

MINUTES OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS

SPECIAL MEETING – June 1, 2015

THESE MINUTES ISSUED FOR
INFORMATION ONLY AND ARE
SUBJECT TO AMENDMENT AND
APPROVAL AT NEXT MEETING.

1. CALL TO ORDER

The City Council met in Special Session at 5:04 p.m., Monday, June 1, 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 S. Reisman, City Attorney (arrived at 5:30 p.m.)
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/Public Works
Director
Cassandra Palmer, Support Services Manager
Windmera Quintanar, CMC, City Clerk

3. SPECIAL ORDERS OF THE DAY

Mayor Murphy pulled item 3B forward.

B. Selection of the City's Independent Auditors (Administrative Services)

This report sought City Council approval of a certified public accounting firm to perform auditing services for three years beginning with the fiscal year ending June 30, 2015.

Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, and answered questions from the Council.

Richard Kikuchi, CPA Partner, introduced himself and spoke briefly about the firm, Lance, Soll & Lunghard, LLP (LSL).

Council Member Grose questioned the insurance requirements on page 5 of 10, stated concern the Scope of Work was not included, and questioned if the firm had responded appropriately.

Administrative Services Director Al-Imam pointed out the Scope of Work was included. He indicated the firm's response was what the City had requested and

was a requirement for consideration. He indicated the standard insurance language was included in the agreement.

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

Council Member Kusumoto questioned the price being above what was paid in the past and asked Mr. Kikuchi if this was the firm's best offer.

Administrative Services Director Al-Imam gave a brief overview of the past budgets for the audit services.

Mr. Kikuchi indicated he was excited about the possibility to work in Los Alamitos and advised the prices have already been lowered from their standard rate. He stated the proposal contained the minimum number of hours to perform the work and was the lowest price that could be offered.

Council Member Kusumoto questioned if the rate was comparable to other small cities serviced by the firm and if the price was based on labor hours or the final product.

Mr. Kikuchi indicated the price was comparable. He added price was not based on population, but on fund structure and the complexity of the audit.

Administrative Services Director Al-Imam indicated audit quality is based on two factors, creditability/reliability and timeliness. He indicated the current audit firm struggled with timely financial statements and LSL has committed the staff time to get the job done in a timely manner. LSL is also highly regarded in the industry and has been in business for 85 years. He stated Staff believed the \$24,000 annual fee was fairly competitive.

Council Member Hasselbrink referred to evaluation criteria and indicated timeliness of the incumbent was a huge factor.

Administrative Services Director Al-Imam indicated the City was their reference and has issues with not getting timely financial information and compliance with bond covenants.

Mayor Pro Tem Edgar indicated he did not have an issue with the price difference but had concerns with the perception of picking the highest bidder. He questioned if Staff had negotiated the price.

Administrative Services Director Al-Imam stated this was the original price and Council has the authority to negotiate, Staff does not.

Mayor Pro Tem Edgar reiterated concern for picking the highest bidder, but would be supportive to approve with some type of financial negotiation. He understood the importance of reputation, creditability, and timeliness.

Mayor Murphy questioned if there was a busy season and if the audit could be finished sooner.

Council, Staff, and Mr. Kikuchi discussed the timeline and the guarantee to have the audit finished no later than December 31, 2015.

Mayor Murphy questioned if a portion of the \$6,000 difference was start up fees.

Mr. Kikuchi answered in the affirmative.

Mayor Murphy questioned if a compromise on the fees could be reached and suggested a reduced fee in year two and three.

Mr. Kikuchi indicated a lot of time was spent on this proposal and with all due respect, the fee would have to remain the same in order to ensure a quality job was done.

Council Member Kusumoto appreciated the firm's position, but felt there was not a scientific formula for the fees. He suggested a performance incentive that would put a portion of the compensation at risk.

Mr. Kikuchi stated that would be an unusual agreement and pointed out there are many variables outside his firm's control.

Mayor Murphy indicated one reason to pay more was an expectation for timely performance. He asked if there could be a reduction in fees if certain dates were not met.

Mr. Kikuchi indicated the firm would not be in favor of that and reiterated there were many outside variables out of the firm's control. He spoke of the complexity of governmental accounting including GASB 683 and pension liabilities. He reassured the Council that his firm is committed to its clients and will do good, timely work.

Council Member Hasselbrink asked if it was possible to realize any cost savings if the agreement was four years instead of three.

Mr. Kikuchi indicated he would be willing to make the last two option years the same price as the third year which would be some cost savings.

Mayor Pro Tem Edgar indicated LSL was 40% higher than the lowest bidder and questioned if all the services provided last year would be needed in the upcoming year.

Administrative Services Director Al-Imam indicated the two standard services were the Comprehensive Annual Finance Report (CAFR) and the appropriation limits. The other services were not anticipated.

Council and Staff discussed the various available and mandatory services, related fees, and the Trash Contract audit.

Mayor Pro Tem Edgar challenged Staff to explore ways to reduce the cost. He indicated the City may not be able to afford the best firm and was open to all the options suggested including extending the term.

City Attorney Reisman advised Council needed to select the firm and then authorize Staff to negotiate the final contract. If Staff was unable to do that, Council could then go to the next acceptable bidder.

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

1. Selected Lance, Soll & Lunghard, LLP to provide financial annual audit requirements; and,
2. Authorized Staff to negotiate lower pricing and bring back to Council for final approval.

A. Travel and Reimbursement Policy (Administrative Services)

This agenda item seeks Council approval regarding the possible revision of the Travel and Reimbursement Policy to authorize payment for charitable event related activities and to provide guidelines in unforeseen circumstances that require the City Manager to travel in order to protect the City's immediate interests or needs.

City Manager Plumlee introduced the item.

Administrative Services Director Al-Imam 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.

Council Member Grose stated concern that limiting reimbursement of charitable events to one ticket per Council Member would be too restrictive and stated a preference for the ability to negotiate if that was the case.

Council Member Hasselbrink stated opposition and stated she did not agree with taxpayers funding Council's attendance at charitable events. She agreed Council should be visible to the public and suggested volunteering. She understood the financial obligation of the Mayor to participate in the Americana Awards.

Mayor Murphy agreed Council should not be reimbursed for charitable events, but felt Americana Awards should be addressed. He stated Section 3.03.D addressing charitable events convoluted the issue.

Council Member Kusumoto indicated Section D, compliments the prior statement.

Mayor Murphy requested a broader term for Administrative Services Director so the policy would not need to be revised should the position change again. Staff suggested City Treasurer and Council agreed.

Council Member Grose agreed the Americana Awards was an expense that should be addressed and he stated opposition to having too much representation at events paid for by the City.

Mayor Pro Tem Edgar indicated he did not have an issue paying for events and should an organization really want a representative present, the Council Member could take it upon them to find someone to sponsor their seat. He stated support for not including charities.

Council Member Kusumoto indicated the higher ticketed items can be a burden on Council and stated support for a small budget for discretionary events. He indicated Council did a good job of monitoring its spending and the purpose of the modification was to allow some latitude to ensure representation at all events. He stated support for the policy as is, in the spirit of representing the City and Council at community events.

Mayor Pro Tem Edgar reviewed the ideas introduced and understood the theme to be support for Council representation at events.

Council Member Hasselbrink stated a preference for Council attending events because they are passionate about the cause and residents, not because the event was paid for by the City.

Council and Staff discussed the current policy regarding charitable events not being allowed.

Mayor Murphy stated support for including one ticket to Americana Awards as it was a true expense. He understood Chamber events to be business related and not charitable expenses.

Mayor Pro Tem Edgar stated support for identifying qualified charities as there had been issues in the past with charities feeling neglected.

Council Member Grose stated the policy should allow for flexibility so the Council could represent the City.

Motion/Second: Edgar/Kusumoto

Carried 3/2 (Hasselbrink and Murphy cast the dissenting votes): The City Council:

1. Modified Section 3.02.5 to read: Charitable event tickets.

2. Adopt Resolution 2015-14, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING THE CITY OF LOS ALAMITOS TRAVEL AND REIMBURSEMENT POLICY DATED JUNE 1, 2015 AND REPEALING RESOLUTION NO. 2009-02."

**C. Review the Preliminary Seven-Year Capital Improvement Program for 2015/16 through 2021/22 and the Proposed 2015/16 Budgets for the Special Revenue, Debt Service, Capital Projects and Internal Service Funds
(Administrative Services)**

This report provided the City Council with the Preliminary Seven-Year Capital Improvement Program for 2015/16 through 2021/22 and the Proposed 2015/16 Budgets for the Special Revenue, Debt Service, Capital Projects and Internal Service Funds.

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

Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Council Member Grose understood the Garage Fund was underfunded and there were vehicles that had reached their maturity. Replacement would deplete the fund. He cautioned Council to practice some restraint by possibly putting a hold on all purchases to allow the fund to grow and having year end surpluses go into the fund.

Administrative Services Director Al-Imam clarified surplus funds would be used for capital needs in the Vehicle and Equipment Replacement Fund and Police Capital Expenditure Fund.

Council Member Grose stated concern the Police Capital Expenditure Fund was set up for the 800 MHz project and would be depleted by other expenses such as guns, equipment, mandated changes, electronic ticket writing, etc.

City Manager Plumlee clarified the Council had established a replacement fund for 800 MHz and CAD RMS projects and \$35,000 a year was allocated to such. The anticipated surplus for FY 14/15 would go towards replenishing the Vehicle and Police Capital Fund.

Mayor Murphy recalled when the fund was established, Council knew there were Police vehicles that would need to be purchased. He asked when this would occur and if departments were making contributions to the fund. He cautioned Council this fund was established for a purpose and should only be used for such.

City Manager Plumlee advised the fund was underfunded by approximately \$1 million and additional funding would be needed. He indicated as an internal service fund, allocations are made by the departments.

Mayor Pro Tem Edgar referred to the Vehicle Fund and stated the following concerns: underfunded policy, process for internal service funds charging each department; current department tax only covers operations and maintenance, not vehicle replacement; policy concerns regarding fully funding the Vehicle fund when there are other items in the City that need to be addressed; and, questioned whether it was appropriate to fund in the current year to bring the deficit down and if \$125,000 was the appropriate figure.

Administrative Services Director Al-Imam explained Council had adopted a capital replacement funding schedule last year and that the \$125,000 would be divided as follows: \$50,000 Vehicle Fund, \$30,000 Facilities, Streets, Parks, and Pool Capital Expenditures Fund, and \$25,000 Police Capital Expenditures. He clarified the surplus was not final yet because the books had not been closed for the current Fiscal Year.

Mayor Murphy clarified the estimated surplus for Fiscal Year 2014/15 was \$500,000 and Staff was proposing moving \$125,000 of that forward to 2015/16 and doing a journal entry. There would be a future discussion in September regarding the remaining surplus.

Mayor Pro Tem Edgar questioned if \$125,000 was enough and asked why not fund it if the Vehicle Fund was so important to the Council.

City Manager Plumlee explained the designations were part of the Fund Policy adopted by Council and gave a brief history.

Mayor Pro Tem Edgar stated he cared about the Downtown Beautification project. He stated concern it was forecasted for two years out and was uneasy with the idea of idle capital. Funding capital equipment would not generate more revenue for the City and he stated a preference for taking action and completing Capital Improvement Projects. He indicated in his last three years he wanted to get things done and did not want to see idle cash.

City Manager Plumlee indicated there were possible changes in two different liability reserves through CJPIA that could also impact the anticipated \$500,000 surplus.

Mayor Pro Tem Edgar stated a preference for not focusing on overfunding internal service funds.

Council Member Grose stated the funds were established for a purpose. From a conservative standpoint, money needed to be set aside to replace things such as deteriorating buildings. He believed Council needed to restrain from spending because the funds were there and defend the standpoint of saving for the future to the constituents. He believed Council was doing the prudent thing.

Mayor Pro Tem Edgar indicated support for Staff's recommendation and the \$125,000 reserve. He stated a preference for not reserving any additional funds and pulling projects forward to complete.

Mayor Murphy referred to the Debt Service Fund for Laurel Park and questioned why \$260,000 was waiting to the end of the year to be spent.

Administrative Services Director Al-Imam indicated \$220,000 was a reserve requirement and held by a bond trustee.

Administrative Services Director Al-Imam continued the presentation.

City Engineer Hunt spoke briefly regarding the Capital Improvement Project budget.

Mayor Pro Tem Edgar referred to attachment 5, and questioned what would need to occur to use the \$30,000 for trees for further beautification and addition of trees.

City Engineer Hunt indicated the \$35,000 was for the contractor that does the large tree maintenance, including removal of tree limbs that have damaged private property. He suggested adding an additional fund should Council desire more trees.

City Council and Staff discussed researching possible grant funding for trees.

Mayor Pro Tem Edgar stated support for the ADA Study and Special Projects. He stated support for improvements in the alley behind the charities on Regan. He discussed item #16, Old Dutch Haven Block Wall, and suggested doing a wall in the Highlands as it only affected 4 houses. He referred to the slurry seal in Greenbrook and stated a preference for re-concreting in the future. He asked if Council was comfortable with the current spending being spread throughout two years and questioned if there were additional areas of opportunities.

City Engineer Hunt explained the Cerritos Ave. project was two years out due to funding that would be received from Measure M. He briefly discussed the grant process.

Mayor Pro Tem Edgar stated his top five priorities were center medians for Los Alamitos Blvd., establishing a tree fund, the Old Dutch Haven block wall, alley improvements, and moving the Pavement Management Plan forward.

Mayor Murphy questioned if the \$500,000 for medians could be brought forward or if it was pending grants.

City Engineer Hunt indicated it had been put out two years to allow for design and application for grants in year one. He outlined the grant process and indicated if it was brought forward it would be unlikely to get grants in such a short time period.

Mayor Pro Tem Edgar questioned if the City's criteria was not to do projects unless there was grant funding.

City Engineer Hunt stated if Council wanted to pay for it with other sources, the project could be discussed next summer.

City Council and Staff discussed the medians on Los Alamitos Blvd.

Mayor Pro Tem Edgar stated a preference for picking a significant project and completing it versus doing incremental projects. He referred to the Los Alamitos Medical Center project and felt it was healthy for Council to get behind a project and move forward.

Mayor Murphy stated a preference for bifurcating the Civic Center relocation project. He was supportive of continuing discussions with the Joint Forces Training Base and making necessary repairs at the current location in the next five to ten years. He requested Staff identify the short term needs for the facility and Youth Center in the interim.

Council Member Grose discussed the potential to relocate the Civic Center Complex by Departments versus keeping the entire complex together. He believed if the City Hall property was purchased, the existing structures would need to be torn down. He stated support for considering anything that favored selling this property and the neighboring property to generate revenue and create sales.

Mayor Murphy reiterated he would like to bifurcate the issue. He indicated it would be great if the City could obtain the land and realistically it would take 5-7 years to build.

Council Member Hasselbrink stated support for bifurcating the issue. She indicated the current City Hall facilities were substandard and was supportive of doing projects that showed an immediate benefit.

4. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL

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

City Attorney Reisman read item 4A aloud.

RECESS

The City Council recessed into Closed Session at 7:07 p.m.

RECONVENE

The City Council reconvened in Special Session at 9:30 p.m.

City Attorney Reisman advised there was no reportable action.

5. ADJOURNMENT

The City Council adjourned at 9:30 p.m.

Richard D. Murphy, Mayor

Attest:

Windmera Quintanar, CMC, City Clerk

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

REGULAR MEETING – June 15, 2015

THESE MINUTES ISSUED FOR
INFORMATION ONLY AND ARE
SUBJECT TO AMENDMENT AND
APPROVAL AT NEXT MEETING.

1. CALL TO ORDER

The City Council met in Regular Session at 5:00 p.m., Monday, June 15, 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
Lisa Kranitz, Assistant City Attorney
Jason Al-Imam, Administrative Services Director
Tony Brandyberry, Pub. Works Superintendent
Dave Hunt, City Engineer
Corey Lakin, Recreation and Community Services Director
Todd Mattern, Police Chief
Steven Mendoza, Community Development/Public Works Director
Cassandra Palmer, Support Services Manager
Windmera Quintanar, CMC, City Clerk

3. CLOSED SESSION

A. CONFERENCE WITH LABOR NEGOTIATOR

Agency Negotiators: Lisa Kranitz, Assistant City Attorney
Unrepresented Employee: City Manager
Authority: Government Code Section 54957.6

Assistant City Attorney Kranitz read item 3A aloud.

RECESS

The City Council recessed into Closed Session at 5:00 p.m.

RECONVENE

The City Council reconvened in Regular Session at 6:00 p.m.

Assistant City Attorney Kranitz advised there was no reportable action at this time and the item would be continued to the end of the meeting.

4. PLEDGE OF ALLEGIANCE

Mayor Murphy led the Pledge of Allegiance.

5. INVOCATION

Mayor Pro Tem Edgar gave the Invocation.

6. ORAL COMMUNICATIONS

Mayor Murphy opened Oral Communications.

Elizabeth Cain, Directorship of Run Seal Beach, spoke regarding the 2015 Grant Awards. Seth Ecker, Co-chair, thanked Elizabeth for her hard work.

Shelley Henderson spoke regarding the Cypress Community Festival which will be held on July 25.

John Underwood, Chair of the Cable Television Commission, gave a statement from the Cable Television Commission. As a producer, he stated the studio was at the core of LATV's mission to support community television for the people.

Mayor Pro Tem Edgar questioned if Commissioner Underwood was speaking on behalf of the Commission or himself. He questioned his role in the process with the consultants.

Commissioner Underwood indicated the statement was voted and approved by the Commission to be delivered in a public forum.

Mayor Pro Tem Edgar questioned why the item was not on the agenda.

City Manager Plumlee clarified the Consultant's report would be considered in July and the Cable Television Commission's statement would be considered by the consultants, but may not end up in the final document.

Joe Buckley, Seal Beach Swim Club, stated support for continued pool operations at the Joint Forces Training Base.

JM Ivler, resident, spoke regarding the possibility of using affordable portable equipment and software for production. He referred to production he watched that was as good as a commercial production using GoPros and editing software. He requested the information be passed to the consultants for review. He believed Community Services could train interested individuals to produce their own materials.

Brian Gorman, Los Alamitos Youth Baseball President, spoke regarding the Bronco World Series to be held August 7-10, 2015. He invited Council to the opening ceremony on August 7th at 4:00 p.m.

Mayor Murphy closed Oral Communications.

7. WARRANTS

Motion/Second: Grose/Edgar

Unanimously Carried: The City Council approved the Warrants for June 15, 2015, in the amount of \$89,540.32, ratified the Warrants for May 19, 2015, to June 14, 2015, in the amount of \$646,821.30, 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 of June 16, 2015, to July 20, 2015.

ROLL CALL

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

Council Member Hasselbrink, Mayor Pro Tem Edgar, and Mayor Murphy pulled item 8F.

Mayor Pro Tem Edgar pulled item 8B.

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 May 4, 2015.
2. Approved the Minutes of the Special meeting of May 18, 2015.
3. Approved the Minutes of the Regular meeting of May 18, 2015.

C. Award of Contracts – Building and Safety Services/NPDES Inspection Services, City Engineer/Traffic Engineer Services, and Signal Maintenance Services (Community Development)

The report provided an analysis of vendor proposals, including comparative ratings, comparative rates, negotiated rates and the impacts of those rates when compared to hours billed during the 2013/2014 fiscal year.

The City Council:

1. Authorized the City Manager to execute the standard Professional Services Agreement (PSA) with Charles Abbott Associates (CAA) for Building & Safety and NPDES Business Inspection Services at the negotiated rates represented in Table 8; for two years with two two-year extensions (6 max); and,
2. Authorized the City Manager to execute the standard PSA with Willdan Engineering City Engineering Services and Traffic Engineering Services at the negotiated rates represented in Table 10 and Table 12 for two years with two two-year extensions (6 max); and,
3. Authorized the City Manager to execute the standard PSA with Computer Service Company (CSC) for Traffic Signal Maintenance at the negotiated rates represented in Table 14 of this report for two years with two two-year extensions (6 max).

D. Annual Appropriations Limit (Administrative Services)
Article XIII B of the California Constitution specifies the amount of allowable revenue the City of Los Alamitos can appropriate from the proceeds of taxes.

The City Council adopted Resolution No. 2015-15, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2015-16."

E. Emergency Operations Plan Update (Support Services)
The City's Emergency Operations Plan (EOP) has been revised to incorporate some reorganization of the City's Staff as well as changes in the National Incident Management System (NIMS) which have occurred since the plan's last revision. Changes to the plan include a more comprehensive hazards analysis, revised and simplified position checklists, and updated critical facilities information.

The City Council adopted Resolution 2015-09, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING THE CITY OF LOS ALAMITOS EMERGENCY OPERATIONS PLAN - 2015 AS THE BASIS FOR RESPONSE TO ALL INCIDENT MANAGEMENT IN THE CITY OF LOS ALAMITOS."

G. Southern California Association of Governments (SCAG) 2015 Regional Conference and General Assembly
The Southern California Association of Governments (SCAG) Regional Conference and General Assembly was held May 7-8, 2015, at the JW Marriott Desert Springs Resort and Spa in Palm Desert, California. The

City Council appointed Council Member Kusumoto as the City's voting delegate for the conference.

The City Council received and filed the report.

H. Renewed Measure M Annual Eligibility Submittal and Approval to Adopt Resolution 2015-17 Concerning the Status of the Circulation Element and Re-affirmation of the Existing Mitigation Fee Program for the Measure M Capital Improvement Program (CIP) for FY 2015-16 through FY 2021-22 for the City of Los Alamitos (City Engineer)

In order to remain eligible to receive Measure M Fair Share funds and participate in competitive grant programs, the Orange County Transportation Authority (OCTA) requires that all local jurisdictions comply with a variety of requirements, including adoption of a Resolution concerning the status of the Circulation Element for the City of Los Alamitos and confirmation of a Mitigation Fee Program. In addition, adoption of a Capital Improvement Program (CIP) for FY 2015-16 through FY 2021-22 for the City of Los Alamitos and submittal of certain documentation is required. Staff has prepared a Capital Improvement Program covering the Fiscal Years FY 2015-16 through FY 2021-22 that the City Council approved on June 15, 2015, and is prepared to submit this and other required documentation to OCTA upon approval by the City Council.

The City Council:

1. Adopted Resolution No. 2015-17, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, CONCERNING THE STATUS OF THE CIRCULATION ELEMENT AND MITIGATION FEE PROGRAM" and,
2. Re-affirmed the existing Mitigation Fee Program; and
3. Directed the City Engineer to file the Resolution and the approved Seven-Year Capital Improvement Program for Fiscal Years FY 2015-16 through FY 2021-22, and submit required Measure M eligibility documents to the Orange County Transportation Authority.

End of Consent Calendar

Items pulled from Consent Calendar

B. Approval of Agreement for Financial Statement Audit Services (Administrative Services)

This report sought City Council approval of an agreement with Lance, Soll & Lunghard (LSL) to perform auditing services for three years, beginning with the audit of fiscal year ending June 30, 2015, with the option of providing the same services for the two subsequent fiscal years.

Mayor Pro Tem Edgar briefly discussed the bidding process. He stated when requested to lower their fees, LSL added additional years. He questioned if the other bidders were given that opportunity.

Administrative Services Director Al-Imam stated the Request for Proposals did outline a three year term with 2 year options. All proposers were given the same opportunity to bid and all firms had submitted proposals for 3 or 5 years.

Mayor Pro Tem Edgar questioned if the comparison for lowest bidder in the preliminary Staff report was based on 3 years or the combined 5.

Administrative Services Director Al-Imam indicated it was reflective of 3 years.

Mayor Pro Tem Edgar stated concern LSL was still the highest bidder and he did not feel Staff had met Council's expectations. He stated the process was to pick the lowest bidder based on quality and it did not appear this requirement was met. He indicated he could not support the item at this time.

City Manager Plumlee stated one factor is price. He stated per Council Member Hasselbrink's suggestion, LSL had agreed to cap years 3-5, for a savings of just over \$5,100.

Mayor Pro Tem Edgar expressed concern with the negotiation strategy.

Mayor Murphy clarified the contract had not been extended to five years.

City Manager Plumlee stated years 4 and 5 were optional.

Motion/Second: Murphy/Grose

Carried 4/1 (Edgar cast the dissenting vote): The City Council:

1. Approved the Professional Services Agreement with Lance, Soll & Lunghard, LLP to perform auditing services for three years, beginning with the audit of fiscal year ending June 30, 2015, with

the option of providing the same services for the two subsequent fiscal years; and,

2. Reviewed and approved the Scope of Services for financial audit services as set forth in Lance, Soll & Lunghard's March 20, 2015 proposal (Attachment 2 – Exhibit A).

**F. Personnel Changes Related to the Fiscal Year 2015/16 Budget
(Administrative Services)**

This report outlined the various personnel related items that have been incorporated into the Proposed Budget for Fiscal Year 2015/16.

Council Member Hasselbrink recused herself from discussion of item 1 as her son worked part-time for the City. She left the dais.

Mayor Pro Tem Edgar stated concern for the compaction issue and questioned the calculation process.

Administrative Services Director Al-Imam stated minimum wage would increase to \$10 an hour and there were four positions that were below that standard. He discussed the Recreation Leader I and II positions and how Staff had tried to include moderate increases for those positions as they moved up in responsibility.

Mayor Pro Tem Edgar questioned the minimal increase and maintaining incentives to motivate employees to move up. He understood the desire to maintain a low cost increase, but questioned what a fair amount would be to maintain a competitive employee base.

Community Services Director Lakin summarized the differences between Recreation Leader and Recreation Specialist. He stated support for increasing all wages, but understood the financial implications. Staff had tried to present a fair and equitable increase to allow new hires to start at minimum wage and those with a little more experience to start a level higher.

Mayor Pro Tem Edgar questioned how minimum wage increase was applied for steps 1-5.

Administrative Services Director Al-Imam indicated they were increased by the same amount.

Mayor Murphy understood minimum wage and the compaction issues. He stated concern for the inequity of the wage increases and pointed out two positions that did not receive such an increase.

Motion/Second: Murphy/Edgar

Carried 4-0 (Hasselbrink recused): The City Council adopted Resolution No. 2015-12, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING THE HOURLY RATE SCHEDULE EFFECTIVE JULY 1, 2015 AND AMENDING RESOLUTION NO. 2014-16."

Council Member Hasselbrink took her seat at the dais.

Motion/Second: Edgar/Kusumoto

Unanimously Carried: The City Council:

2. Adopted Resolution No. 2015-13, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING THE SALARY SCHEDULE FOR EXECUTIVE MANAGEMENT AND NON-REPRESENTED EMPLOYEES EFFECTIVE JULY 1, 2015 AND AMENDING RESOLUTION NO. 2014-22," and,
3. Approved the Job Descriptions for Department Secretary, Recreation Coordinator, Special Projects Coordinator and Development Services Director.

9. DISCUSSION ITEMS

A. Refinancing of 2006 Certificates of Participation

(Administrative Services)

This item discussed the bond financing timeline, determined whether the City Council desires to borrow additional money to be used on capital projects and approve the professional services agreement with Best, Best & Krieger to serve as Bond Counsel and Disclosure Counsel.

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

Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Council Member Kusumoto recalled prior Council's interest in paying off the debt. He was informed the current balance was \$2.9 million and the original balance had been approximate \$4 million. He stated he was not in favor of pulling out equity unless it was for a specific purpose. He stated support for refinancing the current debt at a lower rate.

Mayor Murphy clarified this would save \$25,000 a year and consultants would not be paid unless the bond successfully closed.

Administrative Services Director Al-Imam confirmed.

Mayor Pro Tem Edgar spoke briefly of the Council's fiscal prudence over the past five years and the Ad Hoc's desire to bring this item before Council to consider taking advantage of the City's credit rating and refinancing options. He questioned if Council should take advantage of the equity opportunity or continue to try and pay down the current balance. He understood the timing issues and was appreciative of Staff's outlined options. He stated the decision would be between the \$25,000 reduction and taking equity out to expedite projects. He stated support for the Los Alamitos Blvd. project and the opportunity it would provide to motivate businesses.

Council Member Grose indicated he was leaning towards using the equity to fund projects. He stated support for the relocation of the Civic Center and questioned if the projects needed to be finished in three years.

Kim Byron's, Best, Best, and Krieger (BBK), stated this would be a tax exempt municipal bond to be used for capital facilities and provided examples of what the funds could be used for. She explained the City would need to reasonably expect to spend the funds within three years from the day the bonds are issued and would be required to identify a fairly refined list of projects. The projects would not have to be completed in three years, but the funds would need to be spent.

Council Member Grose stated there were items the funds could be utilized for in regards to the Los Alamitos Blvd. project, but was not supportive of rehabilitating existing facilities. He was unsure if the downtown project or Civic Center relocation projects would be ready in three years. He stated a preference for maximizing the use of existing assets to create additional funding for potential improvements, especially in the downtown area as it had a better chance than the Civic Center relocation. He asked if the City would be penalized if the money was not spent in the timeframe on the identified projects.

Ms. Byrons stated the risk was with Internal Revenue Service (IRS). She gave a brief outline of the IRS' active policy to audit municipal bonds and the possibility of the bonds becoming taxable. She advised it was a good idea to have a plan and suggested using projects in the CIP and saving the CIP budget for later years.

Mayor Pro Tem Edgar questioned the types of bonds and any associated fees.

Ms. Bryons briefly explained the process and stated the interest rate the City would pay would be set on the day the bonds were priced and do not change.

Administrative Services Director Al-Imam asked for explanations of competitive sale and negotiated sales.

Ms. Bryons briefly explained the two types of sales. Competitive sales were advertised and bonds were bought at a specific price. Negotiated sales had variable rates, but the prices were set by the City.

Mayor Pro Tem Edgar appreciated the explanation and questioned if it was possible for the City to receive a worse interest rate.

Ms. Bryons explained the interest rate risk is based on overall general fund rating and what the City's debt service is. If debt service is extraordinary high, it will impact the rating.

Mayor Murphy asked how many bonds become taxable for the people that fail to spend the funds in the designated time frame.

Ms. Bryons stated generally a payment is made to the IRS and the bonds remain untaxed.

Council Member Hasselbrink stated support for refinancing at a lower interest rate. She indicated she would be comfortable borrowing additional funds that were specific to projects and suggested the unfunded Capital Improvement Projects (CIP).

Council Member Kusumoto agreed the CIP would be a good place to begin. He pointed out there were many projects in the works (i.e. Los Alamitos Blvd., relocation of Civic Center) and he was concerned there would not be a cohesive plan to spend the additional funds. He stated he could not support the additional funds at this point because there needed to be a strategy.

Council Member Grose spoke regarding the risk of refinancing now or at a later date. He believed Council would be more prudent to look at the opportunity to have assets available to do things in a faster time frame. He stated the Los Alamitos Blvd. project and Civic Center relocation projects were not ready. He stated concern for interfering with grant funding on certain projects. He indicated support for only refinancing and extending the term 30 years.

Mayor Pro Tem Edgar was cautious of sending the wrong message to the community regarding spending extra money. He asked the financial advisor if Council could withdraw and go with the initial amount.

Tom Johnson, Fieldman Rolapp, briefly explained the process and indicated Council should have a firm amount by July 10. He added an increase or decrease in debt service would not make a difference in the credit rating and advised the firm wanted what was best for the City.

Mayor Pro Tem Edgar stated his understanding that at this point in time, Staff needed direction regarding the refinancing only.

Mayor Murphy stated there was support for Staff recommendations 1, 3, and 4. Additional direction was needed for recommendation 2.

Council Member Kusumoto stated support for item 2 clarifying Council would need an additional discussion to allocate the funds prior to the issuance of the bonds.

City Manager Plumlee clarified if all 4 items were approved, the only determination left would be to approve a specific list of projects by the second week of July.

Administrative Services Director Al-Imam advised the projects could be discussed in July before the final approval of the documents by August 10.

Council Member Kusumoto stated support for moving forward.

Staff and Mr. Johnson briefly discussed the timeline.

Motion/Second: Hasselbrink/Grose

Carried 4/0 (Kusumoto abstained): The City Council:

1. Discussed the bond financing timeline; and,
2. Determined the City Council desired to extend the amortization period from 21 years to 30 years, which would provide for approximately \$915,000 of new money to be used on capital projects while keeping debt service at levels just below current payments; and,
3. Approved the Professional Services Agreement with Best, Best & Krieger LLP for Bond and Disclosure Counsel Services; and,

4. Reviewed and approved the Scope of Services for Bond and Disclosure Counsel Services as set forth in Best, Best & Krieger's May 18, 2015 proposal.

B. Joint Forces Training Base Pool Lease Update (Community Services)

Since the March 23rd Special Meeting the City Council had regarding the proposed lease agreement from the Joint Forces Training Base (JFTB), City Staff has not received an updated proposed lease agreement. Rather, the JFTB staff has informed the City about the likelihood that the JFTB will be "submitting a Report of Availability (ROA) for the Pool, which is one of the first steps in opening the bid seeking process." The City Council has several options in how to proceed with seeking a new pool lease agreement or terminating use of the pool.

Mayor Murphy opened the item for public comment.

Diane Wood, resident, stated concern for alarms going off in the Highland neighborhood and requested the Police Department provide education for turning alarms on and off.

Mayor Murphy closed the item for public comment.

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

Council Member Grose provided background on the Base and the change in command over the years. He spoke regarding his conversations with Brigadier General Reddicks regarding the pool lease and the process involving the Army Corps of Engineers. He stated a preference for a 20 year lease versus a five year lease so decisions regarding needed improvements could be made. He advised he was prepared to make recommendations based off Staff's suggestions, but would like to hear from his colleagues and answer any additional questions. He indicated Brigadier General Reddicks and his staff were invited but were unavailable due to being at Camp Roberts.

RECESS

The City Council took a brief recess at 7:38 p.m.

RECONVENE

The City Council reconvened in Regular session at 7:55 p.m.

Council Member Hasselbrink pointed out at this point the Base was not willing to negotiate and questioned if there were no additional bidders for operations and maintenance of the pool, if the Base would negotiate then.

She believed at this point Council's option was to wait for the bid and respond accordingly.

Council Member Grose advised he was not speaking for the Base, but believed the Base was waiting for the Army Corps of Engineers to provide a scope. Brigadier General Reddicks did not believe it would be produced in a timely manner and, at that time, he could go to General Baldwin to discuss the City remaining the tenant.

Council Member Hasselbrink questioned if the lease could be negotiated down at that point and questioned how tenant improvements could be required in the lease.

Council Member Grose advised Brigadier General Reddicks' comments stated the costs to operate the pool and decommission the pool were known. He was not assured Brigadier General Reddicks had a strong feeling either way; however, he believed General Baldwin had a strong commitment to continuing the relationship with the City. He stated nothing could be done until the agreement was ready and stated support for moving forward.

Mayor Murphy indicated in his meeting with Brigadier General Reddicks, he believed there was an overall commitment to work with the City. The issue was timing. He suggested Staff work on an extension so current user groups had some certainty and send a letter to General Baldwin introducing the problem and the short timeframe. He personally believed Brigadier General Reddicks would like the City to occupy the pool, but realized personnel changes were occurring on the Base. He stated concerns the estimate to repair the pool was \$1.3 million.

Staff and Council discussed the possible costs for repairs to the pool.

Mayor Murphy stated support for beginning discussions with elected officials for possible funding. Should the City be able to afford the lease, the possible costs in repairs may not be feasible. He stated the City had a good case with over a quarter million users and thought the youth groups should be active in writing letters as well. He was supportive of developing a strategy while keeping Brigadier General Reddicks informed.

Mayor Pro Tem Edgar indicated the City had a role as an operator and as User Group. He requested Staff investigate how much was spent at the pool since the City took over in 1995 and pointed out the Base had not invested any funds. He supported the pool and gave a brief history of the pool funding. He stated concern the negotiations had not started over two years ago when Council had decided to stop funding improvements at the pool due to the uncertain future. He spoke briefly regarding the community

relationship with the Base and changing times. He pointed out there still was not an agreement for the 4th of July event and spoke briefly regarding his concerns on maintaining a partnership. He stated a preference for shutting the pool down now versus continuing operations and repairs of the pool until the Base could bid the project. He stated concern that Legislators would not be able to assist with funds as appropriations were already made and reiterated frustration this process had not started two years ago. He spoke briefly pointing out the following topics: home to the USA Water Polo Team, benefits of having the City as a tenant to the Base, possibility of User Groups having to invest more should the City leave, and possible opportunity to request reimbursement for the \$2.5 million invested in the pool. He understood at this point negotiations were over and the City was waiting of the US Army Corps of Engineers to finish its process.

City Manager Plumlee stated that was accurate and indicated the City was currently waiting for the Base to release the bid.

Mayor Pro Tem Edgar stated the City had done its due diligence in negotiations. He questioned how proactive the City wanted to be now that negotiations were clearly over and questioned if the City should maintain operations for the next 8 to 9 months.

Council Member Kusumoto recognized the City was being affected by the change of command and polices at the Base. He believed the concern was planning a graceful exit versus shutting the pool down completely. He believed the City had limited options at this point and asked for Council Member Grose's recommendations.

Council Member Grose respectfully disagreed with Mayor Pro Tem Edgar. He believed the City should take a firm stance stating that the City was not going to wait around.

Motion/Second: Grose/Murphy

1. Research alternative locations for aquatic programs and events; and,
2. Develop a plan to vacate the pool by February 29, 2016; and,
3. Seek and review additional information for the pool bid; and,
4. Engage Congressman Lowenthal.

Mayor Murphy requested Staff recommendation 2 be added stating the City should be involved in the bidding process. He reiterated the cost of repairs and the new lease may end up excluding the City.

Council Member Grose advised the \$1.3 million for repairs of the pool was not a specific figure, hence the need for a report from the Army Corps of Engineers. He believed it would be a slim chance the City would get back any funds from investments in the pool.

City Manager Plumlee advised the City had hoped to develop a list of completed improvements to help offset future lease costs.

Council Member Grose agreed a firm stance needed to be made, but disagreed negotiations were over. He reiterated support for looking at other options.

Mayor Pro Tem Edgar agreed a firm stance was needed and a discussion should be initiated with the User Groups. He believed at this point leverage needed to be created to reset the discussion and allow the City an equal seat at negotiations.

Council Member Grose believed the Base had been working with the City through several discussions. He stated he would contact Brigadier General Reddicks to discuss his concern that several deadlines were missed. He would inform Brigadier General Reddicks of the City's plan to vacate the pool if the timeline could not be met and, if that was not acceptable to the Base, they would move the project forward.

Mayor Pro Tem Edgar stated support for informing the User Groups the lease would be ending and they should look for alternatives. He questioned the changing relationship at the Base and felt Council was not being aggressive enough. He stated support for Staff recommendation #4 and stated opposition for participating in the bidding process.

Council Member Grose believed the message to send was the City planned to move forward, exit the pool, and look for alternatives. He stated the City was being open and transparent and felt the Base was not ready to deal with the public aspect. He spoke about the important influence the community could have on Base projects, stated support for User Groups sending letters to the Base and having the media involved in the campaign. He spoke regarding the inconvenience to the Race on the Base by the change in leadership.

Mayor Pro Tem Edgar believed if the Council were to take an aggressive stance, it should be all in and felt the USA Water Polo Team having to relocate would be a news worthy event.

Council Member Grose expressed frustration that Brigadier General Reddicks had not provided the information in the promised time frame. He stated it was time the Base understood the City's position and inability to operate in this fashion.

Mayor Murphy asked if Staff believed the Base understood the rules the City was operating under with the new leadership.

City Manager Plumlee agreed there was new leadership operating under Federal guidelines. He believed the City was a unique tenant.

Mayor Murphy suggested requesting a one year extension and using the USA Water Polo Team as justification.

Mayor Pro Tem Edgar questioned if that would take away the City's leverage.

Mayor Murphy stated concern the Base would not be any closer in December as they had already missed numerous deadlines and changed contracts for the Race on the Base and 4th of July.

City Manager Plumlee referred to the letter sent to General Baldwin over four months ago and indicated a lease extension had been mentioned with no response. The same had occurred at the community workshop.

Council Member Kusumoto pointed out the Federal government often rented facilities for \$1 a year and questioned the policy change. He requested to see the Base's regulations and policy they are trying to adhere to so the City could have a better understanding of the costs. He stated support for asking the decision makers what they are trying to do and what policy they are adhering to.

Council Member Hasselbrink stated support for creating a sense of urgency and sending an official notice to the User Groups that the lease is ending.

Amended Motion/Second: Hasselbrink/Edgar

Unanimously Carried: The City Council directed Staff to:

2. Seek additional information on the bidding process and leave the option open to bid on the future pool lease once the process begins; and,
3. Work with the Pool User Groups to contact elected and appointed officials from the County, State and Federal government who serve

Los Alamitos and the surrounding jurisdictions to gain support for the City to retain a favorable lease agreement for continued use of the JFTB pool; and,

4. Research alternative locations for aquatic activities and develop a plan to vacate the JFTB pool on February 29, 2016; and,
5. Discuss additional alternatives to seeking a new pool lease agreement for use of the JFTB pool and/or an exit strategy while trying to continue offering water safe programming; and,
6. Officially notify User Groups the City will no longer be able to operate the pool.

Community Services Director Lakin clarified the City would contact elected officials as the City and as a User Group.

Council Member Hasselbrink confirmed.

Mayor Pro Tem Edgar stated a copy of the letter should go to Governor Brown as well so he is aware of the sense of urgency.

Council and Staff discussed only key Base personnel involved in the initial workshop would receive the letter.

Council Member Grose suggested postponing letters to elected officials until the Base personnel had a chance to respond.

Council Member Hasselbrink disagreed.

Mayor Pro Tem Edgar requested Brigadier General Mark Toy, US Army Corps of Engineers, be added to the list.

Community Services Director Lakin summarized the letter would notify User Groups that due to current conditions and lack of response from the Base, the City's lease agreement will end on February 29, 2016 and the City will begin plans to vacate and no longer operate the pool. A similar letter would be sent to elected officials.

Council Member Grose requested the following information be included: impact to the User Groups and the significant impact it would have on the community's quality of life, amount of money invested in the pool over the past 20 years, City's attempts to negotiate with the Base over the past year and half; and, USA Water Polo Team losing a place to train.

City Manager Plumlee clarified there would be a variation of three letters to the User Groups, to the Base personnel, and to the legislators.

Mayor Murphy stated the importance of conveying the City had concerns leaving the Base and was being forced out due to the expired lease.

City Manager Plumlee understood and liked the suggestion of a User Group Workshop to discuss other options.

10. PUBLIC HEARING

A. **Introduce Ordinance 2015-04 - Zoning Ordinance Amendment (ZOA) 15-01 to Amend the Zoning Map of the City to Rezone Certain Parcels in the City to Comply with the 2035 General Plan (City initiated) (Community Development)**

Consideration of a Zoning Map Amendment to rezone certain parcels in the City to conform to the requirements of the 2015-2035 General Plan (Citywide) (City initiated) as recommended by the Los Alamitos Planning Commission Resolution No. PC 15-03 approved May 27, 2015.

Mayor Murphy opened the Public Hearing.

Beth Piburn spoke in opposition to rezoning the Youth Center and Community Center. She stated it would be difficult to find a similar location in the City and many kids participated in the programs.

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

Mayor Murphy questioned if the City's properties would now be non-conforming. Director Mendoza confirmed.

Assistant City Attorney Kranitz clarified the Community Facilities was no longer a land use designation in the General Plan.

Mayor Murphy stated there would be no issues as long as the properties were retained. Assistant City Attorney Kranitz confirmed.

Council Member Hasselbrink asked what would happen if the City did tenant improvements. Assistant City Attorney Kranitz stated ordinances did not apply to the City.

Council Member Hasselbrink stated it would only come into effect if the City sold the properties. The City could still make improvements.

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

1. Opened the Public Hearing; and,
2. Determined that the proposed project has met the requirement of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines and has been reviewed in compliance with the provisions of the California Environmental Quality Act (CEQA). The City Council of the City of Los Alamitos, California, certified the Final Environmental Impact Report on March 23, 2015 for the Los Alamitos General Plan to include land use changes for various parcels and adopting environmental findings, a statement of overriding considerations and a mitigation monitoring and reporting plan pursuant to the California Environmental Quality Act. As zoning is required to be consistent with the General Plan, the impacts relating to the zone changes are identical to the impacts that were covered in the Program EIR and there are no new impacts which would occur from such changes. As such, the zone changes are within the scope of the Program EIR #2013121055.
3. Introduced, waived reading in full and authorized reading by title only of Ordinance No. 2015-04, and set for second reading; and,
4. City Clerk Quintanar read the title of Ordinance No. 2015-04, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING ZONING ORDINANCE AMENDMENT (ZOA) 15-01 TO rezone various parcels in the City to conform to the 2035 General Plan (City initiated).

**B. Adoption of the City of Los Alamitos Fiscal Year 2015-16 Annual Operating and Capital Improvement Program (CIP) Budget
(Administrative Services)**

City Charter Sections 1201-1205 govern the development and adoption of the City's Annual Budget. Section 1203 requires a public hearing for public input on the proposed budget. Thereafter, the City Council shall adopt the budget with revisions, if any; establish estimated revenues, expenditure appropriations, and transfers of funds of the City.

Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Murphy opened the Public Hearing.

Council Member Grose stated he was not satisfied Council had done all that it could, but in the interest of moving forward, he would support the item. He questioned if there was sufficient budgeted funds to handle the refinancing without any additional fees.

Administrative Services Director Al-Imam stated there was sufficient funding and gave a brief explanation.

Council Member Grose referred to the presentation by the League of California Cities where police funds were being eliminated and questioned if the Supplemental Law Enforcement fund would be impacted.

Police Chief Mattern did not believe it would be, but would look into it.

Council Member Grose referred to the City Attorney's budget and stated support for reducing the legal services budget to \$120,000. He stated opposition to current budgeting practices that allowed the City Attorney to go over their retainer, but still remain under budget.

Motion: Grose
Approve Staff recommendation.

Mayor Murphy suggested creating a separate legal defense fund.

Council Member Grose stated support for setting the retainer at \$100,000 to constrain the fees and have the City Attorney request more if needed for specific events. A separate account of \$51,000 could be used for litigation and separate account projects.

City Manager Plumlee clarified \$150,000 was budgeted for legal services and \$5,000 for litigation, which was low. He recommended leaving the budget as is and Staff would continue to monitor and work with the City Attorney's Office to keep within the retainer as much as possible.

Mayor Pro Tem Edgar stated support for setting the budget at \$98,000, and recognizing any dollar over as an overrun.

Council Member Grose questioned why the anticipated year end was \$150,000 when he believed that was not the case.

Administrative Services Director Al-Imam advised the year end has not closed yet and the amount would be revised once the year end closed.

City Manager Plumlee questioned if Council wanted to have a separate line item of \$50,000.

Council Member Grose reiterated the importance of keeping legal fees within the retainer and expressed concerns Council could not receive copies of the City Attorney's billing.

Mayor Pro Tem Edgar asked for clarification on the bifurcation of the fund.

Council Member Grose stated he would like to see \$100,000 for legal services and \$50,000 in a separate fund if needed.

Council Member Hasselbrink asked if procedurally \$100,000 could be budgeted for City Attorney and have the remaining \$51,000 added to litigation.

City Council and Staff continued discussion regarding the City Attorney's budget and approval for transfers of money. Consensus was reached to bifurcate the fund \$100,000 for legal services and \$56,000 for litigation.

Mayor Murphy stated he did not feel this would be an issue and stated support for having two line items that would allow the Council to see if retainer fees were being exceeded.

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

1. Conducted a Public Hearing on the Proposed Annual Operating and Capital Improvement Program Budget; and,
2. Adopted Resolution No. 2015-16, entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, ADOPTING THE ANNUAL OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2015-16", with the following budget amounts: 5261 - \$100,000, and 5264 - \$51,000.

Mayor Murphy thanked his colleagues and Staff for all their hard work. He thanked Administrative Services Al-Imam for his work and stated confidence in the good stewardship of money.

11. ORDINANCE

- A. **Introduce Ordinance 2015-03 – Changing the Cable Television Commission from a 5 to 7 Member Commission (City Manager)**
This item was to consider amending the Los Alamitos Municipal Code to increase the members of the Cable Television Commissioners from 5 to 7.

Mayor Murphy requested the item be delayed one month till after the consultant's recommendations were presented.

Council Member Grose stated there were two good candidates from the last interview process and this change would not happen tonight as it required a second reading and an additional 30 days to become effective.

Council Member Hasselbrink suggested having one of the seven positions be designated for a local business owner.

Council Member Grose stated support.

City Clerk Quintanar advised the Charter required Commissioners be registered voters of the City.

Council Member Hasselbrink asked if preference could be given to a local business owner.

Assistant City Attorney Kranitz suggested bringing the item back to the next Council meeting to allow Staff to properly make the changes to the ordinance.

Council consensus was received to postpone the item to the next regular meeting to allow the ordinance to include preference for a local business owner.

12. MAYOR AND COUNCIL INITIATED BUSINESS

A. Council Announcements

Council Member Hasselbrink spoke regarding attendance at the following events: Forest Lawn Memorial Day event; Girl Scout Bridging Ceremony; Chamber Breakfast and Golf Tournament Dinner; Sunburst Youth Academy Graduation; and, League of California Cities (LOCC) Community Service Policy Committee meeting in Sacramento. She spoke briefly regarding Service 211 ran by the County of Orange that provides community services.

Council Member Kusumoto spoke regarding the following topics: attendance at the Orange County Fire Authority (OCFA) Human Relations Subcommittee and Board meeting; update on AB 1217; potential impacts to OCFA Joint Powers Authority; and, requested a Staff report outlining options for fire safety services.

Council Member Grose and Mayor Pro Tem Edgar stated support for discussion at a future meeting.

Mayor Pro Tem Edgar spoke regarding the following topics: attendance at Forest Lawn Memorial Day event; appreciation for Council Member Hasselbrink's involvement in community events; attendance at Sunburst Youth Academy graduation; concern regarding the relationship with the Base; clarified his position to equally support the pool or plan for a graceful exit, support for continuing the relationship with the Base, while preserving the quality of life; update on SB 355; and, congratulated and wished good luck to his son Ethan who graduated high school.

Mayor Murphy spoke regarding the following topics: attendance at the Sunburst Youth Academy graduation; attendance at Girl Scout Bridging Ceremony; and, frustration and concern regarding AB 1217.

City Manager Plumlee advised California Joint Powers Insurance Authority and Council Member Grose as the West-Comm Chair also sent a letters of opposition for AB 1217. He had been advised the State Association for JPAs would also be sending a letter of opposition. He stated Staff would bring back an analysis as there are concerns regarding the fiscal impact.

13. ITEMS FROM THE CITY MANAGER

City Manager Plumlee advised the 4th of July event on the Base was coming up and there would be a Grand Opening Ceremony for Coyote Creek Park on July 21st at 4:30 p.m.

Council Member Grose spoke regarding the following events: list of events he attended could be found on www.losal.net; congratulated Mayor Murphy on his speech at the Sunburst Youth Academy graduation; encouraged residents to watch the Public Service Announcement on LATV-3 regarding the water issues; and, requested an agenda item to discuss the role of the Budget Standing Committee.

3. CLOSED SESSION – Continued

A. CONFERENCE WITH LABOR NEGOTIATOR

Agency Negotiators: Lisa Kranitz, Assistant City Attorney
Unrepresented Employee: City Manager
Authority: Government Code Section 54957.6

RECESS

The City Council recessed into Closed Session at 9:59 p.m.

RECONVENE

The City Council reconvened in Regular Session at 11:10 p.m.

Assistant City Attorney Kranitz stated there was no reportable action.

14. **ADJOURNMENT**

The City Council adjourned at 11:10 p.m. to Tuesday, July 21, 2015, for the purpose of holding a Regular meeting. Prayers were requested for City Manager Plumlee's father, Kirby, who was ill.

Richard D. Murphy, Mayor

Attest:

Windmera Quintanar, CMC, City Clerk

MINUTES OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS

THESE MINUTES ISSUED FOR
INFORMATION ONLY AND ARE
SUBJECT TO AMENDMENT AND
APPROVAL AT NEXT MEETING.

SPECIAL MEETING – June 23, 2015

1. CALL TO ORDER

The City Council met in Special Session at 5:32 p.m., Tuesday, June 23, 2015, in the Community Center – Lounge, 10911 Oak Street, Los Alamitos, CA, Mayor Murphy presiding.

Pursuant to Government Code Section 54953, Subdivision (b), this meeting included teleconference participation by Mayor Pro Tem Troy Edgar from Dallas/Plano Marriott at Legacy Town Center, Lobby, 7121 Bishop Road, Plano, Texas 75024.

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 S. Reisman, City Attorney
Jason Al-Imam, Admin. Services Director
Dave Hunt, City Engineer
Corey Lakin, Community Services Director
Steven Mendoza, Community Development/Public
Works Director
Windmera Quintanar, CMC, City Clerk

3. SPECIAL ORDERS OF THE DAY

- A. 2015 Certificates of Participation (Administrative Services)**
Discuss which projects the City Council desires to fund with bond proceeds associated with the refinancing of the 2006 Certificates of Participation and to discuss the method of sale of the 2015 Certificates of Participation.

City Manager Plumlee introduced the item. Administrative Services Director Al-Imam summarized the Staff report, referring to the information contained therein, and answered questions from the City Council.

Mayor Murphy requested the method of sale be discussed first.

Administrative Services Director Al-Imam described and explained the differences between competitive and negotiated sales. He stated the primary objective was to achieve lowest cost of borrowing.

Thomas Johnsen, Fieldman Rolapp, spoke regarding the advantages and disadvantages of competitive and negotiated sales. He advised a competitive sale in a standard market with a high rating would be best, but stated concern at this time the market was not standard. He indicated the emphasis would be to get the lowest borrowing rate. He believed competitive sale would typically do that in these market circumstances; however, he stated concern Los Alamitos may get overlooked due to the low bond amount and the number of bonds on the market.

Council Member Kusumoto asked what the difference in interest rates would be between a competitive and negotiated sale.

Mr. Johnsen advised there was nothing to compare it to. He briefly explained a typical escrow process. He stated the sale could be accomplished however Council desired. He reiterated concern the City would be overlooked.

Mayor Murphy asked when the decision needed to be made.

Administrative Services Director Al-Imam stated should Council state support for a negotiated sale, Staff would move forward with a Request for Proposal (RFP) to select an underwriter. The decision would need to be solidified in August with bond documents. If council was opposed to a negotiated sale, an underwriter would not be needed.

Mayor Murphy asked Council if there were any strong feelings for either option.

Mayor Pro Tem Edgar questioned the flexibility of a negotiated sale.

Kim Byrons, Best, best, and Krieger, spoke regarding the difference between a negotiated and competitive sale in terms of escrow. She indicated there was more flexibility with a negotiated sale.

Mr. Johnsen clarified there was less flexibility with a negotiated sale, but not an absence of flexibility.

Mayor Pro Tem Edgar asked if a better rate would be received with a competitive or negotiated sale.

Council Member Kusumoto also questioned the difference in the interest rate.

Mr. Johnsen stated it would be a narrow range and added it would likely be 3-7 basis points and there were 100 points in a percent.

City Council and Staff discussed the variables in interest rates.

Council Member Grose questioned the status of the Public Facilities Corporation (PFC) originally established in 2006 and the Council's ability to proceed without a vote of the people. He questioned if the value of the property would be reassessed and indicated he was uncomfortable refinancing with old information.

Ms. Byron briefly explained the basics of constitutional debt and the exception for lease obligations that do not require vote of the people. She advised the PFC was in good standing and Staff had administratively maintained the existence. She briefly explained the lease process between the City and PFC and advised the lease payments could not exceed fair rental value of the park.

Administrative Services Director Al-Imam stated the property was assessed at \$6 million and was purchased at \$4.8 million. The General Fund paid \$1.8 million and the difference was financed.

Ms. Byron stated the present fair rental value at \$4.8 million and that value would be used moving forward.

City Council and Staff discussed the City's desire to keep debt service payments at or lower than what they currently are.

City Council and Staff discussed the timeline and concluded there was no great advantage in waiting.

Mayor Murphy asked Mr. Johnsen for his opinion.

Mr. Johnsen stated being conservative, he would opt for a negotiated sale because there is more certainty.

Mayor Pro Tem Edgar stated concern that Staff had recommended a competitive sale for flexibility and Mr. Johnsen recommended negotiated sale to be conservative. He believed Staff was unsure of the decision that needed to be made.

Mr. Johnsen clarified there is more certainty with a negotiated sale because the pricing would be known on that day. A competitive sale depends on the market conditions of the day.

Ms. Byron clarified a negotiated sale will achieve the City's goal on that day of savings; a competitive sale may or may not meet the City's goal on a given day.

Council Member Kusumoto indicated a competitive sale was probably preferred. He stated his understanding that a negotiated sale would ensure an interest rate and steady payment and a competitive sale may lower interest rate or the payment. He questioned if Council should take the risk and pointed out the potential money difference was not significant.

Mayor Murphy estimated a difference of \$4,500 annually and pointed out that could be positive or negative.

Council Member Hasselbrink understood the payment would not be affected and it was just how much additional money would be available.

Mr. Johnsen briefly explained the difference would be solely accountable to the sales type.

Mayor Murphy opened the item for public comment.

JM Ivler, resident, stated support for a competitive sale and believed it was worth the risk.

Josh Wilson, resident, stated a competitive sale would yield a better market and interest rate. He questioned if additional fees would increase the rates.

Mayor Murphy closed the item for public comment.

Mr. Johnsen briefly explained the fees paid for each sale and believed the overall difference in fees would be between \$23,000 and \$30,000.

Motion/Second: Edgar/Hasselbrink

Unanimously Carried: The City Council approved competitive sale as the method of sale for the 2015 Certificates of Participation.

ROLL CALL

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

Mayor Murphy questioned if anyone was opposed to discussing the additional \$900,000.

Council Member Kusumoto stated he had concerns and asked for clarification of when the money had to be spent.

Ms. Byron briefly explained that 85% of the money borrowed had to be spent in three years.

Mayor Murphy stated Administrative Services Director Al-Imam could easily put a list together and did not feel spending the money would be a problem.

Administrative Services Director Al-Imam suggested including projects that would be done regardless so there is some flexibility.

Council Member Grose asked which projects were shovel ready.

City Engineer Hunt advised Apartment Row (Bloomfield, Farquhar to Katella) (Noel, Farquhar to Katella), and (Lexington, Farquhar to Katella) were all designed and ready to go.

Administrative Services Director Al-Imam advised Old Dutch Haven would be a good item since there is already a funding source and it is a higher priority project. The City could reimburse itself and save additional Measure M and Gas Tax funds.

Mayor Murphy opened the item for public comment.

JM Ivler, resident, spoke in favor of front loading projects with the additional money, but stated concern the money could be used frivolously. He stated support for using the money and using it for capital projects.

Josh Wilson, resident, stated support for investing money in capital improvement projects. He stated support for the Los Alamitos Blvd. Project as it would be an investment for business and would attract and retain projects.

Mayor Murphy closed the item for public comment.

City Council and Staff discussed the process of grant funding for capital improvement projects.

Council Member Kusumoto believed Council could use the additional funds. He stated the City had a healthy reserve that could be utilized now. He stated opposition to using this money on projects that could receive grant funding in the future.

City Engineer Hunt clarified there is no guarantee the City would be awarded a grant.

Council Member Kusumoto understood if street improvements were already paid for the City could no longer apply for a grant.

Mayor Murphy stated the purpose for doing this would be to take up front money and multiply it. As a general rule, grant funds cannot be used for residential projects so the funds could be used towards those types of projects that would not receive grants.

City Council and Staff discussed the next steps were to create a list on how the funds would be spent and prioritize them. The consultants were thanked for their time and dismissed.

Mayor Pro Tem Edgar agreed these funds should not be spent frivolously and advised the community would be watching. He stated support for the Los Alamitos Blvd. Project and confirmed the amount listed was only for the median islands as a starting point. He spoke regarding the importance of the City being able to rebrand itself and establish itself among the regional leaders. He stated support for committing to a bigger project and seeing it through to completion.

RECESS

The City Council took a brief recess at 6:46 p.m.

RECONVENE

The City Council reconvened in Special session at 7:03 p.m.

Mayor Pro Tem Edgar reiterated support for the Los Alamitos Blvd. Project. He stated the amount in the report was only a portion of the project and asked Staff if they actively looked for grants.

City Engineer Hunt answered in the affirmative and gave a brief overview of different available grants.

Mayor Pro Tem Edgar stated support for getting the Los Alamitos Blvd. Project started and not relying on grants that the City may or may not get. He confirmed Council has defined a smaller median project. He believed it was important for the community to understand the City was pulling money out for economic revitalization in the City. He indicated he could only be supportive if the funds went towards a specific substantive project that would help change the economic trajectory of the City.

Council Member Hasselbrink stated she had picked the projects from the CIP list that would have the biggest impact on the most people in the

shortest amount of time. She listed the following projects that she believed would enhance the City, affect a lot of people, and improve traffic:

25. Cerritos Ave @ High School Intersection – Dual left turns into school
26. Cerritos Ave @ High School Intersection – Modify signal and widen school entrance and exits
27. Cerritos Ave./Los Alamitos Blvd. Intersection Improvements
14. 2 Alley Improvements – Between Pine and Regan and Kyle and Bloomfield
10. Los Alamitos Blvd. Revitalization project

Council Member Hasselbrink stated it was better to overspend the funds and suggested applying extra funds to rubberized grounds of the parks.

Mayor Murphy asked for an estimated project time line for Los Alamitos Blvd. and the grant timing.

City Engineer Hunt gave an overview of the process and advised it would be about a year to plan and three to four months of construction. He advised the City could apply for grants in October and if approved, could start construction in October 2016.

Mayor Murphy stated concern about spending money on a project to save a year's worth of time when there was potential grant funding should the City wait.

City Council and Staff discussed the different possible grant requirements, requirements for applying for grants, possible next steps of the project, and the unlikelihood that grant funds would cover design.

City Council and Staff discussed the possibility of using \$100,000 in bond funds to continue the design phase of the Los Alamitos Blvd. Project since grant funds would not cover that portion.

Mayor Pro Tem Edgar requested Council find a middle ground and stated concern that any of the listed projects could fail.

Mayor Murphy believed the reason to do this would be for the potential multiplier of money and advised conservatively he would stick to the CIP list. He did not feel parks needed to be addressed with these funds since Park Fund money would eventually be coming. He stated support for moving forward with the medians and asked what was next.

City Manager Plumlee stated Mayor Pro Tem Edgar had proposed including \$200,000 from the CIP list towards design. Mayor Murphy expected to only spend half of that.

Council Member Grose stated concern that several of the property owners were not residents and he would prefer they be engaged in the City's plans for enhancement. He strongly urged Council to consider including all business owners in the process and believed if the City did not have their support, ultimate results would not be reached.

Mayor Murphy stated support for the Dutch Haven Wall being towards the top and questioned if items 25-27 would be discussed with the Los Alamitos Unified School Board (LAUSD).

City Engineer Hunt stated the listed amount was the total cost of the project and the next phase would include meeting with LAUSD. He gave a brief outline.

Council Member Hasselbrink stated support for the projects because they would directly affect traffic and she had not considered cost sharing. She preferred the projects not be delayed for cost sharing.

City Council and Staff discussed the possible grant opportunities. Staff reiterated grants were not guaranteed.

Council Member Grose stated he had spoken with a LAUSD Board Member who had stated a preference for having a joint meeting with elected officials as he felt Staff slowed the process down. He referred to the funding for crossing guards and felt Council was missing the opportunity to have an open discussion. He stated support for items 25-27, but wanted to ensure nothing was being forced upon the LAUSD.

Council Member Hasselbrink questioned why the City would need LAUSD's support to maintain the City streets.

Council discussed and clarified the whole traffic study was not up for discussion, only the immediate projects listed in 25-27.

Council Member Kusumoto stated concern Council was trying to find ways to spend money when there was a deliberate established 7 year CIP. He stated support for identifying CIP items that could be completed in compliance with the bond requirements. He stated support for developing a master plan for the Los Alamitos Blvd. Project, but was concerned about adding arbitrarily medians. He was supportive of multiplying the money to good in the community and questioned longer term projects and real property acquisition. He wanted to ensure the plan was realistic. He questioned if the money was really needed.

Mayor Murphy stated a benefit of the bond funds would be spending them was limited by bond laws. He agreed the money should be used for a

specific purpose and it would take Council's vigilance to ensure that occurred.

Council Member Grose requested an item be added for \$250,000 to get recycled water across the freeway to Los Alamitos. He did not think the project would be complete in three years, but it could at least get the project started. He pointed out there was value to the community as it would help with the upkeep of the fields.

Mayor Pro Tem Edgar suggested having a motion to start working on a project list. He stated there was Council support to extend the amortization from 21-30 and borrow the additional funds.

Mayor Murphy stated a preference for continuing discussion. He requested Staff prepare a list for the best way to multiply the City's money and each Council Member could prepare their own list to discuss.

Mayor Pro Tem Edgar stated that was the action for tonight and questioned if the specific list was needed by July 10.

Mayor Murphy stated his concerns were regarding the actual actions taken by Council. He asked if Staff had enough to put together a list.

Administrative Services Director Al-Imam clarified Best, Best, and Krieger (BBK) required a list that the majority of the Council was committed to.

City Council and Staff discussed the timeline.

Council Member Kusumoto questioned if the money could be used towards providing a utility to the residents. Providing a utility would enhance the City's revenue streams.

Mayor Pro Tem Edgar stated support for longer type projects. He believed Council was taking a prudent financial move by using its great rating to take advantage of this opportunity. He pointed out that local owners and property owners were invited to participate in the General Plan and there was little involvement. He stated support for Council Member Hasselbrink's suggested items.

Council Member Kusumoto agreed it was prudence and due diligence that got Council to this opportunity. He understood the importance of leveraging what the City could to keep the cash flow steady.

Motion/Second: Hasselbrink/Edgar

Motion Failed 2/2: Approve the following projects to fund with bond proceeds associated with the refinancing of the 2006 Certificates of Participation:

- 10. Los Alamitos Blvd. Revitalization project – \$500,000
- 14. 2 Alley Improvements – Between Pine and Regan and Kyle and Bloomfield – \$150,000
- 25. Cerritos Ave @ High School Intersection – Dual left turns into school – \$5,000
- 26. Cerritos Ave @ High School Intersection – Modify signal and widen school entrance and exits - \$92,000
- 27. Cerritos Ave./Los Alamitos Blvd. Intersection Improvements – \$131,000
- 16. Old Dutch Haven Block Wall – \$30,000

ROLL CALL

Council Member Grose	No
Council Member Hasselbrink	Aye
Council Member Kusumoto	No
Mayor Pro Tem Edgar	Aye
Mayor Murphy	Abstain

Mayor Murphy stated he did not feel the Council was ready to make this decision. He stated concern that there was no reason for the September deadline and he did not want to rush into a decision. He stated he was optimistic, but needed more information.

Administrative Services Director Al-Imam clarified the only risk for the September deadline was market timing. He advised if Council was willing to take the risk, it would allow for more time to come up with a comprehensive list.

Council Member Kusumoto stated he did feel rushed and understood the time constraints. He pointed out this presented list only comes to \$908,000 and he was supportive of a list double that size. He stated support for earmarking money for the purple pipe project that would get the City in the position to complete the project.

City Manager Plumlee advised Staff had started discussions with the appropriate parties that would be involved in the process and suggested earmarking \$250,000 for infrastructure.

City Council and Staff briefly discussed the steps and approvals needed to start the project. Staff advised it was still uncertain that there was any reclaimed water available for purchase.

Mayor Pro Tem Edgar briefly discussed the Rivers and Mountains Conservancy's Proposition 1 Bond money. He stated assuming there was water to purchase, the infrastructure project would be quite large. He questioned if Council Member Grose and Kusumoto would reconsider their "no" votes if a placeholder was added.

Council Member Grose stated he would. He believed it would provide a broader scope to the list and stated support for adding several items to chose from if needed, including acquisition of public property and \$100,000 for the pool.

City Manager Plumlee clarified the City had to own the asset, therefore the pool would not qualify.

Council Member Hasselbrink suggested adding the rubberized playground surfaces and unfunded projects from page 4 if the goal was to overpopulate the list.

City Manager Plumlee suggested adding the \$200,000 and \$300,000 for the Los Alamitos Blvd. Project for a total of \$700,000 since that is all currently General Fund money.

Council Member Hasselbrink questioned if these projects could be completed in three years.

Mayor Murphy stated concern for adding \$700,000 and giving up on potential grant funds.

Council Member Grose clarified the City was not obligated to spend the full amount on any particular item. He stated concern if the Old Dutch Haven wall was done, the Highland wall would expect the same.

City Council discussed the difference in price between the two walls.

City Council and Staff discussed the cost for the Los Alamitos Blvd. Project and potential for the project.

Mayor Murphy stated opposition to losing money on the project that could potentially be grant funded.

Council Member Hasselbrink clarified the item was being added to overpopulate the list and when grants become available money would be available.

Mayor Pro Tem Edgar stated a preference for specificity. He believed the design process of the Los Alamitos Blvd. Project should be started now so there was a better chance of grant approval later on.

Mayor Murphy agreed and reiterated he was not in a hurry to forgo grant opportunities to get the project done. He stated he could support the motion with the understanding it was a place holder.

City Council and Staff discussed the possibility of a special meeting to finalize the list.

Administrative Services Director Al-Imam advised a special meeting was not needed as long as the majority of the Council agreed on a tentative list. The list would be included in the draft bond documents which would be discussed and approved at the July 21st meeting.

City Council discussed the various projects to be added to the list. Purple pipe funds could only be used on infrastructure. Administrative Services Director Al-Imam advised the project could be outlined in the bond documents and as long as the funds spent were related they would qualify.

Motion/Second: Hasselbrink/Edgar

Unanimously Carried: The City Council approve the following projects to fund with bond proceeds associated with the refinancing of the 2006 Certificates of Participation, in no particular order:

- ADA Curb Ramps and Sidewalks – \$300,000
- Los Alamitos Blvd. Project – \$700,000
- Parks and Playground Replacement and Rubberized Ground Cover Project – \$227,500
- Little Cottonwood Park Septic Tank Project – \$110,000
- Old Dutch Haven Rehabilitation – \$292,000
- Alley Improvements – Between Pine and Regan and Kyle and Bloomfield – \$150,000
- Alley Improvements – Between Katella and Green and Regan and Los Alamitos – \$100,000
- Old Dutch Haven Block Wall – \$30,000
- Cerritos Ave @ High School Intersection – Dual left turns into school – \$5,000
- Cerritos Ave @ High School Intersection – Modify signal and widen school entrance and exits - \$92,000
- Cerritos Ave./Los Alamitos Blvd. Intersection Improvements – \$131,000
- Acquisition of purple pipe – \$250,000

ROLL CALL

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

4. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (d)(2) of 54956.9. One case.

City Attorney Reisman read Item 4A aloud and stated the City had received a letter from the Super Media site next door.

RECESS

The City Council recessed into Closed Session at 8:33 p.m.

RECONVENE

The City Council reconvened in Special Session at 8:50 p.m.

5. ADJOURNMENT

The City Council adjourned to Tuesday, July 21, 2015, for the purpose of holding a Regular meeting, at 8:50 p.m.

Richard D. Murphy, Mayor

Attest:

Windmera Quintanar, CMC, City Clerk