

**REGULAR MEETING OF THE CITY COUNCIL
CITY OF COSTA MESA**

March 06, 2012

The City Council of the City of Costa Mesa, California met in a regular session on March 06, 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.

CLOSED SESSION

PUBLIC COMMENTS

1. Conference with Thomas R. Hatch, Chief Executive Officer, and Labor Negotiator, Agency Negotiator regarding Employee Organizations: Costa Mesa City Employee Association (CMCEA), Costa Mesa Firefighters Association (CMFA), Costa Mesa Police Officers Association (CMPOA) and Costa Mesa Police Management Association (CMPMA), Costa Mesa Fire Fighters Management Association, and Costa Mesa Division Managers Association pursuant to Government Code Section 54957.6
2. Conference with legal counsel regarding existing litigation: Costa Mesa Employees Association v. City of Costa Mesa, a municipal corporation, et al., Orange County Superior Court Case No. 30-2011 00475281, pursuant to Government Code Section 54956.9(a).

PLEDGE OF ALLEGIANCE - Mayor Gary Monahan (00:00:09)

MOMENT OF SOLEMN EXPRESSION - Pastor Rod Randall, Harbor Trinity Baptist Church (00:00:33)

ROLL CALL (00:01:22)

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

Council Members Absent: None

Officials Present: Chief Executive Officer Thomas R. Hatch
City Attorney Thomas Duarte
Interim Development Services Director Khanh Nguyen
Transportation Services Manager Raja Sethuraman
Assistant Chief Executive Officer Rick Francis
Public Affairs Manager Dan Joyce

Public Affairs Manager Bill Lobdell
City Clerk Julie Folcik

CLOSED SESSION REPORT

ANNOUNCEMENTS (00:01:35)

The Mayor played a video clip of the "Costa Mesa Minute," featuring the following upcoming events:

-6th Annual St. Patrick's Day Festival - March 17 from 10 a.m. to 3:30 p.m. - OC Market Place

-Estancia High School Drama proudly presents "Grease" - March 8-10 - Estancia High School - For more information, call (949) 515-6537

-Costa Mesa Sanitary District's free composting workshop - March 11 at 10 a.m. - Fairview Park - For more information, call (949) 645-8400

-Safety in the Home Workshop, hosted by the Costa Mesa Historical Society - March 18 at 2:30 p.m. - For more information, call (949) 631-5918 or visit www.costamesahistory.org

-36th Annual Home Remodeling & Decorating Show - March 17-18 - OC Fair & Event Center - For more information, call (909) 447-9091 or visit thehomeshow.com

-Newport Harbor Pony and Little League Baseball opening - March 10 - Mariners Park, Newport Beach

PRESENTATIONS (00:04:14)

Bill Hossfeld of the Newport Balboa Rotary Club made a presentation about Arbor Day and the club's involvement in Arbor Day activities in the Newport Beach and Costa Mesa communities.

PUBLIC COMMENTS (00:08:10)

Jay Humphrey, Costa Mesa, spoke about the charter on the agenda and Costa Mesans for Responsible Growth. (00:09:24)

Robin Leffler, Costa Mesa, provided an overview of the efforts, interests and demographics of Costa Mesans for Responsible Growth. (00:11:21)

Dee Smith, Costa Mesa, shared her witness encounter of a recent incident at Del Taco located at 17th Street and Newport Boulevard, and made recommendations to reopen the police substation, increase police presence in early morning hours, and upgrade the dispatch equipment. (00:15:12)

James Cowell, Costa Mesa, spoke in support of the Council and their efforts. (00:18:15)

Caryssa Meintz, Costa Mesa, Newport Harbor High School student, encouraged the ban of styrofoam in restaurants. (00:18:57)

Antonio Rossi, Costa Mesa, Newport Harbor High School student, shared surrounding municipal efforts to ban styrofoam, and encouraged the ban of styrofoam in the city. (00:20:05)

Eloise Ott, Costa Mesa, referred to James Wilson's "broken windows" concept and spoke about darkened widows.

Marley Manfredi, Costa Mesa, Davis Magnet School student, spoke about the dangers of styrofoam and encouraged the ban of styrofoam in the city. (00:23:31)

Lisa Manfredi, Costa Mesa, urged the ban of styrofoam in city restaurants. (00:24:23)

John Feeney, Costa Mesa, expressed concern in the potential increase of emergency services fees and opined that the services should be paid for by tax dollars. (00:25:54)

Carter Higgs, Santa Ana, spoke about the Brown Act and disclosure of documents related to medical marijuana. (00:28:17)

Tom Pollitt, Costa Mesa, thanked the Council for their efforts to balance the budget and reduce expenses, and expressed concern regarding staff overtime. (00:31:23)

Bob Drake, Costa Mesa, thanked the Council for their efforts. (00:34:17)

Pamela Wilson, Costa Mesa, complimented the Council for their efforts related to the budget, payroll, the hiring of the police chief, and the workers' compensation claims. (00:35:30)

Judy Walker, Costa Mesa, spoke in support of Council's efforts. (00:37:12)

H.B. Corcorran, Santa Ana, thanked the Council for their efforts and complimented the fire and police department staff. (00:38:34)

Ron Amburgey, Costa Mesa, thanked the Council for their efforts and commended the city for increased transparency. (00:39:30)

Angel and Jacqui Lopez, Costa Mesa, expressed concerns about the residential development, UMP-12-01, behind their home and potential drainage issues. (00:41:13)

Perry Valentine, Costa Mesa, complimented city staff, indicated that overtime pay is not considered as part of pension through PERS, and requested that New Business Item No. 2(d) be heard separately. (00:43:26)

Jay Photoglou spoke about his experience with the police department regarding a personal civil matter. (00:45:36)

Greg Thunell, Costa Mesa, commented on the sale of the ABLE helicopters, and

shared a parable. (00:48:33)

Tamar Goldmann, Costa Mesa, spoke about council meeting decorum at a previous meeting and opined that holding up cards is a quiet form of expression. (00:51:42)

Harold Weitzberg, Costa Mesa, thanked the Council for removing the apathy, and urged Council to work smart, not hard. (00:54:19)

Weston Mickey, Director of Petition Alliance Management, spoke about a city initiative regarding medical marijuana. (00:56:30)

Sandra Genis, Costa Mesa, suggested that New Business Item No. 2(a) be discussed separately from NB-2(d) and commented on decorum at a previous meeting. (00:57:40)

Kathy Herzog, Costa Mesa, commented on the city of Stockton bankruptcy, and expressed support in the Council and the charter. (00:59:38)

Tom Egan, Costa Mesa, expressed disapproval of placing the charter toward the end of the agenda. (01:01:01)

CONSENT CALENDAR ITEM NOS. 1 THROUGH 9 (01:03:01)

MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 9, except for Consent Calendar Item Nos. 6, 7, and 9. Moved by Mayor Gary Monahan, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

1. Reading Folder.

(a) Claims received by the City Clerk: Mark Eisenberg on behalf of Victor L. Baltusis; Jill Pagel on behalf of Enterprise Rent A Car; State Farm Insurance; State Farm Insurance (Case Number 7504J4940); Mark W. Eisenberg on behalf of Agnieszka Szczerbinska-Baltusis.

(b) Request for Alcohol Beverage Control license: Yakitori Hoho, 891 Baker Street, Suite B15. Minutes

ACTION: Received and processed.

2. Special Joint Meeting of the City Council and Redevelopment Agency of January 10, 2012.

ACTION: Approved.

3. WARRANT RESOLUTION 2409: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-04 AND PAYROLL REGISTER NO. 12-03A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-04 for \$2,043,263.51 and Payroll No. 12-03A for negative \$1,958.33, and City operating expenses for \$747,227.94, including payroll deductions.

ACTION: Adopted resolution.

4. WARRANT RESOLUTION 2410: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, AND SPECIFYING THE FUNDS OUTOF WHICH THE SAME ARE TO BE PAID, funding City operating expenses for \$852,997.92.

ACTION: Adopted resolution.

5. Professional Services Agreement with Onward Engineering, 300 South Harbor Boulevard, Anaheim, for engineering services for design of Harbor Boulevard and Gisler Avenue intersection improvements, in the amount of \$171,938.

(a) Budget Adjustment No. 12-010 for \$172,500.

ACTION: Approved and authorized Mayor and City Clerk to sign; approved Budget Adjustment No. 12-010 for \$172,500.

8. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING THE CITY CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT TO TRANSFER OR PURCHASE EQUIPMENT OR SERVICES FOR THE FY 2011 URBAN AREAS SECURITY INITIATIVE GRANT (UASI).

(a) Budget Adjustment No. 12-012 for \$68,980.

ACTION: Adopted Resolution No. 12-13: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING THE CITY CHIEF EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT TO TRANSFER OR PURCHASE EQUIPMENT OR SERVICES FOR THE FY 2011 URBAN AREAS SECURITY INITIATIVE GRANT (UASI); and approved Budget Adjustment No. 12-012 for \$68,980.

ITEMS REMOVED FROM CONSENT CALENDAR (01:03:53)

6. Professional Services Agreement with Merrill & Associates, 1305 Pioneer Street, Brea, for the upgrade of the City's Avaya phone system in the amount of \$257,740. (01:03:53)

(a) Budget Adjustment No. 12-009 for \$18,000.

Tom Egan, Costa Mesa, asked why the city had to pay sales tax on the transaction. (01:04:53)

MOTION: Approve and authorize the Mayor and City Clerk to sign; approve Budget Adjustment No. 12-009. Moved by Mayor Gary Monahan, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

7. Measure M2 Environmental Cleanup Grant Funds in the amount of \$100,000. (01:04:39)

(a) Authorize use of County of Orange Master Agreement MA-080-11011795 with West Coast Storm, Inc. to purchase an install catch basin screens.

(b) Budget Adjustment No. 12-011 for \$100,000.

(c) Subordinate agreement with West Coast Storm, Inc. for installation of catch basin screens.

Council Member Leece inquired about the retractable aspect of the catch basin screens. (01:04:42)

Transportation Manager Raja Sethuraman explained that the screens are placed in front of the catch basins to collect dirt and debris, and will automatically open when there is a large amount of debris. (01:05:15)

MOTION: Approve and authorize Mayor and City Clerk to sign; approve Budget Adjustment No. 12-011. Moved by Council Member Wendy Leece, seconded by Mayor Gary Monahan.

The motion carried by the following roll call vote:

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

Member Stephen Mensinger

Noes: None.

Absent: None.

9. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AFFIRMING THE MAYOR'S SELECTION AND APPOINTMENT OF TWO MEMBERS TO THE OVERSIGHT BOARD PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, SECTION 34179. (01:07:15)

Council Member Leece requested clarification regarding the number of committee member appointments, the function of the board, and who the board is accountable to. (01:07:15)

CEO Hatch explained that the per state law, the Oversight Board consists of seven members. The Mayor may make two appointments, but one must be from the recognized employee organization representing former Redevelopment Agency employees. Mayor Pro Tem Righeimer, Assistant CEO Francis and CEO Hatch were also appointed to the board by the County of Orange. (01:08:07)

Special Counsel Celeste Brady stated the seven-member board will consist of three County appointments, two mayoral appointments, one appointment from the community college district, and one appointment to represent the superintendent of schools. The role of the Oversight Board is to oversee the Successor Agency. (01:10:36)

MOTION: Adopt Resolution No. 12-14: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AFFIRMING THE MAYOR'S SELECTION AND APPOINTMENT OF TWO MEMBERS TO THE OVERSIGHT BOARD PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, SECTION 34179. Moved by Mayor Gary Monahan, seconded by Council Member Wendy Leece.

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

REPORT - CHIEF EXECUTIVE OFFICER (CEO) (01:14:17)

CEO Hatch responded to comments from public speakers and provided the following updates (01:14:17):

1. Referred to comments regarding a business license consultant, indicated that a contract would be signed to begin the process of analyzing the business

- license process, and a report would be presented upon completion of the review;
2. Referred to comments about the workers' compensation review, and stated that Management Partners conducted a review of the processes and 14 recommendations were part of the process, which included ways to reduce the costs and increase efficiencies;
 3. Announced the upcoming Large Item Disposal program pick-up days on April 21 and June 2;
 4. Announced that the vision for Harbor Boulevard improvements and the annual Community Development Block Grant funds would be discussed at the next Study Session;
 5. Commented on overtime costs and indicated that overtime is not calculated as part of the retirement formulas;
 6. Announced that the report on the midyear budget review will be presented at the March 20 City Council meeting; and
 7. Spoke about the ABLE program and the contract with the City of Huntington Beach for helicopter services, and noted the effectiveness of the contract and a savings of approximately \$1.2 million per year; and
 8. Referred to comments regarding the agenda and indicated that there was no attempt to enlarge the agenda.

PUBLIC HEARINGS (01:21:18)

1. PUBLIC HEARING: Continued from the meeting of November 1, 2011, Planning Application PA-11-03, for Kevin Coleman, for a conditional use permit to install a 40-foot long by 40-foot wide helipad/helistop on the roof of an existing industrial building located at 3132 Airway Avenue. Environmental determination: Exempt. (01:21:33)

Denis LaBonge, Newport Beach, spoke on behalf of property owners at 3130-3140 Airway Avenue and in opposition of the proposed helipad. (01:22:09)

Council Member Leece asked if there were any limits to the number of continuances the applicant can have. City Attorney responded that there were not. (01:25:27)

MOTION: Continue to the meeting of June 19, 2012, as requested by the applicant.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

OLD BUSINESS (01:26:13)

1. From the meeting of February 7, 2012, Amendment to the contract between CalPERS and the City of Costa Mesa to include provisions pursuant to Government Code Section 20475 in order to implement the 2%@60 retirement formula (Miscellaneous Group). (01:26:18)

(a) AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF COSTA MESA AND BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

(b) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF COSTA MESA AND BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

Human Resources Manager Lance Nakamoto presented the report. (01:27:16)

Mayor Pro Tem Righeimer expressed appreciation to the miscellaneous employee group for moving forward with the proposed pension formula for new hires, and implored the safety groups to do the same. (01:28:44)

MOTION: Adopt Urgency Ordinance No. 12-2: AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF COSTA MESA AND BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, to be read by title only and waive further reading.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

MOTION: Approve Adopt Ordinance No. 12-1: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF COSTA MESA AND BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, to be read by title only and waive further reading.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

NEW BUSINESS (01:30:28)

1. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DESIGNATING THE EVENT ROUTE AND STREET CLOSURES FOR THE 2012 ORANGE COUNTY MARATHON.
(01:30:28)

Transportation Services Manager Raja Sethuraman made the presentation and responded to questions from the council regarding overtime, hours of street closures for residents, and methods of notifying the residents of the closures and impacts. (01:30:45)

MOTION: Adopt Resolution No. 12-15: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, DESIGNATING THE EVENT ROUTE AND STREET CLOSURES FOR THE 2012 ORANGE COUNTY MARATHON.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

The Mayor recessed the meeting at 7:37 p.m.

The Mayor reconvened the meeting at 7:55 p.m.

2. Proposed city charter and placement on the June 5, 2012 ballot.
(01:36:40)

(a) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, PROPOSING A MEASURE FOR THE SUBMISSION TO THE VOTERS OF A QUESTION WHETHER THE CITY OF COSTA MESA SHALL ADOPT THE PROPOSED CHARTER.

(b) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CALLING AND GIVING NOTICE OF THE

HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, JUNE 5, 2012, AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND FOR THE SUBMISSION TO THE VOTERS A QUESTION RELATING TO THE ADOPTION OF A PROPOSED CHARTER BY THE CITY.

(c) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A SPECIAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2012, WITH THE STATEWIDE PRIMARY ELECTION TO BE HELD ON THE DATE PURSUANT TO § 10403 OF THE ELECTIONS CODE.

(d) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENT(S) REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS.

(e) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT THE SPECIAL MUNICIPAL ELECTION.

City Attorney Tom Duarte presented the report and resolutions, explained the process for adopting the charter, and noted that Michael Houston, attorney for the League of California Cities, was present to answer any questions. City Attorney Duarte advised that the council members may direct staff to send informational mailers to the residents and print the full charter on the ballot, if desired. (01:38:35)

Mayor Monahan announced that at this time he would give each council member the opportunity to ask questions or make comments. (01:41:08)

Mayor Monahan commented on the speed of the charter process, and indicated that there were several meetings held and the city was compliant with code; spoke about the democratic process and the importance of allowing the residents to vote for or oppose the charter; and reflected on the actions of a former community group and commented on the fear of change. (01:41:15)

In response to Mayor Pro Tem Righeimer's question regarding an attachment to the first resolution, City Attorney Duarte clarified that Exhibit A is Attachment 7. (1:47:11)

Council Member Leece asked about the ballot title and when the impartial analysis would be written. The City Attorney indicated that he would write the impartial analysis, and City Clerk Julie Folcik clarified that the ballot title is informational only and will be published in the newspaper as part of

the public notice. (1:47:47)

The City Attorney responded to questions from Council Member Leece regarding the enumeration of powers, the process to remove an administrative officer, zoning ordinances and consistency with the general plan, the process of setting a value for the exemption of public works contracts from public bidding procedures, employee contributions to employee organizations, language regarding a payroll mechanism for the purpose of payroll deductions for political activities of an employee organization, and prevailing wage. (1:49:48-2:03:17)

Robert Rosso, Costa Mesa, spoke in support of local control and securing services at the lowest price. (02:03:45)

Jay Humphrey, Costa Mesa, noted that charter cities are not doing anything much differently than general law cities, and expressed concern regarding enumeration of powers. (02:05:03)

Robert Lauten, Brea, spoke about how a charter would affect the city as it relates to global warming and local control. (02:08:25)

Flo Martin, Costa Mesa, opposed the placement of the charter on the June ballot due to low voter turnout. (02:09:56)

Perry Valentine, Costa Mesa, commented on the speed of the charter process, the cost of the charter; opined that the ballot summary is inaccurate; and expressed the need for an impartial summary before the impartial analysis. (02:12:57)

Terry Koken, Costa Mesa, sang in opposition of the proposed charter, recommended a new city motto, and asked if there is an alternative to the proposed charter. (02:17:04)

Tamar Goldman, Costa Mesa, commented on local control and opined that the charter process has been rushed. (02:19:43)

Tom Egan, Costa Mesa, opined that the charter process was rushed and that the charter was drafted undemocratically without a committee.

Eleanor Egan, Costa Mesa, commented on the the use of public funds for the charter campaign and mailings, and spoke in opposition of the charter.

Joy Williams, Costa Mesa, opined that the charter process was rushed and encouraged placing the charter on the November ballot, and made recommendations to amend paragraph 3 of Section 201 to 10 years and conduct a public hearing to review the charter every 10 years. (02:28:27)

George Greenwalt, Costa Mesa, expressed concern regarding the speed of the charter process and how staff reductions will make the city safer.

(02:30:39)

Robert Matthew Kennicott, Costa Mesa, read the preamble of the charter and spoke in support of the charter. (02:32:45)

Alan Remington, Costa Mesa, recommended that someone other than the city attorney draft the charter. (02:35:32)

Susan Meyer, Costa Mesa, encouraged the Council to vote in opposition of the proposed resolutions and spoke in support of a charter commission. (02:37:05)

Cindy Brenneman, Costa Mesa, supported placement of the charter on the November ballot. (02:40:22)

James Cowell, Costa Mesa, spoke in support of the charter and allowing the residents to vote on it. (02:43:41)

Robin Leffler, Costa Mesa, spoke in support of a charter commission and expressed concern regarding the summary of the analysis. (02:46:30)

Greg Thunell, Costa Mesa, criticized the charter flyer and inquired about the cost to mail it. (02:48:59)

Gabriela Trujillo, Costa Mesa, spoke about the interests of the residents and asked how the charter would affect free speech, unions, migrants, day laborers, and schools. (02:52:13)

Beth Refakes, Costa Mesa, expressed concern regarding the city attorney's ability to write an unbiased opinion, commented on Section 403 regarding taxes and expressed concern in the Council's ability to tax, and recommended that the charter be reviewed every five years. (02:53:15)

Council Member Bever agreed with the previous speaker and indicated he would not want the Council to have taxing powers either, but noted that the quoted section specifically limits property transfer tax, and clarified other taxes would still need to be voted upon by the residents. (02:53:25)

Harold Weitzberg, Costa Mesa, spoke about the Costa Mesans for Responsible Government's objectives, and urged Council to slow down the charter process. (02:57:16)

Jeff Cullen, Costa Mesa, opined that the charter process was rushed and urged the hiring of someone impartial to provide pros and cons of the charter. (02:58:59)

Gene Hutchins, Costa Mesa, spoke in favor of the charter and the speed of the process. (03:02:18)

Greg Ridge, Costa Mesa, spoke in opposition of the charter. (03:04:42)

John Stephens, Costa Mesa, asked what the council wants to do that is now illegal and would require a charter. (03:07:55)

Sandra Genis, Costa Mesa, urged that the full text of the charter be printed in the ballot book or provided to every resident, and commented on Attachment 6, Section 103, and Costa Mesans for Responsible Government. (03:10:59)

Sue Lester, Costa Mesa, not opposed to a charter, but spoke in opposition of the proposed charter. (03:13:42)

Mayor Pro Tem Righheimer thanked everyone for their input; provided an overview of the charter process; commented on employee compensation; said that "home rule" is what a charter is; indicated the desire for the ability to outsource or contract services; noted that the language in the charter is legally verified; spoke about cost savings in regards to prevailing wage; commented on the process and timing of the charter, and informed that five other cities did not use committees; and stated he is doing what he thinks is best for the city. (03:17:15)

Council Member Leece inquired about the use of funds for the information flyers, what is considered "impartial," about the ballot title and question, and if changes could be made to the charter; expressed disappointment that there was not a charter committee and commented that the charter was rushed. (03:33:34)

Counsel responded to the questions and indicated taxpayer funds can be used for the flyers for informational purpose and that there are special statutory references stating public agencies cannot publicly advocate on a particular issue, and stated that the city attorney writes the ballot title/question per elections code.

Council Member Bever stated that some speakers did not appear clear on the concept of the charter and process; indicated that the city's municipal code would remain almost wholly intact; referred to comments regarding "unbridled power" and indicated that the process has always been based on a majority vote; commented on diminishing available resources and financial challenges and Council's efforts to find ways to ensure the Council will have the resources to maintain a safe and healthy community; disagreed with comments made suggesting that the charter would undermine the competitiveness as a safe, clean city of the arts; noted that the charter process was indeed democratic, stating that there were many good suggestions submitted, but the issues were already covered or not possible; and spoke in support of the proposed charter. (03:46:20)

Council Member Mensinger spoke in support of the charter. (03:51:30)

Mayor Monahan stressed the importance of giving the residents the opportunity to decide on the charter, noted that very little is changing in terms of council control and three votes constitutes the majority, and disagreed with comments made that the federal government "can do it better [than the city]." (03:56:48)

MOTION: Adopt Resolution No. 12-16: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, PROPOSING A MEASURE FOR THE SUBMISSION TO THE VOTERS OF A QUESTION WHETHER THE CITY OF COSTA MESA SHALL ADOPT THE PROPOSED CHARTER.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

MOTION: Adopt Resolution No. 12-17: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, JUNE 5, 2012, AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES AND FOR THE SUBMISSION TO THE VOTERS A QUESTION RELATING TO THE ADOPTION OF A PROPOSED CHARTER BY THE CITY.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

MOTION: Adopt Resolution No. 12-18: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A SPECIAL MUNICIPAL ELECTION TO BE HELD ON JUNE 5, 2012, WITH THE STATEWIDE PRIMARY ELECTION TO BE HELD ON THE DATE PURSUANT TO § 10403 OF THE ELECTIONS CODE.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

MOTION: Adopt Resolution No. 12-19: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENT(S) REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

MOTION: Adopt Resolution No. 12-20: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR CITY MEASURES SUBMITTED AT THE SPECIAL MUNICIPAL ELECTION.

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

The motion carried by the following roll call vote:

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

Noes: Council Member Wendy Leece

Absent: None.

MOTION: Include the entire charter in the sample ballot.

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

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

MOTION: Provide information mailers as the election approaches.

Moved by Mayor Gary Monahan, seconded by Council Member Eric R. Bever.

The motion carried by the following roll call vote:

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

The Mayor recessed the meeting at 10:25 p.m.
The Mayor reconvened the meeting at 10:33 p.m.

3. Creation of an annual performance audit process. (04:07:11)

CEO Tom Hatch briefly introduced the report and indicated the purpose of the report is to acquire general conceptual direction from Council. (04:07:16)

Council Member Mensinger added that performance audits are used in 99 percent of the private sector and are also known as performance evaluations. He credited the improvements made to the police department based on an audit, and considers an audit as a tool that the Council and CEO can use together to answer and ask questions. (04:09:23)

Council Member Leece asked how staff would determine what would be audited and if we would pay an outside consultant to conduct audit. Council Member Mensinger clarified that audit priorities would be determined by Council and CEO Hatch, but the audits would be conducted by outside consultants similar to the city's current Management Partners auditor. (04:13:31)

Mayor Pro Tem Righeimer inquired about the process to determine areas to be audited. CEO Hatch indicated that a more detailed process may be presented when staff brings back the report, but shared that, in his perspective, larger areas could be determined as part of the budget process, and as a part of the review process, Council could select services areas to commence with the new fiscal year and approve by majority vote. (04:17:51)

Mayor Monahan supported reviewing fire permits, fire licenses, and business licenses. (04:19:17)

Council Member Mensinger suggested that the amount be increased to a maximum of \$100,000 and directed staff to review the County of Orange's performance auditing process. (04:19:57)

Sandra Genis, Costa Mesa, spoke in support but noted pros and cons of in-house staff for auditing, and suggested a permanent auditing system. (04:21:01)

Council Member Bever thanked staff and Council Member Mensinger for moving forward with the idea. (04:23:31)

Council Member Mensinger, in response to the public speaker's comments, expressed opposition in an internal audit and stated that an audit needs to be external and permanent through a policy. (04:23:45)

Mayor Pro Tem Righeimer asked about the timeframe. CEO Hatch stated the goal is to present at the next Council meeting or the first meeting in April. (04:25:45)

Mayor Monahan asked if this would be started with the next budget cycle. Council Member Mensinger indicated he would like to start with Workers' Compensation. (04:26:14)

In response to Council Member Leece's question regarding funding for the audit, CEO Hatch stated that the money would come from the contingency fund. (04:26:36)

**MOTION: Direct staff to create an annual performance audit evaluation, and increase the amount to \$100,000.
Moved by Council Member Stephen Mensinger, seconded by Council Member Eric R. Bever.**

The motion carried by the following roll call vote:

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

Noes: None.

Absent: None.

COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS (04:27:15)

Council Member Mensinger commented on the Home Ranch/IKEA development and the revenue benefit to the city; referred to crime and statistics related to motels and hotels and noted that crime is not related to the number of cops, but related to the people the city attracts; opined that the city has gone too slow to resolve issues. (04:27:16)

Council Member Bever complimented staff on the content of the recent minutes; asked that medical marijuana be agendized for discussion; and suggested that a letter be sent to the federal government or appropriate agency to request that they and the State work together to find ways to distribute medical marijuana through the pharmacy network to ensure availability in every city and the purity of the substance. (04:35:22)

Council Member Leece commented on campaigns and the charter, and promoted Costa Mesans for Responsible Government and its website. (04:37:42)

ADJOURNMENT - The Mayor adjourned the meeting at 11:05 p.m. to March 13, 2012 at 4:30 p.m. for a Study Session. Next Regular City Council Meeting: March 20, 2012.

Mayor of the City of Costa Mesa

ATTEST:

Acting Deputy City Clerk of the City of Costa Mesa