

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

February 18, 2014

CALL TO ORDER: Mayor Pro Tem Kim called the Regular Meeting of the La Palma City Council to order at 7:02 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE: Council Member Charoen

INVOCATION: Pastor Steve Bland, La Palma Christian Center

ROLL CALL: Council and Commission Members

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

Council/Commission Members absent: None

City Officials present: Ellen Volmert, City Manager/Executive Director  
Joel Kuperberg, City Attorney  
Michael Belknap, Community Services Director  
Douglas Dumhart, Community Development Director  
Eric Nuñez, Police Chief  
Laurie Murray, Administrative Services Manager/City Clerk  
Don Pruyn, Interim Finance Director

PRESENTATIONS

1. Community Services Director Belknap introduced Leonardo Larios as the City's new Water Worker II.

## ORAL COMMUNICATIONS

Wallace Yelle, 7461 Puerto Rico Drive, addressed the City Council regarding Agenda Item PL-1 and was asked to hold his comments until the time of the Public Hearing.

Ismile Noorbaksh, 7541 Trabuco Lane, addressed the City Council asking them to hear Agenda Item 10 earlier in the meeting. Mayor Pro Tem Kim responded that the City Council would try to accommodate his request.

Larry Herman, 5122 Andrew Drive, addressed the City Council regarding Buena Park being in the process of making their parks smoke-free; announced his support for La Palma's smoke-free policy for Central Park that was approved in 2011; and stated he would report back to the City Council on Buena Park's progress.

## RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:10 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 2014-04 approving the Successor Agency Registers of Demands for February 4, 2014.

### B. Successor Agency 2nd Quarter Cash and Investment Report, Fiscal Year 2013-14, as of December 31, 2013

Receive and file the Cash and Investment Report for the second quarter of the 2013-14 Fiscal Year (as of December 31, 2013).

Council Member Charoen made a motion to approve Consent Calendar Items A and B.

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

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

NOES: None

### PUBLIC HEARINGS

None Scheduled.

### REGULAR ITEMS

None Scheduled.

ADJOURN THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION, AND CONVENE AS THE PLANNING COMMISSION AT 7:11 P.M.

### CONSENT CALENDAR

None Scheduled.

### PUBLIC HEARINGS

PL-1. Consideration of Conditional Use Permit (CUP) 360 to permit a new large family day care home (Tomato Daycare) to be operated at a single-family zoned property at 5702 Oak Drive (APN 263-113-09)

- a) Vice Chairperson Kim opened the Public Hearing at 7:12 p.m.
- b) Associate Planner Hutter gave the Staff Report
- c) Public Input:

The following residents spoke in opposition to the large family day care home, CUP 360:

Wallace Yelle, 7461 Puerto Rico Drive.

Dean Hines, 5712 Conifer Drive, asked for clarification of the age ranges for home day cares.

Associate Planner Hutter responded that the State regulates age ranges and detailed that they ranged from infant to kindergarten age.

Discussion ensued regarding maximum number allowed for each age group with each State issued day care license; and that the State conducts back ground checks on all applicants.

City Attorney Kuperberg noted that the State regulates a statutory maximum number of each age group from infants and toddlers, through kindergarten for large family daycares.

The following residents spoke in support of the large family day care home, CUP 360:

Sabrina Enriquez, 5672 Oak Drive.

Vivian Fellenz, 7441 Darlene Circle.

- d) Vice Chairperson Kim closed the Public Hearing at 7:28 p.m.
- e) Planning Commission Comments and Questions:

Discussion ensued regarding the current age ranges of the children who are enrolled; the number of children who are enrolled;

Kyong Kim, 5702 Oak Drive, addressed the Planning Commission regarding the current age ranges of the existing home day care and reported that parents with children over the age of three years tend to move their children into preschools. He added that the day care has been in operation for one year and commented on how rewarding the day care has been for his family.

Further discussion ensued regarding having to hire additional staff if the number of children increases; that La Palma currently has three large family day cares; the City's traffic calming efforts in the general area; that the City has not experienced any major traffic incidents in that area; details of the previously approved large family home day cares; the square footage of the day care including the play and back yard areas; that Staff has approved the specifications of the property from inspection; that the State conducts stringent inspections; the State requirements of caregivers per children ratio; support for providing home day care service needs in La Palma; that the Planning Commission has the authority to repeal a CUP if

problems arise in the future; and that a review policy is not currently in place.

- f) Adopt Resolution No. PC 2014-01 Approving CUP 360, to conditionally permit a new large family day care home (Tomato Daycare) to be operated at a single-family zoned property at 5702 Oak Drive (APN 263-113-09).

Commission Member Hwangbo made a motion to adopt Resolution No. PC 2014-01 approving CUP 360, to conditionally permit a new large family day care home (Tomato Daycare) to be operated at a single-family zoned property at 5702 Oak Drive (APN 263-113-09).

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

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

NOES: None

### REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:44 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.

3. City of La Palma 2nd Quarter Cash and Investment Report, Fiscal Year 2013-14, as of December 31, 2013

Receive and file the Cash and Investment Report for the second quarter of the 2013-14 Fiscal Year (as of December 31, 2013).

4. Annual Progress Report of the General Plan - Fiscal Year FY 2012-13

Resolution No. 2014-09 approving the Annual Progress Report of the General Plan for Fiscal Year 2012-13.

5. Authorization for Second Extension to Deposit/Reimbursement Agreement

Approve the Second Term Extension to Deposit /Reimbursement Agreement with La Palma Sign Partners, LLC.

6. Economic Development Action Plan 2013-16 Activity Report

Receive and file the Annual Economic Development Action Plan 2013-16 activity report.

Mayor Shanahan made a motion to approve Consent Calendar Items 1, 3, 4, 5, and 6.

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

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

NOES: None

#### ITEMS PULLED FROM CONSENT CALENDAR

2. Approval of Register of Demands

Council Member Goedhart requested to have the item pulled in order to clarify why the City was paying for HDL Property Tax services when the service was voted to be eliminated during last fiscal year's budget reductions.

City Manager Volmert responded that while the service was eliminated the Finance Department did not notify HDL of the cancellation and the City continued to receive the services; because of that, the City needs to pay for the services received. She closed by stating the City will be evaluating the need to continue the service for next year.

Council Member Goedhart recommended that the service should be eliminated now since the budget was eliminated in March 2013. And that since the real use of it is to address Redevelopment, which we no longer have. Therefore since the

service was eliminated and there is no longer a need for it, it should be eliminated.

Interim Finance Director Pruyn commented that yes, the complexity of Redevelopment did make the service valuable, but that the City is still dealing with the aftermath of Redevelopment and there is still some complexity that HdL can help the City with and that since property tax is a higher level of revenue than sales taxes, the service is worth the money spent. He closed by stating that the City Council will see revisions to the upcoming budget to potentially include these service fees.

Council Member Goedhart restated his disappointment that there was no follow up to budget cuts made by the City Council.

Resolution No. 2014-08 approving the Register of Demands for February 18, 2014.

Council Member Goedhart made a motion to adopt Resolution No. 2014-08 approving the Register of Demands for February 18, 2014.

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

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

NOES: None

## PUBLIC HEARINGS

None Scheduled.

## REGULAR ITEMS

### 10. Community Services Reorganization Review

By request of the public, the City Council moved this item up in the Agenda order.

Community Services Director Belknap gave the Staff Report.

Public Input:

Ismile Noorbaksh, 7541 Trabuco Lane, addressed the City Council regarding the history of the Public Works Department; the need for having a full-time City Engineer on Staff; and his opposition to the reorganization as presented.

Larry Herman, 5122 Andrew Drive, addressed the City Council regarding support for a qualified, certified, full-time City Engineer/Public Works Director and the importance of keeping La Palma's supreme water quality.

Ralph Rodriguez, 4621 Amberwood Avenue, addressed the City Council regarding the historical need for a full-time certified City Engineer; that the City has paid for infrastructure problems in the past; and support for both a full-time Public Works Director and Finance Director.

- a) Discuss the Community Services reorganization and affirm its continuance for FY 2014-15.

Discussion ensued regarding public safety and public works being a top priority for any community; the uncertain outcome of contract engineering services; opposition to the proposed continuance of the Community Services reorganization; and that California law requires that all civil, structural, and geotechnical engineering documents be prepared by a state licensed civil engineer.

City Attorney Kuperberg responded that the City's proposal as presented still has a licensed, certified engineer and meets the State business code requirements whether the engineer is a full-time employee or a contract employee.

Further discussion ensued regarding support for a full-time certified City Engineer/Public Works Director;; accolades for current Staff working under the Community Services reorganization for the past six months; lack of guarantee that the current structure will be successful; support for keeping the current organization plan for the next six months and review at a later time; the current financial deficit for City operations; that the City did have an engineer during the last lawsuit; that most small cities contract engineering services; support for fiscal responsibility; that the City previously contracted out several engineering projects including traffic studies, pavement management plans, and specialty studies; the City's lack of eligibility for project grants; and whether the City can incur a larger liability by not having a certified engineer on full-time Staff.

City Attorney Kuperberg responded that liability exposure is hard to determine, whether engineering services are contracted out versus having a full-time Staff member would not determine the liability but rather the level of service that is provided.



- b) Authorize the City Manager to execute a one-year agreement, including two (2) one-year extensions, with Onward Engineering for contracted City Engineering Services, for a total amount that shall not exceed \$150,000.
- c) Approve Resolution No. 2014-11 delegating authorization to City personnel, with inclusion of the Community Services Director, to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and/or Fund Transfer Agreements with the California Department of Transportation (Caltrans).

Council Member Charoen made a motion to approve Staff's recommendation to continue the Community Services Reorganization including Items B and C, for a six month term and return to the City Council for a review.

Discussion ensued regarding support for the motion; the urgency to review the reorganization after six months; the need for City Council to get Staff input; and requesting a survey of surrounding cities engineering department structures.

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

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

NOES: Council Member Hwangbo

## 7. Appointments to Citizen Committees

Administrative Services Manager Murray gave the Staff Report and noted that Dana Andrews had not responded as to whether he would consider an appointment to the Community Activities and Beautification Committee.

- a) Appoint Dana Andrews, Dipti Doshi, Marshall Goodman Sr., Sharon Gutjahr, Noella Lew, and Jane Rippee to the Community Activities and Beautification Committee; all with four-year terms expiring December 31, 2017; and
- b) Appoint Dennis Huang, Vincent Luu, and Kyle Patrick McCune to the Development Committee; all with four-year terms expiring December 31, 2017.

Council Member Charoen made a motion to appoint Dipti Doshi, Marshall Goodman Sr., Sharon Gutjahr, Noella Lew, and Jane Rippee to the

Community Activities and Beautification Committee; all with four-year terms expiring December 31, 2017; and appoint Dennis Huang, Vincent Luu, and Kyle Patrick McCune to the Development Committee; all with four-year terms expiring December 31, 2017.

Discussion ensued regarding vacancies left in the City's Committees after the approved appointments and support for residents who want to serve their community.

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

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

NOES: None

8. Second Quarter Operating Report and Mid Year Budget Adjustments, Fiscal Year 2013-14

Interim Finance Director Pruyn gave the presentation on the General Fund overview.

Discussion ensued regarding clarification of the Police Department budget; that department heads are expected to be responsible for reviewing and finalizing their budget; that the Police Department holiday pay has not been budgeted two years in a row; and that the Police Department's budget issues will be corrected in the future.

Interim Finance Director Pruyn continued with the Expenditure and Revenue overview.

Discussion ensued regarding clarification of last year and this year's revenue and that the sales tax triple-flip was higher than anticipated.

Interim Finance Director Pruyn continued with the Successor Agency overview.

Discussion ensued regarding some enforceable obligation payments which have been approved by the Department of Finance and that when these payments are received, they will be used to help balance the Internal Service Funds; the payment structures to several City funds; and details of the Housing Fund.

Interim Finance Director Pruyn continued with the Enterprise (Utility) Funds overview.

Discussion ensued regarding delays in receiving water revenue; whether the water rates are adequate; that Staff is recommending a Water Study next fiscal year; and details of water funds that were transferred.

Interim Finance Director Pruyn continued with the Internal Service Fund overview.

Interim Finance Director Pruyn closed the presentation by giving the Goals and Performance Measures overview.

Discussion ensued regarding the notification and details of the sales tax overpayment; rental trends for Season's Redevelopment project; the City's structural deficit; details of the facility energy improvements; and the future cost savings with energy upgrades and projects.

Approve Resolution No. 2014-10 amending the Fiscal Year 2013-14 Budget to adjust certain Department and Program budgets.

Council Member Goedhart made a motion to approve Resolution No. 2014-10 amending the Fiscal Year 2013-14 Budget to adjust certain Department and Program budgets.

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

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

NOES: None

9. Upgrade and Purchase of Replacement Computers Citywide

Management Analyst Corbin gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding support for the City's computer upgrades; what the City does with the used computers; and whether the City can donate the used computers to local schools.

City Attorney Kuperberg responded that because the computers are public assets, there is concern that if they are donated, it is perceived as a gift of public funds; however, if declared that the used computers are surplus and of no salvageable value, there is no 'gift of funds' concerns. He closed by commenting

that the normal procedures for municipalities is to have the used items sent to auction.

Further discussion ensued regarding the rationale behind the operating system choice; the current concerns with Windows 8; an update on the accounting software upgrade; the amount the City usually gets for auctioning used computers; and that Staff investigate options for giving the City's used computers to local schools.

- a) Confirm the appropriation of \$13,600 from the City's Computer Maintenance and Replacement Fund 64 to the Information and Technology Fund; and
- b) Authorize the City Manager to execute the necessary agreements with Dell and other vendors, for the computer replacement/upgrade project, for a total project amount that shall not exceed \$68,000.

Council Member Hwangbo made a motion to confirm the appropriation of \$13,600 from the City's Computer Maintenance and Replacement Fund 64 to the Information and Technology Fund; and authorize the City Manager to execute the necessary agreements with Dell and other vendors, for the computer replacement/upgrade project, for a total project amount that shall not exceed \$68,000.

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

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

NOES: None

#### 11. Central Park Playground Repairs

Community Services Director Belknap gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the approximate cost of replacing the current playground equipment; that repairing the current equipment will extend its life; that the equipment will need to be replaced in three to four years; support for new playground equipment; directing Staff to create a Request for Proposal (RFP) on a complete playground upgrade, including equipment and surfacing; that playground equipment manufacturers are not the responders to an RFP, but rather the vendors who sell the product; the criteria for selecting a vendor; that

the playground upgrade RFP should not include the playground relocation as described in the Park Master Plan but at its current location; if the play rock would be replaced; that all of the current equipment would be replaced; holding public meeting regarding proposed new equipment; the additional cost to relocate the playground and where it would be and what would be done with the current area if it was relocated; if the Gazebo would be relocated; that Staff requests that no changes be made until the Fall and placing funding in the FY 2014-15 budget; and the safety of the current equipment if the project were to be postponed until the Fall of 2014.

City Attorney Kuperberg responded that there is some protection when the playground equipment is compliant with the National or State standard for safety; however, if a child is injured on the equipment, there is no surety to avoid liability.

Further discussion regarding the repairs as proposed are to prolong the longevity of the equipment; that the City regularly provides routine maintenance on the equipment; and that by consensus, the City Council directed staff to return with the results of a RFP on replacing the playground equipment and surfacing and another including relocating the entire playground.

## 12. Administration/Finance Departments Reorganization

Administrative Services Manager Murray gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding support for this proposal versus the last proposal; details of contracting certain financial services and that the proposed amount is high; that Staff has made significant changes in combining two departments; allowing the new director to determine the contract hours needed during the transition; that Staff recommends this format and believes they can make it work; and that the restructure be a trial which is reviewed in a year.

Approve proceeding with plans for the merger of the Administration and Finance Departments including initiating recruitment for the classification part time Cashier and inviting affected employee associations to meet and confer relative to their new classifications or any other changes requiring meet and confer.

Council Member Goedhart made a motion to approve proceeding with plans for the merger of the Administration and Finance Departments including initiating recruitment for the classification part time Cashier and inviting affected employee associations to meet and confer relative to their new classifications or any other changes requiring meet and confer.

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

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

NOES: None

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

**Mayor Shanahan** had nothing to report.

**Council Member Charoen** had nothing to report.

**Council Member Goedhart** attended an Association of California Cities - Orange County (ACC-OC) meeting and an Orange County Fire Authority (OCFA) briefing.

**Council Member Hwangbo** attended the State of the County Address; the Employee Appreciation Luncheon put on by Hwang-So-Go-Jip. He asked for an update on the City's water conservation efforts.

Community Services Director Belknap responded that Staff is getting information on residential conservation efforts, but will report back to the City Council on the City's water usage.

City Manager Volmert commented that the City Council will be discussing water conservation items that will come back to them during the review of City energy projects.

**Mayor Pro Tem Kim** attended the State of the County Address; the Special Meeting of the City Council; and the Neighborhood Watch Appreciation banquet.

CITY MANAGER REMARKS

**City Manager Volmert** attended the Neighborhood Watch Appreciation banquet and invited the public and City Council to the upcoming small business workshop on February 20 at the La Palma Community Center.

CITY ATTORNEY REMARKS

**City Attorney Kuperberg** had nothing to report.

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  
Laurie Murray, Administrative Services  
Manager  
Steve Filarsky, Agency Labor Counsel

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

Unrepresented Employees: Executive Management

Mayor Pro Tem Kim recessed to Closed Session at 10:34 p.m. with Mayor Shanahan excusing himself from the meeting.

Mayor Pro Tem Kim reconvened in Open Session at 10:45 p.m. with Mayor Shanahan being absent and asked for a report.

Administrative Services Manager Murray reported that the City Council authorized the City Manager and Administrative Services Manager to negotiate a salary for the new Accounting Supervisor position and to proceed with the Administration/Finance Department reorganization.

ADJOURNMENT

Mayor Pro Tem Kim adjourned the Regular Meeting of the La Palma City Council at 10:46 p.m.

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Steve Shanahan  
Mayor

Attest:

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Laurie A. Murray, CMC  
City Clerk