

**ACTION REPORT**  
**CITY OF COSTA MESA**  
**REGULAR CITY COUNCIL, HOUSING AUTHORITY, AND**  
**SUCCESSOR AGENCY TO THE REDEVELOPMENT**  
**AGENCY\* MEETING**

\*NOTE: ALL AGENCY AND AUTHORITY MEMBERSHIPS ARE REFLECTED IN THE TITLE "COUNCIL MEMBER."

**TUESDAY, APRIL 5, 2016**  
**CITY COUNCIL CHAMBERS, 77 FAIR DRIVE**  
**CLOSED SESSION – 5:00 P.M.**  
**REGULAR MEETING – 5:45 P.M.**

**STEPHEN M. MENSINGER**  
Mayor

**JAMES M. RIGHEIMER**  
Mayor Pro Tem

**GARY MONAHAN**  
Council Member

**SANDRA GENIS**  
Council Member

**KATRINA FOLEY**  
Council Member

City Attorney  
**Thomas Duarte**

Chief Executive Officer  
**Thomas R. Hatch**

**CLOSED SESSION – 5:00 P.M.**

**ROLL CALL**

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

Council Members Absent: Council Member Foley and Council Member Genis

## FOR INFORMATIONAL PURPOSES ONLY

1. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) for 1 potential case – Correspondence received regarding Voting Rights Act.
2. Conference with legal counsel regarding existing litigation: Timothy Dadey, et al. v. City of Costa Mesa, Superior Court of California, County of Orange, Case No. 30-2014-00757962-CU-CR-CJC, pursuant to California Government Code Section 54956.9(d)(2).
3. Conference with legal counsel regarding existing litigation: Solid Landings Behavioral Health, Inc.; and Sure Haven, Inc. in its own name and dba Rock Solid Recovery; FPS, LLC: Stephen Fennelly; and Elizabeth Perry v. City of Costa Mesa, District Court for the Central District of California, Case No. 8:14-cv-01838-JVS-JCG, pursuant to California Government Code Section 54956.9(d)(2).
4. Conference with legal counsel regarding existing litigation: Solid Landings Behavioral Health, Inc.; and Sure Haven, Inc. and Rock Solid Recovery v. City of Costa Mesa, Orange County Superior Court, Case No. 30-2015-00815218-CU-WM-CJC, pursuant to California Government Code Section 54956.9(d)(2).
5. Conference with legal counsel regarding existing litigation: Yellowstone Women's First Step House, Inc., and Sober Living Network, Inc., v. City of Costa Mesa, District Court for the Central District of California, Case No. 8:14-cv-01852, pursuant to California Government Code Section 54956.9(d)(2).
6. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) for 1 potential case.

## FOR INFORMATIONAL PURPOSES ONLY

### REGULAR MEETING OF THE CITY COUNCIL, HOUSING AUTHORITY, AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY – 5:45 P.M.

#### CALL TO ORDER

#### ROLL CALL

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

Council Members Absent: Council Member Foley, and Council Member Genis

#### CITY ATTORNEY CLOSED SESSION REPORT

- COIN: Ex Parte Communications pursuant to Municipal Code Section 2-238 (b) - None
- Solid Landings litigation update - Deputy City Attorney Tarquin Preziosi announced the tentative settlement agreement between the City and Solid Landings Behavioral Health, Inc.

#### CONSENT CALENDAR:

**Item 5 was pulled for a separate consideration.**

**Items 1, 2, 3, 4, 6, 7, 8, 9, and 10.**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

#### 1. READING FOLDER

- a. Claims received by the City Clerk: Sandy Do; State Farm, as subrogee for Tim Do; Arturo Hernandez; Julie Kaplan; Thomas H. Treaccar; and Scott Waterman.

#### **ACTION:**

City Council received and filed.

## FOR INFORMATIONAL PURPOSES ONLY

2. **WARRANT RESOLUTION NO. 2554 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NOS. 16-05 "A" FOR \$323.32; 16-06 FOR \$2,135,370.67; AND 16-07 FOR \$2,094,866.76; AND CITY OPERATING EXPENSES FOR \$2,761,228.51; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID**

**ACTION:**

City Council approved Warrant Resolution No. 2554.

3. **MINUTES OF THE REGULAR CITY COUNCIL, HOUSING AUTHORITY, AND SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

**ACTION:**

City Council approved the minutes of March 15, 2016.

4. **EXTEND ONE YEAR CONTRACT FOR ANNUAL INDEPENDENT FINANCIAL AUDIT SERVICES**

**ACTION:**

1. City Council extended one (1) year term of the Professional Services Agreement (PSA) with White Nelson Diehl Evans, LLP, for annual independent financial audit services, for fiscal year 2016, and to provide a three percent (3%) increase in Consultant's compensation in the amount of \$67,370; and
2. City Council authorized the Chief Executive Officer to execute the Second Amendment to the Professional Services Agreement with White Nelson Diehl Evans, LLP.

6. **SUNFLOWER AVENUE AT ANTON BOULEVARD TRAFFIC SIGNAL MODIFICATION PROJECT, FEDERAL PROJECT NO. HSIPL-5312 (085), CITY PROJECT NO. 13-13**

**ACTION:**

1. City Council accepted work performed by PTM General Engineering Services, Inc., and authorize the City Clerk to file the Notice of Completion; and
2. City Council authorized release of the Labor and Materials Bond seven (7) months after the filing date; release of the Faithful Performance Bond six (6) months after the filing date; and release of the retention monies 35 days after the Notice of Completion filing date.

**7. STREET STRIPING & THERMOPLASTIC MARKINGS**

**ACTION:**

1. City Council approved and authorized the Chief Executive Officer to execute a three (3) year contract for the performance of street striping and installation of thermoplastic roadway markings to Superior Pavement Markings, Inc., 5312 Cypress St., Cypress, CA 90630, per formal bid item #16-29, in an amount not to exceed \$150,000 annually. Based upon a competitive bidding process and analysis provided by the Public Services Department; and
2. City Council authorized the Chief Executive Officer to execute the Professional Services Agreement for the contract; and
3. City Council authorized Chief Executive Officer to renew the contract for two (2) additional one (1) year terms, upon mutual agreement of both parties.

**8. EMERGENCY PURCHASE FOR PROFESSIONAL ENGINEERING SERVICES TO PROVIDE AS NEEDED STAFF SUPPORT FOR VARIOUS CAPITAL IMPROVEMENT PROGRAM PROJECTS**

**ACTION:**

City Council received and filed.

**9. CITY'S PHONE SYSTEM WHOLESALE SERVICE AGREEMENT**

**ACTION:**

City Council approved and authorized the Chief Executive Officer to execute the Avaya wholesale service agreement and wholesale service renewal options for a three year contract with Carousel Industries for the maintenance and support of the City's Avaya phone system, in an amount not to exceed \$49,177.50 annually with a one-time re-initiation fee of \$19,809.36, with the option to renew for two additional one year terms, upon mutual agreement of both parties.

**FOR INFORMATIONAL PURPOSES ONLY**

- 10. A RESOLUTION OF THE COSTA MESA CITY COUNCIL AUTHORIZING THE CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE A SUB-RECIPIENT AGREEMENT WITH THE CITY OF SANTA ANA TO RECEIVE A GRANT UNDER THE FY 2015 URBAN AREAS SECURITY INITIATIVE (UASI)**

**ACTION:**

1. City Council adopted Resolution 16-15 which authorizes the Chief Executive Officer or his designee to execute the attached Sub-Recipient Agreement with the City of Santa Ana to receive a grant under the FY 2015 Urban Areas Security Initiative (UASI) Grant Program; and
2. City Council authorized the Police Department to accept FY 2015 UASI reimbursement funds allocated to the City of Costa Mesa in an amount not to exceed \$13,637. This amount will reimburse fire and approved city personnel who assist with the instruction and delivery of approved UASI courses; and
3. City Council approved Budget Adjustment No. 16-012 in the amount of \$13,637 to increase revenue and appropriate the grant funds to the Police Department's operating budget.

----- **END OF CONSENT CALENDAR** -----

**PUBLIC HEARINGS – 7:00 p.m. (Resolution No. 05-55):**

- 1. AMENDMENTS TO THE SOBECA AND WESTSIDE URBAN PLANS: SP-05-06 A1: SOBECA URBAN PLAN; SP-05-07 A1: 19 WEST URBAN PLAN; SP-05-08 A2: MESA WEST URBAN PLAN; SP-05-09 A1: MESA WEST RESIDENTIAL OWNERSHIP URBAN PLAN**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

City Council conducted the Public Hearing and approved the proposed Urban Plan Amendments by adoption of Resolution 16-14.

**OLD BUSINESS:**

**1. LEASE AGREEMENT WITH THE BOYS AND GIRLS CLUB OF THE HARBOR AREA, INC. – Chief Executive Office**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

1. City Council approved the Lease Agreement with the Boys and Girls Club of the Harbor Area, Inc.; and
2. City Council authorized the Mayor and City Clerk to sign the Lease Agreement.

**2. REVIEW OF AGENCY REPORT ON INITIATIVE PETITION QUALIFYING FOR BALLOT; CONSIDERATION OF ADOPTING A NEW ORDINANCE; SUBMISSION OF AN INITIATIVE TO THE NOVEMBER 8, 2016 BALLOT**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

City Council approved Staff's recommendation to:

1. Order placement of the measure on the November 8, 2016 consolidated municipal election. Resolutions calling for a consolidated municipal election, and submission of the measure to the ballot, to be adopted at the June 7, 2016 City Council meeting; and
2. Directed staff to prepare an alternative measure.

**NEW BUSINESS:**

- 1. CONSIDERATION AND DIRECTION BY CITY COUNCIL TO CEO AND CITY ATTORNEY TO INITIATE STEPS, AND UTILIZE PROFESSIONAL SERVICES, TO PLACE A LOCAL BOND MEASURE ON THE NOVEMBER 8, 2016 GENERAL ELECTION BALLOT TO AUTHORIZE THE LEVY OF A TAX AND ISSUANCE OF APPROXIMATELY \$20 MILLION OF GENERAL OBLIGATION BONDS FOR AFFORDABLE HOUSING**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

The City Council authorized the CEO and City Attorney: (a) to initiate the process to place on the November 8, 2016 general election ballot a local measure by which the electorate may vote to authorize the City to issue \$20 Million (approx.) in General Obligation Bonds for affordable housing purposes, and (b) to retain the professional consulting services of Fieldman, Rolapp & Associates ("Fieldman") to provide financial, tax, pre-election and election advisory services, at an estimated cost of \$23,000, and (c) to use the law firm Stradling Yocca Carlson & Rauth, P.C. ("Stradling") for public finance, bond counsel and other special counsel legal services under the existing legal services agreement with Costa Mesa, at an estimated cost of \$40,000.

- 2. CONSIDERATION OF CITY INITIATIVE PETITION(S) REGARDING MEDICAL MARIJUANA DISPENSARIES**

The item was not heard and rescheduled to a future meeting.



**3. GENERAL PLAN SCREENING FOR PROPOSED 150-ROOM HOTEL EXPANSION AT 3350 AVENUE OF THE ARTS FOR THE AVENUE OF THE ARTS HOTEL (FORMERLY WYNDHAM HOTEL)**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

City Council accepted the General Plan screening request for processing a proposed 15-story, 150-room high-rise hotel to serve as an expansion of the Avenue of the Arts hotel (238 rooms existing, 388 rooms proposed).

**4. FEASIBILITY STUDY FOR LIGHTING AND SYNTHETIC TURF AT MULTIPLE LOCATIONS**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

1. City Council reviewed the report and provided authorization for a letter and a check for \$45,000.00 (three projects x's \$15,000.00) to be sent to the Newport-Mesa Unified School District initiating a feasibility study for sport field lighting and synthetic turf installation at Kaiser Elementary, Davis Middle School and Parsons School; and
2. City Council provided direction on the implementation of an outreach program to begin immediately for the surrounding neighborhoods at each proposed location.

**ITEMS REMOVED FROM THE CONSENT CALENDAR**

**5. PLACENTIA AVENUE AT 20<sup>TH</sup> STREET ILLUMINATED CROSSWALK PROJECT, STATE PROJECT NO. SR2SL-5312 (088), PROJECT NO. 13-20 –**

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

The motion carried by the following roll call vote:

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

Nays: None

Absent: Council Member Foley and Council Member Genis

Motions carried: 3-0-2

**ACTION:**

1. City Council accepted work performed by PTM General Engineering Services, Inc., and authorize the City Clerk to file the Notice of Completion; and
2. City Council authorized release of the Labor and Materials Bond seven (7) months after the filing date; release of the Faithful Performance Bond six (6) months after the filing date; and release of the retention monies 35 days after the Notice of Completion filing date.

**REPORT – CITY ATTORNEY - NONE**

**ADJOURNMENT** – The Mayor adjourned the meeting at 10:21 p.m.