

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

April 16, 2013

CALL TO ORDER: Mayor Hwangbo called the Regular Meeting of the La Palma City Council to order at 7:00 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE: Council Member Goedhart

INVOCATION: Pastor Jerry Bennett, Faith Fellowship Church

ROLL CALL: Council and Commission Members

Council/Commission Members present: Council/Commission Member Charoen, Council/Commission Member Goedhart, Mayor/Chairperson Hwangbo, Council/Commission Member Kim, and Mayor Pro Tem/Vice Chairperson Shanahan

Council/Commission Members absent: None

City Officials present: Ellen Volmert, City Manager/Executive Director
Joel Kuperberg, City Attorney
Michael Belknap, Recreation and Community Services Director
Douglas Dumhart, Community Development Director
Jeff Moneda, Public Works Director
Eric Nuñez, Police Chief
Michael Solorza, Finance Director
Laurie Murray, Administrative Services Manager/City Clerk
Kimberly Kenney, Minutes Clerk

PRESENTATIONS

1. Mayor Hwangbo presented a Proclamation to Donate Life Ambassador, Ana Maria Nerona, in Recognition of Donate Life Month.

2. Mayor Hwangbo presented a Proclamation to Orange County Fire Authority (OCFA) Division Chief, Mike Boyle, in Recognition of Wildfire Awareness Week.
3. Mayor Hwangbo presented a Proclamation to Community Activities and Beautification Committee Member, Sally Alvis, in Recognition of Arbor Day.

ORAL COMMUNICATIONS

Jill Olivier, Senior Office Assistant for the City of La Palma Recreation and Community Services Department, addressed the City Council asking that they reconsider the proposed elimination of one Senior Office Assistant position.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AT 7:12 P.M.

Administrative Services Manager/City Clerk Murray stated, "The City Council will now recess and convene as the Successor Agency to the Dissolved Community Development Commission of the City La Palma, and then recess and convene as the Planning Commission. Members of the La Palma City Council receive no compensation or stipend as a result of convening or participating in either the Successor Agency or Planning Commission meetings, or otherwise as serving as members of the Successor Agency or Planning Commission."

CONSENT CALENDAR

A. Approval of Register of Demands

Resolution No. SA 2013-05 approving the Successor Agency Register of Demands for April 16, 2013.

Council Member Charoen made a motion to approve Consent Calendar Item A.

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

AYES: Council Member Charoen, Council Member
Goedhart, Mayor Hwangbo, Council Member
Kim, and Mayor Pro Tem Shanahan

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE SUCCESSOR AGENCY AND CONVENE AS THE PLANNING COMMISSION AT 7:13 P.M.

CONSENT CALENDAR

None Scheduled.

PUBLIC HEARINGS

PL-1. Conditional Use Permit 357, a Request for Approval of a Large Family Day Care Home to be Operated at a Single-Family Zoned Property at 4861 Sandy Circle

- a) Chairperson Hwangbo opened the Public Hearing at 7:14 p.m.

Community Development Director noted that both Commission Member Goedhart and Vice Chairperson Shanahan live within the 500 foot buffer zone and may want to recuse themselves to avoid any conflict of interest.

City Attorney Kuperberg responded that it would be appropriate for the named Commissioners to excuse themselves because of the strict legislative rule stating that if they own property within 500 feet of the request, by law, they should recuse themselves and can re-enter the room once the matter is over.

Commission Member Goedhart and Vice Chairperson Shanahan recused themselves from the dais at 7:15 p.m.

- b) Associate Planner Hutter gave the Staff Report
c) Public Input

The following residents spoke in support of the Large Family Day Care Home at 4861 Sandy Circle:

Clint Rau, 11360 Candor Street, Cerritos.

Cliff Ishii, 7881 Louise Lane.

- d) Chairperson Hwangbo closed the Public Hearing at 7:23 p.m.
- e) Commission Comments and Questions

Discussion ensued regarding support for a caring day care facility; that State government does a thorough job in the licensing of day care facilities; details and history of the day care facility; that the City Council approved another large family day care a few years ago and have not received any negative comments; that parking and speeding issues for the previous approved applicant have been resolved; and the total number of large family day care applicants in the City.

- f) Adopt a Resolution of the Planning Commission of the City of La Palma Approving Conditional Use Permit 357 for a Large Family Day Care Home to be operated at a single-family zoned property at 4861 Sandy Circle.

Resolution No. PC 2013-03 approving Conditional Use Permit 357 for a large family day care home to be operated at a single-family zoned property at 4861 Sandy Circle.

Commission Member Kim made a motion to adopt Resolution No. PC 2013-13 approving Conditional Use Permit 357 for a Large Family Day Care Home to be operated at a single-family zoned property at 4861 Sandy Circle.

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

AYES:	Commission Member Charoen, Chairperson Hwangbo, and Commission Member Kim
NOES:	None
RECUSED:	Commission Member Goedhart and Vice Chairperson Shanahan

Commission Member Goedhart and Vice Chairperson Shanahan returned to the dais at 7:32 p.m.

Chairperson Hwangbo reported that the Planning Commission approved CUP 357, a Large Family Day Care Home at 4861 Sandy Circle.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:33 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. 2013-19 approving the Register of Demands for April 16, 2013.

3. League of California Cities Proposed Amendments to Bylaws

Approve the proposed changes to the League of California Cities (LOCC) Bylaws and authorize the City Manager to submit a completed ballot reflecting such.

Council Member Charoen made a motion to approve Consent Calendar Items 1, 2, and 3.

The motion was seconded by Mayor Pro Tem Shanahan and carried on the following vote:

AYES: Council Member Charoen, Council Member Goedhart, Mayor Hwangbo, Council Member Kim, and Mayor Pro Tem Shanahan

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

4. Citizen Attitude Survey

City Manager Volmert gave the Staff Report.

Public Comment:

Larry Herman, 5122 Andrew Drive, addressed the City Council in opposition to a survey.

Robert Carruth, 7201 Monterey Lane, addressed the City Council in opposition to a survey

Pat Craig, 7662 Tracy Lane, addressed the City Council in support of canvassing neighborhoods, but in opposition to a survey.

Based on the discussion of the City Council and a lack of sufficient support for a citizen survey, no action was taken on the item.

5. Recommendation for Establishing an Irrevocable Trust to Address the City's Other Post Employment Benefit (OPEB) Liabilities

Finance Director Solorza gave the Staff Report.

Administrative Service Manager Murray gave an explanation of OPEB Liabilities; the City's OPEB history, background, and current status; and the potential of working with bargaining units on the matter in the future.

Public Comment:

Robert Carruth, 7201 Monterey Lane, addressed the City Council in support of establishing a trust; in opposition to agencies having millions in OPEB liability; and in opposition to retiree health care benefits. He noted discrepancies with the dollar amounts in the Staff report versus the Comprehensive Annual Financial Report (CAFR).

City Manager Volmert responded that the Staff Report is correct and that staff would address Mr. Carruth's concerns regarding the CAFR outside of the meeting.

- a) Direct Staff to begin the process of establishing an irrevocable trust with CalPERS California Employers' Retiree Benefit Trust (CERBT) with formal action coming at a subsequent City Council meeting; and

- b) Approve the use of an estimated amount not to exceed \$1,500,000 in Unassigned General Fund reserves as an initial deposit into the irrevocable trust, once established.

Mayor Pro Tem Shanahan made a motion to direct staff begin the process of establishing an irrevocable trust with CalPERS California Employers' Retiree Benefit Trust (CERBT) with formal action coming at a subsequent City Council meeting; and approved the use of an estimated amount not to exceed \$1,500,000 in unassigned General Fund reserves as an initial deposit into the irrevocable trust, once established, as recommended by Staff.

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

AYES: Council Member Charoen, Council Member Goedhart, Council Member Kim, and Mayor Pro Tem Shanahan

NOES: Mayor Hwangbo

6. Proposed FY 2013-14 Capital Improvement Program (CIP) Plan Overview

Finance Director Solorza introduced the item, funding sources, and an overview of General Fund reserves, and Public Works Director Moneda gave a detailed report on proposed Capital Improvement projects.

Public Comment:

Larry Herman, 5122 Andrew Drive, addressed the City Council in support of the city-wide street rehabilitation projects.

By consensus, the City Council agreed to receive and file the Capital Improvement Program (CIP) Plan Overview.

Mayor Hwangbo requested to take a short recess at 9:20 p.m.

Mayor Hwangbo reconvened the City Council at 9:26 p.m. with all members present.

7. Fiscal Year 2013-14 General Fund Overview

Finance Director Solorza gave the Staff Report.

Public Comment:

Lori Whalen, Senior Office Assistant (SOA) for the City of La Palma Recreation and Community Services Department, addressed the City Council regarding her opposition to the negative comment made by a City Council Member during the March 11 budget discussion; commended the Mayor for his reference that La Palma employees are family; the need to work together cohesively to resolve budget issues; and requested that the City Council reconsider the proposed elimination of one SOA position by finding other resolutions.

Council Comments and Questions:

Discussion ensued regarding looking at department consolidation; the growing deficit; that the numbers presented are from proposed position eliminations and energy savings; the danger of basing the projections on assumptions; recommendation that Tesoro sales tax not go into the General Fund Reserve and be earmarked; the City's advertising plans; the interest earnings in the Local Agency Investment Fund (LAIF); the School Districts' agreement to share crossing guard service costs; significant electricity savings with the street light purchase; the need for a more detailed budget analysis; the additional proposed cuts, savings, and revenues; the apprehensiveness of the City Council to use reserves to balance the budget as the deficit grows; the use of General Fund Reserves being a one-time expenditure to bridge the gap and balance the budget; that there will be additional budget discussions before adoption; the authority of the City Council to prudently approve the use of reserves; that the Code Enforcement replacement would come in at Tier 2 and a lower step if the City Council approves the recruitment; that the City Council can make changes to the budget during the public hearing process; that no proposals regarding eliminating Dispatch have come before the City Council to date; that the Police Department is working on a written estimate for Dispatch services and should have a report by early May, 2013; that the City Council made a concession to approve the use of reserves to balance the budget with no increase in the deficit; that personnel issues are why the deficit grew; and that if the City Council wants to cut more services and staff, the City will see more savings.

Robert Carruth, 7201 Monterey Lane, addressed the City Council regarding employee cost increases over the past seven years; balancing the budget by consolidating management instead of eliminating three low paying positions that would impact direct service levels; and the need to address upcoming GASB 47 liability issues.

Christine Barnes, 4971 Berton Circle, addressed the City Council regarding support for General Fund Reserves being used to bridge budget gaps and one-time cost saving expenditures until the economy stabilizes and the results of the sales tax revenue from Tesoro are seen.

By consensus, the City Council agreed to conduct an additional budget work session after the May 7, 2013, City Council meeting, and members are given a draft budget to review to allow for additional questions clarification.

Council Member Goedhart stated that he supports full transparency and opposes the Code Enforcement Officer position being discussed in Closed Session.

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

Mayor Pro Tem Shanahan plans to attend the upcoming State of the City Address and Arbor Day celebration.

Council Member Kim attended the Orange County Sanitation District (OCSD) Administration Committee meeting the Anaheim Union School District (AUHSD) meeting; the Association of California Cities-Orange County (ACC-OC) Board of Directors Installation; the Mr. and Ms. Kennedy competition at John F. Kennedy High School; and noted that he plans to attend the upcoming State of the City Address and the Arbor Day Celebration.

Council Member Goedhart requested an update on the school traffic along Pineridge Drive.

Police Chief Nuñez responded that there were only two violations witnessed and addressed; that no double parking issues were observed; and that violations were not seen possibly due to the Police presence.

Council Member Goedhart closed by stating he had nothing to report.

Council Member Charoen had nothing to report.

Mayor Hwangbo attended the Stanton Mayor's Prayer Breakfast; the La Palma Intercommunity Hospital Swimming Pool Grand Re-opening; the Orange County Vector Control District meeting; the AUHSD Annual Key Stakeholders meeting; the Anaheim YMCA Good Friday prayer breakfast; and the Mr. and Ms. Kennedy competition at John F. Kennedy High School. He closed by noting that he plans to attend the upcoming Arbor Day Celebration.

CITY MANAGER REMARKS

City Manager Volmert had nothing to report.

CITY ATTORNEY REMARKS

City Attorney Kuperberg had nothing to report.

ADJOURNMENT

Mayor Hwangbo adjourned the Regular Meeting of the La Palma City Council at 10:48 p.m. in honor and in memory of those affected by the Boston Marathon explosion and requested that the City send a condolence letter to the Mayor of Boston.

Steve Hwangbo
Mayor

Attest:

Laurie A. Murray, CMC
City Clerk