

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

May 15, 2007

Mayor Waldman called the regular meeting of the La Palma City Council to order at 7:00 p.m. on Tuesday, May 15, 2007, in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE: Councilmember Rodriguez

INVOCATION: Councilmember Herman

ROLL CALL: Council and Commission Members

ROLL CALL:

Councilmembers present: Councilmember Barnes, Mayor Pro Tem Charoen, Councilmember Herman, Councilmember Rodriguez, and Mayor Waldman

Councilmembers absent: None

City Officials present: Dominic Lazzaretto, Interim City Manager/Director of Community Development
Ed Ethell, Chief of Police
Jan Hobson, Director of Recreation & Community Services
Ismile Noorbaksh, Director of Public Works/City Engineer
Laurie Murray, Administrative Services Manager/City Clerk
Deborah Moreno, Director of Finance
Joel Kuperberg, City Attorney
Lynnae Sisemore, Minutes Clerk

PRESENTATIONS

1. Interim City Manager/Community Development Director Lazzaretto introduced new Associate Planner, Scott Hutter.

2. Police Chief Ethell introduced Police Officer Gonzalez who presented the Seatbelt Challenge Awards to the Kennedy High School Students and Staff.
3. Councilmember Herman, who is also an Orange County Vector Control District Board Member, presented a video on how to control rats in and around your home.

ORAL COMMUNICATIONS

Sean Parker, 4641 Sharon, addressed the Council regarding a home on Linda Lane that appears to be running a boarding house.

Troy Bue, 4631 Sharon, also addressed the Council regarding the same home on Linda Lane.

RECESS CITY COUNCIL AND CONVENE AS THE COMMUNITY DEVELOPMENT COMMISSION: 7:38 p.m.

CONSENT CALENDAR

- A. Approval of Community Development Commission Minutes

May 1, 2007 Community Development Commission Minutes

- B. Approval of Register of Demands

Resolution Number CDC 2007-11

Commissionmember Herman made a motion to approve Consent Calendar Items A and B.

The motion was seconded by Chairman Pro Tem Charoen and carried on the following vote:

AYES: Commissionmember Barnes, Chairman Pro Tem Charoen, Commissionmember Herman, Commissionmember Rodriguez, and Chairman Waldman

NOES: None

ADJOURN COMMUNITY DEVELOPMENT COMMISSION AND CONVENE AS THE PLANNING COMMISSION: 7:38 p.m.

PL-1 Amendment to Conditional Use Permit 336, Requesting Approval to Omit Required Landscaping Conditions Adjacent to the Equipment Shelter for a Telecommunications Facility in the Southern California Edison Right-of-Way 435 Feet West of Moody Street (APN: 263-155-01)

- a) Chairman Waldman re-opened the public hearing at 7:39 p.m.
- b) Interim Executive Director/Community Development Director Lazzaretto requested to continue the Public Hearing to July 17, 2007.
- c) No public input was received.

Commissionmember Barnes made a motion to continue the Public Hearing to July 17, 2007, regarding an amendment to Conditional Use Permit 336, requesting approval to omit required landscaping conditions adjacent to the equipment shelter for a telecommunications facility in the Southern California Edison right-of-way 435 feet West of Moody Street (APN: 263-155-01).

The motion was seconded by Commissionmember Herman and carried on the following vote:

AYES: Commissionmember Barnes, Chairman Pro Tem Charoen, Commissionmember Herman, Commissionmember Rodriguez, and Chairman Waldman

NOES: None

ADJOURN PLANNING COMMISSION AND CONVENE AS CITY COUNCIL: 7:40 p.m.

CONSENT CALENDAR

1. Waive the Reading of All Ordinances
2. Approval of Council Minutes

May 1, 2007 City Council Minutes

5. Resolution Adding an Account Clerk Salary to the La Palma General Employees Association Salary Schedule

Resolution Number 2007-18

Mayor Pro Tem Charoen made a motion to approve Consent Calendar Items 1, 2, and 5.

The motion was seconded by Councilmember Barnes and carried on the following vote:

AYES: Councilmember Barnes, Mayor Pro Tem Charoen, Councilmember Herman, Councilmember Rodriguez, and Mayor Waldman

NOES: None

3. Approval of Register of Demands

Councilmember Herman requested to pull this item and asked about page three, check number 89117 to the Centralia School District for transportation.

Recreation and Community Services Director Hobson replied that the transportation was for the Spring Day Camp program.

Councilmember Herman asked about page four, check number 81942 for a solid waste audit and asked if the audit had been completed.

Interim City Manager/Community Development Director Lazzaretto replied that the audit is still in the process of being completed.

Councilmember Herman asked if the Council will see the results of the audit when it is completed.

Interim City Manager/Community Development Director Lazzaretto answered affirmatively.

Councilmember Herman made a motion to adopt Resolution Number 2007-17 approving the City Council Register of Demands for May 15, 2007.

The motion was seconded by Councilmember Rodriguez and carried on the following vote:

AYES: Councilmember Barnes, Mayor Pro Tem Charoen, Councilmember Herman, Councilmember Rodriguez, and Mayor Waldman

NOES: None

4. Award of Contract for Professional Auditing Services

Mayor Pro Tem Charoen requested to pull this item and asked why Vavrinek, Trine, Day & Co. was chosen since they were not the lowest responsible bidder.

Finance Director Moreno replied that the selected firm was not the lowest bidder, but that all of the proposals are lower than the current contract. Additionally, Vavrinek, Trine, Day & Co. is the lowest bidder for the general fund portion of the contract and they can provide special technology that the other firms cannot, which eliminates some of the mechanical work.

Mayor Pro Tem Charoen asked for further clarification on whether the firm is the lowest bidder, when the bid is looked at in a certain way.

Finance Director Moreno clarified that the proposed firm is the lowest bidder for the general fund portion and explained that professional services are not subject to the law requiring that the lowest bidder be selected. She explained that the Gann Appropriations Limit and the Comprehensive Annual Financial Report (CAFR) portions are lower for the first year. This firm attributes more of their costs to the single audit portion and is a little more expensive for the Community Development Commission (CDC) portion.

Mayor Pro Tem Charoen asked for a point of clarification as to why the first year of service is \$19,400 and then the overall cost becomes more expensive than the other firms.

Finance Director Moreno replied that the overall cost is less expensive than the City's current contract for auditing.

Mayor Pro Tem Charoen asked if the technology will offset the higher cost.

Finance Director Moreno replied that it will provide the City with better use of its resources and that staff will be able to focus on higher level functions rather than focusing on the preparation of financial statements.

Mayor Pro Tem Charoen asked if that will offset the total difference of \$12,000.

Finance Director Moreno answered that the ability to utilize the City's limited resources elsewhere would offset the \$12,000 difference.

Mayor Pro Tem Charoen asked for clarification on the technology the firm will be using.

Finance Director Moreno replied that Vavrinek, Trine, Day & Co. has the ability to download the City's current financial information and trial balances and group them together for financial statement purposes, which will eliminate several days of staff time.

Mayor Pro Tem Charoen how many workdays will be saved over the three year period.

Finance Director Moreno replied that a minimum of nine days will be saved over the three year period, not considering any adjustments that may occur.

Mayor Pro Tem Charoen asked if the overall costs by service area are funded from three different funds.

Finance Director Moreno answered affirmatively.

Mayor Pro Tem Charoen asked if the Gann Appropriations, CAFR, and Federal Grants are costs associated with the General Fund and if the other costs are associated with the CDC.

Interim City Manager/Community Development Director Lazzaretto replied that the Gann Appropriations Limit and CAFR would be paid for from the General Fund, the Federal Grants would be paid for from the Grant Funds on a single audit, and the third fund would be paid for from the Community Development Commission.

Mayor Pro Tem Charoen asked if the auditing services are already budgeted.

Interim City Manager/Community Development Director Lazzaretto answered affirmatively.

Councilmember Herman stated that he knew an employee that worked for Vavrinek, Trine, Day & Co., and asked if he needed to remove himself from voting on the award of the contract for professional auditing services.

City Attorney Kuperberg replied that Councilmember Herman would only have to recuse himself if this person was a source of income or if the relationship cannot be viewed objectively.

Councilmember Rodriguez asked if the basic financial statement portion of the Vavrinek, Trine, Day & Co. proposal is 30 to 40 percent more per year for the services and why they are significantly higher than the other firms.

Finance Director Moreno replied that Vavrinek, Trine, Day & Co. attributes more hours than the other firms for the preparation of the CAFR and stand alone financial statements. Their estimate is more accurate as to the true number of hours needed to prepare the statements.

Councilmember Rodriguez asked if Finance Director Moreno was comfortable with their estimate in that particular area.

Finance Director Moreno replied that the estimate is not unreasonable.

Councilmember Barnes made a motion to approve and authorize the Award of Contract for Professional Auditing Services to Vavrinek, Trine, Day & Co., LLP in an amount not-to-exceed \$31,540, \$33,117, and \$34,773.

The motion was seconded by Councilmember Herman and carried on the following vote:

AYES: Councilmember Barnes, Mayor Pro Tem Charoen,
Councilmember Herman, Councilmember Rodriguez,
and Mayor Waldman

NOES: None

RECONVENE THE COMMUNITY DEVELOPMENT COMMISSION: 7:51 p.m.

6. Presentation of the Proposed Fiscal Year 2007-08 Budget
 - a) Interim City Manager/Community Development Director Lazzaretto gave a brief summary of the staff report and the proposed budget summary for the Administration and Community Development Departments.

Recreation and Community Services Director Hobson gave the proposed budget summary for the Recreation and Community Services Department.

Police Chief Ethell gave the proposed budget summary for the Police Department.

Public Works Director Noorbaksh gave the proposed budget summary for the Public Works Department.

Mayor Waldman recessed the meeting at 8:29 p.m. for a short break.

Mayor Waldman reconvened the meeting at 8:37 p.m. with all members present.

Public Works Director Noorbaksh continued the budget discussion regarding the Capital Improvement Plan.

Interim City Manager/Community Development Director Lazzaretto continued the discussion on the Community Development Commission budget and gave the total costs of the Police Department's supplemental adjustments.

- b) No public input was received.
- c) Mayor Waldman proceeded to Councilmember comments and questions.

Councilmember Barnes asked if the disaster preparedness program also involves provisions for pandemic situations.

Police Chief Ethell replied that the City's emergency plan does address pandemic situations and that help would be received from the federal and state level.

Councilmember Herman asked what the amount was for reduced contract services in the Administration budget proposal.

Interim City Manager/Community Development Director Lazzaretto replied that an accurate number would be provided to the Council by Finance at a later date.

Councilmember Herman asked if the Police Department provided the new crime statistics in *The Source* newsletter.

Police Chief Ethell replied some of the statistics have been provided in *The Source*, but the remainder will be provided in the next available newsletter.

Councilmember Herman asked what happens to retired bullet proof vests.

Police Chief Ethell replied that the retired bullet proof vests are donated to the academies and that some of them have been placed in the Police Department's locker room walls to prevent an accidental firearm discharge from going through the wall.

Councilmember Herman asked if the roofs over the air conditioning units will lengthen the units expected years of service.

Public Works Director Noorbaksh answered affirmatively.

Councilmember Herman asked if the units are currently covered.

Public Works Director Noorbaksh replied that they are not.

Councilmember Herman asked if the units at the Community Center are covered.

Public Works Director Noorbaksh replied that they are not.

Councilmember Herman asked how often the Master Plan is produced.

Public Works Director Noorbaksh replied every ten years.

Councilmember Rodriguez asked if when staff quotes percentages of increases/decreases, are those percentages budget to budget or projected actual plus projections.

Interim City Manager/Community Development Director Lazzaretto replied that the document the Council receives tonight compares the amended budget to the proposed budget. For instance, the property taxes from year to year have increased about 18 percent from the adopted budget. Property taxes based on what is being projected now would be a two percent increase over what is being proposed for 2007/2008.

Councilmember Rodriguez asked for clarification of what percentage is shown in the proposed budget.

Interim City Manager/Community Development Director Lazzaretto replied 18%, budget to budget.

Finance Director Moreno replied that the revenue section is a little different from the expenditures sections because the projections heavily drive the budget. The 2008 figure shows what the variance is from the projections.

Councilmember Rodriguez asked if different methods could be identified in the document.

Interim City Manager/Community Development Director answered affirmatively.

Finance Director Moreno stated that the revenue section is the only one that will be different than the rest of the projections.

Councilmember Rodriguez asked if a single source provider is being used for the Administration image activities.

Interim City Manager/Community Development Director Lazzaretto replied that the City currently uses a document imaging software program called Laserfiche that houses all of the City's archived images – it will be utilized for both divisions.

Councilmember Rodriguez asked if the software is compatible if different sources are used for image archiving.

Interim City Manager/Community Development Director Lazzaretto answered affirmatively.

Councilmember Rodriguez asked if the Code Enforcement system is installed yet.

Interim City Manager/Community Development Director Lazzaretto replied that the Code Enforcement system is progressing slowly. The next phase will include the Planning Department and Building Permit components.

Councilmember Rodriguez asked if the Police Department anticipates needing additional resources to address multiple resident issues such as brought forward by the public this evening or if it is a legislative/legal issue.

Interim City Manager/Community Development Director Lazzaretto replied that the City does not expect to face an abundance of the issues facing other communities, but as they come up, they will be taken seriously and the legal resources of the City Attorney, Police Department, Code Enforcement, and Community Development will be utilized to address them.

Councilmember Rodriguez asked if, from a budget perspective, there is anticipation of additional needs specifically for this issue and if staff is comfortable with what is currently being allocated.

Interim City Manager/Community Development Director Lazzaretto replied that the budget anticipates additional hours for the City Attorney's time for these types of issues.

Councilmember Rodriguez asked when the CDC will have a discussion on affordable housing. Will it occur in the next fiscal year?

Interim City Manager/Community Development Director Lazzaretto replied that the CDC is required to have that discussion by the end of this calendar year as part of the Implementation Plan mid-term reviews.

Councilmember Rodriguez asked if this is a year of discussion and planning versus expenditures or any requirement of resources.

Interim City Manager/Community Development Director Lazzaretto replied that a specific expenditure is not anticipated in this year's budget for new housing programs. Funds are available but a project has not been identified at this time that would need to be funded during the next budget cycle.

Mayor Waldman asked about the feasibility study on Walker and Orangethorpe and asked if, since there is a discussion regarding renovating Orangethorpe from

the 91 freeway to the west border, a feasibility study will be conducted for both projects.

Public Works Director Noorbaksh replied that since time is of the essence, staff would like to design a conceptual plan that shows what modifications need to be done in the intersections so the City is prepared when grant funds become available.

Mayor Waldman asked if there is a permanent sandbox in the Tiny Tot playground.

Recreation and Community Services Director Hobson replied that there are temporary sandboxes in the Tiny Tot section. Staff is in the process of finding a contractor to build a permanent sandbox within the next couple of months.

Councilmember Herman asked if the number of participants for Recreation facility programs are constant throughout the years.

Recreation and Community Services Director Hobson replied that the numbers are constant numbers and that the budget reflects registered participants for those programs.

Interim City Manager/Community Development Director Lazzaretto replied that staff expects to show trends when they increase and decrease on an annual basis.

Councilmember Herman asked if the City can partner with neighboring cities on redevelopment projects.

Interim City Manager/Community Development Director replied that there was legislation in place that allowed communities within the same county to share affordable housing projects; however, he was not aware if that law had expired.

Councilmember Rodriguez asked if the 3:00 p.m. end time for Recreation activities at the schools is financially driven; at the request of the school site; and if staff has investigated the cost to extend the time.

Recreation and Community Services Director Hobson replied that there would be additional costs incurred to extend the time in order to pay for custodial services at the school site.

Councilmember Rodriguez asked what the costs would be to extend the hours of the Recreation programs and indicated that it is worthwhile to discuss the subject in the future.

Councilmember Herman stated it would be worth discussing and asked if it would require a lot of staff time.

Interim City Manager/Community Development Director Lazzaretto replied that he did not believe so.

Recreation and Community Services Director Hobson asked for a point of clarification. She asked if Councilmember Rodriguez was suggesting to extend the hours per day or expanding the program to five days.

Councilmember Rodriguez replied that he would like to hear options from staff.

Councilmember Barnes asked if expanding the hours would make the program a daycare program.

Recreation and Community Services Director Hobson replied that it would not.

Councilmember Barnes made a motion to receive and file the Proposed Fiscal Year 2007-08 Budget and to set a public hearing for June 19, 2007.

The motion was seconded by Councilmember Rodriguez and carried on the following vote:

AYES: Councilmember Barnes, Mayor Pro Tem Charoen, Councilmember Herman, Councilmember Rodriguez, and Mayor Waldman

NOES: None

ADJOURN THE COMMUNITY DEVELOPMENT COMMISSION:

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

Councilmember Rodriguez attended the League of California Cities (LOCC) dinner; the Orange County Transportation Authority (OCTA) Board meeting; and the Library Advisory Board Budget Authorization meeting. He indicated that he would be emceeding a men's health forum at St. Irenaeus Catholic Church on June 9, 2007. He asked staff if he could bring informational materials from the HOPE food bank to be distributed at the next USDA distribution in La Palma.

Interim City Manager/Community Development Director Lazzaretto replied there shouldn't be a problem with providing more information regarding food banks, but staff will have to confirm that.

Councilmember Herman asked staff if the City is currently recruiting for a Parking Control Officer.

Police Chief Ethell answered affirmatively and informed the City Council that the City is in the process of hiring someone.

Councilmember Herman attended the LOCC dinner. He indicated that he would be recognized for his 20 years of service to the Orange County Vector Control District at their May 17 meeting. He asked if this week was Armed Forces week.

Interim City Manager/Community Development Director Lazzaretto replied that he did not know.

Councilmember Herman asked everyone present to keep the soldiers in Iraq in their thoughts and prayers.

Mayor Pro Tem Charoen attended the LOCC dinner. He indicated that he would be attending the Public Works Open House at the City Yard on May 18, 2007, and reminded everyone to attend the Memorial Day Service on May 28, 2007.

Councilmember Barnes attended the Magnetic Levitation (MAGLEV) Task Force meeting; the Regional Housing Needs Assessment (RHNA) Appeals Board; and the LOCC dinner.

Mayor Waldman attended the Orange County Transportation Authority (OCTA) Board meeting; the Orange County Sanitation District meeting; the LOCC dinner; and will attend the Public Works Open House on Saturday, May 19, 2007.

Councilmember Herman stated that he and Councilmember Rodriguez will be selecting the Student Recognition Scholarships at 5:00 p.m. on Thursday, May 17, 2007.

CITY MANAGER REMARKS

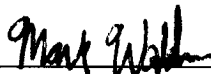
None

CITY ATTORNEY REMARKS

None

ADJOURNMENT

Mayor Waldman adjourned the meeting at 9:35 p.m. to a Special Meeting, Tuesday, May 22, 2007 at 5:00 p.m.



Mayor

Attest:



City Clerk