Mayor and City Council without first being recognized.
    b. Persisting in addressing a subject or subjects, other than that before the Mayor and City Council.
    c. Repetitiously addressing the same subject.
    d. Failing to relinquish the podium when directed to do so.
    e. From the audience, interrupting or attempting to interrupt, a speaker, the Mayor, a council member, or a staff member or shouting or attempting to shout over a speaker, the Mayor, a council member or a staff member.
    f. As a speaker, interrupting or attempting to interrupt the Mayor, a council member, or a staff member, or shouting over or attempting to shout over the Mayor, a council member, or a staff member. Nothing in this section or any rules of the council shall be construed to prohibit public criticism of the policies, procedures, programs, or services of the City or of the acts or omissions of the City Council. It shall be unlawful to violate the provisions of this Section.

If any subsection, sentence, clause, or phrase or word of this Section 2-50 is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Section. The City Council hereby declares that it would have passed this section and each subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more subsections, sentences, clauses, phrases or words had been declared invalid or unconstitutional.

Sec. 2-52. Persons authorized to be within council area.
No person, except city officials, their representatives and members of the news media shall be permitted within the rail in front of the council chamber without the express consent of the council.

The following are excerpts from the Penal Code

148(a) (1) Every Person who willfully resists, delays, or obstructs any public officer, peace officer, or an emergency medical technician, as defined in Division 2.5 (commencing with Section 1797) of the Health and Safety code, in the discharge or attempt to discharge any duty of his or her office or employment, when no other punishment is prescribed, shall be punished by a fine not exceeding one thousand dollars ($1,000), or by imprisonment in a county jail not to exceed one year, or by both that fine and imprisonment.

403 Every person who, without authority of law, willfully disturbs or breaks up any assembly or meeting that is not unlawful in its character, other than an assembly or meeting referred to in Section 303 of the Penal Code or Section 18340 of the Elections Code, is guilty of a misdemeanor.

AGENDA ITEM NO. 1

AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

DATE: 12/03/2024

TO: Mayor and City Council

FROM:

SUBJECT: **CONSIDERATION OF APPROVAL OF THE NOVEMBER 19, 2024, CITY COUNCIL/SUCCESSOR AGENCY REGULAR SESSION MEETING MINUTES AND THE NOVEMBER 19, 2024, CITY COUNCIL/SUCCESSOR AGENCY REGULAR CLOSED SESSION MEETING MINUTES.**

RECOMMENDATION:

That the Council approve the November 19, 2024, City Council/Successor Agency Regular Session Meeting Minutes and the November 19, 2024, City Council/Successor Agency Regular Closed Session Meeting Minutes.

BACKGROUND:

That the City Council adopt the attached minutes.

Attachments

Attachment No. 1 - 11/19/2024 Closed Session Minutes Draft
Attachment No. 2 - 11/19/2024 Regular Session Minutes Draft

CITY COUNCIL GOALS & OBJECTIVES: Enhance City Image and Effectiveness

AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

DATE: 12/03/2024

TO: Mayor and City Council

FROM: Paulina Morales, City Manager

SUBJECT: CONSIDERATION OF AN ORDINANCE AMENDING PURCHASING PROCEDURES

RECOMMENDATION:

It is recommended that the City Council adopt the following ordinance:

ORDINANCE NO. 2524 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, AMENDING DIVISION 2 (PURCHASING PROCEDURES) OF ARTICLE VII (PURCHASES AND SALES) OF CHAPTER 2 (ADMINISTRATION) OF THE WEST COVINA MUNICIPAL CODE

BACKGROUND:

In June 2022, the City Council adopted Ordinance No. 2498, repealing and replacing Divisions 1 (Generally) and 2 (Administration) of Article VII (Purchases and Sales) of Chapter 2 (Administration) of the West Covina Municipal Code (WCMC) in their entirety and amending Division 3 (Contracting for Public Projects) of Article VII of Chapter 2 of the WCMC. In October 2022, the City Council adopted Ordinance No. 2501, amending Article VII of Chapter 2 of the West Covina Municipal Code to re-incorporate previously adopted SB 1383 procurement requirements and clarifying procedures for public projects.

Agreements that include automatic renewal or extension provisions are colloquially referred to as “evergreen” agreements. The City has entered into evergreen agreements with certain service providers, such that the termination period for such agreements is the length of the contract term, such as 15 years or 25 years. In the State Auditor’s December 2020 Audit Report regarding the City, the State Auditor noted that neither the City’s Municipal Code nor its purchasing policies required any limits on a contract’s duration, and stated the City’s decision to increase the duration of the evergreen period in its solid waste franchise agreement to 25 years was not in the City’s best interest because it restricted the City’s ability to seek more favorable terms from other vendors offering similar services. The Audit Report recommended that the City amend its contracting policies to include a requirement that City Management document its reason for entering into any contract or contract extension with a duration in excess of five years.

In response to the Audit Report, Ordinance No. 2498 codified the City's policy of limiting the duration of agreements for goods and/or services to five (5) years, and the length of lease agreements to thirty (30) years, unless otherwise approved by the City Council. The intent of Section 2-330 is to limit the duration for which the City is obligated to remain a party to an agreement without the ability to terminate to a maximum of five years.

On November 19, 2024, the West Covina City Council, by a 5-0 vote, introduced Ordinance No. 2524, which will amend Division 2 (Purchasing Procedures) of Article VII (Purchases and Sales) Of Chapter 2 (Administration) of the West Covina Municipal Code.

DISCUSSION:
The State Auditor has recommended that to ensure that the agreements the City enters are effective and represent the best value, West Covina should amend its contracting policies to include a requirement that City Management document its reason for entering into any agreement or agreement extension with a duration in excess of five years.

Additionally, due to the uniqueness of some services for City events, staff recommends adding an exemption from competitive bidding for performing artist services. Performing artist services includes, but is not limited to, art, dance, music, theatre, magic, illusion, mime, puppetry, stand-up comedy, face painting, and balloon artistry.

The proposed Ordinance No. 2524 includes:

- Adds language to Section 2-330 of the WCMC to require that the City document the rationale for entering into agreements or extensions to agreements that exceed five (5) years in duration.
- Makes clarifying changes to Section 2-330 of the WCMC.
- Adds a definition for performing artist services in Section 2-327 of the WCMC.
- Amends Section 2-355 of the WCMC to include an exemption from competitive bidding requirements for performing artist services

Staff recommends that the City Council adopt Ordinance No. 2524. The Ordinance will take effect on the 31st day following adoption, which is on or about January 3, 2025.

LEGAL REVIEW:
The City Attorney's Office has reviewed the ordinance and approved it as to form.

Prepared by: Stephanie Sikkema, Finance Director

Fiscal Impact

FISCAL IMPACT:
This is strictly an administrative item, therefore; there is no fiscal impact associated with this action.

Attachments

Attachment No. 1 - Ordinance No. 2524

CITY COUNCIL GOALS & OBJECTIVES: Maintain Good Intergovernmental Relations

AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

DATE: 12/03/2024

TO: Mayor and City Council

FROM: Paulina Morales, City Manager

SUBJECT: **CONSIDERATION OF FIRST AMENDMENT TO OPERATING AGREEMENT AND MEMORANDUM OF AGREEMENT REGARDING EXERCISE OF SECOND OPTION TO EXTEND SUBLEASE FOR PARKING FACILITIES AT THE LAKES AT WEST COVINA**

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to execute:

1. The First Amendment to the Operating Agreement for a Portion of the Parking Facilities with CIP 2014/SG Covina Owner LLC (CIP), to renew and extend the term of the Agreement through May 14, 2028.
2. The Memorandum of Agreement Regarding Exercise of Second Option to Extend Sublease of Parking Facilities at the Lakes at West Covina with CIP 2014/SG Covina Owner LLC, extending the term of the Sublease through July 31, 2028.

BACKGROUND:

The City of West Covina (City) owns the parcels that encompass the parking lot and parking structures (Facilities) at the Lakes Office Development (Attachment No. 1).

The two parcels total 4.16 acres, which consist of surface parking spaces, one parking structure on each parcel (two parking structures in total), lighting, infrastructure, curb and gutter, landscaping, and ingress and egress (roads and driveways). The properties are subject to numerous agreements, detailing the development and primarily providing for the development and reservation of a public parking facility for the general public and for patrons of the Lakes Office Development, Edwards Theater, the Lakes Entertainment Center, and adjacent businesses. The agreements include a Lease Agreement (Master Lease), a Disposition and Development Agreement, an Indenture of Trust Agreement, a Reimbursement Agreement, an Installment Agreement, an Agreement of Sublease of Portion of Parking Facilities (Sublease Agreement), an Agreement re Option to Purchase (Option to Purchase Agreement), an Operating Agreement for Portion of Parking Facilities (Operating Agreement), a Reciprocal Easement Agreement (REA), an Implementation Agreement, and numerous subsequent amendments.

The two parcels were initially acquired by the West Covina Parking Authority (Authority) for the purpose of developing the site and building public parking facilities. In 1985, the Redevelopment Agency (Agency) and Authority entered into an Installment Sale Agreement whereby the Authority

would develop the site then sell the site and the project back to the Agency. In 1988, the former Agency obtained ownership of the parking structures and the parking lots.

On August 1, 1988, the Agency issued “Redevelopment Agency of the City of West Covina 1988 Lease Revenue Bonds” in the amount of $7,750,000. The Agency concurrently entered into the Master Lease with the City. The City leased the Facilities from the Agency for an Initial Term of 30-years (expired August 1, 2018), with eleven (11) additional five-year extensions (which would make the latest expiration in 2073). Furthermore, the City concurrently entered into the Sublease Agreement with Watt Investment Properties Inc. (Watt), dated August 1, 1988, as amended in January 1989, with the same initial 30-year period but with five (5) additional five-year extensions (2043).

Under the Sublease Agreement between the City and Watt, Watt subleases (and manages) 25% of the Parking Facilities for the Lakes Offices. Pursuant to the Operating Agreement, Watt manages the remaining 75% of the Parking Facilities on a non-exclusive basis for the public. The Operating Agreement was amended and executed in May 2018 with Capital Partners LLC, with the entity CIP 2014/SG Covina Owner LLC (CIP) as the listed owner, as successor-in-interest to Watt. The amended Operating Agreement had a term of five years, through May 2023.

Under the City’s Master Lease and the Indenture of Trust (between the City and Dai-Ichi Kango Bank of California), the 1988 Lease Revenue Refunding Bonds for the Lakes Public Parking Project (Bonds) were paid by the City from the lease payments, which were made in accordance with the Master Lease. The bonds matured in August 2018, with the last payment of $670,670 on August 1, 2018.

With the elimination of redevelopment agencies in 2012, the Successor Agency to the former Redevelopment Agency obtained Department of Finance approval to transfer the two assets as “Government Purpose” to the City of West Covina. On December 17, 2015, the City took ownership of the two parcels.

Pursuant to the Option to Purchase Agreement, after the bonds are paid in full, CIP, as property owner, maintains the right (but not obligation) to purchase the properties for $1,000 for the 25% leased area, and for the full market value for the remaining 75% parking area, based on the existing use as a public parking facility. In April 2018, Waterford Property Company (the managing member of CIP) exercised its option to purchase the Parking Facilities. Once the request was made, the City and Waterford conducted appraisals and attempted to come to an agreement over the fair market value of the parcels. There was a large difference in appraisal values. The parties could not come to an agreement on an acceptable purchase price. In June 2019, Waterford informed the City it was no longer interested in pursuing the purchase of the Parking Facilities and requested to extend the sublease instead.

On August 20, 2019, the City Council approved the Memorandum of Agreement extension option to extend the sublease of the parking facilities with CIP.

DISCUSSION:

The extension of both agreements is necessary to allow continued use of the facilities for the commercial activities on the property and to ensure continued maintenance of the facilities by CIP. The extensions would be retroactive to May 2023 (Operating Agreement) and August 2023 (Sublease Agreement) and be for a five (5) year period, extending the Operating Agreement through May 14, 2028, and extending the Sublease Agreement through July 31, 2028.

Pursuant to the Sublease Agreement, the Sublessee (CIP) is responsible for paying the City additional payments (bond associated fees), if any, plus a $100 annual payment to the City. Costs associated with the management and operation of the parking facilities are paid by CIP, pursuant to

the Sublease Agreement (for 25% of the facilities) and the Operating Agreement (for the remaining 75% of the facilities).

LEGAL REVIEW:
The City Attorney's Office has reviewed the First Amendment to Operating Agreement and Memorandum of Agreement Regarding Exercise of Second Option to Extend Sublease of Parking Facilities at The Lakes at West Covina and approved them as to form.

OPTIONS:
The City Council has the following options:

1. Approve staff’s recommendation; or
2. Provide alternative direction.

Fiscal Impact

FISCAL IMPACT:
Pursuant to the agreements, CIP pays the costs associated with the management and operation of the parking facilities, which are estimated to be over $500,000 per year. The City also receives $100 per year under the Sublease Agreement.

Attachments

Attachment No. 1 - City Owned Parcels Aerial
Attachment No. 2 - First Amendment to Operating Agreement
Attachment No. 3 - Memorandum of Agreement - Second Term

AGENDA STAFF REPORT

City of West Covina | Office of the City Manager

DATE: 12/03/2024

TO: Mayor and City Council

FROM: Paulina Morales, City Manager

SUBJECT: **CONSIDERATION OF EXPENDITURES OF FISCAL YEAR 2024-25 SUPPLEMENTAL LAW ENFORCEMENT SERVICES ACCOUNT FUNDS**

RECOMMENDATION:

It is recommended that the City Council approve using Fiscal Year (FY) 2024-25 Supplemental Law Enforcement Services Account (SLESA) funds totaling $168,488 for the frontline law enforcement supply and services items list in the staff report.

BACKGROUND:

The Supplemental Law Enforcement Services Account (SLESA) is a State allocation which, according to California Government Code Sections 30061 and 30062, must be used exclusively to fund frontline municipal police services, in accordance with written requests submitted by the Chief of Police. These funds cannot be used to replace or supplant existing funding for law enforcement services, but must instead supplement local funds. This funding was formerly called the Supplemental Law Enforcement Service Fund (SLESF), but was renamed SLESA as part of the realignment program for law enforcement that was enacted along with the State of California 2011 Budget Act.

DISCUSSION:

West Covina's FY 2024-25 SLESA allocation totals an estimated $168,488. Anticipating the receipt of these funds, which are distributed monthly, the Police Department prioritized a list of unbudgeted frontline police supplies and services for this fiscal year, as listed below. Since the start of this fiscal year, some of these supply and services expenditures have already been completed or are underway.

- Five electric bicycles, specially equipped for police service, totaling $27,105.
- Helicopter support services, totaling an estimated $29,000. The latest multi-year agreement with Los Angeles County for helicopter support services, paid for using SLESA funds, was approved by the City Council on October 1, 2024 (agenda item No. 8).
- GPS based surveillance services used by the Special Enforcement Team to track narcotics suspects, totaling an estimated $15,000;
- Specialized ammunition and tactical supplies for the SWAT Team, totaling an estimated $29,500;
- Personal protective supplies including bulletproof vests for newly hired Officers, gas mask cartridges, ballistic helmets, and carrying gear, totaling an estimated $30,500;

- Traffic enforcement supplies, weapons accessories, and police supplies supporting front line law enforcement, totaling an estimated $37,383.

Prepared by: Alex B. Houston, Police Administrative Services Manager
Additional Approval: Richard Bell, Chief of Police

Fiscal Impact

FISCAL IMPACT:
Using the State SLESA funds for the frontline law enforcement items described above is in keeping with the legislatively dictated requirements associated with this funding source. Estimated SLESA expenditure and revenue amounts were previously budgeted in Fund 155, so there is no impact to the General Fund.

CITY COUNCIL GOALS & OBJECTIVES: Protect Public Safety