

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

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

**TUESDAY, MAY 1, 2018  
CITY COUNCIL CHAMBERS  
77 FAIR DRIVE, COSTA MESA, CALIFORNIA  
CLOSED SESSION – 4:00 P.M.  
REGULAR MEETING – 6:00 P.M.**

**SANDRA L. GENIS**  
Mayor

**ALLAN R. MANSOOR**  
Mayor Pro Tem

**KATRINA FOLEY**  
Council Member

**JOHN B. STEPHENS**  
Council Member

**JAMES M. RIGHEIMER**  
Council Member

City Attorney  
**Thomas Duarte**

City Manager  
**Thomas R. Hatch**

**CALL TO ORDER**

The Closed Session was called to order by Mayor Genis at 4:04 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

**ROLL CALL**

Present: Council Member Foley (arrived at 4:20 p.m.), Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Absent: None

## FOR INFORMATIONAL PURPOSES ONLY

The City Council recessed to Conference Room 5A at 4:06 p.m. for Closed Session to consider the following items:

**1. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Section 54957.6, California Government Code

Agency Designated Representative: Tamara Letourneau, Assistant City Manager  
Name of Employee Organization: Costa Mesa Police Management Association (CMPMA)

**2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code

Name of Case: Timothy Dadey, et al. v. City of Costa Mesa, Orange County Superior Court of California, Case No. 30-2014-00757962-CU-CR-CJC.

**3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code

Name of Case: The Kennedy Commission, et al. v. City of Costa Mesa, Orange County Superior Court of California, Case No. 30-2016-00832585-CU-WM-CJC.

**4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

Pursuant to Subdivision (d)(1) of Section 54956.9, California Government Code

Name of Case: Orange County Catholic Worker, an unincorporated association: Lisa Bell, Shawn Carroll, Melissa Fields, Larry Ford, Cameron Ralston, Kathy Schuler, Gloria Shoemake, as individuals v. Orange County, City of Anaheim, City of Costa Mesa, and City of Orange, United States District Court, Central District of California – Southern Division, Case No. 8:18-cv-00155.

**5. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION  
INITIATION OF LITIGATION – THREE POTENTIAL CASES**

Pursuant to Subdivision (d)(4) of Section 54956.9, California Government Code

The City Council reconvened at 6:02 p.m.

### CALL TO ORDER

The meeting was called to order by Mayor Genis at 6:02 p.m. in the Council Chambers at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

### ROLL CALL

Present: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Mansoor, and Mayor Genis.

Absent: None

**CITY ATTORNEY CLOSED SESSION REPORT**

City Attorney Duarte reported on Closed Session item #5, in which the City Council, on a vote of 5-0, authorized the City Attorney to initiate litigation and the defendant will be disclosed and identified when the action is filed.

COIN: Ex Parte Communications pursuant to Municipal Code Section 2-238 (b) - NONE

**CONSENT CALENDAR:**

**MOVED/SECOND:** Council Member Foley/Council Member Righeimer

**MOTION:** Approve recommended actions for Consent Calendar Item Nos. 1 through 10 except for 2, 3, 7, 8, and 9.

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: None

Absent: None

Motion carried: 5-0

**1. READING FOLDER**

Claims received by the City Clerk: Ronald Moss, Brett Payne and Armin Skalmowski.

**ACTION:**

City Council received and filed.

**4. CLOSE OFF ARTERIAL WALL OPENINGS AT VARIOUS LOCATIONS, CITY PROJECT NO. 17-10 - Public Services Department/Engineering Division**

**ACTION:**

1. City Council accepted the work performed by Horizons Construction Company International, Inc. for the subject project and authorized the City Clerk to file the Notice of Completion; and
2. Authorized the release of the Labor and Material Bond seven (7) months after the filing date; release of the Faithful Performance Bond one (1) year after the filing date; and release of the retention monies 35 days after the Notice of Completion filing date.

## FOR INFORMATIONAL PURPOSES ONLY

**5. RELEASE OF BONDS IN CONNECTION WITH ENCROACHMENT PERMIT NO. PS15-00514 FOR STREET IMPROVEMENTS AND CORNER MONUMENTATION FOR TRACT 17779 LOCATED AT 1239 VICTORIA STREET, COSTA MESA, CALIFORNIA**

Public Services Department/Engineering Division

**ACTION:**

City Council authorized the release of the Performance and Labor and Material Bonds (Certificate No. PB00473800136) in the amounts of \$103,076.22 each for street improvements and (Certificate No. PB00473800137) for setting corner monuments in the amount of \$15,900.00 to TH Victoria LLC, a Delaware Limited Liability Company, (Developer), 32565B Golden Lantern St., Suite 107, Dana Point, CA 92629.

**6. AWARD CONTRACT FOR ANNUAL INDEPENDENT FINANCIAL AUDIT SERVICES - Finance Department**

**ACTION:**

1. City Council awarded a contract to DavisFarr for independent financial audit services for three years with two one-year extensions; and
2. Authorized the City Manager to sign the agreement and extensions.

**10. BUSINESS IMPROVEMENT AREA (BIA) REAUTHORIZATION AND RESOLUTION OF INTENTION, AND REVIEW OF ANNUAL REPORT**

City Manager's Office/Administration

**ACTION:**

1. City Council received and filed the Business Improvement Area (BIA) annual report for Fiscal Year 2017-18; and
2. Received and filed audited financial report for Fiscal Year 2016-17; and
3. Adopted Resolution No. 18-29, declaring the City's intention to levy an annual assessment for Fiscal Year 2018-2019 for a business improvement area covering certain Costa Mesa hotels and motels and setting the time and place for a public hearing on the proposal for 7:00 p.m. on June 5, 2018 at the Costa Mesa City Hall, City Council Chambers, 77 Fair Drive, Costa Mesa, California.

**FOR INFORMATIONAL PURPOSES ONLY**

**ITEMS PULLED FROM THE CONSENT CALENDAR:**

2. **WARRANT RESOLUTION NO. 2597 OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS, INCLUDING PAYROLL REGISTER NO. 18-08 FOR \$2,380,814.72; AND CITY OPERATING EXPENSES FOR \$2,806,873.63; AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID**

Finance Department

**MOVED/SECOND:** Council Member Stephens/Council Member Foley

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

City Council approved Warrant Resolution No. 2597.

3. **MINUTES OF THE SPECIAL CITY COUNCIL STUDY SESSION OF FEBRUARY 27, 2018, REGULAR STUDY SESSION OF MARCH 13, 2018, SPECIAL CITY COUNCIL MEETING AND SPECIAL CLOSED SESSION OF MARCH 28, 2018 - City Manager's Office/City Clerk Division**

**MOVED/SECOND:** Council Member Foley/Council Member Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

City Council approved the minutes of February 27, 2018, March 13, 2018, and March 28, 2018.

7. **LEGAL SERVICES AGREEMENT WITH KELLER/ANDERLE LLP**

City Manager's Office

**MOVED/SECOND:** Council Member Foley/Council Member Stephens

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: Council Member Righeimer

Absent: None

Motion carried: 4-1

**ACTION:**

1. City Council authorized additional funding in the amount \$199,000 to allow Keller/Anderle LLP to provide legal services to defend the City in the *Yellowstone Women's First Step House, Inc., et al. v. City of Costa Mesa* matter; and
2. Authorized the City Manager to execute any documents necessary to reflect the funding increase.

**8. APPOINTMENT OF CITY NEGOTIATORS FOR THE COSTA MESA POLICE ASSOCIATION MEET AND CONFER AND AUTHORIZATION TO PROCEED WITH THE FINANCIAL ANALYSIS OF THE CURRENT MOU PER THE COIN ORDINANCE – City Manager's Office**

**MOVED/SECOND:** Council Member Foley/Council Member Righeimer

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: None

Absent: None

Motion carried: 5-0

**ACTION:**

1. City Council designated Tamara S. Letourneau, Assistant City Manager, Lance Nakamoto, Human Resources Manager and Peter J. Brown, Partner, Liebert Cassidy Whitmore as the City's representatives in negotiations with the Costa Mesa Police Association (CMPA); and
2. Authorized staff to have the independent fiscal analysis of the current CMPA Memorandum of Understanding (MOU) completed per the requirements of the COIN Ordinance.

**9. AMENDMENT NUMBER ONE TO PROFESSIONAL SERVICES AGREEMENT WITH SAGECREST PLANNING AND ENVIRONMENTAL, LLC**

Development Services Department/Planning Division

**MOVED/SECOND:** Mayor Pro Tem Mansoor/Council Member Foley

The motion carried by the following roll call vote:

Ayes: Council Member Foley, Council Member Righeimer, Council Member Stephens, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: None

Absent: None

Motion carried: 5-0

**FOR INFORMATIONAL PURPOSES ONLY**

**ACTION:**

1. City Council approved Amendment Number One to the Professional Services Agreement with Sagecrest Planning and Environmental, LLC authorizing an annual not-to-exceed amount of \$98,280 and extending the Agreement through June 30, 2019 to allow continued planning support services through Fiscal Year 18-19; and
2. Authorized the City Manager to execute the amendment and future amendments to this Agreement.

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

**PUBLIC HEARINGS – 7:00 p.m. (Resolution No. 05-55): NONE**

**OLD BUSINESS: NONE**

**NEW BUSINESS:**

1. **REQUEST FOR DISCUSSION AND DIRECTION ON THE CALIFORNIA VALUES ACT** - City Manager's Office

**MOVED/SECOND:** Mayor Genis/Council Member Righeimer

**SUBSTITUTE SUBSTITUTE MOTION:** To adopt Resolution No. 18-30 with certain revisions, opposing Senate Bill 54 (California Values Act) and to opt out of the federal lawsuit against California.

The motion carried by the following roll call vote:

Ayes: Council Member Righeimer, Mayor Pro Tem Mansoor, and Mayor Genis.

Nays: Council Member Foley and Council Member Stephens.

Absent: None

Motion carried: 3-2

**ACTION:**

City Council adopted Resolution No. 18-30 with certain revisions, opposing Senate Bill 54 (California Values Act) and to opt out of the federal lawsuit against California.

**REPORT – CITY MANAGER - NONE**

**REPORT – CITY ATTORNEY - NONE**

**ADJOURNMENT** - The Mayor adjourned the meeting at 1:06 a.m.