

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
ADJOURNED REGULAR MEETING MINUTES
June 12, 2012
6:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor Yamaguchi called the meeting to order at 6:05 p.m.

ROLL CALL:

PRESENT: Council/Agency Members Nelson, Underhill, Wanke, Yamaguchi
ABSENT: None

Councilmember Aguirre arrived at 6:12 p.m.

INVOCATION: Chief of Police Rick Hicks

PLEDGE OF ALLEGIANCE: Councilmember Nelson

ORAL COMMUNICATIONS:

Stephanie Diaz, resident, expressed her concerns regarding the possible closure of Arroyo Verde Park. She noted that the closure would create an increase in rodents and lack of playing space for children.

Beverly Doveatt, Broadmoor Community President of Board of Directors, expressed her concerns regarding the possible partial closure of Arroyo Verde Park. She noted that the Broadmoor Community opposes the closure. She noted that it would create an increase in rats, attract homeless, and create a congested situation in the front of the park.

Bruce Campbell, resident, expressed his concerns regarding the possible partial closure of Arroyo Verde Park. He noted that it will create a coyote habitat and overgrown grass.

Kathi Wahl, resident, expressed her concerns regarding the possible partial closure of Arroyo Verde Park. She noted that the park is heavily used by the community.

Craig Green, resident, noted that he submitted a list of budget cuts recommendations to the City Council for their review and consideration. He noted that the City Administrator and Staff have worked hard on the budget.

SS 1. Presentation of Preliminary Operating and Capital Improvement Program Budgets for Fiscal Year 2012-13

City Administrator Butzlaff noted that Council and Staff met on May 29, 2012 during a Study Session meeting to review revenues, expenses and to propose budget reduction options. He noted that the City is facing a projected \$268,000 deficit. He provided a brief review of City revenues and expenditures, such as non-discretionary and discretionary items. He noted that Staff has undertaken additional responsibilities due to previous layoffs. He noted that the projected shortfall was \$1,899,969. He listed the previously proposed budget reduction

options, which include cancelling summer programs at Tynes Gym and Cathy Torrez Learning Center, park closures (full and partial), cancel Tynes Gym after school programs, shifts cost of private property graffiti removal, and potential PPOA employee paid member contribution. He provided a brief review of the modified budget reductions options, which are PPOA negotiated pension contribution, graffiti abatement subscription services, partial freeze on travel, training, and supplies, adjustment to maintenance budget, and modifications to youth programs.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

Mayor Yamaguchi noted that he attended the SCAG General Assembly meeting. He noted that the City Administrator and he attended the ACCOC City Innovation meeting.

Mayor Pro Tem Wanke noted that he lives near Arroyo Verde Park and understands the residents' concerns.

Councilmember Nelson commended Staff on their work and the proposed budget reductions. He spoke in opposition of closing City parks. He spoke in support of the Clean City program. He noted that the pension issue is a tough item. He encouraged Staff to look at the possibility of putting the employees benefits plan out to a competitive bid. He commended Staff for their work. He thanked residents for attending.

Councilmember Underhill noted that Staff has worked hard in bringing down their department budgets.

Councilmember Aguirre spoke in opposition of park closures. He thanked Staff for the original budget reduction options and for bringing back modified budget reduction options. He noted that the nation's economy is affecting everyone. He thanked residents for expressing their opinions. He spoke in support of transferring the cost of the graffiti removal to private property owners. He spoke in support of the Clean City Subscription Program.

Councilmember Underhill noted that providing programs for youth has made a difference in the City.

Mayor Pro Tem Wanke inquired about the reclassification of part-time code compliance officers to full time police services officers.

Chief of Police Hicks noted that the reclassification will save money and provide cross training to the employees. He noted that the code compliance officers would be able to offset cost of full time police officers as well as improve police officer ability to be on the streets.

Mayor Pro Tem Wanke inquired about the pension cost for the code compliance officers.

Chief of Police Hicks noted that it will allow freeing up police officers and will create a strong code compliance department.

City Administrator Butzlaff noted that the code compliance officers will come in at the new tier for non-sworn employees.

Mayor Yamaguchi inquired about the partial freeze on travel, training, and supplies total amount.

City Administrator Butzlaff noted that the budget reduction option is a freeze of five percent.

Mayor Yamaguchi thanked Staff for their work. He noted that it is important to revisit the City's mission statement. He spoke in support of revisiting some of the reduction options in the midyear budget process.

City Administrator Butzlaff asked if the modified budget reduction options are acceptable to Council.

Mayor Pro Tem Wanke recommended not modifying the youth programs and looking at alternatives. He inquired about legal services.

City Administrator Butzlaff noted that legal services are not predictable and that there is no guarantee of the amount needed.

Mayor Yamaguchi inquired about the parks and crossing guards.

City Administrator Butzlaff noted that programs will be modified. He noted that currently there are 16 crossing guards. He noted that the PYLUSD has not agreed to assist with the cost. He noted that the Police Department Staff is recommending reducing the crossing guards to five. He noted that the budget reduction options may be modified by Council.

Mayor Pro Tem Wanke inquired about management stipends and making adjustments.

City Administrator Butzlaff noted that these stipends are recruitment incentives and recommended not taking them away. He noted that he is also concerned about the impact it may have on the current Staff.

Mayor Pro Tem Wanke directed Staff to look at the option of reducing the \$20,000 stipends.

City Administrator Butzlaff noted that the youth programs will be centralized. He noted that the recommendation is to place the programs in centralized locations to save cost. He noted that the option includes charging a low fee.

Mayor Pro Tem Wanke directed Staff to keep the youth programs.

City Administrator Butzlaff noted that Staff would continue exploring the idea of looking for private donations to help cover the cost of youth programs. He noted that the City does not have the money to provide all the services without looking at cuts and modifications. He asked for clarification on the elimination ACC-OC and the California League of Cities membership.

Discussion ensued between Council and Staff. Council directed Staff to maintain the memberships in the budget and to review them during the midyear budget process.

City Administrator Butzlaff noted that the budget presented to Council will show a negative if cuts are not made. He asked for direction from Council or to adopt the budget with a deficit and hope to balance the budget in full by January 2013. He noted that cutting Staff would have a negative effect on services.

Mayor Yamaguchi noted that he will not be at peace approving a deficit budget.

Councilmember Nelson noted that during the mid-year review budget cuts could be made. He noted that he is comfortable approving the budget with a small deficit. He noted that the City has the opportunity to continue to providing the services. He noted that adjustments can be made in the mid-year budget.

Councilmember Aguirre noted that ideally the goal is to have a balanced budget. He spoke in support of looking at the ACC-OC membership during the mid-year budget review. He noted that if cuts need to be made they can be done during the mid-year budget review.

Councilmember Underhill spoke in support of the consolidation of the after school programs.

Councilmember Nelson noted that Council needs to give clear direction to Staff.

Mayor Yamaguchi noted that Staff needs to explore the options of putting a freeze on all merit increases and the take home vehicles.

City Administrator Butzlaff noted that a freeze on merit increases will decrease morale of employees.

Councilmember Nelson recommended that each Councilmember provide Staff with budget reduction options before next week.

Senior Management Analyst McConaha provided brief review of the changes to the Capital Improvement Program, which include the park lighting upgrades citywide project and purchase of laptops for the Police Department.

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Mayor Yamaguchi requested that the Council give direction to Staff to have the City participate in the e-Stewards program.

RECESS: The City Council and Boards of Directors recessed to their Executive Session.

CITY COUNCIL:

1. Pursuant to Government Code Section 54957.6 Conference with City Labor Negotiator concerning Labor Negotiations with the Following Groups:
 - a. Placentia Police Officers Association (PPOA)
City Representative: Troy L. Butzlaff, City Administrator
 - b. Placentia City Employees Association (PCEA)
City Representative: Troy L. Butzlaff, City Administrator
2. Conference with Legal Counsel – Case Review/Planning – Government Code 54957.8:
 - a. Vacant 2.78 Acre Parcel Located at 1049 Golden Avenue APN: 334-021-03
John Reischl, Olson Company

SUCCESSOR AGENCY: None

ICDA:

- 3. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8:
 - a. Property: 601 W. Orangethorpe Avenue, APN 339-112-03
Agency Negotiator: Troy L. Butzlaff, City Administrator/Executive Director
Negotiating Parties: Jim Williams, JAW Land & Trading LLC
Under Negotiations: Price and Terms of Payment

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors adjourned to June 19, 2012.



JEREMY B. YAMAGUCHI
AGENCY CHAIR

ATTEST:



PATRICK J. MELIA, CITY CLERK/AGENCY
SECRETARY