

**MINUTES OF THE CITY COUNCIL
OF THE CITY OF LOS ALAMITOS**

REGULAR MEETING – June 16, 2014

1. CALL TO ORDER

The City Council met in Regular Session at 6:03 p.m., Monday, June 16, 2014, in the Council Chamber, 3191 Katella Avenue, Mayor Graham-Mejia presiding.

2. ROLL CALL

Present: Council Members: Edgar, Grose, Kusumoto,
Mayor Pro Tem Murphy, Mayor Graham-Mejia

Absent: Council Members: None

Present: Staff: Bret M. Plumlee, City Manager
Cary Reisman, City Attorney
Tony Brandyberry, Public Works Superintendent
Dave Hunt, City Engineer
Corey Lakin, Community Services Director
Todd Mattern, Police Chief
Steven Mendoza, Community Development Director
Cassandra Palmer, Support Services Manager
Glenn Steinbrink, Interim Administrative Svcs. Director
Windmera Quintanar, CMC, City Clerk

3. PLEDGE OF ALLEGIANCE

Council Member Edgar led the Pledge of Allegiance.

4. INVOCATION

Mayor Graham-Mejia gave the invocation.

5. PRESENTATIONS

A. Presentation of the 2014 ACC-OC Liaison Award by Lacey Kelly, Association of California Cities-Orange County (ACC-OC), to Council Member Edgar

Ms. Kelly spoke briefly regarding the award and presented it to Council Member Edgar.

B. Presentation of Certificates of Recognition to the Ticktockers, National Charity League South Coast Chapter, Senior Class of 2014

Mayor Graham-Mejia and the Council presented Certificates of Recognition to the Ticktockers. Ticktockers representative Hailey spoke briefly.

C. Presentation of Commendations to Blair Pietrini, Founder/Director of Grateful Hearts Storehouse, and Darlene Martin, Grateful Hearts Storehouse Manager, for their Volunteer and Community Involvement

Mayor Graham-Mejia and the Council presented Commendations to Ms. Pietrini and Ms. Martin. Ms. Pietrini and Ms. Martin spoke briefly.

D. Presentation of a Commendation to Chief Robert Acosta, Orange County Fire Authority, for Drowning Prevention Summer

Mayor Graham-Mejia and the Council presented a Commendation to Chief Acosta. Chief Acosta spoke briefly.

E. Presentation by Steven Okain, Vice President of Operations for AES Southland, regarding the Alamitos Energy Center

Mr. Okain gave a PowerPoint presentation and answered questions from the City Council.

6. ORAL COMMUNICATIONS

Mayor Graham-Mejia opened Oral Communications.

Lois Waddle, resident, submitted a letter regarding LATV to the Council and read it into the record. She stated her belief that Council could not comply with the CAP ACT unless LATV continued to provide community programming.

Council Member Kusumoto asked for clarification that nothing was preventing community producing with the current equipment.

City Manager Plumlee indicated the City's equipment did not have to be used to produce programming and confirmed the equipment is available for use.

Council Member Kusumoto stated an investment was not needed to continue production and shows could be produced with existing equipment.

Mayor Graham-Mejia closed Oral Communications.

7. REGISTER OF MAJOR EXPENDITURES

Motion/Second: Edgar/Murphy

Unanimously Carried: The City Council approved the Register of Major Expenditures for June 16, 2014, in the amount of \$116,453.74, ratified the Register of Major Expenditures for May 20, 2014, to June 15, 2014, in the amount of \$661,014.46, and authorized the City Manager to approve such expenditures as are legally due and within an unexhausted balance of an appropriation against which the same may be charged for the time period June 17, 2014, to July 20, 2014.

ROLL CALL

Council Member Edgar	Aye
Council Member Grose	Aye
Council Member Kusumoto	Aye
Mayor Pro Tem Murphy	Aye
Mayor Graham-Mejia	Aye

8. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Council Member requests separate action on a specific item.

Motion/Second: Edgar/Kusumoto

Unanimously Carried: The City Council approved the following Consent Calendar items:

A. Approval of Minutes (City Clerk)

1. Approved the Minutes of the Special Meeting of May 19, 2014.
2. Approved the Minutes of the Regular Meeting of May 19, 2014.

B. Warrants (Finance)

Approved the Warrants for June 16, 2014, in the amount of \$49,528.07, ratified the Register of Warrants for May 20, 2014, to June 15, 2014, in the amount of \$62,488.89, and authorized the City Manager to approve such expenditures as are legally due and within an unexhausted balance of an appropriation against which the same may be charged for the time period June 17, 2014, to July 20, 2014.

C. Second Reading of Ordinance 14-03 – Zoning Ordinance Amendment (ZOA No. 13-05) – Adoption of Changes to the Los Alamitos Municipal Code Sections Relating to Accessory Residential Uses and Accessory Structures (Community Development)

At its Regular meeting of April 21, 2014, the City Council conducted a first reading of Ordinance No. 14-03. This ordinance makes changes to Los Alamitos Municipal Code sections relating to accessory residential uses and accessory structures (Citywide) (City-initiated).

The City Council adopted Ordinance No. 14-03, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING ZONING ORDINANCE AMENDMENT (ZOA) 13-05 AMENDING THE LOS ALAMITOS MUNICIPAL CODE RELATING TO ACCESSORY RESIDENTIAL USES AND ACCESSORY STRUCTURES (INCLUDING CHANGES TO DEFINITIONS, REMOVAL OF GUEST HOUSES AS AN ALLOWABLE LAND USE AND CHANGES TO ACCESSORY STRUCTURES) AND MAKING MINOR TECHNICAL CHANGES TO THE PROVISIONS RELATING TO SECONDARY RESIDENTIAL UNITS, AND DIRECTING A

NOTICE OF EXEMPTION BE FILED FOR A CATEGORICAL EXEMPTION FROM CEQA (CITYWIDE) (CITY-INITIATED).”

**D. Award of Bid for Street Improvement Project (CIP No. 13/14-04)
(Public Works)**

This report recommended award of a bid for the construction of street improvements on Winners Circle from Katella Ave. to 800 feet south; Portal Drive from Katella Avenue to 900 feet north; Ball Road from Bloomfield Street to 250 feet west of Kaylor Avenue; Los Alamitos and Bradbury Way intersection; and sidewalk improvements on Cerritos Avenue from Coyote Creek Channel to Chestnut Street.

The City Council:

1. Awarded construction of the Street Improvement Project (CIP No. 13/14-04) to RJ Noble Co. in the amount of \$414,601.75; and,
2. Authorized the Mayor to execute the contract for the project; and,
3. Authorized the City Engineer to add work and execute change orders in an amount not to exceed the contingency reserve of 10% or \$41,460.18 for a maximum contract amount of \$456,061.93.

**E. Solid Waste Services – Refuse Rate Adjustment
(Community Development)**

Consolidated Disposal Services (CDS) requested its second rate adjustment under the terms of its Solid Waste Services Franchise Agreement. This report informed the City Council that CDS failed to supply the Rate Adjustment Review Fee and therefore did not follow the terms of the Solid Waste Franchise Agreement in accordance with a Rate Adjustment request.

The City Council received and filed the report.

**F. Resolution No. 2014-16 – Amend Hourly Rate Schedule Due to an Increase in the California Minimum Wage
(City Manager)**

This agenda item seeks authorization to amend the hourly rate schedule due to an increase in the State minimum wage to \$9.00 per hour.

The City Council adopted Resolution No. 2014-16, entitled, “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING THE HOURLY RATE SCHEDULE.”

G. Amend Resolution No. 2013-21 for Non-Represented Employees and Authorize the City Manager to Hire the Administrative Services Director from Tier 1 of the Salary Schedule (City Manager)

This Resolution amended the Non-Represented Salary Resolution to reduce the salary for the position of Executive Assistant/Benefits Coordinator and authorization for the City Manager to hire an Administrative Services Director from Tier 1 of the Non-Represented Salary Resolution.

The City Council:

1. Adopted Resolution No. 2014-05, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING RESOLUTION NO. 2013-21 RELATING TO SALARIES AND BENEFITS FOR NON-REPRESENTED CITY EMPLOYEES"; and,
2. Authorized the City Manager to hire an Administrative Services Director at Tier 1 of the Non-Represented Salary Schedule.

H. Adoption of the City of Los Alamitos Fiscal Year 2014-15 Annual Appropriations Limit (Finance)

Article XIII B of the California Constitution specifies the amount of allowable revenue the City of Los Alamitos can appropriate from the proceeds of taxes.

The City Council adopted Resolution No. 2014-17, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2014-15."

I. Statement of Investment Policy for Fiscal Year 2014-2015 (Finance)

This report sought City Council adoption of an Investment Policy for Fiscal Year 2014-2015.

The City Council adopted Resolution 2014-14, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2014-2015."

Council Member Edgar requested item 10B be tabled. Consensus was received.

9. PUBLIC HEARING

A. Adoption of the City of Los Alamitos Fiscal Year 2014-15 Annual Operating and Capital Improvement Program (CIP) Budget (Finance)

City Charter Sections 1201-1205 govern the development and adoption of

the City's Annual Budget. Section 1203 requires a public hearing for public input on the proposed budget. Thereafter, the City Council shall adopt the budget with revisions, if any; establish estimated revenues, expenditure appropriations, and transfers of funds of the City.

City Manager Plumlee introduced the item. Interim Administrative Director Steinbrink summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Interim Administrative Services Director Steinbrink referred to one new recommended item, prepayment of PERS contributions online which would give the city a 3.66% discount on the payment. He indicated there would be a realized savings of approximately \$30,000-40,000.

Mayor Graham-Mejia opened the Public Hearing.

JM Ivler, resident, stated opposition to spending money studying the Downtown Project and relocating City Hall. He stated support for a new phone system that would save money in the long term.

Mayor Graham-Mejia closed the Public Hearing.

Council Member Grose asked if prepaying the PERS contribution would have an effect on the savings already included in the budget for the prepayment on the long term PERS liability.

Interim Administrative Services Director Steinbrink stated this payment was in addition to paying off the Side Fund Liability of \$12,500. He clarified there were two liabilities being discussed: 1) Side Fund Liability, and 2) the unfunded portion of the risk pool. He stated in addition to paying off the side fund liability, Staff is recommending the prepayment of the City's retirement contribution to the normal unfunded liability.

Council Member Grose stated the money would be coming out of the Local Agency Investment Fund (LAIF) investment and inquired if LAIF investments were part of the reserves.

Interim Administrative Services Director Steinbrink stated that was correct. He clarified the LAIF investment is part of the City's total portfolio and includes all funds of the City, not just the General Fund. He stated the City would be using money from the total portfolio which includes all funds of the City.

Council Member Grose stated he understood the advantage of prepaying and questioned where the money is currently and how the effect of moving

funds will impact the recently identified reserve money accounts. He asked where the money comes from to allow for prepayment.

Interim Administrative Services Director Steinbrink stated this would not affect the designations of fund balance in any funds at all, including the General Fund. He stated the amounts designated for reserves of internal service funds are for Fiscal Year 14/15. As part of the FY 14/15 budget, revenues and expenditures are budgeted. The retirement contributions are already part of the appropriations budgeted for FY 14/15 budget and is actually coming out of FY 14/15 revenues, not the reserves that have been set aside. The recommendation is to pay the expense early instead of paying it every two weeks. He clarified that when the budget is prepared, it is not indicated when an expense will be appropriated, and indicated once the budget is adopted, appropriations can occur at the beginning, end, or throughout the fiscal year. He stated this expense was being brought to Council's attention because prepayment had never been done before and Staff wanted to insure Council understood the process. He reiterated prepayment does not affect anything that has already been discussed and agreed upon for the FY 14/15 budget. He clarified the only affect for the 14/15 Budget will be an additional savings of approximately \$30,000-40,000. He indicated the budget was balanced and instead of a surplus of \$4,300 the surplus would have an additional \$30,000-40,000.

Council Member Grose asked for the total expense.

Interim Administrative Services Director Steinbrink indicated it was \$860,000, with an approximate breakdown of \$620,000 for Public Safety and \$240,000 for miscellaneous employees.

Council Member Grose stated he understood the proposal and was not opposed to such. He stated concern that if there was \$860,000 available to prepay an expense, there were likely additional prepayment discounts available. He was apprehensive to this last minute verbal modification to the budget with no paperwork or presentation and inquired if it was legal to proceed.

City Attorney Reisman advised it was not illegal and clarified there was not an issue since the Council had received a Staff report on the item. He advised Staff reports did not have to be in writing.

Mayor Pro Tem Murphy asked for confirmation the item was just a matter of timing and there would be no affect to the budget, other than interest saved.

Interim Administrative Services Director Steinbrink confirmed.

Council Member Kusumoto asked if there was a bank balance of zero, then prepayment would not be possible.

Interim Administrative Services Director Steinbrink clarified if the City did not have the money, it could be borrowed. He referred to TRAN borrowing.

Council Member Kusumoto stated his understanding that funds were primarily tax revenue tied to property tax and it was a vehicle to say the City has income and it wants to borrow against it.

Interim Administrative Services Director Steinbrink stated that was correct and clarified the City had plenty of revenues; however revenue was not received evenly based on 12 months.

Council Member Kusumoto confirmed the City did not have to resort to borrowing because of its healthy fund balance and the issue was timing.

Interim Administrative Services Director Steinbrink stated that was correct and this would be a healthier one year investment for the community at 3.66% versus the .25% received by LAIF.

Council Member Edgar stated support for the item. He referred to the long term Investment Policy and liquidity. He stated concern regarding prepaying and liquidity. He asked if the City prepaid this amount and hypothetically fired all employees, what would happen to the prepaid money.

Interim Administrative Services Director Steinbrink stated if the City was 100% funded, PERS would refund the prepayment. He pointed out the City was only 80% funded and it was to the City's benefit to send money to PERS. He clarified if all employees were eliminated; the City would still have to pay off the unfunded liability portions, approximately 20% over 15 years.

Council Member Edgar stated his understanding the City would be prepaying employees' share of current year employees and if there was an overpayment it would go towards the unfunded liability. He expressed concern regarding the City would be cash poor with low rates and believed stated contradictory policies, Investment Policy and Reserve Fund policy, were being discussed. He expressed concern the Council was restricting \$8 million in reserves, \$3.2 million of which was hard reserved, and was now paying \$800,000 in advance for the current year.

Interim Administrative Services Director Steinbrink stated \$3.2 million was staying in working capital. He addressed Council Member Edgar's

concerns regarding the fund balance and stated he did not agree with pension obligations bonds or being 100% funded. He indicated the City had many obligations and having bonds or being 100% funded does not allow the City to access those funds for other priorities. He indicated that being 80% funded, as recommended by the U.S. Government Accounting Office, allows the City to say it is on track to fund its obligations, but leaves the funds available in fund balance and working capital to fund other needs in the City. He reiterated the recommendation was assuming all employees are on payroll all year, prepaying the contribution instead of paying it every two weeks would save \$30,000-40,000.

Council Member Edgar stated the \$800,000 is really part of the \$3.2 million in reserves and in theory the money has not been earned yet. He believed this would make the working capital in the bank reserves tied up. He stated he was supportive, but wanted to insure the City was not in conflict with its Investment Policy. He stated there was \$3.2 million in reserves for unfunded PERS liability and \$800,000 for employees could be refunded.

Interim Administrative Services Director Steinbrink answered in the negative. He clarified \$800,000 was to pay the normal cost for the services that the employees rendered in FY 14/15. The \$3.2 million is for service employees who have already rendered in previous years. The unfunded liability is the amount due for service already provided. He reiterated the \$800,000 had nothing to do with the unfunded employees, unless the City eliminated all employees after the July 1 payment.

Council Member Edgar stated the City had two police officer positions vacant and inquired if the prepayment for those positions would be refunded or if the payment would go towards unfunded liability.

Interim Administrative Services Director Steinbrink stated that has never happened to a City so there was no available answer.

Council Member Edgar stated support.

Mayor Graham-Mejia stated the money was in an account earning little interest and the City had an opportunity to earn more money. She stated support.

City Manager Plumlee asked for confirmation the prepayment should be included in the budget.

Mayor Graham-Mejia asked who supported the item and received consensus from all. She thanked Staff for bringing this item forward.

Council Member Edgar referred to the use and designation of the reserves, specifically the funds for parks. He indicated he had visited the parks over the weekend and reviewed estimates for upgrades. He inquired what specifically the \$125,000 was going towards and stated he could see the need for the investment.

Mayor Graham-Mejia indicated Public Works Superintendent Brandyberry had prepared a spreadsheet for high to low end park upgrades that was very useful.

Public Works Superintendent Brandyberry referred to the Staff report that was previously presented to Council regarding Labourdette Park. He discussed the cost difference between wood chips and rubberized surfaces and indicated grant opportunities were available. He advised with Council direction, various options and pricing would be brought forward for playground surfaces and equipment.

Council Member Edgar questioned the prioritization of parks. He asked City Manager Plumlee for his perspective so Council could provide firm direction to Staff since the item did not appear to be documented.

City Manager Plumlee indicated a Staff report had been prepared at a prior meeting listing the parks and dates they were last improved. He believed an overview of the parks Citywide would be helpful and asked Public Works Superintendent Brandyberry to review the list.

Public Works Superintendent reviewed the list of parks, dates they were last updated, and the types of surfaces.

Council Member Edgar indicated he was supportive and was curious to hear Council's discussion.

Mayor Graham-Mejia stated some of the parks were older and have been addressed. She referred to the repairs at Orville Lewis Park and the new trees and upgraded grass at Laurel Park. She believed the larger parks had received upgrades earlier than they were scheduled. She referred to Attachment 2 of the agenda item, and stated park upgrades were unfunded and the majority of listed items were for Laurel Park and Little Cottonwood Park. She indicated support for rubberized surfaces at Labourdette Park because the wood chips caused splinters. She was supportive of making affordable choices and bringing the parks up to newer standards. She suggested an Ad Hoc Committee to make recommendations and funding could be addressed at that time since there was no funding currently and only the larger parks were being addressed. She referred to the \$250,000 set aside in park fees that would be used on the Community Center and stated while she was not opposed to the

upgrades; it was a disservice to the community to have parks that have not been addressed since the 1990s. She requested Council to take \$50,000 from the park fees to set aside for park improvements if there was no desire to take the funds from reserves. She reiterated the parks were not at a standard for people to enjoy with their family. She believed that Apartment Row had a larger per capita of people using the parks and Labourdette Park was used more than Stearns Park.

Council Member Grose stated \$200,000 had been taken from the PERS reserve and set aside in a reserve account for Community facilities. His understanding was a policy would be brought forward to address how the money was to be used. He did not believe tonight was the night to be making decisions regarding parks and believed the Parks, Recreation, and Cultural Arts Commission should be engaged in priorities, usage, location, and other factors that were not available to be discussed now. He expressed concern a policy was not in place to regulate how the reserve funds would be utilized. He agreed funding needed to be available for urgent items. He believed the next stage of the process would be a Staff report addressing the Reserve Fund policy and belaboring the point was postponing adoption of the budget. He indicated the CIP list could be reviewed and re-prioritized based on community needs, but it was his opinion tonight was not the proper time.

Mayor Pro Tem Murphy agreed and indicated there was no Staff report at this time for discussion of parks. He believed a report that included the Parks, Recreation, and Cultural Arts Commission discussion and study of the parks was needed in order to move forward; followed by a Staff report addressing how funds would be spent. He stated designating priorities was important and the two issues were being confused. He indicated support for moving forward with the budget as is.

Mayor Graham-Mejia clarified her request was to designate \$50,000 for park projects. She was not in opposition to having additional people weigh in and indicated the \$250,000 in Community Center upgrades was coming from the budget and not from the park money that was set aside. She stated the funds from the development were to maintain parks and the discussion was regarding two separate funds. If Council was not willing to take \$50,000 from reserves, her intent was to allocate it from the \$250,000 in park funds; however, if Council was unwilling to move forward at this time that would be acceptable. She indicated park funds did not need to appear before the Parks, Recreation, and Cultural Arts Commission only and pointed out the City Council also had to make big decisions. She indicated people in the community had indicated the parks had not been maintained in over a decade and had a higher usage per capita. She indicated she may not have articulated her point as well as she would

have liked if the Council believed she was trying to mix-up funds. She asked if there were any more topics of concern.

Council Member Edgar indicated Council gives work to the Commissions to set their agendas for the next year and he believed this process was sometimes the only way to communicate with them and they were fully capable of the task at hand. He referred to the policy issue of the \$250,000 Quimby funds for Sausalito walk, and stated by law there had to be a nexus between where the funds were spent and where the development funds originated. He questioned the Quimby and Special Services funds that were allocated to parks.

City Manager Plumlee referred to the designations on page 2 of the Staff report and indicated the Facilities Fund included City Hall relocation study - \$35,000, ADA Study - \$75,000, and Park Projects - \$50,000. He stated the funds were not being appropriated at this time and would come back to Council for award of any contracts. The purpose tonight was to designate the funds. He referred to the unfunded PERS liability and Council's direction to move \$200,000 from reserves into the Facilities Fund and expand the description. He stated City Attorney Reisman had researched spending Quimby funds on facilities that were not closely located to the development where the fees were received.

City Attorney Reisman indicated that although Los Alamitos was a small city, he had concluded the Quimby Act would not allow allocating the funds to a small park on the other side of town. He indicated the Community Center serves the entire City and is located closely to where the funds were generated. He added this was his prediction and if challenged a Judge and/or jury could decide differently. In an attempt to follow the Quimby Act, the City would do well not to spend the money any further away from the Community Center or less associated with where the funds were raised.

Mayor Pro Tem Murphy inquired if a discussion could be had regarding spending a majority of the Quimby Funds at the Community Center and a small percentage at each park under the theory that residents from the new housing development will play with their children all over the City.

City Attorney Reisman indicated the Council could make that finding; however, he did not believe a court would uphold such if challenged. He stated in the cities he has observed, a consultant was hired using Quimby Funds to determine the nexus. He cautioned that by hiring a consultant the City would be spending funds and there would be nothing left to distribute.

Council Member Grose stated concern for spending \$250,000 on the Community Center if the Council decides to vacate the property. He indicated the study for City Hall relocation was not just to get on the Base, but to find a different location for City Hall and should the Council decide to maintain the property in the best interest of the community, then he would support such. He reiterated support for making a decision regarding the value of City Hall staying so repairs could be made or if City Hall would be relocating only critical items should be addressed. He referred to the Quimby Fees and indicated Coyote Creek Park could also be improved. He reiterated the discussion was off course for adopting the budget and did not believe all the proposed items were needed. He disagreed with an ADA study as it relates to the current facilities and asked if the property could be excluded until a decision was made regarding relocation. He stated opposition to making a decision regarding repairs until a decision about relocation had been made.

Mayor Graham-Mejia referred to the future workshops and indicated she would like to see them come up before September's end.

Council Member Grose stated Council meetings were only once a month and inquired if that was still functional if there were 3-4 additional Council meetings. He was supportive of the six month plan and prioritizing higher items for earlier. He indicated clear direction should be provided to Staff if the intent was to address all items before September's end.

Mayor Graham-Mejia believed three months was plenty of time to discuss the items.

Council Member Edgar indicated one meeting per month has improved how the Council works together. He was supportive of having the items discussed and including special meetings if needed. He was open to reprioritizing the items listed.

Mayor Graham-Mejia indicated discussion for the future of the community pool would take some time based on the contract end date.

Mayor Pro Tem Murphy and Council Member Edgar were supportive of special meetings.

Mayor Graham-Mejia stated support for reviewing the items between July and September.

Council Member Grose questioned the priority of the ACC-OC and Human Relations items and believed they could be postponed until December. He indicated the contract with the Base for use of the pool did not expire until 2016 and would depend on a workable agreement with the Base that may

not come to the City before December. He indicated additional directive from Council was needed regarding the Community Center needs.

Mayor Pro Tem Murphy indicated relocation of City Hall and Community Center needs should be discussed together.

Council Member Grose stated the Vehicle Fund Policy needed to be resolved this year and believed the Fund Balance Policy and Internal Services Funds Policy had a higher priority. He believed Staff was going in the direction Council wanted and included discussion of each department's budget.

Mayor Graham-Mejia asked Council to be available for additional meetings during the next three months and indicated City Manager Plumlee would identify the dates.

Motion/Second: Murphy/Grose
Unanimously Carried: The City Council:

1. Conducted a Public Hearing on the Proposed Annual Operating and Capital Improvement Program Budget; and,
2. Authorized the prepayment of the PERS contribution for Fiscal Year 14/15; and,
3. Adopted Resolution No. 2014-15, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING THE ANNUAL OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2014-15."

10. DISCUSSION ITEMS

- A. Designation of Voting Delegate and Alternate for the League of California Cities' 2014 Annual Conference & Expo (City Clerk)**
The League of California Cities Annual Conference & Expo will be held in Los Angeles, September 3-5, 2014. The League is requesting City Council designation of a Voting Delegate to the Annual Business Meeting.

City Clerk Quintanar summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Graham-Mejia inquired who had a desire to attend.

Council Member Grose indicated he would like to attend for the educational programs and not as the delegate. He stated he had attended at his own expense in the past and finds the educational opportunities beneficial.

Mayor Graham-Mejia asked who is traditionally appointed.

City Clerk Quintanar indicated the Mayor is generally the delegate and the Mayor Pro Tem is the alternate.

Mayor Graham-Mejia asked Mayor Pro Tem Murphy if he'd be the alternate.

Mayor Pro Tem Murphy stated yes.

Mayor Graham-Mejia stated support for the appointees being the Mayor and Mayor Pro Tem.

Council Member Edgar stated support for Mayor Graham-Mejia as the delegate and Mayor Pro Tem Murphy as the alternate. He added since the training is local, he would be supportive of anyone on Council attending. He indicated he would not be attending.

Mayor Graham-Mejia recalled how attendance to these events had been politicized in the past, which was unfortunate since they did offer a wealth of knowledge. She asked Mayor Pro Tem Murphy if he would like to attend the conference as well.

Mayor Pro Tem Murphy stated support for authorizing the Mayor to attend up to \$500.

Mayor Graham-Mejia asked Council Member Grose if he'd like to attend the full conference as well.

Council Member Grose stated he would be willing to work with his colleagues on attendance and would like to see the schedule of events to see if one day would be more beneficial than the other.

Council Member Kusumoto stated support for someone representing the City as the voting delegate and alternate. He indicated he would not be attending.

Mayor Graham-Mejia indicated Council Member Grose and herself have attended before and inquired if Mayor Pro Tem Murphy would be interested in the learning experience.

Mayor Pro Tem Murphy indicated he was not interested in attending due to the cost.

Mayor Graham-Mejia stated she would be willing to defer to Mayor Pro Tem Murphy attending since she had attended in the past.

Mayor Pro Tem Murphy appreciated the deferral, but stated support for the Mayor attending.

Mayor Graham-Mejia stated there was support for herself as the delegate, with Mayor Pro Tem Murphy as the alternate, and Council Member Grose attending.

Mayor Pro Tem Murphy inquired if there could be more than one alternate.

City Clerk Quintanar stated there could be up to two alternates.

Mayor Graham-Mejia stated support for Council Member Grose as the second alternate.

Motion/Second: Graham-Mejia/Edgar
Unanimously Carried: The City Council:

1. Appointed Mayor Graham-Mejia to serve as the City's Voting Delegate for the League of California Cities 2014 Annual Business Meeting; and,
2. Appointed Mayor Pro Tem Murphy and Council Member Grose to serve as the City's Alternate Voting Delegates in the event of the Voting Delegate's absence.

B. Consideration of Deposit/Fee waiver to process a Code Amendment for Remote Caller Bingo (Community Development)

The Comite Del Amor had requested the Los Alamitos City Council waive the deposit/fee requirement to process code amendments necessary to facilitate Remote Caller Bingo.

This item was unanimously tabled at the request of Council Member Edgar.

Council Member Grose inquired why the item was tabled.

Council Member Edgar indicated the Council had adopted a budget stating it would no longer waive fees for organizations and he struggled with this request and the inconsistency it would provide. He stated he did not believe it was the right timing.

11. MAYOR AND COUNCIL INITIATED BUSINESS

A. Council Announcements

Council Member Grose spoke regarding the following items: a list of events attended could be found at www.losal.net; thanked the Mayor for representing the City with the President; attendance at the Sunburst Youth Academy Graduation; and, attendance at Camp Roberts annual training.

Council Member Kusumoto spoke regarding appointment through Orange County Fire Authority to be on the Ad Hoc Committee for selection of the next Chief and possibility of discussing the City's representation on the Orange County Sanitation District and referenced Yorba Linda seating the sewer district.

Council Member Edgar spoke regarding the following items: completion of two year term as the Chair of Orange County Sanitation District (OCSD); support for Mayor Pro Tem Murphy as the alternate; stepping into the delegate role on the OCSD; upcoming OCSD Board meeting on June 25; attendance at the Tri City Chamber Meeting; attendance at the Sugar Beet Festival; attendance at the Chamber breakfast; thanked Mayor Pro Tem Murphy for his partnership on the Budget Ad Hoc Committee; attendance at the Memorial Day celebration at Cypress Forest Lawn; attendance at the Police Officer Association (POA) fundraiser; and, appreciation for the Mayor representing the City with the President.

Mayor Pro Tem Murphy spoke regarding the following items: thanked Community Development Director Mendoza and all involved for the Katella Improvement project; thanked Larry Strawther and Dianna Hill for the Sugar Beet Festival; and, attendance at the Sunburst Youth Academy Graduation.

Mayor Graham-Mejia spoke regarding the following items: attendance at a Girl Scout Bridging Ceremony and the importance of scouting; attendance at Sunburst Youth Academy Graduation; attendance at the Flag Burning Ceremony held by the American Legion; upcoming meeting with the I-405 Corridor Cities; met with the Base, residents, and Mayor Pro Tem Murphy regarding resident's concerns; desire to continue fostering the relationship with the Base; attendance at the Sugar Beet Festival; attendance at the Cottonwood Church Car Show; reported on meeting with Leroy Mill, Cypress Council Member; and, apologized to the residents that she had not been successful in her attempts to receive more funding for the fireworks show.

12. ITEMS FROM THE CITY MANAGER

City Manager Plumlee thanked the City Council, Budget Subcommittee, Interim Administrative Services Director Steinbrink, and Staff for the solid budget process and indicated a Press Release regarding the positive process would be released. He asked Community Services Director Lakin to speak regarding the upcoming 4th of July event.

Community Services Director Lakin spoke briefly regarding the 27th Annual Fireworks Spectacular to be held on July 4th at the Joint Forces Training Base. He advised the gates would open at 4:00 p.m. and the fireworks show would be at 9:00 p.m. He invited the community to attend and stated there would be plenty of food, games, and rides for all ages.

Mayor Graham-Mejia thanked the President Obama for orchestrating a meet and greet with local representatives. She indicated he had taken the time to stop with everyone and shake hands. She thanked him for flying in and giving them the opportunity to be a part of history. She thanked the Council for allowing her the opportunity to be Mayor.

13. CLOSED SESSION

City Attorney Reisman read the titles aloud.

A. Conference with Labor Negotiator

Agency Negotiator: Gregory D. Korduner, Consultant
Employee Organization: Los Alamitos City Employees Association
Authority: Government Code Section 54957.6

B. Conference with Labor Negotiator

Agency Negotiators: Gregory D. Korduner, Consultant and
Cary S. Resiman, City Attorney
Employee Organization: Police Officers Association
Authority: Government Code Section 54957.6

C. Conference with Labor Negotiator

City Negotiator: Bret M. Plumlee, City Manager
Unrepresented Employees: Executive Management, Middle
Management and Non-Management
Employees
Authority: Government Code Section 54957.6

RECESS

The City Council recessed into Closed Session at 8:18 p.m.

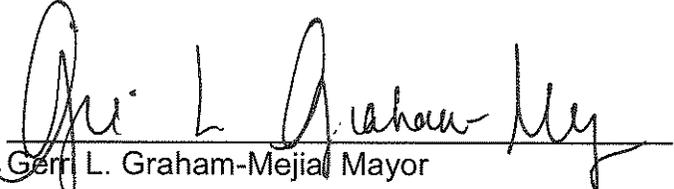
RECONVENE

The City Council reconvened in Regular Session at 9:17 p.m.

There was no reportable action.

14. ADJOURNMENT

The City Council adjourned at 9:17 p.m.


Geri L. Graham-Mejia Mayor

Attest:


Windmera Quintanar, CMC, City Clerk