

MINUTES
CITY COUNCIL OF THE CITY OF LA HABRA

ADJOURNED REGULAR MEETING

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REGULAR MEETING

Monday, May 20, 2013

APPROVED: These Minutes were approved on July 15, 2013, and reapproved as corrected on September 16, 2013.

ADJOURNED REGULAR MEETING

CALL TO ORDER: Mayor Espinoza called to order the Adjourned Regular Meeting of the City Council at 5:30 p.m. in the Administrative Conference Room 106, located at 201 E. La Habra Boulevard, La Habra, California.

COUNCILMEMBERS PRESENT: Mayor Espinoza, Mayor Pro Tem Beamish, Councilmember Gomez, Councilmember Blazey, Councilmember Shaw

COUNCILMEMBERS ABSENT: None

OTHERS OFFICIALS PRESENT: City Manager Hannah
Deputy City Attorney Potter
City Clerk Mason
Assistant to the City Manager Ferrier

I. ORAL COMMUNICATIONS FROM THE PUBLIC FOR CLOSED SESSION MATTERS:
None.

II. CLOSED SESSION: Mayor Espinoza announced the Closed Session and Council convened as follows:

- a. Conference with Labor Negotiator per Government Code Section 54957.6 - Agency Representative: Don Hannah, City Manager; Employee Organizations: Police Sworn Employees, Police Civilian Employees, La Habra Municipal Employees Association, General Services Employees, Professional Employees, and Management Employees.

Director of Finance and Administrative Services Sadro was present for this item.

MOVED by Councilmember Gomez, seconded by Mayor Pro Tem Beamish and CARRIED UNANIMOUSLY 5-0 TO ADD AN URGENT CLOSED SESSION ITEM TO THE AGENDA AS ALLOWED BY GCS 54954.2.(b)(2) DUE TO CIRCUMSTANCES ARISING AFTER THE POSTING OF THE AGENDA AS NOTED UNDER LETTER "B" BELOW.

Said motion CARRIED by the following roll call vote:

AYES: Mayor Espinoza, Mayor Pro Tem Beamish, Councilmember Gomez, Councilmember Blazey, Councilmember Shaw

NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

URGENCY ITEM:

- a. Conference with Legal Counsel -Potential Litigation per government Code Section 54956 9(b) (1 potential case)

Director of Finance and Administrative Services Sadro and Assistant to City Manager Ferrier were not present during this item.

III. ADJOURNED: Council reconvened from Closed Session at 6:11 p.m. There were no announcements. Mayor Espinoza adjourned the Adjourned Regular Meeting at 6:11 p.m.

REGULAR MEETING

CALL TO ORDER: Mayor Espinoza called the Regular Meeting of the City Council of the City of La Habra to order at 6:30 p.m. in the City Council Chambers, located at 201 E. La Habra Boulevard, La Habra, California.

INVOCATION: Deputy City Attorney Potter

PLEDGE OF ALLEGIANCE: Boy Scout Troop 1814

COUNCILMEMBERS PRESENT: Mayor Espinoza, Mayor Pro Tem Beamish, Councilmember Gomez, Councilmember Blazey, Councilmember Shaw,

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager Hannah
Deputy City Attorney Potter (Left 6:32 pm.)
City Attorney Jones (Arrived 6:32 p.m.)
City Clerk Mason
Deputy City Clerk Swindell

CLOSED SESSION ANNOUNCEMENT:

City Attorney Jones announced that during the Closed Session held May 6, 2013, the Utility Authority took action to authorize City Manager and Director of Public Works to pursue negotiations with interested parties who are owners of water rights within the Main San Gabriel Basin, for the acquisition of additional water rights at a cost per acre-foot to be negotiated. MOVED by Councilmember Gomez, and SECONDED by Mayor Pro Tem Beamish, MOTION PASSED 5-0. (Announcement made during City Council Regular Meeting of May 20, 2013, for the Utility Authority)

I. PROCLAMATIONS/PRESENTATIONS: None at this time.

II. PUBLIC COMMENTS:

Chuck Morse, 761 Candlewood Drive, extended an invitation to the Gathering of the Crosses at his home from Saturday, May 25th at sunrise through Sunday, May 26th at sunset in memory of the 72 soldiers, from Orange County, who lost their lives in Iraq and Afghanistan. He spoke regarding the City hosting the Vietnam Veterans Memorial, "The Wall that Heals," to be at La Habra High School Football Stadium Thursday, July 11th through Sunday, July 14th.

The following spoke in favor of La Habra Cares medical marijuana dispensary, asked Council to reconsider closing same, and opposed the moratorium on medical marijuana dispensaries in La Habra:

- Erik Chan, 401 W. Imperial Highway, on behalf of Patients Association for the Chronically Ill
- Deanna Maes, 450 Rye Circle
- Susan Fahrmeier, 1040 N. Meadowlark Street
- Wendy Zambrano, 965 Glenclyff Street
- Amy Switzer, 1430 S. Patwood Drive
- Charlynn Gerber, 965 Glenclyff Street
- Hector F. Aviles, 1361 Burwood Street
- Eric Trinidad, VP La Habra Cares, 401 W. Imperial Highway
- Kailynn Switzer, 1430 S. Patwood Drive
- Corey Dedmon, 4815 Via Corona, Yorba Linda

III. CONSENT CALENDAR:

City Manager Hannah reported a correction on the agenda Consent Item No. III.12 WARRANTS: should be corrected to read "Approve No. 00091191 through 00019353, not 00019352." City Manager Hannah asked that Council pull from the agenda Items III.4 and III.10 for future date unknown.

Councilmember Shaw asked that Item No. III.6 be removed for separate discussion.

Moved by Councilmember Gomez, seconded by Councilmember Shaw, and CARRIED UNANIMOUSLY 5-0 TO APPROVE CONSENT CALENDAR ITEMS III.1 THROUGH III.12, AS CORRECTED; EXCLUDING ITEM III.6, WHICH WAS REMOVED FOR SEPARATE DISCUSSION, AND EXCLUDING ITEMS III.4 AND III.10, WHICH WERE REMOVED FOR FUTURE DATE UNKNOWN.

Said motion CARRIED by the following roll call vote:

AYES: Mayor Espinoza, Mayor Pro Tem Beamish, Councilmember Gomez,
Councilmember Blazey, Councilmember Shaw

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

A. PROPOSED ITEMS:

1. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title only.

2. Approve Community Services Commission Minutes of April 10, 2013.
3. Approve City Council Minutes of:
 - a. April 29, 2013
 - b. May 6, 2013
4. Approve staff recommendations regarding a request for "No Stopping" restrictions at 1350 West Hillanddale Avenue; adopt a resolution prohibiting stopping, standing, and parking at all times on the south side of Hillanddale Avenue, west of Idaho Street; and
 - a. APPROVE AND ADOPT **RESOLUTION NO. XXXX** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA PROHIBITING STOPPING, STANDING AND PARKING AT ALL TIMES ON HILLANDALE AVENUE.

NOTE: THIS ITEM REMOVED BY STAFF AND DEFERRED TO DATE UNCERTAIN. NO DISCUSSION TOOK PLACE.

5. Approve staff recommendations regarding a request for "No Stopping" restrictions on Cypress Street at Second Avenue; and
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5570** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA PROHIBITING STOPPING, STANDING AND PARKING AT ALL TIMES ON CYPRESS STREET.
6. THIS ITEM REMOVED FOR DISCUSSION – SEE SECTION IV BELOW.
7. Approve staff's recommendations for "No Stopping" restrictions at 520-526 East La Habra Boulevard; and adopt a resolution prohibiting stopping, standing, and parking at all times on the south side of La Habra Boulevard at 520-526 East La Habra Boulevard; and
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5572** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA PROHIBITING STOPPING, STANDING AND PARKING AT ALL TIMES ON LA HABRA BOULEVARD.
8. Approve staff's recommendation regarding a request for school bus layover zone on Second Avenue; and adopt a resolution prohibiting stopping, standing, and parking at all times for a school bus layover zone on the south side of Second Avenue easterly of Euclid Street; and
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5573** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA PROHIBITING STOPPING, STANDING AND PARKING AT ALL TIMES FOR A SCHOOL BUS LAYOVER ZONE ON SECOND AVENUE.

9. Approve resolution approving the submittal of an improvement project to the Orange County Transportation Authority (OCTA) for funding under the Environmental Cleanup, Tier 1 Grant Program; and
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5574** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA AUTHORIZING AN APPLICATION FOR FUNDS FOR THE ENVIRONMENTAL CLEANUP, TIER 1 GRANT PROGRAM UNDER ORANGE COUNTY LOCAL TRANSPORTATION ORDINANCE NO. 3 FOR ENVIRONMENTAL CLEANUP PROGRAM PROJECT.
10. Approve the Notice of Completion for the Fiscal Year 2011-12 Residential Street Rehabilitation Project (1-R-11) and the Fiscal Year 2011-12 Water Main Replacement Project (1-W-11); and approve Change Order No. 5 in the amount of \$43,045.68 for asphalt pavement of the intersection of Harbor Boulevard and Whittier Boulevard. (Same as item II.3 on the Utility Authority Agenda.)

NOTE: THIS ITEM REMOVED BY STAFF AND DEFERRED TO DATE UNCERTAIN. NO DISCUSSION TOOK PLACE.

11. Approve agreement between the City of La Habra and the Orange County District Attorney for the prosecution of City of La Habra ordinances.
12. WARRANTS: Approve Nos. 00091194 through 00091352 totaling \$874,842,04.

IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION:

- III.6. Approve staff's recommendations regarding a request for "No Stopping" restrictions on Walnut Street at Keene Drive; and adopt a resolution prohibiting stopping, standing, and parking at all times on the east side of Walnut Street at Keene Drive; and

Traffic Manager Wong presented a brief report.

Mayor Espinoza invited the public to testify.

Mary Hartman, 1001 S. Walnut Street, stated that she was a resident of La Habra for 53 years. She expressed her concerns regarding the traffic speeds in her neighborhood. Councilmember Gomez directed Ms. Hartman to Traffic Sergeant Tigner.

Moved by Councilmember Gomez, seconded by Mayor Pro Tem Beamish, and CARRIED UNANIMOUSLY 5-0 TO APPROVE AND ADOPT **RESOLUTION NO. 5571** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA PROHIBITING STOPPING, STANDING AND PARKING AT ALL TIMES ON WALNUT STREET.

Said motion CARRIED by the following roll call vote:

AYES: Mayor Espinoza, Mayor Pro Tem Beamish, Councilmember Gomez,
Councilmember Blazey, Councilmember Shaw
NOES: None
ABSTAIN: None

ABSENT: None

V. PUBLIC HEARINGS: None at this time.

VI. CONSIDERATION ITEMS:

1. Consider Fiscal Year 2013-2014 proposed Budget presentation.

Director of Finance and Administrative Services Sadro presented an overview of the proposed Fiscal Year 2013-2014 Municipal Budget. He stated that the \$36.1 million proposed budget was balanced and included \$1.8 million increase in revenues, \$1.5 million increase in expenditures, \$500,000 of furloughs eliminated, \$496,000 increase in pension and labor costs, and \$120,000 funding for labor negotiations. He stated that the City would be completing the last year of the Pavement Management Program; and noted that limited funding was available for capital improvements and \$360,000 of Vehicle Replacement charges were deferred. He reviewed the key elements of the Affordable Care Act.

Director of Finance and Administrative Services Sadro outlined the proposed General Fund Budget. He stated the proposed Fiscal Year 2013-2014 revenues were \$36,375,705 and the proposed Fiscal Year 2013-2014 expenditures were \$36,132,551, which would leave net unencumbered funds of \$243,154 that included the \$120,000 for labor negotiations. He reviewed the budget history and the departmental proposed budgets. He noted that each Department Director would be reviewing their departmental budgets.

Council discussion included: confirmed that \$15,000 had to be returned to the State in Redevelopment funds; confirmed staff would return to Council for direction with a list of projects to be prioritize; review of anticipated increasing PERS rates; requested staff to report on each unfunded liability in the near future; and requested staff to prepare a detailed report on city vehicles.

Community Services Director Failla spoke regarding the Community Services' programs and yearly special events. He outlined the Community Services (CS) major accomplishments and major goals for the year. He presented the proposed Community Services budgets as follows:

General Fund	\$ 3,208,156
Child Development	\$ 6,129,268
Employment & Training	\$ 369,075
Children's Museum	\$ 482,477
AQMD	\$ 168,750
Total	\$10,357,726

Community Services Director Failla stated the recreation budget increased due to higher anticipated class and trip registration, but noted that the cost would be offset by fees. He stated that the proposed budget includes consolidating four part time positions into two new full time positions, an increase in part-time hours for Facility Maintenance staff, and the Children's Museum budget was reduced due to an expiration of grant funding.

Council discussion included: attendance levels of senior programs; review percentages of self-sustaining programs; confirmed sufficient funding is available for graffiti abatement; expressed concerns regarding the impact of the Affordable Care act on Child Development part-time

employees; the need to evaluate the replacement of the Community Center sound system; the need for a facility repairs assessment; and confirmed that the Children's Museum applied for another four-year grant.

RECESS: Mayor Espinoza called a recess at 7:56 p.m.

RECONVENE: The City Council reconvened at 8:07 p.m. All members were present.

Public Works Director Saykali spoke regarding the Public Works major accomplishments and major goals for the year. He presented the proposed Public Works budgets as follows:

General Fund	\$ 3,186,454
Utility Authority-Water	\$13,233,694
Utility Authority-Sewer	\$ 3,145,821
Refuse	\$ 3,765,653
Fleet Maintenance	\$ 1,161,065
Fleet Replacement	\$ 803,687
Total	\$25,296,374

Public Works Director Saykali stated that the proposed Public Works budget includes upgrading 800 MHz radios, a full-time clerk position, an increase of \$18,766 in the Water fund for electricity costs, an increase of \$162,978 in the Sewer fund to fill three position vacancies, and an increase of \$30,000 in the Refuse fund to fund increases in Waste Management contract costs.

Council discussion included: confirmed that the City is in compliance with the state regulations and that sewer cleaning will be on schedule by December 2013; and confirmed anticipated 3-1/2% to 4% increase in fuel costs, which was included in the budget.

Finance and Administrative Services Director Sadro presented the proposed Fire and Ambulance budgets as follows:

General Fund Budget	\$ 7,165,652
LA County Fire: Preliminary contract cost increase of 1.0%	
General Fund	\$6,392,120
Public Safety Fund	\$ 100,000
residual labor costs	\$ 4,800
CARE Ambulance: Contract cost increased by 5.2%	
General Fund	\$ 768,732
Total	\$ 7,265,652

Finance and Administrative Services Director Sadro stated that Care Ambulance was in the last year of the current contract. He described their services that included the collection of revenues for transportation billing; and he noted an increase in revenues. He reported that a few days earlier, staff received a revised memo from LA County Fire that their fees would be adjusted from an increase of 1% to 4.1%. He noted that the above figures were \$200,000 short and that options to cover the increase would be reviewed. He stated that adjustments would be made for the budget hearing on June 3rd. Acting Assistant Fire Chief Ertel explained that the increase was due to an increase of 2.11% in employee benefits that included workers compensation, retirement and cafeteria plans, and also a 2% COLA. He described briefly \$150,000 worth of additional improvements to the fire stations.

Community Development Director Haack spoke regarding the Community Development major accomplishments and major goals for the year. He presented the proposed Community Development budgets as follows:

General Fund	\$ 3,104,785
Capital Projects Fund (GF)	\$ 2,617,717
CDBG	\$ 627,196
Measure M	\$ 4,141,724
Measure M2	\$ 2,439,051
Gas Tax	\$ 1,602,606
Other Grants & Funds	\$ 1,055,121
Housing Authority	\$ 2,630,502
RDA Successor Agency	\$ 2,594,051
Mello Roos Fund	\$ 278,380
Mobile Home Fund	\$ 2,402,957
Total	\$23,494,090

Community Development Director Haack stated that the proposed Community Development budgets included combining two part-time community preservation inspectors into one full-time position, absorbing the full cost of shared clerk, increasing funding for urban water runoff inspections, allocating labor costs from former RDA to Housing Authority and General Fund, and providing funding for an updated Zoning Ordinance. He reviewed briefly the \$2.6 million worth of Capital Projects included in the proposed budget.

Council discussion included: concerns regarding water pooling at the bottom of Schoolwood slope; and identified Councilmember Shaw as a resource for staff while he is serving on the Orange County Transportation Authority Board.

Acting Police Chief Price spoke regarding the Police Department programs and policing efforts during the past year. He outlined the Police Department's major accomplishments and major goals for the year. He presented the proposed Police Department budgets as follows:

General Fund	\$16,156,439
Police Grants	\$ 431,690
Public Safety Augmentation	\$ 440,149
Asset Forfeiture Fund	\$ 857,898
Other Grants & Funds	\$ 12,000
Total	\$17,898,176

Acting Police Chief Price stated that the proposed Police Department budgets included hiring of new police officers in phases with all sworn positions filled by November 1st, funding for increased contract jail personnel costs and blood testing services, absorbing labor costs charged to asset forfeiture funds on a one-time only basis in Fiscal Year 2012-2013, using \$174,179 from Public Safety Augmentation funds to purchase a new SWAT vehicle, and using asset forfeiture funds to purchase new Mobile Data Computers.

Council discussion included: status and challenges of police recruitment; concerns regarding the realignment of prisons and its potential to increase the crime rates in La Habra; and concerns regarding reduction in local funding for law enforcement.

Assistant to the City Manager Ferrier and Finance and Administrative Services Director Sadro spoke regarding Administration and support major accomplishments and major goals for the year. They presented the proposed Administration and support budgets as follows:

General Fund	\$3,311,065
City Council	\$ 51,753
City Manager	\$1,466,970
City Clerk	\$ 344,405
Legal Services	\$ 352,094
Fin. & Admin Svc.	\$1,095,843
Utility Customer Service	\$ 643,989
Risk Management Fund	\$2,085,198
Information Technology Fund	\$1,726,778
Debt Service Fund	\$ 68,637
Civic Improvement Authority	<u>\$ 949,113</u>
Total	\$8,784,780

The proposed Administration and support budgets include funding to restored membership for League of California Cities, funding for grants management services, funding for a part time Public Information Officer, funding was reduced due to an off-election year, and funding was allocated for higher insurance premiums.

Finance and Administrative Services Director Sadro summarized the proposed fiscal year 2013-2014 budget as follows:

By department:		By fund:	
Administration & Support	\$ 8,784,780	General Fund	\$36,132,551
Community Development	\$23,494,090	Agency & Authority Funds	\$23,475,550
Community Services	\$10,357,726	Capital Projects Fund (GF)	\$ 2,617,717
Fire & Ambulance	\$ 7,165,652	Debt Service Fund	\$ 68,637
Police	\$17,898,176	Enterprise Funds	\$ 6,651,087
Public Works	<u>\$25,296,374</u>	Internal Service Funds	\$ 5,776,728
Total	\$92,996,798	Special Revenue Funds	<u>\$18,274,528</u>
		Total Expenditures	\$92,996,798

Finance and Administrative Services Director Sadro reviewed the General Fund cash flow projections. He concluded by presenting the budget summary stating the General Fund budget is balanced and eliminates furloughs and restores full service to the community, provides resources for labor negotiations and pension reform, provides resources to fund increased costs related to insurance premiums, utilities, fuel and employee benefits, it establishes a small unencumbered revenue reserve, all Non-General Fund operating budgets are balanced, and Citywide capital projects will continue. He thanked his staff Mel Shannon, Stefanie Turner, Mary Ann Sy, and Zukie Chin for their diligence. He also thanked the City Manager, Department Directors, and City employees for their partnership.

Council discussion included: confirmed that the grants management services contract is paid based on accomplishment; confirmed bids are accepted once a year for the printing of "Life In La Habra" magazine; identified that \$39,000 for 20 to 25 hours per week was included in the

budget for a part-time Public Information Officer position; the need for the City's web page to be refreshed daily and the necessity for the City's social media involvement; expressed the challenges of maintaining a 3% growth in future years; directed staff to return with General Fund capital projects for Councils direction on prioritizing.

Council thanked City Manager Hannah and staff for the outstanding work on the budget, and the City employees for their efforts during the process.

Mayor Espinoza invited the public to testify 9:13 p.m. There was no public testimony.

MOVED by Councilmember Gomez, seconded by Mayor Pro Tem Beamish, and CARRIED UNANIMOUSLY 5-0 TO RECEIVE AND FILE THE FISCAL YEAR 2013-2014 PROPOSED BUDGET; AND DIRECT STAFF TO MAKE NECESSARY ADJUSTMENTS.

Said motion CARRIED by the following roll call vote:

AYES: Councilmember Gomez, Mayor Pro Tem Beamish, Councilmember Shaw,
Councilmember Blazey, Mayor Espinoza,
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

VII. MAYOR'S COMMUNITY CALENDAR:

Mayor Espinoza made the following announcements:

- Mayor's Community Hours will be held - Friday, May 24th at Starbucks, located at 1950 W. Whittier Boulevard from 10:00 a.m. to noon. On Saturday, May 25th at Big Lots, located at 120 W. Imperial Highway from 10:00 a.m. to noon. The Mayor is also available by appointment.
- La Habra Chamber of Commerce annual Fundraiser - Tuesday, May 21st from 5:00 p.m. to 8:30 p.m. at Senor Campos Restaurant.
- Children's Museum Target Free Saturday - Saturday, June 1st from 10:00 a.m. to 5:00 p.m. The theme is "Jump into Summer."
- Smartphone users can now report problems or concerns, make information requests, attach photos, and receive status updates through the City's new "Contact La Habra" phone app which is available for both Android and iPhone users.
- Gary Center 12th annual Jimmy Campanis Golf Tournament - June 3rd, at Friendly Hills Country Club.
- The City Council will meet again on Monday, June 3rd and Monday, June 17th at 6:30 p.m. in the City Council Chambers.

VIII. COMMENTS FROM STAFF: None

IX. COMMENTS FROM COUNCILMEMBERS:

Councilmember Shaw asked to adjourn in memory of Rod Bryant, his father-in-law, who was a Sergeant for the Whittier Police Department. He noted that his father-in-law was a father of seven daughters and one son. He stated that today would have been his 62nd birthday and Wednesday, May 22nd, will be the 10th anniversary of his passing.

Councilmember Blazey commended staff for their work on the budget. He also thanked City employees for all the contributions they made during the year.

Councilmember Gomez announced Senor Campos Night would be on May 21st and thanked the following for their contributions: Councilmember Shaw, Councilmember Blazey, Councilmember Espinoza, Mayor Pro Tem Beamish, Recreation Manager Dave DeLeon, City Manager Hannah, City Clerk Mason, Finance and Administrative Services Director Sadro, Social Services Manager Anderson, Planning Commissioner Janoian, Community Development Deputy Director Jaramillo, Community Services Director Failla, Economic Development Consultant McCauley, Accounts Clerk III Lewis, Acting Police Chief Price, the La Habra Police Association, Marketing Consultant Bruce Martin, and City Attorney Jones. He stated that he attended the Juvenile Diabetes program at Sonora High School, and the ROTC event May 18th.

X. ADJOURNMENT: Mayor Espinoza adjourned the meeting in memory of Rod Bryant at 9:20 p.m. to Monday, June 3, 2013, at 5:30 p.m. in the Administrative Conference Room 106, followed by the Regular Meeting at 6:30 p.m. in the City Council Chambers.

Respectfully submitted,

Tamara D. Mason, MMC
City Clerk