

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

April 15, 2014

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

PLEDGE OF ALLEGIANCE: Council Member Charoen

INVOCATION: Pastor Jim Riggan, 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  
Michelle Molko, Assistant City Attorney  
Michael Belknap, Community Services Director  
Douglas Dumhart, Community Development Director  
Laurie Murray, Administrative Services Director/City Clerk  
Eric Nuñez, Police Chief

PRESENTATIONS

1. Mayor Shanahan presented a Proclamation to Community Activities and Beautification Committee Members Michelle Steggell and Pat Craig, in Recognition of Arbor Day.
2. Mayor Shanahan presented a Proclamation to Donate Life Ambassadors, Terry and Kathy Andrews, in Recognition of Donate Life Month.
3. Mayor Shanahan, on behalf of Congress Woman Linda Sanchez, presented certificates to Officer Scott Flynn and Officer Matthew Marchand in recognition of

their being named Mothers Against Drunk Drivers (MADD) Top DUI Officers.

### ORAL COMMUNICATIONS

Larry Herman, 5122 Andrew Drive, addressed the City Council regarding the upcoming Donate Life event and encouraged participation; announced his opposition to e-cigarettes and read an article regarding funds for tobacco prevention programs at two Orange County school districts; reported the increase of e-cigarette use by students; requested to incorporate e-cigarettes into the language of the City's Smoke-Free Park Ordinance; reported traffic concerns at the curve on Furman Road by Miller Elementary School; and he reported on Assembly Bill 1453 regarding a veteran's cemetery in Orange County that gives burial benefits to veterans. He closed by asking the City Council to present a proclamation in support of that endeavor.

### RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:23 P.M.

Administrative Services Director/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 Successor Agency Minutes

Minutes of the April 1, 2014, Regular Meeting of the Successor Agency.

B. Resolution Authorizing Signatories for the Investment of Monies in the Local Agency Investment Fund by the Successor Agency

Resolution SA 2014-05 authorizing the Successor Agency signatories for the investment of monies in the Local Agency Investment Fund (LAIF).

Council Member Charoen made a motion to approve Consent Calendar Item 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 7:24 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the April 1, 2014, Regular Meeting of the Planning Commission.

Vice Chairperson Kim made a motion to approve Consent Calendar Item PL-1.

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

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:25 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 April 1, 2014, Regular Meeting of the La Palma City Council.

3. Approval of Register of Demands

Resolution No. 2014-24 approving the Register of Demands for April 15, 2014.

Mayor Pro Tem Kim made a motion to approve Consent Calendar Items 1 through 3.

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

4. Civic Center Seismic Evaluation and Upgrade Study

Community Services Director Belknap gave the Staff Report.

### Council Comments and Questions:

Discussion ensued regarding a request for IDS to detail the process for completing the study.

David Pomerleau, IDS Group Project Manager, responded with details of the Seismic Design Study that included related site visits; performing structural engineering and calculations for the existing two buildings; using the ASCE31 Evaluation Standard; and geotechnical soil testing.

Further discussion ensued regarding the foundation retrofit being the most expensive portion of the project; the several methods for seismic foundation rehabilitation; the Civic Center's two problems being the high water table and non-compacted soil; that there are no guarantees that the Civic Center would still be able to handle EOC duties after a large seismic event with the seismic retrofit; that Staff is recommending to move forward with the Civic Center Conceptual Design Study; that the approximate cost to replace the Civic Center is about \$10 million; and a request to explain the scope of the Conceptual Design Study.

John Silber, IDS Principle Architect, responded that IDS will prepare a project brief for a new Civic Center to include space requirements, site analysis, building design concepts, and cost factors involved.

Further discussion ensued clarifying that the Study would include the Police Department and City Hall; cost of new foundation construction; foundation remediation options; the lack of any guarantees with a large scale disaster; details of Staff's recommendation to move forward with the Study; Civic Center replacement cost methodology; that \$10 million is the approximate cost for a new Civic Center with the same size footprint; that IDS would conduct workshops to investigate residents' concerns and help with future building design; the process for reporting back a final design result to the City Council; that IDS Group would present a variety of cost options; that the Conceptual Design Study does not include the buildings on the west side of Walker Street; inclusion of financing options for the rebuild or remodel; the land value being greater than what was assessed in 1969; looking at other site locations within the City versus a ground-up rebuild; history, experience, and disciplines of IDS Group staff; the cost of the study; prudence of taking stock of all challenges regarding a rebuild, relocation, and remodel existing; the length of the study depends on the workshop process and expected to be a two-three month process; IDS Group's client history; that a design level events would be taken into account in the rebuild; the connection of the current Energy Assessment and how this affects the Seismic Study and possible rebuild; review of one-time costs that produce lasting savings; that pursuing the Study implies that the Civic Center will stay at its current location; support for looking at other sites; the urgency to address the current safety issues versus replacement

of the Civic Center; that none of these expenses are built into the recently approved financial plan; that the City needs to analyze if this project is affordable; support for the Study to include financing options for the Civic Center rebuild; exploring whether the Orange County Fire Authority (OCFA) would be interested in funding some of the rebuild; opposition to approving the expensive retrofit improvements; the details of the City's earthquake policy; request for details of earthquake coverage; and support for extensive research and review of options prior to making the large expense.

Public Comment:

Wayne Jewell, 5211 Blairwood Drive, addressed the City Council regarding the reasoning behind the study and opposition to the proposed Civic Center project if the City lacks funding.

1. Receive and file the Civic Center Seismic Study and Evaluation and Upgrade Study
2. Award a contract in the amount of \$48,700 to IDS Group, Inc. to conduct a Civic Center Conceptual Design Study and appropriate funds from General Fund reserves.

Council Member Goedhart made a motion to receive and file the Civic Center Seismic Study and Evaluation and Upgrade Study and to direct staff to bring back additional information regarding concepts, options, financial information, and how a project would affect the adopted Sustainable Financial Plan..

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

5. Police Department Reorganization Proposal

Police Chief Nunez gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the proposed plan meeting the requirements of the approved financial plan; support for the part-time Community Services Officer; support for an internal recruitment for the new supervisory position; support for

the Police Chief's plan; confidence that the plan is going to work; that the plan does not impact the current level of service; that the proposal saves overtime costs; the ranking structure within the Police Department; delegation of administrative service work with the previous loss of Administrative Services Bureau (ASB) employees; current service deficits in the system; reasons for filling the Police Captain position; that the reduction of one Sergeant does not impact the department; and how opposition to the proposal will impact current service levels.

Council Member Hwangbo made a motion to approve the Police Department Reorganization Proposal as presented.

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

AYES: Council Member Charoen, Council Member Goedhart, Council Member Hwangbo, and Mayor Shanahan

NOES: Mayor Pro Tem Kim

Mayor Shanahan requested a short recess at 9:15 p.m.

Mayor Shanahan reconvened in Open Session at 9:24 p.m. with all members present.

6. Study Session: Draft Fiscal Year 2014-15 General Fund Budget and Capital Improvement Plan and Proposed Five Year CIP

1. Receive the Staff presentation on the Draft Fiscal Year 2014-15 General Fund Budget and Capital Improvement Plan and proposed Five Year CIP

City Manager Volmert introduced the item and stated her appreciation to the Management Team and support staff for their efforts in preparing the draft FY 2014-15 Budget.

Administrative Services Director Murray thanked her colleagues and staff for their work as well and gave the Staff Report and presentation on the Draft FY 2014-15 General Fund Budget.

Community Services Director Belknap gave the presentation on the proposed Five Year Capital Improvement Plan.

Administrative Services Director Murray closed the presentation by reporting on the upcoming Budget Adoption process and schedule.

2. Provide direction on the Staff plan prior to the development of a Proposed FY 2014-15 Budget to be presented to the City Council on May 6, 2014.

Council Comments and Questions:

Discussion ensued regarding Council Member Goedhart's request for public workshops; support for Council Members to meet with Staff regarding Budget questions or concerns; that Staff could prepare for a workshop after May 6 and before May 20; and Council Member Goedhart's request to have an explanation of the following budget items - realistic revenue and expenditure projections, methodology for the increased sales tax projected, the residual property tax increase, new investment policy increases, the increase in other revenue, the general liability insurance cost increases, increased environmental review costs of anticipated development projects, clarification of City Clerk increases, Police Department overtime, animal care funding transfer over to the Police Department, cost increases for Orange County citation process, increased costs for the Spillman project, the cost of restoring the *SOURCE* publication, accounting changes in the Community Services Department, explanation of California Environmental Review Act (CEQA) expenditures for the General Plan, increased water pumping charges, general liability insurance rate increases, worker's compensation expenditures, and on-going maintenance costs; the process for replacing Central Park's playground equipment; that Staff will review all revenues and expenditures prior to the next presentation; and City Council's consensus to not have an official Budget Workshop and that Council Members can go directly to Staff for clarification or explanation of Budget items as needed.

7. Letter of Support for Orange County Ambulance RFP Extension

City Manager Volmert gave the Staff Report.

Authorize the Mayor to communicate with Orange County and State officials the City's support for a one year extension to current ambulance contracts as the best way to ensure a continuation of effective and efficient ambulance services.

Mayor Pro Tem Kim made a motion to approve and authorize the Mayor to communicate with Orange County and State officials the City's support for a one year extension to current ambulance contracts as the best way to ensure a continuation of effective and efficient ambulance services.



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

Mayor Shanahan reported that the City Council needs to vote to place an Emergency Item on the Agenda for Closed Session and asked for clarification on the matter.

Assistant City Attorney Molko responded that the City Council needs to determine if the item requires emergency action and that the need came after the Agenda was posted.

City Manager Volmert reported that this item was originally going to be brought to the City Council at the upcoming May 6 meeting; that the item was brought to Community Development Director Dumhart's attention today and needs immediate action; and that the matter is in regards to negotiating with Samsung.

Mayor Pro Tem Kim made a motion to approve the addition of Closed Session Item CS-5 regarding Samsung negotiations.

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

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

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

**Council Member Goedhart** attended the State of the City Address and asked about the status of the financial report that will be given to the public. He asked that the City Council be provided an opportunity to review and provide comment on the report before it is published.

City Manager Volmert responded that the second draft will be reviewed by the Management Team the next day and anticipates that the publication would be mailed to

the public by the end of the month. She added that the publication will be provided to the City Council prior to the mailing.

**Council Member Hwangbo** attended the State of the City Address; the Brea State of the City Address; and the Association of California Cities - Orange County (ACC-OC) new Board Member installation.

**Mayor Pro Tem Kim** attended the State of the City Address; the Orange County Sanitation District (OCSD) Administrative Committee meeting; and the 2nd annual Seal Beach Public Safety Awards luncheon.

**Mayor Shanahan** attended the State of the City address and thanked Staff for all the work involved. He closed by reporting that he attended an Orange County Library Advisory Board meeting.

#### CITY MANAGER REMARKS

**City Manager Volmert** attended the State of the City Address and announced that the presentation is on the City's website and reported on the upcoming Korean delegation visit consisting of Human Resources professionals on April 22, 2014, and that both she and Administrative Service Director will be hosting them.

#### CITY ATTORNEY REMARKS

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

#### CLOSED SESSION

##### CS-1. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS

Pursuant to Government Code Section 54956.8

Property:	5410-14 La Palma Avenue, La Palma, California, APN #262-102-14
City Negotiators:	Michelle Molko, Assistant City Attorney Ellen Volmert, City Manager Douglas Dumhart, Community Development Director
Negotiating Parties:	Victor Perrin and Scott Oh
Under Negotiations:	Price and Terms for Commercial Lease

CS-2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 5410-14 La Palma Avenue, La Palma, California,  
APN # 262-102-14

City Negotiators: Michelle Molko, Assistant City Attorney  
Ellen Volmert, City Manager  
Douglas Dumhart, Community Development Director

Negotiating Parties: Jun Choi and Eric Lee

Under Negotiations: Price and Terms for Commercial Lease

CS-3. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One (1) potential case.

CS-4. 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  
Director  
Michelle Molko, Assistant City Attorney

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

Unrepresented Employees: Executive Management

CS-5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

City Negotiators: Michelle Molko, Assistant City Attorney  
Ellen Volmert, City Manager  
Douglas Dumhart, Community Development Director

Negotiating Parties: Samsung  
Under Negotiations: Price and Terms

Mayor Shanahan recessed to Closed Session at 10:27 p.m.

Mayor Shanahan reconvened in Open Session at 11:41 p.m. and asked for a report.

Administrative Services Director Murray stated that there were no reportable actions related to Closed Session Items CS-1, CS-2, CS-3, CS-4, and CS-5.

### ADJOURNMENT

Mayor Shanahan adjourned the Regular Meeting of the La Palma City Council at 11:42 p.m.

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Steve Shanahan  
Mayor

Attest:

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Laurie A. Murray, CMC  
City Clerk