

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

July 16, 2013

CALL TO ORDER: Mayor Hwangbo called the Regular Meeting of the La Palma City Council to order at 6:32 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California, with Council Member Charoen and Mayor Pro Tem Shanahan being absent.

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: Ellen Volmert, City Manager
Steve Filarsky, Agency Labor Counsel

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

Unrepresented Employees: Executive Management

CS-2. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS:

Pursuant to Government Code Section 54956.8

Property: Approximately 400sf section of Walker Street, La Palma,
California, north of the CalTrans R-O-W for the 91 Freeway

City Negotiators: Joel Kuperberg, City Attorney; Ellen Volmert, City Manager;
and Douglas Dumhart, Community Development Director.

Negotiating Parties: Lakeside Capital, LLC, Independent Processing Services,
and Arrow Signs

Under Negotiations: Price and Terms

Mayor Hwangbo recessed to Closed Session at 6:33 p.m.

Mayor Pro Tem Shanahan joined the Closed Session at 6:34 p.m.

Council Member Charoen joined the Closed Session at 6:50 p.m.

OPEN SESSION

Mayor Hwangbo reconvened in Open Session at 7:00 p.m. and asked for a report.

City Attorney Kuperberg stated that there was nothing to report on Closed Session Items CS-1 and CS-2 and stated that the City Council will reconvene back to Closed Session after the Regular Meeting to continue the items.

PLEDGE OF ALLEGIANCE:

Mayor Pro Tem Shanahan

INVOCATION:

Pastor Jerry Bennett, Faith Fellowship Church

ROLL CALL:

Council and Commission Members

Council/Commission
Members present:

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

Council/Commission
Members absent:
City Officials present:

None

Ellen Volmert, City Manager/Executive Director
Joel Kuperberg, City Attorney
Douglas Dumhart, Community Development
Director
Eric Nunez, Police Chief
Michael Solorza, Finance Director
Michael Belknap, Community Services Director
Kimberly Kenney, Deputy City Clerk

PRESENTATIONS

1. Mayor Hwangbo presented a Proclamation to Korean War Veterans Ron Mac Iver and Clinton Kroll, in honor of the 60 Year Anniversary of Korean War Veterans Armistice Day.

ORAL COMMUNICATIONS

Eddie Marquez, representing Southern California Edison, introduced himself as the new Region Manager for the City of La Palma, replacing Janelle Godges.

Ron Mac Iver, 5171 Del Sol Circle, announced the display of the City of La Palma at the Orange County Fair's "Cities Program" by resident John Ing, and that Mr. Ing was awarded a certificate for his presentation.

John Ing, 5151 Del Este Circle, addressed the City Council regarding his presentation of the City of La Palma at the Orange County Fair; invited the City Council to the Orange County Fair "Cities Program" to see his presentation, which received acknowledgement and a certificate; and encouraged La Palma residents to partake in the activities and exhibits at the Orange County Fair.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:15 P.M.

Deputy City Clerk Kenney 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 Successor Agency Minutes

Minutes of the July 2, 2013, Regular Meeting of the Successor Agency.

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

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

- B. Adoption of the Fifth Recognized Obligations Payment Schedule - January 1, 2014, to June 30, 2014

Community Development Director Dumhart gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the debt calculations, clarification that the spreadsheet in the report is an old template and the data will be transferred to the State's electronic spreadsheet when it is available; the Department of Finance (DOF) due date being October 1st; and that Staff will forward the data when it's completed.

Adopt Resolution No. SA 2013-08 approving the Fifth Recognized Obligation Payment Schedule (ROPS 13-14B) – January 1, 2014, to June 30, 2014.

Council Member Kim made a motion to adopt Resolution No. SA 2013-08 approving the Fifth Recognized Obligations Payment Schedule - January 1, 2014, to June 30, 2014.

The motion was seconded by Council Member Goedhart 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

- C. Long Range Property Management Plan

Community Development Director Dumhart gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the Long Range Property Management Plan (LRPMP) for La Palma; that the property relates to resolving some of the City's outstanding debt; the mandatory disposal or transfer of assets to offset outstanding debt by revenue from the sale or lease of property assets; how and

when the City can market the properties; that the City has control over who the properties will be leased to; that the City has the choice to liquidate the assets at any time; and whether revenues have to go back to the taxing entity if sold.

Further discussion ensued regarding the Successor Agency and Oversight Board having to approve any asset transfers; that Staff will seek further direction when appropriate and how the market will respond to the properties.

City Attorney Kuperberg stated that if the City leases and then sells the property, that the City would have to declare the site as 'surplus', and would have to make the sale offer to designated entities before it goes on sale to the open market.

Further discussion ensued regarding the properties becoming the City's only after it is reviewed and approved by the State.

Adopt Resolution No. SA 2013-09 approving the Long-Range Property Management Plan (LRPMP) for the disposition and use of the real property of the former Community Development Commission and forward the LRPMP to the Oversight Board for approval.

Mayor Hwangbo made a motion to adopt Resolution No. SA 2013-09 approving the Long-Range Property Management Plan (LRPMP) for the disposition and use of the real property of the former Community Development Commission and forward the LRPMP to the Oversight Board for approval.

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

ADJOURN THE SUCCESSOR AGENCY AND CONVENE AS THE PLANNING
COMMISSION AT 7:50 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the July 2, 2013, Regular Meeting of the La Palma Planning Commission.

Commission Member Charoen made a motion to approve Consent Calendar Item PL-1.

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

AYES: Commission Member Charoen, Commission Member Goedhart, Chairperson Hwangbo, Commission Member Kim, and Vice Chairperson Shanahan

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:51 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 Council Minutes

Minutes of the July 2, 2013, Regular Meeting of the La Palma City Council.

Mayor Pro Tem Shanahan made a motion to approve Consent Calendar Items 1 and 2.

The motion was seconded by Council Member Charoen 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

ITEMS PULLED FROM CONSENT CALENDAR

3. Approval of Register of Demands

Council Member Goedhart requested to have the item pulled in order to clarify an expenditure for City-Wide training to the Association of California Cities – Orange County (ACC-OC) and a purchase for Police Department "Challenge Coins".

City Manager Volmert responded that the training is through the ACC-OC for an unlimited amount of employees; that the classes are given by California State Fullerton trainers; the cost is based on the number of cities participating and may be based on the size of the City; and the training locations vary for training session.

Police Chief Nunez gave a brief history of the "Challenge Coins" and noted that they are used for public and employee recognition.

Resolution No. 2013-30 approving the Register of Demands for July 16, 2013.

Council Member Goedhart made a motion to approve Consent Calendar Item 3.

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

4. Notice of Completion and Acceptance of Work for the Installation of ADA Pedestrian Ramps and Removal and Replacement of Curb, Gutter, and Sidewalk at Various Locations Citywide, City Project No. ST-321

Council Member Goedhart requested to have the item pulled to clarify the amended budget allocation for this project.

Finance Director Solorza explained the original budget for that project and that Measure M and Gas Tax funds were used.

Discussion ensued regarding Staff following up on the increased amounts from the Gas Tax and COR funds; that future City projects will not be affected by the increased funding of this project; that Staff will watch expenses closely; updated fund balance amounts; and reminding City Council Members that Staff is creating fund reserve policies that will be brought back for approval.

- a) Accept the work and authorize the Community Services Director to file the Notice of Completion and Acceptance of Work with the Orange County Recorder for the Installation of ADA Pedestrian Ramps and Removal and Replacement of Curb, Gutter, and Sidewalk at Various Locations Citywide, City Project No. ST-321.
- b) Amend the Fiscal Year 2012-13 Gas Tax budget (Account Number 011-900-814.00) by \$36,120.
- c) Amend the Fiscal Year 2012-13 Capital Outlay Reserve budget (Account Number 035-900-814.000) by \$66,465.

Council Member Goedhart made a motion to approve Consent Calendar Item 4 a, b, and c.

The motion was seconded by Council Member Charoen 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

5. City Attorney Selection Process

City Manager Volmert gave the Staff Report.

Recommendation that the City Council provide direction on the selection process for City Attorney services.

Council Comments and Questions:

Mayor Hwangbo expressed the City's appreciation and gratitude for City Attorney Kuperberg's 26 years of service; the purpose of the process and whether Rutan's prices are competitive; and negotiating with Rutan and Tucker.

Council Member Goedhart made a motion to continue the item; direct the City Manager, Mayor, and Mayor Pro Tem negotiate with Rutan & Tucker; and return to the City Council for direction in two weeks

Further discussion ensued regarding any public comments; the mission of the negotiating team; and that the results would be brought back to the City Council for approval or to proceed with a formal Request for Proposal process.

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

6. Council Member Request: Establishment of a Finance Committee

Council Member Goedhart gave a brief overview regarding his request; that the goal is to get citizen input on the financial issues that the City will be facing in the future; and that his proposal is for a standing committee with five members to review the City's financial documents.

As the formation of a Finance Committee is a policy issue, it is recommended that the City Council consider the Request and provide direction to staff.

Discussion ensued regarding previous Finance Committees; what other Orange County cities have; proposed responsibilities of a Finance Committee; meeting schedules; associated costs and staff time; the importance of hearing from the community; the City of Irvine model; that a committee could limit community input rather than encourage it; Blue Ribbon committees often make sense, however it is the City Council's responsibility to address the financial concerns of the City; that the Finance Committee would be an advisory committee; committee member qualifications; the interview process; the proposed number of committee members; whether appointments are made by the City Council as a whole or individually by Council Members, and whether there would be enough applicants.

Larry Herman, 5122 Andrew Drive, addressed the City Council regarding his support for a Finance Committee, suggesting a nine member committee.

Steven Maikoski, 4551 Maroon Drive, addressed the City Council regarding his opposition to the proposal and that he recommended seeking general community feedback.

Further discussion ensued regarding that the City Council does not always accept Committee recommendations; that potential committee members not be candidates in the 2014 election; that the City Council is the elected body to make financial decisions for the City; and concerns for the increased staff time required for a committee.

Council Member Goedhart made a motion to direct staff to bring back appropriate documents to form a Finance Committee using the City of Irvine model; that this committee would sunset after two years; that the City goes through an application process with the entire City Council interviewing applicants and that each City Council member make one appointment.

Mayor Hwangbo requested that the maker of the motion stipulate the frequency of meetings.

Council Member Goedhart added to his motion that the committee meet on a project-driven or quarterly basis.

Council Member Kim asked the maker of the motion to delay the request to the next meeting to allow more thought on the committee structure and mission.

Council Member Goedhart clarified a preference to have five committee members, but that the number could be modified in the future.

Discussion ensued regarding the method of adding more committee members; the interview and committee member selection process; support for 9 to 11 committee members; opening up the committee applications to all residents, regardless of whether they have a finance background; the details of the model of Irvine's Finance Committee; that the Irvine model requires members to have financial experience; and keeping the application process open to any resident of La Palma.

City Manager Volmert asked for clarification on whether committee members would be required to have financial expertise—similar to the Irvine Model.

Council Member Goedhart indicated that his reference to the Irvine Model was more for the duties, not the process; and that each individual Council Member would be able to appoint who they want to with the only qualification being that the applicant is a resident of La Palma.

The motion failed for lack of a second.

Council Member Kim made a motion to provide direction to staff to draft a proposal for a Finance Committee; what its responsibility and mission is; and bring back to the City Council for approval.

Council Member Goedhart commented that the motion was broad as to how the committee would be structured.

Council Member Kim amended his motion to: provide direction to staff to draft a proposal of a Finance Committee following the Irvine model, excluding the recruitment process; what its responsibility and mission is; and bring back to the City Council for approval.

Council Member Goedhart asked that a reference to the committee sunseting after two years be added to the motion.

Council Member Kim further amended his motion to: provide direction to staff to draft a proposal of a Finance Committee following the Irvine model, excluding the recruitment process; what it's responsibility and mission is; with the committee sunseting after two years at the City Council's discretion; and bring the proposal back to the City Council for approval.

Council Member Goedhart seconded the motion.

Further discussion ensued regarding the City Council being responsible for giving direction to staff on what the Finance Committee's responsibility and mission should be; clarification that the policy would be modeled after the Irvine model; Council's direction in formatting the Finance Committee; and if there is a consensus on qualifications for applicants.

Council Member Kim clarified that his motion would include that the committee would be open to all residents.

Further discussion ensued regarding the committee consisting of five members.

Council Member Kim clarified that his motion was for a five member committee.

Further discussion ensued regarding the purpose of the committee; that the motion is to only approve the concept of a Finance Committee and that the City Council will make further recommendations on its purpose if it is approved; the purpose of the committee following the Irvine model; the need for a committee to review the City's finances; and that the City Council is the body that should be reviewing the City's financial documents and proposed projects and if the City Council is not doing that, it is not doing its job and is failing the citizens that elected them.

The amended motion carried on the following vote:

AYES: Council Member Goedhart, Mayor Hwangbo,
and Council Member Kim

NOES: Council Member Charoen, and Mayor Pro Tem
Shanahan

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

Mayor Pro Tem Shanahan attended the 4th of July Run for Fun event; the recent Tribute to Neil Young Concert in the Park; and announced that Hostess Ding Dongs and Twinkies are back on the market.

Council Member Kim attended the 4th of July Run for Fun event; the recent Tribute to Neil Young Concert in the Park; and the Orange County Sanitation District (OCSD) Administration Committee meeting.

Council Member Goedhart attended the 4th of July Run for Fun event, including the pancake breakfast; the recent Tribute to Neil Young Concert in the Park; and announced that he plans to attend an upcoming Orange County Fire Authority (OCFA) meeting. He reported that the OCFA will issue refunds for business inspections not done and requested that notification be sent to local businesses on the matter. He asked for confirmation on the Central Park playground equipment upgrade and the Walmart neighborhood issues being on the next agenda, added a request that staff send notification to the public adjacent to the Walmart property of the upcoming meeting, and closed by noting that he received a complaint of scavenging for recyclables on Birchwood Circle.

City Manager Volmert concurred that the upcoming agenda will include the Central Park Playground Equipment upgrade and Walmart neighborhood issues.

Mayor Hwangbo asked for an update on the Walmart noise issue.

City Manager Volmert responded that the Community Development Department met with Walmart executives and plans to meet with the residents of the area in order to prepare for the upcoming City Council agenda, and that Walmart has instituted some operations changes and added some signage to address the neighbors concerns.

Council Member Charoen attended the July 4th Run for Fun event and announced that he plans to attend the upcoming California Joint Powers Insurance Authority (CJPIA) annual meeting.

Mayor Hwangbo attended the 4th of July Run for Fun event and thanked staff for all their work; the recent Tribute to Neil Young Concert in the Park; and the West-Comm Board meeting. He noted that he celebrated his 25th wedding anniversary.

CITY MANAGER REMARKS

City Manager Volmert reported that the West-Comm Board of Directors had received the consultant report on the viability of contracting services with La Palma and that they had a unanimous vote to enter into negotiations regarding dispatch services. She also attended the 4th of July Run for Fun event and the first summer Concert in the Park. She reminded the City Council of the upcoming Civic Expo on August 10th in conjunction with the fourth Concert in the Park; that an upcoming work session for a mid-year City Council Goals Review might be scheduled for the August 20th City Council meeting; and gave an update that the recent layoff process was complete.

CITY ATTORNEY REMARKS

City Attorney Kuperberg had nothing to report and reminded the City Council that they will be reconvening back into Closed Session.

Mayor Hwangbo recessed the City Council and reconvened in Closed Session at 9:27 with all members present.

Mayor Hwangbo reconvened the City Council in Open Session at 10:02 p.m. and asked for a report.

City Attorney Kuperberg stated that there was nothing to report out of Closed Session.

ADJOURNMENT

Mayor Hwangbo adjourned the Regular Meeting of the La Palma City Council at 10:03 p.m. in honor of forty-one year resident, Shirley Maikoski, on her 90th birthday.

Steve Hwangbo
Mayor

Attest:

Laurie A. Murray, CMC
City Clerk