

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

March 18, 2014

CALL TO ORDER: Mayor Shanahan 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 Charoen

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, 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  
Michelle Molko, Assistant City Attorney  
Michael Belknap, Community Services Director  
Douglas Dumhart, Community Development Director  
Laurie Murray, Administrative Services Manager  
Don Pruyn, Interim Finance Director

PRESENTATIONS

None Scheduled.

ORAL COMMUNICATIONS

Victor Perrin, West Orange County Regional Chamber of Commerce representative, addressed the City Council regarding his support for the City Council and announced the upcoming Chamber of Commerce Luncheon on March 27 at the Knott's Berry Farm Hotel.

Steve Shanahan reported that he met with the Future Business Leaders of America (FBLA) at John F. Kennedy High School and suggested that they reach out to the West Orange County Regional Chamber of Commerce.

Wenchi Leu, 8152 Wickham Lane, addressed the City Council regarding a bullying event involving his son at Steven Luther Elementary; the unsuccessful school transfer attempt; opposition to his son's treatment by staff; and his concern for the 'Child Endangerment' situation at the School.

City Manager Volmert responded that the Police Department has been in communication with the parent and that she has contacted the Cypress School District Superintendent regarding the matter.

Carrie Carter, 7620 Bradley Drive, Buena Park, addressed the City Council regarding her concerns with the possible illicit activities with massage parlor staff and clientele in the Walgreen's center; concerns for human trafficking; and stated her opposition that children who visit other establishments in the center see the activity involving the massage parlor.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:17 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

None Scheduled.

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 7:18 P.M.

CONSENT CALENDAR

None Scheduled.

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:19 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. 2014-15 approving the Register of Demands for March 18, 2014.

3. Part-Time Recreation Vacancies

Authorize the recruitment and hiring of one (1) Recreation Specialist, seven (7) Senior Recreation Leaders, and two (2) Recreation Leaders and create an eligibility list for six (6) months should future vacancies occur.

4. Participation in "Voyager" cooperative Fuel Purchase Program

Approve the City's participation in the Voyager fuel purchase program and authorize the City Manager to execute any documents required for entry into the program.

Council Member Charoen made a motion to approve Consent Calendar Items 1 - 4.

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

5. Conceptual Approval of Partial Vacation of Sidewalk Easement - 6851 Walker Street

Community Development Director Dumhart gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the timeline that the City Council would see the CEQA documentation; details of the CEQA review process; that the original parcel map was recorded in 1979; and that the intent of the sidewalk easement was to have a meandering pathway.

Direct Staff to incorporate a Partial Vacation of Sidewalk Easement adjacent to 6851 Walker Street into the scope of the Proposed Billboard Project.

Mayor Pro Tem Kim made a motion to approve the conceptual approval of Partial Vacation of Sidewalk Easement - 6851 Walker Street.

The motion was seconded by Council Member Goedhart 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

6. Energy Assessment Related to Improvements to City Facilities

Receive the presentation by Climatec and review the supporting materials. Based on input received, staff would bring back an Energy Service Contract with Climatec BTG to design and construct an Energy Efficiency Project for the City of La Palma.

Community Services Director Belknap introduced the item.

Frank Mann, Climatec Account Manager, gave the presentation and closed by noting that his company works with cities to generate revenue.

Council Comments and Questions:

Discussion ensued regarding the savings for the first year; savings related to the General Fund versus the Water Fund; that street light costs are taken from the General Fund; water plants being a utility cost; that the majority of the savings will be to the General Fund; that the Water Fund contributes to this project; the possibility of joining an energy partnership with other agencies and Southern California Edison that would greatly increase the rebate; the details of the City's annual savings; the one-time costs in street light conversion to LED lighting; that Climatec offered to finance the project on a 3% interest rate; that Climatec guarantees the quoted savings; support for the overall general concept; that reduction in street light maintenance leads to a portion of the savings; the equipment warranty; that Southern California Edison is currently in the street light sales process with the Public Utilities Commission (PUC); Climatec's next step being to conduct an audit that includes full disclosure of the timeline for the transition; that Staff anticipates the roll out in approximately a year; street light maintenance being conducted by a contractor; the projected life span of LED lighting; that the plan includes solar panels at City Hall, the Recreation Department, and at both water reservoirs; that the proposed sprinkler system will use smart technology; details of the solar portion of the proposal; that the City Council wants realistic savings after loan payments are made; that the audit will show the 'net' increment; that the City is not paying for Climatec's services and the only cost would be the purchase of engineer specifications if the City chooses another vendor to proceed with the project; including the carbon footprint and environmental savings in the audit; that the City Council wants to see the return on the investment; and overall support for the conceptual plan.

7. Revised Sustainable Financial Plan and Scenarios

City Manager Volmert gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the reasoning behind the scheduled June 3 Budget adoption; support for the financial plan presented; that \$393,000 is the true unfunded liability figure and the explanation of the CalPERS actuarial and the City's payment commitment; changing the flat rate to \$9 million for the Emergency Reserve fund transfer; the Police Department operational study returning to the City Council on April 15; the Staff's recommended financial plan as proposed is sustainable; support for a one-time newsletter to the public detailing the City Council decisions on the new financial plan; reduction in personnel costs; possibly contracting a grants coordinator; consideration of outsourcing dispatch; support for eliminating the Association of California Cities - Orange County (ACC-OC) membership fees; support for modernizing the UUT; appreciation of all the work that Staff has done for the acceptable financial plan; support for conservative assumptions; funding for the technology fund; and support for earmarking monies for future unfunded liability.

Mayor Pro Tem Kim made a motion to approve the revised Sustainable Financial Plan including the 6.4% Scenario and Action Plan as recommended by Staff.

Further discussion ensued regarding the explanation of the HUB revenue and methodology for the assumptions made; that Staff will revise the Revenue Policy per the City Council direction; and clarification of how the Emergency Reserve will be committed - 60% for economic uncertainties and 40% for unanticipated capital.

Council Member Goedhart asked for a friendly amendment to include the production of the City-wide newsletter reporting on the City Council's financial decisions. Mayor Pro Tem Kim accepted the amendment.

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

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|-------|--|
| AYES: | Council Member Charoen, Council Member Goedhart, Council Member Hwangbo, Mayor Pro Tem Kim, and Mayor Shanahan |
| NOES: | None   |

Mayor Shanahan requested to take a short recess at 9:17 p.m.

Mayor Shanahan reconvened at 9:23 p.m. with all members present.

8. Long-Term Capital Improvement Program (CIP) Projections and Funding Plan

Community Services Director Belknap gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding a portion of the funding for the City Yard modernization coming from the Water/Sewer Fund; the previous City Council had a City Hall redesign from 2006 that only included an interior remodel; support for looking at replacing City Hall because of the costly repairs; finance options for reconstructing the Civic Center; the low interest on bonds; the details and timeline of the water treatment process to eliminate arsenic; that the water segregation process would impact output capacity; long term water treatment decision needing attention; that soil remediation would be involved in the Civic Center project; that redesigning the Civic Center allows the City to better utilize space constrictions; whether Civic Center improvements are mandated; that the seismic study had been in the CIP for numerous years, but not completed until now; that a new Civic Center does not need to be expensive; the timeline that Staff will return with seismic, energy, and financing information for the Civic Center replacement; details of La Palma's water table and possible liquefaction; irrigation opportunity for undrinkable water; that Staff does not recommend a full reroof of the Civic Center, only to remediate needed areas; the Americans with Disabilities Act (ADA) upgrades; City Council direction to have Staff analyze the cost and details of maintaining the existing Civic Center for 3-5 years versus a complete replacement; and the details of the City's current telephone and technology upgrades and how the Civic Center replacement would affect those projects.

By consensus, the City Council agreed to recess to Closed Session at 10:08 p.m. in order to discuss CS-1 prior to hearing Item 9.

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 Police Association  
La Palma Professional Employees  
Association

Unrepresented Employees:

Executive Management

Mayor Shanahan reconvened in Open Session at 10:17 p.m. with all members present and with no reportable actions.

9. Continued from March 4, 2014, City Council Meeting: One Year Extension of Memorandums of Understanding with the La Palma General Employees Association, La Palma Police Association, and La Palma Professional Employees Association

Administrative Services Director Murray gave a brief overview of the item.

- a) Adopt a Resolution approving a side letter agreement with the La Palma General Employees Association for a one year extension - through June 30, 2015 - of the Memorandum of Understanding currently expiring June 30, 2014;
- b) Adopt a Resolution approving a side letter agreement with the La Palma Professional Employees Association for a one year extension - through June 30, 2015 - of the Memorandum of Understanding currently expiring June 30, 2014; and
- c) Adopt a Resolution approving a side letter agreement with the La Palma Police Association for a one year extension -through June 30, 2015 - of the Memorandum of Understanding currently expiring June 30, 2014.

Council Member Goedhart made a motion to adopt Resolution No. 2014-16 approving a side letter agreement with the La Palma General Employees Association, Resolution No. 2014-17 approving a side letter agreement with the La Palma Professional Employees Association, and Resolution No. 2014-18 approving a side letter agreement with the La Palma Police Association, all for a one year extension - through June 30, 2015 - of the Memorandum of Understanding currently expiring June 30, 2014. The motion was seconded by Council Member Hwangbo.

Discussion ensued regarding City Council's appreciation for all labor groups who agreed to the extension; anticipation of a productive negotiation process next year; and recognition that the past couple of years have been difficult on the employees of the Agency.



The motion carried on the following vote:

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

NOES: Council Member Charoen

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

**Council Member Hwangbo** attended the 27th Annual Orange County Law Enforcement and Prosecutor Recognition Luncheon. He announced that Michael Matsuda was selected as the new Superintendent of the Anaheim Union High School District (AUHSD) and reported that the Orange County Register's recognition of Oxford Academy High School.

**Council Member Goedhart** requested that Staff follow up on the public comment regarding the massage parlor. He announced that he attended an Orange County Fire Authority (OCFA) meeting; noted his appreciation for the cooperation from employees; anticipation of the upcoming negotiating period; commendation to Interim Finance Director Pruyn for all his hard work; and support for Administrative Services Director Murray in her new position and duties.

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

**Mayor Pro tem Kim** attended the Orange County Sanitation District (OCSD) Administration Committee meeting; the 27th Annual Orange County Law Enforcement and Prosecutor Recognition Luncheon; and the ACC-OC monthly meeting.

**Mayor Shanahan** reported that he conducted several Student Interviews from Cal-State Fullerton, Long Beach State University, and John F. Kennedy High School.

CITY MANAGER REMARKS

**City Manager Volmert** announced her appreciation to Interim Finance Director Pruyn for all his work and wished him well on his future endeavors.

CITY ATTORNEY REMARKS

**Assistant City Attorney Molko** had nothing to report.

CLOSED SESSION

CS-2. 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

Mayor Shanahan recessed to Closed Session at 10:25 p.m.

Mayor Shanahan reconvened in Open Session at 10:50 p.m. with all members present.

Administrative Services Manager Murray announced that there were no reportable actions.

ADJOURNMENT

Mayor Shanahan adjourned the Regular Meeting of the La Palma City Council at 10:51 p.m.

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Steve Shanahan  
Mayor

Attest:

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Laurie A. Murray, CMC  
City Clerk