

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

December 4, 2012

CALL TO ORDER (00:00:18) – The Mayor called the meeting to order.

PLEDGE OF ALLEGIANCE (00:00:32) – Council Member Leece

MOMENT OF SOLEMN EXPRESSION (00:00:00) None

ROLL CALL (00:01:00)

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

Absent: None

ANNOUNCEMENTS (00:01:14)

"Costa Mesa Minute" was played featuring upcoming events and activities in the community.

PRESENTATIONS (00:00:00) None

PUBLIC COMMENTS (00:04:20)

Jeff Arthur, Costa Mesa, spoke on unfunded pension liabilities. (00:04:28)

Sue Lester, Costa Mesa, spoke on the importance of the community leaders working together to create positive solutions; and referenced the lay off notices. (00:07:52)

Don Harper, Costa Mesa, spoke on unfunded pension liabilities; and requested 5-10 year projections. (00:11:33)

Jeff Matthews, Costa Mesa, agreed with the suggestion of 5-10 year projections; and wished Peter Nagavi farewell, congratulated newly elected council members, and thanked Mayor Bever for his service. (00:12:51)

Beth Refakes, Costa Mesa, congratulated recently elected council members and thanked Mayor Bever and Peter Nagavi for their work; spoke on calming measures on Broadway; and the need for new video equipment in the Council Chambers. (00:14:07)

Terry Koken, Costa Mesa, congratulated newly elected council members; and supports a charter commission. (00:16:42)

John Feeney, Costa Mesa, expressed thanks to Peter Nagavi and Mayor Bever for their service to the City. (00:18:17)

Jennifer Muir, Orange County Employee's Association, congratulated newly elected council members and looks forward to working with the new council. (00:20:35)

Perry Valentine, Costa Mesa, congratulated all new and returning council members; expressed desire for everyone to work together for the community; congratulated Peter Nagavi; and spoke on an elected citizen charter commission. (00:21:19)

James Bridges, Costa Mesa, spoke on a charter. (00:24:44)

Cindy Brenneman, Costa Mesa, congratulated newly elected council members; expressed thanks to Peter Nagavi and Mayor Bever; spoke on the recent Run at the Fairgrounds; and invited the public to the First Friday Road Show. (00:27:36)

Phil Morello, Costa Mesa, congratulated newly elected council members; thanked Peter Nagavi and Mayor Bever for their service. (00:30:44)

Kimberly Mimms, congratulated council members; thanked Mayor Bever for his service; and requested help from the community to get the "bullying warriors" story out. (00:32:19)

Speaker, spoke on the recent election. (00:36:50)

Robin Leffler, congratulated newly elected council members; and spoke on limiting citizens' speech at council meetings. (00:37:36)

Chris Eric, Costa Mesa, congratulated newly elected council members; and thanked Peter Nagavi and Mayor Bever for their service. (00:38:46)

COUNCIL MEMBER' REPORTS, COMMENTS, AND SUGGESTIONS

Mayor Eric R. Bever spoke on what an honor it was to serve the community; thanked supporters in the community as well as Peter Nagavi and all city staff for all their work; and spoke about the challenge and the fun it was working with his peers. (00:41:21)

Mayor Pro Tem Jim Righeimer congratulated the winners of the election as well as all who ran; thanked the candidates' families for their contribution; thanked Mayor Bever for his leadership on the I-405 toll lane issue. (00:43:46)

Council Member Wendy Leece congratulated newly elected members; referenced the election results and the defeat of the charter; thanked Mayor Bever for his hard work; thanked all who attend the council meetings; referenced the unfunded pension liabilities; requested that Mr. Hatch provide an overview of the 60th anniversary celebration planning committee process; referenced the Costa Mesa Recreation Guide; welcomed the students from the program MICA and requested support for the after school programs. (00:48:49)

Council Member Stephen Mensinger spoke about Mayor Bever's character and leadership; thanked his family and supporters for help during the election; congratulated council members and candidates; referenced the campaign issues; encouraged young people to get involved; and thanked Peter Nagavi for all his work. (00:55:02)

Council Member Gary Monahan thanked Peter Nagavi for all his work; congratulated all the candidates in the election; thanked citizens for their involvement; thanked his family for their support; and thanked Mayor Bever for his service. (01:01:32)

GENERAL MUNICIPAL ELECTION (01:05:19)

Staff Report on Election Results – Brenda Green, City Clerk (01:05:54)

Election was held on November 6, 2012; 3 council member seats were open; a measure was placed on the ballot; 8 candidates qualified for the ballot; the 3 individuals with the most votes were Sandra Genis, Steve Mensinger, and Gary Monahan; majority of the voters who voted on Measure B did not vote in favor of it and it shall not be deemed adopted; recommended action is to adopt the following resolution.

MOTION: To adopt the resolution

MOVED/SECOND: Mayor Pro Tem Righeimer/Council Member Leece
The motion carried unanimously.

ACTION:

- 1. City Council adopted, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA CALIFORNIA, RECITING THE FACTS OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 6, 2012; DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW".**
- 2. ADMINISTRATION OF OATH OF OFFICE FOR THE NEWLY-ELECTED CITY COUNCIL MEMBERS. (01:09:34)**

City Clerk Brenda Green gave the oath of office to Sandra Genis.

Council Member Genis thanked everyone who helped with the campaign; she stated she is committed to having Costa Mesa's best interest at heart; and is looking forward to working with her fellow council members.

City Clerk Brenda Green gave the oath of office to Stephen Mensinger.

Council Member Mensinger thanked those who helped on the campaign; will work closely with fellow council members to get things done; and determined to make Costa Mesa a better place.

City Clerk Brenda Green gave the oath of office to Gary Monahan.

Council Member Monahan thanked everyone who helped in the campaigns; and promised to do everything he can to help improve Costa Mesa.

3. ELECTION OF MAYOR AND MAYOR PRO TEM (01:18:06)

City Clerk Brenda Green opened the floor for nominations for Mayor.

Council Member Monahan nominated Jim Righeimer for Mayor. Council Member Mensinger seconded the nomination.

Council Member Genis nominated Wendy Leece for Mayor. Council Member Leece seconded the nomination.

There being no other nominations, the City Clerk called for a motion to close the nominations.

MOTION: To close the nomination period.

MOVED/SECOND: Council Member Leece/Council Member Mensinger
The motion carried unanimously.

The City Clerk opened the floor for public comments.

Mr. Fitzpatrick, congratulated newly elected members; thanked Peter Nagavi; and spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (01:19:50)

Debbie Koken, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:22:35)

Robert Dixon, Costa Mesa, spoke in support of Jim Righeimer for Mayor; and thanked Mayor Bever for his service. (01:23:05)

Terry Koken, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:24:18)

Jay Humphrey, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:25:23)

Colin Melott, Costa Mesa, Vanguard student, spoke in support of Wendy Leece for Mayor. (01:26:54)

Mary Ann O'Connell, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:28:10)

Eleanor Egan, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:28:52)

Alan Remington, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:30:07)

James Bridges, Costa Mesa, spoke in support of Wendy Leece for Mayor and Jim Righeimer for Mayor Pro Tem. (01:30:55)

Bonnie Copeland, Costa Mesa, spoke in support of Wendy Leece for Mayor and Jim Righeimer for Mayor Pro Tem. (01:32:08)

Sue Lester, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:33:29)

Cindy Brennaman, Costa Mesa, spoke in support of Wendy Leece for Mayor and Jim Righeimer for Mayor Pro Tem. (01:35:37)

Joy Williams, spoke in support of Wendy Leece for Mayor. (01:37:01)

Howard Lee, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:37:46)

Devon Lucas, Costa Mesa, congratulated newly elected members and spoke in support of Jim Righeimer for Mayor. (01:39:30)

Robin Leffler, Costa Mesa, spoke in support of Wendy Leece for Mayor and Jim Righeimer for Mayor Pro Tem. (01:40:37)

Tom Pollitt, Costa Mesa, spoke in support of Jim Righeimer for Mayor. (01:43:11)

Mike Bargas, Costa Mesa, congratulated newly elected council members and spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (01:44:31)

Perry Valentine, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:46:39)

Kimberly Mimis, spoke in support of Wendy Leece for Mayor. (01:49:11)

Tim Sessler, Costa Mesa, spoke in support of Jim Righeimer for Mayor. (01:52:32)

Joan Morrow, Costa Mesa, spoke in support of Wendy Leece for Mayor. (01:54:29)

Sean Patterson, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (01:55:07)

Robert Mertha, spoke in support of Jim Righeimer for Mayor. (01:55:44)

Rick Gabco, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (01:57:38)

Chuck Perry, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem and congratulated Sandy Genis on her election. (01:58:44)

Harold Weitzberg, Costa Mesa, spoke in support of Wendy Leece for Mayor and Jim Righeimer for Mayor Pro Tem. (01:59:52)

Dennis Popp, Costa Mesa, congratulated newly elected members and spoke in support of Jim Righeimer for Mayor. (02:00:47)

Terri Fuqua, Costa Mesa, spoke in support of Wendy Leece for Mayor. (02:01:36)

Rich Reiser, Costa Mesa, spoke in support of Wendy Leece for Mayor. (02:02:03)

Robert Mertha, Costa Mesa, spoke in support of Jim Righeimer for Mayor. (02:02:55)

Hunter Mensinger, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:03:59)

John Woods, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:04:21)

Speaker, congratulated council members and spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:04:48)

Gene Hutchins, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:07:42)

Jeff Matthews, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:11:48)

Eric Bever, Costa Mesa, spoke in support of Jim Righeimer for Mayor and Stephen Mensinger for Mayor Pro Tem. (02:13:14)

The City Clerk closed public comments and opened council member comments. (02:16:45)

Council Member Leece thanked everyone who spoke on her behalf, thanked Council Member Genis for the nomination; she expressed that she would be honored to serve as Mayor of Costa Mesa; and has served as Council Member for 6 years and Mayor Pro Tem for 2 years; and expressed her belief that she should be Mayor. (02:16:48)

Mayor Pro Tem Righeimer spoke on the difficulty the last few years have been for many people in the community; spoke on the unfunded pension liability; and a charter. (02:21:16)

Council Member Genis reminded everyone of the statutory rule of the mayor as being the face of the city and presiding over meetings, but not having more weight in his or her vote; and spoke on the Council working together. (02:27:12)

Council Member Mensinger spoke on working together and toning down the rhetoric; and spoke on the qualities of a leader is sticking to your values and pointed out that Jim Righeimer has done that. (02:32:08)

Council Member Monahan noted that Jim Righeimer was Mayor Pro Tem when he was Mayor and always stepped up when he was needed; and expressed that Mr. Righeimer is the fearless leader that the city needs. (02:36:38)

The City Clerk closed council member comments and called for the vote of Jim Righeimer for Mayor. (02:37:37)

The motion was carried by the following roll call vote:

Ayes: Council Member Righeimer, Council Member Mensinger, Council Member Monahan

Noes: Council Member Leece, Council Member Genis

Absent: None

The motion was carried 3-2

The City Clerk called for the vote of Wendy Leece for Mayor. (02:38:13)

The motion failed by the following roll call vote:

Ayes: Council Member Leece, Council Member Genis

Noes: Council Member Righeimer, Council Member Mensinger, Council Member Monahan

Absent: None

The motion failed 2-3.

Mayor Righeimer opened the floor for nominations for Mayor Pro Tem. (02:39:02)

Council Member Genis nominated Wendy Leece for Mayor Pro Tem. Council Member Leece seconded the nomination.

Council Member Monahan nominated Steve Mensinger for Mayor Pro Tem. Mayor Righeimer seconded the nomination.

There being no other nominations, the Mayor called for a motion to close the nominations.

MOTION: To close the nomination period.

MOVED/SECOND: Council Member Genis/Council Member Leece
The motion carried unanimously.

The Mayor opened the floor for public comments. (02:39:49)

Tim Sessler, Costa Mesa, spoke in support of Steve Mensinger for Mayor Pro Tem; and referenced a campaign flyer produced by Costa Mesans 4 Responsible Govt. (02:40:09)

Howard Lee, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:41:33)

Devon Lucas, Costa Mesa, spoke in support of Steve Mensinger for Mayor Pro Tem. (02:43:04)

Perry Valentine, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:43:43)

Harold Weitzberg, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:45:04)

Mary Ann O'Connell, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:46:23)

Cindy Brennaman, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:47:31)

Joan Morrow, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:48:29)

Mike Bargas, Costa Mesa, spoke in support of Steve Mensinger for Mayor Pro Tem. (02:49:34)

Lena Righeimer, Costa Mesa, spoke in support of Steve Mensinger for Mayor Pro Tem. (02:50:05)

Robin Leffler, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem; and spoke on the candidate involvement in a campaign flyer. (02:50:51)

Terry Koken, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:53:02)

Speaker, spoke in support of Steve Mensinger for Mayor Pro Tem. (02:54:28)

Robert Dixon, Costa Mesa, spoke in support of Steve Mensinger for Mayor Pro Tem. (02:55:31)

Ingrid Flowers, Costa Mesa, spoke in support of Wendy Leece for Mayor Pro Tem. (02:56:13)

The Mayor closed public comments and opened council member comments. (02:57:36)

Council Member Leece pointed out that she is best qualified for Mayor Pro Tem because she has the most experience; and added everyone needs to work together. (02:57:42)

Council Member Mensinger thanked Council Member Monahan and Mayor Righeimer for the nomination of Mayor Pro Tem. (03:01:43)

The Mayor closed council member comments and called for the vote, Wendy Leece for Mayor Pro Tem. (03:03:46)

The motion failed by the following roll call vote.

Ayes: Council Member Leece, Council Member Genis

Noes: Mayor Righeimer, Council Member Mensinger, Council Member Monahan

Absent: None

The motion failed 2-3.

The Mayor called for the vote, of Steve Mensinger for Mayor Pro Tem. (03:04:12)

The motion was carried by the following roll call vote.

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

Noes: Council Member Leece

Absent: None

The motion passed 4-1.

The Council recessed at 9:07pm. (03:05:44)

REPORT-CHIEF EXECUTIVE OFFICER (CEO) (03:41:55)

CEO Thomas Hatch reported on the upcoming 60th Anniversary Celebration and invited the public to the committee meetings; referenced the Costa Mesa Recreation Guide; spoke on the the sign regulation process during the election; thanked Peter Nagavi for his work and his help in the transition; and that staff is assembling goals and strategies for review.

NEW BUSINESS ITEM (03:47:21)

1. RESCHEDULE OF THE JANUARY 1, 2013 CITY COUNCIL MEETING

Reschedule the regularly scheduled City Council meeting of Tuesday, January 1, 2013 to Tuesday, January 8, 2013.

No public comments received.

MOTION/SECOND: Council Member Leece/Mayor Pro Tem Mensinger
The motion carried unanimously.

PUBLIC HEARINGS – (03:48:42)

1. CLOSURE IMPACT REPORT FOR ANCHOR TRAILER PORT/MOBILEHOME PARK, 1527 NEWPORT BOULEVARD

No public comments received.

MOTION/SECOND: Mayor Righeimer/Council Member Monahan

The motion carried unanimously.

ACTION: Item rescheduled for the January 8, 2013 City Council Meeting.

CONSENT CALENDAR (03:49:51)

MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 17 except for Items 4, 6, 9, 10, 11, 12, 13, 14, and 17

MOVED/SECOND: Mayor Righeimer/Council Member Genis
The motion carried unanimously.

1. READING FOLDER

- (a) Claims received by the City Clerk: Kimberly Claytor; Alexis Galindo, Esq. on behalf of Christine Louise Finch

ACTION: Received and processed.

2. MINUTES: REGULAR MEETING OF AUGUST 17, 2010 AND SPECIAL STUDY SESSION OF MAY 24, 2011

ACTION: Approved.

3. WARRANT RESOLUTION 2448: 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 \$1,212,973.03.

ACTION: Approved.

5. ENGINEERING TECH II POSITION

ACTION: Approved. City Council authorized the conversion of the existing Part-time Engineering Tech II Position in the Transportation services Division to Full-time; and directed staff to process a Budget Adjustment to fund the position.

7. MEASURE M2 EXPENDITURE REPORT

ACTION: Approved. City Council adopted the Resolution approving the Renewed Measure M2 Expenditure Report.

8. ACCEPTANCE OF A DONATED PARATRANSIT VEHICLE FROM THE ORANGE COUNTY TRANSPORTATION AUTHORITY SENIOR MOBILITY PROGRAM

ACTION: Approved. City Council accepted the donation of a 2006 Ford Aerotech, Paratransit, 18-Passenger Bus from the Orange County Transportation Authority (OCTA) Senior Mobility Program.

15. PARK MULTIPURPOSE TRAILS

ACTION: Approved. City Council awarded a contract to Kabbara Engineering, Orange, CA, in an amount not to exceed \$160,387.00 for professional engineering services for the design of the Fairview Park Multipurpose Trails, 2525 Placentia Avenue; and authorized the Mayor and the City Clerk to execute the Professional Services Agreement; and authorized the Chief Executive Officer to execute the Cooperative Agreement with Orange County Transportation Authority (OCTA).

16. PROFESSIONAL SERVICES AGREEMENT FOR THE DESIGN OF THE BRENTWOOD PARK MASTER PLAN IMPROVEMENTS

ACTION: Approved. City Council awarded a contract to Nuvis Landscape Architecture and Planning, 3151 Airway Costa Mesa, California, in an amount not to exceed \$95,605.00 for professional services for the design of Brentwood Park, 261 Monte Vista Avenue; and authorized the Mayor and the City Clerk to execute the Professional Services Agreement.

ITEMS REMOVED FROM THE CONSENT CALENDAR (03:50:45)

- 4. WARRANT RESOLUTION 2449: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-23A AND 12-24 SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-23A for \$5,148.15 and 12-24 for \$2,027,435.54, and City operating expenses for \$431,713.37, including payroll deductions. (03:51:50)**

Council Member Leece inquired about the Jones Day invoice from May 2012. (03:51:52)

City Attorney Tom Duarte explained that particular bill was reduced and reissued, which is why the city is paying it now; and added that all current bills have been turned in except for November. (03:52:40)

MOTION/SECOND: Council Member Leece/Mayor Pro Tem Mensinger
The motion carried unanimously.

ACTION: Approved.

- 6. DELETION OF 19TH STREET SANTA ANA RIVER CROSSING (03:53:39)**

Council Member Leece thanked staff for their hard work in getting the 19th street bridge off of the Master Plan of Arterial Highways; and inquired what would be the process to remove Bluff Road from 19th to Victoria. (03:53:43)

Public Services Director Ernesto Muñoz replied that the process has started. (03:54:53)

MOTION/SECOND: Council Member Leece/Mayor Righeimer
The motion carried unanimously.

ACTION: Received and filed.

9. INSURANCE BROKER SERVICES (03:56:08)

Council Member Monahan asked why the city is doing a particular contract with only one broker, instead of allowing two brokers. (03:56:15)

Human Resources Manager Lance Nakamoto replied it was the recommendation given to them. (03:57:07)

Mayor Pro Tem Mensinger responded brokers want to be the broker of record. (03:57:57)

Council Member Monahan spoke on concerns with Alliant. (03:58:24)

Mayor Pro Tem Mensinger spoke on concerns with a premium increase due to the nature of the insurance market. (03:59:20)

Renetta Ponsi, Alliant Representative, spoke on budget projections, they take into consideration issues happening in the industry at large. (04:00:36)

Mayor Pro Tem Mensinger asked why the contract needs to be for 3 years. (04:03:46)

Mr. Nakamoto responded that it is standard for all contracts to be 3 years. (04:03:57)

Council Member Genis indicated that an exhibit is missing from the staff report and requested the item be continued. (04:06:54)

CEO Hatch responded by saying that the city was operating without any contract for a number of years and they decided to formalize the process and create more structure. (04:09:07)

MOTION/SECOND: Council Member Genis/Mayor Pro Tem Mensinger
The motion carried unanimously.

ACTION: Item continued to January 8, 2013 City Council Meeting.

10. THIRD PARTY LIABILITY CLAIMS ADMINISTRATION (04:09:48)

Council Member Monahan asked when the TPA contract needs to be in place. (04:10:38)

Mr. Nakamoto replied that the current contract expires December 31, 2012 and this is the second extension. (04:10:46)

Mayor Pro Tem Mensinger inquired about what services would be added to improve effectiveness of the TPA. (04:12:20)

Human Resources Analyst, Jennifer Sommers spoke on the services TPA provides and that they have since enhanced some of their software; and reporting tools to help the city track their liability claims and patterns. (04:13:02)

Mike Reed, Carl Warren Representative, explained what Carl Warren and Company does for the city, what new services will be added and how they measure their success. (04:13:58)

Council Member Genis indicated that the Exhibit A to the contract is needed and requested the item to be continued. (04:17:50)

Council Member Monahan inquired what would happen if they continued this item and the contract expires on December 31. (04:18:08)

Mr. Reed, Carl Warren Representative, replied that it was not a problem. (04:18:26)

MOTION/SECOND: Council Member Genis/Council Member Leece
The motion carried unanimously.

ACTION: Item continued to January 8, 2013 City Council Meeting.

11. APPROVAL OF COOPERATIVE AGREEMENT NO. C-2-1825 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) FOR THE RED HILL AVENUE REHABILITATION PROJECT (04:18:46)

Council Member Leece inquired about the construction schedule and timing. (04:18:51)

Mr. Muñoz replied that if approved, construction should start May of next year. (04:19:20)

MOTION/SECOND: Council Member Leece/Council Member Monahan
The motion carried unanimously.

ACTION: Approved. City Council approved the Cooperative Agreement No. C-2-1825 with the Orange County Transportation Authority (OCTA) for the use of Proposition 1B, State Local Partnership Program (SLPP) funding in the amount of \$922,000 for the Red Hill Avenue Rehabilitation Project; and authorized the Mayor to execute the Agreement.

12. THIRD PARTY WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES (04:21:08)

Council Member Monahan inquired on the current TPA provider. (04:21:13)

Mr. Nakamoto replied that the current provider is Corvel, but AdminSure, Inc. came in with a lower cost proposal this time and he believes will provide better assistance. (04:21:42)

Alithia Vargas-Flores, AdminSure, Inc. Director of Operations, explained what an MPN (Medical Provider Network) is and why some government agencies do not use them. (04:22:39)

Discussion ensued regarding utilization review, bill review and pharmacy benefit networks (PBN). (04:27:36)

Discussion continued on how AdminSure, Inc. measures their success as well as additional inquiries about MPN's. (04:36:34)

Mayor Pro Tem Mensinger noted that this staff report is also missing Exhibit A. (04:48:44)

Council Member Monahan inquired about the other two proposals that were interviewed and if he could get copies of them. (04:48:58)

Ryan Thomas, Principal Human Resources Analyst, replied that the other proposals were by a company called Aimes and also Corvel. (04:49:11)

CEO Hatch added that a disk was provided to them that had all of the documentation and proposal information on it. (04:49:50)

Council Member Monahan stated that going forward, he is very interested in having the MPN, bill review, and PBN services. (04:51:51)

MOTION/SECOND: Mayor Righeimer/Mayor Pro Tem Mensinger
The motion carried unanimously.

ACTION: Item continued to January 8, 2013 City Council Meeting.

13. **APPROVAL OF COOPERATIVE AGREEMENT NO. C-2-1643 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) FOR THE HARBOR BOULEVARD BEAUTIFICATION PROJECT AND COOPERATIVE AGREEMENT NO. C-2-1644 FOR THE 17TH STREET STREETScape IMPROVEMENT PROJECT. (04:53:38)**

Council Member Genis inquired about why the matching funds are coming from the Traffic Impact Fee and AQMD funds. (04:53:41)

Mr. Muñoz replied there are two distinct projects and they are not using those revenues for the Harbor Beautification Project, however the 17th Street Project uses AQMD dollars for pedestrian improvements, specifically stamp concrete crossings, because they reduce emissions; and added that they are also adding a northbound right turn lane and eastbound right turn lane which provides a usage of the Traffic Impact Fee funds. (04:55:12)

Council Member Genis added that stamped concrete is inconvenient for women in heels; and confirmed with Mr. Muñoz that the additional roadway improvements are consistent with the Master Plan of Arterial Highways. (04:57:04)

Robin Leffler, Costa Mesa, echoed Council Member Genis' statement that stamped concrete is not an enhancement to pedestrian traffic, especially for women in heels. (04:57:57)

Mayor Pro Tem Mensinger clarified that this concrete is flat. (04:58:46)

MOTION/SECOND: Council Member Monahan/Mayor Pro Tem Mensinger
The motion carried unanimously.

ACTION: Approved. City Council approved the Cooperative Agreement No. C-2-1643 (Attachment 1) with the Orange County Transportation Authority (OCTA) for the use of Transportation Enhancement (TE) grant funding in the amount of \$500,000 for the Harbor Boulevard Beautification Project; and approved the attached Cooperative Agreement No. C-2-1644 (Attachment 2) with the Orange County Transportation Authority (OCTA) for the use of Transportation Enhancement (TE) grant funding in the amount of \$500,000 for the 17th Street Streetscape Improvement Project; and authorized the Chief Executive Officer to execute the agreements.

14. PROFESSIONAL ENGINEERING SERVICES FOR THE DESIGN OF INDUSTRIAL WAY WATER QUALITY AND STORM DRAIN IMPROVEMENTS (04:59:30)

Council Member Genis expressed her support of the project, but noted the increasing drainage problems and believes that the amount of increases in impervious surfaces should be looked at in the long term. (04:59:40)

Mayor Pro Tem Mensinger agreed with Council Member Genis and noted that the Planning Commission agrees as well. (05:00:57)

MOTION/SECOND: Council Member Genis/Council Member Leece
The motion carried unanimously.

ACTION: Approved. City council awarded a contract to CIVIL SOURCE Engineering, Irvine, California, in an amount not to exceed \$69,745 for engineering services; and authorized the Mayor and the City Clerk to execute the Professional Services Agreement.

17. ESTABLISHMENT OF A NEW JOB CLASSIFICATION IN THE CONFIDENTIAL EMPLOYEES UNIT AND AUTHORIZATION FOR A DEPUTY CITY CLERK POSITION (05:01:23)

CEO Hatch explained the overview of the City Clerk's office and their need. (05:02:00)

Discussion followed regarding the intern position in the office. (05:03:48)

Mayor Pro Tem Mensinger requested organization charts. (05:06:29)

MOTION/SECOND: Council Member Leece/Mayor Righeimer
The motion carried unanimously.

ACTION: Approved. City Council adopted Resolution: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA CALIFORNIA, AMENDING RESOLUTION 08-21 AND ESTABLISHING A NEW JOB CLASSIFICATION IN THE CONFIDENTIAL EMPLOYEES UNIT; and authorized the position of Deputy City Clerk.

SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY (05:07:35)

New Business

- 1. RECEIVE INDEPENDENT ACCOUNTANT'S REPORT REGARDING THE NON-HOUSING DUE DILIGENCE REVIEW CONDUCTED PURSUANT TO SECTION 34179.5 FOR NON-HOUSING MONIES AND OBLIGATIONS AND AUTHORIZING STAFF TO TRANSMIT THE REPORT, ALONG WITH THE PREVIOUSLY APPROVED RECOGNIZED OBLIGATION PAYMENT SCHEDULES, TO THE OVERSIGHT BOARD AND TO CAC, CAO, SCO, AND DOF AS REQUIRED BY SECTION 34179.6 OF THE DISSOLUTION ACT (05:07:45)**

Celeste Brady explained that there are a series of audits required by law and these are two of them; and explained the rest of the process. (05:09:41)

MOTION/SECOND: Mayor Righeimer/Council Member Leece
The motion carried unanimously.

ACTION: Approved. City Council adopted Successor Agency Resolution No. 2012-XX Receiving the Independent Accountant's Report re the Non-housing Due Diligence Review Conducted Pursuant to Section 34179.5 for the Non-housing Monies and Obligations and Authorizing Staff to Transmit the Report, along with the Previously Approved Recognized Obligation Payment Schedules, to the Oversight Board and to the CAC, CAO, SCO, and DOF Pursuant to Section 34179.6 of the Dissolution Act.

END OF SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AGENDA

OLD BUSINESS - NONE

NEW BUSINESS (05:15:29)

- 2. REVISION OF LAY OFF NOTICES/REJECT ALL REMAINING BIDS FOR SERVICES (05:15:33)**

CEO Hatch reviewed the staff report and explained the five different staff recommendations. (05:15:39)

Mayor Righeimer spoke on staffing levels; and is in support of resolving issues. (05:20:30)

Discussion ensued regarding recommendations for IT Department and regarding IT consultants; contracts; oversight of the various services; and the legality of outsourcing. (05:27:23)

Discussion continued with Mr. Vogt from Jones Day regarding the legality of outsourcing and the options. (05:34:13)

Mayor Pro Tem Mensinger asked which 6 of the outsourced notifications are still under review. (05:46:35)

CEO Hatch referred to the staff report where it lists Signs and Markings, Fleet Maintenance, Facility Maintenance, Payroll, Information Technology, and Graffiti Abatement. (05:47:40)

Discussion followed regarding the process used to review the departments. (05:49:22)

Robin Leffler, Costa Mesa, expressed concern over the legality of the outsourcing; and requested a public answer rather than a closed session one. (05:55:13)

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

Council Member Genis spoke on how much effort will be put into recommendations 3 and 4 when the resources could be to fix potholes or put school resource officers back in schools. (05:57:45)

Mayor Pro Tem Mensinger spoke on SRO's in the schools. (05:58:41)

Mayor Righeimer requested a motion to keep the meeting going past midnight. (05:58:52)

MOTION/SECOND: Council Member Genis/Council Member Leece
The motion carried unanimously.

ACTION: To continue the meeting past midnight.

Council Member Genis stated that she will be supporting the motion, but is concerned about extending further resources that may not be fruitful. (05:59:08)

Mayor Righeimer agreed with Council Member Genis that if it does not go anywhere then we will have to do what is necessary, but let's see if we can work together without layoffs. (05:59:22)

MOTION/SECOND: Council Member Monahan/Mayor Pro Tem Mensinger
The motion carried unanimously.

ACTION: Approved. City Council authorized the CEO to rescind the remaining layoff notices; directed the CEO to prepare and present a plan to address the unfunded pension and retiree medical liabilities at the mid year budget review in February 2013; and authorized the CEO to enter into negotiations with representatives of the Costa Mesa City Employees' Association (CMCEA) to discuss innovative methods and techniques that will both ensure continued quality services to the public and produce long term financial savings to the City; and authorized the CEO to initially focus the discussions with CMCEA on Jail Services, Street Sweeping Services, Parks and Landscape Maintenance Services, Graphic Design Services and Payroll Services with the CEO administratively implementing the changes without any layoffs to full-time personnel; and rejected all bids for the remaining outsourcing services where the City Council has yet to provide direction.


The Mayor adjourned the meeting to Closed Session at 12:15 a.m.

CLOSED SESSION


The City Council recessed into closed session at 12:15 a.m. to consider the following items:

1. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to Government Code Section 54956.9(b) for one potential case.
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).

City Attorney stated no reportable action.
The City Council adjourned at 1:00 a.m.



Stephen M. Mensinger, Mayor



Brenda Green, City Clerk