

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

May 3, 2016

CALL TO ORDER: Mayor Goedhart 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 Hwangbo

INVOCATION: Pastor Steve Bland, La Palma Christian Center

ROLL CALL: Council and Commission Members

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

Council/Commission Members absent: None

City Officials present: Laurie A. Murray, City Manager
Michelle Molko, Assistant City Attorney
Michael Belknap, Community Services Director
Douglas Dumhart, Community Development Director
Mike McCrary, Interim Police Chief
Sea Shelton, Administrative Services Director
Kimberly Kenney, Deputy City Clerk

PRESENTATIONS

1. La Palma Community Activities and Beautification Committee member Kathy Peters, representing the Home Spotlight Committee, recognized the home of Glenn and Wilma Sauls, 5181 Ivywood Drive, La Palma.

Mayor Goedhart recognized and welcomed students from John F. Kennedy High School taking the Government Class.

ORAL COMMUNICATIONS

No members of the public wished to speak.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS
SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT
COMMISSION AT 7:08 P.M.

Deputy City Clerk Kenney stated, "The City Council will now recess and convene as the Successor Agency to the Dissolved Community Development Commission of the City La Palma, and then recess and convene as the Planning Commission. Members of the La Palma City Council receive no compensation or stipend as a result of convening or participating in either the Successor Agency or Planning Commission meetings, or otherwise as serving as members of the Successor Agency or Planning Commission."

CONSENT CALENDAR

A. Approval of Successor Agency Minutes

Minutes of the April 19, 2016, Regular Meeting of the Successor Agency.

B. Approval of Register of Demands

Resolution No. SA RES 2016-04 approving the Successor Agency Registers of Demands for May 3, 2016.

C. Successor Agency 3rd Quarter Cash and Investment Report, Fiscal Year 2015-16, as of March 31, 2016

Receive and file the Cash and Investment Report for the third quarter of Fiscal Year 2015-16

Council Member Kim made a motion to approve Consent Calendar A, B, and C.

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

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

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

RECESS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION, AND CONVENE AS THE PLANNING COMMISSION AT 7:09 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the April 19, 2016, Regular Meeting of the Planning Commission.

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

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

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

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:10 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 19, 2016, Regular Meeting of the City Council.
3. Approval of Register of Demands

Resolution No. 2016-26 approving the Register of Demands for May 3, 2016.
4. City of La Palma 3rd Quarter Cash and Investment Report, Fiscal Year 2015-16, as of March 31, 2016

Receive and file the Cash and Investment Report for the third quarter of Fiscal Year 2015-16.
5. Water Conservation Monthly Report for March 2016

Receive and file the Water Conservation Monthly Report for March 2016.
6. Agreement with the City of Brea for Information Technology Services

Approve and authorize the Mayor to execute an Agreement with the City of Brea for Information Technology Services.
7. Resolution Delegating Authorization to City Personnel to Execute Agreements with the California Department of Transportation

Resolution No. 2016-27 delegating authorization to City personnel to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and/or Fund Transfer Agreements with the California Department of Transportation.
8. Approval of License Agreement with Southern California Edison Company of Right- of-Way Use for Park and Public Recreation Purposes

Approve and authorize the Mayor to execute the License Agreement with Southern California Edison Company (SCE) of Right-of-Way (ROW) use for Park and Public Recreation Purposes in the amount of \$100,908.36 for five years, paid in annual installments.

Council Member Shanahan made a motion to approve Consent Calendar Items 1 through 8.

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

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

NOES: None

REGULAR ITEMS

9. Award of Contract to RJ Noble Company for the Fresca Drive and Marlin Circle Rehabilitation Project, City Project No. ST-344

Community Services Director Belknap gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding notification being sent to all residents and commercial businesses in the area of the upcoming street construction; that project notification may be combined with the Valley View Street rehabilitation project; that the City Engineer's estimate was 27% above RJ Noble's bid; with that type of difference, how did the City Engineer develop the estimate; and a request to have the City Engineer contact Council Member Hwangbo to discuss the matter.

Award a contact in the amount of \$286,082 to RJ Noble for the Fresca Drive and Marlin Circle Rehabilitation Project, City Project No. ST-344.

Council Member Kim made a motion to approve the award of Contract to RJ Noble Company for the Fresca Drive and Marlin Circle Rehabilitation Project, City Project No. ST-344.

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

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

NOES: None

10. Walker/Marquart Street Bridge Repair Appropriation

City Manager Murray noted a correction on the Agenda face sheet to reflect that this project is a request to amend the Fiscal Year 2015-16 budget as the Staff Report reflected.

Community Services Director Belknap gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding the plan to recover repair costs; that both the owner and driver of the vehicle are liable; that the vehicle owner has been identified; that Chief McCrary will give an update on the incident in the Weekly Report; that because the driver fled the scene, Search and Rescue was called in because of the debris that went into the creek channel in an effort to locate the driver had the driver been in the channel; that the vehicle owner's insurance policy is primary and the driver is secondary; and the cost involved if the City needs to take legal action with the vehicle owner.

Assistant City Attorney Molko responded that there are many contingencies involved; that she is not familiar with the specifics of the case or circumstances; and that a future discussion would need to be had in order to evaluate the case and give a cost estimate.

City Manager Murray added that the City has the option of going through its third-party administrator who handles the City's claims to litigate the matter.

Further discussion ensued regarding the need to make the bridge repair to address public safety.

Resolution No. 2016-28 amending the Fiscal Year 2015-16 Budget to add the Walker/Marquart Street Bridge repair project to the Capital Improvement Plan (CIP) and appropriate \$45,000 from the Capital Outlay Reserve (COR) to fund the project.

Council Member Kim made a motion to approve Resolution No. 2016-28 amending the Fiscal Year 2015-16 Budget to add the Walker/Marquart Street Bridge repair project to the Capital Improvement Plan (CIP) and appropriate \$45,000 from the Capital Outlay Reserve (COR) to fund the project.

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

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

NOES: None

11. Second Reading and Adoption of an Ordinance Amending Provisions of the La Palma City Code Chapters 2 (Administration), 8 (Animal Control), and 44 (Zoning) to Eliminate the Planning Commission and Transfer its Existing Authority to the City Council as the City's New Planning Agency.

Community Development Director Dumhart gave the Staff report.

Order the second reading and adopt Ordinance No. 2016-06 amending provisions of the La Palma City Code Chapters 2, 8, and 44 to eliminate the Planning Commission and transfer its existing authority to the City Council as the City's new Planning Agency.

Council Member Hwangbo made a motion to order the Second Reading and Adopt Ordinance No. 2016-06 Amending Provisions of the La Palma City Code Chapters 2 (Administration), 8 (Animal Control), and 44 (Zoning) to Eliminate the Planning Commission and Transfer its Existing Authority to the City Council as the City's New Planning Agency.

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

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

NOES: None

RECONVENE THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE
DISSOLVED COMMUNITY DEVELOPMENT COMMISSION FOR A JOINT MEETING
WITH THE CITY COUNCIL AT 7:20 P.M.

PUBLIC HEARINGS

12. Presentation and Adoption Fiscal Year 2016-17 Budget

City Manager Murray thanked the City Council and Staff for all the work involved and time invested with getting the FY 2016-17 Budget approved this early in the year.

- a) Mayor Goedhart opened the Public Hearing at 7:24 p.m.

b) Administrative Services Director Shelton gave the Staff Report

c) City Council Comments and Questions:

None.

d) Public Comments:

No members of the public wished to speak.

e) Mayor Goedhart closed the Public Hearing at 7:25 p.m.

Discussion ensued regarding the City's financial difficulties over the past few years; that the City has decreased its expenses by cutting 1.7 million dollars out of the Budget over the past few years; that reserves will be exhausted in approximately 10 years if the City does not take action; that after the Budget adoption, the City Council will have discussions over the next two months to address the financial concerns; that a very big decision will need to be made; that the City does not have many options to increase revenue; that the residents of the City will need to make serious considerations and possibly vote on a tax measure; that long term solutions to make La Palma more sustainable should be reviewed and researched; that innovation is needed in order to survive; and that Staff is encouraged to bring ideas to the City Council.

f) Adopt Resolution approving and adopting a Budget for Fiscal Year 2016-17, which includes the City's Financial Policy Statements.

Council Member Shanahan made a motion to adopt Resolution No. 2016-29 approving and adopting a Budget for Fiscal Year 2016-17, which includes the City's Financial Policy Statements.

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

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

NOES: None

Mayor Goedhart thanked the Staff for their hard work over the past few months and announced that the City Council looks forward to Staff presenting options and various alternatives for financial sustainability.

Council Member Hwangbo inquired about Placentia's situation; how the City is doing things differently; has staff reviewed our processes; and asked what we are doing to prevent a situation like theirs.

City Manager Murray responded that what happened in Placentia cannot happen in La Palma because wire transfer authority is only allowed to be made between our own internal accounts; any transfer that is not into one of our own accounts has to be signed off by the City Manager before the transfer is made, with the bank calling the City Manager directly; that the City has controls in place; that we have an outside firm of Certified Professional Accountants that do all the bank and cash reconciliations, checks and balances, which are then reviewed a second time by the Department Director.

ADJOURN THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 7:33 P.M.

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

Council Member Shanahan attended the State of the City Town Hall Meeting and thanked the Mayor for bringing the idea forward and the efforts taken to get the community involved; the positive feedback received; and announced his current support and commitment to maintain our Police Department long after he has stepped down from his role on the City Council.

Mayor Pro Tem Steggell attended the Orange County Fair Kick-off event; the State of the City Town Hall Meeting; the Cal-State Fullerton Donate Life 5K walk; the TCP Plaza Ribbon Cutting and Grand Opening event.

Council Member Hwangbo had nothing to report.

Council Member Kim attended the Los Coyotes Elementary School Talent Show; the State of the City Town Hall Meeting; the Orange County Sanitation District (OCSD) Board Meeting; and the TCP Plaza Ribbon Cutting and Grand Opening event.

Mayor Goedhart attended the State of the City Town Hall Meeting; the Los Coyotes Elementary School Talent Show; and the TCP Plaza Ribbon Cutting and Grand Opening event.

CITY MANAGER REMARKS

City Manager Murray thanked the City Council for approving the FY 2016-17 Budget; reminded the City Council of the upcoming NY2OC Barber Shop One Year anniversary and Ribbon Cutting; the upcoming County-wide Emergency Exercise; and the Volunteer Recognition event on May 12, 2016.

CITY ATTORNEY REMARKS

Assistant City Attorney Molko had nothing to report.

CLOSED SESSION

CS-2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Government Code Section 54957

Position Title: City Manager

Mayor Goedhart recessed to Closed Session at 7:45 p.m.

Mayor Goedhart reconvened in Open Session at 7:49 p.m. with no reportable actions.

ADJOURNMENT

Mayor Goedhart adjourned the Regular Meeting of the La Palma City Council at 7:49 p.m.

Gerard Goedhart
Mayor

Attest:

Kimberly Kenney
Deputy City Clerk