

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

REGULAR MEETING – August 18, 2014

1. CALL TO ORDER

The City Council met in Regular Session at 6:16 p.m., Monday, August 18, 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
Corey Lakin, Community Services Director
Todd Mattern, Police Chief
Steven Mendoza, Community Development Director
Cassandra Palmer, Support Services Manager
Windmera Quintanar, CMC, City Clerk
Glenn L. Steinbrink, Interim Admin. Services Director

3. PLEDGE OF ALLEGIANCE

Mayor Pro Tem Murphy led the Pledge of Allegiance.

4. INVOCATION

Council Member Edgar gave the Invocation.

5. PRESENTATIONS

A. Update Presentation by Golden State Water Interim District Manager, Ken Vecchiarelli

Mr. Vecchiarelli gave a PowerPoint presentation regarding the 2014 General Rate Case and information pertaining to California's drought. He answered questions from the City Council. Mayor Graham-Mejia directed Staff to place the information on the City's website.

6. ORAL COMMUNICATIONS

Mayor Graham-Mejia opened Oral Communications.

Greg Gilspeie, Vietnam veteran, spoke in regarding Red Shirt Friday which shows support for our troops and encouraged Council to participate.

Shelley Henderson, OC Breeze, invited all Council candidates to submit a statement that would be printed verbatim.

Larry Strawther, Taste of Los Al, spoke regarding the Taste of Los Al to be held on October 18, and stated support for Mayor Pro Tem Murphy's suggestion regarding LATV from the previous meeting.

Potjarin Viles, tennis instructor, spoke regarding regulating the tennis courts.

Mayor Graham-Mejia requested Staff research weekend reservations.

JM Ivler, resident, thanked the candidate's for a clean election season, spoke in favor of relocating the firework show or shooting the fireworks higher, and spoke in favor of streaming media on the City's website.

Mayor Graham-Mejia closed Public Comments.

7. REGISTER OF MAJOR EXPENDITURES

Motion/Second: Edgar/Murphy

Unanimously Carried: The City Council approved the Register of Major Expenditures for August 18, 2014, in the amount of \$53,431.02, ratified the Register of Major Expenditures for July 22, 2014, to August 17, 2014, in the amount of \$906,548.17, 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 August 19, 2014, to September 14, 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: Grose/Edgar

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 July 21, 2014.
2. Approved the Minutes of the Regular Meeting of July 21, 2014.

- B. Warrants (Finance)**
Approved the Warrants for August 18, 2014, in the amount of \$51,165.54, ratified the Warrants for July 22, 2014, to August 17, 2014, in the amount of \$107,892.53, 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 August 19, 2014, to September 14, 2014.

- C. Second Reading of Ordinance No. 14-05 – Repealing Chapter 9.14 of Title 9 of the Los Alamitos Municipal Code (City Attorney)**
At its Regular meeting of July 21, 2014, the City Council conducted a first reading of Ordinance No. 14-05. This Ordinance repeals Chapter 9.14 of Title 9 of the Los Alamitos Municipal Code after California Court of Appeal Rulings to the effect that identical Orange County ordinances are preempted by the extensive State legislation regulating and restricting numerous areas of the lives of registered sex offenders, which legislation occupies the field and that local legislation addressing the same are not enforceable.

The City Council adopted Ordinance No. 14-05, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING LOS ALAMITOS MUNICIPAL CODE SECTIONS 9.14.010-060, RELATING TO THE REGULATION OF REGISTERED SEX OFFENDERS, TO ALIGN WITH STATE LAW."

- D. Purchase of 2014 Dodge Charger (Public Works)**
This was a request to purchase a 2014 Dodge Charger Police Pursuit Vehicle (black & white) per Los Alamitos Municipal Code § 2.60.110 – Purchases through other agencies. This report requests authorization to utilize Purchase Order #0709 agreement between the City of Visalia and McPeeks Dodge of Anaheim.

The City Council authorized the City Manager to purchase one (1) 2014 Dodge Charger Police Pursuit Vehicle (black & white) from McPeek Dodge for \$27,597.35.

- E. Extension of Professional Services Agreement with Fuscoe Engineering, Inc. for the Development of Annual Program Effectiveness Assessment (PEA) for Annual NPDES Reporting (Community Development)**

The City of Los Alamitos has used Fuscoe Engineering to gather data and to complete our annual reporting since 2012. This report extends that relationship for two years at a cost of \$15,500 per year.

The City Council authorized the City Manager to execute Amendment No. 2 to Professional Services Agreement with Fuscoe Engineering, Inc. to prepare the 2013-2014 and 2014-2015 Program Effectiveness

Assessments (PEA) including new permitting requirements not to exceed \$15,500 per year.

F. Resolution of Opposition to High Occupancy Toll (HOT) Lanes on the I-405 Improvement Project (City Manager)

The possibility of High Occupancy Toll (HOT) lanes on the I-405 is again up for discussion with Orange County Transit Authority (OCTA) after the option was voted down in 2012. This report provides an opportunity for the City Council to reaffirm its opposition regarding HOT Lanes.

The City Council adopted Resolution No. 2014-24, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, OPPOSING IMPLEMENTATION OF TOLL LANES ON I-405 AND ALL OTHER ORANGE COUNTY FREEWAYS WITHOUT A VOTE OF THE ENTIRE ORANGE COUNTY ELECTORATE."

9. PUBLIC HEARINGS

A. Resolution No. 2014-18 – Processing Fees (Recreation)

This report identified the adjustment of the Processing Fee to be adopted as a result of the approved 2014-15 budget.

Mayor Graham-Mejia opened the Public Hearing. There being no one present wishing to speak, Mayor Graham-Mejia closed the Public Hearing.

Council Member Grose recalled rates and fees were not permitted to be higher than the actual cost of providing the service. He stated concern the fee was being doubled and had not been adjusted in some time. He questioned if the City could recover the cost for processing in the fee.

City Attorney Reisman indicated this item was legal.

Council Member Grose indicated the new fee was still less than half of the actual cost and he questioned how often the fee could be changed. He asked at what point the City would attempt to recover the full amount.

Community Services Director Lakin indicated Staff consistently reviews cost and revenues and does its best as a whole department to recover cost as much as possible. He advised the difficulty was remaining competitive with the City's neighbors.

Council Member Kusumoto referred to the numerous refunds and inquired if a fee was charged to recover those charges.

Community Services Director Lakin stated it depends on the reason for the refund; if the City is canceling or the registrant is canceling.

Council Member Kusumoto stated support for recovering cost on that end as well.

Mayor Graham-Mejia stated opposition. She indicated the issue of not increasing fees for a long period of time and then raising them all at once has come up before. She stated a preference for raising fees in smaller increments more often.

Council Member Edgar asked if the classes were the same price in different cities and if the processing fee was the only difference.

Community Services Director Lakin indicated the processing fee varies and the classes advertised in the brochures are the same prices.

Staff and Council discussed the possibility of new contractor agreements, class pricing, and fees moving forward.

Council Member Edgar questioned credit card surcharge fees.

Community Services Director Lakin indicated PayPal charges a processing fee and clarified the City does not charge a credit card fee.

Council Member Edgar stated concern this did not correct the credit card fee issue and there would be a onetime fee regardless if registration was done online or in person.

Community Services Director Lakin clarified the City is not allowed to charge a credit card processing fee. City Attorney Reisman added it was prohibited by MasterCard and Visa.

Motion/Second: Grose/Murphy

Carried 3/2 (Edgar and Graham-Mejia cast the dissenting vote): The City Council:

1. Conducted a Public Hearing on the proposed Processing Fee; and,
2. Adopted Resolution No. 2014-18, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, INCREASING THE PROCESSING FEE AND AMENDING RESOLUTION 1895."

RECESS

The City Council took a brief recess at 7:17 p.m.

RECONVENE

The City Council reconvened in Regular session at 7:32 p.m.

Mayor Graham-Mejia pulled Item 11D forward.

11. DISCUSSION ITEMS

D. Discussion of the Cable Function and the Future of Los Alamitos Television *(Discussion of this item was continued from the August 18, 2014, Special Meeting)* **(City Manager)**

This agenda item sought Council direction regarding the cable function and the future of Los Alamitos Television.

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

Mayor Graham-Mejia opened the item for public comment. She advised John Underwood had submitted a Speaker Card and would allow him to speak when he arrived. Mayor Graham-Mejia closed the item for public comment.

Council Member Grose advised there was a motion and second for item 1.

Council Member Kusumoto stated a preference for discussing item 2 first as it would go quickly.

City Manager Plumlee gave an overview of item 2 and advised the contractor was in the audience.

Mayor Graham-Mejia invited TJ Montemer, Direct Community Video, to the podium.

Council Member Edgar questioned how Mr. Montemer would bridge the gap to receive enough local sponsor contributions to break even.

Mr. Montemer stated while he resides in Santa Monica he grew up in Rossmoor and attended Los Alamitos High School. He indicated he was familiar with the community and understands how to get people involved. He stated he was not concerned with maneuvering in a quick time frame to get the necessary funds.

Council Member Edgar asked if the company would subsidize the difference the first year in hope of a multi-year contract.

Mr. Montemer indicated Direct Community Video would partner with the City to complete the project. He stated he had done his due diligence regarding funding before responding to the RFP and believed his relationship with clients such as the Sun and News Enterprise would help with extra distribution in the market and then hopefully corporate sponsors would come in.

Council Member Edgar asked if there were any requirements to notify the City of where the money is coming from. He referred to PEG Fees and asked what the requirements were.

City Attorney Reisman clarified this was not PEG money and stated funding had been received from Republic. He added PEG money could not be used for this purpose and if funding from Republic were to cease, General Fund would need to be used.

Council Member Edgar indicated the funding had been contracted through a government trash contract and was still part of the public process. He asked if there was a requirement to disclose how much was raised and from whom.

Mr. Montemer indicated there was no such requirement; however, he had not concerns with disclosing such.

Council Member Edgar asked if there were any concerns about PEG laws with this contract.

City Attorney Reisman indicated PEG laws had nothing to do with this contract. The City is paying \$6,500 in General Fund money for a service that's worth more than that. He indicated there is nothing illegitimate about the process.

Mayor Graham-Mejia stated support and asked the turnaround time to air what was filmed on LATV.

Mr. Montemer indicated the turnaround time was usually 24 -48 hours.

Mayor Graham-Mejia asked if the program would be live stream or a finished project.

Mr. Montemer indicated live stream could easily be done and then he would prepare a 30 minute finished program with highlights and overall run down.

Motion/Second: Grose/Edgar

Unanimously Carried: The City Council authorized the City Manager to execute an agreement with Direct Community Video for the production and filming of football games and basketball games, with the understanding the company will use its own equipment.

Mayor Graham-Mejia opened public comment.

John Underwood, resident, spoke regarding his understanding of the CAP Act, support for LATV offering a digital upgrade to bring LATV to a broadcast standard, and his understanding that LATV has its own reserve, Fund 28.

City Manager Plumlee advised City Attorney Reisman would address the legal aspects and Interim Administrative Services Director Steinbrink would address the financial analysis.

City Attorney Reisman gave a brief overview of cable fees and advised since the State took over franchising of cable television; cities are limited to no more than the historical amount of fees for PEG. Los Alamitos has two cable companies, Verizon and Time Warner, which provide \$1 per subscriber in PEG fees. Fees are not supposed to be used for anything other than studio, equipment, and capital. If fees are used inappropriately, the cable companies can then deduct dollar for dollar any money not used properly from the 5% franchise fee paid to the City. He advised there was no legal obligation to continue providing a studio. If the City continues funding operating cost for PEG, it should do so out of the General Fund. He stated if \$39,000 is spent on equipment there would be no more PEG Fund reserves.

Council Member Edgar understood the value of public access television and that PEG did not require studios. He questioned if PEG fees could be used towards police.

City Attorney Reisman advised Time Warner would not allow such, but the City would not be federally punished.

City Manager Plumlee clarified the 5% franchise fee was not being challenged.

Council Member Edgar understood the 5% franchise fee had not been in discussion and the discussion was regarding the \$1/household fee with no restrictions.

City Attorney Reisman clarified Time Warner and Verizon could take the fees back if they were not used for what they were supposed to be used on.

Council Member Edgar referred to the access point and maintaining what is aired on LATV-3. He indicated a studio for producing and a mobile van for recording were in addition to the access point. He asked what the minimum scope the City had to provide to manage an access point.

City Attorney Reisman indicated he was uncertain. He advised the \$30,000 could not be used to pay a manager. It could only be used to buy equipment. He indicated if the CAP Act passes, funds could be used for more, but it was currently tabled by Congress.

Council Member Edgar asked if the \$30,000/year could be used for capital equipment to manage the access point.

City Attorney Reisman advised equipment only.

City Manager Plumlee stated Council would need to have a firm understanding of the legal and financial information, as well as a strong understanding of operations, so when the proposals are received, limitations on spending would be understood. He advised the wider the scope, the more General Fund impact. A narrow scope could include Council meetings only and reduce the public programming. He wanted to ensure Council could weigh in knowing all the information.

Council Member Edgar asked if there was currently an access problem at City Hall to maintain the programming.

City Manager Plumlee answered no and stated the contractor was Doug Wood.

Council Member Edgar asked if the proposal was to take on managing the access point, mobile van, and studio.

City Manager Plumlee stated if the proposal was to expand the scope that would impact the general fund.

Council Member Edgar asked for clarification for the motion on the floor.

Mayor Graham-Mejia responded to see a Station Manager to do an audit to see what is necessary and needed so that Council could make an informed decision. She requested the community be involved.

Council Member Edgar asked what the next step would be after a recommendation is made. He believed the process should be ongoing.

Mayor Pro Tem Murphy clarified there would be no audit and the person who was awarded the contract would be in charge of the daily programming.

Mayor Pro Tem Murphy restated his motion: Direct Staff to release a Request for Proposals (RFP) that would encompass operations (i.e. daily programming and monetizing current assets, availability for public access producers), maintenance, distribution (making local programming available to the largest audience), best use of capital surplus fund, sustainability, the benefits of the arrangement for the City and local stakeholders, and the future of LATV.

Council Member Edgar questioned the issue regarding soliciting and advertising.

Mayor Pro Tem Murphy stated that could be a possibility. The goal was to have interested parties respond with what they think the current station could do without pinning them down. He wanted to see what people were willing to do and could do properly so the Council could then make a reasonable choice.

Council Member Edgar asked what involvement the Cable Commission would have in the process.

Mayor Pro Tem Murphy stated it could vet the RFP first and make suggestions.

Mayor Graham-Mejia asked if PEG money could be used for production of Council meeting.

City Attorney Reisman stated it could not be used for production of anything.

Council Member Kusumoto understood the motion was to get a professional to run operations and access, and to make a proposal on the cost.

Mayor Pro Tem Murphy stated that is where they would start.

Council Member Kusumoto stated PEG money could not be used, so the City would have to use General Fund money to hire someone directly. He indicated that would be unbudgeted money.

City Manager Plumlee confirmed.

Council Member Grose indicated that was yet to be determined and would depend on the business plan proposed. He stated concern for how Fund 28 was handled and believed there was a lot of ambiguity regarding what should and shouldn't be charged to that account. He suggested this may be an item the proposal could help clarify

City Attorney Reisman advised he had posted the question to the National Association of Telecommunications Officers list serve and had received a response from Michael Friedman regarding using PEG funds for operating costs. Mr. Friedman answered that a municipality could do such, but if it did, it runs the risk of having those funds deducted from the franchise fee payment due. He read the rest of the response.

Council Member Grose appreciated the information. He believed the \$30,000 needed to be addressed and referred to the prior 501(c)3. He recommended researching the possibility of transferring back to such and allowing it to function independently to protect the City from any liability and determine what the best use is. He understood the reserves built up from the 501(c)3 had been deposited into Fund 28 for equipment purchases.

City Manager Plumlee indicated \$30,000 is the revenue source. The \$39,000 being proposed by the Cable Commission to spend would be out of capital money.

Council Member Grose believed Fund 28 should have an annual infusion of \$30,000 because of PEG money coming in and any capital equipment should be charged against that. He understood currently a portion of Doug Wood's contract is being charged to Fund 28, and based on what the Council is being told, that should not be happening. He stated concern the 5% franchise fee was being thrown into the General Fund. He suggested moving forward with a volunteer basis since that was what public access was intended for. He referred to the studio and van and indicated someone on Staff needed to oversee such or they needed to be disposed of. He was unsure how to address the \$30,000 for equipment.

City Manager Plumlee stated Interim Administrative Services Director Steinbrink could give a brief summary of what is in the Fund 28 and how it is being spent.

Interim Administrative Services Director Steinbrink referred to the Staff report, and pointed out the fund peaked at the end of FY 08-09, with \$154,000 in Fund 28 fund balance. He advised that money has always been segregated from the general fund. \$5,000 a year for filming and

programming Council meetings comes from the General Fund. He referred to PEG money and stated over the last 5 years, \$80,000 has been spent on equipment and supplies. \$152,000 has been spent on contract services and unfortunately a good break down of what is included was not available. He agreed \$20,000 a year was being spent out of the \$30,000, and based on what the City Attorney said, about \$20,000 should revert back to being an expense of the General Fund versus the PEG fund.

Council Member Edgar indicated the money should have been spent on LATV, but was spent on operations that should have come out of the General Fund. He stated about \$10,000 a year was spent on capital equipment right now.

Mayor Graham-Mejia indicated she was not supportive of the recommendations today. She suggested leaving the station as is and not expend any additional money until there is a better understanding of operations. She referred to the 501(c)3, and stated when she was first appointed it had not paid its taxes for a couple years and that is why it was brought in house. She believed the programming being produced was not of the highest quality and the studio was to some degree antiquated. She stated opposition to purchasing new cameras and believed there was a more cost effective, simpler way to go through this process. She stated opposition to spending general fund money that did not need to be spent.

Council Member Grose pointed out the motion made would not expend any money at this point other than Staff time to prepare the RFP. Once the RFP was complete and results received, then the Council could make a decision of how to fund the proposal and if it was needed to bring someone in.

Mayor Graham-Mejia stated she understood such and wanted to make her position known up front.

Council Member Kusumoto asked if the City were not to spend any capital money and continues to build up PEG funds, should the civic center complex relocate, would it be an appropriate use of funds to take that portion of money to use towards a new studio in the new complex.

City Attorney Reisman advised it would appear so, but questioned the non-use of funds.

Council Member Kusumoto indicated a prudent standpoint at this time should be looked into.

Mayor Pro Tem Murphy reiterated his motion to release a Request for Proposals (RFP) that would encompass operations (i.e. daily programming and monetizing current assets, availability for public access producers), maintenance, distribution (making local programming available to the largest audience), best use of capital surplus fund, sustainability, the benefits of the arrangement for the City and local stakeholders, and the future of LATV.

Council Member Kusumoto expected to see a detailed work statement from the proposers with associated dollar amounts. He understood the quote would indicate how they would run the operations.

City Manager Plumlee confirmed the process would be to have Staff develop the RFP, bring to the Cable Commission, and then bring it to Council.

Council Member Grose asked what Council was hoping to gain by sending the RFP to the Cable Commission.

Mayor Pro Tem Murphy stated he believed the Commission deserved a chance to vet it out.

Council Member Edgar referred to the Cable Commission making a unified vote and working together, and asked if the perspective was that Council would take control.

City Manager Plumlee stated he had advised the Commission that he would follow up with the direction and action taken by Council tonight. He advised he would give the Commission an update on the action taken tonight and let them know the next steps.

Motion/Second: Murphy/Grose

Carried 3/2 (Graham-Mejia and Kusumoto cast the dissenting votes): The City Council directed Staff to release a Request for Proposals (RFP) that would encompass operations (i.e. daily programming and monetizing current assets, availability for public access producers), maintenance, distribution (making local programming available to the largest audience), best use of capital surplus fund, sustainability, the benefits of the arrangement for the City and local stakeholders, and the future of LATV.

Mayor Graham-Mejia pulled Item 9C forward.

9. PUBLIC HEARINGS

C. Zoning Ordinance Amendment 14-05 – A Municipal Code Amendment to Facilitate Remote Caller Bingo within the Community Facilities (C-F) Zone (City initiated) (Community Development)

On May 19, 2014, the City Council directed Staff and the Planning Commission to initiate code changes necessary to permit remote caller bingo within the City of Los Alamitos. There were two related items on the Agenda. This Zoning Ordinance Amendment would clarify where Bingo could be conducted. The next item on the agenda item sets forth how Remote Caller Bingo will be conducted. Furthermore, this item facilitates “Remote Caller Bingo” within the Community Facilities (C-F) Zone, which is attached for approval (Zoning Ordinance Amendment 14-05) (City initiated). The Ordinance also clarifies that regular Bingo is allowed in the CO, CG, PM and C-F zones.

Community Development Director Mendoza summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Council Member Edgar stated he was Board Member of St. Isidore and advised his position was not compensated and there was not conflict so he would stay engaged in the voting process.

Mayor Graham-Mejia opened the Public Hearing. There being no one present wishing to speak, Mayor Graham-Mejia closed the item for public comment.

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

1. Opened the Public Hearing; and,
2. Determined that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15305 – minor alterations in land use limitations and 15061(b) (3) – activity is not subject to CEQA where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment; and,
3. Introduced, waived reading in full and authorized reading by title only of Ordinance No. 14-05, and set for second reading; and,
4. City Attorney Reisman read the title of Ordinance No. 14-05, entitled, “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING ZONING ORDINANCE AMENDMENT (ZOA) 14-05 TO ADD “BINGO” TO LOS ALAMITOS MUNICIPAL CODE SECTION 17.10.020, TABLE 2-04, AS A

PERMITTED USE IN THE COMMERCIAL AND INDUSTRIAL ZONING DISTRICTS, TO ADD BOTH "BINGO" AND "REMOTE CALLER BINGO" TO LOS ALAMITOS MUNICIPAL CODE SECTION 17.12.020, TABLE 2-06, AS PERMITTED USES IN THE COMMUNITY FACILITIES (C-F) ZONING DISTRICT, AND TO ADD THEIR RESPECTIVE DEFINITIONS TO SECTION 17.76, AND DIRECTING THAT A NOTICE OF EXEMPTION BE FILED FOR A CATEGORICAL EXEMPTION FROM CEQA (CITY INITIATED)."

Mayor Graham-Mejia pulled item 10A forward.

10. ORDINANCES

A. Municipal Code Amendment to Facilitate Remote Caller Bingo (Community Development)

On May 19, 2014, the City Council directed Staff and the Planning Commission to initiate code changes necessary to permit remote caller bingo within the City of Los Alamitos. The previous Agenda Item on this topic clarified **where** Bingo could be conducted. This agenda item sets forth **how** Remote Caller Bingo will be conducted. In addition to adding a section for Remote Caller Bingo, the Assistant City Attorney also cleaned up the code related to Bingo.

Community Development Director Mendoza summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Graham-Mejia opened the item for public comment, there being no one present wishing to speak, Mayor Graham-Mejia closed the item for public comment.

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

1. Introduced, waived reading in full and authorized reading by title only of Ordinance No. 14-06, and set for second reading; and,
2. City Attorney Reisman read the title of Ordinance No. 14-06 entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING CHAPTER 5.16 RELATING TO BINGO AND ADDING CHAPTER 5.18 RELATING TO REMOTE CALLER BINGO."

9. PUBLIC HEARINGS

B. Zoning Ordinance Amendment 14-04 – A Municipal Code Amendment to allow Affordable Housing in the City without a Conditional Use Permit, as required by the State Department of Housing and Community Development (Citywide) (City initiated) (Community Development)

A Municipal Code Amendment to allow Affordable Housing in the Residential Zoning Districts (R-1, R-2 & R-3) of the City without a Conditional Use Permit, as required by the State Department of Housing and Community Development (Citywide) (City initiated).

Community Development Director Mendoza summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Graham-Mejia opened the Public Hearing. There being no one present wishing to speak, Mayor Graham-Mejia closed the item for public comment.

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

1. Opened the Public Hearing; and, if appropriate,
2. Determined that the proposed ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15305 – minor alterations in land use limitations and 15061(b)(3) – activity is not subject to CEQA where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment; and,
3. Introduced, waived reading in full and authorized reading by title only of Ordinance No. 14-07, and set for second reading; and,
4. City Attorney Reisman read the title of Ordinance No. 14-07, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING ZONING ORDINANCE AMENDMENT (ZOA) 14-04 TO ALLOW AFFORDABLE HOUSING AS A PERMITTED USE IN THE RESIDENTIAL ZONING DISTRICTS (R-1, R-2 & R-3) OF THE CITY WITHOUT A CONDITIONAL USE PERMIT AND DIRECTING A NOTICE OF EXEMPTION BE FILED FOR A CATEGORICAL EXEMPTION FROM CEQA (CITY INITIATED)."

11. DISCUSSION ITEMS

A. Provide Direction to the Voting Delegate Regarding the 2014 Annual Conference Resolution Packet (City Clerk)

The League of California Cities Annual Conference will be held in Los Angeles, September 3-5, 2014. At the meeting of July 21, 2014, the City Council designated Mayor Graham-Mejia as its Voting Delegate to the Annual Business Meeting and Mayor Pro Tem Murphy and Council Member Grose as the Voting Alternates. This was an opportunity for the City Council to provide direction as to its position on the proposed resolutions.

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

Council Member Grose stated there was a series of letters from cities in Northern California where there is illegal marijuana grow issue requesting support. He moved that Council follow the lead of cities up in Northern California.

Council Member Grose asked if the issue was specifically that growing marijuana was bad for the environment or if it was that growing is bad. He questioned if this item was more environmental or regulatory and referred to Newport Beach finding ways to stop illegal growing. He asked if Council had been following the issue close enough to know what exactly this is supporting.

Council Member Grose read the summary of the Resolution.

Council Member Edgar requested if the plan was to implement better places to grow marijuana.

Council Member Grose indicated illegal growing impacts public safety. He referred to an incident in Menlo City where former Mayor, Jerry Milo, was shot and killed for investigating illegal grows on his property. He indicated growing of marijuana is a federal issue; however, California allows it for medical purposes. This resolution gives the League ammunition to go back and request a summit, and then Council could support or not support what comes from the summit.

Council Member Kusumoto understood this was a call for a resolution by the League for the Governor to convene a summit to enforce something that is already illegal. He stated opposition as the item was already illegal. He did not support spending tax payer's dollars on something that is already illegal and felt this was redundant.

Mayor Pro Tem Murphy pointed out this was a form letter highlighting environmental issues.

Council Member Kusumoto believed attempting to deal with illegal growing using the impact of the water drought as a tool to prosecute was disingenuous.

Mayor Graham-Mejia stated this would be a secondary way to enforce. Council Member Kusumoto referred to CEQA and believed that process was already being used to make it harder on illegal grow.

Council Member Grose referred to the last page and stated environmental concerns were a factor.

Motion: Grose
Support Resolution 1.

Motion died for lack of a second.

Motion/Second: Edgar/Graham-Mejia
Carried 3/2 (Grose cast the dissenting vote, Murphy abstained): The City Council voted to oppose League Resolution 1.

Council Member Grose stated he had received a letter regarding the water bond and gave a brief summary. He recommended the Council take a position opposing the item on the ballot.

City Attorney Reisman advised a motion to add the item to the agenda for direction would be needed.

Motion/Second: Graham-Mejia/Edgar
Unanimously Carried: The City Council added discussion of the water bond issue to the agenda due to timing.

Council Member Edgar gave a brief summary and believed the bond being reduced from \$14billion to \$6billion was a great compromise. He added the organization had done a great job investing in the infrastructure in case of a drought. He believed this was a prudent measure and added he had been following the item closely. He cautioned Council on taking a position tonight if they are not fully informed.

Council Member Grose stated this item would be presented and voted on at the League conference.

Motion: Grose
Oppose the water bond.

Council Member Grose advised he was opposed because the bond did not identify where the money is going and there is no conveyance.

Motion died for lack of a second.

Motion: Edgar

Support the water bond.

Mayor Graham-Mejia stated she was disappointed the bond had been reduced so much and had seen the significance of not having the proper infrastructure with lots of rain. She stated concern \$5 billion was not earmarked.

Council Member Edgar clarified the \$5 billion was earmarked for specific projects to be determined through the stakeholders. He advised the funds could not be allocated until adjudicated from the stakeholders. He believed this was the right process and the difficult part would be to spread the funds evenly. He advised the intent was not to luck in the money before the people had a chance to weigh in.

Council Member Kusumoto stated water was important up and down the state and helps the economy by growing crops. He understood the concerns and believed part of the process was to store up water.

Motion/Second: Edgar/Kusumoto

Carried 4/1 (Grose cast the dissenting vote): The City Council voted to support the water bond.

B. Award Bid for Pool Project (CIP No. 14/15-01)

(Public Works/Recreation)

On July 24, 2014, construction bids were publicly opened for the construction of Pool Project (CIP No. 14/15-01). Two (2) total bids were received. The low bidder was from Commercial Aquatic Services Inc. of Anaheim, CA with the total bid amount of \$156,960.00. However, the bid significantly exceeds the appropriated construction budget of \$80,000. Staff is proposing to award items 1 – 4.

Community Services Director Lakin summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Pro Tem Murphy asked if the overall discussion with the Joint Forces Training Base (JFTB) indicated the City would continue at the pool.

Community Services Director Lakin indicated Staff had done a walkthrough with the JFTB Deputy Base Commander regarding the condition of the roof at the pool and the ability to assist in repairing or

replacing it. He advised discussions regarding the lease agreement were slated for later this month.

Mayor Pro Tem Murphy stated concern for spending money with no guarantee the City would continue at the JFTB. He referred to the 10% contingency and questioned if it was enough.

City Manager Plumlee advised 10% for a Public Works project was typical and allowed Staff flexibility to expand the project without bringing back to Council. He advised the contingency could be lower or higher; the industry standard was 10%.

City Engineer Hunt larger projects could have a lower contingency of 5% and smaller projects could have a contingency as much as 20%. The purpose is to keep the job moving forward without having to come back to Council for minor items. This did not include errors, only extra work that was not foreseen. He did not foresee a lot of issues that would arise.

Council Member Grose stated he had requested electric bills for the pool and advised \$54,000 had been spent this year. He advised there was potential for installation of a solar system at the JFTB and maybe that could be used in the negotiation of a renewal agreement. He stated it was unfortunate the pool had to be drained and there was not enough funding to do all the projects at once.

Council Member Edgar stated concern the lease was set to expire and it was not certain the City would continue at the pool. He questioned what the minimal amount would be to keep the pool open. He felt if the City had more confidence in the lease; it could be looked at an area of opportunity for improvements. He questioned what the JFTB would do if the City were to walk away from the pool as it had been built into their moral process. He believed the City could not afford to keep putting money into the asset without a solidified lease. He again questioned what the most critical items were to keep revenue in the City and continue programs through 2016.

Community Services Director Lakin advised that was a difficult question as all of the items were critical, but not mandatory. The main goal at the pool is to teach people to swim and keep everyone in the pool safe. He advised without a clear white pool the bottom is getting hazy; however, Staff was diligent and well trained. The bottom of the pool was still visible with the stadium lighting. Painting the pool would be the most critical item. From a revenue perspective, the swim clubs had purchased pavers since the black lines were not in compliance for swim meets. He believed the deteriorated expansion joint was not significantly leaking since the water usage has been relatively low for a pool of this size; however, patching any leaks would be beneficial due to the drought and rising water rates.

Council Member Edgar summarized the pool kept children safe and the City wanted to provide the safest pool. He stated the lease was not certain and the fiscal reality should be addressed. He supported reconfiguring the finances of the City to change the revenue trajectory for the City in the long term. He supported not spending any money at the pool until a lease was secured and adding the pool to the business model as a revenue generator. He stated support for looking at total numbers and was uncertain he could support fixing something now when the longer term could not be guaranteed.

Council Member Kusumoto referred to when swim lessons were given at the High School and questioned if that sort of arrangement could be made.

Community Services Director Lakin stated that was correct and at the least the City could provide learn- to-swim teaching programs.

Council Member Kusumoto agreed the longer term view of affordability was sensitive and he opposed strong-arming the JFTB. He questioned if the City was throwing money away or if this was an investment for the longer term.

Community Services Director Lakin stated experts state pool painting should occur every two to three years. The last time the pool was painted was in 2007 and it has outlived its life expectancy.

Council Member Kusumoto asked if approved, would the pool need painting again in two years.

Community Services Director Lakin advised in theory that would maintain the highest possible standard. He believed the pool had been maintained as much as possible with the extra five years. He added the difficulty was a concrete painted pool and water and chemicals were corrosive. He advised the initial talks with JFTB indicated they are interested in renegotiating the lease. He advised operating a pool was an expensive venture which Staff has gotten good at managing. Pool revenues and expenditures operate in the black, even with the increase in utility costs over the past several years.

Council Member Kusumoto stated if the City were not operating the pool, and the JFTB did not have the resources, it may cease.

Community Services Director Lakin stated that was the case before the City took it over. He indicated there had been discussion that additional

items would be included in the lease agreement, and while prospects are promising, it is difficult to get a final decision at this stage.

City Manager Plumlee indicated Staff would continue to point out to the JFTB the importance of the pool the community and USA Water Polo. He stated that while the JFTB showed interest, it was unclear if that would translate into funding. Staff is able to show significant use patronage by Base personnel. He added this discussion would also test the pulse of the community and hopefully rally support to start raising funds for future of the pool.

Mayor Pro Tem Murphy questioned when the lease expires and how much of a safety issue the pool has.

Community Services Director Lakin stated the lease expires February 29, 2016. He advised there is not a safety issue at this time, but the pool will continue to get worse and deteriorate making it more difficult to see the bottom. He added Staff would not put anyone in jeopardy as safety is first and foremost. If repairs were not approved, Staff would continue to monitor the condition and when necessary seek funding approval or close the pool in the interim. He added the pool was aesthetically not pleasing as rust was coming through.

Mayor Pro Tem Murphy reluctantly stated support.

Mayor Graham-Mejia suggested continuing the discussion after Council discussed surplus spending. She stated opposition to draining the water for an additional cost. She indicated Council should take the opportunity to look at doing the complete job for safety purposes and cost savings.

Council Member Grose stated the pool was 71 years old and it was not realistic to think it would last another 70 years. He stated the JFTB did not have the money or staff to maintain the pool and it would return to a state of disrepair. He supported ensuring participants are safe and objects are visible for the next year and a half of the lease. He requested what options the City had at this point and where the City would go if the lease was not extended.

Motion: Graham-Mejia

Continue discussion to a workshop to consider addressing the project as a whole versus breaking down the items.

City Manager Plumlee advised the timing would be difficult. He indicated the Fund Balance and Internal Fund policies would be discussed at the September 9th meeting and timing wise for the pool, the goal was to complete the project as soon as possible before the next season.

Community Services Director Lakin highlighted the benefits to doing repairs at this time and indicated swim lessons were complete after this week and user groups would only lose 2-3 weeks of practice versus 4-5 weeks. He indicated if not approved now, Staff would come back at a later date with scheduling possibilities.

City Manager Plumlee referred to funding and stated the original scope of the RFP based on the low bid would cost an additional \$70,000. Council could choose to revisit that in the future.

Community Services Director Lakin indicated the project would not need to be rebid but there would be an additional cost for emptying the pool and mobilization. He stated there would be overlapping cost for the two separate projects.

Mayor Graham-Mejia suggested adding the item to Wednesdays' meeting to determine if the pool was a logical project for the City to pursue.

Council Member Edgar supported empowering Staff to settle on a lease deal, but questioned the priority of this project. He stated he was less concerned with user groups and more concerned with giving Staff the most leverage for negotiations. He supported continuing the discussion and having Staff come back with a negotiation schedule.

City Manager Plumlee clarified it was not for lack of trying on Staff's part and Staff would continue to reach out to the JFTB for a successful negotiation.

Council Member Edgar stated support for a negotiating timeline to be settled by December. He questioned the timeline of spending the \$40,000 from the Aquatics Foundation.

City Manager Plumlee stated Staff would continue to reach out to the JFTB and advised of the recent change of command.

Motion/Second: Edgar/Graham-Mejia
Continue discussion to September 8, when the policy for reserves and timeline for negotiations have been settled.

Council Member Grose questioned September 8, deadline if the goal was to give Staff leverage.

Mayor Graham-Mejia asked if there was a schedule of times for the JFTB to meet with Staff.

City Manager Plumlee stated Staff had met with the JFTB once and there should be another meeting shortly.

Mayor Graham-Mejia requested Staff press upon the JFTB the City's interest in the next contract before it chooses to invest large amounts of money.

Council consensus was reached and the continued discussion was not date specific.

Motion/Second: Edgar/Graham-Mejia

Unanimously Carried: The City Council continued the discussion to a time when the policy for reserves and timeline for negotiations have been settled.

- C. Options for the 4th of July Fireworks Spectacular (City Manager)**
Staff has been directed to place this item on the agenda regarding the 4th of July Fireworks Spectacular.

Mayor Graham-Mejia expressed disappointment that the Staff report did not have any specific items to discuss.

City Manager Plumlee advised the intent was to seek direction from Council and Staff was prepared to give a verbal update on the initial outreach to the Joint Forces Training Base (JFTB) and Fire Department.

Mayor Graham-Mejia stated the information should have been presented in the Staff report. She indicated this was the second time she had brought an item forward that generated a paragraph Staff report and believed it showed a lack of respect by Staff.

City Manager Plumlee apologized and stated that was not the intent. The goal was to receive direction from Council as a whole, whether or not move forward and expend resources.

Mayor Graham-Mejia questioned why the information was not included in the report to allow Council to review the information. She indicated at the least the following items should have been included: could the show be moved closer; moved back to its original location; shot higher into the air; and the associated cost. She stated if Staff needed more information, to please reach out to her.

Mayor Pro Tem Murphy indicated he had the same concern.

Council Member Edgar believed the Parks, Recreation, and Cultural Arts Commission (PRCA) minutes should have at least been attached.

City Manager Plumlee advised that would occur moving forward and at this point Staff was prepared for a verbal update.

Community Services Director Lakin gave a verbal update and highlighted the following points: there was no definitive answer from the JFTB or Fire Department regarding relocating the firework display back to its original location, but most items pointed to no; regulation changes regarding distance and fall out zones have changed; the new location is better from a safety, hazard, and security perspective; and, the new location allows for 8 inch shells to be shot because there are no buildings or people in the fall out zone.

Mayor Graham-Mejia asked what size fireworks were currently used.

Community Services Director Lakin indicated this year's show included 3, 4, and 5 inch shells as well as multi shot bombardments and ground level fireworks.

Mayor Graham-Mejia asked how the height was measured.

Community Services Director Lakin indicated for every inch of shell, it would go 100 feet in the air (i.e. 3 inch shell would shoot 300 feet).

Mayor Graham-Mejia stated there was a significant difference having the fireworks moved farther up the runway and made it difficult for people in the community to see.

Community Services Director Lakin advised the show used to be 500 feet from the houses in that neighborhood and even if the show was raised in the new location, from 4,000 feet away there would be homes and trees in the neighborhoods line of sight.

Mayor Graham-Mejia asked if 8 inches is the largest shell that could be used and the costs for the shells.

Community Services Director Lakin advised with the current constraints and regulations, nothing over an 8 inch shell is recommended. He provided an overview of costs. He advised if the City were to do the same show with bigger shells it would add an additional \$30,000-\$35,000, and 6 to 8 inch shells would be difficult for those on the installation to see. He added it was also recommend that ground level fireworks be maintained for those on the installation even though they were difficult for homeowners to see.

Mayor Graham-Mejia supported 3 inch shells at the old location because it would give the community what they wanted with no impact. She indicated the people were promised a firework show and she believed there would be support for moving it back to the original location with three inch shells at no additional cost. She indicated this conversation could have occurred before hand if the information had been provided.

Community Services Director Lakin indicated the JFTB had several issues with individuals wandering around the installation and the new location provided better security. In addition, medical issues had decreased from 13 issues in 2010 to two this year. He advised other concerns to take into consideration included Americans with Disabilities Act accessibility and the elderly. He pointed out there was also a water savings of 30 gallons at the new location since the Fire Department did not need to hose down the dead brush. He advised Staff would proceed with the will of the Council, but cautioned there were other players that contributed equally to this event.

Mayor Graham-Mejia questioned how the event survived with all those issues. She indicated she had not received complaints from any individuals in wheel chairs. She questioned the legitimacy of the security complaint as participants had to travel from the entrance to the air field. She requested Council's support to make a strong attempt to move the event to the previous location.

Council Member Kusumoto indicated Staff had not stated it was impossible.

Community Services Director Lakin indicated it was not impossible, but the JFTB had been clear on its preference.

Council Member Kusumoto indicated he did not care for the old location, but understood the needs of the community. He would support working to relocate the show as opposed to safe and sane fireworks.

Mayor Pro Tem Murphy stated support for a full Staff report to have a discussion regarding numbers. He stated residents who had voiced concern deserved to have the Council review the options and make an informed decision. He added the citizens deserve to have the information put in front of them.

City Manager Plumlee advised Staff would bring forward additional information regarding the JFTB, fireworks, and safety concerns from the Fire Department. He advised the Fire Department had strongly recommended against moving the location due to the fall out zone.

Council Member Kusumoto cautioned Staff on bringing forward a biased response and understood the direction to bring back the cost it would take to move the location back and if that was not plausible what other options would be available. He indicated the residents deserved a fair shot and so far all that had been provided were reasons why the show could not be relocated. He wanted the direction to include what the Council could do.

City Manager Plumlee advised staff was providing the facts, and had no bias either way. He stated Staff would include historical information as well.

Council Member Grose cautioned there was a third party involved and the JFTB could withdraw support for the event and Council should be prepared for that conclusion. He advised he had left before the fireworks and saw residents at the church and commercial properties along Katella Avenue. He had not realized how many people came to watch the show. He pointed out there were people that received the benefit of the show that were not constituents. He stated he was sensitive to the concerns of the residents and Council needed to figure if the show could be relocated and the JFTB's position.

Council consensus was received to bring back a detailed Staff report.

TIME LIMITS

Per Resolution 2013-09 "Council Meeting Time Limits", Mayor Graham-Mejia stated there was Council consensus to continue with the remaining business.

12. MAYOR AND COUNCIL INITIATED BUSINESS

A. Council Announcements

Council Member Grose spoke regarding the following items: requested the meeting be adjourned in honor of resident and small business owner, Gary Frankenstein; a list of meetings attended could be found on his website (www.losal.net); advised he was appointed to the Emergency Medical Care Committee and would attend his first meeting on Friday; and, invited everyone to attend the West Orange County Legislative Mixer hosted by the Chamber of Commerce.

Council Member Kusumoto reported attendance at the following events: LAYB Bronco World Series; American Legion Spaghetti Fundraiser; and, Change of Command Ceremony and Building Dedication at the JFTB.

Mayor Pro Tem Murphy spoke regarding the following items: spoke regarding the difference one person could make in the community (i.e. the

recent change in tennis rules); Ava Rich's fight against Childhood Cancer and the significance of yellow ribbons around town; attendance at the Change of Command Ceremony and Building Dedication at the JFTB; attendance at the LAYB World Series; and encouraged residents to volunteer for the Personnel Appeals and Parks, Recreation, and Cultural Arts Commission.

Council Member Edgar spoke regarding the upcoming fundraiser for St. Isidore on August 23 and requested an update on the Coyote Creek Park as it was not up to standards and he wanted to insure the contractor was not released before the project was complete.

City Engineer Hunt advised the project would not be complete until December and advised reseeding and planting were occurring. He indicated the contractor would not be relieved until the park was up to the standards of the design, City, and Rivers and the Mountains Conservancy (RMC) standards. He provided a brief overview of the status.

Council Member Edgar requested the item come before Council before any final work is accepted. He asked for an update on the Orange County Flood Control project taking place in New Dutch.

City Engineer Hunt advised the project was to concrete the area and was on schedule. It was geared to end before the raining season. He indicated not many complaints had been received and issues were resolved quickly.

Council Member Edgar questioned if council would approve final acceptance.

City Engineer Hunt advised the project was on County right of way. The City would be asked if there were any issues, but approval was not technically needed.

Council Member Edgar requested Council be notified before completion so they could assess the project. He indicated the Hospital parking structure was now open and advised the view from the top was worthwhile. He reported attendance at LAYB World Series and the Change of Command Ceremony. He advised of the upcoming Ribbon Cutting for Stuttgart Auto Werks.

Mayor Graham-Mejia spoke regarding Ava Rich, her fight against childhood cancer, and her goal to bring about awareness in September with yellow ribbons; she reported attendance at the LAYB World Series; advised of increased mosquito and West Nile Virus activity; and, requested a program be put together to update the community. She advised the meeting would be closed in honor of Gary Frankenstein.

13. ITEMS FROM THE CITY MANAGER

None at this time.

14. CLOSED SESSION

City Attorney Reisman read items 14A and 14B allowed.

Council Member Edgar recused himself from Item 14B for a conflict of interest.

A. Conference with Labor Negotiator

Agency Negotiators: Gregory D. Korduner, Consultant
Cary S. Reisman, City Attorney
Employee Organization: Los Alamitos City Employees Association
Authority: Government Code Section 54957.6

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pending litigation pursuant to subdivision (d)(4) of Section 54956.9. One potential case.

RECESS

The City Council recessed into Closed Session at 10:24 p.m.

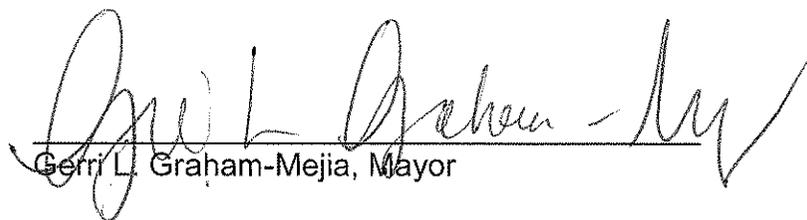
RECONVENE

The City Council reconvened in Regular Session at 12:40 a.m.

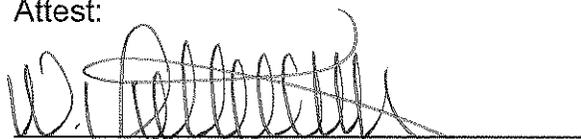
There was no reportable action.

14. ADJOURNMENT

The City Council adjourned in memory of Gary Frankenstein to August 20, 2014, for the purpose of appointing an Ad Hoc Committee, at 12:40 a.m.


Gerri L. Graham-Mejia, Mayor

Attest:


Windmera Quintanar, CMC, City Clerk