

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

31 103

November 6, 2001

Mayor Aragona called the regular meeting of the La Palma City Council to order at 7:00 p.m. on Tuesday, November 6, 2001, in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE

La Palma Explorer Scouts Jeremy Briscoe, James Bailey, and Anthony Calderon of Post 437 led the Pledge of Allegiance to the United States Flag.

INVOCATION

Associate Pastor Marcus Reid of the La Palma Christian Center gave the Invocation.

ROLL CALL:

Councilmembers present: Lauree Aragona, Christine Barnes, Kenneth A. Blake, Alta E. Duke, Paul F. Walker

Councilmembers absent: None

City Officials present: Catherine Standiford, City Manager  
Vince Giampa, Chief of Police  
Jeff Kirkpatrick, Police Captain  
Ismile Noorbaksh, Director of Public Works/City Engineer  
Tami K. Piscotty, Assistant to the City Manager  
Paul Pitts, Director of Building & Safety  
Robbeyn Bird, Director of Finance  
Jan Hobson, Director of Recreation & Community Services  
Joan Hoesterey, Principal Planner  
Joel Kuperberg, City Attorney  
Peggie Turnage, Executive Assistant

PRESENTATIONS

Mayor Aragona read a Proclamation designating November 2001 as Influenza Prevention Month.

Mayor Aragona, assisted by Red Ribbon Week Committee members Brian O'Neal and Duane Schuster, presented Certificates of Appreciation to the 2001 Red Ribbon Week Sponsors and participants. She commended the members of Orange County Fire Authority Station 13 who put on a demonstration at all the elementary schools, Tiny Tots and La Palma Christian Center. She also commended the La Palma Police Department for their presentations and thanked the Public Works and Recreation Departments for their participation. She introduced the panel speakers Bob Barreda, Chief Giampa, Officer Terry Kim and his partner Irk, and Officer Ron Wilkerson and presented each with a small gift of appreciation. Mayor Aragona recognized Luther School Essay Contest winner, Alexandra Skinkis. She then announced the winners of the Red Ribbon Week

Challenge: 3<sup>rd</sup> Place award of \$75.00 to Kennedy Key Club; 2<sup>nd</sup> Place award of \$100.00 to Walker Jr. High School; and 1<sup>st</sup> Place award of \$125.00 to Boy Scout Troop 650.

Mayor Pro Tem Walker presented a Certificate of Appreciation to Mayor Aragona and commended her for all of her efforts in putting the Red Ribbon Week activities together.

Mayor Aragona, assisted by Mayor Pro Tem Walker, presented a Proclamation designating the week of November 4 through November 10, 2001 as Kennedy High School Key Club Week.

### ORAL COMMUNICATIONS

Mr. Jeff Howe, 5192 Andrew Drive, La Palma, addressed the Council to express his support for the Tiny Tots Program and its instructors, Nancy Brewer and Kay May, and requested that the City continue this program without any changes.

Ms. Lois Kato, 7922 Collins Lane, La Palma, addressed the Council in regards to the financial stability of the City and inquired what the City is doing to fill the under-utilized commercial buildings in the City.

City Manager Catherine Standiford responded that the City shares this concern and in order to enhance the City's financial base it has initiated the development of a formal business retention and attraction plan that will allow the City to develop programs designed to enhance and support businesses that are in the City and in addition, try to attract businesses that, because of their sales situation, provide the City with a point of sale and would provide additional sales tax revenues to the City.

Mayor Aragona stated that if we have a strong business base, it would allow the City to provide quality programming, like the Tiny Tots Program.

Ms. Kato expressed concern that there are many businesses in the City that are not doing well and cited, for example, the ARCO station and Young's Tackle.

Mrs. Standiford responded that there is a Public Hearing item on this Agenda for the approval of a women's day spa that would be located in the center with Young's Tackle, which, if approved, would certainly enhance that retail center. With regard to the ARCO station, she stated that particular station is one of the top ten sales tax generating businesses in La Palma.

Mr. Duane Schuster, 8272 El Pescador Lane, La Palma, addressed the Council to announce that Joan and Richard Lutz are this year's Americana Award honorees for the City of La Palma and encouraged everyone to attend the Americana Award Banquet. Mayor Aragona congratulated the Lutz's, who were in attendance, and noted they were well deserved in this recognition.

Anaheim Union High School District Facilities Task Force Representative Brian O'Neal, 5042 Cartagena Circle, reported that all projects previously mentioned are on schedule. The results of the telephone survey concerning whether a bond initiative should be put on the March ballot indicated that 67% of the polled voters were supportive of the proposed initiative. He explained

that if the bond measure is put on the ballot and approved by the voters, Kennedy would receive 6.1 million for modernization; 6.9 million for new construction of a resource center, video production lab, two science labs, a new auditorium, and a practice gymnasium; 5 million for health and safety issues; and \$600,000 for technology, for a total of 17.5 million dollars. Walker would receive 3.9 million for modernization; \$900,000 for new construction of a resource center, science lab, and computer lab; 3.1 million for health and safety issues; and .5 million for technology for a total of 6.5 million dollars. The Board will make a final decision later this month on whether they will authorize the initiative to be placed on the ballot.

Vector Control Representative Larry Herman, 5122 Andrew Drive, La Palma, reported that 3 new Red Fire Ant mounds have been discovered on Santa Margarita and they will be treated very soon. In addition, Mr. Herman expressed the frustration he recently experienced in relation to the Utility Users Tax telephone survey.

Ms. Ann Passantino, 7432 Puerto Rico Drive, La Palma, addressed the Council to add her support for the Tiny Tot program and the instructors Nancy Brewer and Kay May and urged the Council not to cut this program.

#### RECESS

Mayor Aragona recessed the City Council to convene as the Community Development Commission at 8:06 p.m. (See separate Community Development Commission Minutes.)

#### RECONVENING

Mayor Aragona reconvened the meeting in regular session at 11:15 p.m.

#### CONSENT CALENDAR

Councilmember Blake pulled Item No. 8 from the Consent Calendar.

Mayor Pro Tem Walker made a motion to approve the following items on the Consent Calendar:

APPROVED THE OCTOBER 16, 2001 CITY COUNCIL MEETING MINUTES

ADOPTED RESOLUTION NO. 2001-57 APPROVING A REGISTER OF DEMANDS FOR NOVEMBER 6, 2001

ADOPTED RESOLUTION NO. 2001-58 REAFFIRMING THE CITY COUNCIL'S DELEGATION OF AUTHORITY AND ASSIGNMENT OF RESPONSIBILITY TO MAKE CERTAIN DETERMINATIONS AND APPLICATIONS RELATING TO DISABILITY RETIREMENTS UNDER THE PUBLIC EMPLOYEES' RETIREMENT LAW, AND TO PROMULGATE RULES AND PROCEDURES TO IMPLEMENT SUCH RESPONSIBILITY

REAPPOINTED SHARON GUTJAHR AND JANE RIPPEE TO THE COMMUNITY ACTIVITIES AND BEAUTIFICATION COMMITTEE FOR TERMS EXPIRING ON DECEMBER 31, 2004

APPROVED AND AUTHORIZED THE CITY MANAGER TO SIGN THE SIDE LETTER OF AGREEMENT WITH THE LA PALMA GENERAL EMPLOYEES ASSOCIATION (LPGEA) FOR THE IMPLEMENTATION OF THE AGENCY SHOP AGREEMENT  
ADOPTED RESOLUTION 2001-59 REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO THE CONDUCT OF A MUNICIPAL ELECTION TO BE HELD IN CONJUNCTION WITH THE STATE PRIMARY ELECTION ON TUESDAY, MARCH 5, 2002

ADOPTED RESOLUTION 2001-60 APPROVING FINANCING OF A PORTION OF THE LA PALMA COMMUNITY DEVELOPMENT PROJECT NO. 1 BY THE COMMUNITY DEVELOPMENT COMMISSION, AND THE REFUNDING OF THE \$6,500,000 LA PALMA COMMUNITY DEVELOPMENT PROJECT NO. 1, 1991 TAX ALLOCATION BOND

APPROVED THE INSTALLATION OF A "RIGHT TURN ONLY" SIGN ON THE DRIVEWAY OF THE SHOPPING CENTER ON MOODY STREET, SOUTH OF ORANGETHORPE AVENUE

The motion was seconded by Councilmember Blake and carried on the following roll call vote:

AYES: Aragona, Barnes, Blake, Duke, Walker  
NOES: None  
ABSENT: None

NOTICE OF COMPLETION AND ACCEPTANCE OF WORK FOR THE TRAFFIC SIGNAL IMPROVEMENTS AT WALKER STREET AND LA PALMA AVENUE, AND LA PALMA AVENUE AND MOODY STREET, CITY PROJECT NO. ST-245

Mayor Pro Tem Walker made a motion to approve the Notice of Completion and Acceptance of Work for the Traffic Signal Improvements at Walker Street and La Palma Avenue, and La Palma Avenue and Moody Street, City Project No. ST-245. The motion was seconded by Councilmember Barnes and carried on the following roll call vote:

AYES: Aragona, Barnes, Duke, Walker  
NOES: None  
ABSENT: None  
ABSTAIN: Blake

PUBLIC HEARING

INTRODUCTION OF ORDINANCE FOR FLOOD PLAIN MANAGEMENT

Mayor Aragona opened the Public Hearing and called upon City Manager Catherine Standiford to present the staff report.

Ms. Standiford stated that Bi-annually, the State of California, Department of Water Resources, on behalf of the Federal Emergency Management Agency, visits the City and conducts a Community Assistance Visit to evaluate how the City is administering its Flood Plain Management Program. Even though the City of La Palma is in a five hundred-year flood plain, FEMA determined that in order for the City to be in compliance with the National Flood Insurance Program it needs to have a Flood Plain Management Ordinance. She stated the ordinance before the Council tonight for consideration is basically a template ordinance that's been used by numerous other jurisdictions within Orange County and enables the City to have certain standards related to flood plain development and it is not expected that it will have significant impact on the community. What it does do is provide an opportunity for the forty-four property owners who have chosen to purchase flood insurance to get reduced rates.

There being no one in the audience who wished to address the Council on this item, Mayor Pro Tem Walker made a motion to close the Public Hearing. The motion was seconded by Councilmember Barnes and carried unanimously.

Mayor Pro Tem Walker made a motion to introduce Ordinance No. 2001-09, an Ordinance of the City Council of the City of La Palma, California, Adding Sections 26-176 through 26-179 to the Municipal Code Finding the Necessity and Adopting a Flood Plain Management Ordinance. The motion was seconded by Councilmember Duke and carried on the following roll call vote:

AYES:	Aragona, Barnes, Blake, Duke, Walker
NOES:	None
ABSENT:	None

REGULAR ITEMS

SECOND READING OF ORDINANCE FOR ZONE CHANGE ZC-56

Councilmember Barnes made a motion to adopt Ordinance No. 2001-07, an Ordinance of the City Council of the City of La Palma, California, amending the Zoning Map ZC-56 changing the Zoning designation from R-1 Single Family Residential to P-1 Public Institutional for the parcels located at 5321 and 5341 La Palma Avenue. The motion was seconded by Councilmember Duke and carried on the following roll call vote:

AYES: Aragona, Barnes, Blake, Duke, Walker  
NOES: None  
ABSENT: None

FIRST QUARTER REVENUE REPORT

City Manager Catherine Standiford stated that when the Council adopted the budget it directed staff to bring to the Council quarterly reports of the state of the City's revenues and the first quarterly report is before the Council tonight. She called on Director of Finance Robbeyn Bird to present the report.

Ms. Bird stated that for the purpose of this report, in able to facilitate the review and analysis, they grouped the revenues by general categories, which is a little different from the way they are shown in the budget. In addition, for purposes of this report, several assumptions were made:

1. Revenues for the first quarter of the current fiscal year were compared with those for the same period of time last fiscal year, which included everything that the City received in revenue through September 30<sup>th</sup> of both years.
2. First quarter revenues may only include July and August in many cases, and are noted as such.
3. The most accurate information available has been applied. In some of the more significant revenue categories, such as property tax, the City has received more accurate information than was available at the time the budget was prepared.
4. Sales tax that is designated as Capital Outlay Reserve (COR) revenue is not included in the sales tax information or projections.
5. Administrative costs for the water, sewer, and CDC funds will be fully achieved.
6. It is assumed that the utility user tax will continue as a primary source of revenue to the City.

Ms. Bird stated the revenue received in the first quarter is \$76,000.00 less than the City received in the previous year. She added that it is important to note that the miscellaneous revenue category included a one-time grant in the previous year of \$20,000.00 from the California Joint Powers Insurance Authority for the emergency kiosks. It also included a \$5,000.00 recycling grant.

Ms. Bird stated she then prepared another report using the information that the City now has projecting revenues through the end of this fiscal year and compared those figures to those adopted in the budget. The results of this report indicate there will be a shortfall to the General Fund of approximately \$384,000.00. She added that the most significant decrease included in this report comes from property tax estimates for the current year, which are approximately \$200,000.00 less than anticipated. In addition it is anticipated there will be a \$36,000.00 reduction in the amount of Motor Vehicle In-Lieu Fees. She added that another shortfall is due to the fact that at the time the budget was adopted it was assumed that the Seasons La Palma project would be completed and the City would receive a full year of lease revenue. However, now at most the City will receive six months of lease revenue so that revenue was adjusted downward \$55,000.00.

Ms. Bird stated that in addition to compiling the First Quarter Revenue Report, the Finance Department has analyzed the fund balance remaining at the close of the books from FY 2000-01. Last fiscal year the City's General Fund Budget was balanced based upon an anticipated need to expend reserves in the amount of \$518,000.00. However, because FY 2000-01 revenues were substantially higher than projected, the City did not need to use any reserves. Overall, City revenues for last fiscal year exceeded expenditures by approximately \$605,000.00 at year-end. The components of the excess revenue were that Sales Tax came in at \$259,000.00 higher than projected; Utility Users Tax was \$214,000.00 higher than budgeted; and Motor Vehicle In lieu was approximately \$178,000.00 higher than anticipated. This has resulted in a larger than anticipated beginning balance for the current fiscal year of \$5.9 million instead of the adopted \$5.4 million. Consequently, unrestricted reserves now total \$4,537,465.00 instead of the \$3,971,671.00 adopted in the fiscal year 2001-02 General Fund Budget.

Ms. Standiford stated that in looking at both the first quarter revenue report and the projection for revenues for the fiscal year, there is good news and there is bad news. The good news is that the City did have a better than anticipated fund balance at the close of the books. It means that the reserve is healthier than anticipated, it means there is a little more cushion that was anticipated. The bad news is that there is a projected decline in revenues that warrants concern. Part of that is due to the trends that some of the revenue is based on, such as property tax not holding true based on what the County is actually assessing tax on. Another aspect is that this is just the first quarter, it represents revenues primarily from July and August, it does not take into account what is happening with the economy since then in terms of September 11<sup>th</sup> and other economic factors that the Council needs to pay attention to. Clearly, the revenue report for the second quarter, in general, paints a much clearer picture of what the City can expect to see in terms of revenue performance by the end of the year.

Ms. Standiford stated that, in keeping with the City Council's adopted policy to review revenue estimates quarterly and make program reductions as necessary, she recommends taking a number of actions to slow and/or reduce General Fund expenditures. These include:

- An immediate hiring freeze on all non-essential positions;
- Suspension of non-critical large equipment purchases, such as vehicles;
- Suspension of City-paid travel expenses related to staff training and development, unless they are fully grant funded or fully reimbursable (i.e., POST-reimbursable training for police officer;)
- Reconsideration of whether to contribute \$40,000 to the Orange County Public Library this year.

Mayor Pro Tem Walker asked what action Ms. Standiford would like Council to take.

Ms. Standiford responded that her recommendation is that Council direct her to implement the suggested actions.

Mayor Pro Tem Walker stated that in light of what the City is looking at in the near future and with the slowing down of the economy and other factors happening, he feels the City should implement a hiring freeze of non-essential, non-emergency personnel. He asked what kind of savings the City would realize from a hiring freeze.

Ms. Standiford responded that based upon the current vacancies she would estimate that a hiring freeze on non-essential positions would save salary and benefits of between \$150,000.00 and \$200,000.00.

Mayor Pro Tem Walker asked how many vacancies the City currently has and Ms. Standiford responded that there are a total of four vacancies; one of them she would recommend the Council consider filling as an essential position.

Mayor Pro Tem Walker asked if the budgeted vehicles have been purchased.

Director of Public Works/City Engineer Ismile Noorbaksh responded that his department has purchased one vehicle, the other has been put on hold.

Mayor Pro Tem Walker suggested putting a stop on the purchase of all items that really don't impact the City and that can be held off for at least another year.

Mayor Aragona stated that from conversations she has had with Assemblyman Harman and State Senator Ross Johnson, it appears that the VLF loss is a reality.

Mayor Aragona stated she needs to know what the positions are before she can make a decision on a hiring freeze.

Ms. Standiford responded that it is not certain whether the VLF loss is an immediate concern or a next fiscal year concern; the City has not been able to get clear information from Sacramento. With respect to the vacant positions, there are currently two vacant positions in the Police Department in patrol, there is a vacant position in the Finance Department related to the City's accounts payable processing, and a Building Maintenance Worker position. She added the one area of concern she has is with the Finance Department position. The Finance Department is currently two people with some assistance from a part-time consultant that is helping to generate the warrant list every two weeks. She explained that they are having trouble meeting the City's financial obligations to pay its bills in a timely manner. She added she is concerned that the cost of having the consultant do this is outweighing the cost of hiring the employee and making sure the City is fulfilling its financial obligations. With regards to the positions in the Police Department, they are patrol positions and while patrol is also a serious concern, there is a certain amount of economy of scale that is realized by covering the service with overtime on a short-term basis.

Councilmember Barnes stated she supports eliminating the \$40,000.00 contribution to the library since it deals with carpeting and additional part-time help; it's not cutting hours and services.

Councilmember Duke stated she would not like to see the funds to the library eliminated and suggested they be put on hold until the first of the year when the Council has a better picture of the City's actual revenues.

Councilmember Duke asked Ms. Standiford if she had a ballpark figure of what might be saved here.



Ms. Standiford responded she did a rough estimate which includes some steps that staff has already taken to reduce expenditures, and all told the estimate is somewhere between \$185,000.00 and \$220,000.00. She added there are also other things that staff is exploring.

Mayor Aragona stated why prolong the agony, why hold the \$40,000 for the library hoping to give it away later, and questioned if that was fiduciary responsibility.

Mayor Aragona stated she feels that in addition to the hiring freeze there should be a freeze on reclassifications as well. She stated she did not think that the City should be moving people from a part-time position to a full-time position because not only is it increased pay, it's increased benefits.

Councilmember Blake asked if the \$24,000 decrease in permits for the first quarter is primarily a reflection from the senior housing project. Ms. Bird responded affirmatively.

Councilmember Blake stated that the annual sales tax projection is only \$16,000.00 and asked how that relates to the first quarter projection of \$46,000.00.

Ms. Bird responded that at budget time staff already took into account the lower revenue that resulted in the sales tax loss from a major sales tax producer that has left the City.

Councilmember Blake asked if some of the patrol positions could be back-filled by reserves.

Chief Giampa responded that there are some labor issues and in addition, the reserves all have full-time jobs and are just not available at the hours they are needed.

Mayor Aragona asked if it is possible to use a part-time person in the Finance Department.

Mayor Pro Tem Walker asked if it would be possible to use more of ADP's services.

Ms. Bird responded that ADP has saved staff some time, however, Susan still has to check all the time sheets and input all the data. All ADP does is basically do the quarterly reports and generate checks every two weeks. She explained this is because ADP is not familiar with all the City's MOU's and the Finance Department staff has to make sure the City is in compliance with all of those. As far as a part-time person for accounts payable if that is her only choice, part-time is better than nothing. She added that with two full-time people her department was working on a shoestring and if she doesn't have those positions it is very difficult for her to do the analyses that she needs to do to stay on top of revenues and expenditures and provided analyses that are helpful to the Council.

Mayor Aragona stated she is comfortable with Ms. Standiford's recommendation to fill the Finance Department position although she would recommend, but not insist, that it be a part-time person.

Councilmember Duke suggested that Council authorize the City Manager to take whatever steps necessary to reduce the expenditures where possible.

Mayor Aragona stated that with a library system that is operating in the black and doing well, she feels the Council should take a look at eliminating the backfill to the library.

Mayor Aragona stated she feels that a freeze should be put on category changes.

Mr. Keith Nelson, 5311 La Luna Drive, La Palma, addressed the Council to state that he hasn't heard any cuts. He asked when the Council is going to take action; show some leadership, make some cuts, eliminate some programs, eliminate the library funding, eliminate the Chamber of Commerce funding, don't hire people, do something. He added this has been talked about for months; this discussion should have been held at 7:00 tonight when there was a full audience. He stressed he doesn't feel the City Manager should be forced to make the decision, the City Council are the leaders, they should make the decision and cut something; show some leadership. He questioned the value of the recent survey stating that he could hardly understand the person that called him, they could not read the questions so that he could understand them, other people in the community got calls made on Halloween and on Sunday evening during the World Series games. He again urged the Council to take some leadership and make some cuts.

Councilmember Barnes stated she feels comfortable with the recommendations that were made.

Mayor Pro Tem Walker stated Mr. Nelson had a point and stated that if there were five things that totaled \$200,000.00 and the Council could pick two or three that would cut \$50,000.00 right now.

Councilmember Duke stated that people forget that there is a line, the City Council is policy, the City Manager is operations. When the Council gives the City Manager the authority to go ahead and make these cuts, she is the one, with staff, to decide what cuts can be made without infringing on, in a detrimental way, the operations of the City.

Mayor Pro Tem Walker stated he agreed that the Council needs to make a decision and show the public that this is reality. He suggested that staff come back at the next meeting with a recommendation of what can be done right now.

Mayor Aragona stated she believes the Council should have some say on where the cuts are made, they do have a responsibility to the citizens.

Mrs. Standiford stated it would be easier for her if the Council would tell her tonight to do the hiring freeze, postpone or eliminate vehicle purchases, every one of the recommendations that were included in the staff report, the suspension of City-paid travel expenses, the \$40,000 to the Orange County Public Library, every one of those has an economic impact.

Mayor Pro Tem Walker stated he supports the recommendation and asked that the funds to the Chamber of Commerce be added to the list.

Mrs. Standiford stated she would have to take a look at the Chamber contract, there may be some termination requirements that the City would need to abide by.

Councilmember Duke suggested that the funds for the Americana Awards Banquet be added to the list.

Mayor Aragona suggested that Red Ribbon and the scholarship awards be looked at as well.

Mrs. Standiford stated she will provide the Council with a report on what reductions have been made.

Mayor Pro Tem Walker made a motion to include all the items that were recommended by the Council this evening. The motion was seconded by Councilmember Blake and carried on the following roll call vote:

AYES: Aragona, Barnes, Blake, Duke, Walker  
NOES: None  
ABSENT: None

AWARD OF CONTRACT FOR EL RANCHO VERDE PARK EXTENSION

Mayor Pro Tem Walker stated he would abstain from consideration of this item since he lives within 300 feet of the park.

Mrs. Standiford stated that in August the City Council authorized the solicitation of competitive bids for the development of the El Rancho Verde Park extension. At that time the City did not have permission from Southern California Edison to construct the improvements related to that extension, today we do. The bids have come in and they are actually below the engineer's estimate, they look good, there's just one problem and that is the extension of the El Rancho Verde Park will add about \$7,000 in ongoing maintenance cost to the City's General Fund. Therefore, the Council is being asked to decide whether it is prudent to add burden to the General Fund at a time of financial uncertainty. Therefore the City Council has two options:

1. Take no action and let the bids expire. According to the Notice to Bid, the contractor is required to guarantee the bids for 60 days, but the City is under no obligation to award the contract. The project could be re-bid once the City decides to proceed with it in the future.
2. Award the contract in accordance with the City's normal procedures to E. C. Construction Company in the amount of \$263,039.64.

She added that there is a third option, the City Council could look at doing something different, although doing something different would require going back to design, go through a bidding process, award bids, etc. and doesn't address the issues in terms of an on-going maintenance cost.

Mayor Aragona stated this is a tough decision to make, however, after all of the hard work of outside legislators, Southern California Edison approved this project. This included the assistance of Assemblymen Harman and Maddox, and State Senator Ross Johnson, and her own personal trips to Sacramento. Edison has finally stepped in and signed off on everything and she feels that the City should go ahead with this project, particularly since the project could

again be at risk if the SCE bailout is not approved. The cost of development comes from a different funding source, not the General Fund.

Mayor Aragona went on to say that she is sensitive to the cost estimate of between \$4,000 and \$7,000 of General Fund dollars per year to maintain the project, depending upon the age of the trees and how fast they grow, and takes her fiduciary responsibility seriously, and she is trying to make a decision on what is right and best, and try to have some vision in doing so. However, we made a commitment to the residents of that area and she is trying to honor that commitment, and in moving forward, demonstrate commitment to the outside legislators who helped move this project forward.

Mr. Jay Goldberg, 4782 El Rancho Verde Drive, La Palma, addressed the Council to state that he does not need a park behind his house, but what he doesn't need is a weed garden and he has been living with that. The City used to make the nursery take care of that property. After the nursery moved, the City was always nagging at SCE to take care of that property. Now the City has it and they have put up with all the things the Mayor has mentioned in trying to get this done. Now there is talk of putting it off. He stated if a citizen had their front yard looking as bad as the Edison right-of-way they would have code enforcement on them. He understands the dilemma the City Council is faced with but he encouraged the Council to approve this project.

Mr. Brian O'Neal, 5042 Cartagena Circle, La Palma, addressed the Council to suggest that the project be scaled back, put in a lawn with a sprinkler system and eliminate all the niceties such as lights and benches which would make the area look decent and yet not have the expense to the City.

Mayor Aragona asked if the City has to go back out to bid if all it wants to do is plant grass and put in sprinklers to water.

Director of Public Works/City Engineer Ismile Noorbaksh responded that the City's contract allows it to scale down the project up to 25% but since the contract has not been awarded the City can always go back to the contractor and negotiate items that the City would like to delete and then only award the parts the City wants built.

City Attorney Joel Kuperberg stated there have been a couple of recent cases that address the issue of alternative bid items. He explained that the issue arises that there is a certain base bid and then some add-ons and all the bidders have to be notified up front what the City is going to assess the bids on and how it is going to evaluate the add-ons. Council is talking about the reverse, but he is concerned that the City may run afoul of that new law if the City has not told all the bidders on the front end that the City may only award a very simple version of this contract. They might have allocated the components of their bid differently and the results may have come out differently so it may be necessary to re-bid a smaller project if the Council wants to go in that direction.

Councilmember Duke asked if the contract for the lease of the property was a multiple year contract.

Mr. Noorbaksh responded the City has paid Edison a lump sum amount for the lease, which is for a period of eight to ten years.

Councilmember Duke asked if there is any jeopardy of loss of the Park Fund monies.

Ms. Standiford responded the funds are park development fee money and there is no jeopardy of those funds.

Councilmember Blake asked if the City has to let the bids expire, or could it start the new bidding process right away.

Mr. Kuperberg responded it can be done in a number of ways. It can be agendized to take action not to award the bid and direct the re-bid. The bids can expire of their own terms and then staff can be directed to go out to redesign or re-bid, those are the two most common.

Councilmember Blake stated he supports the concept of making the area look presentable at the present time and complete the project at a later date when the City's finances are more certain.

Mr. Goldberg asked what will be gained by cutting back on the project. If the money is there for the development and the only concern is for the maintenance, what would be the sense of cutting back on the project.

Ms. Standiford responded there would be a lower sustaining cost.

Mr. Noorbaksh clarified that only the lighting conduit and the foundations are being installed, the project does not include the installation of any lights. Benches could be deleted and trash receptacles could be deleted but those are not the items that cost a lot of money to maintain, the sustaining costs are mainly for maintenance of the landscaping.

Councilmember Barnes commented that if the cost savings is not that significant, why cut back on the project. She stated her concern is with the perception by the public if this contract is awarded at this time.

Mayor Aragona commented that delaying this project means the delay could run into another year. In the absence of any Councilmember making a motion, she said she would make a motion.

Councilmember Blake stated that the City definitely has to take care of the weeds and asked what the estimated cost of weed abatement.

Mr. Noorbaksh responded that weed abatement is generally done in house, approximately every three months. He added that assuming the Council awards the contract tonight, the project probably won't be completed until April or May so any maintenance issues will probably not come up until the next fiscal year.

Mayor Aragona stated, in the absence of any Councilmember making a motion, she would make a motion to award the contract based on the information the Council has received this evening.

Mr. Noorbaksh stated that if Council desires he could write a letter to the contractor and ask if he will guarantee the bid for an additional thirty days, if need be.

Mayor Aragona stated she does not see what an additional thirty days will gain and repeated that her motion on the floor is to award the contract.

Councilmember Duke stated she has been a proponent of this project since the Council first started talking about it. She stated she feels the stumbling block is the perception due to the situation the City faces with the utility users tax.

Mr. O'Neal asked how much would be saved by eliminating the shrubs and trees.

Councilmember Duke asked if the City actually trims the trees every year.

Mr. Noorbaksh responded that the trees are not trimmed every year; however, according to the agreement with Edison, if they feel the trees are tall enough, the City has to trim them but they will not be trimming them the first two years.

Mayor Aragona restated her motion and the motion was seconded by Councilmember Duke.

Councilmember Barnes asked if the contract is awarded if the beginning date of starting the work can be delayed.

Mr. Noorbaksh stated he can table processing the work for somewhere between thirty to sixty days.

Mayor Aragona stated she is not willing to amend her motion.

The motion carried on the following roll call vote:

AYES:	Aragona, Barnes, Duke
NOES:	Blake
ABSTAIN:	Walker
ABSENT:	None

#### CONSIDERATION OF AN URGENCY ORDINANCE RELATING TO THE INSPECTIONS OF MASSAGE PARLORS

City Manager Catherine Standiford stated this is an ordinance that basically authorizes the Orange County Health Care Agency to inspect the premises of massage establishments in La

Palma. This is an urgency ordinance because with the approval of the CUP earlier this evening, the City wants the authorization to go into effect right away. A regular ordinance achieving essentially the same thing will be brought to Council at the November 20<sup>th</sup> meeting.

Mayor Pro Tem Walker made a motion to adopt Urgency Ordinance No. 2001-08, an Urgency Ordinance of the City Council of the City of La Palma relating to the inspections of massage parlors and authorizing the Orange County Health Care Agency to inspect the premises of massage establishments in La Palma. The motion was seconded by Councilmember Blake and carried on the following roll call vote:

AYES: Aragona, Barnes, Blake, Duke, Walker  
NOES: None  
ABSENT: None

#### COUNCILMEMBER REPORTS FROM CITY-AFFILIATED COMMITTEES/COUNCIL REMARKS

Mayor Aragona stated she attended the Human Relations Commission Community Policing Awards and announced that La Palma was one of several nominations. She added that it was a great Program and while La Palma did not win one of the top awards, the citizens should feel very proud of their Police Department. She congratulated the Police Department for that recognition.

Mayor Aragona announced that City Manager Catherine Standiford has taken a lead role in urban run-off issues; she is active in the City Manager's organization, and it's wonderful to have that representation.

Councilmember Blake stated that he attended the Orange County Fire Authority Executive Committee and reported that they approved a contract for the removal of the remaining tanks at the seven fire stations and hopefully that will be done by March. He announced that the Ground Breaking Ceremony for the new Regional Operations and Training Center will be November 17<sup>th</sup>. He added they received the bids and all the bids were over the budget so the Authority will probably be going out to bid again.

Councilmember Blake asked everyone to get their bios for the parade in by tomorrow.

Councilmember Duke stated she attended the SCAG meeting and reported that Mayor Hahn was the speaker. She added that Mayor Hahn is in favor of Orange County taking their fair share.

Councilmember Duke reported that the Miss La Palma pageant went well and announced that the new Queen is Karen Tzong. She added that the judging was very close and the judges had a very difficult time.

CLOSED SESSION

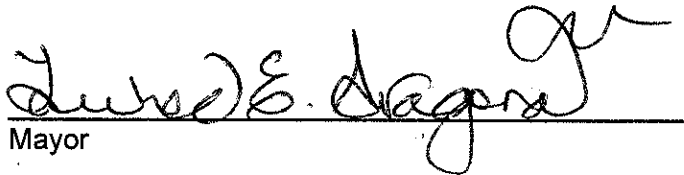
The City Council recessed to a Closed Session at 1:02 a.m. pursuant to Government Code Section 54957.6:

CONFERENCE WITH LABOR NEGOTIATOR

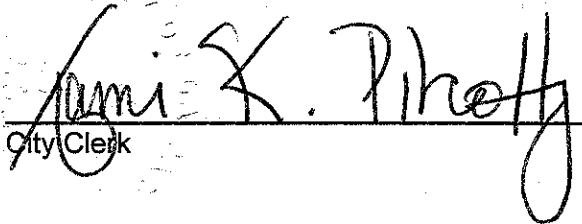
Agency Negotiators: Steve Filarsky and Tami K. Piscotty  
La Palma Police Association

ADJOURNMENT

The City Council reconvened at 1:05 a.m. and adjourned to 5:30 p.m. on November 20, 2001.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk