

MINUTES
CITY COUNCIL OF THE CITY OF LA HABRA
ADJOURNED REGULAR MEETING
&
REGULAR MEETING
&
REGULAR JOINT MEETING WITH THE
LA HABRA UTILITY AUTHORITY

Monday, June 01, 2015

APPROVED: These Minutes were approved on June 15, 2015.

ADJOURNED REGULAR MEETING:

CALL TO ORDER: Mayor Blazey 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 East La Habra Boulevard, La Habra, California.

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

COUNCILMEMBERS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager Sadro
Deputy City Attorney Ryan Jones
City Clerk Mason
Assistant to the City Manager Ferrier

I. ORAL COMMUNICATIONS FROM THE PUBLIC FOR CLOSED SESSION MATTERS:

None

II. CLOSED SESSION:

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

Community Services Director Failla, Finance Director Shannon, Human Resources Director Juengel, and Human Resources Manager LaFreniere were present for this item.

- b. Conference with Legal Counsel Initiation of Litigation per Government Code Section 54956.9(d)(4) (1 case).

III. ADJOURNMENT: Council reconvened from Closed Session at 6:19 p.m. There were no announcements to be made. Mayor Blazey adjourned the Adjourned Regular Meeting at 6:19 p.m.

REGULAR MEETING & REGULAR JOINT MEETING:

CALL TO ORDER: Mayor/Chair Blazey called the Regular Meeting of the City Council of the City of La Habra and the Regular Joint Meeting with the La Habra Utility Authority to order at 6:30 p.m. in the City Council Chambers, located at 201 East La Habra Boulevard, La Habra, California.

INVOCATION: Deputy City Attorney/Legal Counsel
Ryan Jones

PLEDGE OF ALLEGIANCE: Councilmember/Director Shaw

COUNCILMEMBERS/DIRECTORS PRESENT: Mayor/Chair Blazey
Mayor Pro Tem/Vice Chair Gomez
Councilmember/Director Shaw
Councilmember/Director Espinoza
Councilmember/Director Beamish

COUNCILMEMBERS/DIRECTORS ABSENT: None

OTHER OFFICIALS PRESENT: City Manager/Executive Director Sadro
Deputy City Attorney/Legal Counsel
Ryan Jones
City Clerk/Secretary Mason
Deputy City Clerk Swindell

CLOSED SESSION ANNOUNCEMENT: Deputy City Attorney/Legal Counsel Ryan Jones announced that there was no formal action taken. He noted the Council did provide direction to staff outlined in the agenda regarding labor negotiations and one matter of potential litigation.

I. PROCLAMATIONS/PRESENTATIONS:

a. Recognition of the 2014-2015 La Habra Youth Committee.

Community Services Commissioners Kathy Felix and Monica Faith, and La Habra Youth Committee Chair Jake Drake assisted with the presentations.

b. Recognition of retiring Los Angeles County Fire Fighters.

Mayor/Chair Blazey invited Los Angeles Assistant Fire Chief Chris Jackson to the podium to assist with the presentations to Captain Alex Solis and Firefighter Specialist Raymond Rubio.

II. PUBLIC COMMENTS:

Pat Buttress, representative for Southern California Edison (SCE), reported on Southern California Edison's "Power in Partnerships" program. Mayor Pro Tem Gomez inquired regarding power outages and graffiti on SCE property at Mission Drive and Oakland Drive in La Habra.

III. CONSENT CALENDAR:

Moved by Councilmember/Director Beamish, seconded by Councilmember/Director Espinoza, and CARRIED UNANIMOUSLY (5-0) TO APPROVE CONSENT CALENDAR ITEMS III.A.1 THROUGH III.A.8 AND ITEM III.B.1.

Said motion CARRIED by the following roll call vote:

AYES: Mayor/Chair Blazey, Mayor Pro Tem/Vice Chair Gomez,
Councilmember/Director Shaw, Councilmember/Director Espinoza,
Councilmember/Director Beamish

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE

A. CONSENT CALENDAR - CITY COUNCIL:

1. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title only.
2. Approve City Council Minutes of May 4, 2015.
3. APPROVE SECOND READING AND ADOPTION OF **ORDINANCE NO. 1759** ENTITLED: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA HABRA APPROVING A DEVELOPMENT AGREEMENT (DA#14-02) BETWEEN THE CITY OF LA HABRA AND CITY VENTURES LLC FOR 201 EAST LA HABRA BOULEVARD AND 200 NORTH EUCLID STREET ATTACHED HERETO AS ATTACHMENT "A."
4. Receive and file Planning Commission Minutes of:
 - a. March 23, 2015
 - b. April 13, 2015
5. Accept the offer of dedication for additional right-of-way and authorize the recordation of the Right-of-Way Easement Deed for 741 and 751 West Fourth Street.
6. Receive and file the Treasurer's Investment Report for the quarter ending March 31, 2015.
7. Approve and adopt the Seven-Year Capital Improvement Program (CIP) and a resolution concerning the status of the circulation element for the City of La Habra as part of the Measure M2 eligibility requirements for Fiscal Year 2015-2016.
 - a. APPROVE AND ADOPT **RESOLUTION NO. 5681** ENTITLED: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA CONCERNING THE STATUS OF THE CIRCULATION ELEMENT AND MITIGATION FEE PROGRAM.
8. WARRANTS: Approve Nos. 00101478 through 00101679 totaling \$1,100,544.26.

B. CONSENT CALENDAR

CONSENT CALENDAR - UTILITY AUTHORITY:

1. Authorize the Executive Director to execute agreement and to issue Purchase Order to iWater, Inc. in the amount of \$65,431.80, which includes a five percent contingency, to perform maintenance on 1,154 water valves.

IV. CONSENT CALENDAR ITEMS REMOVED FOR SEPARATE DISCUSSION: None

V. PUBLIC HEARINGS: None at this time.

VI. CONSIDERATION ITEMS:

CITY COUNCIL AND UTILITY AUTHORITY:

1. Consider a Financial Report and proposed rate increase for Utility Authority's Water & Sewer Funds and the City's Refuse Enterprise Fund for Fiscal Year 2015-2016 and Fiscal Year 2016-2017.

Deputy City Attorney/Legal Counsel Ryan Jones recused himself regarding water issues of this item because City Attorney/Legal Counsel Richard Jones is a member of the California Water Domestic Company Board. He left the dais at 6:48 p.m.

Mayor Pro Tem/Vice Chair Gomez requested a summary staff report regarding the public hearing to be requested and for the proposed water, sewer, and refuse rate increases to be discussed during the proposed public hearing. Councilmember Beamish and Mayor Blazey concurred.

Public Works Director Saykali was available to present the staff report. He reported that the item was to request approval to set a public hearing on July 20, 2015.

Council/Authority discussion included: confirmation that every customer and property owner will be notified regarding the proposed public hearing and rate increases by mail; agreement regarding hearing the details for the proposed rate increases during the public hearing to be held July 20; and confirmation the proposed rate increases are currently available on the City of La Habra's web site, in the Orange County Register, or available to interested parties by calling City Hall.

Mayor/Director Blazey invited the public to testify at 6:52 p.m. There was no public testimony.

Moved by Mayor Pro Tem/Vice Chair Gomez, seconded by Councilmember/Director Beamish, and CARRIED UNANIMOUSLY (5-0) TO APPROVE THE FOLLOWING:

- b. SCHEDULE A PUBLIC HEARING ON PROPOSED RATE INCREASES FOR WATER, SEWER, AND REFUSE OPERATIONS TO BE HELD ON JULY 20, 2015; AND
- c. DIRECT STAFF TO PREPARE AND MAIL NOTICES TO PROPERTY OWNERS AND CUSTOMERS REGARDING THE SCHEDULED PUBLIC HEARING ON JULY 20, 2015, TO CONSIDER FISCAL YEAR 2015-2016 AND FISCAL YEAR 2016-2017 PROPOSED RATE INCREASES FOR THE UTILITY AUTHORITY'S WATER AND SEWER FUNDS AND THE CITY'S REFUSE ENTERPRISE FUND; AND
- a. RECEIVE AND FILE REPORT REGARDING REVENUE REQUIREMENTS FOR THE UTILITY AUTHORITY'S WATER AND SEWER FUNDS AND THE CITY'S REFUSE ENTERPRISE FUND; AND

d. APPROVE THE ELIMINATION OF THE WATER SURCHARGE RATE BETWEEN THE MONTHS OF MAY AND SEPTEMBER.

Said motion CARRIED by the following roll call vote:

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

Deputy City Attorney Ryan Jones returned to the dais at 6:53 p.m.

CITY COUNCIL:

2. Consider Fiscal Year 2015-2016 proposed Budget presentation.

- a. Receive and consider the Fiscal Year 2015-2016 Proposed Budget; and direct staff regarding any revisions.

Finance Director Shannon presented the staff report and a PowerPoint presentation, assisted by City Manager Sadro, and Department Directors.

Council discussion included: General Fund budget for labor negotiations and fixed pension costs for unfunded liability regarding public safety employees; clarification the City pays \$4.8 million per year to the Public Employee Retirement System (PERS) and employees are paying their full 7 percent of PERS cost; review of budget cuts made; identified that the revenue amount from the Transaction and Use tax is approximately the same as the PERS costs; the effect of internet sales on the local small retail stores and the sales tax received by the City; noted that part-time minimum wage increases January 1, 2016; direct staff to provide a report regarding Community Services Department services provided and the relating costs; clarification that neighborhood traffic calming is a priority; General Fund short-term project costs versus long-term costs regarding Bishop wall shoring; Vista Grande Park design timeline and public involvement; inquiry regarding budget cuts in the Public Works Department; clarification that five Public Works positions have been frozen; uses of recycled water; watering of juvenile trees by truck; confirmation of 25 water main breaks occurred last year and that the state counts water loss as part of consumption per capita; water loss due to hydrant flushing, purpose of hydrant flushing; new development projects and the relating property tax revenue timelines; future increase in housing and population may trigger need for additional police officers; regulations for use of asset forfeiture funds; identified a decrease in Capital Improvement Project costs; and explanation of year-end carry over amounts.

The following Directors spoke regarding their department budgets and included major accomplishments and goals:

- Community Services Director Failla;
- Public Works Director Saykali;
- Assistant to the City Manager Ferrier regarding Fire and Ambulance; and Administrative Services; and

- Police Chief Price

Mayor Blazey invited the public to testify at 8:31 p.m. There was no public testimony.

Moved by Councilmember Beamish, seconded by Mayor Pro Tem Gomez, and CARRIED UNANIMOUSLY (5-0) TO APPROVE TO RECEIVE THE FISCAL YEAR 2015-2016 PROPOSED BUDGET AS SUBMITTED.

Said motion CARRIED by the following roll call vote:

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

3. Consider the proposed Fiscal Year 2015-2016 City of La Habra Legislative Platform.

Assistant to the City Manager Ferrier presented the staff report.

Council discussion included: explanation of Proposition 13 legislation; and expressed concerns regarding legislative platform process and Council's involvement.

Mayor Blazey invited the public to testify at 8:38 p.m. There was no public testimony.

Moved by Councilmember Espinoza, seconded by Mayor Pro Tem Gomez, and CARRIED UNANIMOUSLY (5-0) TO APPROVE TO ADOPT THE CITY'S PROPOSED FISCAL YEAR 2015-2016 LEGISLATIVE PLATFORM AND AUTHORIZE STAFF TO PREPARE LETTERS OF SUPPORT OF OPPOSITION TO LEGISLATIVE BILLS FOR THE MAYOR'S SIGNATURE AS NEEDED AND IN ACCORDANCE WITH THE LEGISLATIVE PLATFORM.

Said motion CARRIED by the following roll call vote:

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

VII. MAYOR'S COMMUNITY CALENDAR:

Mayor/Chair Blazey made the following announcements:

- Mayor's office hours are available by appointment.
- The La Habra Summer Day Camp, for children ages 4-12, runs from June 8 – August 14, and registration fees apply.
- The City's "Summer Concert Series" returns on Thursday, June 18, with a kick-off concert at the La Habra Marketplace.

- The City's "Movie in the Park" series at Brio Park showing "Dolphin Tale 2" - Friday, June 19 at 6:00 p.m.
- City of La Habra Annual 4th of July Spectacular - Saturday, July 4, at the La Habra High School Stadium. Gates open at 5:00 p.m. and the fireworks show starts at 9:15 p.m.
- Upcoming City Council meeting - Monday, June 15, at 6:30 p.m. in the Council Chambers.

VIII. COMMENTS FROM STAFF:

City Manager Sadro thanked Council for their guidance through Fiscal Year 2014-2015. He commended the Finance Department, the Department Directors, and City staff for their work to produce a balanced budget.

IX. COMMENTS FROM COUNCILMEMBERS:

Councilmember/Director Beamish thanked staff for their diligence and work on the budget.

Councilmember/Director Espinoza thanked staff for their work on the budget. She congratulated La Habra High School and Sonora High School graduates. She thanked Community Services Director Failla for representing the City at the Healthy Eating Active Living event. She stated that she attended the Movie in the Pool and the Fire Service Day events. She congratulated North Hill on their 50th Anniversary. She instructed staff to explore ideas regarding the capturing of the water when flushing hydrants.

Councilmember/Director Shaw thanked staff for their work on the budget. He stated that he attended the La Habra High School graduation ceremony, but was unable to attend the Sonora High School graduation ceremony.

Mayor Pro Tem/Vice Chair Gomez stated he attended the Fire Service Day event. He offered congratulations to his son James and new daughter-in-law Erika on their marriage.

Mayor/Chair Blazey stated that the La Habra Police Department and the Community Services Department hosted a fundraising event for the Special Olympics World Games. He thanked City staff and community for participating in the event. He congratulated Sonora High School and La Habra High School graduates. He thanked staff for a job well done on the budget.

- X. ADJOURNMENT:** Mayor/Chair Blazey adjourned the meeting at 8:47 p.m. to Monday, June 15, 2015, 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/Secretary