



STAFF REPORT

Office of the City Manager

DATE: June 21, 2022

TO: Honorable Mayor and City Council

FROM: Dominic Lazzaretto, City Manager
By: Michael Bruckner, Deputy City Manager
Michael Maurer, Assistant City Attorney

SUBJECT: PUBLIC HEARING TO RECEIVE INPUT FROM THE COMMUNITY REGARDING PROPOSED AMENDMENTS TO THE ARCADIA CITY CHARTER

Recommendation: Receive Public Input and Provide Direction

SUMMARY

The City is in need of updating its Charter in order to conform with various state laws, such as moving the election date to November in even numbered years and moving to district based voting. The City Council, with the assistance of input from a citizen Charter Review Committee, has been reviewing the document and preparing amendments for consideration. Proposed amendments include removing outdated provisions, providing the City Council more legislative flexibility for the administration of City services, and streamlining municipal functions for 21st Century governance.

At the May 3, 2022, Study Session, the City Council concluded its review of proposed Charter amendments and directed staff to schedule two public hearings pursuant to Government Code § 34458 to receive public input on the proposed amendments to the Arcadia City Charter in order to prepare for submitting the document to voters at the November 8, 2022, municipal election. The first public hearing was held on May 17, 2022.

It is recommended that the City Council conduct a public hearing to receive public input regarding the proposed amendments to the Arcadia City Charter for community ratification at the November 8, 2022, General Municipal Election and direct the City Attorney to prepare final amendments and ballot measure resolutions for adoption.

BACKGROUND

At the March 3, 2021, Study Session, the City Council voted to hold its next regularly scheduled election on November 8, 2022, to comply with the spirit and intent of SB 415 and Ordinance No. 2352, affirming the same. To avoid any potential legal challenges to future elections, the City Council requested that the City Manager prepare a Charter

amendment for the November 8, 2022, General Municipal Election asking Arcadia voters to ratify moving the City's municipal elections from April to November in even numbered years, beginning with the 2024 election cycle. In addition, the City Manager shared that the City's Charter has not been updated since 1998 and the City Council may wish to revisit several of the provisions that are outdated.

To assist the City Council with recommendations for updating and modernizing the City's Charter, at the July 6, 2021, City Council Meeting, the City Council adopted Resolution No. 7356 empaneling an Ad Hoc Charter Review Committee consisting of Arcadia residents to review the City's Charter and make recommendations for amendments. On September 7, 2021, the City Council conducted interviews for prospective members of the Committee. Seven candidates were selected; however, shortly after the Committee was empaneled a Committee Member resigned. As a result, the Committee continued its work with six members.

The Committee held its first meeting on October 14, 2021, and established a regular meeting schedule of twice per month, generally on Friday mornings at 10:00 a.m. in the City Council Chambers Conference Room. All meetings for the Committee were duly noticed in accordance with the Ralph M. Brown Act. All copies of the Committee's agendas and minutes can be found at ArcadiaCA.gov/Charterreview. The organizing principle of the Charter Review Committee was to review and update the City's Municipal Charter for 21st Century governance standards.

At its second meeting on October 29, 2021, the Committee requested copies of relevant Charter sections considered for amendment from the following cities to use as a comparison: Alhambra, Big Bear Lake, Cypress, Irvine, Mountain View, Newport Beach, Pasadena, Santa Monica, and Temple City. In addition, the Committee was provided with a copy of the National Civic League *Model Charter City, Ninth Edition*, which offers a contemporary view on modern City Charters. The Committee also requested additional information on Charter cities by population, their last Charter update, City election dates by Charter, City Council compensation, and public works contract authorities.

On February 18, 2022, the Committee concluded its review and transmitted its formal recommendation on Charter amendments to the City Council. On March 18, 2022, the City Council and Charter Review Committee held a Joint Special Meeting to discuss the Committee's recommendations. On May 3, 2022, the City Council held a Study Session to review additional information related to the Committee's proposed amendments and provided direction to staff on final amendments.

A public hearing was held on May 17, 2022, to receive input from the Arcadia community on the proposed Charter amendments. No public comments were received.

DISCUSSION

Below is a summary of proposed amendments recommended by the Charter Review Committee and approved by the City Council. Copies of the amended City Charter are included as Attachment “A” (red-lined) and Attachment “B” (clean).

Gender Pronouns and General Language Clean-up

Throughout the current Charter, references to individual Council Members use the gender pronouns he/his/him. The language in the Charter was amended to be more gender neutral and was changed to they/their. Several dozen sections of the Charter were amended with this change. Further, position titles have changed over time and there are several edits throughout the document that make contemporary changes.

Section 400. City Council

The section was amended to reflect the change from at-large to by-district voting in Arcadia.

Section 401. Eligibility

This section was amended to reflect that a Council Member must reside in the district for which they seek election or appointment.

Further, the current Charter allows for two consecutive four-year terms, after which a Council Member must sit out at least one election cycle before running again. The Council Member could repeat this cycle indefinitely. The Committee provided two recommendations for the City Council to consider that would place a lifetime limit on the number of terms allowed; however, the City Council has remained undecided on the issue of term limits. As a result, no amendment is being proposed to modify term limits at this time.

Section 403. Vacancies, Forfeiture of Office. Filling of Vacancies.

Under the current Charter, the City Council has 30 days to fill a vacancy on the City Council. This amendment increases the amount of time to 60 days, which is consistent with the Government Code for General Law cities. This will allow more time for the City Council to advertise for applicants to fill the vacancy, conduct interviews, and deliberate.

This section was also amended to create a new mechanism if the City Council fails to fill a vacancy or call for a Special Election to fill a vacancy. Under this amendment, the City Clerk shall be charged with automatically calling for a Special Election if a vacancy is not filled after the 60-day period for appointment.

Section 404. Mayor – Mayor Pro Tempore.

This amendment would establish a formal rotation system for the Mayor and Mayor Pro Tem and each would serve a term of approximately 9.5 months so that each Council Member will have the opportunity to serve in both positions during a 4-year term. It also requires that the City Council establish a procedure for implementing the rotation by ordinance or resolution.

Section 413. Proceedings.

This amendment allows for the electronic casting of the ayes and noes in lieu of a roll call vote. This would allow for further technological improvements at City Council meetings.

Section 415. Adoption of Ordinances and Resolutions.

At the start of each Council Meeting, a Council Member is asked to make a motion to read all ordinances and resolutions by title only and waive the reading in full. This amendment removes the Charter requirement to provide a motion to waive the reading in full; however, a majority of the Council Members present may still request that an ordinance or resolution be read in full.

Section 416. Ordinances. Publication.

The current Charter requires an ordinance to be published in the City's newspaper of record after adoption. Print newspapers no longer enjoy the wide appeal they used to and are a somewhat outmoded form of communication. In addition, the publishing of ordinances can be costly as well. This amendment does not eliminate the publishing in newspapers but does create an alternative option that ordinances be posted in at least three public places and on the City's website in lieu of in the newspaper. Staff recommends that the City Council approve City Hall, the Community Center, and the Arcadia Public Library as the alternate sites.

Section 417. Adoption of Codes by Reference.

This amendment eliminates the need to create three volumes of City Codes for inspection by the public. Instead, this Section would require a copy of the Code be available for public review in the City Clerk's Office and on the City's website.

Section 420. Publishing of Legal Notices.

This amendment follows the framework outlined in Section 416 by removing the requirement to post in the City's newspaper of record and creating the alternative to post legal notices in at least three public places and on the City's website.

Article V. City Clerk

This amendment eliminates the elected City Clerk position upon the expiration of the current term in 2024 or upon any vacancy in the current office. The City Manager shall have the authority to appoint a City Clerk to perform the powers and duties outlined in the Charter. Due to changes to the role of the City Clerk over time, the position has become largely ceremonial, with the vast majority of traditional City Clerk duties being performed by professional staff in the City Manager's Office. The elimination of the elected City Clerk position will also save the City money over time as the position is the only seat still elected citywide. The current City Clerk has endorsed this amendment.

Section 807. General Plan.

This amendment adds language to the Charter to assert the City's right to home rule as it relates to land use policies. The California Legislature has become increasingly assertive in this area of municipal affairs. Should the City be required to defend its home rule authority, this additional Charter provision would strengthen the City's position.

Section 808. Human Resources Commission. Powers and Duties.

Under the current Charter language, the Human Resources Commission must review all changes to job classifications and specifications and personnel rules and regulations, which are then sent to the City Council for adoption. This has significantly slowed down the City's ability to recruit for vacant positions and/or stagnated creativity from hiring managers who did not want to take the time to go through the lengthy process. Moreover, the Human Resources Commission and City Council have typically had no comments on proposed amendments, so the steps have added little to no benefit to the organization.

This amendment redefines the role of the Human Resources Commission to serve as an independent, quasi-judicial hearing board solely related to appeals stemming from employee discipline and related matters, with job specifications and the like being the purview of the City Manager.

Section 809. Library Board of Trustees. Powers and Duties.

From time to time, the Arcadia Public Library receives monetary gifts from the Arcadia Community to further its educational and service mission. Provisions in the current Charter require that the City Council accept all donations over \$1,000, which requires staff time to prepare reports for City Council consideration. This amendment removes the requirement from this section and creates a new section that applies to donations received for all City purposes and requires the City Council to adopt new donation threshold by ordinance or resolution. Please see Section 1218 below for further details.

Section 1100. General Municipal Elections.

Commencing with the November 8, 2022, General Municipal Election, all future City elections will be held on the first Tuesday after the first Monday in November, to coincide with statewide general elections.

Section 1203. Capital Program.

The current Charter defines a capital expenditure as an improvement in excess of \$30,000. While this limit was likely very practical 20 years ago, the cost of public improvements has increased exponentially over time and the limit does not create the same purchasing power it once did. The artificially low threshold amount results in substantial staff time to prepare corresponding procurement documents, and formally conduct the bidding process. Final procurement is further impeded by City Council approval of a purchase order of nominal value. The current threshold is also anti-competitive as contractors tend to withdraw bids or refuse to bid because of the time of procurement on low-value projects.

This amendment would allow the threshold amount of a capital expenditure in Section 1203 to be set by Council resolution or ordinance. This would allow the City Council to review and set a threshold amount which can be amended over time by additional City Council action instead of requiring a future Charter amendment.

Staff recommends that the definition of a capital project be established by resolution to \$60,000. A further explanation is detailed in the next section.

Section 1212. Contracts on Public Works Projects.

Like Section 1203 related to capital expenditures, the current Charter creates a threshold amount of \$30,000 for public works contracts which is currently less than what State law allows. Under the California Uniform Public Construction Cost Accounting Act, signatory cities receive an increase to their force accounts limits to \$60,000. If that value of the project is under \$60,000 the City can contract without bidding; between \$60,000 and \$200,000, they are required to use informal bidding; and above \$200,000 formal bidding is required.

While the City has its own procurement rules, regulations, and threshold amounts, aligning the City's definition of a capital project with its contract authority creates administrative efficiencies, economies of scale, and would generate significant cost savings over time. Like the previous section, this amendment would allow the contract authority limit to be set by Council resolution or ordinance to create capacity for adjustments over time.

Section 1218. Donations.

This amendment would create a new section in the Charter to allow the City Council to set threshold amounts by ordinance or resolution for the administrative acceptance donations for all municipal purposes. Donations in excess of the threshold amount will still require City Council approval.

Next Steps

Pursuant to Government Code Section 34458, the City is required to hold two public hearings to receive public input on the proposed amendments to the Arcadia City Charter. The resolutions calling for the Charter Amendment to be placed on the November 8, 2022, ballot will be brought back to the City Council for adoption at the July 19, 2022, City Council Meeting.

ENVIRONMENTAL ANALYSIS

The proposed action does not constitute a project under the California Environmental Quality Act ("CEQA"), and it can be seen with certainty that it will have no impact on the environment. Thus, this matter is exempt under CEQA under Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines.

FISCAL IMPACT

There is not impact to the General Fund to conduct this public hearing. The cost of placing the Charter Amendment on the November 8, 2022, ballot is included in the Proposed Fiscal Year 2022-23 budget.

RECOMMENDATION

It is recommended that the City Council determine that this action is exempt under CEQA; and conduct a public hearing to receive public input regarding the proposed amendments to the Arcadia City Charter for community ratification at the November 8, 2022, General Municipal Election and direct the City Attorney to prepare final amendments and ballot measure resolutions for adoption.

Attachment "A" – Amended Charter (red-lined)

Attachment "B" – Amended Charter (clean)