

REGULAR MEETING OF THE CITY COUNCIL
CITY OF COSTA MESA

AUGUST 2, 2004

The City Council of the City of Costa Mesa, California, met in regular session August 2, 2004, at 6:30 p.m., in the Council Chambers of City Hall, 77 Fair Drive, Costa Mesa. The meeting was called to order by the Mayor, followed by the Pledge of Allegiance to the Flag led by Council Member Steel, and a moment of solemn expression led by Mayor Pro Tem Mansoor.

ROLL CALL

Council Members Present: Mayor Gary Monahan
Mayor Pro Tem Allan Mansoor
Council Member Libby Cowan
Council Member Chris Steel
Council Member Mike Scheafer

Council Members Absent: None

Officials Present: City Manager Allan Roeder
Acting City Attorney Tom Wood
Development Services Director
Donald Lamm
Public Services Director William
Morris
Finance Director Marc Puckett
Neighborhood Improvement
Manager Muriel Ullman
Recreation Manager Jana
Ransom
Senior Planner Kim Brandt
Associate Planner Claire Flynn
Deputy City Clerk Julie Folcik

MINUTES
July 6, 12, and 19,
2004

On motion by Council Member Cowan, seconded by Council Member Scheafer, and carried 5-0, the minutes of the regular meetings of July 6 and 19, 2004, and special meeting of July 12, 2004, were approved as distributed.

ORDINANCES AND
RESOLUTIONS

A motion was made by Council Member Cowan, seconded by Council Member Steel, and carried 5-0, to read all ordinances and resolutions by title only.

PRESENTATION
Employee of the Month

Mayor Monahan congratulated Judy Vickers, Revenue Supervisor in the Treasury Management Division of the Finance Department, on being named Employee of the Month for August, 2004. He stated that there have been substantial changes to the fireworks stand regulations and Ms. Vickers, who is responsible for processing fireworks stand applications and issuing the permits, ensured that the new regulations were enacted in a fair and responsible manner for all non-profit youth organizations.

PRESENTATION
"Drive and Dine on Us"
Promotion Video

Mayor Monahan announced that KABC Television recently visited Costa Mesa to feature the "Drive and Dine on Us" promotion sponsored by the Costa Mesa Conference and Visitor Bureau to attract visitors to the City. A four-minute video featuring Channel 7 Anchorman Ric Romero spot lighting the promotional program, was shown.

PUBLIC COMMENT
C.E.R.T. Training

Diane Hill, Costa Mesa, representing the Citizen Emergency Response Training (C.E.R.T.) Council, reported that they are in the midst of upgrading the training to increase effectiveness of the program. She commended the Costa Mesa Fire Department for their efforts in teaching and certifying CPR, and asked for volunteers to assist. Mayor Monahan provided a telephone number of (714) 546-4252, and website address www.cmprepared@comcast.net.

Millard Comments

Martin Millard, Costa Mesa, observed that the ordinance which addresses vending trucks requires them to be off the streets at 5:00 p.m., a rule which he commented was generally ignored in the Mesa North area. He complained that dayworkers loiter in the K-Mart Center on Harbor Boulevard, the 7-Eleven Store on Victoria and Placentia Avenues, the 7-Eleven Store at Baker and Bristol Streets, and Baker Street and Grace Lane. He questioned the effectiveness of the Costa Mesa Job Center, and felt that the persons loitering should be cited. Mr. Millard pointed out that the City pays \$40,000.00 for a cart retrieval service but advised that there were still carts at Baker Street and Mendoza Drive. Council Member Steel advised Mr. Millard that he would be invited for a ride-along with a Mesa North patrol officer.

Sports Field Use

Mike Berry, Costa Mesa, reported that he had previously provided the City with a copy of the City of Newport Beach Shared Use Agreement and Joint Powers Agreement, which allows Newport Beach youth the use of Costa Mesa sports fields, while denying Costa Mesa youth the use of Newport Beach fields. He emphasized the stress it has placed on the city's resources and pointed out the unfairness of the agreement.

Hiring Freeze

Judi Berry, Costa Mesa, suggested that the City impose a hiring freeze in order to address current budget problems, stating that \$1 million a year could be saved.

23rd Street/Orange
Avenue Project

Gary Brown, a Costa Mesa citizen who resides one block from the 25-unit project at 23rd Street and Orange Avenue, questioned the building of 25 homes on such a small lot. He blamed the Costa Mesa General Plan which allows up to 10 homes per acre in an R2-MD (Multiple-Family Residential District, Medium Density) zone, and proposed modifying the General Plan to reduce the number of dwelling units allowed from 10 to 6. Mr. Brown agreed with Council Member Cowan and Council Member Steel who have stated that Costa Mesa needs more R1 (Single-Family Residential). He presented information regarding a grant deed issued for the Orange Avenue property, and asked the City to investigate.

Evelyn Beardsley, Costa Mesa, declared that her father donated the property at 23rd Street and Orange Avenue in 1947 with the stipulation that the property always be used as a church. Mayor Monahan suggested that she contact the Planning Division, and believed that the issue involves the property owner and the church, not the City.

Hogan-Shereshevsky
Comments

Anne Hogan-Shereshevsky, Costa Mesa, thanked Council for the Community Garden on Hamilton Street and for the recent street paving accomplished on Fairview Road. She reported on her continuing research to eliminate fireworks sales in Costa Mesa, stating that many schools in other cities have replaced fireworks sales with other successful fund-raisers. She revealed that fireworks are used throughout the year in her neighborhood. Ms. Hogan-Shereshevsky also asked if pets are allowed in City-owned

buildings. Mayor Monahan indicated that he would research that question and respond.

“Placentia Drain Wetlands”

Bob Graham, Costa Mesa, referred to a recent decision by the Parks Commission to complete the final design for the “Placentia Drain Wetlands” in Fairview Park which will include a picnic area by a stream but does not have accessible parking. He echoed his request to add a lower parking lot at Fairview Park which would allow access to Talbert Park, and cited the need for recreation fields in which children could play. Mr. Graham attributed several of the various problems to the City’s need for a Parks Director.

Refakes Comments

Beth Refakes, Costa Mesa, was dismayed to read in the Daily Pilot/Los Angeles Times that the 57 freeway may be extended through the Mesa Verde area. She had understood that any extension would not be routed through residential neighborhoods. Mayor Monahan replied that report had been in error, and the City is on record as opposing any extension south of the 405 freeway. Ms. Refakes complimented the Costa Mesa Police Department and the Orange County Fairgrounds for traffic control during the Orange County Fair. She addressed the City’s negotiations with employees, objecting to employees retiring at 100 percent of their salary, and encouraged more of an alignment with the scaling back efforts in private industry. Council Member Scheafer reported that he had attended an Orange County Transportation Authority (OCTA) workshop, encouraged residents to contact himself or OCTA with concerns, and offered to share the information he had obtained.

Code Enforcement Issues

Igal Israel, Costa Mesa, showed photographs of Code Enforcement officers parked across the street from his business on Sunday, August 1, 2004. He compared the parking situation and noted “violations” at his business with that of other local businesses.

“City Hall Blues”

Pamela Franklin, Costa Mesa, read a poem entitled, “City Hall Blues”.

CONSENT CALENDAR

The following items were removed from the Consent Calendar: Item No. 4, Agreement with Cotton/Bridges/Associates, for completion of U.S. Department of Housing and Urban Development Consolidated Plan for fiscal years 2005-2010; Item No. 5, Agreement with Cotton/Bridges/Associates, for the 2005-2010 Redevelopment Implementation Plan; Item No. 7, Sound Walls, Retaining Walls and Slope Improvements Along the West Side of Fairview Road, Project No. 04-14; and Item No. 8, Award contract for TeWinkle Park Landscape Irrigation Mainline Rehabilitation, Project No. 04-10, to P & D Landscape Management Services, for \$224,445.00.

MOTION/Approved Except Item No’s 4, 5, 7, and 8

On motion by Mayor Monahan, seconded by Council Member Scheafer, and carried 5-0, the remaining Consent Calendar items were approved as recommended.

READING FOLDER

The following Reading Folder items were received and processed:

Claims

Claims received by the Deputy City Clerk: Marilla Lane Ross; and Frances R. Slater.

The following concerns received follow-up reports from staff:

Staff responded to a comment by Teresa Umetsu at the Council meeting of July 19, 2004, concerning a lack of law enforcement

at Tanager Park on the 4th of July.

Staff responded to a comment by Martin Millard at the Council meeting of July 19, 2004, regarding produce trucks which are “still a nuisance” and “cause a lot of problems” in Mesa North.

The following warrants were approved:

WARRANTS

Approved Warrant
2015/Payroll 415

Warrant Resolution 2015, funding Payroll No. 415 for \$1,968,082.33, Payroll No. 414A for \$238.57, and City operating expenses for \$1,065,111.47, including payroll deductions.

Approved Warrant
2016

Warrant Resolution 2016, funding City operating expenses for \$1,324,789.89.

ADMINISTRATIVE
ACTIONS/Approved
First Amendment with
Schaefer for Medical
Transport

The first amendment was approved to the agreement with Schaefer Ambulance Service, Inc., 2215 South Bristol Street, Santa Ana, to extend the term of emergency medical transport services for a period not to exceed three years, and the Mayor and Deputy City Clerk were authorized to sign on behalf of the City.

Adopted Resolution
04-51, Records
Destruction for De-
velopment Services

Resolution 04-51 was adopted: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, AUTHORIZING RECORDS DESTRUCTION FOR THE DEPARTMENT OF DEVELOPMENT SERVICES OF THE CITY OF COSTA MESA, PURSUANT TO ORDINANCE NO. 75-60.

Agreement with
Cotton/Bridges to
Complete HUD 2005-
2010 Plan

Item 4 on the Consent Calendar was presented: Agreement with Cotton/Bridges/Associates, a division of P&D Consultants, Inc. 800 East Colorado Boulevard, Suite 270, Pasadena, in an amount not to exceed \$41,150.00, for completion of the U.S. Department of Housing and Urban Development (HUD) Consolidated Plan for Fiscal Years 2005-2010.

Robert Graham, Costa Mesa, noted that it will cost the City \$41,150.00 in order to utilize these government programs for properties which are located one mile from the beach. In response to a question by Mr. Graham, the Neighborhood Improvement Manager reported that Community Development Block Grant funds have paid for numerous street and alley repairs over the years, and funded the Downtown Community Center, Costa Mesa Senior Center, and two Code Enforcement officers for the west side of Costa Mesa.

Mike Berry, Costa Mesa, suggested waiting until after the election and new Council Members were in place prior to completing the plan. Mayor Monahan replied that this agreement is for hiring of the consultants, and believed that the plan would not be completed prior to the election.

MOTION/Approved
Agreement

On motion by Council Member Cowan, seconded by Council Member Schaefer, and carried 5-0, the agreement was approved, and the City Manager was authorized to enter into the agreement and to make minor changes.

Agreement with
Cotton/Bridges for
the 2005-2010 Re-
development Plan

Item No. 5 on the Consent Calendar was presented: Agreement with Cotton/Bridges/Associates, a division of P&D Consultants, Inc. 800 East Colorado Boulevard, Suite 270, Pasadena, in an amount not to exceed \$4,910.00, for the 2005-2010 Downtown Redevelopment Implementation Plan.

Robert Graham, Costa Mesa, mentioned the constraints that HUD places on the City.

MOTION/Approved Agreement

On motion by Council Member Cowan, seconded by Mayor Monahan, and carried 5-0, the agreement was approved, and the City Manager was authorized to enter into the agreement and to make minor changes, subject to approval by the Acting City Attorney.

Improvements on Fairview Road, Project No. 04-14

Item No. 7 on the Consent Calendar was presented: Sound Walls, Retaining Walls and Slope Improvements Along the West Side of Fairview Road and South of the Southbound I-405 Freeway Off-ramp, Project No. 04-14: reject all bids; re-advertise the project.

Robert Graham, Costa Mesa, asked that the dollar amount of contracts be noted on the agenda. Mayor Monahan responded that the dollar amount for a contract or an agreement is normally included but this item calls for the rejection of all bids, therefore no amount is necessary. Mr. Graham thought that the funds set aside for this project could be better utilized elsewhere.

Mayor Monahan clarified that this item relates to a project that had previously been negotiated with area residents, the California Department of Transportation (CALTRANS), and the Orange County Transportation Authority (OCTA).

MOTION/Rejected Bids; Gave Directions to Staff

On motion by Council Member Cowan, seconded by Council Member Steel, and carried 5-0, the bids were rejected, and staff was authorized to re-advertise the project.

TeWinkle Park Landscape Irrigation Mainline Rehabilitation, Project No. 04-10

Item No. 8 on the Consent Calendar: Award contract for TeWinkle Park Landscape Irrigation Mainline Rehabilitation, Project No. 04-10, to P & D Landscape Management Services, 999 Town and Country Road, 4th Floor, Orange, for \$224,445.00 (base bid only); and Budget Adjustment No. 05-008 for \$200,000.00.

The Public Services Director requested that this item be continued until the next meeting at which time staff would provide a more comprehensive report covering all the improvements planned in TeWinkle Park.

MOTION/Continued to August 16, 2004

On motion by Mayor Monahan, seconded by Mayor Pro Tem Mansoor, and carried 5-0, this item was continued to the meeting of August 16, 2004.

PUBLIC HEARING GP-04-02/R-04-02/LL-04-01, Stirbu

The Deputy City Clerk announced that this is the time and place set for the public hearing to consider General Plan Amendment GP-04-02/Rezone R-04-02/Lot Line Adjustment LL-04-01 for Eugene Stirbu, property owner, for the property located at 1695 Superior Avenue and 635 W. 17th Street. The request is for a change in the General Plan land use designation from Light Industry to Neighborhood Commercial, a combination of the two properties into one property, and rezone to Local Business District (C1). Environmental Determination: Mitigated Negative Declaration. The Affidavits of Publishing and Mailing are on file in the City Clerk's office. The Associate Planner reviewed the Agenda Report dated July 20, 2004.

Mayor Pro Tem Mansoor commented that this project would greatly improve the west side, and appreciated the Planning Commission's recommended action. He observed that Council, at his request, had requested staff to investigate surrounding properties, thanked

the Planning Commission for their review, but clarified that he was not interested in pursuing the study since the applicant and property owner have not shown an interest.

Sylvia Marson, Costa Mesa, asked that any design of the project take traffic flow and parking into consideration.

Judi Berry, Costa Mesa, expressed her preference that Grower's Direct be located on the other side of Superior Avenue in order to avoid the intersection at 17th Street.

Sam Clark, Costa Mesa, supported the project because it is an improvement for the west side and parking will be enhanced.

Kathleen Eric, Costa Mesa, attested to the fact that this project is the sort of improvement which hopefully will be a "wave of the future" for the west side. She was pleased that Grower's Direct is moving from the east to the west side of the street which will provide easier access, and called the store "uniquely Costa Mesa".

Julio Gener, Studio 3 Architects, 20101 Southwest Birch Street, Suite 210, Newport Beach, architect for the project, supported Option 1, approval of the project.

There being no other speakers, the Mayor closed the public hearing.

MOTION/Adopted
Resolution 04-52;
Gave Ordinance 04-9
First Reading

On motion by Mayor Monahan, seconded by Mayor Pro Tem Mansoor, and carried 5-0, Resolution 04-52 was adopted: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM FOR GENERAL PLAN AMENDMENT GP-04-02/REZONE R-04-02/LOT LINE ADJUSTMENT LL-04-01 FOR 1695 SUPERIOR AVENUE AND 635 WEST 17TH STREET, and Ordinance 04-9 was given first reading: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING REZONE PETITION R-04-02 CHANGING THE ZONING OF 1695 SUPERIOR AVENUE AND 635 WEST 17TH STREET TO LOCAL BUSINESS DISTRICT (C1). Second reading and adoption are scheduled for the meeting of August 16, 2004.

Council Member Cowan asked staff to determine proactive measures to "clean up the corner" that Grower's Direct will be vacating.

OLD BUSINESS
New Revenue Sources

The Deputy City Clerk presented the Consideration of Potential New Revenue Sources. The Finance Director summarized the Agenda Report dated July 26, 2004. Council Member Cowan asked that if a sanitation franchise fee is sanctioned, would Council have the opportunity to provide input regarding performance requirements which would be a part of the agreement. The City Manager responded in the affirmative, and replied to additional questions from Council. Council Member Steel felt that either the Costa Mesa Sanitary District or the City should be responsible for both types of trash hauling, single-family residences and apartments/business and industrial.

Dan Worthington, Costa Mesa, member of the Board of Directors of the Costa Mesa Sanitary District, disputed information contained in the Agenda Report, and provided the following facts: there are 34 cities in the County; 31 cities currently franchise trash hauling;

and one of the cities has non-exclusive trash collection. He reported that franchising is the most economical manner in which to haul trash.

Martin Millard, Costa Mesa, advised that the City has had the same trash hauler since 1955, the new trash containers used by residents were not the strongest that were tested yet were the most expensive, claiming that the company that hauls the trash was also the company that makes the containers. He thought a franchise agreement would ultimately result in a fee increase for residents.

David Stiller, Costa Mesa, urged Council to adopt the staff recommendations on Page 9 of the Agenda Report, suggesting that the trash questions be resolved with both exclusive and non-exclusive alternatives. He felt that the responsible position would be to ameliorate the current budget deficit rather than rearguing issues which have been resolved.

Robert Graham, Costa Mesa, reported that for the last four years the "gap" between City revenues and expenditures has remained at \$3.5 to \$4 million per year, and wondered why the Business License Fee and Transient Occupancy Tax (TOT) has not been raised in 20 years. He reported that Costa Mesa is one of three cities in the County that does not currently have a sanitation franchise fee.

Beth Refakes, Costa Mesa, thought that the sanitation franchise fee should be reviewed, and commented that the residents will end up paying any increase in costs. She encouraged the City to institute budget cuts, and complained that the increase in fees received by the City are directed to employee's salaries and lucrative retirement benefits. She suggested that the monies be directed to improving the City's infrastructure.

Judi Berry, Costa Mesa, felt that a larger increase in the Business License Fee and TOT should be effected because the taxes would not be considered until 2005.

Sam Clark, Costa Mesa, supported a flat rate for the Business License Fee, believing that the current structure penalizes smaller businesses and rewards the larger. He encouraged the City to mitigate taxes on small businesses.

Sandra Genis, Costa Mesa, agreed that the Business License Fee should be adjusted, stating that the current structure is regressive. She noted that park dedication fees should be used to purchase additional recreation facilities, and proposed a review of those fees to ensure that they are current, as well as a review of trip fees paid by developers. Ms. Genis pointed out that some of the apartment complexes in the City have disreputable looking dumpsters, and felt that it would behoove the City to improve that condition.

A motion was made by Council Member Cowan, seconded by Council Member Scheafer, to approve implementation of the Refuse Franchise fee, directing staff to work with the various interest groups on the structure of the new revenue and to return to City Council with a non-exclusive franchise structure within 120 days.

MOTION/Approved
Refuse Franchise Fee

Council Member Steel opposed the motion because he felt that it does not address the "magnets" which he believed incur costs in

Police and Fire Departments, Code Enforcement Division, etc. He opposed all tax increases until some “big ticket” items are cut from the budget. Regarding the trash haulers franchise fee, he indicated that he was looking for the “best deal for the taxpayer” and more accountability.

Mayor Pro Tem Mansoor appreciated the regulation aspects of the franchise fee, agreeing with Ms. Genis that some of the apartment trash is deplorable, however believed that spending should be reduced prior to increasing fees and taxes. He opposed the motion.

Council Member Cowan supported Council reviewing fees and the tax structure, stating that Council is responsive to the community and their interest in programs and services. She supported the review of the raising of revenue, and thought that the non-exclusive franchise fee maintains the competitiveness.

Mayor Monahan opposed an exclusive fee, not wanting to have one contract for the entire City, and encouraged Council to adopt the non-exclusive fee.

The motion carried 3-2, Mayor Pro Tem Mansoor and Council Member Steel voting no.

A motion was made by Council Member Cowan, seconded by Council Member Scheafer, to refer the Transient Occupancy Tax and the Business License Tax to a future meeting for reconsideration, directing staff to continue to work with the Chamber of Commerce, the Costa Mesa Conference and Visitor’s Bureau, and other interested stakeholders, structuring proposals to be submitted to the electorate at the next available election date.

MOTION/To Refer
Business License Tax
and TOT to Future
Meeting Failed to
Carry

Mayor Monahan was concerned that two tax increases on the same ballot would be defeated. He concurred that both issues required investigation but could only support moving one forward at this time.

A substitute motion was made by Mayor Monahan to move the Business License Tax forward for consideration at the earliest possible election date, directing staff to continue working with the Chamber of Commerce. The motion died for lack of a second.

SUBSTITUTE
MOTION/To Place
Business License Tax
on Ballot Died

The original motion failed to carry 3-2, Mayor Monahan, Mayor Pro Tem Mansoor, and Council Member Steel voting no.

The Mayor declared a recess at 8:15 p.m., and reconvened the meeting at 8:25 p.m.

RECESS

The Deputy City Clerk presented Council Prioritization and Review of Programs:

NEW BUSINESS
Council Prioritization
and Review of
Programs

Mobile Recreation and Mobile Skate Park Programs.

Youth and Family Programs (Family Night Out, Kid’s Night Out, and Youth “Birthday Party Package”).

The Recreation Manager summarized the Agenda Reports dated July 22 and 28, 2004, respectively, and responded to questions from Council.

Mayor Pro Tem Mansoor was concerned about the \$100,000.00

cost for the Mobile Recreation program, and observed that the Mobile Skate Park is now redundant because of the permanent skate park to be constructed at TeWinkle Park. He understood that the Mobile Recreation program sometimes locates at schools which have after-school programs, and considered this a duplication of effort and cost.

Council Member Steel opposed eliminating the Mobile Skate Park, believing that the City has a moral obligation to “recreate” the young children whose parents are immigrants attracted by the City’s “magnets”.

Council Member Scheafer observed that the peak period of utilization for both programs is 2:00 p.m. to 5:00 p.m. pointing out that it was the high risk period for children. He reiterated that the purpose of the programs were to involve the children during that period and during school breaks and holidays.

Council Member Cowan was concerned that City Council addressed individual programs instead of an “across the field” recreation concept, and commented that monies budgeted for recreation programs are carried over to the next year. She suggested giving staff the opportunity to create a proposal to cut \$100,000.00 from the budget.

Sandy Genis, Costa Mesa, addressing the “number of participant days” and the cost, reported that the Mobile Recreation Program costs \$15.00 per participant per day and the Mobile Skate Park costs \$54.00 per participant per day. She suggested that any extra money budgeted by the Recreation Division be directed towards capital improvements and capital acquisition and maintenance.

Marianne Segalla, Costa Mesa, believed that recreation programs are a major attraction in Costa Mesa, and was disappointed in those who oppose the programs.

Tammy Ortiz, Costa Mesa, advised that the Youth “Birthday Party Package” and ‘Family Night Out’ are less than one percent of the Recreation Division budget; the Mobile Recreation program is more than just board games, allowing children to get out of the house, encouraging creativity, and promoting logical thinking; and that the Mobile Skate Park is “phenomenal” involving 1,300 children with a positive, structured program.

David Stiller, Costa Mesa, remarked that throughout the United States there are persons entering the country who need to be assimilated. He recommended that they join the mainstream of society by going to school and participating in recreation programs. He encouraged retaining the programs but agreed that the cost needs to be reasonable.

Mark Harris, Chairman of the Costa Mesa Parks and Recreation Commission, advised that the Mobile Recreation and Mobile Skate Park programs are important elements in the delivery of leisure services to all parts of Costa Mesa. He added that the Mobile Recreation program supplements many community events, such as summer concerts, and provides an opportunity for children to be challenged and learn, and the Mobile Skate Park Program provides equivalent benefits by providing a safe, controlled environment for recreational activities. Mr. Harris observed that the City needs more after-school programs, not less, and reported that over 9,000 children have participated in these programs.

Robert Graham, Costa Mesa, urged Council to re-establish the position of head of Parks and Recreation Department, and encouraged retention of the current programs for children.

Mirna Burciaga, Costa Mesa, believed that successful students engage in after-school activities. She felt that the Recreation Division has been assertive in creating these types of programs.

Beth Refakes, Costa Mesa, stressed the need to reduce costs, and supported Council Member Cowan's suggestion to allow the department to define the cuts. She thought that residents should be willing to pay a fee for special programs.

Council Member Steel reiterated his support of the Mobile Skate Park Program and possibly the Mobile Recreation program but asked staff to monitor costs and the popularity of the programs in the future.

MOTION/Gave
Directions to Staff

A motion was made by Council Member Cowan, seconded by Mayor Monahan, directing staff to retain all programs and services as approved in fiscal year 2004-05 budget, and to return with a proposal to accomplish a \$100,000.00 net change (revenue increases and/or expenditure cuts) at the mid-year budget review.

A substitute motion was made by Mayor Pro Tem Mansoor to eliminate the Mobile Recreation program. The motion died for lack of a second.

SUBSTITUTE
MOTION/To Eliminate
Program Died

A substitute motion was made by Mayor Pro Tem Mansoor to eliminate the Mobile Skate Park Program. The motion died for lack of a second.

SUBSTITUTE
MOTION/To Eliminate
Program Died.

Council Member Steel indicated that he would support the Youth "Birthday Party Package" because it pays for itself and is a minor program which allows people to have fun.

Mayor Monahan found it difficult to support the Mobile Skate Park Program when the City is preparing to build a permanent park. He believed that the eventual construction of a second skate park would present a good opportunity to discontinue the Mobile Park. He felt that the Mobile Recreation Program needs to be "tweaked", and found it difficult to support Youth and Family Programs which should be handled by the private sector.

Council Member Scheafer stated for the record that the City's Recreation Division is "tops anywhere". He agreed with the speaker who urged Council to "think about the kids".

The original motion carried 4-1, Mayor Pro Tem Mansoor voting no.

The Deputy City Clerk presented a Corporate Sponsorship Plan for City of Costa Mesa and Permanent Skateboard Park.

NEW BUSINESS
Corporate Sponsor-
ship Plan for
Permanent Skate-
board Park

Agreement with Public Enterprise Group, 101 Main Street, Suite 240, Huntington Beach, for an amount not to exceed \$36,000.00, for research, preparation, and implementation of a corporate sponsorship plan for the City of Costa Mesa.

Agreement with Public Enterprise Group, 101 Main Street, Suite 240, Huntington Beach, for an amount not to exceed \$50,500.00, for research and preparation of a feasibility report for a

sponsorship plan for the City of Costa Mesa's first permanent skate park.

The Recreation Manager reviewed the Agenda Report dated July 21, 2004.

Dan Shulte, Public Enterprise Group, defined their motto as "raising revenue without raising taxes" by creating public/private partnerships. He described public enterprise as joint ventures where governments agree to permit qualified private businesses to make exclusive use of public domain for marketing purposes in a manner that benefits the public.

Ron Hagen, Public Enterprise Group, advised that City's may utilize their assets to raise revenues via marketing, sponsorship, and corporate partnerships. He explained that PEG specializes in structuring the "deals", looking towards long-term income, and developing dedicated revenue "streams". He reviewed the scope of work and the process by which sponsorship is achieved. Mr. Hagen and Mr. Shulte responded to questions from Council.

Mayor Pro Tem Mansoor asked that the revenue be used for infrastructure and street repair, in addition to funding City facilities, programs, and services as indicated in the agenda report.

Rachel Barnes, Huntington Beach, president of the Costa Mesa Bark Park Foundation, advised that for the last ten years the Bark Park has wanted corporate sponsorship but could not offer incentives such as signage. She asked if the Bark Park would be a part of this program. Mayor Monahan replied that the Bark Park would be a part of the study, and advised that the idea of corporate sponsorship came from the skate park.

David Stiller, Costa Mesa, asked if the kiosks would be used to sell items, will an amendment be required to the general plan for TeWinkle Park, and will hearings be held in order that residents may address the issue. The Recreation Manager replied that advertising will be similar to that done in bus stops and will include informational and sponsorship material, meetings will be conducted with residents to address issues of concern, and Mayor Monahan did not believe an amendment was necessary to the general plan. Mr. Stiller reaffirmed his support of a skate park.

Beth Refakes, Costa Mesa, asked if the two contracts being discussed would be on the Consent Calendar or listed under another heading on a future agenda. The City Manager responded that the items would be part of the normal agenda, not the Consent Calendar, so that input from the public, as well as Council, may be received. Ms. Refakes suggested approving the expenditure for the feasibility study and asked if the expenditure would be less if the skate park were part of the municipal marketing plan.

Terry Shaw, Costa Mesa, supported corporate sponsorship, and concurred with Ms. Refakes that the two feasibility studies could be consolidated into one contract at a reduced cost. He thought that the 12 percent commission was high, and suggested that the contract could be compared with like documents. Mayor Monahan replied that there had been two other proposals and PEG represented the lowest bid.

Patricia Allen, treasurer for the Costa Mesa Bark Park Foundation, objected to the skate park being separated from the Bark Park

because the skate park will receive corporate sponsorship six months to a year prior. She urged including both in the feasibility study.

Tom Egan, Costa Mesa, suggested that Council urge the consultants to take a “long view” keeping in mind the nature of Costa Mesa, and urged retaining the small town flavor.

Katrina Foley, Costa Mesa, supported the corporate sponsorship program, believing that the mission may be accomplished tastefully and will benefit the community. She asked that the athletic facilities proposed for Costa Mesa High School and Estancia High School, the aquatic center and the stadium, be included in the study. The Recreation Manager confirmed that the above will be included in the municipal marketing plan.

H. W. Wright, Costa Mesa, opposed having “outsiders” come in to show the City how to do their business.

Sandy Genis, Costa Mesa, thought that a legal opinion regarding content would be appropriate, stressing that the project should be tasteful.

On motion by Council Member Cowan, seconded by Council Member Scheafer, and carried 3-2, Mayor Pro Tem Mansoor and Council Member Steel voting no, the following action was taken:

MOTION/Approved
Agreements with
PEG for Corporate
Sponsorship

An agreement was approved with Public Enterprise Group, 101 Main Street, Suite 240, Huntington Beach, for an amount not to exceed \$36,000.00, for research, preparation, and implementation of a corporate sponsorship plan for the City of Costa Mesa, and the Mayor and Deputy City Clerk were authorized to sign on behalf of the City.

An agreement was approved with Public Enterprise Group, 101 Main Street, Suite 240, Huntington Beach, for an amount not to exceed \$50,500.00, for research and preparation of a feasibility report for a sponsorship plan for the City of Costa Mesa’s first permanent skate park, and staff was directed to return with the results of the feasibility study for further direction.

Mayor Pro Tem Mansoor opposed the motion, stating that there are too many unknown aspects such as the impact on neighborhoods and commercialization of the City. Council Member Steel opposed the motion but would approve the contract for the skate park if it were a separate motion.

NEW BUSINESS
GPS-04-01

The Deputy City Clerk presented General Plan Amendment Screening Request GPS-04-01, 2501 Harbor Blvd., (northwest corner of Harbor Blvd. and Fair Drive). The Senior Planner summarized the Agenda Report dated July 21, 2004, and responded to questions from Council. Council Member Steel agreed with the recommendation to change the land use designation, stating that it could be changed to residential at another date.

Mary Ellen Goddard, Costa Mesa, recommended changing the land use designation to Public/Institution.

Terry Shaw, Costa Mesa, concurred and thought that the City should “move away” from the high density housing concept.

Sandra Genis, Costa Mesa, supported the change believing that a public use at that location is appropriate.

David Stiller, Costa Mesa, observed that this is an opportunity to designate land for recreational fields, such as an additional skate park.

On motion by Mayor Monahan, seconded by Council Member Cowan, and carried 5-0, staff was directed to proceed with a general plan amendment to change the land use designation from High Density Residential to Public/Institutional.

MOTION/Gave
Direction to Staff

Mayor Monahan announced that pursuant to Section 54957.6 of the California Government Code a closed session has been scheduled for the City Council to confer with the City's Representatives Steve Hayman, Assistant City Manager, and Steve A. Filarsky, regarding labor negotiations with the following representatives: Costa Mesa City Employees Association (CMCEA), Costa Mesa Firefighters Association, Costa Mesa Police Association, and the Costa Mesa Police Management Association.

NEW BUSINESS
Request for Closed
Session: Labor
Negotiations

Mayor Monahan announced that the item would trail until after Council Comments.

The City Manager announced that the consolidated report on the enforcement efforts on the 4th of July is available from the Deputy City Clerk and will be posted to the City's website, www.ci-costa-mesa.ca.us.

CITY MANAGER'S
REPORT
4th of July Report

Council Member Scheafer commented on the coaching changes at Costa Mesa High School, denying the Daily Pilot's allegations that the City Council had some responsibility. He stated that the joint use agreement between the City and Newport-Mesa Unified School District does not allow the Recreation Division to "run rampant" over coaches, and reported that he has asked the City Manager to reopen the dialog with the School Board regarding the agreement. Mayor Monahan concurred, stating that to his knowledge no one on Council or the City's management staff had been contacted, administration at the School District had indicated that it was a "personnel matter", and felt that this was a one-sided story. For the record, he stressed that the City had very little if anything to do with what has occurred Costa Mesa High School.

COUNCIL
COMMENTS
High School Coaching
Changes

Council Member Steel reported that he had joined the Orange County Transportation Authority (OCTA) and staff members in traveling from Santa Ana to Pasadena via train. He encouraged Council to take another look at the Centerline Project.

Centerline Project

At 10:35 p.m., Mayor Monahan adjourned the City Council meeting to a closed session in first floor Conference Room A, for the City Council to confer with the City's Representatives Steve Hayman, Assistant City Manager, and Steve A. Filarsky, regarding labor negotiations with the following representatives: Costa Mesa City Employees Association, Costa Mesa Firefighters Association, Costa Mesa Police Association, and the Costa Mesa Police Management Association.

ADJOURNMENT TO
CLOSED SESSION

At 11:40 p.m., Mayor Monahan reconvened the meeting and announced that no action was taken during the closed session regarding the labor negotiations.

MEETING
RECONVENED

The Mayor declared the meeting adjourned at 11:43 p.m.

ADJOURNMENT

