

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

May 17, 2011

CALL TO ORDER: Mayor Rodriguez called the Regular Meeting of the La Palma City Council to order at 5:32 p.m. in the Council Chambers at La Palma City Hall, 7822 Walker Street, La Palma, California, with all members present.

RECESS TO CLOSED SESSION

CS-1. The City Council will meet in Closed Session pursuant to Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: Steve Filarsky, Filarsky & Watt
Dominic Lazzaretto, City Manager
Laurie Murray, Administrative Services
Manager

Employee Organization: La Palma General Employees
Association
La Palma Police Association
La Palma Professional Employees
Association

Unrepresented Employees: Executive Management

OPEN SESSION

Mayor Rodriguez reconvened the City Council in Open Session at 7:08 p.m. with all members present.

City Attorney Kuperberg stated that there were no reportable actions.

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Charoen

INVOCATION: Pastor Jerry Bennett, Faith Fellowship Church

ROLL CALL:

Council and Commission Members

Council/Commission
Members present:

Mayor Pro Tem/Vice Chairperson Charoen,
Council/Commission Member Hwangbo,
Mayor/Chairperson Rodriguez, Council/Commission
Member Shanahan, and Council/Commission
Member Waldman

Council/Commission
Members absent:

None

City Officials present:

Dominic Lazzaretto, City Manager/Executive Director
Joel Kuperberg, City Attorney
Michael Belknap, Recreation & Community Services
Director
Douglas Dumhart, Community Development Director
Jeff Moneda, Public Works Director/City Engineer
Keith Neves, Finance Director
Eric Nuñez, Police Chief
Laurie Murray, Administrative Services Manager/City
Clerk
Kimberly Kenney, Minutes Clerk

PRESENTATIONS

1. Mayor Rodriguez presented a Proclamation to Dr. Rick Rams, Cypress College Dean of Student Support Services, and Gilbert Contreras, Cypress College Extended Opportunity Programs and Services (EOPS) Manager, in recognition of their commendation from the Accrediting Commission for Community and Junior Colleges.
2. Recreation and Community Services Director Belknap introduced Recreation Specialist Tamara York, who gave a brief presentation of the Youth Action Committee Program.

Recreation Specialist York introduced Youth Action Committee Members: Michael Chuang, Alisha Conover, Eddie Eun, Christina Hwang, Saisha Kataria, Louis Kim, Annette Lee, Grace Lee, Samantha Lee, Richard Lui, Laura Munley, Melinda Nguyen, Phillip Oh, Jennifer Osaki, Trevor Osaki, Heidi Park, Uji Pratap, Kimberly Ramirez, Aliyah Shaikh, Kristina Taing, Kylie Tierney, Jasmine Wang, Melanie Wu, and Jennie Zheng.

ORAL COMMUNICATIONS

Brian Nakamura, 8062 Cheshire Circle, addressed the City Council regarding

his appreciation for the support of the City Council and City Staff at the Steve Luther Elementary School Spring Festival. He announced that the new Cypress School District Superintendent, Beverly Hempstead, will be introduced at an upcoming mixer on May 24, 2011, at 3:00 p.m. in the Cypress Education Center.

Robert Carruth, 7201 Monterey Lane, addressed the City Council regarding his opposition to the Cost of Living Adjustments (COLA) previously given to City Staff; that City Council should adopt a policy that is tied to a legitimate inflation index; and he requested that labor negotiations be open to the public.

Larry Herman, 5122 Andrew Drive, gave a trustee report from the Orange County Vector Control District (OCVCD) and encouraged the public to protect themselves against West Nile Virus infected mosquitoes. He closed by commenting on the success of the recent Donate Life Event and the upcoming American Cancer Society Relay for Life event on June 4 and 5, 2011, at Buena Park Junior High School.

Noella Lew, 5347 Andrew Drive, addressed the City Council regarding the upcoming La Palma Chamber of Commerce Car Show and BBQ at Central Park on May 21, 2011, at 9:00 a.m.

RECESS THE CITY COUNCIL AND CONVENE AS THE COMMUNITY DEVELOPMENT COMMISSION AT 7:44 P.M.

CONSENT CALENDAR

A. Approval of Register of Demands

Resolution No. CDC 2011-14 approving the Register of Demands for May 17, 2011.

Vice Chairperson Charoen made a motion to approve Consent Calendar Item A.

The motion was seconded by Commission Member Waldman and carried on the following vote:

AYES: Vice Chairperson Charoen, Commission Member Hwangbo, Chairperson Rodriguez, Commission Member Shanahan, and Commission Member Waldman

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

RECESS THE COMMUNITY DEVELOPMENT COMMISSION, AND CONVENE AS THE PLANNING COMMISSION AT 7:45 P.M.

CONSENT CALENDAR

None Scheduled.

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

PL-1. Conditional Use Permit 352, a Request from University of Phoenix for Approval to Operate a 30,000 square foot College Campus at 6 Centerpointe Drive

- a) Chairperson Rodriguez opened the Public Hearing at 7:45 p.m.
- b) Associate Planner Hutter gave the Staff Report
- c) Public Input

Phillip Schwartz, a Planner representing the PRS Group and consultant for the property owner, TA Realty Associates and University of Phoenix, addressed the Planning Commission regarding his support for the project and that the University of Phoenix agrees to all the Conditions of Approval set forth by Staff.

- d) Chairperson Rodriguez closed the Public Hearing at 7:57 p.m.
- e) Commission Comments and Questions

Discussion ensued regarding support for the proposed project; if there were any complaints from surrounding businesses at other University of Phoenix (UOP) locations; that parking availability was the only previous concern; and that the proposal is a relocation for the UOP La Mirada campus.

Harlan Lindholm, representing the Apollo Group for the University of Phoenix, addressed the Planning Commission regarding UOP's relocation being due to the future expansion of the 5 freeway and to allow for future growth.

Further discussion ensued regarding whether the traffic study reflected the true number of parking spaces available; that the traffic study took existing demand, future vacancies being filled, and student parking into perspective.

Richard Barretto, Professional Engineer representing Linscott, Law, and Greenspan Engineers, addressed the Planning Commission regarding the traffic study reviewing the current affected parking and including the proposed demand. He added that the peak parking time was at 11:00 a.m. and that most of UOP's students will be attending evening classes so the parking will not be adversely affected at 6 Centerpointe Drive.

Further discussion ensued regarding parking contingency plans for potential overflow; that the traffic study included vacancy provisions; and that Staff would remove the Reserved stalls in the Conditions of Approval if parking issues were to arise.

Aaron Liko, Associate Campus Director for the University of Phoenix, described typical students as age 30-32, working full-time, attending the classes approximately one night a week, and living within a 15 mile radius. He noted that the current La Mirada location serves approximately 750 students.

Further discussion ensued regarding students visiting campus after work; that students will contribute to the local retail businesses around the campus; and that the campus would be a good addition to the La Palma community.

- f) Resolution No. PC 2011-03 approving Conditional Use Permit 352, a request from the University of Phoenix to operate a college campus at 6 Centerpointe Drive.

Vice Chairperson Charoen made a motion to approve Resolution No. PC 2011-03 approving Conditional Use Permit 352, a request from the

University of Phoenix to operate a college campus at 6 Centerpointe Drive.

The motion was seconded by Commission Member Shanahan.

Discussion ensued regarding support for the University of Phoenix and its students.

The motion carried on the following vote:

AYES: Vice Chairperson Charoen, Commission Member Hwangbo, Chairperson Rodriguez, Commission Member Shanahan, and Commission Member Waldman

NOES: None

ADJOURN THE PLANNING COMMISSION, AND RECONVENE AS THE CITY COUNCIL AT 8:11 P.M.

CONSENT CALENDAR

1. Waive the Reading of All Ordinances
Waive the reading of all Ordinances in their entirety and read by title only.
2. Approval of Register of Demands
Resolution No. 2011-18 approving the Register of Demands for May 17, 2011.
3. Award of Contract to Computer Service Company for Traffic Signal Maintenance Services
Approve and authorize the Mayor to execute an agreement with Computer Service Company of Baldwin Park, California, for traffic signal maintenance services.
4. Award of Contract to Valverde Construction, Inc. for Construction Services for the Fire Hydrant Maintenance Project, City Project No. 10-WTR-06
 - a) Award a contract in the amount of \$156,550 to the low responsible bidder, Valverde Construction, Inc. of Santa Fe Springs, California, and authorize the Mayor to execute an agreement for the Fire Hydrant Maintenance Project, City Project No. 10-WTR-06; and

- b) Authorize a supplemental appropriation of \$70,000 from the City's Water Capital Reserve Fund to cover the full costs associated with the subject property.

5. Resolution Concerning the Status of the General Plan Circulation Element

Adopt Resolution No. 2011-19 concerning the status of the General Plan Circulation Element for the City of La Palma.

Council Member Waldman made a motion to approve Consent Calendar Items 1 through 5.

The motion was seconded by Council Member Hwangbo and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

PUBLIC HEARINGS

6. 2010 Urban Water Management Plan

- a) Mayor Rodriguez opened the Public Hearing at 8:12 p.m.
- b) Public Works Director Moneda gave the Staff Report
- c) Public Input

No members of the public wished to speak.

- d) Mayor Rodriguez closed the Public Hearing at 8:15 p.m.
- e) City Council Comments and Questions

Discussion ensued regarding the drought being diminished by the over abundance of rain during the previous season but that residents still need to continue to reduce their water consumption.

- f) Resolution No. 2011-20 adopting the Urban Water Management Plan.

Council Member Waldman made a motion to approve Resolution No. 2011-20 adopting the Urban Water Management Plan.

The motion was seconded by Council Member Hwangbo and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

Mayor Rodriguez called for a short recess at 8:18 p.m.

Mayor Rodriguez reconvened the City Council at 8:22 p.m. with all members present.

REGULAR ITEMS

7. Reconsideration of the Walker Street Median Reconstruction Project, City Project No. ST-314

- a) Vote to reconsider the item (A Motion to Reconsider is required by a member of the original voting majority and must pass with a Majority);

Council Member Waldman, who was a member of the original voting majority, made a motion to reconsider the item;

The motion was seconded by Council Member Shanahan.

Discussion ensued regarding Council Member Waldman's reason for reconsideration being that he did not want the Walker Street trees removed because he voted against having the Houston Avenue trees removed; that the original motion was seconded out of courtesy; that there is no logic to remove trees in one area and not remove them in another; that the motion to reconsider is not used frequently; that the residents who lived by the trees supported having the trees removed; and that the petitioners opposing the tree removal are not residents that live directly in front of the trees.

The motion carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

- b) Reconsider the removal of the Walker Street Median Reconstruction Project.

Public Works Director Moneda gave the Staff Report.

Public Input:

Ismile Noorbaksh, 7512 Mark Circle, addressed the City Council regarding his opposition to the removal of the Walker Street median trees.

Council Comments and Questions

Discussion ensued regarding the previous upgrade to the area being approximately \$15,000 seven years ago; that the upgrade may not have to be completed every seven years based on tree growth; that the Walker Street trees are mature and that Staff anticipates further root intrusion in the future; that Staff wants to avoid any significant water line breakage due to root intrusion;; that the mature trees in La Palma are part of the City's charm; that City trees are constant maintenance issues; that the Houston Avenue trees would be saved if the Arborist felt it was safe to do so; that the tree removal on Walker Street is part of the large scale Walker Street rehabilitation project; that because of the power lines, the Walker Street trees will never be taller or more majestic as shown in the photos; that street visibility onto Walker Street has become a safety issue because of the trees; that the City Council should be proactive and anticipate potential problems with root intrusion; that the recent Walker Street Underground Utility Project cost \$350,000 and the City mortgaged future Rule 20(A) Funds in order to accelerate that project; and that the City would have to wait another 25 years in order to accrue the revenues from Rule 20(A) to underground the utilities along the proposed Walker Street median.

Council Member Waldman made a motion to oppose the removal of the Walker Street Median trees as part of the Walker Street Median Reconstruction Project.

The motion was seconded by Council Member Hwangbo and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo,
and Council Member Waldman

NOES: Mayor Rodriguez and Council Member Shanahan

- 8. Ordinance Amending the La Palma City Code Pertaining to the Maximum Permissible Density in the Village Overlay

Community Development Director Dumhart gave the Staff Report.

Ordinance No. 2011-03 amending Chapter 26 of the La Palma City Code pertaining to the maximum permissible density under the Village Overlay designation.

Council Member Hwangbo made a motion to approve Ordinance No. 2011-03 Amending the La Palma City Code Pertaining to the Maximum Permissible Density in the Village Overlay.

The motion was seconded by Council Member Shanahan and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo,
Mayor Rodriguez, Council Member Shanahan, and
Council Member Waldman

NOES: None

9. Utility Users' Tax (UUT) Rate for Fiscal Year 2011-12

Finance Director Neves gave the Staff Report.

Resolution No. 2011-21 adopting a Utility Users' Tax (UUT) Rate for Fiscal Year 2011-12.

Mayor Pro Tem Charoen made a motion to approve Resolution No. 2011-21 adopting a 4% Utility Users' Tax (UUT) Rate for Fiscal Year 2011-12.

The motion was seconded by Council Member Waldman.

Discussion ensued regarding the City Council's support for being able to reduce the UUT rate to 4% in four out of the previous five years.

The motion carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo,
Mayor Rodriguez, Council Member Shanahan, and
Council Member Waldman

NOES: None

10. Salary Schedule and Personnel Practices and Benefits for Management Employees

City Manager Lazzaretto gave the Staff Report.

Public Input:

Robert Carruth, 7201 Monterey Lane, addressed the City Council regarding his opposition to step increases being given when no salary increases are being given; his opposition to the cash-out option; his opposition to the minimal monetary decrease of this proposal; and his opposition to this proposal in its entirety.

Jeff McCombs, 7212 Monterey Lane, addressed the City Council regarding the need for a defined contribution retirement system; his support for employees paying their full 8% of their retirement costs immediately; and his support for allowing employee raises if the economy improves during the third year of the agreement.

Gerard Goedhart, 4922 Berton Circle, addressed the City Council regarding his support for the proposed agreement; requested that a full review of staffing levels be conducted; suggested that the City Council delay the approval of the agreement until the City completes negotiations with other bargaining groups; and asked the City Council to set up a Reserve fund for employee benefit pay-outs.

Council Comments and Questions:

Discussion ensued regarding deficits being addressed during every annual budget review; that the City Council's goal was to provide the City with long term viability and sustainability; that the City Council appreciates the hard work that City Staff performs; that City Management does a great job selecting employees; that the economy has taken a down turn since the last Employee Agreements; that the current unemployment rate is at 9%; preparing contingency plans for a time when there may not be sufficient revenues; that at the end of the fiscal year, the City's reserve could grow; that the City Council is responsible for taxpayer's money; that current economic issues are problems for all levels of government; that the proposed Agreement addresses the City's current financial situation; that the City Council determined to balance the budget without using reserves, reducing services, or forcing lay-offs and furloughs; that although the public feels the changes to pensions are not enough, that it is on the proper course; that the proposed agreement deals with the City's current financial crisis in regards to employee benefits; and that the majority of City Council supports the proposed agreement.

Council Member Waldman made a motion to adopt the resolution approving the Salary Schedule and Comprehensive Listing of personnel practices and benefits for Management Employees and rescinding Resolution 2008-49.

The motion was seconded by Council Member Shanahan and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: Council Member Hwangbo

RECONVENE THE COMMUNITY DEVELOPMENT COMMISSION FOR A JOINT MEETING WITH THE CITY COUNCIL AT 9:55 P.M.

CONSENT CALENDAR

11. Approval of Fourth Amendment to Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Centerpointe La Palma

Council Member Waldman made a motion that the City Council and Community Development Commission approve and authorize the Mayor to execute a Fourth Amendment to Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Centerpointe La Palma.

The motion was seconded by Council Member Shanahan and carried on the following vote:

AYES: Mayor Pro Tem Charoen, Council Member Hwangbo, Mayor Rodriguez, Council Member Shanahan, and Council Member Waldman

NOES: None

REGULAR ITEMS

12. Presentation of the Proposed Fiscal Year 2011-12 Budget
 - a) City Manager/Executive Director Lazzaretto gave a presentation on the Budget Overview, the General Fund Review Summary, and the General Fund Expenditure Summary.

Administrative Services Manager Murray gave a presentation on the proposed Administrative Services Division Budget.

Finance Director Neves gave a presentation on the proposed Finance Division Budget.

Community Development Director Dumhart gave a presentation of the proposed Community Development Department Budget.

Recreation and Community Development Director Belknap gave a presentation on the proposed Recreation and Community Services Budget.

Police Chief Nuñez gave a presentation on the proposed Police Department Budget.

Public Works Director Moneda gave a presentation on the proposed Public Works Budget.

Community Development Director Dumhart gave a presentation on the proposed Community Development Commission Budget.

Mayor/Chairperson Rodriguez called for a short recess at 10:54 p.m.

Mayor/Chairperson Rodriguez reconvened the City Council at 11:00 p.m. with all members present.

City Manager/Executive Director Lazzaretto closed the presentation with a recap of the general overview of the Budget, General Fund Reserves, and General Fund Expenditures.

b) Public Input

Gerard Goedhart, 4922 Berton Circle, addressed the City Council regarding his opposition to the budget being reviewed at City Council meetings and not having the public involved in an open forum format.

c) Council/Commission Comments and Questions

Discussion ensued regarding the proposal to fill the vacant Police Captain position and freezing a Police Sergeant position; that City Staff would provide a revised five year forecast with the proposed Police Department

changes and the new Management Contract; that Recreation and Community Services would have to cut programs if that department were to make further cuts; that Department Heads would consult with the City Council/Community Development Commission prior to making any program cuts; that City Staff is working hard to continue to balance the budget as the City Council requested at its Goal Setting Session; that Staff is working on a contingency plan in case BP Arco does leave the City; that the Recreation Supervisor position will continue to be unfilled; that a plan is being formulated to address the pending retirement of the Tiny Tots instructor; that the Police Department reduced its printing costs by \$5,500 by eliminating miscellaneous award invitations and thank you cards but that it did not cut the public brochures for community policing; that the City's public outreach components will stay intact and the addition of social networking is being considered;.

Gerard Goedhart, 4922 Berton Circle, addressed the City Council/Community Development Commission regarding defining the programs and marketing duties of a Recreation Specialist position; that the City organization has to be reviewed and restructured in order to have significant savings; and his support for having an open forum budget meeting so the public can give their input.

City Council/Community Development Commission responded that the current process is transparent because everyone has the opportunity to meet with Management Staff weeks before the Budget is approved; that the Budget is discussed at several City Council meetings prior to approval; that future budget discussions could be placed at the beginning of the agenda; that Staff has kept both June City Council meeting agendas light due to the budget adoption and anticipated questions regarding the item; and that if there is an item that will impact the budget, that it will be presented prior to the budget discussion.

ADJOURN THE COMMUNITY DEVELOPMENT COMMISSION at 11:34 p.m.

COUNCILMEMBER AB1234 REPORTS, REPORTS FROM CITY-AFFILIATED COMMITTEES, AND COUNCIL REMARKS

Council Member Waldman attended the La Palma Volunteer Recognition Dinner; the Orange County Sanitation District (OCSD) Administration Committee meeting; the John F. Kennedy High School Scholarship dinner; and the League of California Cities (LOCC) monthly meeting.

Council Member Shanahan attended the Steve Luther Elementary School Spring Carnival; the Student Recognition Awards Subcommittee meeting; and the La Palma Volunteer Recognition Dinner.

Council Member Hwangbo attended the La Palma Volunteer Recognition Dinner; Chapman University's 150 Year Celebration; the Donate Life Walk at California State University Fullerton; the Steven Luther Elementary Spring Carnival; and the John F. Kennedy Scholarship dinner.

Mayor Pro Tem Charoen attended the La Palma Volunteer Recognition Dinner and the Student Recognition Awards Subcommittee meeting.

Mayor Rodriguez attended the Southern California Association of Governments (SCAG) Annual Conference; the La Palma Volunteer Recognition Dinner; the Steven Luther Elementary Spring Carnival; the Orange County Random Access Network Board Meeting; the Orange County Division LOCC meeting; the LOCC City Selection Committee meeting; the Association of California Cities-Orange County (ACC-OC) business meeting; and the John F. Kennedy Scholarship dinner.

CITY MANAGER REMARKS

City Manager Lazzaretto reminded the City Council of the upcoming Memorial Day Event on Monday, May 31, 2011; that Staff is looking for assistance in finding a key note speaker; and that the La Palma Chamber of Commerce Car Show is on Saturday, May 21, 2011. He informed everyone that next week is Bike to Work week and reminded the City Council that he will be in Spain on vacation. He noted that the upcoming agendas will include the annual budget review.

CITY ATTORNEY REMARKS

City Attorney Kuperberg had nothing to report.

ADJOURNMENT

Mayor Rodriguez adjourned the Regular Meeting of the La Palma City Council at 11:45 p.m.

Ralph D. Rodriguez
Mayor

Attest:

Laurie A. Murray, CMC
City Clerk