

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

May 5, 2009

CALL TO ORDER: Mayor Waldman called the Regular Meeting of the City Council at 7:00 p.m. on May 5, 2009, at the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE: Councilmember Herman

INVOCATION: Pastor Jose "Paddy" Padilla Jr., United Methodist Church

ROLL CALL: Council and Commission Members

Councilmembers present: Councilmember Charoen, Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

Councilmembers absent: None

City Officials present: Dominic Lazzaretto, City Manager/ Executive Director
Joel Kuperberg, City Attorney
John Di Mario, Community Development Director
Ed Ethell, Chief of Police
Jan Hobson, Recreation & Community Services Director
Keith Neves, Finance Director
Jeff Moneda, Public Works Director/City Engineer
Kimberly Kenney, Minutes Clerk

PRESENTATIONS

1. Mayor Waldman presented a Proclamation to Orange County Fire Authority Battalion Chief Dave Phillips and Investigator Bret Russell in honor of Arson Awareness Week.

2. Mayor Waldman presented a Proclamation to Captain Jim Enright and Sergeant Jim Engen in honor of Peace Officers' Memorial Day.
3. Recreation Coordinator Bert Ferguson and Recreation Specialist Jason Chua introduced Youth Action Committee Members: Ronalee Abbago, Kristen Bang, Victoria Chiu, Clarissa Hampton, Danette Hampton, Kenny Huynh, Cindy Huynh, Deborah Kim, Louis Kim, Tony Kim, Marissa Newman, Phillip Oh, Rachel Om, Trevor Osaki, Kristina Taing, and Kelsey Toyoda.

ORAL COMMUNICATIONS

Kristina Truong, Secretary of the La Palma Chamber of Commerce (Chamber), President of the Future Business Leaders of America (FBLA) at John F. Kennedy High School, addressed the City Council regarding the Chamber's support of FBLA and its Collegiate Division. She reported that the FBLA has invited the Chamber to an upcoming National Leadership Conference and invited the City Council to an upcoming Chamber Mixer at Vicencia & Buckley on May 19, 2009, at 5:00 p.m.

Bill Coil, 5307 Achilles Circle, addressed the City Council asking them to place the words "In God We Trust" in the City's Council Chambers.

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding a notice he received for street work on La Luna Drive and that no improvements were done on his portion of the street. He also commented on dead trees in the median at the west end of La Palma Avenue.

City Manager Lazzaretto commented that the matter is being investigated.

RECESS THE CITY COUNCIL AND CONVENE AS THE COMMUNITY DEVELOPMENT COMMISSION AT 7:24 P.M.

CONSENT CALENDAR

- A. Approval of Community Development Commission Minutes
Minutes of the April 21, 2009, Regular Meeting of the Community Development Commission.
- B. Approval of Register of Demands

Resolution No. CDC 2009-10 approving the Register of Demands for May 5, 2009.

Commission Member Herman made a motion to approve Consent Calendar Items A and B.

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

AYES: Commission Member Charoen, Commission Member Herman, Commission Member Rodriguez, Vice Chairperson Shanahan, and Chairperson Waldman

NOES: None

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

None Scheduled.

ADJOURN COMMUNITY DEVELOPMENT COMMISSION, AND CONVENE AS THE PLANNING COMMISSION AT 7:25 P.M.

CONSENT CALENDAR

PL-1. Approval of Planning Commission Minutes

Minutes of the April 21, 2009, Regular Meeting of the La Palma Planning Commission.

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

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

AYES: Commission Member Charoen, Commission Member Herman, Commission Member Rodriguez, Vice Chairperson Shanahan, and Chairperson Waldman

NOES: None

PUBLIC HEARINGS

PL-2. Conditional Use Permit 346, A Request From Urban Bliss Day Spa for Approval of a 1,502 Square Foot Day Spa Facility at 30 Centerpointe Drive, Suite 9A

- a) Community Development Director Di Mario gave the Staff Report.
- b) Chairperson Waldman opened the Public Hearing at 7:31 p.m.
- c) Receive Pubic Input

No members of the public wished to speak.

- d) Commission Comments and Questions

Discussion ensued regarding amending the Conditional Use Permit (CUP) if the owners wish to add male clientele; whether or not modifications will be made at the storefront entrance; separate signage outside Suite 9A; closing off the connection inside Suite 9 and Suite 9A; potential referrals between Centerstage Beauty Salon and Urban Bliss Day Spa; the reasons the spa is relocating from the City of Cerritos; and that the spa was in Cerritos for two years.

Evangeline Damron, owner of Urban Bliss Day Spa, addressed the City Council regarding the need to downsize from a larger suite in Cerritos to this smaller location in La Palma and the business partnership with Centerstage Salon. She commented on her prior location's parking situation.

- e) Chairperson Waldman closed the Public Hearing at 7:36 p.m.
- f) Adopt a Resolution approving Conditional Use Permit 346, a request to operate a 1,502 square foot day spa facility at 30 Centerpointe Drive, Suite 9A.

Commission Member Herman made a motion to adopt Resolution No. PC 2009-01 approving Conditional Use Permit 346, operation of a 1,502 square foot day spa facility at 30 Centerpointe Drive, Suite 9A.

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

AYES: Commission Member Charoen, Commission Member Herman, Commission Member Rodriguez, Vice Chairperson Shanahan, and Chairperson Waldman

NOES: None

REGULAR ITEMS

None Scheduled.

ADJOURN THE PLANNING COMMISSION AND RECONVENE AS THE CITY COUNCIL AT 7:37 P.M.

CONSENT CALENDAR

1. Waive the Reading of All Ordinances

Recommendation that the City Council waive the reading of all Ordinances in their entirety and read by title only.

2. Approval of Council Minutes

Minutes of the April 21, 2009, Regular Meeting of the La Palma City Council.

3. Approval of Register of Demands

Resolution No. 2009-19 approving the Register of Demands for May 5, 2009.

4. Status of General Plan Circulation Element

Resolution No. 2009-20 approving the General Plan Circulation Element.

5. Award of Contract to MJC Construction, Inc. for General Sewer Repair Services, City Project No. 08-SWR-03

Award contract to the low responsible bidder, MJC Construction, Inc. of Bonita, California in the amount of \$155,000 and authorize the Mayor to execute the agreement for General Sewer Repair Services, City Project No. 08-SWR-03.

Councilmember Herman made a motion to approve Consent Calendar Items 1 through 5.

The motion was seconded by Councilmember Charoen and carried on the following vote:

AYES: Councilmember Charoen, Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: None

ITEMS PULLED FROM CONSENT CALENDAR

6. Award of Contract for Water Rate, Sewer Rate, and Connection Fee Study

Councilmember Charoen asked that Consent Calendar Item 6 be pulled to clarify the timeframe of the last two studies and if another study was necessary.

Public Input

Ismile Noorbaksh, 7541 Trabuco Lane, addressed the City Council regarding a prior Grand Jury Report where the City of La Palma agreed to comply with the Grand Jury's requirement to conduct a rate study.

City Manager Lazzaretto clarified that the Grand Jury report asked cities to examine rates due to the drought situation.

Gerard Goedhart, 4922 Berton Circle, addressed the City Council asking if there is a compliance date from the Grand Jury and suggested that the City Council delay the contract for one year.

City Attorney Kuperberg commented that as a result of Proposition 218, which went into affect 12 to 14 years ago, it is required that an outside consultant be hired to do an analysis, especially with a multi-tier system.

Councilmember Rodriguez made a motion to approve and authorize the Mayor to execute an agreement with Henry Miedema and Associates for the Water Rate, Sewer Rate, and Connection Fee Study in an amount not-to-exceed \$46,735.

The motion was seconded by Councilmember Herman and carried on the following vote:

AYES: Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: Councilmember Charoen

7. Letter of Opposition to AB 155 Regarding Local Agency Bankruptcy Proceedings

Councilmember Rodriguez asked that Consent Calendar Item 7 be pulled to ask for clarification as to why the City of La Palma is opposing AB 155 regarding Local Agency Bankruptcy proceedings.

City Manager Lazzaretto explained the proposed Bill and said that it diminishes local control.

Public Input

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding his support for opposing AB 155 and added that the City's obligation is to protect the interests of the City.

Mayor Waldman made a motion to authorize the Mayor to sign a Letter of Opposition to AB 155 Regarding Local Agency Bankruptcy Proceedings.

The motion was seconded by Councilmember Charoen and carried on the following vote:

AYES: Councilmember Charoen, Councilmember Herman, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: Councilmember Rodriguez

PUBLIC HEARINGS

None Scheduled.

REGULAR ITEMS

8. CalPERS Unfunded Liability

Finance Director Neves gave the Staff Report.

Discussion ensued regarding current interest rates and the savings that will be realized.

Public Input

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding his support of approving the lump sum payment to CalPERS to pay off the City's unfunded liability.

Gerard Goedhart, 7922 Berton Circle, addressed the City Council regarding his support of approving the lump sum payment to CalPERS to pay off the City's unfunded liability.

Discussion ensued regarding the City's ability to pay this debt; that the payment will save the City of La Palma \$1.1 million dollars; and that the payment is fiscally responsible.

Mayor Pro Tem Shanahan made a motion to approve the lump sum payment of \$3,819,570 to the California Public Employers Retirement System (CalPERS) to pay off the City's current unfunded liability.

The motion was seconded by Councilmember Rodriguez and carried on the following vote:

AYES: Councilmember Charoen, Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: None

Mayor Waldman took a short recess at 8:05 p.m.

Mayor Waldman reconvened the City Council at 8:11 p.m. with all members present.

9. Six Month Review and Consideration of Modifications to the Community Center Rehabilitation Project
City Manager Lazzaretto gave the staff report.

Public Input

Linda Frese, 4552 Sharon Drive, addressed the City Council regarding her opposition to the exterior color palette of the Community Center, the need to update the readerboard, dislike of the contemporary design, upgrading the landscaping, and forming a blue ribbon committee to address these issues.

Paul Walker, 7812 Kelly Circle, addressed the City Council regarding changing the exterior colors to earth tones, modernizing the readerboard, historical accident statistics of the south driveway, having the entrance at the north driveway and the exit at the south driveway, and the difficulty of the turn radius at the south end of the parking lot.

Brian O'Neal, 5042 Cartegena Circle, addressed the City Council regarding changing the exterior colors to earth tones, using the south driveway as the exit, not expanding the north driveway and using it as the entrance, and finding a less expensive electronic readerboard.

Keith Nelson, 5331 La Luna Drive, addressed the City Council regarding disliking the contemporary design, liking the interior renovations and landscaping, updating the readerboard, not widening the north driveway and using it as the entrance and the south driveway as the exit, pedestrian traffic at the driveways, relocating the nine bollards to the holes with caps, softening the exterior color scheme, and the entire cost of the park renovations being projected at over \$5 million dollars if these renovations are included with the costs of the abandoned Expansion project.

Jean Otani, 5292 Bransford Drive, addressed the City Council regarding her opposition to the exterior color palette of the Community Center and changing it to earth tones.

Ismile Noorbaksh, 7951 Trabuco Lane, addressed the City Council stating that during his prior employment with the City, he believed that there was no need for the bollards and that they would create an adverse liability. He commented that there was no traffic study done for the parking lot prior to reconstruction nor did the plan go before the Traffic Safety Committee for review. He added his belief that the north driveway does not need to be

widened, recommended that the City not put any more funds into this project, forming a blue ribbon committee to address the issues of the Community Center, and putting the electronic readerboard on the City Hall side of the street.

Steven Hwangbo, 8372 Sparrow Lane, addressed the City Council regarding his support of the public speakers comments and requested to see a detailed report of the \$3.7 million spent on the rehabilitation of the Community Center. He added that a traffic study needs to be conducted and his dislike of the exterior colors.

Council Comments and Questions

Discussion ensued regarding the external colors; not having the City Council make the decision on the exterior colors; giving staff the decision on the color palette; none of these modifications being covered by the contractor; the sense of urgency to get this project completed by the due date; support of a citizen committee reviewing the exterior colors before allocating money for this repainting project; the green and blue colors being driven by the architect; repainting the exterior being the least expensive alteration to make; the ratio of positive comments on the exterior colors versus the negative comments; the amount of times the City could be repainting the Community Center because of negative comments; setting ground rules so the City is not repainting every six months; giving staff direction to select a palette of earth tones to replace the blue and green and bring it back to the City Council for a decision; and letting the Development Committee choose a palette.

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding the colors of the Police Department, City Hall, Library, and Community Center all being neutral and consistent and recommended that the City Council not have a blue ribbon citizen committee as that could take more time.

Mayor Waldman made a motion to direct staff to develop an earth tone palette based on the existing palette of the City's official buildings.

The motion was seconded by Councilmember Herman and carried on the following vote:

AYES: Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: Councilmember Charoen

Mayor Waldman took a short recess at 9:23 p.m.

Mayor Waldman reconvened the City Council at 9:27 p.m. with all members present.

Discussion ensued regarding the readerboard; the cost of replacing the readerboard now versus three years ago; finding a less expensive readerboard; replacing the current board with a full color readerboard; Oxford Academy's readerboard being only \$30,000; the majority of the cost being the housing and construction; that a full motion readerboard would distract drivers; the cost of a full color readerboard versus a red electronic readerboard; and not spending more money on a readerboard due to the state of the economy.

Mayor Waldman made a motion to proceed with replacing the current readerboard with an electronic readerboard for the Community Center after receiving bids on full color readerboards versus ones with full color and streaming video.

The motion was seconded by Councilmember Herman and carried on the following vote:

AYES: Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: Councilmember Charoen

Mayor Waldman made a motion to approve the installation of an audio looping system in the Royal Palm Room.

The motion was seconded by Councilmember Charoen and carried on the following vote:

AYES: Councilmember Charoen, Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, and Mayor Waldman

NOES: None

Council directed staff to install linear lights on the Community Center monument sign.

Discussion ensued regarding ingress/egress; no traffic study being conducted and the specifications not being presented to the Traffic Safety Committee; adding additional striping on the bollards, but leaving the remainder of the parking lot as is; restriping the north driveway to only two lanes; opening up the south driveway as an exit only by removing the bollards; not exposing recreation staff to potential workers compensation claims by lifting the heavy bollards; not spending money on widening the north driveway; having one drive designated as an entrance and the other an exit; the bollards sole purpose being to protect pedestrians, not vehicles; the difficult turning radius at the south end of the parking lot; not opening up the south driveway as an exit due to previous safety issues; making the bollards more visible at night and keeping them in their current location; not making any significant changes to the parking lot as it will need to be rebuilt within two years due to degrading slurry seal; placing ADA compliant dots in front of the bollards so children do not walk into the parking lot; widening the north driveway to make a two lane 10-foot entrance and a 10-foot exit; and recommending that this project have a traffic study and/or go before the Traffic Safety Committee prior to making any changes.

By consensus, the City Council directed staff to not widen the north driveway and change it back to two lanes; enhance the bollards to make them more visible by painting them and adding more striping; and conducting a traffic study prior to resurfacing the parking lot or making any significant changes.

Keith Nelson, 5311 La Luna Drive, addressed the City Council regarding making sure there is a traffic study and ensuring that the study is reviewed by the Traffic Safety Committee.

10. Study Session: Proposed Fiscal Year 2009-10 General Fund Budget

Mayor Waldman moved Agenda Item 10b up on the agenda so the City Council could take formal action.

- b) Adopt a Resolution Adopting a Utility Users' Tax (UUT) Rate for the Fiscal Year 2009-10.

City Manager Lazzaretto gave the staff report.

Resolution No. 2009-21 adopting a Utility Users' Tax (UUT) Rate for the Fiscal Year 2009-10.

Councilmember Rodriguez made a motion to adopt Resolution No. 2009-

21 reducing the Utility Users' Tax (UUT) Rate of 4% for the Fiscal Year 2009-10.

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

AYES: Councilmember Herman, Councilmember Rodriguez, Mayor Pro Tem Shanahan, Mayor Waldman, and Councilmember Charoen

NOES: None

- a) Conduct a Study Session and provide direction on the general content of the General Fund Budget, including Supplemental Budget Requests.

City Manager Lazzaretto gave a general overview of the 2009-10 General Fund Budget.

Police Chief Ethell gave the Staff Report for the Police Department.

Public Works Director Moneda gave the Staff Report for the Public Works Department.

Recreation and Community Services Director Hobson gave the Staff Report for the Recreation Department.

Community Development Director Di Mario gave the Staff Report for the Community Development Department.

Council Comments and Questions

Discussion ensued regarding future projections of the Reserve Fund; the expense of the digital wall mounted photos; the manner in which these digital photos are taken; the upcoming permit fee holiday; and the absence of any supplemental requests from the Community Activities and Beautification (CAB) Committee.

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

Councilmember Charoen attended the Orange County Fire Authority (OCFA) meeting.

Councilmember Herman attended the State of the City Address; the annual Donate Life event at California State University Fullerton; the John F. Kennedy High School Scholarship awards banquet; the Corporate American Cancer Society Daffodil Day wrap up event; and the Walker Junior High School open house event. He reported that he plans to attend the La Palma Volunteer Recognition event and commented on the upcoming May 19 La Palma Chamber of Commerce Event and changes to the Chamber. He asked if there would be a Green Expo this year and closed by noting that he did not receive an invitation to the California Parks and Recreation Society (CPRS) awards ceremony.

Councilmember Rodriguez attended the State of City Address; the John F. Kennedy High School Scholarship awards banquet; the annual Donate Life event at California State University Fullerton; the Walker Junior High School open house where they planted a tree in honor of former Councilmember Duane Schuster; and the Relay for Life meeting. He commented on the luminaria ceremony that will be held at the Relay for Life event.

Mayor Pro Tem Shanahan attended the State of the City Address and reported that he plans to attend the upcoming La Palma Volunteer Recognition event. He commented on the great response time from the La Palma Police Department during a local tragedy last week.

Mayor Waldman attended the State of the City Address; the Orange County Sanitation District (OCSD) meeting; the Orange County Council of Governments (OCCOG) meeting; and the CPRS awards dinner.

CITY MANAGER REMARKS

City Manager Lazzaretto reported on the upcoming draft budget; the permit fee holiday discussion; the water conservation ordinance; and the La Palma Chamber of Commerce review. He reminded the City Council about the upcoming barbeque on Memorial Day for the Hanam Sister City event.

Councilmember Rodriguez asked for more information on the Sister City Organization.

CITY ATTORNEY REMARKS

City Attorney Kuperberg had nothing to report.

ADJOURNMENT

Mayor Waldman adjourned the Regular Meeting of the La Palma City Council at 11:03 p.m.

 /s/

Mark I. Waldman, Mayor

Attest:

 /s/

Laurie A. Murray, City Clerk