



MINUTES

CITY COUNCIL SPECIAL MEETING

November 25, 2014
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

Steven Choi
Mayor

Jeffrey Lalloway
Mayor Pro Tem

Larry Agran
Councilmember

Beth Krom
Councilmember

Christina Shea
Councilmember

CALL TO ORDER

The special meeting of the Irvine City Council was called to order at 3:02 p.m. on November 28, 2014 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor Choi presiding.

ROLL CALL

Present:	5	Councilmember:	Larry Agran
		Councilmember:	Beth Krom
		Councilmember:	Christina Shea
		Mayor Pro Tempore:	Jeffrey Lalloway
		Mayor:	Steven Choi

1. CLOSED SESSION

City Attorney Litfin announced the following Closed Session item:

1.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation pursuant to paragraph (2) of
subdivision (d) of Government Code Section 54956.9: Two Cases

There were no requests to speak to the Closed Session items.

RECESS

Mayor Choi convened the special City Council meeting to Closed Session at 3:03 p.m.

RECONVENE TO THE CITY COUNCIL MEETING

Mayor Choi reconvened the special City Council meeting at 5:03 p.m. City Attorney Litfin, on behalf of the City Council, announced that no reportable action was taken in Closed Session.

PLEDGE OF ALLEGIANCE

Mayor Choi led the Pledge of Allegiance.

INVOCATION

Mayor Choi invited Pastor Frank Winans from Woodbridge Community Church in Irvine to provide the invocation.

MUSICAL PRESENTATION

Mayor Choi introduced Lucetta ("Lucy") Dunn and Melanie Pedro, accompanied by Mark Salters on piano, who performed "My Country 'Tis of Thee" and the "Flower Duet" from the opera "Lakme."

2. PRESENTATIONS

2.1 Commend Irvine Novaquatics for Outstanding Public Service

Mayor Choi introduced Kim Hoesterey, Irvine Novaquatics Board Treasurer and Swim Meet Coordinator, and all of the Irvine Novaquatics volunteers and participants, and presented them with a commendation for hosting the Speedo Junior and Phillips 66 National Championships this past summer at William Woollett Jr. Aquatics Center.

2.2 Proclaim December 2, 2014 as "Giving Tuesday" - Irvine Public Schools Foundation

Mayor Choi introduced Chief Executive Officer Neda Eaton and Boardmember Joseph Lewis III from the Irvine Public Schools Foundation and presented them with a proclamation recognizing December 2, 2014 as "Giving Tuesday."

CITY MANAGER'S REPORT

City Manager Joyce announced that a swearing-in ceremony would be held on Tuesday, December 9 at 6 p.m. in the Council Chamber. A public reception would be held at 5 p.m. prior to the ceremony in the main lobby.

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Councilmember Krom announced that she had the opportunity to attend the 110th birthday of Sally Mitchell at the Irvine Cottages and presented her with a commendation on behalf of the City Council. She also expressed her appreciation to Councilmember Agran for his 28 years of dedicated public service and invited members of the community to a public reception in his honor on Tuesday, December 2 at 5 p.m. in the main lobby.

Councilmember Agran expressed his appreciation to the City Council, Executive Assistants and appointees to various commissions and committees, the City's Management Team, City staff, and members of the community who have supported him over the years.

Mayor Choi expressed his appreciation to those who participated and voted in the recent election. He also provided a brief report on recent attendance at the National League of Cities 90th Anniversary Congress of Cities and Exposition Conference in Austin, Texas.

Mayor Choi also made the following announcements:

- The Irvine Animal Care Center is hosting the 8th Annual "Home for the Holidays" Pet Adoption Fair on Sunday, December 7 from 10 a.m. to 3 p.m. For information, visit irvineshelter.org.
- The City of Irvine, in partnership with the Irvine 2/11 Marine Adoption Committee, is collecting new, unwrapped gifts for infants and children up to 12 years of age through December 12, 2014. Toy drive containers are located in the lobbies of the Irvine Civic Center and the Irvine Police Department, as well as the Orange County Great Park Visitor Center. For information, visit cityofirvine.org.
- The City of Irvine was one of the honorees at the O.C. Register Metro Magazine celebration of the "Hot 25." Talia Hart, CEO, Irvine Chamber of Commerce presented Mayor Choi with a plaque recognizing the City as an honoree.

ADDITIONS AND DELETIONS

City Manager Joyce noted that a change to the recommended action was necessary with respect to Item No. 3.14 based on a decision made by the Orange County Great Park Board at its meeting earlier in the day (see Item No. 3.14). He also noted an errata memo with respect to Item No. 3.15 that reflected an additional member to the Veterans Housing

Committee appointed by the Planning Commission at its meeting on November 20, 2014, which was not available at the time of the agenda posting (See Item No. 3.15).

3. CONSENT CALENDAR

ACTION: Moved by Councilmember Shea, seconded by Mayor Pro Tempore Lalloway, and unanimously carried to approve City Council Consent Calendar Item Nos. 3.1 through 3.12. Item Nos. 3.11, 3.15 and 3.16 were removed for separate discussion. Councilmember Krom abstained on Item No. 3.3.

3.1 MINUTES

ACTION:

Approved the minutes of a regular meeting of the Irvine City Council and regular joint meeting with the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency held on November 12, 2014.

3.2 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION*:

Adopted RESOLUTION NO. 14-132 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

* Councilmember Agran voted in the affirmative with the stipulation that he was opposed to the payment made in the amount of \$102,165.20 to Aleshire & Wynder, LLP.

3.3 WARRANT AND WIRE TRANSFER RESOLUTION – AT&T

ACTION:

Adopted RESOLUTION NO. 14-133 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS OF AT&T AND SPECIFYING THE FUNDS OUT OF WHICH THE SAME ARE TO BE PAID

Councilmember Krom abstained.

3.4 ANNUAL ASSEMBLY BILL 1600 DEVELOPMENT FEE REPORT FOR FISCAL YEAR 2013-14

ACTION:

Received and filed.

3.5 FISCAL YEAR 2013-2014 MEASURE M2 EXPENDITURE REPORT

ACTION:

Adopted RESOLUTION NO. 14-134 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADOPTING THE FISCAL YEAR 2013-14 MEASURE M2 EXPENDITURE REPORT FOR THE CITY OF IRVINE

3.6 SINGLE AUDIT OF FEDERALLY ASSISTED GRANT PROGRAMS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

ACTION:

Received and filed.

3.7 AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2014

ACTION:

Received and filed.

3.8 COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2014 AND AUDITORS' COMMUNICATION

ACTION:

Received and filed.

3.9 FISCAL YEAR 2013-2014 CAPITAL IMPROVEMENT AND SPECIAL FUNDS YEAR-END REPORT

ACTION:

- 1) Approved the continuation of 331 capital projects with budgets totaling \$203.2 million to Fiscal Year 2014-15.
- 2) Approved the closure of 27 completed projects, with \$32.9 million in expenditures.
- 3) Approved the adjustment of inter-fund transfers needed for capital projects among the Infrastructure and Rehabilitation, Gas Tax, Fees and Exactions, System Development Charge, Renewed Measure M2 Fairshare, Community Facility District, Irvine Business Complex, and Fleet Service Funds for the fiscal year beginning July 1, 2014, net of \$0.1 million.
- 4) Approved funding for outstanding purchase orders and continuing activities in the Special Funds totaling \$2.9 million.

3.10 ORANGE COUNTY GREAT PARK CORPORATION AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

ACTION:

Received and filed.

3.11 ORANGE COUNTY GREAT PARK FISCAL TRANSPARENCY AND REFORMS ACT IMPLEMENTATION

This item was removed for separate discussion at the request of Irvine resident Michael Klubnikin, who spoke about fiscal transparency and open governance.

Councilmember Krom noted that while she supported the initiative, she had expressed concerns at the Orange County Great Park Board meeting regarding what is expected based on the provisions contained in Measure V and its consistency to what was already being performed. She asked that this item be agendaized for the second regular City Council meeting in January for discussion. Discussion ensued relative to the recently approved measure.

ACTION: Moved by Councilmember Shea, seconded by Mayor Pro Tempore Lalloway, and unanimously approved to:

- 1) Approve the plan presented within the report for implementation of the Orange County Great Park Fiscal Transparency and Reforms Act, or provide alternative direction.
- 2) Approve with regard to appropriation, as required by the Fiscal Transparency and Reforms Act, the 2014-15 Orange County Great Park capital and operating budgets and anticipated contracts, with proposed amendments included in the staff report.

(Unless otherwise directed by a member of the City Council, the vote on this matter will reflect the prior action of each Councilmember when he or she sat and voted as a member of the Board of the Orange County Great Park Corporation. However, if a Councilmember is not present at the City Council meeting, his or her vote will be reflected as absent).

Approved 5-0

3.12 NOTICE OF PENDING APPROVAL FOR TRACT MAPS IN IRVINE BUSINESS COMPLEX AND ORCHARD HILLS

ACTION:

Received and filed.

3.13 QUITCLAIM OF EASEMENTS FOR SHOREBIRD PARK AND STONE CREEK SWIM CLUB PARK IN WOODBRIDGE

ACTION:

Authorized the Mayor to execute quitclaim deeds to relinquish easements on two private park properties in the Village of Woodbridge.

3.14 GREAT PARK CAROUSEL REPAIR

ACTION:

Authorize award of a contract change order to Burton Construction Inc. for the repair and reassembly of the Great Park Carousel, and approve a budget adjustment from the unallocated fund balance (Fund 180) in an amount of \$69,000 to be determined by the time of the meeting to fund the repair as identified in the diagnostic report that was described to the City Council.

As amended based on the decision by the Orange County Great Park Board at its November 25, 2014 regular meeting to authorize staff to award a contract change order to Burton Construction Inc. for \$69,000 for the repair and reassembly of the Great Park Carousel, and approve a \$69,000 budget adjustment from the unallocated fund balance (Fund 180) and fund the repair as identified in the Burton diagnostic report.

(Unless otherwise directed by a member of the City Council, the vote on this matter will reflect the prior action of each Councilmember when he or she sat and voted as a member of the Board of the Orange County Great Park Corporation. However, if a Councilmember is not present at the City Council meeting, his or her vote will be reflected as absent).

Approved 5-0

3.15 AD HOC VETERANS AFFORDABLE HOUSING COMMITTEE

This item was removed at the request of Councilmember Krom, who asked for additional information on the scope of work and mission of the committee;

and whether the Irvine Community Land Trust would eventually become involved with providing affordable housing to Veterans.

Councilmember Shea noted that the initial meeting would take place sometime in January to establish the overall goals of the Committee. She also noted that the Committee would have a similar scope of work and goals to the Housing Needs Task Force for the Developmentally Disabled.

ACTION: Moved by Councilmember Krom, seconded by Councilmember Shea, and unanimously carried to:

Confirm Appointment of Ad Hoc Veterans Affordable Housing Committee Members consisting of:

Mayor Pro Tem Jeffrey Lalloway
Councilwoman Christina Shea
Patricia Whitaker, Executive Director, Innovative Housing Opportunities, Inc.
Bobbie McDonald, veterans representative
Ronnie Guyer, veterans representative
William Woolett, Jr., veterans representative

As amended to include the appointment of Planning Commission Chair Anthony Kuo per the errata memo dated November 25, 2014.

3.16 COMMUNITY PARTNERSHIP FUND GRANT NOMINATIONS

This item was removed at the request of Mayor Pro Tempore Lalloway, who expressed concern that Councilmember Agran's requests for Community Partnership Grant Nominations would exhaust his remaining budget for the fiscal year, thereby prohibiting Councilmember-Elect Schott from requesting nominations through the end of the fiscal year.

City Council discussion included: parameters of the Community Partnership Fund Grant Nomination Program and the allotted funding per Councilmember per fiscal year; prorating Councilmember Agran's allocation to 5/12 of the budgeted funding; returning to a future meeting with an amended policy addressing the ability of outgoing Councilmembers to make nominations; past precedence of nominations by outgoing Councilmembers and sanctity of the program; and allocating a percentage of Councilmember Krom's remaining funds to allow Councilmember-elect Schott the ability to recommend nominations.

ACTION: Moved by Councilmember Shea, seconded by Councilmember Lalloway, and unanimously carried to:

- 1) Approve Mayor Choi's request for Community Partnership Fund Grant Nomination to the Illumination Foundation in the amount of \$500 in support of program costs.
- 2) Approve Mayor Pro Tempore Lalloway's request for Community Partnership Fund Grant Nomination to Freedom Writers Foundation in the amount of \$500 in support of program costs.
- 3) Approve Councilmember Shea's request for Community Partnership Fund Grant Nomination to the Warrior Foundation - Freedom Station in the amount of \$500 in support of program costs.
- 4) Approve Councilmember Agran's request for Community Partnership Fund Grant Nominations to Chamber Music OC in the amount of \$2,000; SupportAbility in the amount of \$1,000; Friends of Outreach in the amount of \$1,000; Islamic Center of Irvine in the amount of \$1,000; Assistance League of Irvine in the amount of \$1,000; Irvine Chinese School / South Coast Chinese Cultural Center in the amount of \$1,000; Irvine Barclay Theatre in the amount of \$500; Ektaa Center in the amount of \$500; Irvine Pakistani Parents Association in the amount of \$500; and Irvine Evergreen Chinese Senior Association in the amount of \$500 in support of program costs.
- 5) Authorize the City Manager to prepare and sign funding agreements for each organization listed in Actions 1 through 4.

As amended to allocate a percentage of Councilmember Krom's Community Partnership Grant Nomination budget for Fiscal Year 2014-15 to provide the ability for Councilmember-elect Schott to recommend nominations for Community Partnership Grant funding.

4. PUBLIC HEARINGS

4.1 APPEAL OF THE PLANNING COMMISSION ACTION APPROVING 360° FUSION RESIDENTIAL PROJECT LOCATED AT THE NORTHWEST CORNER OF MCGAW AVENUE AND MURPHY AVENUE IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

Mayor Pro Tempore Lalloway noted that based on the report provided by Special Counsel Richardson, Watson and Gershon, his overall concerns about whether the applicant's lobbyist had engaged in activities that would prohibit the approval of the project by City Commissioners had been addressed and he had no further concerns about the project.

Tim Gehrich, Deputy Director of Community Development, and Steve Weiss, Principal Planner, provided the staff report and responded to questions.

Mayor Choi reopened the public hearing at 7:53 p.m.

Bill Vardoulis, on behalf of the applicant, noted that the applicant had met with residents to address concerns associated with construction and that work hours had been reduced to address those concerns. He also noted that the applicant will continue to meet with residents on the first Tuesday of every month to provide project updates and address any additional concerns that residents may have.

TR Black, Irvine resident, expressed his appreciation to the applicant for working with the residents at the Granite Court Apartment Community.

City Council discussion included: modification of construction hours; amount of park fees associated with the project; number of affordable housing units for veterans and whether density bonus was applied; costs associated with the appeal; and potential breach of ethical conduct based on the decision to appeal.

ACTION: By consensus, the public hearing was closed at 8:18 p.m.

ACTION: Moved by Mayor Pro Tempore Lalloway, seconded by Mayor Choi, and unanimously carried to:

Deny the appeal, thereby upholding the Planning Commission's decisions and:

- A) Adopted RESOLUTION NO. 14-135 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA DENYING AN APPEAL THEREBY UPHOLDING THE PLANNING COMMISSION'S DECISION TO APPROVE VESTING TENTATIVE TRACT MAP 17614 (00571126-PTT) TO SUBDIVIDE 3.56 NET ACRES INTO ONE NUMBERED LOT FOR DEVELOPMENT OF 280 ATTACHED RESIDENTIAL UNITS FOR CONDOMINIUM PURPOSES, LOCATED AT THE SOUTHWEST CORNER OF MURPHY AVENUE AND MCGAW AVENUE IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

- B) Adopted RESOLUTION NO. 14-136 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA DENYING AN APPEAL THEREBY UPHOLDING THE PLANNING COMMISSION'S DECISION TO APPROVE PARK PLAN 00571125-PPP FOR 280 ATTACHED RESIDENTIAL UNITS, LOCATED AT THE SOUTHWEST CORNER OF MCGAW AVENUE AND MURPHY AVENUE IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

- C) Adopted RESOLUTION NO. 14-137 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA DENYING AN APPEAL THEREBY UPHOLDING THE PLANNING COMMISSION'S DECISION TO APPROVE CONDITIONAL USE PERMIT 00571123-PCPU INCLUDING A TRANSFER OF DEVELOPMENT RIGHTS AND AFFORDABLE HOUSING PLAN WITH DENSITY BONUS UNITS FOR DEVELOPMENT OF 280 ATTACHED RESIDENTIAL UNITS, LOCATED AT THE SOUTHWEST CORNER OF MCGAW AVENUE AND MURPHY AVENUE IN PLANNING AREA 36 (IRVINE BUSINESS COMPLEX)

5. COUNCIL BUSINESS

Mayor Pro Tempore Lalloway left the meeting at 8:19 p.m.

5.1 STATUS REPORT OF THE CITY'S PLAN TO RETIRE ITS UNFUNDED PENSION LIABILITY

City Manager Joyce provided the staff report and responded to questions. Ken Brown, Director of Administrative Services, and Barbara Arenado, Senior Accountant, were also available for questions.

Carey Worgen, Senior Pension Actuary from the California Public Employees' Retirement System (CalPERS), provided a brief report on the overall savings realized thus far based on the accelerated payment plan approved last year by the City Council, as well as estimated future savings based on those accelerated payments.

City Council discussion included: stock market performance and its impact on any potential additional savings; and whether Irvine has been a model for other cities to retire future unfunded pension liability.

ACTION: Moved by Councilmember Shea, seconded by Councilmember Krom, and unanimously carried by those members present (Mayor Pro Tempore Lalloway absent) to:

ACTION:
Receive and file.

5.2 FISCAL YEAR 2013-14 GENERAL FUND YEAR-END REPORT

City Manager Joyce presented the staff report and responded to questions. Ken Brown, Director of Administrative Services, and Donna Mullally, Manager of Budget, were also available for questions.

Alex McDonald, Project Manager on behalf of Team Orange, asked the City Council for consideration of funding in the amount of \$200,000 to assist with costs associated with constructing an energy-efficient home for the Solar Decathlon 2015 event.

Councilmember Shea read into the record a letter of commitment by the Irvine Company in the amount of \$100,000 in monetary and in-kind support for Team Orange.

City Council discussion included: investing for technological improvements at the Irvine Animal Care Center; monetary and in-kind contributions by Southern California Edison and FivePoint Communities Management, Inc. and the possibility of providing additional funding by the City to support Team Orange; whether the Team Orange house would remain at the Orange County Great Park; addressing future needs for increased traffic and other safety concerns on City streets; and utilizing surplus for additional personnel if needed.

ACTION: Moved by Councilmember Shea, seconded by Mayor Choi, and unanimously carried by those members present (Mayor Pro Tempore Lalloway absent) to:

- 1) Receive and file the Budget Update Report for the Fiscal Year Ended June 30, 2014.
- 2) Approve a Budget Adjustment for Prior City Council Actions/Direction allocating \$1,610,250 for specific projects/programs previously approved by the City Council in FY 2013-14.
- 3) Approve a Budget Adjustment allocating \$513,998 of year-end General Fund balance for outstanding encumbrances and Purchase Orders that were not completed by the end of the fiscal year.
- 4) Approve a Budget Adjustment increasing allocations and transfers by \$7,223,000 for reserves and other projects recommended by the City Manager.

- 5) Modify the current Self-Insurance Fund reserve policy of 90% to a confidence level range of 70%-90% in line with comparable cities in the County.
- 6) Allocate \$150,000 from the Unallocated Year-End (2013-14) balance to Team Orange through the University of California, Irvine Foundation to assist with costs associated with constructing an energy efficient home for the Solar Decathlon 2015 event.

ACTION: A friendly amendment to the original motion was made by Councilmember Krom, and accepted by Councilmember Shea as the maker of the motion, seconded by Mayor Pro Tem Lalloway, and unanimously carried by those members present (Mayor Pro Tempore Lalloway absent), to approve Action Item Nos. 1-5 above with the following modification to Action Item No. 6:

- 6) Allocate **\$200,000** from the Unallocated Year-End (2013-14) balance to Team Orange through the University of California, Irvine Foundation to assist with costs associated with constructing an energy efficient home for the Solar Decathlon 2015 event.

PUBLIC COMMENTS

Harvey Liss, Irvine resident, spoke about Councilmembers' ability to make nominations for Community Partnership Fund Grants, expressed his appreciation to Councilmember Agran for his years of public service, and disagreed with the restriction of public comments to less than three minutes.

Carolyn Inmon, Irvine resident, expressed her appreciation for the opportunity to serve on the Child Care Committee and as liaison to the Irvine Children, Youth and Families Advisory Board, and expressed her appreciation to Councilmember Agran for his years of public service.

The following Irvine residents also expressed their appreciation to Councilmember Agran for his contributions to the community while serving on the City Council:

Henry King
Steven Chen
Charlotte Goldstein
Sharon Toji
Jaci Woods
Stephen Layton
Mary Lou Sortais
Gail Lewis
Sam Castello
Jeanette Norton

Dr. Joe Kim noted comments made by candidates in certain publications and political advertisements and spoke in opposition to limiting public comments to less than three minutes per speaker.

Carey Worgen, Senior Pension Actuary from the California Public Employees Retirement System (CalPERS), provided a brief report on the savings realized thus far based on the accelerated payment plan approved last year by the City Council, as well as estimated future savings based on those accelerated payments. See Item No. 5.1.

Michael Klubnikin spoke on behalf of his friend, Ilya Tseglin, who continues to seek legal assistance for a domestic issue related to his autistic son.

Ilya Tseglin reiterated a domestic issue concerning his autistic son and continued legal issues.

Judith D'Albert expressed her appreciation to Councilmember Agran for his years of public service and suggested that the Residents Advisory Task Force be reinstated.

Steve Greenberg congratulated Mayor Choi and Mayor Pro Tempore Lalloway on their successful re-election, and Councilmember-elect Schott on her successful election to the City Council. He also noted comments in the Irvine Community News and Views and other political advertisements.

The following individuals expressed concern about current practices at the Irvine Animal Care Center:

Dotsie Bausch
Donna McCallum
Christine Gray
Kathy Graves
Kim Murrell
Ava Crittendon
Rita Gatto
Dr. Barbara Chlupek
Dr. Eddy Cole

ADJOURNMENT

Moved by Councilmember Shea, seconded by Councilmember Krom, and unanimously carried by those members present (Mayor Pro Tempore Lalloway absent) to adjourn the meeting at 9:02 p.m.



CITY CLERK OF THE CITY OF IRVINE



MAYOR OF THE CITY OF IRVINE

December 9, 2014