

MINUTES
CITY COUNCIL OF THE CITY OF LA HABRA
ADJOURNED REGULAR MEETING
&
REGULAR MEETING
Monday, March 21, 2016

APPROVED: These Minutes were approved on April 18, 2016.

ADJOURNED REGULAR MEETING:

CALL TO ORDER: Mayor Gomez called to order the Adjourned Regular Meeting of the La Habra City Council at 4:45 p.m. in the Administrative Conference Room 106, located at 201 East La Habra Boulevard, La Habra, California.

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

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager Sadro (arrived at 4:49 p.m.)
City Attorney Jones (arrived at 6:09 p.m. for Closed Session)
City Clerk Mason

- I. Conduct interviews for annual expiring terms and vacancies on the Planning Commission, the Community Services Commission, and the Beautification Committee.

Interviews were conducted with the following applicants: Michelle Brenier, Jonathan Hughes, Alfred Applerose, Ray Fernandez, Kathy Felix, and Mark Lawton.

RECESS: Mayor Gomez called a recess at 6:03 p.m.

RECONVENE: The City Council reconvened at 6:09 p.m. All members were present. City Attorney Jones was present.

- II. **ORAL COMMUNICATIONS FROM THE PUBLIC FOR CLOSED SESSION MATTERS:**
None

III. **CLOSED SESSION**

- a. Conference with Legal Counsel - Anticipated Litigation - Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: (One Case).

Deputy City Attorney Baron Bettenhausen, Human Resources Director Juengel, and Human Resources Manager LaFreniere were present for this item.

- b. Conference with Legal Counsel - Existing Litigation, Government Code Section 54956.9(d)(1): Chivas vs. City of La Habra, Superior Court Case No. 30-2014-00753505-CU-OE-CJC.

Human Resources Director Juengel was present for this item.

- IV. **ADJOURNMENT:** Mayor Gomez adjourned the Adjourned Regular Meeting of the City Council at 6:25 p.m. There was no Closed Session announcement.

REGULAR MEETING:

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

INVOCATION: City Attorney Jones

PLEDGE OF ALLEGIANCE: City Manager Sadro

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

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager Sadro
City Attorney Jones
City Clerk Mason
Deputy City Clerk Swindell

CLOSED SESSION ANNOUNCEMENT: None

I. PROCLAMATIONS/PRESENTATIONS:

Mayor Gomez invited the Beautification Committee members to the podium to assist with the presentation of the awards. All award recipients were present to accept their Beautification Awards with the exception of the Lauterborn Family and the DeSantis Family; who have asked that their awards be mailed to them.

- a. Beautification Award, 402 W. Erna, Hernandez Family.
- b. Beautification Award, 305 E. Florence Avenue, Rodriguez Family.
- c. Beautification Award, 1800 E. Whittier Boulevard, Sierra Vista School, Anna Dorado, Principal.
- d. Beautification Award, 440 Holgate, Lauterborn Family.
- e. Beautification Award, 1321 Fallenleaf, DeSantis Family.

II. PUBLIC COMMENTS: None

III. CONSENT CALENDAR:

Councilmember Beamish noted that he was a former employee of Southern California Edison and abstained on item III.8.

Moved by Mayor Gomez, seconded by Councilmember Espinoza, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONSENT CALENDAR ITEMS III.1 THROUGH III.16; WITH THE EXCEPTION OF COUNCILMEMBER BEAMISH ABSTAINING ON ITEM III.8.

Said motion CARRIED by the following roll call vote:

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

NOES: NONE

ABSTAIN: COUNCILMEMBER BEAMISH (ITEM III.8 ONLY)

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. Receive and file the Annual Report on the City of La Habra General Plan for calendar year 2015 and authorize the Director of Community and Economic Development to forward the document to the Governor's Office of Planning and Research and the Department of Housing and Community Development per Government Code Section 65400(b)(1).
3. Authorize City Manager to execute agreement with the Orange County Department of Education to present the "Inside the Outdoors Traveling Scientist Program" for Fiscal Year 2015-2016 which will provide science activities for the children in the State Preschool program.
4. Authorize City Manager to execute agreement with California State University Los Angeles (CSULA) to provide health related services as part of the City of La Habra's Head Start and Early Head Start programs.
5. Approve a resolution and authorize City Manager to execute Head Start and Early Head Start Program Refunding Application for the 2016-2017 school year.
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5731** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA CERTIFYING THE APPROVAL AND AUTHORIZING THE EXECUTION OF THE HEAD START AND EARLY HEAD START REFUNDING APPLICATION FOR 2016-2017 WITH ORANGE COUNTY HEAD START, INC.
6. Authorize City Manager to establish an irrevocable trust to address unfunded liabilities related to Other Post-Employment Benefits (OPEB) for full-time City employees and

prepare the necessary trust documents with CalPERS CERBT to be brought back to City Council for review and approval at a future date.

7. Approve denial of claim for AmeriCare MedServices, Inc. dba, AmeriCare Ambulance for Anti-Competitive Damage.
8. Approve denial of Claim for Southern California Edison for Property Damage.
(COUNCILMEMBER BEAMISH ABSTAINED)
9. Approve denial of Claim for Ishih Hsu for Bodily Injury.
10. Approve denial of Claim for Michael Kwon for Property Damage.
11. Approve denial of Claim for John Sanchez for Bodily Injury.
12. Approve denial of Claim for Verizon for Property Damage.
13. Authorize City Manager to place the City's primary earthquake policy with Landmark American Insurance Company at a policy limit of \$5 million and the excess coverage of \$49.05 million to be assigned to Everest Indemnity, QBE Specialty Insurance, and General Security Insurance for the period of April 19, 2016 through April 19, 2017 at a 10 percent deductible and an annual premium cost of \$244,445.
14. Approve City Council Minutes of March 7, 2016.
15. WARRANTS: Approve Nos. 00105660 through 00105834 totaling \$1,412,602.26.
16. Waive formal bid procedures per La Habra Municipal Code Section 4.20.050 (C) and utilize the cooperative purchase provision of the contract awarded by NJPA "National Joint Powers Alliance" to Haaker Equipment Company; and authorize City Manager to issue a purchase order in the amount of \$396,838.16 from the Fleet Replacement Fund / Sewer Fund to Haaker Equipment Company La Verne, CA for the purchase of one new 2016 Freightliner / Vactor 2110 plus jet rodder.

IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION: None

V. PUBLIC HEARINGS:

1. [Duly noticed public hearing to consider an appeal of Planning Commission approval of Conditional Use Permit 15-05 and Design Review 15-10 to establish a Wireless Communications Facility at 441 West Whittier Boulevard.](#)

Moved by Mayor Gomez, seconded by Councilmember Beamish, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONTINUING AN APPEAL OF PLANNING COMMISSION APPROVAL OF CONDITIONAL USE PERMIT 15-05 AND DESIGN REVIEW 15-10 TO ESTABLISH A WIRELESS COMMUNICATIONS FACILITY AT 441 WEST WHITTIER BOULEVARD TO A DATE UNCERTAIN.

Said motion CARRIED by the following roll call vote:

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

2. Duly noticed public hearing to consider a resolution amending the Master Schedule of Fees pertaining to fees for General Services, Administrative Services, Community Development Services, Building Services, Fire Services, Police Services, Ambulance Services, Public Works Services, Utility Services, and penalties for Municipal Code and Vehicle Code Parking Violations.

Finance Director Shannon presented the staff report. He reported that annual CPI adjustments have helped the City maintain parity with rising costs associated with the services provided; however the revenue generated by the imposition of fees has not matched the rise in the City's full costs to provide most services. He stated that MGT of America (MGT) was contracted to conduct a study of its fee-related services, which was last conducted during fiscal year 2005-2006. He stated that the primary goal of the study was to provide the City Council with basic data to consider when setting fees for City services. He briefly reviewed the methodology of the cost of service study.

Council discussion included: Review of the Consumer Price Index (CPI) trends for the last ten years; percentage of proposed fee increase; clarifying proposed fee increase is primarily due to increase in salary and pension costs; clarification that the City fees were below 100 percent recovery ten years ago; identified that not all proposed fees were recommended for 100 percent recover and the relating rationale; review of percentage of fee increases for individual services; review of fees that have the potential to increase more than 100 percent; cost recovery versus subsidizing cost from the General fund; Orange County Fire Authority and Orange County Emergency Medical Services based fees; fire department and ambulance transport fees; pet shop and/or kennel grooming fees; vehicle impound fees due to driving under the influence of alcohol and driving while unlicensed; business license fee; review of various fees relating to Public Works and Engineering Land Development and cursory services fees, Community and Economic Development fees, and Community Services program fees, addressed concerns and confirmed that the City does not offer recreation programs that are offered by non-profits and private businesses; review of costs versus benefits of a non-resident fees for recreation programs; clarification that a high percentage fee increase may not equate to a significant increase in revenue due to low volume of the service; and suggested that a fee study be performed every five years for a more incremental approach to fee increases

Mike Adams, with MGT America, and the following City employees responded to Council's questions regarding the fee study and proposed fees: City Manager Sadro, La Habra Police Department Bureau Manager for Community Services and Public Information Office Cindy Knapp, Police Chief Price; City Engineer Johansen; Community Services Director Failla; and Community and Economic Development Director Ho.

Mayor Gomez opened the public hearing at 7:16 p.m.

Julia Emerson, Southern California Gas Company Local Public Affairs Manager, stated that she believes the proposed fee schedule for Public Works and Engineering are fair and reasonable; however she would like to reserve the right to speak with staff about the proposed fees.

There being no further testimony, Mayor Gomez closed the public hearing at 7:19 p.m.

City Attorney Jones gave instruction regarding continuing the public hearing to a specific date versus continuing to a date uncertain and the additional cost to re-advertise the public hearing date.

Moved by Councilmember Beamish, seconded by Councilmember Espinoza, and CARRIED UNANIMOUSLY (5-0) TO CONTINUE THE PUBLIC HEARING TO CONSIDER A RESOLUTION TO AMEND THE MASTER SCHEDULE OF FEES PERTAINING TO FEES FOR GENERAL SERVICES, ADMINISTRATIVE SERVICES, COMMUNITY DEVELOPMENT SERVICES, BUILDING SERVICES, FIRE SERVICES, POLICE SERVICES, AMBULANCE SERVICES, PUBLIC WORKS SERVICES, UTILITY SERVICES AND PENALTIES FOR MUNICIPAL CODE AND VEHICLE CODE PARKING VIOLATIONS TO APRIL 4, 2016, AT 6:30 P.M. IN THE CITY COUNCIL CHAMBERS.

Said motion CARRIED by the following roll call vote:

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

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

VI. CONSIDERATION ITEMS:

1. Consider Fiscal Year 2015-2016 Mid-Year Budget update.

Finance Director Shannon presented the Fiscal Year 2015-2016 Mid-Year Budget Powerpoint presentation. He reported that the General Fund is projected to end Fiscal Year 2015-2016 with a carry-over of approximately \$2 million dollars. He reviewed the following one-time sources of revenue of: Fairfield project payment of \$467,000; mandated cost reimbursement from the State of California of \$130,000; and the Redevelopment Agency received a payment from the Successor Agency to the La Habra Redevelopment Agency of \$216,000.

Council discussion included: Police Department budget; anticipated carry-over amount of \$2 million dollars, the majority of the amount being one-time revenues; confirmation no negative trends in the budget; California Public Retirement System (CalPERS) cost increase; and preparation for a potential future recession in the next two to five years.

The following City employees spoke regarding the Fiscal Year 2015-2016 Budget: Chief Price and City Manager Sadro.

Mayor Gomez invited the public to testify at 7:34 p.m. There was no public testimony.

Moved by Councilmember Beamish, seconded by Councilmember Blazey, and CARRIED UNANIMOUSLY (5-0) TO APPROVE THE FOLLOWING:

- a. RECEIVE AND FILE THE FY2015-2016 MID-YEAR BUDGET UPDATE;
- b. AUTHORIZE THE TRANSFER AND APPROPRIATION OF \$210,000 FROM THE RISK MANAGEMENT FUND BALANCE TO LIABILITY ACCOUNT 164211-7861;
- c. APPROVE THE RECLASSIFICATION OF SECRETARY IN COMMUNITY PRESERVATION TO ADMINISTRATIVE AIDE III AT PAY RANGE T-50/1; AND
- d. APPROVE THE POSITION UPGRADE OF BUILDING INSPECTOR TO SENIOR BUILDING INSPECTOR AT PAY RANGE A-70/1.

Said motion CARRIED by the following roll call vote:

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

2. [Consider City of La Habra Goals and Objectives for Fiscal Year 2016-2017.](#)

Assistant to the City Manager Ferrier presented the staff report.

Council discussion included modification of Item 3d regarding the City's infrastructure.

Mayor Gomez invited the public to testify at 7:37 p.m. There was no public testimony.

Moved by Mayor Gomez, seconded by Councilmember Beamish, and CARRIED UNANIMOUSLY (5-0) TO APPROVE THE CITY OF LA HABRA GOALS AND OBJECTIVES FOR FY2016-2017; AND DIRECT STAFF TO MODIFY GOAL 3D TO INCLUDE: IMPLEMENTATION OF DESIGNS AND SPECIFICATIONS FOR THE CONSTRUCTION OF VISTA GRANDE PARK, RESTORE AND MAINTAIN STORM DRAIN SYSTEM, AND IDENTIFY POTENTIAL NEW FUNDING SOURCES FOR STORM DRAIN IMPROVEMENTS.

Said motion CARRIED by the following roll call vote:

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

3. [Consider an ongoing rate study for the Municipal Water District of Orange County.](#)

Public Works Director Saykali presented the staff report.

City Attorney Jones declared a conflict of interest stating that he is a member of the Board of Directors for California Domestic Water Company. He stated that this item could affect California Domestic Water Company rates and left the dais at 7:38 p.m.

Council discussion included language clarification for the response letter to Municipal Water District of Orange County regarding the ongoing rate study.

Mayor Gomez invited the public to testify at 7:42 p.m. There was no public testimony.

Moved by Councilmember Beamish, seconded by Mayor Pro Tem Shaw, and CARRIED UNANIMOUSLY (5-0) TO APPROVE TO DIRECT STAFF TO RESPOND TO THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY'S REQUEST FOR INPUT TO THEIR RATE STUDY BY INDICATING SUPPORT FOR "SCENARIO 2," A RETAIL SERVICE CONNECTION CHARGE WITH A METRIC BASED UPON THE MEMBER AGENCY'S EQUIVALENT METER COUNT;" AND DIRECT STAFF TO ADD LANGUAGE TO RESPONSE WHICH INDICATES THE CITY'S FIRST CHOICE IS SCENARIO 2, SECOND CHOICE IS SCENARIO 1, AND THE CITY DOES NOT AGREE WITH SCENARIO 3.

Said motion CARRIED by the following roll call vote:

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

City Attorney Jones returned to the dais at 7:44 p.m.

VII. MAYOR'S COMMUNITY CALENDAR:

Mayor Gomez made the following announcements:

- "Night Time Easter Egg Hunt" - Thursday, March 24, from 6:00 p.m. – 8:00 p.m. at Westridge Golf Course.
- The 15th Annual La Habra "Eggstravaganza" – Saturday, March 26, from 8:00 a.m. – 12:00 p.m. at La Bonita Park.
- Community Development Department Open House - Saturday, April 16, 9:00 a.m. at .Veterans Hall, located at 209 North Orange Street.
- The La Habra Children's Museum 2016 "Chipping in for Kids" Golf Classic - Monday, April 18, at the Hacienda Golf Club.
- The 2016 Citrus Fair - Friday, April 29 through Sunday, May 1.

Mayor Gomez expressed his condolences to Councilmember Espinoza on the passing of her brother Paul Hernandez.

VIII. COMMENTS FROM STAFF: None

IX. COMMENTS FROM COUNCILMEMBERS:

Councilmember Beamish thanked City staff for their work on the budget. He stated that he participated in the La Habra Races where he ran the 5K race.

Mayor Pro Tem Shaw stated he and his wife Shannon attended the Miss La Habra Pageant. He congratulated Queen Kristen Saucedo, and Princesses Samantha Da Broi, Alexyss Gomez, Norma Mendoza, Madelynn Sopp, and Miss Congeniality Phoebe Graham. He discussed housing development process, fees, the high cost of housing, and necessary government involvement.

Mayor Gomez recognized Deputy Director of Community and Economic Development Jaramillo for his work handling difficult cases and Planning Manager Ramsland for his work on the new City Hall project. He requested to adjourn the meeting in memory of Al Georgenson. He stated that Al Georgenson was a former Rotary Club President who was married over 70 years to Marge Georgenson. He noted that Al Georgenson was a community activist known for defeating the utility tax. He stated also that he had the opportunity to speak at the funeral of Al Georgenson.

X. ADJOURNMENT: Mayor Gomez adjourned the meeting in memory of Paul Hernandez and Al Georgenson at 7:51 p.m. to Monday, April 4, 2016, at 5:00 p.m. in the Administrative Conference Room 106, for Commission and Committee interviews; followed by the Regular Meeting at 6:30 p.m. in the City Council Chambers.

Respectfully submitted,

Tamara D. Mason, MMC
City Clerk