

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

**July 17, 2012**

The City Council of the City of Costa Mesa, California met in a regular session on July 17, 2012 at 5 p.m. in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. The meeting was called to order by the Mayor.

**ROLL CALL**

Council Members Present:	Mayor Eric R. Bever Mayor Pro Tem James Righeimer Council Member Wendy Leece Council Member Stephen Mensinger Council Member Gary Monahan
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Council Members Absent:	None
Officials Present:	Chief Executive Officer Thomas R. Hatch City Attorney Thomas Duarte Economic and Development Services Director Peter Naghavi Public Services Director Ernesto Munoz Assistant Chief Executive Officer Rick Francis Public Affairs Manager Bill Lobdell Interim City Clerk Brenda Green

**PUBLIC COMMENTS**

**CLOSED SESSION**

1. Conference with Thomas R. Hatch, Chief Executive Officer, and Labor Negotiator, Agency Negotiator regarding Employee Organizations: Costa Mesa City Employee Association (CMCEA), Costa Mesa Firefighters Association (CMFA), Costa Mesa Police Association (CMPA), Costa Mesa Police Management Association (CMPMA), Costa Mesa Fire Fighters Management Association, and Costa Mesa Division Managers Association pursuant to Government Code Section 54957.6
2. Conference with legal counsel regarding anticipated litigation, significant exposure to litigation pursuant to Government Code Section 54956.9(b) for one case.

3. Request for Special Leave of Absence: Public Employee, pursuant to California Government Code Section 54957. CALL TO ORDER

**PLEDGE OF ALLEGIANCE - Council Member Wendy Leece (00:00:06)**

**ROLL CALL (00:00:37)**

Council Members  
Present:

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

Council Members  
Absent:  
Officials Present:

None  
Chief Executive Officer Thomas R. Hatch  
City Attorney Thomas Duarte  
Economic and Development Services Director Peter  
Naghavi  
Public Services Director Ernesto Munoz  
Assistant Chief Executive Officer Rick Francis  
Finance and IT Director Bobby Young  
Police Chief Tom Gazsi  
Interim Fire Chief Tom Arnold  
Public Affairs Manager Dan Joyce  
Public Affairs Manager Bill Lobdell  
Transportation Services Manager Raja Sethuraman  
Interim City Clerk Brenda Green  
Acting Deputy City Clerk Christine Cordon

**CLOSED SESSION REPORT (00:00:52)**

City Attorney Duarte reported the following action was taken on Closed Session Item No. 3: (00:00:54)

MOTION: Deny request for special leave of absence  
Moved by Mayor Pro Tem James Righeimer, seconded by Council Member Stephen Mensinger.

The motion carried by the following roll call vote:

Ayes: Mayor Eric R. Bever, Mayor Pro Tem James Righeimer, Council Member Wendy Leece, Council Member Stephen Mensinger, Council Member Gary Monahan  
Noes: None.  
Absent: None.

**ANNOUNCEMENTS (00:01:16)**

The Mayor played a video clip of the "Costa Mesa Minute" featuring upcoming events.

The Mayor announced that Old Business Item No. 1 has been continued to the next regular Council meeting, and New Business Item No. 4 has been withdrawn. (00:03:24)

#### **PRESENTATIONS (00:03:37)**

The Mayor recognized Video Production Coordinator Dane Bora and Video Production Specialist Brad Long as employees of the month for July for their contributions to the city's cable channel. Public Affairs Manager Bill Lobdell provided an overview of their accomplishments and accolades. (00:03:41)

The Mayor presented a certificate of recognition to resident and youth surfer Meah Collins for her win at the 2012 USA Surf Championship. (00:09:53)

A military tribute video from the OC Fair and Event Center, "Salute to Heroes," was played. (00:14:42)

#### **PUBLIC COMMENTS (00:19:29)**

Rich Reiser, Costa Mesa, spoke about pedestrian and cyclist safety on West 19th Street. (00:20:16)

Kelly Vucinic, Police Department Crime Prevention Specialist, announced the upcoming police department's National Night Out event. (00:21:40)

Dan Goldmann, Costa Mesa, commented on the charter and leadership. (00:23:32)

John Feeney, Costa Mesa, thanked everyone involved in the rebuttal that was submitted to the Orange County Transportation Authority (OCTA) which addressed concerns regarding the I-405 Freeway Improvement Project. (00:27:19)

Terry Koken, Costa Mesa, shared a story. (00:29:06)

Jay Humphrey, Costa Mesa, echoed public comments about the I-405 Freeway Improvement Project, commented on a recent shooting and commended the police department's response, and expressed concern regarding a planning commissioner's recent fundraiser. (00:31:49)

Diane Swartz, Costa Mesa, agreed with a previous public speaker's comments regarding the I-405 Improvement Project, shared conditions in her neighborhood resulting from the discharge of fireworks on the 4th of July, and spoke about the city's new website. (00:36:38)

Beth Refakes, Costa Mesa, commented on the fireworks on the Eastside during the 4th of July, spoke in support of recognizing the video production team as employees of the month and supported video equipment upgrades, referred to

an article regarding CalPERS, and echoed comments made about the I-405 Freeway Improvement Project. (00:40:10)

Ernie Feeney, Costa Mesa, refuted news articles regarding the city's lack of concern for the seniors, and stated that the current council has done more for the seniors than any previous council. (00:42:54)

Robin Leffler, Costa Mesa, thanked staff and Council for the I-405 Freeway Improvement Project rebuttal, and commented on added language in the charter regarding council contact with staff. (00:46:41)

Marshall Krupp, Costa Mesa, spoke about the special meeting on Redevelopment Agency funds, and shared his experience on a recent police ride along and opined there are not enough officers in the field. (00:49:23)

Bonnie Copeland, Costa Mesa, spoke about residences at the end of 19th Street and expressed concern that residents in that area of Newport Beach are not paying for the use of Costa Mesa streets and services. (00:52:33)

Linda Schwandt, Costa Mesa, commented about the homeless population in the city and the Neighborhood Improvement Task Force. (00:55:06)

Tamar Goldmann, Costa Mesa, spoke about transparency and access to payments for city consultants. (00:58:29)

Martin H. Millard, Costa Mesa, provided comments on the city's new website, noted the lack of a 19th Street sign in the Westside, expressed concern regarding vending trucks in Mesa North, and commented on Spanish translation at Council Member Leece's town hall meeting. (01:01:22)

Katie Arthur, Costa Mesa, complimented the rebuttal letter on the I-405 Freeway Improvement Project, requested Council to reevaluate the number of days for fireworks discharge and sales, and commented on the appeal process. (01:03:30)

Sue Lester, Costa Mesa, expressed appreciation in Council's efforts to oppose the I-405 Freeway Improvement Project, spoke about fireworks, and commented on Council Member Leece's town hall meeting. (01:06:44)

Sandra Genis, Costa Mesa, echoed public comments made regarding the I-405 Freeway Improvement Project, and commented on the soundwall in the Environmental Impact Report (EIR). (01:09:22)

Cindy Brenneman, Costa Mesa, announced an upcoming fundraiser to benefit the Costa Mesa Community Emergency Response Team (CERT) program, commented on the relevance of public comments, and spoke about council members addressing individual public speakers. (01:11:28)

The Mayor recessed the meeting at 7:22 p.m.

The Mayor reconvened the meeting at 7:40 p.m.

### **COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS (01:14:50)**

Mayor Eric R. Bever announced that the City of Huntington Beach voted 4-3 to oppose Alternative 3 of the I-405 Freeway Improvement Project, noted that the Cities of Westminster and Fountain Valley are anticipated to oppose Alternative 3 while the City of Seal Beach has already voted in opposition, and announced an upcoming meeting with other mayors to collaboratively draft correspondence to OCTA in opposition of Alternative 3; addressed comments made regarding a CalPERS article and noted the financial impacts created by unfunded liability; referred to an article regarding Bethel Towers and noted its inaccuracies; commented on the enforcement of illegal fireworks; addressed concerns regarding the new website; commented on audio and visual issues in video production; announced the first Costa Mesa First Fridays Road Show at City Hall; addressed concerns regarding the homeless; and spoke about landscape on Victoria Street. (01:14:58)

Mayor Pro Tem Jim Righeimer recapped the second public hearing regarding the proposed charter; spoke about the I-405 Freeway Improvement Project; commented on a CalPERS article and pension rates; and spoke about the special meeting regarding Redevelopment Agency funds and comments made at the meeting from public speakers. (01:21:13)

Council Member Wendy Leece addressed a comment made regarding safety on 19th Street for seniors; referred to a public speaker's comment and clarified she did not call the police department regarding a fireworks incident on the 4th of July; addressed a public comment regarding disclosure of warrant information; spoke about her town hall meeting and noted the acceptance and understanding of having a Spanish translator; commented on Neighborhood Watch programs; shared her experience with fireworks on the 4th of July; spoke about the I-405 Freeway Improvement Project and urged residents to continue contacting local officials in opposition; announced the July 31 meeting regarding the vote for the charter, and expressed concern in the proposed charter; commented on the CalPERS article; and announced the upcoming Costa Mesa Senior Center spaghetti dinner. (01:32:31)

Council Member Stephen Mensinger complimented staff on the new website and reminded everyone that the site is a work in progress; announced his attendance at the grand opening of TechSpace; announced the upcoming Costa Mesa's Championship 40th Annual Will Jordan Classic; shared his experience on a tour of local company Claybell; complimented public safety personnel for the response to the Redwood Avenue shooting; complimented Lieutenant Mark Manley for his participation at a community meeting at Shiffer Park; commented on negotiations with employee groups; spoke about the high school cheer squads, stated they do not receive community funds and are present at events to fundraise, and requested that the youth be left alone politically; directed staff to provide a follow-up regarding the upgrade of video and audio equipment; asked staff to contact the fireworks companies to provide a summary of revenue

generated; requested staff provide an update regarding fireworks enforcement of previous and future years; and commented on homeless issues in the city and solution plans. (01:39:52)

Council Member Gary Monahan commented on the CalPERS article and the financial impact on the city's budget; thanked everyone for the compliments regarding the I-405 Freeway Improvement Project and thanked staff for the rebuttal document; announced the upcoming OCTA Highway Committee meeting and urged residents to contact the OCTA board members to oppose; and announced the upcoming Chamber of Commerce golf tournament. (01:52:44)

#### **REPORT - CHIEF EXECUTIVE OFFICER (CEO) (01:54:54)**

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

1. Indicated the website is an outstanding website and there may be glitches, and encouraged members of the public to submit comments, thoughts, and suggestions;
  2. Welcomed newly hired Recreation Manager Bob Knapp;
  3. Provided an update regarding the I-405 Freeway Improvement Project,
  4. Announced an After Action Report related to fireworks has been distributed to the Council and that the report is available on the city's website, complimented public safety staff, and shared statistics regarding enforcement during the 4th of July;
  5. Addressed concerns regarding availability of information on the website, and indicated staff will provide information and responses as soon as possible.
- (01:54:55)

#### **CONSENT CALENDAR (02:00:37)**

1. Reading Folder.  
  
(a) Request for Alcohol Beverage Control license: ARC Restaurant, 3321 Hyland Avenue, Suite F, Costa Mesa, California; Thai Taste, 560 West 19th Street, Unit C, Costa Mesa, California.  
  
ACTION: Received and processed.
2. Regular Adjourned Meeting/Study Session of January 11, 2011; and Regular Adjourned Meeting/Study Session of March 8, 2011.  
  
ACTION: Approved.
6. Adopt plans and specifications, and working details for Corporation Yard Fire Damage Restoration at 2310 Placentia Avenue, Costa Mesa, City Project No. 12-11, and award a construction contract to St. George Construction, Inc., 7839 Adwen Street, Downey, California, in the amount of \$177,699 (base bid plus additive bid item No. A-1).

(a) Budget Adjustment No. 13-003 in the amount of \$177,699.

ACTION: Approved; authorized the Mayor and Interim City Clerk to sign; and approved Budget Adjustment No. 13-003 in the amount of \$177,699.

**MOTION: Approve Consent Calendar Item Nos. 1, 2, and 6.  
Moved by Council Member Gary Monahan, seconded by Mayor Pro Tem James Righeimer.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

#### **ITEMS REMOVED FROM CONSENT CALENDAR (02:01:59)**

3. WARRANT RESOLUTION 2428: 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 \$1,135,672.59. (02:01:59)

Tamar Goldmann, Costa Mesa, spoke about outsourcing and compared the amount of legal bills paid to the cost of employees. (02:02:10)

**MOTION: Approve  
Moved by Mayor Eric R. Bever, seconded by Mayor Pro Tem James Righeimer.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

4. WARRANT RESOLUTION 2429: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-14 AND PAYROLL REGISTER NO. 12-13A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-14 for \$2,078,985.73 and Payroll No. 12-13A for \$1,059.89, and City operating expenses for \$728,882.11, including payroll deductions. (02:04:13)

Council Member Leece referred to the payment to Talon Executive

Services and directed staff to disclose the services rendered. (02:04:13)

CEO Hatch assured that the information would be made available to members of the public upon request, and an e-mail summary of the services could also be provided to the Council. (02:04:58)

**MOTION: Approve**

**Moved by Council Member Stephen Mensinger, seconded by Mayor Pro Tem James Righeimer.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

Council Member Monahan suggested hearing Consent Calendar Items Nos. 7 and 8 before 5. The Mayor consented. (02:05:36)

Mayor Bever noted that Council Member Leece has recused herself in the past from issues concerning Banning Ranch. Council Member Leece stated that she does not have a conflict because this affects a wide part of Costa Mesa and the constituency, and even though she lives within 500' of Banning Ranch, she believes she has a legal right to weigh in on this matter and does not have to recuse herself.

City Attorney Duarte indicated that they have discussed this and Council Member Leece can make her own decision even though legal has provided advice that there is a conflict.

Mayor Pro Tem Righeimer inquired what was the City Attorney's advice.

Mr. Duarte stated that it was initially determined Council Member Leece did have a conflict as she lives within 500' of the property line. Council Member Leece provided other evidence and it was determined later a governmental decision was in front of her, and Council Member Leece asked the attorney to look into the "Public Generally" exception and she made her decision.

Mayor Pro Tem Righeimer inquired what was City Attorney Duarte's opinion as he had concerns regarding possible litigation.

Mr. Duarte stated that Council Member Leece does live within 500' of the project and so she does have a conflict, this was their initial opinion and Council Member Leece provided other evidence that it affects the "Public Generally" and she has decided to rely on that.

7. Cooperative Agreement No. D11-066 with the County of Orange; the Orange County Flood Control District; the Cities of Irvine, Laguna Hills,

Laguna Woods, Lake Forest, Newport Beach, Orange, Santa Ana, and Tustin; the Irvine Water Ranch District; the Irvine Company; and Lennar Homes of California, Inc., for funding of Nutrient, Fecal, Coliform and Toxics Total Maximum Daily Load (TMDL) studies in the Newport Bay Watershed for a three-year term with the option of extending for one additional three-year term. (02:07:49)

Council Member Leece requested confirmation from staff that the city is not spending any money on the item. Public Services Director Ernesto Munoz confirmed that money is not being spend on this project currently, but the agreement will allow the city to take advantage of any grants through the project, and any costs associated with the project is part of the approved water quality budget. (02:07:49)

**MOTION: Approve; authorize the Mayor and Interim City Clerk to sign  
Moved by Mayor Eric R. Bever, seconded by Council Member Stephen Mensinger.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADJUSTING THE RATES OF PAY FOR POLICE RESERVE OFFICER. (02:09:35)

Council Member Leece requested a comparison of rates with other cities and asked if it is difficult to attract and retain reserve officers. (02:09:36)

Human Resources Manager Lance Nakamoto shared results of a preliminary survey conducted with neighboring cities and indicated that \$27 per hour is the median, and that law enforcement agencies in general have a difficult time retaining officers. (02:10:17)

Council Member Monahan commented on the comparable qualifications of reserve officers to full-time officers, and stated his belief that the reserve officers should be paid more than the animal control officers. (02:12:00)

Mayor Pro Tem Righeimer spoke in support in the pay increase. (02:14:58)

Cindy Brenneman, Costa Mesa, supported a modified tier system, but expressed concern in hiring at a pay rate equal to reserve officers who

have served the city for a longer period of time. (02:17:20)

Marshall Krupp, Costa Mesa, spoke in support of a pay increase and expressed concerns regarding intended candidates for reserve officers. (02:18:20)

Harold Weitzberg, Costa Mesa, urged Council not to criticize the police officers. (02:21:59)

Sue Lester, Costa Mesa, asked if the city is actively seeking reserve officers. (02:23:33)

Tamar Goldmann, Costa Mesa, compared the proposed increase of pay to the rate of legal services. (02:23:46)

Reggie Mundekis, Orange, expressed concern in a police force comprised of part-time reserve officers. (02:24:52)

Robin Leffler, Costa Mesa, spoke in support of increased pay for reserve officers. (02:26:01)

Sandra Genis, Costa Mesa, stated that the increase is not much. (02:27:56)

Eleanor Egan, Costa Mesa, commented on the purpose of employee pensions to prevent bribery and negative temptation. (02:29:01)

Mayor Bever shared his dismay at how the intent of the pay increase was being skewed. (02:31:11)

Council Member Monahan indicated he brought this proposed increase forward because he felt the reserve officers deserved more pay than the animal control officers due to their level of skills equivalent to full-time officers, and responded to comments made by public speakers. (02:31:43)

Council Member Leece expressed appreciation of the efforts to recruit reserve officers. (02:33:55)

Mayor Pro Tem Righeimer referred to comments made regarding the dismantling of the police force, union influence, and overtime, and noted that the comments are becoming political. (02:36:06)

Council Member Mensinger discouraged public speakers and Council candidates from politicizing. (02:42:35)

Mayor Bever expressed appreciation for the reserve officers and their professionalism, and stated his disappointment at how some members of the community have framed the issue. (02:43:26)

**MOTION: Adopt Resolution No. 12-49: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADJUSTING THE RATES OF PAY FOR POLICE RESERVE OFFICER, as amended to reflect a fixed rate of \$33 per hour.**

**Moved by Council Member Gary Monahan, seconded by Council Member Stephen Mensinger.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

5. Traffic Mitigation Agreement with Newport Banning Ranch, LLC, 1300 Quail Street, Suite 100, Newport Beach, California, for mitigation of traffic impacts associated with the proposed Newport Banning Ranch Project within the sphere of influence of the City of Newport Beach. (02:44:19)

Mayor Bever stated that the city does not have jurisdiction over the issue of Banning Ranch and whether the development will be built; indicated that the city's General Plan includes the anticipated impact resulting from Banning Ranch; reminded the public that the issue before the Council tonight is not a determination of the Banning Ranch project, but it is about whether the city accepts the mitigation money, and requested that public speakers comment only about mitigation issues; and clarified that if the city does not accept the proposed funds, then the city is financially liable for traffic mitigation. (02:44:26)

Transportation Services Manager Raja Sethuraman provided a presentation, which included the project overview, project map, trip generation, trip distribution, project impacts and mitigation, and the traffic mitigation agreement terms. (02:47:11)

Mayor Bever asked if there are any provisions in the agreement that affect the amount based on inflation. Mr. Sethuraman responded that there are contingencies built in, but no increase or forecast beyond the proposed number. (02:53:47)

Beth Refakes, Costa Mesa, expressed concerns about inflation and cost, and additional mitigations not covered in the agreement. (02:55:10)

Terry Koken, Costa Mesa, disagreed with the placement of the item on the Consent Calendar. (02:58:16)

James Quig, Costa Mesa, expressed concerns regarding the financing and decision-making process. (03:00:58)

Benjamin Hubbard, Costa Mesa, urged Council to oppose the agreement.

(03:01:27)

Greg Ridge, Costa Mesa, opined it is too early to make a decision regarding traffic mitigation. (03:03:00)

Debby Koken, Costa Mesa, suggested that Council take a stance regarding the Banning Ranch development similar to the effort made regarding the I-405 Freeway Improvement Project. (03:04:30)

John Ursini, Costa Mesa, spoke in support of the Banning Ranch development. (03:06:22)

Katie Arthur, Costa Mesa, spoke in opposition of the agreement. (03:06:22)

Linda Schwandt, Costa Mesa, spoke in opposition of Banning Ranch. (03:09:46)

Harold Weitzberg, Costa Mesa, spoke in opposition of the terms of the agreement. (03:10:17)

Susan Shaw, Costa Mesa, spoke in opposition of the agreement. (03:11:41)

Bonnie Copeland, Costa Mesa, suggested the item be continued to allow for more information and research.

Chris McEvoy, Costa Mesa, urged Council to fight the Banning Ranch development. (03:15:11)

Sheila Pfafflin, Costa Mesa, expressed concern regarding the placement of the item on the Consent Calendar, and spoke in opposition of the agreement. (03:16:42)

John Feeney, Costa Mesa, spoke in opposition of the agreement. (03:19:52)

Dolores Minerich, Costa Mesa, commented on transparency and urged Council to reconsider the project. (03:21:35)

Mayor Bever clarified that the Council Members did not bring this item forward, and that it was presented by staff. (03:22:41)

Sandra Genis, Costa Mesa, urged Council to oppose the agreement. (03:23:35)

Eleanor Egan, Costa Mesa, spoke in opposition of the agreement. (03:26:15)

Speaker spoke in opposition of the agreement. (03:28:26)

John Stephens, Costa Mesa, expressed concern about various sections of the agreement. (03:31:06)

Marshall Krupp, Costa Mesa, opined that the agreement only benefits the developer. (03:34:03)

Diane Silvers, Newport Beach, recommended the Council oppose the proposed agreement. (03:37:03)

Jeffrey Childs, Costa Mesa, spoke in opposition of the Banning Ranch development. (03:39:50)

Suzanne Forrester, Newport Beach, spoke in opposition of the agreement. (03:43:18)

Sheila Koff, Newport Beach, urged opposition of the agreement. (03:44:52)

Taoward Lee, Costa Mesa, expressed concern in the lack of benefits to the city with the agreement. (03:46:46)

Robin Leffler, Costa Mesa, spoke in opposition of the agreement. (03:48:43)

Tamar Goldmann, Costa Mesa, spoke in opposition of the agreement. (03:51:33)

Sue Lester, Costa Mesa, suggested that the Council refrain from voting at this time, and spoke in opposition of the development. (03:54:40)

Jim Mosher, Newport Beach, noted errors in the staff report and draft agreement, and spoke in opposition of the agreement. (03:56:20)

Jay Humphrey, Costa Mesa, spoke in opposition of the Banning Ranch development and the agreement. (03:58:38)

Walter Pasternik, Newport Beach, spoke in opposition of the development. (04:00:30)

W.D. Heidorn, Newport Beach, spoke about preserving the quality of life and happiness for the residents on the Westside, and urged opposition of the agreement.

Steve Ray, Executive Director of the Banning Ranch Conservancy, spoke in opposition of the agreement and development. (04:05:30)

Mayor Bever expressed concern that the staff report did not receive legal review and there were no signatures present from the City Attorney's

Office. The City Attorney clarified that legal did review the document as to form. (04:08:38)

Mayor Pro Tem Righeimer asked why the item was placed on the Consent Calendar. CEO Hatch explained that the placement of this type of agreement on the Consent Calendar is standard practice, and it was not the intent of staff to hide the item on the agenda. (04:09:40)

Council Member Leece opined that it was not necessary to approve the agreement at this time, and asked what the downside would be to waiting. Mr. Naghavi indicated that Council may wait to vote, but warned once the other agencies approve the agreement, the city's leverage would be reduced. (04:14:41)

Per request from Council Member Mensinger, Mr. Naghavi spoke about the site and density, as well as traffic impacts and mitigation. (04:17:05)

MOTION: Receive and file.

Moved by Council Member Wendy Leece. Motion died for lack of second.

**MOTION: Approve as amended to include Consumer Price Index (CPI) increases after 2015 and cost per unit; authorize the City Chief Executive Officer to sign.**

**Moved by Mayor Pro Tem James Righeimer, seconded by Council Member Gary Monahan.**

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

The Mayor recessed the meeting at 10:50 p.m.

The Mayor reconvened the meeting at 11:00 p.m.

## **SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY**

No items scheduled.

## **PUBLIC HEARINGS - 7 p.m. (Resolution No. 05-55) (04:26:55)**

1. PUBLIC HEARING: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CERTIFYING SPECIAL ASSESSMENTS FOR COLLECTING DELINQUENT CIVIL FINES FOR MUNICIPAL CODE VIOLATIONS.

Finance/IT Director Bobby Young presented the report, and noted a revised list (Attachment 1 of the staff report) has been provided. (04:27:09)

Gary Thomas, Costa Mesa, requested that his property at 2661 Orange Avenue be reconsidered. (04:28:33)

Council Member Monahan asked if the citation would still be paid or would it be waived because the work has been completed if the Council excludes Mr. Thomas' citation from the list. (04:29:49)

Mr. Young responded that the fine would still need to be paid because work had not been done on the property for a long period of time. (04:30:15)

Alexander J. Vogel, Costa Mesa, stated mail was improperly addressed and the code violation was fixed, and asked that the fees be waived. (04:34:11)

Council Member Leece asked if an administrative hearing is part of the process. Mr. Naghavi stated there is an appeal and hearing process. (04:36:16)

**MOTION: Approve Adopt Resolution No. 12-50: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CERTIFYING SPECIAL ASSESSMENTS FOR COLLECTING DELINQUENT CIVIL FINES FOR MUNICIPAL CODE VIOLATIONS, as amended to exclude 2661 Orange Avenue, and 660 Seal Street. Moved by Council Member Gary Monahan, seconded by Mayor Eric R. Bever.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

## **OLD BUSINESS**

1. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADDING CHAPTER III OF TITLE 4 OF THE COSTA MESA MUNICIPAL CODE RELATING TO THE BICYCLE PARKING REGULATIONS.

The item was continued to the meeting of August 7, 2012.

## **NEW BUSINESS (04:39:24)**

1. Annual performance audit work plan. (04:39:31)

Assistant CEO Rick Francis presented the report. (04:39:40)

Council Member Leece asked why staff is going through an Request for

Qualifications (RFQ) process instead of an Request for Proposals (RFP), and what the cost would be. Mr. Francis indicated an RFQ process is more of a streamlined and faster process, and an RFP process is typically more defined in its scope, and the costs would be determined by the proposals received. (04:45:09)

In response to a question from Council Member Mensinger, Mr. Francis described the RFQ process and the difference between an RFQ and RFP. (04:47:51)

Council Member Mensinger requested adding additional items to the annual work plan. Mr. Francis explained it would take two members of the Council, and then the work plan would be presented to the entire Council for approval.

Council Member Mensinger spoke in support of auditing business license compliance, and the implementation and impact of the 2.5%@55 retirement formula and unfunded pension liability. (04:51:52)

Council Member Monahan suggested fire permits should be audited along with business licenses. (04:52:35)

Council Member Leece directed staff to analyze customer service in Development Services. (04:53:17)

Perry Valentine, Costa Mesa, referred to the audit of the 2.5%@55 retirement formula and asked if there is any legitimate reason to audit this. (04:55:40)

Council Member Monahan suggested that recreation fees be audited. (04:57:03)

Discussion ensued among the Council regarding the pension formula audit, the initial CalPERS projections, and actuarials. (04:57:43)

Mr. Francis indicated a work plan would be crafted and could be presented to Council in the first meeting in August. CEO Hatch added that staff could move forward with the process administratively. (05:01:56)

2. "Go Green Program" for permit fee waivers for solar systems and electric vehicle charging stations. (05:03:14)

Chief Plans Examiner Keith Clark presented the report and responded to questions from the Council. (05:03:31)

Council Member Mensinger spoke in support of the program. (05:08:47)

Mayor Bever stated that the city has issued fee waivers in the past, but noted a current deficit and spoke in opposition of the waivers at this time.

(05:09:30)

MOTION: Receive and file.

Moved by Mayor Eric R. Bever. Motion died for lack of second.

**MOTION: Approve the 50 percent program and extend the program through June 30.**

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

The motion carried by the following roll call vote:

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

Noes: Mayor Eric R. Bever

Absent: None.

3. Telecommunication Technical Services (Emergency Services Equipment) Request for Proposal (05:10:41)

Lieutenant Bryan Glass presented the report and, along with CEO Tom Hatch and Police Chief Tom Gazsi, responded to questions from the Council regarding the scope of the RFP, current staffing, the response received, the RFP process, and the complexity of the current systems. (05:11:03)

Mayor Pro Tem Righeimer expressed in the way the city currently performs the services, spoke in support of directing staff to continue looking for a vendor and separating parts of the RFP, and stated the need for back-up. (05:15:13)

The Mayor announced that it was midnight and therefore a vote was required to extend the meeting. (05:24:16)

**MOTION: Extend the meeting.**

**Moved by Council Member Gary Monahan, seconded by Mayor Pro Tem James Righeimer.**

The motion carried by the following roll call vote:

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

Noes: Mayor Eric R. Bever

Absent: None.

Speaker stated he does not understand why we cannot keep current staffing. (05:25:00)

Robin Leffler, Costa Mesa, suggested recruiting a replacement for the

previously filled position. (05:25:21)

**MOTION: Reject all bids; direct staff to continue exploring shared service models with nearby communities and private companies; separate the RFP into parts; and keep the layoff notice in place.**

**Moved by Mayor Pro Tem James Righeimer, seconded by Council Member Wendy Leece.**

SUBSTITUTE MOTION: Rescind layoff notice; receive and file.  
Moved by Mayor Eric R. Bever. Motion died for lack of second.

The motion carried by the following roll call vote:

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

Noes: Council Member Gary Monahan

Absent: None.

4. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AMENDING SECTIONS 2-301(9), 2-302, AND 2-304(1) OF CHAPTER IX OF TITLE 2 OF THE COSTA MESA MUNICIPAL CODE RELATING TO APPEAL, REHEARING, AND REVIEW PROCEDURE.

ACTION: Withdrawn

5. Discussion Regarding Possible Business License Tax Increase.  
(05:28:27)

Finance/IT Director Bobby Young made the presentation and responded to questions from the Council regarding current business license enforcement, and staffing levels and responsibilities.

Council Member Leece expressed concern in the speed of the process and indicated she did not want to make a hasty decision. (05:34:45)

Mayor Bever stated the rush to place the business license tax increase on the November ballot is foolhardy. (05:35:33)

Mayor Pro Tem Righeimer encouraged placement on the ballot and asked staff to present a number of estimated revenues. (05:36:01)

CEO Hatch reminded the Council that in order to move forward with placing the proposed increase on the November ballot, it would require and 4/5th vote. (05:42:26)

Robin Leffler, Costa Mesa, spoke in support of a business license tax increase and placement on the November 2012 ballot. (05:43:02)

Beth Refakes, Costa Mesa, expressed concern on placing additional tax

burden on businesses. (05:44:57)

Perry Valentine, Costa Mesa, requested his submitted letter be made a part of the record, and spoke about business license tax fees since 1961. (05:47:13)

Council Member Mensinger stated his preference to collect taxes from businesses that have not been paying taxes before raising taxes on current tax-paying businesses. (05:50:50)

Council Member Monahan expressed he has no interest in moving forward with the increase, and noted that businesses pay a lot in taxes already.

No further discussion ensued or action was taken on this item.

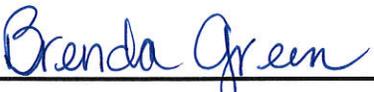
**REPORT - City Attorney**

No report given.

**ADJOURNMENT - The Mayor adjourned the meeting at 12:25 a.m. to July 31, 2012 at 7 p.m. for a Special Meeting. Next Regular City Council Meeting: August 7, 2012 at 6 p.m.**

  
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Mayor of the City of Costa Mesa

ATTEST:

  
\_\_\_\_\_  
Interim City Clerk of the City of Costa Mesa

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

ATTEST:

  
\_\_\_\_\_  
Interim City Clerk of the City of Costa Mesa  
on behalf of Successor Agency