

**REGULAR MEETING OF THE CITY COUNCIL AND
THE CITY OF COSTA MESA CITY COUNCIL ACTING AS
SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY
CITY OF COSTA MESA**

February 21, 2012

The City Council Meeting of the City of Costa Mesa, California met in regular session February 21, 2012 at 5:00 p.m., in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. The meeting was called to order by the Mayor.

**THE SPECIAL JOINT MEETING OF THE CITY OF COSTA MESA ACTING AS
SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY AND
THE COSTA MESA HOUSING AUTHORITY AND COSTA MESA HOUSING
AUTHORITY ACTING AS SUCCESSOR HOUSING AGENCY TO THE COSTA MESA
REDEVELOPMENT AGENCY**

ROLL CALL

Council Members Present: Mayor Gary Monahan
Mayor Pro Tem James Righeimer
Council Member Eric R. Bever
Council Member Wendy Leece
Council Member Stephen Mensinger

Council Members Absent: None

Officials Present: Chief Executive Officer Thomas R. Hatch
City Attorney Thomas Duarte
Interim Development Services Director Khanh Nguyen
Interim Public Services Director Ernesto Munoz
Assistant Chief Executive Officer Rick Francis
Finance and IT Director Bobby Young
Public Affairs Manager Dan Joyce
Public Affairs Manager Bill Lobdell
Neighborhood Improvement Manager Muriel Ullman
City Clerk Julie Folcik

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION:

1. Conference with Thomas R. Hatch, Chief Executive Officer, and Labor Negotiator, Agency Negotiator regarding Employee Organizations: Costa

Mesa City Employee Association (CMCEA), Costa Mesa Firefighters Association (CMFA), Costa Mesa Police Officers Association (CMPOA) and Costa Mesa Police Management Association (CMPMA), Costa Mesa Fire Fighters Management Association, and Costa Mesa Division Managers Association pursuant to Government Code Section 54957.6

2. Conference with legal counsel regarding existing litigation: Costa Mesa Employees Association v. City of Costa Mesa, a municipal corporation, et al., Orange County Superior Court Case No. 30-2011 00475281, pursuant to Government Code Section 54956.9(a).
3. Conference with City Attorney and Special Counsel Re: Anticipated Litigation: (a) Initiation of Litigation pursuant to subdivision (c) of Section 54956.9 of the Government Code; and/or (b) Significant Exposure to Litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code, both or either of which may involve and affect (i) the City of Costa Mesa, (ii) the City of Costa Mesa Acting as Successor Agency to the (former) Costa Mesa Redevelopment Agency, (iii) the Costa Mesa Housing Authority, and (iv) the Costa Mesa Housing Authority Acting as the Successor Housing Agency of the former Agency (one case).
4. Conference with City Attorney and Special Counsel Re: Anticipated Litigation: (a) Initiation of Litigation pursuant to subdivision (c) of Section 54956.9 of the Government Code; and/or (b) Significant Exposure to Litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code, both or either of which may involve and affect (i) the City of Costa Mesa, and (ii) the City of Costa Mesa Acting as Successor Agency to the Costa Mesa Redevelopment Agency (one case).

The Mayor recessed the meeting to Conference Room 1B at 5:05 p.m. for the Closed Sessions.

ADJOURNMENT OF THE SPECIAL JOINT MEETING OF THE CITY OF COSTA MESA ACTING AS SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY AND THE COSTA MESA HOUSING AUTHORITY AND COSTA MESA HOUSING AUTHORITY ACTING AS SUCCESSOR HOUSING AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY

The Mayor adjourned the special meeting and convened the Council Meeting at 6:00 p.m.

PLEDGE OF ALLEGIANCE - Council Member Stephen Mensinger (00:00:07)

MOMENT OF SOLEMN EXPRESSION - Associate Pastor Eric Wayman, Lighthouse Coastal Community Church (00:00:41)

ROLL CALL (00:02:09)

Council Members Present: Mayor Gary Monahan
Mayor Pro Tem James Righeimer
Council Member Eric R. Bever
Council Member Wendy Leece
Council Member Stephen Mensinger

Council Members Absent: None

Officials Present: Chief Executive Officer Thomas R. Hatch
City Attorney Thomas Duarte
Interim Development Services Director Khanh Nguyen
Interim Public Services Director Ernesto Munoz
Assistant Chief Executive Officer Rick Francis
Finance and IT Director Bobby Young
Public Affairs Manager Dan Joyce
Public Affairs Manager Bill Lobdell
Neighborhood Improvement Manager Muriel Ullman
City Clerk Julie Folcik

CLOSED SESSION REPORT

No action was taken on the Closed Sessions.

ANNOUNCEMENTS (00:02:23)

The Mayor played a video clip of the "Costa Mesa Minute," featuring the following upcoming events:

-Mesa Consolidated Water District free water issues study group - Starting February 15 through sometime in May - For more information, visit www.mesawater.org

-Costa Mesa Sanitary District free composting workshop - Saturday, February 25 at 11 a.m. - Fairview Park - For more information, call (949) 645-8400

-Costa Mesa Library Foundation Beginning Writers Workshop - Starting in March - For more information, contact Barbara Steck at bsteck41@gmail.com

-29th Annual Newport Mesa Spirit Run - Sunday, March 4 from 11 a.m. to 4 p.m. - Athleta, Fashion Island, 401 Newport Center Drive, Newport Beach - For more information, visit www.nmspiritrn.org or e-mail: info@nmspiritrn.org

6th Annual St. Patrick's Day Festival - Saturday, March 17 from 10 a.m. to 3:30 p.m. - OC Marketplace, Orange County Fair and Events Center, 88 Fair Drive, Costa Mesa

PRESENTATIONS (00:04:53)

The Mayor recognized city employees for 25 and 30 years of service. (00:04:53)

PUBLIC COMMENTS (00:09:22)

Jay Humphrey, Costa Mesa, commented on the proposed charter and the speed of the process, and expressed concern in the lack of bicycle safety awareness among riders. (00:10:23)

Perry Valentine, Costa Mesa, opined that a charter would not fix unfunded liabilities, pension, and salary problems. (00:12:20)

Cindy Brenneman, Costa Mesa, spoke in opposition of the proposed charter, expressed concern in the lack of time for public input and discussion, and suggested an elected charter commission. (00:14:40)

Carol Williams, Costa Mesa, shared concerns regarding a drug rehabilitation home across the street from her home. (00:16:42)

Jance Hurlbut, Costa Mesa, expressed concern in the existence of a drug rehabilitation home in her neighborhood. (00:20:53)

Robin Leffler, Costa Mesa, commented on the layoffs and layoff process, and urged Council to elect a charter commission for the drafting of the proposed charter. (00:22:54)

Martin H. Millard, Costa Mesa, spoke in support of the proposed charter, and expressed concern in the slow speed in which Council is taking to improve the Westside. (00:25:54)

Terry Koken, Costa Mesa, sang in support of medical marijuana. (00:28:50)

Barbara Morimiro, Costa Mesa, opposed the placement of the proposed charter on the June ballot, and urged Council to elect a commission to draft the charter. (00:31:38)

Mayor Pro Tem Righeimer commented on the outsourcing notification process and the memorandums of understanding with the employees; and spoke about the preliminary injunction, litigation, and proposed charter. (00:35:19)

REPORT - CHIEF EXECUTIVE OFFICER (CEO) (00:46:23)

CEO Hatch responded to comments from public speakers and provided the following updates:

1. Announced the appointment of Ernesto Munoz to the position of Public Services Director;
2. Announced that a Special Study Session would be held on February 28 at 4:30 p.m. to discuss the Homeless Task Force and the midyear budget review;
3. Provided an updated regarding the newly formed Quality of Life Task Force, and shared the goals and strategies to address homelessness, motels, drug and alcohol rehabilitation homes, parolees and sex offenders, and rental properties;
4. Announced that the most recent version of the charter is online; and
5. Referring to a public speaker's comments, stated that regular updates to

bicycle safety and laws could be included in the recreation guide and a bicycle map that includes basic laws is currently available.

CONSENT CALENDAR ITEM NOS. 1 THROUGH 9 (00:56:04)

**MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 9, except for Consent Calendar Item Nos. 2 and 7.
Moved by Mayor Gary Monahan, seconded by Council Member Eric R. Bever.**

The motion carried by the following roll call vote:

Ayes: Mayor Gary Monahan, Mayor Pro Tem James Righeimer, Council Member Eric R. Bever, Council Member Wendy Leece, Council Member Stephen Mensinger

Noes: None.

Absent: None.

1. Reading Folder.

(a) Claims received by the City Clerk: Julie Ralls, Donald Williamson.

(b) Letter of Notification: Southern California Edison Company Rate Application 12-01-014.

ACTION: Received and processed.

3. WARRANT RESOLUTION 2407: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-03 AND PAYROLL REGISTER NO. 12-02A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-03 for \$2,051,238.68 and Payroll No. 12-02A for \$176.52, and City operating expenses for \$940,688.03, including payroll deductions.

ACTION: Adopted resolution.

4. WARRANT RESOLUTION 2408: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding City operating expenses for \$278,391.16.

ACTION: Adopted resolution.

5. Continued from the meeting of February 7, 2012, Professional Services Agreement with Hewlett Packard, 1421 South Manhattan Avenue, Fullerton, for hardware and software support services for a one (1)-year term, in the amount of \$135,009.

ACTION: Approved; and authorized the City Chief Executive Officer and City Clerk to sign.

6. Professional Services Agreement with California Forensic Phlebotomy, Inc., 26012 Marguerite Parkway, Suite H-235, Mission Viejo, for blood withdrawal testing services for a three (3)-year term, in an amount not to exceed \$88,000 per year.

ACTION: Approved; and authorized the Mayor and City Clerk to sign.

8. Completion of Parkway Concrete Repair and New Sidewalk Construction Project, City Project No. 11-08, by C.J. Concrete Construction, Inc., 10142 Shoemaker Avenue, Santa Fe Springs.

ACTION: Work was accepted; City Clerk was authorized to file a Notice of Completion; authorization was given to release of retention monies 35 days thereafter; the Labor and Material Bond was ordered exonerated seven (7) months thereafter; and the Faithful Performance Bond was ordered exonerated twelve(12) months thereafter.

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING RECORDS DESTRUCTION FOR THE PLANNING DIVISION OF THE DEVELOPMENT SERVICES DEPARTMENT OF THE CITY OF COSTA MESA, PURSUANT TO ORDINANCE NO. 75-60.

ACTION: Adopted Resolution No. 12-11: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING RECORDS DESTRUCTION FOR THE PLANNING DIVISION OF THE DEVELOPMENT SERVICES DEPARTMENT OF THE CITY OF COSTA MESA, PURSUANT TO ORDINANCE NO. 75-60.

ITEMS REMOVED FROM CONSENT CALENDAR (00:56:35)

2. Regular Adjourned/Study Session of June 8, 2010; Regular Adjourned/Study Session of October 11, 2011; and Special Meeting of October 11, 2011 (00:56:36)

Council Member Bever requested that specific comments, suggestions, and concerns made by council members be reflected in the minutes. (00:56:36)

MOTION: Continue the minutes of the Regular Adjourned/Study Session of June 8, 2010 and the Regular Adjourned/Study Session of October 11, 2011; and approve the minutes for the Special Meeting of October 11, 2011.

Moved by Council Member Eric R. Bever, seconded by Mayor Gary Monahan.

The motion carried by the following roll call vote:

Ayes: Mayor Gary Monahan, Mayor Pro Tem James Righeimer, Council Member Eric R. Bever, Council Member Wendy Leece, Council Member Stephen Mensinger

Noes: None.

Absent: None.

7. Completion of 2010-2011 Citywide Street Rehabilitation Project, City Project No. 11-07, by All American Asphalt, Post Office Box 2229, Corona. (00:59:06)

Jim Fitzpatrick, Costa Mesa, made a presentation depicting the concrete and alley conditions around the Eastside. (00:59:15)

Jay Humphrey, Costa Mesa, commented on pavement quality and the Pavement Conditions Index, and commented on the plan to make improvements from gas tax and Measure M funds. (01:03:00)

Robin Leffler, Costa Mesa, confirmed that decisions regarding the use of Measure M funds were made by the previous council, and shared that Measure M signs were mandated by Measure M policy and were not initiated by the city council. (01:05:35)

MOTION: Accept work; authorize City Clerk to file a Notice of Completion; release retention monies 35 days thereafter; exonerate the Labor and Material Bond seven (7) months thereafter; and exonerate the Faithful Performance Bond twelve (12) months thereafter.

Moved by Mayor Gary Monahan, seconded by Council Member Wendy Leece.

The motion carried by the following roll call vote:

Ayes: Mayor Gary Monahan, Mayor Pro Tem James Righeimer, Council Member Eric R. Bever, Council Member Wendy Leece, Council Member Stephen Mensinger

Noes: None.

Absent: None.

The Mayor recessed the Regular City Council meeting at 7:15 p.m. and called to order the following special meeting.

THE SPECIAL MEETING OF THE CITY OF COSTA MESA ACTING AS SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY (01:08:25)

ROLL CALL (01:08:38)

Council Members Present: Mayor Gary Monahan
Mayor Pro Tem James Righeimer
Council Member Eric R. Bever

Council Member Wendy Leece
Council Member Stephen Mensinger
Council Members Absent: None
Officials Present: Chief Executive Officer Thomas R. Hatch
City Attorney Thomas Duarte
Interim Development Services Director Khanh Nguyen
Interim Public Services Director Ernesto Munoz
Assistant Chief Executive Officer Rick Francis
Finance and IT Director Bobby Young
Neighborhood Improvement Manager Muriel Ullman
City Clerk Julie Folcik

CLERK'S STATEMENT: The Special Meeting Agenda and Notice and Call were posted at the City Council Chambers, Postal Office, Headquarters Police Department, the Neighborhood Community Center and Mesa Verde Public Library on Friday, February 17, 2012. (01:08:59)

1. Successor agency approval of Recognized Obligation Payment Schedule (ROPS). (01:09:35)

(a) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ACTING AS SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY, APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND AUTHORIZING CERTAIN OTHER ACTIONS PURSUANT SECTION 34177 OF PART 1.85 OF THE DISSOLUTION ACT.

Finance and IT Director Bobby Young presented the report and, along with Special Counsel Celeste Brady, responded to questions from the Council regarding the legal costs and property tax increments. (01:10:10)

In response to a question from CEO Thomas Hatch regarding potential additional expenses in the Davis Field Lighting project, Finance and IT Director Bobby Young informed the Council that as of June 28, 2011, the city does not currently have a contract and additional expenses may not be incurred. (01:20:26)

MOTION: Adopt Resolution No. 12-12.

Moved by Mayor Gary Monahan, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

Ayes: Council Member Eric R. Bever, Mayor Pro Tem James Righheimer, Mayor Gary Monahan, Council Member Wendy Leece, Council Member Stephen Mensinger

Noes: None.

Absent: None.

The Mayor adjourned the Special Meeting of the City of Costa Mesa Acting as

Successor Agency to the Costa Mesa Redevelopment Agency at 7:29 p.m. and reconvened the Regular City Council Meeting.

PUBLIC HEARINGS - 7:00 p.m.

No Public Hearings scheduled.

OLD BUSINESS

No Old Business scheduled.

NEW BUSINESS

No New Business scheduled.

COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS (01:23:28)

Council Member Wendy Leece commented on the Quality of Life Task Force; referred to a letter about the the proposed city charter regarding language consistency, land development, and long-term lease of city-owned property; and spoke in opposition of the proposed charter. (01:23:31)

Council Member Stephen Mensinger announced resident Joe Panarisi's surgery and recovery; thanked residents for commenting on the proposed charter; commented on the "Costa Mesa way", past employee negotiations, the book "A Broken Window" by James Wilson and George Kelling, the Quality of Life Task Force, alley improvements, and his recent ride-along experiences with the police department; requested that staff meet with Al Morelli regarding comments he made in a recent article; and asked for an update regarding the Fish Fry. (01:28:24)

Public Affairs Manager Dan Joyce provided an update about the Fish Fry, including concepts for the 65th anniversary, plans for increased community and financial support, and an overall bigger and better event. Mr. Joyce shared that discussions with the Lions Club have addressed such possibilities such as bringing back the parade, moving the event to Fairview Park, and ensuring that carnival rides remain a part of the event. (1:41:00)

Mayor Pro Tem Jim Righheimer congratulated police Captain Allen Huggins on his promotion, and commented on the proposed charter and change for the community. (01:52:45)

Council Member Eric Bever expressed support in the establishment of the Quality of Life Task Force, and requested that one of the first priorities of the task force is to identify why the city currently bears a majority of the rehabilitation homes in Orange County; referred to comments made by public speakers about alley improvements and noted that the current council is focused on infrastructure; and spoke about the charter suggestions made by the public,

indicating that many of the suggestions are already addressed in the city's municipal code. (02:00:05)

REPORT - City Attorney

ADJOURNMENT - The Mayor adjourned the meeting at 8:10 p.m. to February 28, 2012 at 4:30 p.m. for a Special Study Session. Next Regular City Council Meeting: March 6, 2012.



Mayor of the City of Costa Mesa

ATTEST:



Acting Deputy City Clerk of the City of Costa Mesa



Mayor of the City of Costa Mesa
on behalf of Successor Agency

ATTEST:



Acting Deputy City Clerk of the City of Costa Mesa
on behalf of Successor Agency