

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

**February 19, 2013**

**CALL TO ORDER**

The meeting was called to order by the Mayor at 5:00 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

**ROLL CALL**

Present: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan  
Absent: Council Member Leece

**PUBLIC COMMENTS ON CLOSED SESSION ITEMS - NONE**

**CLOSED SESSION**

The City Council and the Successor Agency to the Redevelopment Agency recessed into closed session at 5:05 p.m. to consider the following items:

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 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 legal counsel regarding existing litigation: John Doe v. City of Costa Mesa, District Court for the Central District of California, Case No. SACV12-1665-AG (RNBx), pursuant to Government Code Section 54956.9(a).

The City Council and the Successor Agency to the Redevelopment Agency reconvened at 6:00 p.m.

**CALL TO ORDER (00:00:14)**

**PLEDGE OF ALLEGIANCE – Led by Council Member Leece (00:00:21)**

## **MOMENT OF SOLEMN EXPRESSION**

Father Norbert, St. John the Baptist Church (00:00:43)

## **CITY ATTORNEY CLOSED SESSION REPORT (00:02:26) - NONE**

## **ROLL CALL (00:02:34)**

Present: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan.

Absent: Council Member Leece

Officials Present: Chief Executive Officer Thomas R. Hatch, Assistant City Attorney Kimberly Hall Barlow, Assistant Chief Executive Officer Rick Francis, Economic and Development Services Director Peter Naghavi, Assistant Development Services Director Claire Flynn, Public Services Director Ernesto Munoz, Finance and I.T. Director Bobby Young, Public Affairs Manager Bill Lobdell, Transportation Services Manager Raja Sethuraman, and City Clerk Brenda Green

## **PRESENTATIONS (00:03:45)**

Costa Mesa Community Run check presentation. (00:04:15)

## **ANNOUNCEMENTS (00:10:01)**

Costa Mesa Minute was played featuring upcoming events and activities in the community. (00:10:07)

## **PRESENTATIONS (00:13:22)**

Mayor's Award to Sister Mary Vianney Ennis, Principal, St. John the Baptist School. (00:13:25)

## **PUBLIC COMMENTS (00:24:56)**

Edward Carmona, Costa Mesa, spoke about an alcohol and drug rehabilitation center opening at 725 Center Street. (00:25:17)

Mary Jo Baretich, Huntington Beach, spoke on an ordinance for mobile home park conversions. (00:26:43)

Bob Dugan, Costa Mesa, spoke on the poor street conditions near his home. (00:28:56)

Jeff Arthur, Costa Mesa, spoke about the City's website and pensions. (00:29:55)

Mike Harmanos, Costa Mesa, commented on the use of contract building inspectors. (00:30:31)

Speaker, Anchor Trailer Port Mobilehome Park resident, Costa Mesa, spoke on the difficulty of relocating to another park. (00:32:18)

Andrea Burns, Costa Mesa, Anchor Trailer Port Mobilehome Park resident, spoke on relocation efforts; and lack of action on behalf of the park management. (00:36:05)

Maria McCarty, Costa Mesa, Anchor Trailer Port Mobilehome Park resident, spoke on the relocation efforts; relocation counselor; and conflicting CIR information. (00:37:03)

Jay Photoglou, Costa Mesa, requested Council to review documents he wanted to present at the meeting. (00:41:32)

Perry Valentine, Costa Mesa, requested more information about the Civic Openness in Negotiations ordinance. (00:43:17)

James Bridges, Costa Mesa, spoke about the Pension Oversight Committee; the Charter; and homeless issues. (00:44:20)

James Proctor, Costa Mesa, spoke about his rights and freedom. (00:46:13)

Jay Photoglou, Costa Mesa, commented on his dispute with the police. (00:49:38)

Discussion ensued to address issues raised during public comments. (00:55:28)

### **COUNCIL MEMBER' REPORTS, COMMENTS, AND SUGGESTIONS (01:06:40)**

Council Member Monahan requested estimated completion date for Eastside street improvements and status of the Red Hill project; and spoke on the budget for sidewalk repairs. (01:06:45)

Mayor Righeimer spoke on the Mayor's Dinner. (01:08:47)

Mayor Pro Tem Mensinger spoke on the Mesa Verde Classic; and played a short video on Costa Mesa United. (01:11:12)

Council Member Genis spoke on Mesa Water; requested staff to follow up on Anchor Trailer Port Mobilehome Park; signage on Harbor Blvd.; and the upcoming Art Walk event. (01:14:40)

### **REPORT – CHIEF EXECUTIVE OFFICER (CEO) (01:17:57)**

CEO Hatch spoke on Lions Park issues; and the Costa Mesa High School cheerleading team. (01:17:59)

**CONSENT CALENDAR (01:20:20)**

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 13 except for Items 3, 4, 10, 11, and 13.

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger

The motion carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece.

Motion carried: 4-0

**1. READING FOLDER**

(a) Claims received by the City Clerk: Jeffrey Swallow; Valerie Fletcher; William Martin: Wendy Connolly.

(b) Requests for Alcohol Beverage Control licenses:

For Cal Coast Inc., dba Baker/ARCO, at 3003 Newport Boulevard, an original State Alcoholic Beverage Control (ABC) License Type "21" (Off-Sale General).

For City Wide Entertainment, Inc., dba Sutra Nightclub, at 1870 Harbor Boulevard, Suite A-200, a person-to-person transfer of a State Alcoholic Beverage Control(ABC) License Type "48" (On-Sale General, Public Premise), a Type "58" (Caterer Permit), a Type "68" (Portable Bar), and a Type "77" (Event Permit).

For Blessed Black Wings, LLC, dba Commissary Lounge, at 2968 Randolph Avenue, a premise-to-premise transfer of a State Alcoholic Beverage Control (ABC) License Type "48" (On-Sale General, Public Premise).

For Vivante Westside, LLC, dba Vivante On The Coast, at 1640 Monrovia Avenue, an original State Alcoholic Beverage Control (ABC) License Type "47" (On-Sale General, Eating Place), a Type "57" (Special On-Sale General), and a Type "58"(Caterer Permit).

**ACTION:** Received and filed.

**2. MINUTES:** Special Study Session May 31, 2011.

**ACTION:** Approved.

**5. AGREEMENTS FOR RIGHT-OF-WAY ACQUISITION FOR THE HARBOR BOULEVARD WIDENING PROJECT FROM LAW COURT TO SUNFLOWER AVENUE**

**ACTION:**

- 1) City Council approved the Purchase Agreements and Escrow Instructions for the acquisition of partial "sliver" portions of property at the following addresses:
  1. 3390 Harbor Boulevard (northerly parcel), owned by Harbor Associates.
  2. 3390 Harbor Boulevard (southerly parcel), owned by CJ Segerstrom & Sons.
- 2) Authorized the Mayor and Interim City Clerk to sign the purchase agreements.
- 3) Approved Budget Adjustment 13-016 in the amount of \$400,000 to purchase the above sliver acquisitions from Measure M2 and Traffic Impact Fee Funds.
- 4) Authorized the Interim City Clerk to accept and record the easements.

**6. APPROVE THE PURCHASE OF FIVE FORD POLICE INTERCEPTOR UTILITY AND FIVE 2013 FORD POLICE INTERCEPTOR SEDAN VEHICLES**

**ACTION:** Item withdrawn from agenda.

**7. AGREEMENTS FOR RIGHT-OF-WAY ACQUISITION FOR THE HARBOR BOULEVARD/ADAMS INTERSECTION IMPROVEMENT PROJECT**

**ACTION:**

- 1) City Council approved the purchase agreement and escrow instructions for the acquisition of partial "sliver" portions of property at the following addresses:
  1. 1500 Adams Avenue, owned by 1500 Adams Ave., L.P.
  2. 1534 Adams Avenue, owned by Sparks Enterprises.
  3. 1545 Adams Avenue, owned by M.V. Partners.
  4. 2790 Harbor Boulevard, owned by Maureen Elizabeth Lefebvre, Trustee
  5. 2799 Harbor Boulevard, owned by C.J. Segerstrom & Sons.
  6. 2800 Harbor Boulevard, owned by Karahadian Ranches, Inc.
  7. 2801 Harbor Boulevard, owned by Ying & Vincent Fok, INnc.
  8. 2828 Harbor Boulevard, owned by Connell Properties.

- 2) Authorized the Mayor and Interim City Clerk to sign the purchase agreements.
- 3) Approved Budget Adjustment 13-107 in the amount of \$420,000 to purchase the above sliver acquisitions from Measure M2 and Traffic Impact Fee Funds.
- 4) Authorized the Interim City Clerk to accept and record the easements.

## **8. IN-CAR VIDEO RECORDING SYSTEM FOR PATROL VEHICLES**

### **ACTION:**

- 1) City Council approved and authorized the CEO to sign the purchase agreement in the amount of \$321,203.87 for the upgrade of 49 in-car digital video recording systems for the Police Department, with L3 Communications, Mobile-Vision, Inc., 90 Fanny Road, Boonton, NJ 07005; and
- 2) Approved Budget Adjustment (BA #13-018) to appropriate undesignated fund balance in the Narcotics Asset Forfeiture Fund in the amount of \$321,203.87 for the upgrade of the in-car digital video recording system.

## **9. PURCHASE OF SIX (6) HONDA POLICE MOTORCYCLES**

**ACTION:** Item withdrawn from agenda.

## **12. THIRD PARTY WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES**

### **ACTION:**

- 1) Awarded the contract for Third Party Workers' Compensation Claims Administration Services per Request for Proposal (RFP) to AdminSure, Inc.; and
- 2) Authorized the Mayor and City Clerk to execute the Professional Services Agreement for the contract; and
- 3) Authorized the City CEO to extend the contract for two additional one-year terms applicable.

**ITEMS REMOVED FROM THE CONSENT CALENDAR (01:22:22)**

- 3. WARRANT RESOLUTION 2459: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 13-02A AND 13-03 AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 13-02A for \$1,451.89, Payroll No. 13-03 for \$2,026,728.18 and City operating expenses for \$477,233.72, including payroll deductions. (01:22:23)**

Public Comments:

Tamar Goldmann, Costa Mesa, spoke to Items 3, 4, and 13; expressed concern over legal fees; and commented on COIN. (01:22:38)

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger

The motion carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Approved Items 3, 4 and 13.

- 4. WARRANT RESOLUTION 2460: 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 \$582,232.05.**

**ACTION:** Approved

- 13. APPOINTMENT OF REPRESENTATIVES PER THE COIN ORDINANCE TO NEGOTIATE THE CONTRACT WITH CMCEA (01:32:38)**

**ACTION:** Formally approved the designation of Richard M. Kreisler as the principal representative negotiating on behalf of the City of Costa Mesa (City); and Rick Francis, Assistant CEO, as the City's representative.

10. **RESOLUTION ESTABLISHING RECEIPT AND DISTRIBUTION POLICY REGARDING TICKETS AND/OR PASSES IN CONFORMANCE WITH THE CALIFORNIA CODE OF REGULATIONS § 18944.1 AS RECENTLY AMENDED BY THE FAIR POLITICAL PRACTICES COMMISSION (01:24:40)**

**MOTION/SECOND:** Council Member Genis/Council Member Monahan  
Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan  
Noes: None  
Absent: Council Member Leece  
Motion carried: 4-0

**ACTION:** City Council continued the item to a future meeting.

11. **AUTHORIZE THE ISSUANCE OF A REQUEST FOR PROPOSAL FOR A PERFORMANCE AUDIT OF THE COSTA MESA COUNTRY CLUB (01:25:26)**

CEO Hatch spoke on the Annual Performance Audit Program; and the financial audit of the Costa Mesa Country Club. (01:25:33)

Public Comments:

Eleanor Egan, Costa Mesa, spoke about transparency and communications with potential operators. (01:26:57)

Alan Remington, Costa Mesa, spoke about the Costa Mesa Golf and Country Club. (01:27:36)

Ex parte communications: (01:29:31)

Mayor Pro Tem Mensinger stated he spoke with the current operators.

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger  
The motion was carried by the following roll call vote:  
Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan  
Noes: None  
Absent: Council Member Leece  
Motion carried: 4-0

**ACTION:** City Council authorized the Public Services Department to proceed with a Request for Proposal (RFP) for consultant services to conduct a performance audit of the Costa Mesa Golf and Country Club.



**13. APPOINTMENT OF REPRESENTATIVES PER THE COIN ORDINANCE TO NEGOTIATE THE CONTRACT WITH CMCEA (01:32:40)**

Mayor Righeimer indicated that the item should not have been voted on earlier, and made a motion to reconsider the item. (01:32:40)

**MOVED/SECOND:** Mayor Righeimer/Council Member Genis

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Approved reconsider of Item No. 13

Public Comments:

James Bridges, Costa Mesa, requested clarification on selection process. (01:32:59)

Tamar Goldmann, Costa Mesa, inquired a salary or fee for Mr. Kreisler; salary for Public Affairs Manager Bill Lobdell; and the golf course audit. (01:34:35)

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Formally approved the designation of Richard M. Kreisler as the principal representative negotiating on behalf of the City of Costa Mesa (City); and Rick Francis, Assistant CEO, as the City's representative.

**SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY  
(01:37:00)**

**NEW BUSINESS (01:37:05)**

**1. REVIEW AND APPROVAL OF THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR THE 13-14A SIX-MONTH FISCAL PERIOD OF JULY 1, 2013 TO DECEMBER 31, 2013 (01:37:17)**

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Adopted Successor Agency Resolution No. 13-14A approving the Successor Agency's Administrative Budget for the 13-14A Six-month Fiscal Period subject to Submittal to and Approval by the Oversight Board pursuant to the Dissolution Act.

**2. REVIEW AND APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 13-14A SIX-MONTH FISCAL PERIOD OF JULY 1, 2013 TO DECEMBER 31, 2013 (01:38:32)**

**MOVED/SECOND:** Mayor Pro Tem Mensinger/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Adopted Successor Agency Resolution No. 13-14A approving Recognized Obligation Payment Schedule for the 13-14A six-month fiscal period of July 1, 2013 to December 31, 2013 ("ROPS 13-14A"), subject to submittal to and review by the Oversight Board and then Department of Finance (DOF). Further, the Assistant Finance Director, in consultation with legal counsel, shall be authorized to request and complete meet and confer session(s) with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

**3. UPDATE FROM SUCCESSOR AGENCY STAFF REGARDING DISSOLUTION ACT MATTERS (01:39:20)**

Staff report by Bobby Young, Finance and I.T. Director; and Celeste Brady, Special Counsel. (01:39:22)

**MOVED/SECOND:** Council Member Genis/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Received report.

**END OF SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AGENDA**

Mayor Pro Tem Mensinger requested to consider New Business Items 2 and 8 out of order. (01:42:15)

**NEW BUSINESS (01:42:47)**

**2. RESOLUTION OF SUPPORT WITH COSTA MESA COMMUNITY ATHLETIC FOUNDATION (COSTA MESA UNITED) AND FUNDING COMMITMENT FOR CAPITAL IMPROVEMENTS OF SPORTS FACILITIES AT COSTA MESA AND ESTANCIA HIGH SCHOOLS (01:42:58)**

Mayor Pro Tem Mensinger disclosed he is a volunteer and board member of Costa Mesa United and recused himself. (01:43:18)

Staff report by CEO Hatch. (01:43:40)

Discussion ensued regarding Costa Mesa United; administrative costs; allocation of funds; working directly with the schools; specific projects; competitive bids; and website information. (01:47:17)

Public Comments:

Colin McCarthy, Costa Mesa, Board Secretary of Costa Mesa United, spoke about the organization; proposed partnership; and future plans. (01:54:09)

Kim Pedersen, Costa Mesa, spoke in support of the resolution. (01:56:42)

Frank Albers, Costa Mesa, Costa Mesa High School, spoke in support of the resolution. (01:57:52)

Devin Lucas, Costa Mesa, Costa Mesa United Board Member, stated he supports this item, and reassured everyone the dollars will be well spent. (01:59:11)

**MOTION/SECOND:** Council Member Monahan/Council Member Genis

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Council Member Monahan, and Council Member Genis

Noes: None

Absent: Council Member Leece

Abstain: Mayor Pro Tem Mensinger

Motion carried: 3-0-1

**ACTION:**

- 1) City Council adopted Resolution 13-05, supporting the Costa Mesa Community Athletic Foundation ("Costa Mesa United") and funding commitment for capital improvements of sports facilities at Estancia and Costa Mesa High Schools; and
  - 2) Authorized the CEO to execute an agreement with Costa Mesa United for a Capital Improvement Grant Program and any project specific agreements that may be necessary in the future.
8. **REQUEST FOR AMENDMENTS TO COUNCIL POLICY 400-2 REGULATIONS GOVERNING FIREWORKS (02:01:17)**

Staff report by CEO Hatch. (02:02:10)

Discussion ensued regarding rent control; and the quantity of fireworks a stand can purchase to sell. (02:13:24)

Assistant City Attorney Hall Barlow suggested adding, "The maximum cost an approved user group will pay to a firework provider for site rental will be \$1,000 for the duration of firework sales." (02:15:00)

Public Comments:

Lou DeSandro, Costa Mesa, spoke in support of the revisions. (02:16:40)

Bruce Crochman, Costa Mesa, spoke in support of the revisions. (02:18:32)

Scott McCloud, Costa Mesa, spoke in support of the revisions. (02:21:57)

Janet Crochman, Costa Mesa, spoke in support of the revisions except for the limit on space rental. (02:22:50)

Colin McCarthy, Costa Mesa, spoke on firework profit misconceptions; and in support of 25 firework stands. (02:26:05)

John McLuckey, Costa Mesa, spoke in support of 25 firework stands. (02:28:28)

Dr. Phil D'Agostino, Principal of Costa Mesa High School, spoke in support of the revisions. (02:29:55)

Brett Eckles, Costa Mesa, spoke in support of fireworks and the changes. (02:32:10)

Council Member Genis requested staff to research a global policy for permit fee waivers for nonprofits. (02:42:12)

**MOTION/SECOND:** Mayor Pro Tem Mensinger/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** City Council approved the following changes to Council Policy 400-2, which deals with the sale of fireworks within the City of Costa Mesa:

1. Remove language in Regulation No. 2 that states, "...or Activities Director";
2. Add language to Regulation No. 2 to read, "...and must certify that the organization is a tax exempt charity, non-profit, or organization under State or Federal Law in good standing.";
3. Remove language in Regulation No. 5 that states, "The 80% requirement shall not apply to post-twelfth-grade schools located in Costa Mesa.";
4. Replace the currently language in Regulation No. 6 to, "Currently, Council Policy 400-2 allows no more than 40 permits for firework sale stands to be issued annually for the 4th of July holiday. As of July 1, 2012, the City issued 38 firework sale stand permits. The Council, through attrition, desires to reduce the maximum allowed firework sale stand permits issued annual to 25. All user groups who were issued permits for the July 4th 2012 holiday will continue to be eligible to receive a permit until such time as the group relinquishes rights to the permit (even if the total is over the 25 permit limit). If less than 25 permits in any year are issued, the Finance Department will use a lottery system to allocate the remaining permits to the user groups that have been placed on a waiting list.";
5. Add language to Regulation No. 8 to read, "All approved permits, along with certifying documents, shall be posted on the City's website 30 days prior to the 4<sup>th</sup> of July";

6. Add Regulation No. 14: "The maximum cost an approved user group will pay to a firework provider in the City of Costa Mesa will be \$1,000 for the duration of firework sales, exclusive of insurance."; and
7. Add Regulation No. 15: "The City of Costa Mesa shall waive all permit fees for firework stands."

City Council recessed for a break at 8:45 p.m.

City Council reconvened the meeting at 8:55 p.m.

## **OLD BUSINESS (02:55:30)**

### **1. APPOINTMENT OF PLANNING COMMISSIONERS (02:55:33)**

Staff report by City Clerk Brenda Green. (02:55:34)

**MOTION:** Appoint Colin McCarthy to a four-year term

**MOVED/SECOND:** Council Member Monahan/Mayor Righeimer

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**MOTION:** Appoint Tim Sesler to a four-year term

**MOVED/SECOND:** Mayor Righeimer/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**MOTION:** Appoint Daniel Hoffman to a two-year term

**MOVED/SECOND:** Council Member Genis

Motion failed for lack of a second.

**MOTION:** Appoint Jim Fitzpatrick to a two-year term

**MOVED/SECOND:** Mayor Pro Tem Mensinger/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**NEW BUSINESS (03:01:54)**

**1. GENERAL PLAN SCREENING GPS-13-01 FOR PROPOSED 236-UNIT RESIDENTIAL APARTMENT PROJECT AT 125 E. BAKER STREET (03:02:01)**

Staff report by Minoo Ashabi, Senior Planner. (03:02:20)

Ex parte communications: (03:07:44)

Council Member Genis stated she met with Alex Wong and Joseph Flannagan of Red Oak Investments who shared project information and answered questions. (03:07:54)

Mayor Pro Tem Mensinger stated he met with Mr. Wong and Mr. Flannagan at City Hall about the staff report. (03:08:15)

Council Member Monahan stated he met with Mr. Flannagan. (03:08:29)

Mayor Righeimer stated he met with Mr. Flannagan. (03:08:32)

Public Comments:

Mark Ridley, Costa Mesa business owner, expressed concern over traffic and parking issues. (03:09:11)

Gary Lucas, Costa Mesa business owner, spoke in opposition to the project. (03:12:35)

Bill Dunlap, Costa Mesa, spoke in favor of the project. (03:14:50)

Beth Refakes, Costa Mesa, suggested that the public be provided a project rendering in the future. (03:16:11)

Dan Hurd, Costa Mesa business owner, expressed concern over street parking and traffic; and is opposed to the project. (03:17:22)

Julie Yuan, Costa Mesa business owner, spoke in opposition to the project. (03:18:40)

Jim Horian, Costa Mesa business owner, expressed concerns over traffic and commercial deliveries. (03:19:58)

Ann Lucas, Costa Mesa business owner, expressed concern regarding noise and traffic. (03:21:13)

Joe Flannagan, Applicant, Red Oak Investments, spoke about the project. (03:22:41)

Alex Wong, Applicant, Red Oak Investments, commended the City for their forward thinking and consideration; urban sprawl; housing near jobs; and traffic study results. (03:24:10)

Discussion ensued regarding a wrap concept; traffic concerns; parking issue; studies that need to be done; and similar projects already approved by the Council. (03:27:08)

Mayor Righeimer spoke on existing businesses having residential neighbors; truck traffic; the site being surrounded by a freeway and a street; and spoke in support of moving forward. (03:30:47)

Council Member Genis spoke in support of the project, and commented on the function of intersections, buffer, and density. (03:32:25)

**MOVED/SECOND:** Council Member Monahan/Mayor Pro Tem Mensinger

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** City Council accepted General Plan amendment request for processing to amend the land use designation from Industrial Park to Planned Development Residential related to development of a 236-unit apartment complex project.

**3. ESTABLISHMENT OF THE INFORMATION TECHNOLOGY REPLACEMENT FUND, ESTABLISHMENT OF A LOAN BETWEEN THE GENERAL FUND AND THE EQUIPMENT REPLACEMENT FUND AND BUDGET AUTHORIZATION FOR INFORMATION TECHNOLOGY INFRASTRUCTURE UPGRADES (03:33:48)**

Staff report by Bobby Young, Finance and I.T. Director. (03:34:21)

Council Members disclosed that no ex parte communications had taken place with Hewlett Packard, Oracle, Microsoft, and IBM regarding New Business Items 3-6. (03:45:55)

Discussion ensued regarding the loan agreement; computer systems in the police cars; off-site storage and CLOUD computing; and an emergency back-up system. (03:47:13)



Public Comments:

Jeff Arthur, Costa Mesa, spoke in support of the project. (04:07:05)

Beth Refakes, Costa Mesa, spoke in support of the project. (04:10:15)

Tamar Goldmann, Costa Mesa, spoke in support of the upgrade. (04:13:14)

Council Member Monahan asked that each recommendation be voted on separately. (04:15:06)

Council Member Genis noted the importance updated technology. (04:15:23)

**MOVED/SECOND:** Council Member Genis/Mayor Pro Tem Mensinger  
The motion was carried by the following roll call vote:  
Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan  
Noes: None  
Absent: Council Member Leece  
Motion carried: 4-0

**ACTION:** City Council directed staff to establish the Information Technology (I.T.) Replacement Fund.

Council Member Monahan expressed concern regarding the loan agreement. (04:16:07)

**MOVED/SECOND:** Council Member Genis/Mayor Pro Tem Mensinger  
The motion was carried by the following roll call vote:  
Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, and Council Member Genis  
Noes: Council Member Monahan  
Absent: Council Member Leece  
Motion carried: 3-1

**ACTION:** City Council directed staff to establish a loan agreement between the General Fund and Informational Technology Replacement Fund.

**MOVED/SECOND:** Council Member Monahan/Council Member Genis  
The motion was carried by the following roll call vote:  
Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan  
Noes: None  
Absent: Council Member Leece  
Motion carried: 4-0

**ACTION:** City Council authorized the initial appropriation of monies for citywide Information Technology upgrades in the amount of \$1,734,728.

**4. PURCHASE OF COMPUTER NETWORKING EQUIPMENT FOR ALL CITY FACILITIES FROM GOVPLACE (04:18:16)**

Staff report by Bobby Young, Finance and I.T. Director. (04:18:20)

Discussion ensued regarding sole source selection; relationship with the vendor; networking needs; equipment; security and compliance; timeline; and the need to upgrade technology. (04:18:25)

Public Comments:

Jeff Arthur, Costa Mesa, spoke about conflict of interest and contract pricing. (04:30:08)

Mayor Pro Tem Mensinger stated the importance of technology; and commented on the growing costs of technology. (04:32:06)

Mayor Righeimer indicated technology has to be updated; stated he wants more information processed online; and spoke in support of the item. (04:32:59)

**MOVED/SECOND:** Mayor Pro Tem Mensinger/Council Member Genis

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** City Council approved and authorized the CEO to sign the purchase agreement in the amount of \$287,228.07 for the computer networking equipment for all City facilities, with GovPlace, 18101 Pierce Street, Suite 200, Riverside, CA 92505.

**5. SUPPORT AGREEMENT WITH HEWLETT PACKARD (04:35:14)**

Based on the approval of New Business Item No. 4, Finance and I.T. Director Bobby Young recommended that the City Council not vote on the item at this time, and allow staff to come back at a future date with a recommendation for a different provider for support. (04:35:17)

Discussion ensued concerning temporary coverage and outside consultants for support. (04:38:10)

**MOTION/SECOND:** Council Member Monahan/Council Member Genis

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** Item withdrawn from the agenda.

**6. RENEWAL OF THE ORACLE/PEOPLESOFT SUPPORT SERVICE CONTRACTS (04:39:46)**

Staff report by Bobby Young, Finance and I.T. Director. (04:39:53)

Discussion ensued regarding a 30-day buy-out of the renewal; and data interaction. (04:42:17)

**MOTION/SECOND:** Mayor Righeimer/Council Member Monahan

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

Motion carried: 4-0

**ACTION:** City Council authorized the City CEO or his designee to sign the Support Agreement/Ordering Documents with Oracle Corporation, 1001 Sunset Boulevard, Rocklin, California 95765, covering the period from March 1, 2013 through February 28, 2014, in the amount of \$196,091.50.

**7. REQUEST TO ESTABLISH A COMMITTEE TO EVALUATE ANNUAL PENSION OVERSIGHT ISSUES (04:47:21)**

Mayor Pro Tem Mensinger spoke about transparency, and creating a pension oversight committee. (04:47:45)

Discussion ensued regarding pension and compensation packages; adequate reserves; PERS; unfunded pension liability; committee application process; staff resources and involvement; funding for this committee; and inherent risk for public employees. (04:49:43)

Public Comments:

Beth Refakes, Costa Mesa, spoke in support of the committee formation, and expressed concern regarding residents who are also employees. (05:04:17)

Jeff Arthur, Costa Mesa, spoke in support of the committee formation, and commented on retiree medical expenses. (05:06:50)

Perry Valentine, Costa Mesa, expressed concern on a citizen committee; paying actuaries for qualified advice; and the appointing process. (05:08:19)

Tamar Goldman, Costa Mesa, stated this committee is not necessary; commented on time and employee sensitivity; and pension. (05:11:08)

Jamie Newton, Representative with Orange County Employees Association, spoke on employees partnering with the City; and being part of the committee. (05:13:17)

Mayor Pro Tem Mensinger requested adding "Unfunded Medical Liability" to #3 of the Task/Objectives, and changing the language to read, "Review negotiated pension packages as it relates to compensation and also review unfunded medical liability." (05:14:44)

**MOTION/SECOND:** Council Member Monahan/Council Member Genis

The motion was carried by the following roll call vote:

Ayes: Mayor Righeimer, Mayor Pro Tem Mensinger, Council Member Genis, and Council Member Monahan

Noes: None

Absent: Council Member Leece

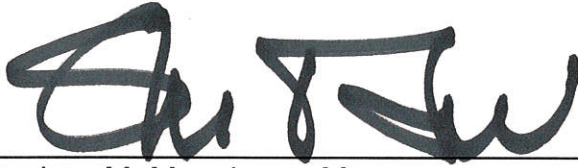
Motion carried: 4-0

**ACTION:** Established a committee to evaluate annual pension oversight issues; directed staff to advertise for nine at-large members from the community and include additional language for unfunded medical liability.

**REPORT – CITY ATTORNEY - NONE**


**ADJOURNMENT – To Special Study Session, February 26, 2013, 6:00 p.m.**

The Mayor adjourned the meeting at 11:28 p.m.



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Stephen M. Mensinger, Mayor



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Brenda Green, City Clerk