

MINUTES OF THE REGULAR MEETING  
OF THE LA PALMA CITY COUNCIL

April 21, 2015

CALL TO ORDER: Mayor Kim called the Regular Meeting of the La Palma City Council to order at 6:35 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

CLOSED SESSION

CS-1. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS

Pursuant to Government Code Section 54956.8

Property: Approximately 400sf of the Street Median on Walker Street, La Palma, California, north of the 91 Freeway.

City Negotiators: Ellen Volmert, City Manager  
Douglas Dumhart, Community Development Director

Negotiating Parties: Foster Interstate Media, LLC

Under Negotiations: Price and Terms

Mayor Kim recessed to Closed Session at 6:36 p.m.

Mayor Kim reconvened the City Council in Open Session at 7:09 p.m. and asked for a report.

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

PLEDGE OF ALLEGIANCE: Council Member Steggell

INVOCATION: Father Daniel Reader, St. Irenaeus Catholic Church

ROLL CALL:

Council and Commission Members

Council/Commission  
Members present:

Mayor Pro Tem/Vice Chairperson Goedhart,  
Council/Commission Member Hwangbo,  
Mayor/Chairperson Kim, Council/Commission  
Member Shanahan, and Council/Commission  
Member Steggell

Council/Commission  
Members absent:

None

City Officials present:

Ellen Volmert, City Manager  
Michelle Molko, Assistant City Attorney  
Michael Belknap, Community Services  
Director  
Douglas Dumhart, Community Development  
Director  
Jim Engen, Police Captain  
Laurie Murray, Administrative Services  
Director/City Clerk  
Cindy Robinson, Community Services  
Supervisor  
Kimberly Kenney, Minutes Clerk

PRESENTATIONS

None Scheduled.

ORAL COMMUNICATIONS

Jerry Lomeli, a La Palma resident, addressed the City Council regarding his concern for the manner in which the Brown Act is being interpreted for committees; the lack of and incorrect information being given to the public regarding the proposed Ozawa Subdivision project; the lack of transparency regarding the meetings for this project; a request that all City information be posted on the web; his interpretation of violations of the Brown Act regarding committee involvement; his interpretation of the Bagley-Keene Act violations; and support for open communication and open government.

City Manager Volmert responded on the challenge of inserting information in the Mosaic because of the delay involved by the time it reaches the public; that information could change between the time the newsletter is published and when it is received; that the City strives to be a transparent government; and that the City Attorney can respond to possible violations to the City's conflict of interest code.

Assistant City Attorney Molko responded that the Bagley-Keen act only applies to State Committees and not local government; and that as far as the Brown Act is concerned that the current methods the City is using are in compliance..

Administrative Services Director Murray responded that the City has a Conflict of Interest Code and because the Development Committee has authority to make decisions regarding property rights and development agreements and the Community Activities and Beautification Committee has the authority to approve contracts; therefore those committee members are required to file Fair Political Practices Commission (FPPC) 700 forms.

Discussion ensued regarding recusals during the Development Committee review of the proposed Ozawa Development; that a City Council meeting is not an appropriate venue to have this discussion; that two Development Committee Members lived within 500 feet of the project area and were advised of a potential conflict of interest, so they recused themselves; that the FPPC regulates conflicts of interest; that if a citizen wishes to challenge that, they need to take their concern to the State; that direct mail notification was sent out to every property owner within 500 foot radius prior to the meeting; that Staff is going beyond the legal requirements for public notification; that agenda postings have been in compliance being posted 72 hours prior to a meeting; and opposition that the public does not have enough time to research a project with only a 72 hour notification.

Ismile Noorbaksh, a La Palma resident, addressed the City Council regarding the replacement of a tree behind his property that was removed because of the damage from an automobile accident; his opposition to not planting a replacement tree because of the current drought; and that there is no language in the current State water reduction mandate that says a city cannot plant trees.

Community Services Director Belknap responded that the City needs to take current drought measures into consideration; the City's current methods for watering without using irrigation sprinklers; that Staff is looking at taking on a new approach to accommodate watering during a state mandated water reduction; and until that plan is finalized, the City is abstaining from planting any trees.

Mr. Noorbaksh continued his comments by urging that tree be replaced even if he has to plant it himself as trees add to property value; that volunteers can water the trees; applauded the recent street rehabilitation, but noted that the fire hydrant curbs need to be repainted; and that a vehicle can be in violation of parking requirements if the red curb is not painted properly.

Community Services Director Belknap and Police Captain Engen responded that they will research the matter and investigate enforcement issues, and return with more information.

Larry Herman, a La Palma resident, addressed the City Council regarding City beautification being important including planting trees; support for repainting the red curbs; and that keeping up City improvements increases property values.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:36 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 7, 2015, Regular Meeting of the Successor Agency.

Mayor Pro Tem Goedhart made a motion to approve Consent Calendar Item A.

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

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

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 7:37 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the April 7, 2015, Regular Meeting of the Planning Commission.

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

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

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

NOES: None

PUBLIC HEARINGS

PL-2. Consideration of a Resolution Approving Conditional Use Permit (CUP) 368 to allow an electronic monument sign for Los Coyotes Elementary School located at 8122 Moody Street, La Palma, CA 90623 (APN 262-081-07)

- a) Chairperson Kim opened the Public Hearing at 7:38 p.m.
- b) Community Development Director Dumhart gave the Staff Report
- c) Public Input:

Jim Johnson, a La Palma resident, addressed the City Council regarding his concern for the brightness of the foot candles and asked for clarification of the illumination levels.

Community Development Director Dumhart responded that a foot candle describes the level of brightness from one foot away from the actual light, and that these are going to be .3 foot candles equating to a third of that brightness.

d) Chairperson Kim closed the Public Hearing at 7:48 p.m.

e) Commission Comments and Questions:

Discussion ensued regarding the proposed installation location; clarification of the sign height, ground clearance, and display area; concern that the sign's height could block a driver's line of sight going out of the parking lot; that drivers will only be looking south because they cannot cross to opposite side of Moody due to median; support for helping the school to better its communication; support for the PTSA who raised the money; and that the City is not putting forward any funds for this project, but the District has requested a Conditional Use Permit (CUP)fee waiver.

f) Adopt Resolution No. PC 2015-08 Approving Conditional Use Permit 368 for the proposed electronic monument sign at Los Coyotes Elementary School located at 8122 Moody Street.

Commission Member Hwangbo made a motion to adopt Resolution No. PC 2015-08 Approving Conditional Use Permit 368 for the proposed electronic monument sign at Los Coyotes Elementary School located at 8122 Moody Street.

The motion was seconded by Vice Chairperson Goedhart and carried on the following vote:

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

NOES: None

## REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:53 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 7, 2015, Regular Meeting of the City Council.

3. Approval of Register of Demands

Resolution No. 2015-16 approving the Register of Demands for April 21, 2015.

4. Amendment of 2009 Orange County Waste Disposal Agreement

Resolution No. 2015-17 amending the 2009 Waste Disposal Agreement (WDA) between the County of Orange and City of La Palma to allow for the continued importation of waste at the County's three landfills and to extend the terms of the WDA through June 30, 2025.

Mayor Pro Tem Goedhart made a motion to approve Consent Calendar Items 1 through 4.

Council Member Hwangbo asked for clarification as to whether he can second the motion and vote on the minutes due to his absence.

Assistant City Attorney Molko concurred that he could second the motion and vote regardless of his absence.

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

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

NOES: None

Mayor Pro Tem Goedhart requested to have Item 7 moved up on the agenda as it is directly related to the Planning Commission item that was just voted on.

REGULAR ITEMS

7. Consideration of a Request for a Fee Waiver by Centralia School District for Conditional Use Permit 368 application

Community Development Director Dumhart gave the Staff Report.

Public Comment:

Mark Schiel, Assistant Superintendent of Business and Administrative Services at Centralia School District, addressed the City Council regarding his purpose for asking for a waiver; that he would not have a problem paying for the actual cost incurred, but asked to be refunded back any amount that was not used from the direct cost. He closed by noting that this is not a project being funded by the District, but that the PTSA raised money to fully fund it.

Larry Herman, a La Palma resident, addressed the City Council regarding his support for the fee waiver.

Council Comment and Questions:

Discussion ensued regarding the actual direct cost being approximately \$500; support for the excess to be refunded; and that the motion could be made to refund anything in excess of the direct cost.

Mayor Pro Tem Goedhart made a motion to approve the request for a Fee Waiver for Conditional Use Permit 368 application in the amount of any funds remaining from the deposit in excess of the direct cost. The motion was seconded by Council Member Shanahan.

Discussion further ensued regarding the CUP fee being a \$1000 minimum deposit; that if the deposit does not cover all the expenses, the applicant would be responsible for the balance of direct costs thereafter; that although the City Council is supportive of its local schools, the City has a 10% structural deficit in its operating fund; that the City gave \$35,000 for a shade structure a few years ago; and support for being sensitive to both the School District's and the City's financial situation.

Council Member Hwangbo made a substitute motion to process the permit, not to exceed \$1000. The motion failed for lack of a second.

The original motion by Mayor Pro Tem Goedhart carried on the following vote:

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

NOES: Council Member Hwangbo



## PUBLIC HEARINGS

5. Proposed Ordinance Amending City of La Palma Municipal Code Chapter 44 (Zoning Code) for Purposes of a Comprehensive Update of Chapter 44 (Zoning Code).

- a) Mayor Kim opened the Public Hearing at 8:04 p.m.
- b) Community Development Director Dumhart gave the Staff Report.

c) Public Input:

No members of the public wished to speak.

- d) Mayor Kim closed the Public Hearing at 8:07 p.m.

e) Council Comments and Questions:

Discussion ensued regarding appreciation for Staff's time and work involved on the Zoning Code update.

- f) Introduce for first reading an Ordinance Amending City of La Palma Municipal Code Chapter 44 (Zoning Code) for purposes of a Comprehensive Update of Chapter 44 (Zoning Code).

Mayor Pro Tem Goedhart made a motion to introduce for first reading an Ordinance Amending City of La Palma Municipal Code Chapter 44 (Zoning Code) for purposes of a Comprehensive Update of Chapter 44 (Zoning Code).

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

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

NOES: Council Member Hwangbo

## REGULAR ITEMS

6. Placement of Hank Frese' Name in the Community Commemorative Area

Administrative Services Director Murray gave the Staff Report.

Mayor Kim stated that this recognition is befitting of a former Mayor and requested City Council's support in honoring his memory.

Approve the placement of Hank Frese' name on a paver in the Community Commemorative Area.

Council Member Shanahan made a motion to approve the placement of Hank Frese' Name in the Community Commemorative Area.

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

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

NOES: None

8. Progress Report on La Palma Billboard Project

Community Development Director Dumhart gave the Staff Report.

By consensus, the City Council received and filed the Progress Report on the La Palma Billboard Project.

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

Community Services Director Belknap gave the Staff Report.

Council Comments and Questions:

Administrative Services Director Murray also noted that because this impacts the Reserve Policy, Staff will be bringing the matter back to the City Council in order to allow for sufficient funding for the projects.

Review the ten year Capital Improvement Plan (CIP) projected project and funding plan and provide feedback on the projected use of various funding sources to meet the City's long-term infrastructure needs.

Council Comments and Questions:

Discussion ensued regarding the details of the budgeting process for funding the CIP's ten year plan including transfers; that some CIP projects have been pulled from immediate needs and moved forward to possibly pursue grant funding or financing; that the CIP adjusts when projects occur; how the City plans to fully fund the Capital Outlay Reserve (COR); that the short term plan assumes to

use the 6.4% of COR transfer to cover the balance needed; that the decreased gasoline prices impact funding and gas tax is estimated to rise by the fifth year; that the City eliminated or delayed some projects that were approved last year; that the plan is for the City to invest in its projects, but stretch the life cycle of these projects; that the Pavement Rehabilitation project was reevaluated and a different methodology was used to ensure the longevity of the street upgrades; that the City should not use COR monies for operations; details of the proposed Council Chambers rehabilitation; that the Council Chamber upgrades are not needed at this time; that the water rate study should be brought back with formal discussions by September; that the City has been drawing from the water/sewer fund in order to pay for water operation projects and repairs, leaving a deficit; that some City Yard water projects are at premium rates because of the specialized work needing to be done and the few companies that can provide that work are in high demand due to current State water mandates; that Mayor Pro Tem Goedhart expressed reservation for the \$60 thousand Council Chamber rehabilitation and requested to analyze the rate of return for the solar project; that more direction will be given during the budget work session; that Staff needs data prior to suggesting a pavement plan approach; that Staff needs to reevaluate other techniques to prolong /improve the pavement process; and that this proposal includes a nine year pavement cycle.

By consensus, the City Council received and filed the report.

Mayor Kim requested to take a short recess at 8:48 p.m.

Mayor Kim reconvened the City Council at 8:54 p.m. with all members present.

10. Study Session: Long Term Financial Plan Update/Fiscal Status/Budget Discussion

City Manager Volmert prefaced the presentation by announcing the difficulty of the budgetary decisions being proposed; that Staff is committed to providing excellent community infrastructure and core services; and that short term options to address the financial outlook are limited. She closed by thanking Staff for all their work on this project.

Administrative Services Director Murray gave the Staff presentation.

Mayor Pro Tem Goedhart asked for clarification on the total amount of the loans to be paid back by the former Redevelopment Agency and when the City anticipates getting this.

Discussion ensued regarding the outstanding loan amount to be repaid back to the City is \$5 million; that current legislation allows payback time to be within the sunset date of the entire Redevelopment Agency; that there is current legislation to eliminate the sunset date; that the loan repayment may happen over a 30-year period; whether the City can expect any payment in ten years; that in the next fiscal year, the City should receive approximately \$27,000 and then nothing until the Residual Property Tax Trust Fund (RPTTF) increases; that repayment monies should not be looked at for budget or financial forecasting; and that Staff has worked diligently with the auditors to keep the cash balance as close to target numbers to reflect true values.

Administrative Services Director Murray continued with the Staff Presentation.

Discussion ensued as to why the Transient Occupancy Tax (TOT) increased; that Staff has not investigated the increase; that the tax increment increase can be assumed to be a result of the recession recovery; and that Staff will research the increase and return with a result.

Administrative Services Director Murray continued with the Staff presentation.

Discussion ensued regarding the City paying off the California Public Employees Retirement System (CalPERS) unfunded liability in 30 years; that staff turnover and retirements is assumed in the CalPERS estimated growth rate; and that Staff will look into the unfunded liability figures and report back to the City Council.

Administrative Services Director Murray continued with Staff presentation.

City Manager Volmert noted that all tiered proposals result in an impact to current service levels, and the last two tiers of budget cuts would require meet and confer with the bargaining groups.

Administrative Services Director Murray continued with the Staff presentation.

Public Comment:

Larry Herman, a La Palma resident, addressed the City Council regarding the challenges facing the City; consideration of removing the Concerts in the Park all together as a cost saving measure; opposition to suspending the July 4th Run for Fun and La Palma Days events unless it is a last resort; recommendation to bump up the registration fees for City events; that the La Palma Days Parade is the official Veteran's Day parade in Orange County; inquired on the status of contracting out Dispatching and questioned revenues from the Motor Officer; and encouragement for the City Council to do the best they can with the current financial situation facing the City.

Louis Toth, a La Palma resident, addressed the City Council regarding clarification of the actual increase for parking fines and opposition to that increased fine.

Council comments and questions:

Discussion ensued regarding the significant problem the City is facing and recognition of the deficit; that even with the 6.4% General Fund Transfer to COR being reduced over the next three years, the City still has a revenue problem; that CalPERS could change their pension payment formula and policy at any time; opposition to suggested cuts without a revenue generating plan; that the City's unfunded liability is not an easy discussion; support for merging services with other cities in an effort to save money; that employees must make sacrifices; that small reductions do not impact the larger problem; opposition to decreases in services unless employee concessions have been made; support for increasing registration costs; opposition to eliminating the Fit "N" Fun program, the July 4th Run for Fun, and La Palma days; support to drop Concerts in the Park from 6 to 5; the general fund revenue balance from the previous year that will help with the FY 2015-16 budget; the possibility of using the Economic Uncertainty Fund to help balance the budget and increase the amount transferred to COR with the provision that the Fund be paid back over time; that the proposed reductions are not enough to fix the City's financial problem; support for Staff's recommendations; support for keeping the residents safe over entertainment; that fully funding a school program should not be a function of the City; that although the City Council and Staff enjoy programs on the reduction list, the City can no longer afford them; that increasing event registration fees could lead to a decrease in participation; that the City Council's responsibility is to make the cuts before the public ever sees a tax increase; a consensus that some of the proposed cuts are necessary to progress; that there was previous discussion for funding the July 4th Run and La Palma Days events with no tangible results; that the City has raised its registration fees to market value; that if the City is eliminating public safety staff, there is no reason to fund a parade; that the County would not fully fund La Palma days; that the public needs to see service cuts in order to even consider a ballot tax measure; and consensus to move forward with formal action on the proposed cuts.

**The following votes in this item are for the purpose of providing direction to staff for the development of the FY 2015-16 Budget. They are advisory only and no final determination regarding any of the items is being made at this point in time.**

Mayor Pro Tem Goedhart made a motion to direct staff to eliminate the Fit "N" Fun program from the proposed Budget in preparation for the final FY 2015-16 Budget.

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

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

NOES: Council Member Shanahan

Discussion ensued regarding having the Police Department research other options for funding the PIY project as it is a low impact to the budget; support for giving consensus to direct Staff on each item instead of taking formal action; that formal action will be taken for the final adoption of the budget; and clarification on what takes formal action for this project.

Assistant City Attorney Molko clarified that providing information and guidance to Staff is not formal action, but giving direction to Staff enabling them to return with a formulated final budget for presentation and adoption. She closed by clarifying that the previous motion regarding the elimination of Fit "N" Fun is only to provide direction to Staff and not formal action.

Discussion ensued regarding Staff's methodology for the proposed cuts; that Staff looked at participation levels and committee input; and that the proposed cuts were prioritized by Department Directors.

By consensus, the City Council agreed to direct Staff to eliminate the PIY program; that a straw vote should be taken so the direction could be recorded; support to go on the record with specific direction to Staff by an official straw vote; and clarification that these would not be formal motions to take action, but a formal vote to give direction to Staff.

Mayor Pro Tem Goedhart made a motion to eliminate the PIY program from the proposed Budget in preparation for the final FY 2015-16 Budget.

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

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

NOES: Council Member Hwangbo

Council Member Shanahan made a motion to eliminate the fourth publication of the Mosaic in the proposed Budget in preparation for the final FY 2015-16 Budget.

Discussion ensued regarding the reduction resulting in a potential loss of revenues because of the decrease in City news and class notification and that Staff will look at other resources for marketing programs.

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

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

NOES: None

By consensus, the City Council members agreed to just take a vote after each item is read, instead of making a formal motion.

Jim Johnson, a La Palma resident, addressed the City Council regarding support for eliminating the Concerts in the Park in order to keep another program that caters to La Palma residents since most adjacent cities have concerts in their parks.

Discussion ensued regarding the Concerts in the Park series not being an expensive event, but a high level of community participation; that eliminating all the concerts would be very serious after potentially eliminating the July 4th Run and La Palma Days; that the Concerts in the Park has the highest involvement by the residents over any program and was the highest priority by the Community Activities and Beautification (CAB); that Staff will look at any and all options to keep as many services as possible; and that one of the Concerts includes the Civic Expo.

By consensus, the City Council agreed to reduce the Concerts in the Park from 6 to 5 from the proposed Budget in preparation for the final FY 2015-16 Budget.

Discussion ensued regarding directing Staff to consider an increase to parking fines; that any formal action for an increase would need to come back to the City Council; and clarification that the parking fines are not a fee.

By consensus, the City Council agreed to direct Staff to conduct research on increasing the City's parking fines, and bring back a report on the study, with Council Member Hwangbo voting in opposition.

Discussion ensued regarding the elimination of the vacant Maintenance Worker; that the position has been vacant for four months; and that interviews were held, but during the mid-year budget discussions, Staff decided to not fill the position as a cost saving measure.

Larry Herman, a La Palma resident, addressed the City Council regarding the impact of not filling the vacant Maintenance Worker position.

Community Services Director Belknap responded that the vacant position does not pose any immediate problems, but will cause a delay in City maintenance response time.

By consensus, the City Council agreed to eliminate the vacant Maintenance Worker position from the proposed Budget in preparation for the final FY 2015-16 Budget, with Council Member Hwangbo voting in opposition.

By consensus and unanimous decision, the City Council agreed to suspend the Motor Officer program and eliminate the position from the proposed Budget in preparation for the final FY 2015-16 Budget.

Discussion ensued regarding the July 4th Run for Fun suspension; that the City is committed for Fiscal Year 2015-16; support to have Staff conduct further research and look at other options to fund the program and look at other alternatives to reduce the cost that will be reviewed at Mid-Year; and that the bulk of this event's costs are from street closures.

By consensus, the City Council agreed to have Staff provide a report prior to 2016 on the July 4th Run for Fun event as to whether to formally suspend the program.

Discussion ensued regarding the Comprehensive Fee Study; that the City previously agreed to a fully burdened fee rate as decided in 2013; that not all fees were subject to the fully burdened rate; that Staff does not recommend moving forward with the fee study unless the City Council takes formal action on the results of the Study by increasing fees; that the 2013 fees were a result from the fee study prepared six years ago; that Recreation Fees use the direct cost recovery rate methodology, not the fully burdened rate; and an overall consensus to not move forward with a Comprehensive Fee Study.

Discussion ensued regarding the Elimination of the Volunteer Recognition Event; opposition to the elimination; that most of the City's volunteers receive recognition without having the actual event; that the City has already cut as much as possible out of the event and has changed it from a formal dinner to a dessert; that participation in the event has declined over the years; and that the Police Department recognizes its Volunteers at this event.

By majority vote, the City Council opposed the elimination of the Volunteer Recognition Event from the proposed Budget in preparation for the final FY 2015-16 Budget, with Council Members Hwangbo and Shanahan voting in favor of the elimination.

By consensus and unanimous decision, the City Council agreed to direct Staff to provide information on a Cost of Living Adjustment (COLA) for the Building and Safety fees.



Discussion ensued regarding support for the suspension of La Palma Days; opposition to having a two-day Carnival in its place; that Mayor Kim opposes the suspension of La Palma Days without having more information.

By consensus, the City Council agreed to oppose the elimination/suspension of La Palma Days from the proposed Budget in preparation of the FY 2015-16 Budget, with Mayor Pro Tem Goedhart voting in favor of the elimination.

Discussion ensued regarding consideration of contracting out Law Enforcement services; that discussion needs to be had with other agencies; that Staff recommends giving the community an opportunity to respond with higher taxes prior to contracting; that the item is to discuss the interest level in getting information and doing research; that Council Member Shanahan does not support the item; that Council Member Hwangbo supports some kind of cooperative agreement with other law enforcement agencies; that approving this would authorize Staff to move forward with starting a study; that Mayor Pro Tem Goedhart does not support the item; that the public should be aware of the financial problems the City is experiencing; that the City may have to look at a tax increase; interest in reviewing options to support a Police Department; and an overall consensus to oppose contracting out Law Enforcement services.

Further discussion ensued regarding the difficult decisions facing the City Council and their opposition to having cut services.

Mayor Pro Tem Goedhart made a motion to direct staff to return on May 5, 2015, with an updated Budget report including the direction given at tonight's meeting, and introduce an additional \$250,000 in reductions. The motion was seconded by Council Member Steggell.

Discussion ensued regarding Staff updating all of the projections for the upcoming Draft Budget; that Staff has not addressed the use of the COR transfer or Emergency Volatility Fund as temporary measures; that the original plan for tonight is to take direction from tonight's cuts and incorporate into the draft Budget discussion to be studied at the May 11th workshop while updating the Long Term Financial Plan update at the same time; and that the City Council will also have time to review the updated version of the proposed Budget at the May 5 Regular Meeting prior to the workshop.

The motion carried on the following vote:

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

NOES: None

11. Central Park Playground Replacement [Item Continued from April 7, 2015, Meeting]

Community Services Director Belknap introduced the Item and Community Services Supervisor Robinson gave the Staff Report.

Discussion ensued regarding Staff's recommendation based on safety concerns; and that it will take \$65,000 to \$70,000 just to make basic repairs.

- 1) Purchase of playground equipment with Coast Recreation in the amount of \$179,345.88;
- 2) Agreement with Tot Lot Pros to install the playground equipment in the amount of \$56,100.00;
- 3) Agreement with Robertson Surfacing to install unitary rubberized surfacing in the amount of \$64,144.00; and
- 4) Provide direction on the installation of playground swings in a new location.

Council Member Hwangbo made a motion to approve the purchase of playground equipment with Coast Recreation in the amount of \$179,345.88; approve the agreement with Tot Lot Pros to install the playground equipment in the amount of \$56,100.00; and approve the agreement with Robertson Surfacing to install unitary rubberized surfacing in the amount of \$64,144.00. The motion was seconded by Council Member Shanahan.

Discussion ensued regarding the cost changes in each different Staff Report; that the safety audit was over two years ago which impacts pricing; that the costs have increased since the time of that audit; that Staff was not prepared to repair the equipment, but was prepared to completely replace the playground equipment; that the City Council has difficulty approving the expense after making numerous cuts in service; suggestions to improve the park for senior residents; that if this project is not approved, the City would have to spend money to make repairs, conduct another safety audit, and spend more money; that removing the equipment would cost over \$40,000, but that does not include filling in that area afterward; that new equipment would have a life of approximately 20 years and that the current equipment is already 21 years old; that the current equipment is not up to current standards; the benefits of replacing the old equipment; and the difficulty in making the decision to not move forward.

The motion failed on the following vote:

AYES: Council Member Hwangbo and Council Member Shanahan.

NOES: Mayor Pro Tem Goedhart, Mayor Kim, and Council Member Steggell.

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

**Council Member Shanahan** had nothing to report and reported on his water leak recovery as a result of the City's new water meter system.

**Council Member Steggell** attended the State Assembly Education Committee meeting regarding Assembly Bill 523 and the Arbor Day event.

**Council Member Hwangbo** attended the Orange County Vector Control District; the League of California Cities - Orange County (LOCC-OC) general meeting; the La Palma Toast Master's 5th Anniversary event. He closed by asking for an update on the State's water situation.

Community Services Belknap responded that direction from the State is filtering in; that there is a recent Appeals Court ruling on tiered water rates; that he will be reporting back to the City Council at the May 5 regular meeting; that Staff has significant concerns regarding the water reduction requirements; that fines are now being issued; and that water conservation is the major concern; and that a desalinization plant is not likely.

**Mayor Pro Tem Goedhart** announced his appreciation for the community's understanding during the City Council's decisions on budget and service cuts; attended the State Assembly Education Committee meeting regarding Assembly Bill 523; and the Arbor Day event.

**Mayor Kim** attended the State Assembly Education Committee meeting regarding Assembly Bill 523; met with Congress Woman Sanchez; and the Arbor Day event.

CITY MANAGER REMARKS

**City Manager Volmert** announced a scheduling conflict with the upcoming Closed Session Labor meeting on April 27 because of the Traffic Safety Committee meeting on the same night; that she needs direction on what to do with that meeting; that delaying that meeting would complicate timing because of the Labor Attorney's availability.

Mayor Pro Tem Goedhart reported that it was his desire to reschedule the meeting because he wanted to attend the Traffic Safety Committee meeting regarding the

proposed Ozawa Subdivision, but would be happy to keep the date and move the meeting time up to 7:00 p.m. to resolve any scheduling conflicts.

Larry Herman, a La Palma resident, reported on the paper shredding event at La Palma Intercommunity Hospital put on by Council Member Steggell and that it was appreciated by the residents of La Palma.

CITY ATTORNEY REMARKS

Assistant City Attorney Molko had nothing to report.

ADJOURNMENT

Mayor Kim adjourned the Regular Meeting of the La Palma City Council at 11:19 p.m.

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Peter L. Kim  
Mayor

Attest:

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Laurie A. Murray, CMC  
City Clerk