

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

**REGULAR MEETING – October 15, 2018**

**1. CALL TO ORDER**

The City Council met in Regular Session at 6:02 p.m. Monday, October 15, 2018, in the Council Chamber, 3191 Katella Avenue, Mayor Edgar presiding.

**2. ROLL CALL**

**Present:** Council Members: Chirco, Hasselbrink, Murphy,  
Mayor Pro Tem Kusumoto, Mayor Edgar

**Absent:** Council Members: None

**Present:** Staff: Bret Plumlee, City Manager  
Robert Acosta, Fire Chief  
Sean Connolly, Police Captain  
Michael Daudt, City Attorney  
Les Johnson, Development Services Director  
Emeline Noda, Recreation Manager  
Eric Nunez, Police Chief  
Windmera Quintanar, MMC, City Clerk  
Maria-Luisa Valdez, Finance Director

**3. PLEDGE OF ALLEGIANCE**

Council Member Murphy led the Pledge of Allegiance.

**4. INVOCATION**

Mayor Edgar gave the Invocation.

**5. PRESENTATIONS**

**A. Presentation of Certificates of Recognition to Volunteers of the Los Alamitos Volunteer Program**

Mayor Edgar spoke briefly about the program. Mayor Edgar and the City Council presented Certificates of Recognition to the Volunteers.

**B. Presentation of a Certificate of Appointment to Parks, Recreation, and Cultural Arts Commissioner Jonathan D. Crans**

Mayor Edgar and the Council presented a Certificate of Appointment to Commissioner Crans.

**C. Presentation of a Certificate of Recognition to Dr. Barsamian for her Support of Veterans**

Mayor Edgar and the Council presented a Certificate of Recognition to Dr. Barasamian. Dr. Barasamian spoke briefly.

**D. Presentation of a Proclamation to Jessica Kim, NP, for National Nurse Practitioner Week, November 12 – 18, 2018**

Mayor Edgar and the Council presented a Proclamation to Ms. Kim. Ms. Kim spoke briefly.

**E. Presentation by Senator Nguyen Providing a Legislative Update**

Mayor Edgar introduced Senator Nguyen. Senator Nguyen gave a brief update.

**6. ORAL COMMUNICATIONS**

At this time, any individual in the audience may come forward to speak on any item within the subject matter jurisdiction of the City Council. Remarks are to be limited to not more than five minutes per speaker.

Mayor Edgar opened the meeting for Oral Communications.

Tanya Doby, Parks, Recreation, and Cultural Arts Commissioner, encouraged all residents to register to vote and provided information on the process.

Shelley Henderson, citizen, spoke regarding a Long Beach case where the ruling upheld enforcing time limits for public speakers during Council meetings to maintain order and decorum. She stated support for the ruling as a private citizen.

Mayor Edgar closed the meeting for Oral Communications.

**7. COUNCIL ANNOUNCEMENTS**

At this time, Council Members may also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken except to provide Staff direction to report back or to place the item on a future Agenda.

Council Member Chirco spoke regarding attendance at the Orange County Mosquito and Vector Control District Board Meeting, St. Hedwig's Autumn Fest, Budget Standing Committee meeting, National Walk to School Day, and Orange County Fire Authority Open House at Fire Station 2. He advised his campaign was in full swing and wished all the candidates luck.

Council Member Murphy spoke regarding attendance at the Youth Center's Casino Night, Taste of Los Al, Orange County Sanitation District Board meeting, and advised of the upcoming construction on Katella that would close two lanes.

Council Member Hasselbrink spoke regarding attendance at the Chamber Breakfast, Orange County Fire Authority Open House at Fire Station 2, Carrier Row fire alarm install hosted by OCFA and Red Cross, Taste of Los Al, and requested an ordinance at the next meeting to address SB 946, street vending.

Mayor Pro Tem Kusumoto advised he had been traveling for his employer, advised he attended the Taste of Los Al, urged the public to drive safely during rain, and encouraged residents to register to vote.

Mayor Edgar spoke regarding a meeting with City Manager Plumlee and General Lathrop to discuss the stability of City events at the Joint Forces Training Base, attendance at the Orange County Fire Authority Open House at Fire Station 2 and St. Hedwig's Autumn Fest, upcoming labor negotiations and the City's 10 year financial forecast, upcoming Los Alamitos Blvd. Beautification Celebration on November 5<sup>th</sup>, support for Council Member Murphy's application to stay on the OCTA Board of Directors, and advised the City Council would be taking part in the Seal Beach Christmas Parade.

**8. ITEMS FROM THE CITY MANAGER**

City Manager Plumlee thanked Chief Acosta for the positive work with the Open Houses and fire alarm install and looked forward to continuing the relationship with General Lathrop at the JFTB. He requested a summary of upcoming events.

Recreation Manager Noda advised of the upcoming events Trunk or Treat on October 27, Los Alamitos Blvd. Beautification Celebration on November 5 and Winter Wonderland on December 1.

**9. WARRANTS**

Motion/Second: Chirco/Murphy

Unanimously Carried: The City Council approved the Warrants for October 15, 2018, in the amount of \$42,000.08 ratified the Warrants for September 18, 2018 to October 14, 2018 in the amount of \$941,977.18, 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 October 16, 2018 to November 18, 2018.

**ROLL CALL**

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

**10. CONSENT CALENDAR**

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

Motion/Second: Murphy/Hasselbrink

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

- A. Approval of Minutes (City Clerk)**  
Approved the Regular City Council minutes of September 17, 2018.
  
- B. Adopt Ordinance No. 2018-07 – Updating Regulations for Accessory Dwelling Units to Continue to Comply with State Legislation (Zoning Ordinance Amendment 18-04) (Development Services)**  
At its regular meeting of September 17, 2018, the City Council introduced for first reading Ordinance No. 2018-07. This is the adoption of a Zoning Ordinance

Amendment (ZOA 18-04) to amend Section 17.38.150 of the Los Alamitos Municipal Code through an ordinance regarding Accessory Dwelling Units (ADUs), to be consistent with State law (City initiated).

The City Council adopted Ordinance No. 2018-07 entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, APPROVING ZONING ORDINANCE AMENDMENT (ZOA) 18-04 TO AMEND LOS ALAMITOS MUNICIPAL CODE SECTION 17.38.150 RELATING TO ACCESSORY DWELLING UNITS TO BE CONSISTENT WITH STATE LAW (CITY INITIATED)."

**C. Katella Avenue Regional Traffic Signal Synchronization Project (Development Services)**

The Orange County Transportation Authority (OCTA) is coordinating traffic signals across multiple jurisdictional boundaries as part of renewed Measure M (M2) Regional Traffic Signal Synchronization Program (RTSSP, Project "P") to enhance countywide traffic flow and reduce congestion.

The City Council authorized the Mayor to execute Cooperative Agreement No. C-8-1798 for Katella Avenue Regional Traffic Signal Synchronization Project between Orange County Transportation Authority and the City of Los Alamitos.

**D. Amendment No. 1 to Stansbury Park Lease with Metropolitan Water District (Development Services)**

This report provided background on the lease of park land from Metropolitan Water District (MWD) of Southern California and new lease terms proposed by MWD.

The City Council:

1. Authorized the Mayor to execute Amendment No. 1 to Lease R.L. 245 with the Metropolitan Water District of Southern California; and,
2. Authorized a budget amendment in the amount of \$550 from the Park Maintenance Division of General Fund to account 10.543.5281.

**E. 2019, 2020, 2021 Race on the Base T-Shirts & Equipment (Recreation)**

This item requested the City Council authorization to purchase race shirts and necessary rental equipment for the 2019, 2020, 2021 Race on the Base.

The City Council:

1. Authorized the Mayor to execute the Sportswear Unlimited Corp. Proposal/Purchase Agreement for participant and volunteer Race on the Base shirts and authorize an annual expenditure in an amount not to exceed \$30,000 for 2019, 2020, and 2021; and,
2. Authorized the Mayor to enter into a Professional Services Agreement with Big Top Rentals for rental equipment in an amount not to exceed \$30,000 annually for 2019, 2020, and 2021.

- F. Addendum to School Resource Officer (SRO) Agreements (Police)**  
The purpose of this report was to request authorization for the City of Los Alamitos to enter into an agreement with the Los Alamitos Unified School District (LAUSD) and the City of Seal Beach to (1) reimburse costs for the School Resource Officer (SRO) Program for services that the Los Alamitos Police Department were unable to perform during the 2018-19 academic year, and (2) authorize the City of Los Alamitos to pay the City of Seal Beach for the temporary provision of SRO services at Los Alamitos High School.

The City Council authorized the Mayor to execute the Addendum to School Resource Officer Agreements between the City of Los Alamitos, the City of Seal Beach, and the Los Alamitos Unified School District.

## **11. DISCUSSION ITEM**

- A. City's Ten-Year Financial Forecast (Finance)**  
This report provided the City Council with a financial forecast for the City considering the revenues and expenditure escalations and fund balance reserves over the next ten years. The report provided information regarding the major revenue sources and operating and capital expenditures that are anticipated.

City Manager Plumlee introduced the item.

Mayor Edgar gave an overview of the item and highlighted the following points: the City has had a balanced budget for the past 8-9 years which allowed the City to restructure its finances with a bond rating of AAA; the City has been restructured and departments have been consolidated; all Orange County cities are starting to suffer from the pension obligations; surrounding Orange County cities have passed tax increases; unexpected expenditure of \$1.5 million a year has been absorbed for the past 3-4 years by cutting expenses; Council criticized for not spending reserves; proactive approach to look at the next 10 years and start educating the community; forecast shows a problem and choices will have to be made; and, Council is proactively trying to make decisions for the next 10 years.

Council Member Murphy stressed the importance of this topic and thanked Staff for the 10 year forecast. He advised if the City continued on the current path there will be problems. He encouraged the community to get involved for the future of Los Alamitos and urged them to give their opinions on future cuts, city services and events, and the Police Department. He stated the City will need to make fundamental changes to stay a solvent City so the Council needs to know what is important to the community.

Council Member Hasselbrink stated this was a state wide problem and all cities and agencies are dealing with the issue of pensions and strategies for moving forward. The Budget Standing Committee had asked Staff to brainstorm ways to increase revenue, decrease expenses and think outside the box. She stated all options needed to be addressed to see what makes sense and data was needed

to back up all decisions. She stated this was phase one and the Council and public needed to be educated as the City moves forward.

Council Member Chirco agreed with his colleagues and stated economic downturn was not accounted for in the assumptions and should be kept in mind. He pointed out that could lead to a decrease in sales tax, flat property taxes, and decreased permits, affecting 60% of the City's revenue. He stated he was positive Council could address the issue with good input from residents and the Staff.

Finance Director Valdez gave a PowerPoint presentation and answered questions from the City Council.

City Council and Staff discussed the following topics:

- Transient Occupancy Tax (TOT) reflects an increase due to the new hotel development and includes a conservative 1% increase for hotel costs based on trend analysis and internal assessments
- Assumptions include TOT remaining at 8%
- 2012 ballot measure that reduced the Utility User's Tax revenue the city receives
- Balance between higher cost of living and tax base to fund City services
- Majority of the City's budget goes towards residents and businesses, not on Staff
- Unfunded Capital Improvement Projects (CIP) were included in the cash flow assumptions
- 50% of the budget goes towards the Police Department
- Council wants to maintain management and guidance of the Police Department to ensure continued low crime and fast response time
- Difficult decisions to be made regarding public safety and quality of life
- Request to incorporate additional information for expenditures by category year after year
- Information is available to the public on the City's website
- \$7.7 million reserve will be depleted in six to seven years if the City remains on the same path
- Request to include a pie chart of how the expenditure categories are changing year after year

Mayor Edgar opened the item for public comments.

Shelley Henderson asked if there would be a point where the PERS unfunded pension liability leveled off or if it would be forever adding another million to the City's budget.

Mayor Edgar closed the item for public comments.

City Council and Staff discussed the following topics:

- In response to Ms. Henderson's question – 10 year forecast includes the PERS unfunded liability required five year increase, but does eventually flatten out
- PERS obligation will continue to grow unless the City is able to pay it off
- Risk in paying off the liability with a pension bond and rate of return
- City has no control over PERS investment portfolio
- 10 year forecast is a good, deliberate, database start

The City Council:

1. Received and filed the ten-year financial forecast; and,
2. Provided direction on the Revenue and Expenditure Assumptions included in the ten-year financial forecast; and,
3. Received and filed information on the GASB 75 (Other Post-Employment Benefits); and,
4. Set objectives of the next meeting with the City Council.

## 12. CLOSED SESSION

City Attorney Daudt read the items allowed.

### A. Conference with Labor Negotiator

City Negotiator: Bret M. Plumlee, City Manager  
 Employee Organization: Los Alamitos Police Officers Association  
 Authority: Government Code Section 54957.6

### B. Conference with Labor Negotiator

City Negotiator: Bret M. Plumlee, City Manager  
 Employee Organization: Teamsters Local 911  
 Authority: Government Code Section 54957.6

### C. Conference with Labor Negotiator

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

### D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9.  
 Name of Case: *Los Alamitos Community United, et al. v. City of Los Alamitos, et al.* Superior Court of California, County of Orange, Case No. 30-2018-00987018-CU-WM-CXC.

## RECESS

The City Council recessed into Closed Session at 7:25 p.m.

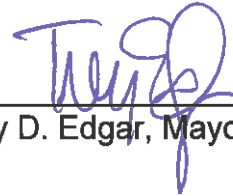
**RECONVENE**

The City Council reconvened 9:10 p.m.

City Attorney Daudt advised there was no reportable action.

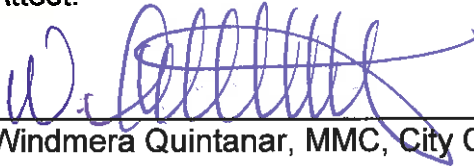
**13. ADJOURNMENT**

The City Council adjourned at 9:10 p.m.



\_\_\_\_\_  
Troy D. Edgar, Mayor

Attest:



\_\_\_\_\_  
Windmera Quintanar, MMC, City Clerk