

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
PLACENTIA PUBLIC FINANCING AUTHORITY
MINUTES
REGULAR MEETING
May 16, 2023
5:30 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor Smith called the meeting to order at 5:30 p.m.

ROLL CALL:

PRESENT: Councilmember/Board Member Kirwin, Shader, Smith
ABSENT: Councilmember/Board Members Wanke and Yamaguchi

ORAL COMMUNICATIONS:

Mayor Smith opened Oral Communications for the Closed Session. City Clerk McKinnell stated that the City Clerk's Office had received no public comment for the Closed Session.

The City Council and Boards of Directors recessed to the City Council Caucus Room for the purpose of conducting their Closed Session proceedings on the following:

1. Pursuant to Government Code Section 54957.6
CONFERENCE WITH LABOR NEGOTIATOR
Agency Designated Representatives: Damien Arrula, City Administrator
Alice Burnett, Director of Human Resources
Employee Organizations: Placentia City Employees Association (PCEA)
Placentia Firefighters Association (PFA)
Placentia Police and Fire Management Association (PPFMA)
Placentia Police Officers Association (PPOA)
Unrepresented Employees

2. Pursuant to Government Code Section 54956.8
CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: 323, 307, 312 and 314 Baker Street
Agency Negotiator: Damien R. Arrula, City Administrator
Negotiating Party: Damien R. Arrula, City Administrator
Under Negotiations: Price and Terms of Payment

3. Pursuant to Government Code Section 54956.8
CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Property: 207 -209 W. Crowther Avenue
Agency Negotiator: Damien R. Arrula, City Administrator
Negotiating Party: Damien R. Arrula, City Administrator
Under Negotiations: Price and Terms of Payment

RECESS: The City Council and Boards of Directors recessed to their 7:00 p.m. Regular Meeting.

CALL TO ORDER: Mayor Smith called the meeting to order at 7:08 p.m.

ROLL CALL:

PRESENT: Councilmember/Board Member Kirwin, Shader, Smith
ABSENT: Councilmember/Board Members Wanke and Yamaguchi

STAFF PRESENT:

City Attorney/Authority Counsel Christian Bettenhausen; City Administrator Damien Arrula; Deputy City Administrator Rosanna Ramirez; Deputy City Administrator Luis Estevez; Police Chief Brad Butts; Fire Chief Jason Dobine; Director of Finance Jennifer Lampman; Director of Community Services Karen Crocker; Director of Development Services Joe Lambert; Assistant to the City Administrator/Economic Development Manager Jeannette Ortega; City Treasurer Kevin Larson; City Clerk Robert McKinnell; Deputy City Clerk Carole M. Wayman

INVOCATION: Chaplain Kenneth Milhander

PLEDGE OF ALLEGIANCE: Officer John Martinez

PRESENTATIONS:

a. Proclamation of May 15 – 21, 2023 as National Police Week

Presenter: Mayor Smith
Recipient: Chief of Police Brad Butts

Mayor Smith presented a proclamation in recognition of National Police Week to Police Chief Brad Butts and Police Staff. Chief Butts thanked the City Council on behalf of the Placentia Police Department for recognizing "National Police Week" and for their support.

b. Proclamation of May 21 – 27, 2023 as National Public Works Week

Presenter: Mayor Smith
Recipient: Deputy City Administrator Luis Estevez

Mayor Smith presented a proclamation in recognition of National Public Works Week to Deputy City Administrator Estevez and Public Works Staff. Mr. Estevez thanked the Council for their recognition and support.

c. Proclamation of May 20, 2023 as Red Sneakers Day for Food Allergy Awareness

Presenter: Mayor Smith
Recipient: Emma Melin

Mayor Smith presented a proclamation in recognition of Red Sneakers Day to Emma Melin. Miss Melin thanked the Council for helping raise awareness of food allergies.

d. Proclamation of May 26, 2023 as Poppy Day

Presenter: Mayor Smith
Recipients: Loretta Jimenez and Members of American Legion Auxiliary Unit 277

Mayor Smith presented a proclamation in recognition of Poppy Day to Loretta Jimenez. Ms. Jimenez thanked the Council for their support on behalf of the Placentia American Legion Auxiliary. Mayor Smith noted that the month of May is also Military Appreciation Month and May 29th is Memorial Day.

CLOSED SESSION REPORT:

City Attorney/Authority Counsel Bettenhausen stated that there were three (3) items on the Closed Session agenda, the City Council discussed each of those items, and direction was provided. He noted there was nothing further to report.

CITY ADMINISTRATOR REPORT: None

ORAL COMMUNICATIONS:

Mayor Smith opened Oral Communications. City Clerk McKinnell stated that the City Clerk’s Office had received no public comment and there were no members of the public wishing to speak.

City Administrator Arrula noted that former Councilmember Craig Green had provided a copy of the monthly Vector Control report and copies were distributed to Council and placed at the entrance to Council Chambers.

CITY COUNCIL/BOARD MEMBER COMMENTS:

Councilmember Kirwin announced and promoted the upcoming Summer 2023 recreation program schedule. He noted that in person and online registration will be available June 1. He also expressed appreciation to the Public Works department for their rapid efforts in reconfiguring Santa Fe Street.

Councilmember Shader announced that she attended the following:

- Buena Park State of the City
- Fullerton Prayer Breakfast
- Yorba Linda Prayer Breakfast

She also announced that she was installed to the Board of Directors for the Association of California Cities Orange County and commented on the value of the City Council Retreat which was held on May 15, 2024. She expressed appreciation to the Public Safety Department noting the excellent service they provide to all the residents of Placentia. She also expressed appreciation to the Public Works Team for their efforts in reconfiguring Santa Fe Street.

Mayor Smith announced that he attended the following:

- SCAG General Assembly Meeting
- Placentia Canine Foundation Fundraiser
- Yorba Linda Prayer Breakfast
- Buena Park State of the City

He also commented on the value of the City Council retreat and expressed appreciation to the Public Works Team for the excellent and quick work on Santa Fe Street.

1. CONSENT CALENDAR (Items 1.a. through 1.i.):

Motion by Shader, seconded by Kirwin, and carried a (3-0-2, Wanke and Yamaguchi absent) vote to approve the Consent Calendar items 1.a. through 1.i., as recommended.

1.a. Consideration to Waive Reading in Full of all Ordinances and Resolutions

Fiscal Impact: None

Recommended Action: Approve

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.b. City Fiscal Year 2022-23 Register for May 16, 2023

Check Register

Fiscal Impact: \$1,443,913.43

Electronic Disbursement Register

Fiscal Impact: \$1,264,594.46

Recommended Action: It is recommended that the City Council:

- 1) Receive and file.

(Received and Filed, 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.c. Setting of the Annual Special Tax Rate for Fiscal Year 2023-24 for Community Facilities District No. 2014-01 (Public Services CFD) and Declaring the Intention to Allow for the Annexation of Property to Community Facilities District No. 2014-01

Fiscal Impact: Revenue: \$64,139.16 Recouped through Assessments (550000-4505)

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution No. R-2023-32, a Resolution of the City Council of the City of Placentia, California, setting the levy of an Annual Special Tax for Community Facilities District No. 2014-01 (Public Services); and
- 2) Authorize inclusion of the Annual Special Tax for Community Facilities District No. 2014-01 (Public Services) for Fiscal Year 2023-24 on the Orange County Secured Property Tax Roll; and
- 3) Adopt Resolution No. R-2023-33, a Resolution of the City Council of the City of Placentia, California, declaring its intention to annex certain territory to Community Facilities District No. 2014-01 (Public Services).

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.d. **Setting of the Annual Special Tax Rate for Fiscal Year 2023-24 for Community Facilities District No. 2018-01 (TOD CFD) and Declaring the Intention to Allow for Future Annexations to Community Facilities District No. 2018-01**

Fiscal Impact: Revenue: \$31,448.05 (800000-4505)

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution No. R-2023-30, a Resolution of the City Council of the City of Placentia, California, setting the levy of an annual special tax for Community Facilities District No. 2018-01 (TOD Maintenance Services); and
- 2) Adopt Resolution No. R-2023-31, a Resolution of the City Council of the City of Placentia, California, declaring its intention to allow for future annexations of territory to Community Facilities District No. 2018-01 (TOD Maintenance Services); and
- 3) Authorize inclusion of the Annual Special Tax for Community Facilities District No. 2018-01 (TOD Maintenance Services) for Fiscal Year 2023-24 on the Orange County Secured Property Tax Roll.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.e. **Public Works Agreement with Asad Holdings LLC DBA Orangeblue General Contractors for the Installation of Tile Walls at the Placentia Navigation Center**

Fiscal Impact:

Expense:	\$144,500.00	Contract Amount (Navigation Center Fund)
Budgeted:	\$150,000.00	(Navigation Center Tile Project Fund)
	\$ 8,950.00	(Navigation Center Maintenance Fund)

Recommended Action: It is recommended that the City Council:

- 1) Approve a Public Works Agreement with Asad Holdings LLC DBA Orangeblue General Contractors for the installation of tile walls at the Placentia Navigation Center for a not-to-exceed amount of \$144,500; and
- 2) Authorize the City Administrator to approve contract change orders up to 10% of the contract amount, or \$14,450; and
- 3) Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.f. **Award of Contract to Mariposa Landscapes, Inc., for Median and Parkway Landscape Maintenance Services**

Fiscal Impact:

Expense:	\$279,575.91	Annual Contract Amount
Proposed Budget:	\$279,575.91	Fiscal Year 2023-34 Operating Budget (103655-6115, 173555-6115, 296561-6115)

Recommended Action: It is recommended that the City Council:

- 1) Approve a Professional Services Agreement with Mariposa Landscapes, Inc., for Median and Parkway Landscape Maintenance Services in an amount not-to-exceed \$279,575.91 per year for an initial three (3) year contract term with the option to extend for an additional two-year term; and
- 2) Authorize the City Administrator to approve contract change orders up to 10% of the annual contract not-to-exceed amount; and
- 3) Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney; and
- 4) Authorize the City Administrator to approve the eligible contract term extension an additional two-year term based upon contractor performance and at the discretion of the City.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.g. **Award of Maintenance Services Agreement to Hasa Inc., for Swimming Pool and Fountain Maintenance Services**

Fiscal Impact:

Expense:	\$53,250	Annual Contract Amount
Proposed Budget:	\$53,250	Fiscal Year 2023-34 Operating Budget (104076-6130)

Recommended Action: It is recommended that the City Council:

- 1) Approve a Maintenance Services Agreement with Hasa Inc. for Public Swimming Pool and Fountain Maintenance Services for an amount not-to-exceed \$159,750 for an initial three-year contract term with the option to extend for one (1) additional two-year term for an amount not-to-exceed \$53,250 per year; and
- 2) Authorize the City Administrator to approve contract change orders up to 10% of the annual contract average of \$53,250; and
- 3) Authorize the City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney; and
- 4) Authorize the City Administrator to approve the eligible contract term extension for one (1) additional two-year term based upon contractor performance and at the discretion of the City.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.h. **Approve the Metropolitan Urban County Cooperation Agreement Amendment No. 3 Between the County of Orange and the City of Placentia for Community Development Block Grant Funds**

Fiscal Impact:

Potential Revenue of up to \$323,000 per Fiscal Year for 2024-25, 2025-26 and 2026-27

Recommended Action: It is recommended that the City Council:

- 1) Approve a Metropolitan Urban County Cooperation Agreement Amendment No. 3 between the County of Orange and the City of Placentia for Community Development Block Grant Funds; and
- 2) Authorize the City Administrator to execute the agreement in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

1.i. **Approval Of Plans & Specifications and Award of Construction Contract to Grigolla & Sons Construction Co. Inc., For the 2022-2023 Concrete Repair Project, City Project No. 1302**

Fiscal Impact:

Expense:	\$107,250.00	Total Construction Contract Amount
	\$ 97,500.00	Construction Contract Amount
	\$ 9,750.00	Construction Contingency Amount
Available Budget:	\$108,273.56	Fiscal Year 2022-23 CIP Budget (791302-6740)

Recommended Action: It is recommended that the City Council:

- 1) Approve Plans & Specifications prepared by the City Engineer and approve a Public Works Agreement with Grigolla & Sons Construction Co. Inc., for the 2022-2023 Concrete Repair Project in the amount of \$97,500; and
- 2) Reject the bid proposal submitted by National Pools Inc., as non-responsive; and
- 3) Reject all other bids received and authorize return of the bid bonds; and
- 4) Authorize the City Administrator to approve contract change orders up to ten percent (10%) of the contract amount, or \$9,750, for a total construction contract not-to-exceed amount of \$107,250; and
- 5) Authorize the City Administrator to execute all necessary documents, in a form approved by the City Attorney.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

2. PUBLIC HEARINGS: None

3. REGULAR AGENDA:

3.a. **Appointments to Fill Vacancies on One City Commission and Various Committees**

Fiscal Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Make the necessary appointments to fill the vacancies listed below:
 - a. One (1) vacancy on the Planning Commission

- b. One (1) alternate vacancy on the Heritage Committee
- c. Three (3) vacancies on the Historical Committee
- 2) Direct Staff to update the City's master Commission and Committee vacancy list; and
- 3) Continue the Commission and Committee Application/Recruitment process for any remaining vacancies for future consideration of appointments.

Councilmember Shader noted that the Council had conducted interviews of the candidates and made recommendations for appointments. She thanked all candidates for volunteering to serve on the City's Commissions and committees.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent.)

Appointments: Juan Navarro, Planning Commission; Stephen Morgan Heritage Committee Alternate; Kim Deweese, Stephen Morgan and Natalie Ter Nedden, Historical Committee.)

3.b. **Study Session: Presentation of the Proposed Fiscal Year 2023-24 Operating Budget and Capital Improvement Program (CIP)**

Fiscal Impact: FY 2023-24 Expenditures: \$ 85,583,391
Revenue: \$ 84,855,133

Recommended Action: It is recommended that the City Council:

- 1) Review and discuss the Proposed Fiscal Year 2023-24 Annual Operating Budget Capital Improvement Program (CIP) and provide input and direction for final budget adoption; and
- 2) Set the date of the public hearing for budget adoption as June 6, 2023, at 7:00 p.m.

(Approved 3-0-2, as recommended, Wanke and Yamaguchi absent)

City Administrator Arrula introduced Director of Finance Lampman and Deputy City Administrator Estevez to give a presentation on the Proposed Fiscal Year 2023-24 Operating Budget and Capital Improvement Program.

Councilmember Shader inquired about the annual cost of position allocations and an RFP for IT managed services.

Finance Director Lampman explained that the position annual cost includes benefits. She added that she would provide Council with a breakdown of those costs. She noted that the City is still in the process of receiving RFPs for IT managed services.

Councilmember Shader inquired about Measure U/460 allocations and encouraged a discussion with fellow Councilmembers on possibly changing the percentages. She expressed support for increasing reserves.

City Administrator Arrula commented on increases in costs for infrastructure projects and the effects to Measure U and recommendations for changes to the infrastructure percentage.

Finance Director Lampman explained the composition of fund balances in Measure U. She also explained the general fund and contingency reserves.

City Administrator Arrula provided additional information on the graph displaying the total general fund summary and proposed additional contribution amounts for CIP projects.

Councilmember Shader commented on the exorbitant cost increases in labor and construction noting that it is very difficult to estimate project costs. She added that it might be a consideration to pause some projects until there are market changes. She also inquired about the negative balance in the Navigation Center line item asking if this is related to cost sharing with other cities or waiting for funding. She expressed concern about the large deficit.

Finance Director Lampman responded that there is a delay in State level funding for the Navigation Center.

City Administrator Arrula noted that he has discussed the issue with the North SPA collaborative requesting that a process be set, according to the MOU, that cities will need to use other funding available to pay their share and not wait for State funding which is unreliable.

Councilmember Shader commented on how far the City has come financially and expressed appreciation to City Administrator Arrula and Department heads for their efforts.

Councilmember Kirwin expressed appreciation to City Administrator Arrula and Citizens' Oversight committee member Glenn Casterline for their assistance and explanation of the budget. He inquired about the percentage increase for personnel expenses.

City Administrator Arrula stated that Finance Director Lampman would provide a breakdown of the increase in personnel expenses to Council.

Mayor Smith expressed appreciation for the depth and detail of the budget and presentation.

Motion by Shader, seconded by Kirwin, and carried a **(3-0-2 vote, Wanke and Yamaguchi absent), to set the public hearing for budget adoption as June 6, 2023, as recommended.**

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Mayor Shader inquired about exploring the possibility of a dog park in the City.

Mayor Smith expressed support for a dog park. He expressed appreciation to Staff for all their efforts in preparing and presenting the proposed budget.

ADJOURNMENT:

The City Council/Successor Agency/ICDA/PPFA Board of Directors adjourned at 8:50 p.m. to a regular City Council meeting on Tuesday, June 6, 2023 at 5:30 p.m.



Ward L. Smith, Mayor/Agency Chair

ATTEST:



Robert S. McKinnell, City Clerk/
Agency Secretary

