ITEM NO. 9A

MINUTES OF THE CITY COUNCIL
OF THE CITY OF LOS ALAMITOS

REGULAR MEETING – January 20, 2015

1. CALL TO ORDER

The City Council met in Regular Session at 5:00 p.m., Monday, January 20, 2015, in the Council Chamber, 3191 Katella Avenue, Mayor Murphy presiding.

2. ROLL CALL

Present:	Council Members:	Grose, Hasselbrink, Kusumoto, Mayor Pro Tem Edgar, Mayor Murphy
Absent:	Council Members:	None
Present:	Staff:	Bret M. Plumlee, City Manager Cary Reisman, City Attorney Windmera Quintanar, CMC, City Clerk

5. CLOSED SESSION

City Attorney Reisman read the items aloud.

A. CONFERENCE WITH LABOR NEGOTIATOR

Agency Negotiators:	Bret M. Plumlee, City Manager
Unrepresented Employee:	City Clerk
Authority:	Government Code Section 54957.6

Mayor Pro Tem Edgar recused himself from Item 5B for a conflict of interest.

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 5:00 p.m.

RECONVENE

The City Council reconvened in Regular Session at 6:03 p.m.

City Attorney Reisman advised there was no reportable action.

ROLL CALL

Present:	Council Members:	Grose, Hasselbrink, Kusumoto, Mayor Pro Tem Edgar, Mayor Murphy
Absent:	Council Members:	None
Present:	Staff:	Bret M. Plumlee, City Manager Cary Reisman, City Attorney Jason Al-Imam, Admin. Services Director Tony Brandyberry, Pub. 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 Windmera Quintanar, CMC, City Clerk

3. PLEDGE OF ALLEGIANCE

Mayor Murphy led the Pledge of Allegiance.

4. INVOCATION

Mayor Pro Tem Edgar gave the Invocation.

6. PRESENTATIONS

A. Presentation of a Certificate of Recognition to Arturo Garcia, Owner of Maderas Steak & Ribs, for His Contributions to the Community

Mayor Murphy and the Council presented a Certificate of Recognition to Arturo Garcia. Mr. Garcia spoke briefly.

B. Presentation of a Certificate of Recognition to Gregory D. Korduner, for His Service During Labor Negotiations

Mayor Murphy and the Council presented a Certificate of Recognition to Gregory D. Korduner. Mr. Korduner spoke briefly.

C. Presentation of Certificates of Appointment to Newly Appointed Commissioners

Mayor Murphy and the Council presented Certificates of Appointment to the following Commissioners:

- Reed Ellison – Cable Television Commission
- Michael Bell – Parks, Recreation, and Cultural Arts Commission
- Jason Seaman – Traffic Commission

D. Presentation of Plaques of Appreciation to Former Commissioners:
Mayor Murphy and the Council presented Plaques of Appreciation to the following Commissioners:

- Shelley Hasselbrink – Cable Television Commission
- Candace DeWitt-Drucker – Parks, Recreation, and Cultural Arts Commission
- Richard Vardeman – Traffic Commission

E. Presentation by Becky Esparza, Orange County Human Relations, Regarding the Annual Report, Membership, and Benefits
Ms. Esparza gave a brief report regarding Orange County Human Relations. She presented Mayor Murphy with a Certificate of Recognition.

F. Presentation by Hasan Ikhrata and Kevin J. Gilhooley, Southern California Association of Governments (SCAG), Regarding Membership and Benefits
Mr. Ikhrata gave a brief report regarding Southern California Association of Governments.

Mayor Pro Tem Edgar recalled appointing Mr. Ikhrata to SCAG and thanked him for his hard work, dedication, and leadership.

Mr. Ikhrata invited the Council to attend the 50th General Assembly, May 7-8, 2015.

G. Presentation by Lacey Kelley, Association of California Cities – Orange County (ACC-OC), regarding Membership and Benefits
Ms. Kelley gave a PowerPoint presentation regarding the Association of California Cities – Orange County (ACC-OC).

H. Presentation by Mike Balliet, MuniServices, Regarding Solid Waste Audit Results
Mr. Balliet gave a PowerPoint presentation regarding the Solid Waste Audit results.

Mayor Pro Tem Edgar asked how much the audit cost.

City Manager Plumlee advised it was just over $10,000 and was covered within the scope of the franchise agreement. He gave a brief history of the audit and indicated MuniService could continue its service to insure compliance through the remainder of the franchise agreement.

Mr. Balliet advised the total cost for Phase I and II was approximately $24,000.

Mayor Pro Tem Edgar recalled the request coming from Council's frustration from working with the vendor on a variety of topics, specifically the payment of fees, and questioned the positivity of the audit results.

Mr. Balliet briefly outlined his recollection of the required fees.

Mayor Pro Tem Edgar expressed concerns regarding the company being in legal compliance, customer service, and the company's representative. He expressed appreciation for the audit results; but, was not satisfied and believed more details were needed.

City Manager Plumlee advised the audit was through calendar year 2013 and believed many of the issues were resolved in 2014, including working with the Chamber and lowering the outstanding balance due to the City.

Council Member Grose echoed Mayor Pro Tem Edgar's concerns. He expressed concern regarding the ambiguity of the term of the agreement and continued payments and had hoped the audit would address that.

City Attorney Reisman stated his understanding was should there be an additional year six, the fees would be included; however, the subject had not been discussed yet.

Council Member Grose expressed concerns regarding clarification with the new staff and the use of different refuse facilities in Orange County. He stated support to bring the item back for further discussion regarding future years.

Mr. Balliet indicated in his review of the agreement, he believed it to be five years with an option to renew. Although there were no actionable items found with the audit, that did not mean there weren't discussion items that were followed through on.

Council Member Kusumoto asked if the terms and conditions of the City's contract were typical and questioned the difference regarding the CPI. He indicated support for the newer vehicles powered by natural gas and believed that would negate the need for CPI fluctuations.

Mr. Balliet responded the detailed financial requirements and milestones were well written and left little room for negotiation. Typical contracts called for 5% of gross receipts for collection of garbage. He advised the CPI adjustment had not been properly applied for years 2 and 3.

Mayor Murphy requested an update regarding the yearly fee of $80,000.

City Manager Plumlee indicated that the item could be brought back. Community Development Director Mendoza clarified the amount was $80,000 for the first year and $50,000 for each subsequent year.

7. ORAL COMMUNICATIONS

Mayor Murphy opened Oral Communications.

Raul Alvarez, Cypress College Foundation, spoke regarding the 40th Americana Awards Dinner to be held on February 28, 2015, at the Disneyland Hotel.

Stephen Hammond, resident and Cable TV Commissioner, spoke in favor of Item 9J and requested Council's support. He stated the following points regarding Commissioner Clayton's submittal letter for Item 12B: concerns regarding Mr. Clayton's attendance, his experience in Cable Television, his behavior during Commission meetings, and, opposition to his claim that money was misspent on equipment. He indicated the loss of Larry Strawthers negatively impacted LATV.

Diana Hill, Los Alamitos Unified School District (LAUSD) Board Member and President, stated LAUSD valued the partnership with the City and advised a Board Member would be present at all future Council meetings to provide an update. She spoke regarding the upcoming Los Alamitos Education Foundation's 2014-15 King and Queen of Hearts Campaign and Council Member Hasselbrink's involvement.

Rick Pap, resident, spoke in favor of Item 9J and for continued and improved programming on LATV-3.

John Underwood, Cable Television Commissioner, spoke in favor of Item 9J and for moving LATV-3 forward to serve the community.

Samuel Manning, Chair of Parks, Recreation and Cultural Arts Commission, challenged the Council to participate in the Race on the Base on February 28. Participation could include signing up for or volunteering in the race.

Mayor Murphy closed Oral Communications.

RECESS
The City Council took a brief recess at 7:20 p.m.

RECONVENE
The City Council reconvened in Regular Session at 7:40 p.m.

8. WARRANTS

Motion/Second: Grose/Edgar
Unanimously Carried: The City Council approved the Warrants for January 20, 2015, in the amount of $112,471.58, ratified the Warrants for December 16, 2014, to January 19, 2015, in the amount of $944,275.33, 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 January 21, 2015, to February 17, 2015.

ROLL CALL

Council Member Grose	Aye
Council Member Hasselbrink	Aye
Council Member Kusumoto	Aye
Mayor Pro Tem Edgar	Aye
Mayor Murphy	Aye

9. CONSENT CALENDAR

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

Council Member Hasselbrink pulled Item 9F.
Council Member Grose pulled Items 9E and 9J.

Motion/Second: Edgar/Hasselbrink
Unanimously Carried: The City Council approved the following Consent Calendar items:

A. Approval of Minutes (City Clerk)
Approved the Minutes of the Special Meeting of December 15, 2014.

B. Adoption of the Legislative Platform for 2015 (Administration)
The Legislative Action Report identifies the City's Legislative Platform for 2015 and provides program procedures for the City to effectively participate in the legislative process.

The City Council adopted Resolution 2015-01, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING THE 2015 LEGISLATIVE PLATFORM."

C. Approval of the Notice of Completion for Street Improvement Project (CIP No. 13/14-04) (Engineering)
The project is complete for the construction of Winners Circle from Katella Avenue 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 and Los Alamitos Boulevard and Bradbury Way intersection. Staff recommended City Council accept the work as complete, direct filing of

the Notice of Completion, and authorize retention release as prescribed by the Public Contracts Codes.

The City Council:

1. Accepted as complete the construction contract by RJ Noble Company for the Alley Improvement Project; and,

2. Directed the City Clerk to record the Notice of Completion/Final Report with the County Recorder's office; and,

3. Authorized Staff to release the 5% retention to the contractor in the amount of $17,448.23, thirty-five (35) days after recordation of the Notice of Completion.

D. Approval of the Fiscal Year 2015-16 Budget Calendar (Administration)

This report sought City Council approval of the Fiscal Year 2015-16 Budget Calendar.

The City Council approved the Budget Calendar for Fiscal Year 2015-16.

G. Scope of Audit Services (Administration)

The contract with the City's external auditor (Moss, Levy & Hartzheim LLP) expires upon completion of the audit of the year ended June 30, 2014. In accordance with the purchasing rules, the City Council must approve the Scope of Services prior to staff sending out the Requests for Proposal.

The City Council approved the Scope of Services for Audit Services and authorized the City Manager to release the applicable Requests for Proposal.

H. Scope of User Fees & Charges Study (Administration)

A study on user fees and charges has not been conducted for several years. The City plans to issue a Request for Proposal to review the existing user fees and charges. In accordance with our purchasing rules, the City Council must approve the Scope of Services prior to Staff sending out the Request for Proposal.

The City Council approved the Scope of Services for User Fees and Charges Study and authorized the City Manager to release the applicable Request for Proposal.

I. **Scope of City Hall Copier Services** **(Administration)**

The City Hall copier lease agreement expires on June 30, 2015. At this time, the City needs to seek new proposals with current pricing for inclusion in 2015/16 budget discussions. In accordance with our purchasing rules, the City Council must approve the Scope of Services prior to Staff sending out the Request for Proposal.

The City Council approved the Scope of Services for City Hall Copier Services and authorized the City Manager to release the applicable Request for Proposal.

End of Consent Calendar

Items Pulled from Consent Calendar

F. **Fiscal Year 2015-16 Request for Proposals (RFP) for Community Development/Public Works Department; Building and Safety, City Engineer, Traffic Engineer, and Signal Maintenance**

(Community Development)

Contracts are about to expire. It would be appropriate to seek new proposals with current pricing. In accordance with our purchasing rules, the City Council must approve the Scope of Services prior to Staff sending out the Request for Proposals.

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

Council Member Hasselbrink suggested combining like services into one Request for Proposals (RFP) to streamline services, allow for one vendor to provide all the services, and provide a potential cost savings.

Council Member Grose stated concern regarding the monthly fees for signal maintenance and possible duplication that occurs. He agreed there was potential for savings from one vendor. He expressed concern for intersections that are still based on a timing mechanism, especially in regards to Katella Smart Street. He requested the RFPs include new and more efficient technology.

Council Member Kusumoto clarified this item was for the Scope of Work only, to which he had no concerns. He indicated support for a contracting method that would streamline the processes and reduce costs.

Community Development Director Mendoza agreed there was a connection between several vendors, but indicated Building and Safety

would likely stand alone. He indicated Staff would include an option to combine services to provide the City additional benefits.

Mayor Pro Tem Edgar gave a brief history of Council's decision to contract out the City Engineer position. He indicated support for streamlining the process; however, he believed there was a benefit to the institutional knowledge the current vendors provide the City. He stated institutional knowledge would be beneficial as the downtown project moves forward and stated support for maintaining the current group of vendors should the services remain cost effective.

Mayor Murphy stated support for component bidding.

City Manager Plumlee advised the RFP could be flexible. Staff would move forward with the Scope of Services and bring back the RFP for Council direction and feedback at a later date.

Motion/Second: Grose/Hasselbrink
Unanimously Carried: The City Council approved the Scope of Services for Building & Safety, City Engineer, Traffic Engineer and Signal Maintenance and directed the City Manager to bring back the applicable Request for Proposals for Council approval.

E. Annual Dues Assessment for the Association of California Cities – Orange County (ACC-OC), Southern California Association of Governments (SCAG), and Orange County Human Relations

(Administration)

Staff was proposing that City Council approve the payment of the annual dues assessment for the Association of California Cities – Orange County (ACC-OC), Southern California Association of Governments (SCAG), and Orange County Human Relations.

Council Member Grose recalled the budget discussion where he had requested Council expenses be discussed by the Council as they arose. He advised he did not have any conflicts with the groups up for discussion, but wanted to ensure Council was being good stewards of the tax payer's money. He stated the following concerns: Council was not participating in any of the organizations to his knowledge; fees associated with ACC-OC events; networking opportunities were available through other Commissions and Boards; Human Relations Commission being charged to the City Council budget versus the Police Department's budget; and, lack of Council interest to serve on Committee or Regional Council through SCAG. He stated he did see the value in the organizations, but felt all members of Council should be participating. He spoke regarding the SCAG District 20 Representative, Tri Tah, and his lack of communication. He referred to ACC-OC and indicated he wanted

to see personal tangible benefits versus being supplied a list of benefits that could be utilized. He stated concern for a possible conflict of interest regarding the ACC-OC affiliate members and the ability to pay to be on the Board. He spoke briefly regarding a public records request the City of Cypress had made and ACC-OC not producing the information. He stated the HUB could be a beneficial project providing members participate in the project. He did not believe Staff was participating in the project.

City Manager Plumlee advised Staff had explored the HUB and believed it was a good project. Recently Staff had been taking advantage of the free training and had attended a few sessions and appreciated the opportunity to participate.

Council Member Grose questioned the return on investment. He stated he did not have concern regarding SCAG, but felt ACC-OC should be discussed.

Mayor Pro Tem Edgar felt the ability to engage regionally as one of the smallest cities in the County was beneficial. He spoke regarding the Orange County Sanitation District's (OCSD) involvement with ACC-OC and the benefit that provided with advocacy of the rate increase. He felt private and public agencies provided an interesting mix; however, there may be some negatives to having the private industry sit on the Board. He stated support for SCAG and pointed out the City had received $100,000 grant for a $1,700 yearly fee. He reiterated support for regional networking. He stated he did not have a tremendous amount of understanding regarding Orange County Human Relations and would defer to Staff.

Council Member Hasselbrink believed Council involvement provided a larger voice at a County and State level. She was supportive of training and grants provided and felt there was positive synergy achieved through networking. She indicated she has taken advantage of ACC-OC training opportunities and would continue to do so in the future. She was supportive of deferring to Staff for Orange County Human Relations as she did not see an opportunity for involvement from Council. She requested Council allow her the opportunity to continue to get involved and take advantage of the City's memberships.

Council Member Kusumoto questioned if the City took advantage of the Orange County Human Relations services.

Police Chief Mattern indicated Orange County Human Relations has been involved in collecting data and looking at trends with hate crimes. He stated the Police Department did not have any significant partiality to the services provided; however, the real value was in what was offered to

community members for human relation sensitive issues and conflicts. He provided an example of a community meeting organized by OC Human Relations.

Council Member Kusumoto indicated he understood the value of the organization, but did not understand the dues structure or the opportunity for involvement. He stated support for postponing the item for further research. He referred to SCAG and believed he would have more time to invest in this organization and stated support for continued membership. He referred to ACC-OC and recalled the genesis of the organization. He did not have a preference at this time, but would continue to consider the input of Council while keeping the tight budget constraints in mind.

Mayor Murphy advised he had been active with ACC-OC as a member of the pension reform subcommittee. He stated keeping regional networking open was important. He agreed the Council need to be more involved. He stated support for continuing discussion of Orange County Human Relations to allow for more information to be provided.

City Manager Plumlee indicated Orange County Human Relations could be discussed during budget.

Mayor Murphy stated support for SCAG and Council getting more involved.

Council Member Grose asked if dues had been paid and budgeted.

City Manager Plumlee advised dues have not been paid. ACC-OC dues were for the next calendar year, SCAG dues were for the Fiscal Year and were now past due and OC Human Relations would be paid in March for Fiscal Year 2015/16.

Council Member Grose stated he saw the benefit for Orange County Human Relations and only questioned if it should be paid by another department.

Motion/Second: Grose/Kusumoto
Table renewal of Orange County Human Relations to allow Staff to research the right funding source within the City.

Mayor Pro Tem Edgar questioned the significance of reallocating the funds.

City Manager Plumlee indicated the membership would come out of general fund, whether from the Council or Police Department.

Council Member Grose stated concern for membership dues and stated opposition to it being included in the Council's obligations if the Council was not involved. He stated as part of another department's budget, they would need to justify the expenditure, if needed.

Mayor Pro Tem Edgar recalled the restructuring of the budget several years ago when the membership was allocated to Council. He stated support for having the Budget Ad Hoc Committee research the item.

Council Member Grose reiterated his support for having Staff further evaluate and determine if membership was needed.

Council Member Hasselbrink stated support for additional research.

City Manager Plumlee indicated the two issues at hand were if Council wanted to continue membership and where it should be funded from. He advised Staff would bring back additional information on the organization and Council could then decide if it wants to continue and where to budget the membership.

Mayor Pro Tem Edgar stated support for making a decision now.

Mayor Murphy asked for the motion to be repeated.

City Clerk Quintanar restated the motion was to table renewal of Orange County Human Relations to allow Staff to research the right funding source within the City.

Motion/Second: Grose/Kusumoto
Carried 3/2 (Edgar and Hasselbrink cast the dissenting votes): The City Council tabled renewal of Orange County Human Relations to allow Staff to research the right funding source within the City.

Motion/Second: Kusumoto/Grose
Unanimously carried: The City Council approved the payment of dues in the amount of $1,257 to Southern California Association of Governments for Fiscal Year 2014/15.

Motion/Second: Edgar/Hasselbrink
Carried 3/2 (Grose and Kusumoto cast the dissenting votes): The City Council approved the payment of dues in the amount of $7,249 to Association of California Cities – Orange County for Calendar Year 2015.

J. Dates and Times of Future Cable Television Commission Meetings (City Manager/Cable Television Commission)

City Council Resolution 2007-07, stipulates the schedule for meetings of the Cable Television Commission (Commission). The Commission can decide whether to abide by that schedule or request an alternate schedule be adopted by action of the City Council.

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

Council Member Grose stated concern somewhere in the process the Commission deviated from the regulated meeting schedule to meet at 4:00 p.m. in the back conference room. He stated concern meetings were not public, nor convenient for the public. He indicated he had originally thought the item should be postponed until a decision could be made with the recent Request for Proposals; however, the speakers had clearly indicated the new time would be more beneficial. He clarified Commission meetings should be held in the Council Chamber.

City Manager Plumlee advised the Commission had discussed having the meetings in the Council Chamber and would be doing so moving forward. He clarified Commission meetings have always been open to the public even when held in the conference room.

Motion/Second: Grose/Edgar
Unanimously Carried: The City Council adopted Resolution No. 2015-02, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ESTABLISHING MEETING DATES AND TIMES FOR THE CABLE TELEVISION COMMISSION AND PURSUANT TO ORDINANCE NO. 07-02, AMENDING RESOLUTION NO. 2007-07."

10. ORDINANCES

A. Consideration of an Urgency Ordinance Adopting a Citywide Moratorium on the Establishment, Expansion, Intensification or Relocation of New and Existing Massage Establishments and Massage Practitioners (Community Development)

Due to a recent change in State law, Staff recommends enacting a 45 day moratorium on Massage Establishments and their licensing. A Moratorium provides the necessary "time out" wherein the City can draft appropriate codes to address the newest laws without new applicants filing applications.

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

Council Member Hasselbrink questioned if this would affect chiropractic offices that allowed massages or nail salons.

Community Development/Public Works Director Mendoza indicated a license was not needed for massages from the toes to the knees. He advised chiropractic offices were exempt.

City Manager Plumlee stated the time period was for 45 days with the ability to extend.

City Attorney Reisman added the first extension would be for 10 months and 14 days. If necessary and findings were found, the moratorium could be extended for an additional year.

Council Member Kusumoto clarified this would have no effect on existing permitted establishments.

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

1. Adopted Ordinance No. 2015-01, entitled, "AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING A CITYWIDE MORATORIUM ON THE ESTABLISHMENT, EXPANSION, INTENSIFICATION OR RELOCATION OF NEW AND EXISTING MASSAGE ESTABLISHMENTS AND MASSAGE PRACTITIONERS," by Roll Call Vote; and,

   ROLL CALL

Council Member Grose	Aye
Council Member Hasselbrink	Aye
Council Member Kusumoto	Aye
Mayor Pro Tem Edgar	Aye
Mayor Murphy	Aye

2. Directed the City Attorney to draft a New Massage Ordinance and Applicable Zoning Code Amendment.

11. DISCUSSION ITEMS

A. Consideration of Los Alamitos Boulevard Revitalization Project Community Outreach Scope of Services Prior to Releasing Request for Proposal (RFP) (Community Development)

This Staff report provided City Council the opportunity to discuss and review the Scope of Services for outreach related to the Los Alamitos Boulevard Revitalization Project. Once approved by Council, the Scope of Service will be included in a Request for Proposal (RFP) released to obtain proposals.

City Manager Plumlee introduced the item. Community Development/ Public Works Director Mendoza summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Murphy opened the item for public comment. There being no one present wishing to speak, Mayor Murphy closed the item for public comment.

Mayor Pro Tem Edgar was encouraged to see the project move forward and provided a brief history on the project. He was supportive of Council discussing the item in a community workshop to ensure the Council was well oriented on what was being proposed and the direction moving forward. He wanted to ensure caution was used when branding the project moving forward.

Council Member Kusumoto indicated prior Council had budgeted for the outreach component of this project. He appreciated the scope of services had not changed and was supportive of recalibrating. He stated support for moving forward with a workshop to reconfirm the project and allow the community to weigh in.

Council Member Grose agreed the Council needed to refocus on the project to ensure a unified idea was presented to the public and recalled the negative feedback the last time the project was brought forward. He stated concern for the public outreach meetings and agreed Los Alamitos Unified School District (LAUSD) needed to be involved as the High School would be affected by the traffic; however, he did not think LAUSD needed to be the focus and felt the businesses and property owners needed to be engaged in the process. He indicated it would be beneficial to know how involved the businesses would be if the City were willing to make improvements. He stated support for ensuring the Council understood the project and reiterated concern that LAUSD was afforded too many outreach meetings.

Council Member Hasselbrink believed this was a great opportunity and was looking forward to community outreach. She believed the project should be branded properly and stated support for a gathering spot to stay local. She believed the project went along with the new General Plan and wanted to ensure the City communicated properly with residents and businesses. She agreed LAUSD was a stakeholder; however, Council's role was to support the residents and businesses.

Mayor Murphy agreed the mix of meetings was somewhat skewed and felt the businesses needed to be more involved. He agreed the City needed to be modernized and that branding was important. He stated support for street beautification and the idea of modernizing the streets in the hopes that merchants would follow. He stated even if only the streets were completed, it would still add a benefit.

Motion/Second: Edgar/Grose
Support Staff recommendation and direct Staff to conduct a workshop with the Council and the community to reconfirm the direction and financial component of the project

Mayor Pro Tem Edgar stated financing eventually becomes a concern and stated it was important to talk about funding at the same time. He indicated the City's revenue line needed to change. He was supportive of a comprehensive package that might include moving City Hall, even if it took 25 years to save the money or required a measure to fund such. He was interested in seeing a business case that addressed the big picture, including funding, revenue, and timeline.

Council Member Kusumoto clarified his understanding of the motion was to approve Staff recommendation with the inclusion of a workshop, that would include the finance component, prior to the release of the Scope of Work.

Community Development/Public Works Director Mendoza advised the General Plan outreach cost approximately $7,000 for posters and advertising. He requested $3,000 of the $40,000 to conduct the workshop.

Mayor Pro Tem Edgar clarified his intent was for an informal discussion with the community. He believed reevaluation of the current posters to align the Council's objective could be done without spending any additional money. He indicated a public notice should suffice.

Council Member Grose clarified it should be a standalone workshop with an updated PowerPoint presentation.

Council Member Hasselbrink believed it should be more than a presentation and include stakeholder input.

Council Member Grose believed it should be a public workshop without soliciting input at this point. He believed the public should be engaged after the Request for Proposal (RFP) was complete and new information was created.

Council Member Hasselbrink questioned not engaging the public in the early planning stages.

Council Member Grose believed getting the community input early on was what halted the project last time. He stated concern with getting input before Council had an idea of the project and the benefits it would provide.

Council Member Hasselbrink reiterated support for stakeholder involvement.

City Manager Plumlee suggested adding the notice to the newspaper and doing a little bit of outreach with a low cost presentation.

Council Member Grose advised the public was always welcome at workshops.

Council Member Kusumoto stated public noticing would suffice.

Mayor Murphy did not have a concern with spending $2,000 now to ensure the $40,000 would be properly spent moving forward.

Mayor Pro Tem Edgar stated support for a workshop where the public was invited. He believed the purpose was for Council to understand what they were asking for before they spent the money.

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

1. Approve the Scope of Services; and,

2. Directed Staff to conduct a Council Workshop with Staff and the community to reconfirm the direction and financial component of the project; and,

3. Authorized the City Manager to secure proposals via a Request for Proposal for Los Alamitos Boulevard Revitalization Project Community Outreach after the workshop was conducted.

B. First Amendment to Professional Services Agreement with HdL (Administration)

Staff proposed to add the Business License function to the contract with HdL.

City Manager Plumlee introduced the item. Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, answered questions from the City Council, and advised Robert Gray, HdL President, was present to address any questions.

Council Member Kusumoto asked if Staff could return to providing the service in house or if the contract obligated the City to stay with HdL.

Administrative Services Director Al-Imam advised there was no term limit for the contract and services could return to in house if desired.

Council Member Kusumoto inquired if there were other vendors that provide the same service.

Mr. Gray indicated there were other vendors; however, HdL was unique because of its 30 years of experience dedicated to local government.

Council Member Kusumoto clarified there were other vendors that could respond to a Request for Proposal (RFP). He referred to the amnesty program and indicated he would prefer to see the contested revenue before making a decision. He questioned the checks and balances to ensure businesses were not forgotten or operating illegally.

Mayor Pro Tem Edgar questioned the use of funds from the special internal service account, Air Quality Management District (AQMD).

City Manager Plumlee indicated online registration would reduce the number of trips to City Hall.

Mayor Pro Tem Edgar referred to the purchasing ordinance's requirement for bidding unless the vendor was a sole source. He questioned the legality of continuing without going through the bidding process.

City Attorney Reisman advised under State law, services do not have to be put out to bid, with the exception of engineering and architectural.

Mayor Pro Tem Edgar believed there may need to be a sole source justification. He recalled previous issues with specialized commodity services. He stated while collecting fees was not a unique service, knowledge of the tax code was.

City Manager Plumlee advised HdL already supports the City with property tax and sales tax. The uniqueness would be adding a third component to a vendor that already has the City's data.

Council Member Grose referred to the 1989 agreement with HdL and indicated there hadn't been an increase and based on his discussion with others, this bordered on sole source. He stated in his experience, there are many businesses that open up and aren't aware that a business license is required. He indicated this had the potential for a negative outcome and cautioned against counting on increased sales tax as some businesses do not sell taxable goods. He was disheartened that there was no mandate for property owners to ensure their tenants have business licenses and are permitted to function at that address. He felt that should be addressed moving forward. He supported going out to bid even if it resulted in no other willing vendors.

City Attorney Reisman advised the City's purchasing ordinances requires that contracts for goods go out to bid; however, the requirements for contracts for e-data processing, and telecommunications equipment and was less stringent process. He referred to Municipal Code Section 2.60.140, and read it aloud.

Council Member Grose questioned the credit card fees, the 40% contingency fee, $12/license fee, travel service fees described in Exhibit B, and the estimated revenue increase.

Mr. Gray indicated credit card fees were a pass through charge and the City would pay as it did now.

Administrative Services Director Al-Imam clarified there was no change to the way the City did business now and HdL would be processing the business license on the City's behalf. He clarified HdL would receive either a 40% contingency or $12/license.

Mr. Gray added the 40% fee was for discovery work. He gave a brief overview of the process and how it would work. He clarified the 40% would only be on initial discovery work and moving forward the City would receive the full 100%. The $12/license was for the annual maintenance which included printing and mailing of the certificates. He clarified any travel would be approved by the City in advance and he did not anticipate any with this agreement. He added revenue increase was based off experience in other cities.

City Manager Plumlee advised Staff had been conservative with the projections and additional sales tax revenue could also be discovered.

Mr. Gray added this agreement would be an increase to services. He indicated HdL provided unique software that cities could use internally should they decide and that option was not available from other vendors.

TIME LIMITS

Per Resolution 2013-09 "Council Meeting Time Limits", City Council considered extending the time limits.

Motion/Second: Grose/Hasselbrink
Unanimously Carried: The City Council voted to waive time limits.

Council Member Grose inquired how many current business licenses are in the City and the process for capturing new service oriented businesses. He believed in a small city, Code Enforcement should be able to easily identify store fronts without business licenses.

Administrative Services Director Al-Imam indicated there were 2,089 businesses licenses and stated contractors were required to get a business license before a building permit could be issued.

City Manager Plumlee stated HdL would help supplement City Staff. He pointed out the Code Enforcement Officer was part-time, but did help identify businesses. He indicated this would be an improved level of service and allow Staff time to work on other projects.

Council Member Hasselbrink stated support for modernizing the process and becoming more business friendly. She was cautious about entertaining an amnesty program without fully understanding the fiscal impact.

Mayor Murphy asked when the last time the 30 year old contract was reviewed and inquired if there were other options available.

Administrative Services Director Al-Imam stated the agreement for sales tax was entered into in 1989 and property tax was entered into in 2006. He advised each service had a different contract.

City Attorney Reisman stated the contract could be terminated with a 45 day notice.

City Manager Plumlee advised having a vendor provide all three databases was unique. He advised competitors did exist, but they did not have the City's database and services may need to be unbundled.

Mayor Murphy did not support an amnesty program and questioned if all businesses were being captured.

Mr. Gray gave a brief overview of the data available to HdL for capturing business license and pointed out it was not limited to sales and property tax information.
Council Member Kusumoto inquired if the process was proprietary.

Mr. Gray answered in the affirmative.

Motion/Second: Kusumoto/Edgar
Carried 4/1 (Grose cast the dissenting vote): The City Council authorized the Mayor to execute the First Amendment to Professional Services Agreement with HdL to add Business Licenses administration in addition to sales tax and property tax services already provided by HdL.

12. MAYOR AND COUNCIL INITIATED BUSINESS

A. Consideration of Appointments to City Committees (City Clerk)

At its December 15, 2014 meeting, the City Council appointed Council Members as representatives to other agencies. Appointments to City Committees were postponed to allow Staff to determine the nature of committees under the Ralph M. Brown Act.

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

The City Council discussed the appointments.

Motion/Second: Edgar/Hasselbrink
Unanimously carried: The City Council:

1. Determined the Budget Standing Committee and Los Alamitos Unified School District/City Working Group were standing committees; and,

2. Appointed Mayor Murphy and Mayor Pro Tem Edgar to the Budget Standing Committee; and,

3. Appointed Council Member Hasselbrink and Council Member Kusumoto to the Los Alamitos Unified School District /City Working Group; and,

4. Confirmed appointment of Council Member Grose and Council Member Kusumoto to the Relocation of Civic Center Complex (Options) Ad Hoc Committee; and,

5. Confirmed appointment of Mayor Murphy and Mayor Pro Tem Edgar to Relocation of Civic Center Complex (Financing) Ad Hoc Committee; and,

6. Appointed Council Member Hasselbrink as representative to the Orange County Transportation Authority's I-405 Working Policy Group and Corridor Cities Group.

B. Consideration of Steve Clayton's Appointment to the Cable Television Commission (City Manager)

Council Member Grose has requested, and received support from a second Council Member, for Council's consideration of Mr. Clayton's recent reappointment to the Cable Television Commission.

City Manager Plumlee summarized the Staff report, referring to the information contained therein, and answered questions from the City Council. He advised Commissioner Clayton had submitted a letter.

Council Member Kusumoto stated Commissioner Clayton wanted to attend, but was unable to. Based on public comments earlier, he stated support for postponing the item to allow Commissioner Clayton to be present.

Council Member Grose opposed postponing the item and advised Commissioner Clayton knew of the date in advance. He stated concern Commissioner Clayton was reappointed in November and left the December meeting early, resulting in less than a quorum and the cancelation of the meeting. He outlined Commissioner Clayton's attendance for the year and questioned whether or not there was an interest to serve. He cautioned Council should make better decisions when appointing and questioned if Council was appointing Commissioners merely to fill vacancies. He stated having a preference for Commissioners that would be involved and stated he did not believe Commissioner Clayton was a qualified candidate. He did not believe Commissioner Clayton's attendance would make a difference as he knew in advance and could have made arrangements to attend.

Mayor Murphy stated Commissioner Clayton was qualified and indicated he had spoken with Commissioner Clayton who was interested in serving. He noted there were seven technical committee meetings that Commissioner Clayton had also participated in. He indicated the 4:00 p.m. meeting time was difficult for many and believed Council could expect better attendance at 7:00 p.m. He stated opposition to removing a qualified candidate when there was still a vacant position.

Mayor Pro Tem Edgar indicated he was the supporting Council Member for this item. He recalled Commissioner Clayton was appointed 3 to 2 and did not anticipate a different decision tonight. He cautioned Council about appointing applicants simply to fill vacant seats. He believed Council should be deliberate with their decisions and all Commissioners should be qualified. He stated support for the chain of command and indicated opposition to Commissioner Clayton sending caustic notes to Council and bypassing the Chair and Staff. He advised Commissioner Clayton to change his rules of engagement should he stay on the Commission. He recognized the Cable Television Commission was difficult to manage and there were issues that needed to be resolved. He expressed frustration with the hesitancy of the Commission and advised the members to be decisive, involved, proactive, and constructive. He stated opposition to removing Commissioner Clayton at this point.

Council Member Grose requested Council Member Hasselbrink's perspective as a former Commission member. He stated Commissioner Clayton had not reached out to him even though he knew in advance this item was coming before Council. He clarified Larry Strawther chose to leave and was not forced out. He reiterated frustration with Commissioner Clayton's attendance at the December meeting. He recalled receiving emails from Commission members lobbying the Council individually. He questioned Commissioner Clayton's claim to bringing in money and questioned if the recordings brought in by Commissioner Clayton from a Long Beach Church fit LATV-3 guidelines.

Council Member Hasselbrink recalled being a former Commissioner and indicated there were different personalities and passions. She believed with the new Commissioners and change in time, things would begin to improve. She stated the Commissioners had made a commitment to serve and advised them to put the fighting aside and work to improve LATV-3. She was hopeful the RFQ would provide direction. She stated opposition to taking action now.

The City Council received and filed the report.

C. Council Announcements

Council Member Grose indicated a list of events he attended could be found at www.losalnet.com; advised he had served on a panel for potential military academy appointments; and, advised he would be applying for the Executive Committee position with California Joint Powers Insurance Authority.

Council Member Hasselbrink spoke regarding the following topics: attendance at the Chamber Wake up Breakfast; attendance at the State of the City for Long Beach; attendance at the League of California Cities New Mayor and Council Member Conference in Sacramento; encouraged everyone to participate in the Race on the Base (ROTB); and, congratulated Chief Mattern for the Police Department having Bachelor's Degrees or higher for all sworn officers.

Council Member Kusumoto advised he would be attending Orange County Fire Authority's Board meeting on Thursday and the Best and Bravest Award Dinner.

Mayor Pro Tem Edgar spoke regarding the following topics: attendance at St. Isidore Historical Plaza's membership drive; attendance at Casa Youth Shelter's "A Night on the Town"; upcoming City Selection Committee meeting; encouraged support for attendance at the upcoming Americana Awards; upcoming State of the City on January 27; and, support for Los Alamitos Education Foundation's (LAEF) Queen Hasselbrink.

Council Member Hasselbrink spoke briefly regarding the LAEF's King and Queen of Hearts campaign and encouraged residents to visit www.laef4kids.org for additional information.

Mayor Murphy congratulated Chief Mattern on the Police Department's achievement and reported attendance at the Chamber Installation meeting, State of the City for Long Beach, and Casa Youth Shelter's fundraiser.

13. ITEMS FROM THE CITY MANAGER

City Manager Plumlee congratulated Council Member Hasselbrink and Mayor Murphy on their first meeting and advised of the upcoming State of the City on January 27 at the Eagle's Nest.

14. ADJOURNMENT

The City Council adjourned at 10:20 p.m. to Wednesday, February 18, 2015, at 5:00 p.m. for the purpose of holding an Adjourned Regular meeting.

_____
Richard D. Murphy, Mayor

Attest:

_____
Windmera Quintanar, CMC, City Clerk