

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

January 18, 2022

CALL TO ORDER: Mayor Steggell called the Regular Meeting of the La Palma City Council to order at 5:30 p.m. in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California, with all members present.

CLOSED SESSION

CS-1. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code section 54957.6.

Agency Designated Representatives: Conal McNamara, City Manager Ryan Hallett Hinton, Assistant to the City Manager

Employee Organizations: La Palma General Employees Association, La Palma Police Association, and the La Palma Professional Employees Association

Unrepresented Employees: Executive Management

CS-2. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Property: 5410-14 La Palma Avenue, La Palma, California

Agency negotiator: Conal McNamara, City Manager
Ajit Thind, City Attorney

Negotiating parties: Victor Chung, Elite Taekwondo Center, LLC

Under negotiations: Price and/or terms of the Amended Lease

CS-3. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION:

Consideration of whether to initiate litigation pursuant to Government Code Section 54956.9(d)(4): (1 case)

CS-4. **CONFERENCE WITH REAL PROPERTY NEGOTIATIONS PURSUANT TO GOVERNMENT CODE SECTION 54956.8**

Property: Approximately a 900 square feet portion of 8441 Moody Street, La Palma, California, 90623

Agency negotiator: Conal McNamara, City Manager
Ajit Thind, City Attorney

Negotiating parties: Smartlink on behalf of AT & T

Under negotiations: Price and/or terms for a Lease Agreement

Mayor Steggell recessed to Closed Session at 5:31 p.m.

Mayor Steggell reconvened in Open Session at 6:30 p.m. and asked for a report.

City Attorney Thind responded that there were no reportable actions out of Closed Session.

PLEDGE OF ALLEGIANCE: Council Member Goodman

INVOCATION: Mayor Steggell

ROLL CALL:

Council Members present: Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman

Council Members absent: Council Member Patel

City Officials present: Conal McNamara, City Manager
Ajit Thind, City Attorney
Mike Belknap, Community Services Director
Scott Hutter, Planning Manager
Terry Kim, Police Chief
Joe Cisneros, Management Analyst
Mike Matsumoto, Financial Consultant

PRESENTATIONS

1. Mayor Steggell presented a Proclamation in recognition of Korean American Day.
2. Superintendent Mike Matsuda from Anaheim Union High School District and Board Members gave a presentation on School District's Artificial Intelligence program.

ORAL COMMUNICATIONS

Keith Nelson, a La Palma resident, addressed the City Council regarding his opposition to the landscape maintenance of the City's medians and public property.

RECESS THE CITY COUNCIL AND CONVENE AS THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AT 6:59 P.M.

Mayor Steggell stated, "The City Council will now recess and convene as the Successor Agency to the Dissolved Community Development Commission of the City of La Palma. 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 otherwise as serving as members of the Successor Agency."

CONSENT CALENDAR

1. Approval of Successor Agency Minutes

Minutes of the December 7, 2021, Regular Meeting of the Successor Agency.

Council Member Goodman made a motion to approve Consent Calendar Item A.

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

AYES:	Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman
NOES:	None
ABSENT:	Council Member Patel

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN THE CITY OF LA PALMA AS SUCCESSOR AGENCY TO THE DISSOLVED COMMUNITY DEVELOPMENT COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:00 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 December 7, 2021, Regular Meeting of the City Council.
3. Approval of Register of Demands
Resolution No. 2022-01 approving the Registers of Demands for December 20, 2021, January 4, 2022, and January 18, 2022.
4. Update to Statement of Investment Policy and Fund Balance Reserve Policy
Resolution No. 2022-02 updating the Statement of Investment Policy and approve the updated Fund Balance Reserve Policy.
5. First Quarter Operating Report, Fiscal Year 2021-22
Receive and file the First Quarter Operating Report, Fiscal Year 2021-22.
6. 2022 Legislative Platform
Adopt the City of La Palma's 2022 State and Federal Legislative Platform.
7. Support of Federal PFAS Legislation that Protects Ratepayers and Water/Wastewater Agencies

Resolution No. 2022-03 supporting federal PFAS legislation that protects ratepayers and water/wastewater agencies.

8. Resolution Certifying the City's Commitment to Project Submitted for Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) Funding through the Orange County Transportation Authority 2021 Pavement Management Relief Funding Program

Resolution No. 2022-04 certifying the City's commitment to La Palma Avenue pavement preservation and improvements project submittal for Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) funding through the Orange County Transportation Authority 2021 Pavement Management Relief Funding Program¹⁰.

9. Support for Assembly Bill (AB) 1595 to allow the California Department of Veterans Affairs (CalVet) to design, develop, and construct a state-operated veteran's cemetery in Orange County

Transmit the City Council's letter of support of AB 1595 to Orange County Legislative Affairs, endorsing CalVet to design, develop, and construct a state-operated veterans cemetery in Orange County.

10. Resolution Accepting FY2020 UASI Grant

Resolution No. 2022-05 approving the acceptance of the Urban Areas Security Initiative (UASI) Grant and authorize the City Manager, or his designee, to complete and sign all necessary materials to facilitate the grant.

11. Consent to Assignment of Information Technology Services Agreement

Authorize the City Manager to Sign the consent to assignment of information technology services agreement letter dated December 3, 2021.

12. Notice of Completion and Acceptance of Work for the Civic Center Roof Project, City Project No. 21-BLDG-04

Accept the work and authorize the Community Services Director to file the Notice of Completion and Acceptance of Work with the Orange County Recorder for the Civic Center Roof Project, City Project No. 21-BLDG-04.

13. Purchase and Installation of City Yard Chlorine Generator Cell Replacement at the City Yard Well from De Nora Water Tech, LLC, and Jeff Jenkins Service Technician

Recommendation that the City Council approve:

- a) The purchase of a chlorine generator cell for replacement at the City Yard

Well from De Nora Water Tech, LLC in the amount of \$40,236.40; and

- b) Authorize installation utilizing the City's approved contractor Jeff Jenkins Service Technician in the amount of \$6,450.00.

Council Member Waldman made a motion to approve Consent Calendar Items 1 through 13.

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

AYES:	Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman
NOES:	None
ABSENT:	Council Member Patel

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

14. Appointments to External Committees and Internal Subcommittees

Recommendation that the City Council discuss the External Committee and Internal Committee appointments pursuant to revised Council Policy 1 – City Council Norms and appoint Representatives and Alternates, where appropriate, to the various External and Internal Committees.

City Manager McNamara introduced the item.

By consensus, the City Council agreed to the appointments to the External Committees and Internal Subcommittees as follows:

Council Member Goodman appointed as the City's Representative and Mayor Pro Tem Baker as the City's Alternate Representative to the California Joint Powers Insurance Authority.

Mayor Steggell appointed as the City's Representative with no Alternate to the Orange County Fire Authority (OCFA).

Council Member Goodman appointed as the City's Representative and Mayor Pro Tem Baker as the City's Alternate Representative to the Orange County Sanitation District (OCSD). The City Council later confirmed at the January 27, 2022, Special Meeting that Council Member Patel is to be the appointed Alternate Representative.

Mayor Pro Tem Baker appointed as the City's Representative with no Alternate to the Orange County Vector Control District (OCVCD).

Council Member Waldman appointed as the City's Representative and Mayor Pro Tem Baker as the City's Alternate Representative to the Municipal Water District of Orange County (MWDOC).

Mayor Pro Tem Baker appointed as the City's Representative with no Alternate to the Orange County Library Advisory Board (OCLAB).

Council Member Goodman appointed as the City's Representative with no Alternate to the Southern California Association of Governments (SCAG) General Assembly.

All Internal Subcommittees will have the Mayor and Mayor Pro Tem serving in their respective capacities on an as needed basis.

Public Comment:

No members of the public wished to speak.

Mayor Pro Tem Baker made a motion to the External Committee and Internal Subcommittees appointments as described in the consensus.

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

AYES:	Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman
NOES:	None
ABSENT:	Council Member Patel

15. Study Session: Water and Sewer Rate Study

Recommendation that the City Council provide direction on the draft Water and Sewer Rate Study; and schedule a public Hearing with formal notification to all property owners, as is required by Proposition 218, for April 5, 2022.

Community Services Director Belknap introduced the item and Chris Fisher, representing Wildan Financial Services, gave the detailed Staff Report.

Council Comments and Questions:

Discussion ensued regarding clarification that revenues generated from water utilities (water/sewer) can only be used for operating the water utility, and cannot be used for any other function; the difference between the amount of use by residents versus commercial businesses; that any water rate study can only be done once every five years at the earliest; that 2031 for the well replacement is based on engineering studies; and that Staff has discussed the well replacement previously, but anticipate replacement within this ten year period.

Public Comment:

Keith Nelson, a La Palma Resident, addressed the City Council regarding support for transparency in public notification of these upcoming changes.

Robert Carruth, a La Palma Resident, addressed the City Council regarding questions regarding the assumptions for the well replacement; whether inflation is factored into this report; the revenue source for debt repayment; and concerns about the City's indebtedness.

Further discussion ensued regarding appreciation for Wildan Financial's research and analysis; support for La Palma serving our residents with our own water versus outsourcing; that providing water service is serious; and support for Staff preparing the City Council for future water utility upgrades and plans.

Council Member Goodman made a motion to schedule a public Hearing with formal notification to all property owners, as is required by Proposition 218, for April 5, 2022, as recommended by Staff.

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

AYES: Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman

NOES: None

ABSENT: Council Member Patel

16. Budget Adjustments Fiscal Year 2021-22

Recommendation that the City Council approve a Resolution amending the Fiscal Year 2021-22 Budget.

City Manager McNamara introduced Financial Consultant Matsumoto who gave the Staff Report.

Council Comments and Questions:

None.

Public Comment:

No members of the public wished to speak.

Council Member Waldman made a motion to adopt Resolution 2022-06 amending the Fiscal Year 2021-22 Budget.

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

AYES: Mayor Pro Tem Baker, Council Member Goodman, Mayor Steggell, and Council Member Waldman

NOES: None

ABSENT: Council Member Patel

17. Study Session: Transient Occupancy Tax Rate

Recommendation that the City Council provide direction to staff regarding placing a TOT rate adjustment on the November 2022 ballot.

City Manager McNamara gave the Staff Report.

Council Comments and Questions:

Discussion ensued regarding support to move the TOT Rate to 12%; that the Consultant can survey the community to find a supportive percent increase; that Buena Park's TOT is at 12% and Anaheim's TOT is at 15%; support to keep all

options open; that a residential survey will be built into the Consultant cost including language for arguments for and against the ballot initiative; whether Council would agree to add some additional questions besides a TOT increase into the survey; support to increase the TOT Rate to 12%; that the TOT rate does not affect residents, but visitors; that the purpose of surveying the residents is because only the residents can vote on this measure; and that Staff will work out a schedule and plan of action after a Consultant is approved at the next City Council meeting.

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

Mayor Pro Tem Baker attended the Bridges at Kraemer Place Community Advisory Board Meeting; the Badge Pinning Ceremony for Sergeant Josh Garcia, Captain Jesse Amend, and Officer Zac Goble; the annual Employee Recognition Luncheon; Second District Supervisor Monthly Mayors' Meeting; the Water Rate Study w/Consultant, Wildan Financial Services; the Cal-Cities Policy Committee Members Orientation; and the outdoor dining space dedication of It's Boba Time.

Council Member Goodman attended the California Joint Power Insurance Authority (CJPIA) Executive Committee meeting; the annual Employee Recognition Luncheon; the Cal-Cities Orange County Division general meeting; the Orange County Sanitation District (OCSD) Board of Directors meeting; and the Cal-Cities Policy Committee Members Orientation.

Council Member Waldman attended the annual Employee Recognition Luncheon.

Mayor Steggell attended the Orange County Veteran's Cemetery ground-breaking ceremony; the Badge Pinning Ceremony for Sergeant Josh Garcia, Captain Jesse Amend, and Office Zac Goble; the annual Employee Recognition Luncheon; the Orange County Fire Authority (OCFA) Special Meeting; and the outdoor dining space dedication ceremony of It's Boba Time. She closed by wishing everyone a Happy New Year.

CITY MANAGER REMARKS

City Manager McNamara thanked Community Services Director Belknap and his team for all the work done on City Hall upgrades and in the Council Chambers; and recognized Maintenance Lead Fernandez for his work on catching the people defacing City property. He closed by wishing everyone a Happy New Year.

CITY ATTORNEY REMARKS

City Attorney Thind had nothing to report and wished everyone a Happy New Year.

ADJOURNMENT

Mayor Steggell adjourned the Regular Meeting of the La Palma City Council at 8:08 p.m. in memory of long-time resident, William Meil.

Michele Steggell
Mayor

Attest:

Kimberly Kenney, CMC
City Clerk