

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

May 15, 2012

CALL TO ORDER

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

ROLL CALL

Present: Mayor Bever, Council Member Leece, Council Member Mensinger, and Council Member Monahan

Absent: Mayor Pro Tem Righeimer

Officials Present: City Chief Executive Officer Thomas R. Hatch, Assistant CEO Rick Francis, Director of Economic Develop/Deputy CEO Peter Naghavi, City Attorney Thomas Duarte, Public Services Director Ernesto Muñoz, Finance and IT Director Bobby Young, Interim Develop Svcs Director Khanh Nguyen, and Acting Deputy City Clerk Christine Cordon

PUBLIC COMMENTS - None

CLOSED SESSION (00:01:07)

1. Conference with legal counsel regarding existing litigation: Orange County Directors Association, Herban Elements, Inc., Susan Lester, Medmar Patient Care Collective, Afshin Sharifi v. Julie Folcik, Kimberly Hall Barlow, City of Costa Mesa, Orange County Superior Court Case Number 30-201000364374, pursuant to Government Code Section 54956.9(a).
2. Conference with legal counsel regarding existing litigation: City of Costa Mesa v. D'Alessio Investments, LLC, a Nevada Corporation; et al.: Orange County Superior Court Case No. 30-2011-00468876, Government Code Section 54956.9(a).

RECONVENE REGULAR MEETING – 6:00 p.m.

PLEDGE OF ALLEGIANCE (00:03:38) – Council Member Stephen M. Mensinger

MOMENT OF SOLEMN EXPRESSION (00:04:00)

Pastor Phil Eyskens, the Lighthouse Church of the Nazarene in Costa Mesa

ROLL CALL (00:06:46)

Present: Mayor Bever, Mayor Pro Tem Righheimer, Council Member Leece, Council Member Mensinger, Council Member Gary Monahan

Absent: None

Officials Present: City Chief Executive Officer Thomas R. Hatch, Assistant CEO Rick Francis, Director of Economic Develop/Deputy CEO Peter Naghavi, City Attorney Thomas Duarte, and Public Services Director Ernesto Muñoz, Finance and IT Director Bobby Young, Interim Develop Svcs Director Khanh Nguyen, and Acting Deputy City Clerk Christine Cordon

CLOSED SESSION REPORT - None

ANNOUNCEMENTS (07:09)

The Mayor played a video clip of the "Costa Mesa Minute," featuring upcoming events and activities in the community.

PRESENTATIONS (13:00)

Certificate of Achievement was presented to Jake Knapp, Senior at Estancia High School

PUBLIC COMMENTS (15:22)

Ethan Temianka, Parks and Recreation Commissioner, spoke about the upcoming election and commented positively on City employees. (19:12)

Susan Shaw, Costa Mesa, spoke about the Homeless Task Force and a recent news feature on the efforts of the City of Costa Mesa. (22:02)

Joy Williams, Costa Mesa, spoke about City flooding due to the natural topography of the areas; thanked Engineering staff for their help; and addressed locations of catch basins and suggested additional catch basin drains to solve the problem. (22:56)

Jay Humphrey, Costa Mesa, spoke about the City's efforts to increase bicycle safety; commented on the increased number of skateboarders; and addressed the upcoming conference in Las Vegas and the need to report back. (26:28)

Drew Koontz, Costa Mesa High School student, spoke about Styrofoam products and the environment. (28:16)

Robert Paozola, President of the Costa Mesa Historical Society, addressed the opening of the Santa Ana Air Base and the Memorial Gardens Building. (30:01)

Holden Curran, Newport Harbor High School student, spoke in support of an ordinance to ban Styrofoam in the City. (31:10)

Martin H. Millard, Costa Mesa, spoke about the upcoming conference in Vegas; the street slurry and large vending trucks; the human-powered push carts; the trash scavengers; and the status of the 19th West sign. (32:23)

Perry Valantine, Costa Mesa, expressed concerns regarding how Council conducts its business and how it prioritizes issues in the City. (34:53)

Beth Refakes, Costa Mesa, spoke on the comments made to City staff at a budget study session and civility; spoke about the use of drones by local Police agencies; and illegal fireworks. (37:38)

Reggie Mundekis, Orange, spoke regarding a public records request she made regarding an unconsolidated election. (40:16)

John Feeney, Costa Mesa, thanked Council for the study sessions on the I-405 improvements. (41:58)

Emmanuel Petrascu, Laguna Beach, President of the Orange County Young Republicans, thanked Council for its leadership and addressed the need for pension reform, infrastructure and parks. (45:22)

James Bridges, Costa Mesa, spoke positively about City staff; and referenced a discussion regarding Council Members foregoing some of their compensation. (47:09)

Ron Frankiewitz, Costa Mesa, addressed the recent decision by the OCTA regarding the 19th Street Bridge; thanked Council and staff for supporting the bridge removal; and asked that Council support taking it off the Map of Arterial Highways. (48:59)

Steve Ray, Executive Director of the Banning Ranch Conservancy, spoke about the agreement relative to road improvements in Costa Mesa: the 19th Street Bridge, Caltrans, and the Coastal Commission. (52:04)

Stephanie Barner, Executive Director of the Earth Resources Foundation, requested that Council act on an ordinance banning the use of Styrofoam in the City. (54:27)

Tamar Goldmann, Costa Mesa, expressed her admiration, respect and appreciation to the Police Department. (56:28)

Greg Ridge, Costa Mesa, spoke on the issue of street sweeping. (59:22)

Jay Photoglou spoke about an item on the agenda related to destruction of records. (01:02:14)

Marshall Krupp, Costa Mesa, spoke about the importance of Police and Fire; the Susan Street issues; and trust issues in the community leaders. (01:04:59)

Harold Weitzberg, Costa Mesa, spoke about a free CD from Skyline Tradeshow Exhibits; and City Services. (01:08:07)

Robin Leffler, Costa Mesa, spoke regarding partisan politics in the City; and the need to address pensions and benefits. (01:10:45)

Sue Lester, Costa Mesa, thanked the Costa Mesa Police Department for their help with a crime issue; spoke about the 2012 Golden Guardian Exercise; and political parties. (01:13:23)

Phil Morello, Costa Mesa, thanked the City Council on its fiscally conservative efforts and addressed the 19th Street Bridge. (01:16:22)

COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS (01:16:05)

Council Member Mensinger requested clarification regarding flooding; an update from CEO Hatch regarding vending trucks and push carts in the City; spoke on illegal fireworks; and thanked the Young Republicans for attending. (01:19:39)

Council Member Monahan spoke about the Kaiser School and St. Joachim's Carnivals. (01:24:07)

Mayor Bever spoke about the 19th West Side sign; a balanced budget; styrofoam environmental issues; political parties; and illegal fireworks. (01:24:41)

Mayor Pro Tem Righeimer spoke about outsourcing; economic conditions in the State of California; commended staff for the budget; and spoke about Capital Improvement Projects. (01:30:18)

Mayor Bever requested that CEO Hatch review the requirements for street sweeping; spoke about a past study session; and announced future special study sessions (01:40:26)

Council Member Leece offered to meet with the Young Republicans; spoke about the upcoming study sessions; pension reform; requested CEO Hatch to follow up on the Providence gated community issues, trucks in the Coolidge area, and the City's homeless situation; thanked the Historical Preservation Committee for their help with the City's 60th Birthday event; and spoke about the Charter (01:41:23)

REPORT – CHIEF EXECUTIVE OFFICER (CEO) (01:53:30)

CEO Hatch spoke about the revised budget; Capital Improvements Projects; Charter timelines; records to be destroyed; policing throughout the town; push carts and food

trucks; scavenging issues; illegal fireworks; homeless issues; and the Golden Guardian Exercise. (01:53:31)

Mayor Bever called for a recess at 8:01 p.m. The meeting was reconvened at 8:11 p.m. with all Members, present.

CONSENT CALENDAR ITEM NOS. 1 THROUGH 9 (01:58:29)

Item Nos. 4, 5, 8 and 9 were pulled from the Consent Calendar for separate discussion and consideration.

Motion: Approve recommended actions for remaining Consent Calendar items.

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

Written Communications

1. Reading Folder.

Action: Received and processed

- (a) Claims received by the City Clerk: Brian Steel; Kyle Taylor
- (b) Requests for Alcohol Beverage Control licenses: Rance's Chicago Pizza, 1420 Baker Street, Suite B; Vitaly, 2937 Bristol Street, Suite B100B.
- (c) Letter of Notification: Southern California Gas Company's Notice of Proposed Rate Decreases Cost of Capital Proceeding, Application No. A.12-04-017.

Minutes

- 2. Continued from the meeting of May 1, 2012: Special Meeting of March 27, 2012; Special Meeting of July 13, 2010; Special Meeting of September 27, 2010; Special Study Session of February 28, 2012; and Regular Adjourned Meeting/Study Session of April 10, 2012; and Regular Meeting of March 6, 2012.**

Action: Approved

Warrants

3. **WARRANT RESOLUTION 2419: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-09 AND PAYROLL REGISTER NO. 12-08A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-09 for \$2,038,026.58 and Payroll No. 12-08A for \$0, and City operating expenses for \$586,167.87, including payroll deductions.**

ACTION: Approved

Administrative Actions

6. **Renewal of the Memorandum of Understanding (MOU) with the State of California, Department of Developmental Services, Fairview Developmental Center, Office of Protective Services, for mutual aid policing beginning March 20, 2012 and for a term not to exceed five years.**

ACTION: Approved; authorized the Police Chief to sign

7. **Completion of Lions Park (Davis Field) Sports Lighting Project at 570 West 18th Street, Costa Mesa, City Project No. 11-09, by RMF Contracting, Inc., dba R&M Electrical Contracting, 26301 Dimension Drive, Lake Forest, California.**

ACTION: Accepted work; authorized Acting Deputy City Clerk to file a Notice of Completion; release retention monies 35 days thereafter; exonerated the Labor and Material Bond seven months thereafter; and exonerated the Faithful Performance Bond 12 months thereafter

ITEMS REMOVED FROM THE CONSENT CALENDAR (02:04:20)

Warrants

4. **WARRANT RESOLUTION 2420: 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 \$674,022.91. (02:04:21)**

Discussion ensued regarding the Jones Day payment. (02:04:23)

Robin Leffler, Costa Mesa, spoke about Jones Day Payment (02:07:06)

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

ACTION: Approved

Administrative Actions

- 5. Professional Services Agreement with Mayer Hoffman McCann, 2301 DuPont Drive, Suite 200, Irvine, California, for annual independent financial audit services for fiscal years 2012, 2013 and 2014 in the amount of \$135,128 with an option to extend the contract in one-year periods for a minimum of two fiscal years. (02:09:08)**

Council Member Monahan recused himself and left the dias. (02:09:18)

Council Member Leece requested information from staff concerning Mayor Hoffman McCann being used for the audit services. (02:09:25)

Bobby Young, Finance and IT Director, spoke about the RFP process; evaluation results regarding Mayor Hoffman McCann; and alternative options for another firm. (02:13:32)

Mayor Bever and Mr. Young discussed the scope of the City's Audit. (02:13:32)

Ken Al-Iman and Mayor Hoffman McCann spoke about the firm's experience in auditing local governments; the dissolution of Redevelopment Agencies; the scope of the audit; internal controls, sampling and reviewing documentation; audit standards; and data management software. (02:15:22)

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Leece

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Council, Member Leece, Council Member Mensinger, and Council Member Monahan
Noes: None
Absent: None
Abstain: Mayor Pro Tem Monahan

The motion carried 4-0-1

ACTION: Approved; Mayor and Acting Deputy City Clerk are authorized to sign the contract.

- 8. Continued from the meeting of May 1, 2012: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING RECORDS DESTRUCTION FOR THE RECORDS BUREAU OF THE POLICE DEPARTMENT OF THE CITY OF COSTA MESA, and PURSUANT TO ORDINANCE NO. 75-60. (02:19:07)**

Mr. Photoglou, Costa Mesa, spoke on documentation marked CC8; and a public records request. (02:19:20)

City Attorney Duarte stated that Council may go forward with this resolution and that he will confirm documents that are responsive to Mr. Photoglou's request be removed.

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Leece

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece, and Council Member Mensinger
Noes: Council Member Monahan
Absent: None

The motion carried: 4-1

ACTION: Adopted Resolution

- 9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING APPLICATION FOR FUNDS FOR THE BICYCLE CORRIDOR IMPROVEMENT PROGRAM FUNDED WITH CONGESTION MITIGATION AND AIR QUALITY PROGRAM UNDER THE 2005 SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT, TRANSPORTATION ACT-LEGACY FOR USERS OR SUBSEQUENT FEDERAL TRANSPORTATION ACT FOR BICYCLE PROJECTS IN COSTA MESA. (02:24:10)**

Council Member Leece and Public Services Director Muñoz discussed the components of the program. (02:24:12)

MOTION/SECOND: Council Member Leece/Council Member Monahan

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece, and Council Member Mensinger, and Council Member Monahan
Noes: None
Absent: None

The motion carried: 5-0

PUBLIC HEARINGS – 7 p.m. (Resolution No. 05-55) (02:28:03)

- 1. PUBLIC HEARING: Appeal and review of Planning Commission's determination regarding Zoning Application ZA-12-10, for Burnham USA, for a minor conditional use permit to modify a former credit union building with a drive-thru lane to allow a multi-tenant building with a drive-thru coffee shop and other food use, located at 450 East 17th Street in a C1 (Local Business District) zone. Environmental Determination: Exempt. (02:28:05)**

Mayor Pro Tem Righeimer recused himself due to a possible conflict of interest, stating the coffee shop may be a Starbucks which is one of his clients. (02:28:07)
Council Member Leece stated that she had appealed the Planning Commission's decision (02:29:05)

Senior Planner Mel Lee presented an overview of the project including: location, existing conditions, surrounding properties, zoning, original project layout, drive-thru configuration, conditional use permit, elevations, removal of trees, project review and approval dates, noise, traffic, and air quality impacts. (02:29:41)

Discussion followed regarding the back wall, tree removal, alleyway, easement agreement, property access, and de novo hearing. (02:41:16)

Council Member Leece spoke about the site history, property rights issues, impacts to adjoining residents, and pedestrian safety. (02:48:33)

Discussion followed regarding the types of businesses that may be developed, zoning code restrictions, and drive-thru pharmacies. (02:57:05)

The appellant, Mr. Walker, presented a brief history of the property, spoke on the applicant's proposal, intensity of use, and negative impact. (02:58:27)

Land Use Litigator, Nick Shantar, of Allen Matkins Law Firm, representing Mr. Walker, spoke about CEQA, the City environmental review, Class (1) exemption, traffic analysis, the City's parking code, and impacts on neighboring uses. (03: 04:07)

Roger Godeki of RKA Engineering Group, spoke about the traffic analysis performed by the applicant's representative, trip generation calculation, parking, drive-thru issues, and diagonal parking spaces. (03:098:44)

Discussion followed regarding the City's parking requirements, project review for CEQA, and daily trips. (03:20:15)

Mr. Walker spoke on the mutual easement, and discussion followed regarding parking spaces and size of building. (03:21:15)

Discussion followed regarding the existing easement agreement. (03:21:51)

Bryon Ward, Partner with Burnham Ward USA and Burnham Ward Properties, spoke about the parking spaces, working with the community, accepting conditions set by staff, landscape material, noise impacts, drive-thru management, traffic issues, and community impact. (03:37:35)

Paul Wilkinson, Principal with Linscott, Law and Greenspan, spoke on the parking analysis, traffic analysis, reconfiguration of the existing easement, ingress and egress volumes, restoration of signage, and presented the approved site plan. (03:37:35)

Discussion followed regarding deliveries, emergency vehicles, location of the ordering speaker, adjacent landscaped island, pedestrian access, parking spaces, and trash enclosure. (04:03:53)

Discussion followed regarding current use of the parking spaces, factoring in parking, service radius, customer alternatives, maintaining the existing 8-foot wall, and other use considerations. (04:12:25)

John Hanley, Costa Mesa, spoke on the number of parking spaces, noise, traffic congestion, and stated the plan needs more study. (04:18:12)

Discussion followed regarding the change in the number of parking spaces and the proposed extension of the drive-thru aisle. (04:20:53)

Bob Small, Costa Mesa, spoke in opposition to the project. (04:21:42)

Allan Carmichael, Costa Mesa, spoke on the environmental impacts. (04:24:10)

Mary Moore, Costa Mesa, spoke in support of the project. (04:26:31)

Lynn Gurvin, Costa Mesa, spoke in opposition to the drive-thru and traffic impacts to Cabrillo St. (04:27:14)

Council Member Mensinger spoke on cut-through streets, and discussion followed regarding cut-through traffic on Cabrillo St., and actions to avert the issue. (04:30:20)

Jay Humphrey, Costa Mesa, spoke about the challenges of the drive-thru. (04:22:48)

Chris Elliott, Costa Mesa, spoke in support of the project. (04:37:05)

Phil Vordes, Costa Mesa, spoke in support of the project. (04:39:07)

David Harris, Costa Mesa, spoke in opposition to the drive-thru feature. (04:40:18)

Brandon Ghiossi, Costa Mesa, spoke in support of the project. (04:43:04)

Ruth Kobeoshi, Costa Mesa, spoke in support of the project. (04:44:03)

Kevin Hill, Costa Mesa, spoke in support of the project, including the drive-thru. (04:46:18)

Ryan Sullivan, Costa Mesa, spoke in support of the project. (04:29:24)

Sandra Genis, Costa Mesa commented on the staff report, shared-parking formula, Starbucks business model, traffic impacts, and hedges as a sound buffer. (04:50:52)

George Cote, Costa Mesa, spoke in opposition of the drive-thru feature. (04:53:59)

Robin Leffler spoke on resident impacts, opposed the project and impacts to property values. (04:56:25)

Katie Arthur, Costa Mesa, presented two hundred letters opposing the project. (04:59:25)

Cindy Nalen, Costa Mesa, spoke in opposition to the drive-thru. (05:02:50)

Beth Refakas, Costa Mesa, expressed concerns with backup traffic on 17th St. (05:04:56)

Mayor Bever stated there is an initiative in process to address the issue of cut-through traffic. (05:07:53)

Speaker, Costa Mesa, spoke on the amount of traffic on Tustin Ave. (05:08:12)

Discussion followed regarding the circulation design, the addition of one dedicated exit lane with a "right-turn only" sign. (05:09:29)

Speaker expressed concern regarding the integration of new traffic with the existing traffic. (05:13:41)

Council Member Leece spoke regarding the conditions of approval, approving the project without the drive-thru, expressed concerns that there may be a risk regarding the CEQA exemption, and felt the proposed project was not environmentally friendly. (05:14:43)

Mayor Bever spoke on the project at Target; commented on statements by Council Member Leece; and addressed traffic increases. (05:21:19)

Council Member Mensinger spoke about development expectations, increased cut-through traffic on the east side, and suggested ways to lessen the impacts. (05:24:25)

Discussion followed regarding open period stacking study, zoning approval, sound buffer, the queuing line back-up, a drive aisle, and landscape screening. (05:37:27)

Council Member Leece expressed concerns with enforcing and micro-managing the conditions. (05:41:46)

Council Member Mensinger spoke about 17th St. struggling with success, mitigation of cut-through traffic, impacts, and property rights. (05:42:13)

MOTION/SECOND: Council Member Monahan/Council Member Mensinger, to continue the meeting beyond midnight, moved by Council Member Monahan, seconded by Council Member Mensinger.

SUBSTITUTE MOTION: Council Member Leece moved to finish consideration of this item before continuing the meeting. The substitute motion died for lack of a second.

The original motion carried by the following roll call vote:

Ayes: Mayor Bever, Council Member Mensinger, and Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: Mayor Pro Tem Jim Righeimer

The motion carried: 4-0-1

ACTION: to continue the meeting beyond midnight.

MOTION/SECOND: Council Member Monahan/Council Member Mensinger, to adopt a Resolution modifying the Planning Commission's decision and approving the project with conditions (05:47:32)

Discussion ensued regarding the process for Starbucks obtaining a liquor license.
(05:48:00)

Council Member Leece stated that she would not support the motion due to the concerns with the trip and traffic calculations, parking, and drive-thru concerns. (05:48:32)

Council Member Mensinger thanked those who participated; spoke regarding 17th St. backing up to neighborhoods, and effects on property owners due to plan changes.
(05:52:05)

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Council Member Mensinger, and Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: Mayor Pro Tem Righeimer

The motion carried: 3-1-1

ACTION: City Council Adopted the Resolution approving the project with conditions

Mayor Bever called for a recess at 11:54 p.m. The assembly reconvened at 12:08 a.m. with all Members, present.

2. PUBLIC HEARING: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ORDERING THE VACATION OF A PORTION OF ALLEY NO. 54A RIGHT-OF-WAY. (06-00:02)

Public Services Director Ernesto Muñoz presented details of the location, boundaries, size of the alley, existing conditions, abandonment area, mall improvements, park improvements, unusable lots, and recommended moving forward with the abandonment.
(06:02:49)

Discussion followed regarding improvements for park use, deed restriction, and unimproved park location (06:02:49)

Celeste Aims, Costa Mesa, spoke in opposition to the item, effects to neighboring property owners, traffic, negative impacts to the area, and property values (06:01:40)

Jacquelyn Murray, Costa Mesa, submitted written statements, and expressed opposition to the project. (06:08:03)

Robin Leffler, Costa Mesa, spoke in opposition to the project. (06:11:22)

Speaker, spoke in opposition to the project. (06:13:17)

Discussion followed regarding the property abandonment, park appraised value, property use by the public, and park improvements. (06:14:33)

Council Member Leece indicated that she would not support the item due to resident concerns. (06:18:23)

Discussion followed regarding the number of parking spaces and fence proposal. (06:18:23)

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Monahan to adopt resolution ordering the vacation of a portion of Alley No. 54A right-of-way and authorize the Mayor and Acting Deputy City Clerk to sign the Quitclaim Deed; and authorize Acting Deputy City Clerk to record the Quitclaim Deed.

Mayor Pro Tem Righeimer spoke on the project benefits to the community. (06:21:36)

Discussion followed regarding signage of public parking. (06:23:11)

AMENDED MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Monahan to approve resolution ordering the vacation and authorize the Mayor and Acting Deputy City Clerk to sign the Quitclaim Deed; authorize Acting Deputy City Clerk to record the Quitclaim Deed; and include a provision that signage be posted indicating that the parking is available to the public.

Discussion followed regarding an existing lattice gazebo that needed to be refurbished and maintained, the fence height, and access gates. (06:24:28)

The amended motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Mensinger,
and Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: None

The motion carried 4-1

ACTION: City Council adopted Resolution No. 12-34, ordering the vacation and authorized the Mayor and Acting Deputy City Clerk to sign the Quitclaim Deed; authorized Acting Deputy City Clerk to record the Quitclaim Deed; and included a provision that signage be posted indicating that the parking is available to the public.

MOTION/SECOND: Mayor Bever/Council Member Leece to consider Old Business Item No. 1 and New Business Items No. 1 and 2 and continue the remaining items on the agenda to a date certain.

Council Member Monahan indicated he will not support the motion other than continuing Item No. 3 of New Business as the RFP items need to be addressed as soon as possible. (06:26:38)

AMENDED MOTION: Mayor Bever amended the motion to continue New Business Item No. 3 – Appointments to Committees to the June 5, 2012, Council meeting, seconded by Council Member Monahan. (06:27:01)

Council Member Leece stated that she will not support the amended motion because the decisions to be made are too important to proceed at the late hour. (06:27:17)

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Mensinger,
Council Member Monahan
Noes: Council Member Wendy Leece
Absent: None
Abstain: None

ACTION: New Business Item No. 3 to be Continued to the June 5, 2012 Council Meeting.

OLD BUSINESS (06:28:46)

1. From the meeting of May 1, 2012, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING ZONING CODE AMENDMENT CO-12-05, AMENDING TITLE 13, CHAPTER VI, OFF-STREET PARKING STANDARDS, ARTICLE 2, NONRESIDENTIAL DISTRICTS, SECTION 13-89, TABLE 13-89, NONRESIDENTIAL PARKING STANDARDS, OF THE COSTA MESA MUNICIPAL CODE REGARDING OFF-STREET PARKING REQUIREMENTS FOR ESTABLISHMENTS WHERE FOOD OR BEVERAGES ARE SERVED.**

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Mensinger to adopt Ordinance No. 12-4, to be read by title only, and waive further reading.

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Mensinger,
Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: None

The motion carried: 4-1

ACTION: Adopted Ordinance No. 12-4, to be read by title only, and waived further reading.

NEW BUSINESS

1. Business Improvement Area (BIA) Reauthorization (06:29:44)

Presenting: Public Affairs Manager Dan Joyce. (06:30:21)

- (a) Annual report for the Business Improvement Area (BIA) for Fiscal Year 2012-2013.

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

ACTION: Approved

- (b) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2012-2013 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS AND SETTING THE TIME AND PLACE FOR A PUBLIC HEARING ON PROPOSAL.

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

ACTION: Adopted resolution to reauthorize the BIA assessment district boundaries, approve the BIA budget, and set the public hearing date and time for June 5, 2012 at 7 p.m.

2. Costa Mesa Foundation request to use a portion of Fairview Park and to sell beer and wine at the 2012 Concerts in the Park series. (06:34:39)

Public Affairs Manager, Dan Joyce presented details regarding approval of last year's request, ABC restrictions, providing ABC additional training, and park usage fees. (06:34:50)

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Leece to approve a request by the Costa Mesa Foundation to use a portion of Fairview Park and to sell beer and wine at the 2012 Concerts in the Park series, moved by.

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece,
Council Member Mensinger, Council Member Monahan
Noes: None
Absent: None
Abstain: None

The motion carried unanimously.

ACTION: Approved

3. Appointments to various Council-appointed committees

This item was continued to the City Council meeting of June 5, 2012.

4. Jail services Request for Proposal. (06:36:29)

- (a) Professional Services Agreement with G4S Secure Solutions (USA), Inc., 2300 East Katella Avenue, Suite 150, Anaheim, California, for the management and administration of jail services in the amount of \$743,329.60 annually, fixed for 18 months and then subject to Consumer Price Index (CPI) increases for the remainder of the term and any extensions, for a term of three years with two one-year extensions.

Report by CEO Hatch (06:37:16)

Discussion followed regarding the fiscal analysis, current jail staffing, G4S, and Custody Officers' PERS rate. (06:50:44)

Chief Gazsi spoke regarding the attrition model in the staff report and jail function in regards to quality of service. (07:05:52)

Discussion followed regarding fully-trained staff, G4S key innovations, and technology system implementation. (07:07:25)

Robin Leffler, Costa Mesa, spoke on proposed salaries and turnover issues. (07:10:28)

MOTION/SECOND: Mayor Pro Tem Righeimer/Council Member Mensinger to approve a Professional Services Agreement with G4S Secure Solutions (USA), Inc., 2300 East Katella Avenue, Suite 150, Anaheim, California, for the management and administration of jail services in the amount of \$743,329.60 annually, fixed for 18 months and then subject to Consumer Price Index (CPI) increases for the remainder of the term and any extensions, for a term of three

years with two one-year extensions and authorize the City CEO to sign and administratively implement a transition plan for impacted employees upon resolution of the city's outsourcing constraints, adding that Senior Management be kept for six months with subsequent evaluation to assess need.

Mayor Pro Tem Righeimer spoke on the addition to the proposal regarding the Senior Management to be kept for 6-months with subsequent evaluation to assess needs. (07:13:33)

Council Member Mensinger thanked CEO Hatch and Chief Gazsi for an excellent proposal; and will support the proposal. (07:16:12)

Council Member Leece expressed appreciation for the research, and indicated she will not support the proposal.

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Mensinger,
Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: None

The motion carried 4-1.

ACTION: Approved; authorized the City CEO to sign and administratively implement a transition plan for impacted employees upon resolution of the city's outsourcing constraints.

5. Street Sweeping services Request for Proposal.(07.18:12)

- (a) Professional Services Agreement with Arakelian Enterprises, Inc. dba Athens Services, 14048 Valley Boulevard, Post Office Box 60009, City of Industry, California, for street sweeping services in the amount of \$478,800 annually for the first two years and then subject to Consumer Price Index (CPI) increases for the remainder of the term and any extensions, for a term of five years with the option to renew for three one-year terms.

Mr. Muñoz spoke on the alternate street sweeping study, advertisement of the RFP, evaluation of proposals, information on Athens Services, projected costs for the city, fiscal review, equipment replacement fund, and alternatives. (07:18:56)

Kimberly Hall Barlow, Special Council, spoke on extending the proposal with Mr. Clifford by 6-months. (07:29:48)

Discussion followed regarding fulltime employees; outsourcing; and sweeper replacement costs. (07:30:44)

Discussion followed regarding the sweeper camera system; contract costs, savings, cost-of-living contract increases, and additional streets added to the contract. (07:35:55)

Council Member Monahan requested that staff analyze the current pilot program; spoke on parking enforcement, innovation, and modernization, and the possibility of rescinding lay-off notices. (07:43:37)

Mr. Young spoke on staffing for maintenance of equipment and allocation of funds. (07:48:39)

Speaker, Costa Mesa spoke on outsourcing street sweeping, revenues received from parking violation fees, and the proposed vendor. (07:50:56)

Perry Valentine, Costa Mesa, spoke on vendor response time, proposed savings, value of city employees, and ex-parte communications. (07:54:37)

Jay Humphrey, Costa Mesa, spoke on outsourcing street sweeping, agreed with rescinding layoff notices, and a General Law City. (07:57:52)

Beth Refakes, Costa Mesa, spoke on supervisor offset costs, street sweeping equipment longevity, on-board cameras, and opposed the street sweeping parking restrictions. (08:00:14)

Robin Leffler, Costa Mesa, requested clarification of management cost savings, and spoke about the current litigation. (08:03:35)

MOTION/SECOND: Council Member Monahan/Council Member Mensinger to approve a Professional Services Agreement with Arakelian Enterprises, Inc. dba Athens Services, 14048 Valley Boulevard, Post Office Box 60009, City of Industry, California, for street sweeping services in the amount of \$478,800 annually for the first two years and then subject to Consumer Price Index (CPI) increases for the remainder of the term and any extensions, for a term of five years with the option to renew for three one-year terms and authorize the City CEO to sign and administratively implement a transition plan for impacted employees upon resolution of the city's outsourcing constraints.

Council Member Leece indicated that she will not support the motion because the savings do not justify the outsourcing. (08:06:26)

Mayor Pro Tem Righeimer spoke about the present litigation and the street sweeping contract. (08:07:19)

The motion carried by the following roll call vote:

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Mensinger,
Council Member Monahan
Noes: Council Member Leece
Absent: None
Abstain: None

The motion carried 4-1.

ACTION: Approved; authorized the City CEO to sign and administratively implement a transition plan for impacted employees upon resolution of the city's outsourcing constraints.

6. Building Inspection services Request for Proposal. (08:12:04)

Interim Development Services Director Khanh Nguyen commended the RFP facilitators; presented details of the report including background, number of proposals received, evaluation of the proposals, interviews, and selection of the vendors; presented details of changes within the department, reorganization and revised recommendations based on the savings realized after reorganization of the department, and implementation of the "hybrid model;" and presented recommendations as listed in the staff report. (08:12:55)

Discussion followed regarding the previous budget; the current savings realized from the hybrid model; fee-driven services; and the flexibility to call additional staff as needed. (08:18:34)

Perry Valentine, Costa Mesa, spoke about disaster services and availability of a City plan when services are outsourced; and the depletion of City workers. (08:20:37)

Mayor Bever spoke positively on the City's CERT program and CERT volunteers in helping with disaster preparedness and services. (08:22:34)

MOTION/SECOND: Council Member Monahan/Mayor Bever to receive and file; reject all bids for building inspection services; direct staff to implement a "hybrid model" for building inspection services and eliminate two vacant inspector positions; authorize staff to rescind layoff notices for Building Inspection and Code Enforcement personnel.

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece,
Council Member Mensinger, Council Member Monahan
Noes: None
Absent: None
Abstain: None

The motion carried unanimously.

ACTION: Received and filed; rejected all bids for building inspection services; directed staff to implement a “hybrid model” for building inspection services and eliminated two vacant inspector positions; authorized staff to rescind layoff notices for Building Inspection and Code Enforcement personnel

7. Animal Control services Request for Proposal. (08:23:56)

Sergeant Phil Meyers, Supervisor of the Animal Control unit, spoke regarding the RFP report, evaluation of the proposal, analysis of benefits and disadvantages; and recommended that the RFP be filed, bid for animal control services be rejected, and process and rescind lay-off notices for animal control staff. (08:24:18)

Brief discussion followed regarding the number of animal control vehicles owned by the City.

Interested parties were invited to address the item. There was no response and Mayor Bever closed public comments for this item.

MOTION/SECOND: Council Member Monahan/Council Member Leece To receive and file; reject bid for animal control services; direct staff to explore measures to increase dog licensing compliance rates either through the County of Orange or a non-profit organization; authorize staff to rescind layoff notices.

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece, Council Member Mensinger, Council Member Monahan

Noes: None

Absent: None

Abstain: None

The motion carried unanimously.

ACTION: Received and filed; rejected bid for animal control services; directed staff to explore measures to increase dog licensing compliance rates either through the County of Orange or a non-profit organization; authorized staff to rescind layoff notices

8. Video Production Services Request for Proposal. (08:26:42)

Public Affairs Manager Bill Lobdell spoke regarding the video service proposals, Monarch Media Design background and development, addressed concerns with the vendor, the possibility of decreases in savings, and related issues, and keeping the video service in-house. (08:26:48)

Discussion followed regarding the current benefits of flexibility and direction, and the benefits of maintaining the services in-house. (08:29:48)

Victor Cao, Creative Director of Monarch Media Design, spoke about the letter submission addressing some of staff’s concerns, felt that through a continuance of

the item they would be able to appropriately resolve the issues of concerns; presented a company overview, and noted that the company participates in many community functions; conducting government-related work; and spoke on the merits of their proposal, including potential cost savings. (08:30:42)

Council Member Monahan requested that Mr. Lobdell maintain in communication with Monarch for the possibility of hiring them for special projects. (08:35:25)

MOTION/SECOND: Council Member Monahan/Council Member Leece to receive and file; reject all bids for video production services; authorize staff to rescind layoff notices.

Mayor Pro Tem Righeimer spoke about the possibilities for expansion working with students to have a twenty-four hour Costa Mesa exclusive channel for City information and events. (08:35:58)

The motion carried unanimously.

Ayes: Mayor Bever, Mayor Pro Tem Righeimer, Council Member Leece, Council Member Mensinger, Council Member Monahan
Noes: None
Absent: None
Abstain: None

ACTION: Received and filed; rejected all bids for video production services; authorized staff to rescind layoff notices

REPORT – None

ADJOURNMENT

There being no further business to come before Council, Mayor Bever adjourned the meeting at 2:38 a.m. to the next Regular City Council Meeting: June 5, 2012.



Mayor of the City of Costa Mesa

ATTEST:



City Clerk of the City of Costa Mesa