

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

June 05, 2012

The City Council of the City of Costa Mesa, California met in a regular session on June 05, 2012 at 6 p.m. in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. The meeting was called to order by the Mayor.

PLEDGE OF ALLEGIANCE (00:00:03)

ROLL CALL (00:01:14)

Council Members Present:	Mayor Eric R. Bever Mayor Pro Tem James Rigeheimer Council Member Wendy Leece Council Member Stephen Mensinger
Council Members Absent:	Council Member Gary Monahan
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 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 Acting Deputy City Clerk Christine Cordon Interim City Clerk Brenda Green

ANNOUNCEMENTS (00:01:31)

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

- Thursday, June 7 at 5:30 p.m. - "Get on Target Accelerate Your Business" workshop - Chuck Jones Center for Creativity, 400 MacArthur Boulevard, Newport Beach
- Thursday, June 7 from 7:30 to 9:30 p.m. - Fight Club OC – OC Fair & Event Center, The Hangar
- Thursday, June 7 through Saturday, June 9 - Sugar Plum Arts, Crafts, Antiques & Collectibles - OC Fair & Event Center
- Friday, June 8 - Vanguard University (Lyceum Theater) & American Coast

Theater Company Summer 2012 Season present the opening night of "The Taming of the Shrew" by William Shakespeare

-Saturday, June 9 at 7 p.m. - Costa Mesa Speedway: FMX Night will be at the OC Fair & Event Center - Grandstand Arena.

-Saturday, June 9 through Sunday, June 10 - OC BBQ & Music Fest - OC Fair & Event Center

-Saturday, June 9 from 10 a.m. through Sunday, June 10 at 10 a.m. - American Cancer Society's Relay for Life at Estancia High School

-June 22-24 - 3rd annual Barrett-Jackson Orange County Collector Car Auction at the OC Fair & Event Center

PRESENTATIONS (00:05:14)

The Mayor recognized Management Analyst Hilda Veturis as employee of the month for June. (00:05:14)

Eddie Marquez of Southern California Edison (SCE) presented a rebate check to the city for energy efficiency efforts related to the retrofit and installation of chillers at city facilities. (00:10:37)

PUBLIC COMMENTS (00:13:29)

James Bridges, Costa Mesa, complimented staff and spoke about the charter. (00:13:51)

Jay Litvak, Costa Mesa, read a letter from the U.S. Department of the Interior National Park Service regarding the use of Tewinkle Park. (00:15:41)

John Feeney, Costa Mesa, commented on the OCTA hearing regarding the I-405 freeway improvements and spoke in opposition of the proposed expansion. (00:18:27)

Bob Ooten, Costa Mesa, on behalf of the Costa Mesa Newport Harbor Lions Club, thanked everyone involved in the Fish Fry, reported the success of the event, and made recommendations. (00:20:51)

Jeff Mathews, Costa Mesa, proposed a military banner program to honor residents or those with immediate family in the city who are currently serving in the armed forces. (00:24:47)

Harold Weitzberg, Costa Mesa, praised a police officer for assisting an elderly woman cross the road safely. (00:28:11)

Kimberly Clayter, Costa Mesa, suggested that future Council meetings not be held on Election Day and spoke in opposition of the charter. (00:29:25)

Jay Humphrey, Costa Mesa, urged continued opposition in the I-405 freeway improvement project, and stated jail outsourcing is possible under a general law city. (00:30:11)

Mayor Pro Tem Righeimer clarified that the city does not need to be a charter city to outsource, but a charter would allow the city to outsource without having to ask for employees--who are currently suing the city--for permission to outsource services. (00:32:40)

Phillip Bettencourt, Newport Beach, expressed appreciation for the Pacific Symphony outdoor concert at the Segerstrom Center for the Arts, and commented that Costa Mesa is a welcoming city. (00:33:14)

Marshall Krupp, Costa Mesa, commented on crime and police presence in Providence Park. (00:34:11)

Mary Carranza, Costa Mesa, proposed a fee assistance plan for parks and recreational programs. (00:35:59)

Mayor Bever clarified that there are flag football and basketball programs that are subsidized by the city. (00:36:50)

Karen Cortez, Costa Mesa, shared the benefits of parks and recreation programs and spoke in support of fee assistance. (00:37:00)

James Bosques, Costa Mesa, presented the results of a survey pertaining to the costs of parks and recreation programs, and spoke in support of a fee assistance program. (00:38:27)

Jose Puentes, Costa Mesa, spoke in support of a fee assistance program for parks and recreation programs. (00:39:49)

Eleanor Egan, Costa Mesa, commented on the use plan for Tewinkle Park. (00:40:51)

Charles Mooney, Costa Mesa, asked if the charter will impact the lawsuit with the employees' association and expressed other concerns about funds and private companies. (00:43:23)

Beth Refakes, Costa Mesa, commented on the signs at Triangle Square, spoke in opposition of the I-405 freeway improvements, and suggested using speaker cards for Public Hearing Item No. 2. (00:45:34)

Ernie Feeney, Costa Mesa, reported on the OCTA I-405 freeway improvements meeting. (00:48:33)

Sandra Genis, Costa Mesa, encouraged options to litigate regarding I-405 freeway improvements project and suggested the use of speaker cards for Public Hearing Item No. 2. (00:51:10)

Tamar Goldmann, Costa Mesa, acknowledged the youth speakers about the fee assistance plan, and spoke in opposition of a suggestion for the city to buy motels and sell them at a loss. (00:52:51)

Sue Lester, Costa Mesa, asked why the city did not participate in the countywide emergency disaster drill and inquired about the status of the Planning Commissioner vacancy. (00:56:30)

Terry Koken, Costa Mesa, commented on toll roads and urged Council opposition to the I-405 freeway improvements project. (00:57:51)

Jay Photoglou, Costa Mesa, requested an update on his public records requests. (00:58:49)

COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS (01:01:27)

Mayor Eric R. Bever stated that the Council does share the residents' concerns regarding Alternative 3 of the OCTA I-405 freeway improvements, reiterated Council's clear opposition at the study session, clarified that the previous Council supported Alternatives 1 and 2, shared that a letter was sent to OCTA and media detailing the concerns of Alternative 3, requested that staff place a resolution to oppose Alternative 3 and possibly support other alternatives on the next Council meeting agenda, announced that the Council will keep all options open regarding the fight against the I-405 project, and requested that the city attorney provide a legal opinion regarding OCTA and toll road board members and conflict of interest; and complimented staff for the Economic Overview of Costa Mesa brochure. (01:01:34)

Mayor Pro Tem Jim Righeimer responded to concerns made by public speakers regarding motels, commented on the improvement and demolition of bridges related to the I-405 freeway project, and reported the success of the recent Fish Fry event. (01:06:01)

Council Member Wendy Leece addressed concerns made by public speakers; requested a status report regarding the Big League Dream proposal at Tewinkle Park; urged residents to provide input regarding the I-405 freeway project and announced that the next OCTA Board meeting is on July 23, where they will vote on which option to proceed with; commended the youth speakers who spoke about the fee assistance program proposal and requested staff to follow-up; and shared the Military Affairs Team's first project to support Costa Mesa Police Department officer and Corporal John Smith. (01:11:55)

Council Member Stephen Mensinger directed staff to discuss the implementation of a privately funded military banner program, directed staff to explore the option of selecting an alternate financial auditor, reported on the success of the Fish Fry, commented on the budget and five-year plan for infrastructure improvements, and shared that most private youth programs have scholarship opportunities. (01:20:34)

Mayor Bever acknowledged elderly speakers present and requested that speaker cards be brought up for Public Hearing Item No. 2. (01:29:00)

REPORT - CHIEF EXECUTIVE OFFICER (CEO) (01:29:20)

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

1. Announced that information about the OCTA I-405 project and upcoming meetings are available through the city's website;
2. Presented a recap of the city's participation at the International Council of Shopping Centers;
3. Announced the upcoming study session on the budget and joint meeting of the Housing Authority, Successor Agency, and City Council;
4. Introduced Interim City Clerk Brenda Green;
5. Responded to James Bridges' concerns;
6. Indicated an update regarding the Tewinkle Park Athletic Sports Complex, including findings regarding noise, would be presented to the Parks and Recreation Commission; and
7. Police Chief Tom Gazsi has provided a memorandum regarding the disaster drill.

CONSENT CALENDAR (01:40:46)

MOTION: Approve recommended actions for Consent Calendar Item Nos. 1 through 12, except for Consent Calendar Item Nos. 1(c), 2, 3, 4, 5, 6, 7, and 8.

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

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: None.

Absent: Council Member Gary Monahan

1. Reading Folder.

(a) Claims received by the City Clerk: Patricia Bintliff; Christopher Byrne.

(b) Requests for Alcohol Beverage Control licenses: The Pragues Wine Collection, 575 Anton Boulevard, Suite 300A; East Borough, 2937 Bristol Street, Suite D102.

ACTION: Received and processed

9. Adopt plans and specifications, and working details for East Side Street Improvement Project, City Project No. 12-05, and award a construction contract to All American Asphalt, Post Office Box 2229, Corona, California, in the amount of \$3,557,557.

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

10. Adopt plans and specifications, and working details for East Side Slurry Seal Project, City Project No. 12-06, and award a construction contract to Pavement Coatings Co., 10240 San Sevaine Way, Jurupa Valley, California, in the amount of \$626,807.20 (base bid plus additive bid item).

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

11. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING CERTAIN OFFICIALS OF THE CITY TO FILE APPLICATION WITH THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CAL EMA).

ACTION: Adopted Resolution No. 12-36: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING CERTAIN OFFICIALS OF THE CITY TO FILE APPLICATION WITH THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CAL EMA).

12. General Municipal Election on November 6, 2012.

(a) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2012, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES.

ACTION: Adopted Resolution No. 12-37: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2012, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES.

(b) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REQUESTING THE ORANGE COUNTY BOARD OF SUPERVISORS TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD NOVEMBER 6, 2012, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE DATE PURSUANT TO

SECTION 10403 OF THE ELECTIONS CODE.

ACTION: Adopted Resolution No. 12-38: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, REQUESTING THE ORANGE COUNTY BOARD OF SUPERVISORS TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD NOVEMBER 6, 2012, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE.

ITEMS REMOVED FROM CONSENT CALENDAR (01:41:47)

1. Reading Folder (01:41:47)

(c) Letter of Notification: Southern California Gas Company's Notice of Proposed Rate Increase, Advanced Meter Opt-Out Program, Application No. A.12-05-016.

Council Member Leece commented on concerns regarding radio waves.

MOTION: Receive and process.

Moved by Mayor Eric R. Bever, seconded by Council Member Wendy Leece.

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: None.

Absent: Council Member Gary Monahan

2. Continued from the meeting of May 1, 2012, Regular Meeting of April 3, 2012; Special Meeting of February 13, 2012; Special Meeting of May 8, 2012; Regular Adjourned/Study Session of May 8, 2012; and Regular Meeting of March 20, 2012. (01:43:32)

Jay Humphrey, Costa Mesa, noted a July 2 deadline for the submission of statements for the I-405 project Environmental Impact Report (EIR), indicated that Alternatives 1 and 2 would impact Moon Park and residents near Moon Park due to a proposed on-ramp that will ultimately require the sound wall to be moved near residential property lines. (01:43:35)

Mayor Bever noted a correction to be made to a public speaker John Hill's comment in the February 13, 2012 special meeting minutes, and requested that the motion on the March 20, 2012 regular meeting minutes related to the adoption of Resolution No. 12-21 include specifically what

was changed to the City Council meeting order of business. (01:45:21)

MOTION: Approve with revisions to the minutes of the February 13, 2012 Special Meeting and the March 20, 2012 Regular Meeting. 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

Noes: None.

Absent: Council Member Gary Monahan

3. WARRANT RESOLUTION 2421: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-10 AND PAYROLL REGISTER NO. 12-09A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-10 for \$2,106,430.35 and Payroll No. 12-09A for - \$2,542.70, and City operating expenses for \$782,082.10, including payroll deductions. (01:47:09)

Robin Leffler, Costa Mesa, inquired about the payment to CTS Language Link for special election notice translation. (01:47:25)

CEO Hatch explained that the translation was related to the translation of the proposed charter and is a legal requirement to fulfill. (01:48:21)

**MOTION: Approve
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

Noes: None.

Absent: Council Member Gary Monahan

4. WARRANT RESOLUTION 2422: 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 \$356,399.32.

**MOTION: Approve
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
Noes: None.
Absent: Council Member Gary Monahan

5. WARRANT RESOLUTION 2423: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 12-11 AND PAYROLL REGISTER NO. 12-10A AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID, funding Payroll No. 12-11 for \$2,100,665.65 and Payroll No. 12-10A for \$1,447.49, and City operating expenses for \$688,775.27, including payroll deductions.

MOTION: Approve

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
Noes: None.
Absent: Council Member Gary Monahan

6. Professional Services Agreement with Hogle-Ireland, Inc., 630 North Rosemead Boulevard, Suite 150 Pasadena, California, for General Plan update and program and Environmental Impact Report, in the amount of \$664,705. (01:51:14)

Council Member Leece commented on the importance of the General Plan, and expressed concern in how the community would be involved in the process. (01:51:14)

Assistant Development Services Director Claire Flynn shared the extensive public outreach efforts and advisory committee. (01:56:21)

John Feeney, Costa Mesa, spoke in support of a citizens' committee comprised of residents. (01:58:38)

Marshall Krupp, Costa Mesa, expressed concern regarding the number of meetings set in the agreement and billing for additional meetings. (01:59:23)

Tamar Goldmann, Costa Mesa, encouraged public meetings and input. (02:00:35)

Sandra Genis, Costa Mesa, suggested that meetings be "front-loaded." (02:02:17)

Council Member Leece referred to the section in the Request for Proposal related to transportation and stated she hopes changes to the level of service would be based on actual data. (02:03:10)

Mayor Bever clarified there are intersections that are impacted with regional traffic that the city cannot control, and those intersections are delaying the city's ability to build. Public Services Director Ernesto Munoz confirmed this and also noted that the focuses are location-specific. (02:04:42)

**MOTION: Approve; authorize the Mayor and Acting Deputy City Clerk to sign
Moved by Mayor Eric R. Bever, seconded by Council Member Wendy Leece.**

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: None.

Absent: Council Member Gary Monahan

7. Adopt plans and specifications, and working details for Improvements of Hickory Drive Alley (Alley No. 28), Pepper Tree Lane Alley (Alley No. 29), and Harbor Boulevard Alley (Alley No. 30), City Project No. 12-03, and award a construction contract to Black Rock Construction Company, 282 North St. Crispen, Brea, California, in the amount of \$428,000.25 (base bid). (02:07:02)

Council Member Mensinger asked if there is a list of alleys available, requested an update on the alley improvements, directed staff to present alley updates on an annual basis, and and asked that an updated alley list be published on the city's website. (02:07:31)

Public Services Director Ernesto Munoz referred to the alley priority list and indicated that 39 alleys have been completed since the approval of the list; there are 89 alleys awaiting improvement. Per Council Member request, Mr. Munoz presented photos of alleys needing repair and indicated that additional funding has been allocated for alley improvements. (02:08:02)

**MOTION: Approve; authorize the Mayor and Acting Deputy City Clerk to sign
Moved by Mayor Pro Tem James Righeimer, seconded by Mayor Eric R. Bever.**

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: None.

Absent: Council Member Gary Monahan

8. Adopt plans and specifications, and working details for Parkway Concrete Repair and New Sidewalk Construction Project, City Project No. 12-04, and award a construction contract to Black Rock Construction Company, 282 North St. Crispen, Brea, California, in the amount of \$2,121,684 (base bid plus all additive bid items).

MOTION: Approve; authorize the Mayor and Acting Deputy City Clerk to sign

Moved by Mayor Pro Tem James Righeimer, seconded by Mayor Eric R. Bever.

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: None.

Absent: Council Member Gary Monahan

CITY OF COSTA MESA CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

No items scheduled.

PUBLIC HEARINGS - 7 p.m. (Resolution No. 05-55) (02:14:34)

1. PUBLIC HEARING: Reauthorization of the Business Improvement Area (BIA) Assessment of three percent (3%) for certain Costa Mesa hotels and motels for Fiscal Year 2012-2013. (02:14:43)

(a) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, LEVYING AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2012-2013 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS.

CEO Hatch asked that a letter received from Jim Mosher, Newport Beach, be entered into the record; and advised the Council to move forward with the hearing. (02:15:13)

Public Affairs Manager Dan Joyce presented the report and shared some of the Costa Mesa Conference and Visitor Bureau's recent accomplishments such as the new website, increased social media, decreased print advertising, and the continuous branding of Costa Mesa. (02:17:07)

Jim Mosher, Newport Beach, expressed concern in the use of public funds for the private benefit of the hotels. (02:21:55)

Perry Valentine, Costa Mesa, asked if a similar mechanism could be

used to finance some of the city's costs relating to the motels. (02:24:27)

Robin Leffler, Costa Mesa, commented on the TOT and low business license fee, and encouraged a measure to increase the fee. (02:26:07)

In response to a request from Council Member Leece, City Attorney Tom Duarte commented on Mr. Mosher's letter, indicated that staff will meet with him to follow-up on his concerns, and stated that he was comfortable with Council moving forward. (02:27:56)

Council Member Leece encouraged the Conference and Visitor Bureau (CVB) to continue marketing other areas of the city and not just the north side. CVB President Paulette Lombardi-Fries noted that the new website highlights the variety of amenities and destinations in the city. (02:29:11)

Mayor Pro Tem Righeimer clarified the difference between the BIA and Transient Occupancy Tax (TOT). (02:30:49)

Council Member Mensinger complimented the CVB and Mr. Joyce for the recent improvements and for the branding of the city. (02:33:07)

In response to a comment made by a public speaker, Mayor Bever added that there is a standing Council policy regulating the low business license fee as part of a strategy to bring businesses to the city, and that the city is properly marketing the business license fee. (02:35:00)

MOTION: Adopt Resolution No. 12-39: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, LEVYING AN ANNUAL ASSESSMENT FOR FISCAL YEAR 2012-2013 FOR A BUSINESS IMPROVEMENT AREA COVERING CERTAIN COSTA MESA HOTELS AND MOTELS.

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

Noes: None.

Absent: Council Member Gary Monahan

The Mayor recessed the meeting at 8:37 p.m.

The Mayor reconvened the meeting at 8:54 p.m.

2. PUBLIC HEARING: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE TOWER ON 19TH. (02:36:24)

Mayor Bever indicated he has serious reservations about the item. (02:36:42)

Finance/IT Director Bobby Young presented the report and provided an overview of the project at Bethel Towers. (02:37:00)

Mayor Bever expressed concern in the scope of the project and how the project would work, the lack of outreach to the residents of Bethel Tower, the continuance of an affordability convenance, and potential permanent or temporary displacement of current residents. (02:38:36)

Council Member Leece expressed concern in the lack of an informational meeting with the residents. (02:39:42)

Sean Burroughs, Reiner Communities, provided a background on the property and the proposal to acquire the property using tax exempt bonds and low-income housing tax credits to preserve affordability for an additional 55 years. Mr. Burroughs shared plans to perform \$17 million in exterior and interior renovations and upgrades to the property. He clarified that all residents will be allowed to stay at the project, there will not be permanent relocation of any of the tenants, and the developer will be procuring Section 8 rent subsidy for all existing residents.

Mayor Bever requested elaboration on the developer's plan to "deepen" affordability. Mr. Burroughs clarified that the developer is setting aside 20 percent of the property for very low-income tenants and below. (02:43:34)

Mayor Pro Tem Righeimer inquired about current and future revenue, expressed concerns regarding the developer's reassurance to follow through with the rest of the proposal, asked if the resolution could be approved subject to conditions. (02:44:16)

In response to a question from Council Member Mensinger regarding outreach, Mr. Burroughs indicated that outreach to residents has not be done yet but can be performed within the next 30 days. (02:57:00)

Anna Reagan, Costa Mesa, commented on Section 8 income requirements, and suggested that the pipes be fixed and the gas stoves be converted to electric. (02:59:48)

Ernie Feeney, Costa Mesa, criticized the staff report and publication notice, and urged the developers to meet with the residents before Council approval. (03:02:50)

John Feeney, Costa Mesa, asked if Bethel Towers would remain a senior housing property, and commented on inadequate noticing of the hearing. (03:05:57)

Sandra Genis, Costa Mesa, supported the rehabilitation of Bethel Towers

and preservation of the affordability. (03:07:41)

Robin Leffler, Costa Mesa, supported continuance of the item and urged the developers to meet with the residents. (03:10:07)

Paul Kelley, Costa Mesa, spoke in support of Mayor Pro Tem Righeimer's suggestions to obtain more information about the project before approving. (03:13:22)

Marshall Krupp, Costa Mesa, supported continuing the item to allow for the establishment of conditions of approval and suggested a review of the financing to ensure the affordability option is protected. (03:14:28)

Mayor Bever asked if this project is considered development proposal. Ms. Flynn clarified that the project is comprised of interior, exterior, and structural alterations and would not trigger any discretionary action. Permits and plan checks would be obtained at the Planning counter. (03:15:58)

MOTION: Continue public hearing to the meeting of June 19, 2012. 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

Noes: None.

Absent: Council Member Gary Monahan

3. PUBLIC HEARING: Consider content of proposed charter and submission of proposed charter to voters. (03:17:43)

City Attorney Tom Duarte presented the report, and provided the timeline and updates regarding Supreme Court cases and decisions. (03:18:00)

Mayor Bever requested that a section be added for a provision to allocate a percentage of the budget toward infrastructure improvements on an annual basis and over a period of several years. (03:20:40)

Terry Koken, Costa Mesa, urged the Council to consider the residents' suggestions. (03:22:32)

Susan Shaw, Costa Mesa, expressed concern in the language in Section 602 and the way the proposed charter is written, but does not oppose a charter. (03:24:22)

Mayor Bever reminded everyone that the Council has authority to vote either way on placing the charter on the ballot, and is giving the public a right to vote on whether the charter goes up or not. (03:27:42)

Joy Williams, Costa Mesa, commented and made suggestions to Sections 103, 201, 203, 300, and 401. (03:28:03)

Paul Kelley, Costa Mesa, expressed concern regarding the way the charter was introduced. (03:31:15)

Perry Valentine, Costa Mesa, suggested that the charter be limited to specific issues and indicate everything else to be governed by general law. (03:32:33)

Jay Humphrey, Costa Mesa, spoke in opposition of eliminating prevailing wage and presented a slideshow of how prevailing wage has affected the City of Oceanside. (03:37:59)

Harold Weitzberg, Costa Mesa, spoke in opposition of the proposed charter and supported a charter commission. (03:41:20)

Greg Thunell, Costa Mesa, spoke in opposition of the proposed charter. (03:43:20)

Robin Leffler, Costa Mesa, referred to the "we" in the charter. (03:46:32)

Mayor Pro Tem Righeimer clarified that "we" represents and is inclusive of many people and ideas.

Charles Mooney, Costa Mesa, announced that the charter on the city's website is incomplete. (03:55:17)

Jim Mosher, Newport Beach, offered insight of living under a charter, including positive and negative impacts.

Sheila Pfafflin, Costa Mesa, suggested that the charter process be restarted. (04:01:10)

Marshall Krupp, Costa Mesa, referred to his submitted letter which details four alternatives, and commented on his denied request for the extension of his public comment time. (04:02:21)

Tamar Goldmann, Costa Mesa, commented on previous public speakers' comments and the need for public hearing notification. (04:06:26)

Sandra Genis, Costa Mesa, expressed concern regarding the lack of provisions in the charter for powers reserved to the citizens, and in the language in Section 103. (04:09:45)

Mayor Bever pointed out that the fact that the citizens are allowed to vote on whether there are increases in pension benefits is power given to the citizens; the citizens do not have that control now but will with the charter. (04:10:05)

Mayor Bever referred to "legislative body and other officials" in the first sentence of Section 103 and suggested that the public officials be specifically defined. (04:14:08)

Council Member Leece opined the charter is flawed because the process was flawed, and spoke in opposition of the charter. (04:15:00)

In response to a statement from Mayor Bever, City Attorney Duarte agreed that the municipal code, zoning code, general plan, along with state statute are the primary things that shape and control the city to the greatest degree. (04:18:21)

Mayor Bever reiterated that mechanisms have been crafted by prior councils and citizens, and will not change with the charter, except for a very small percentage. He responded to a concern made by a public speaker that most comments were ignored, and indicated that the statement made was not accurate. Mayor Bever clarified that many of the suggestions are good ideas, but are already addressed in the city's municipal code and do not need to be restated. He responded to a comment about Council having too much power, and noted that the Council has power and the citizens also have the power by extension and the ability to select new council members every two years. (04:18:51)

Council Member Mensinger stated that elected officials have to be accountable to those who elected them, commented on rhetoric, and opined that power close to the people is better than power of the State. (04:21:21)

Mayor Bever presented a concern made by a public speaker regarding the gift of public funds and asked that language be included to address gifts of public funds in the future draft of the charter. (04:26:48)

Mayor Pro Tem Righeimer directed staff to distribute a question and answer mailer to the residents. (04:27:26)

OLD BUSINESS (04:29:06)

1. Continued from the meeting of May 15, 2012, Appointments to various Council-appointed committees. (04:29:10)
 - (a) Cultural Arts Committee
 - (b) Historical Preservation Committee
 - (c) Investment Oversight Committee
 - (d) Extend the term expiration date to April 2015 for all Access, Building, Fire and Housing Board of Appeal members who were appointed at the June 21, 2011 City Council meeting.

(e) Extend the term expiration date to April 2013 for all regular and alternate committee members whose term expires in October 2012.

(f) Revised minutes of the October 18, 2012 City Council meeting.

Acting Deputy City Clerk Christine Cordon presented the report.
(04:30:00)

Larry Weichman, Costa Mesa, spoke in support of the recommendation for the Access, Building and Housing Board of Appeals. (04:33:39)

Council Member Mensinger requested the maker of the motion to appoint Lisa Michelle Grant as an alternate member to the Cultural Arts Committee; the Mayor approved and changed the appointment from Carla Dillon to Ms. Grant. (04:35:25)

MOTION: Appoint Irene P. Engard and Florence Nedeff Martin as regular members to the Cultural Arts Committee.

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

MOTION: Appoint Irene P. Engard and Arpit Mehta as regular members, and Lisa Michelle Grant and Diana Gardiner as alternate members to the Cultural Arts Committee.

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

Noes: None.

Absent: Council Member Gary Monahan

MOTION: Appoint Mary Ellen Goddard, Margaret Johnston, Terry Shaw, and Melinda Lowery as regular members, and appoint Gary Parkin and Dave Gardner as alternate members to the Historical Preservation Committee.

Moved by Council Member Wendy Leece, seconded by Mayor Eric R. Bever.

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: None.

Absent: Council Member Gary Monahan

MOTION: Expand the membership to seven members or five with two alternates; and appoint Lee J. "John" Hinson, David Stiller, Richard A. Riva Sr., Howard Hull, and Shawn Dewane as regular members, and appoint Robert J. Juneman and James R. Fisler as

**alternate members to the Investment Oversight Committee.
Moved by Council Member Stephen Mensinger, seconded by Mayor Eric R. Bever.**

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: None.

Absent: Council Member Gary Monahan

**MOTION: Extend the term expiration date to April 2015 for all Access, Building, Fire and Housing Board of Appeal members who were appointed at the June 21, 2011 City Council meeting.
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

Noes: None.

Absent: Council Member Gary Monahan

**MOTION: Extend the term expiration date to April 2013 for all regular and alternate committee members whose term expires in October 2012.
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

Noes: None.

Absent: Council Member Gary Monahan

**MOTION: Revise minutes of the October 18, 2012 City Council meeting.
Moved by Mayor Eric R. Bever, seconded by Council Member Wendy Leece.**

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: None.

Absent: Council Member Gary Monahan

NEW BUSINESS

No New Business items scheduled.

REPORT - City Attorney

No report was provided.

ADJOURNMENT - The Mayor adjourned the meeting at 10:58 p.m. to June 12, 2012 at 4:30 p.m. for a Regular Adjourned Meeting/Study Session. Next Regular City Council Meeting: June 19, 2012.

Mayor of the City of Costa Mesa

ATTEST:

Interim City Clerk of the City of Costa Mesa