



Steven Choi
Mayor

Jeffrey Lalloway
Mayor Pro Tem

Beth Krom
Councilmember

Lynn Schott
Councilmember

Christina Shea
Councilmember

MINUTES

CITY COUNCIL SPECIAL MEETING

May 26, 2015
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

The special meeting of the Irvine City Council called to order at 3:40 p.m. on May 26, 2015 in the City Council Chamber, Irvine Civic Center, One Civic Center Plaza, Irvine, California; Mayor Choi presiding.

ROLL CALL

Present:	5	Councilmember:	Beth Krom
		Councilmember:	Lynn Schott
		Councilmember:	Christina Shea
		Mayor Pro Tempore:	Jeffrey Lalloway
		Mayor:	Steven Choi

City Attorney Litfin announced the following Closed Session items:

1. CLOSED SESSION

- 1.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - *City of Irvine v. State Board of Equalization, San Francisco Superior Court Case No. CPF-11-511586 (Pursuant to Government Code Section 54956.9(d)(1))***
- 1.2 CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to Government Code Section 54957.6) Agency Negotiators: Ken Brown, Director of Administrative Services, Jan Walden, Manager of Human Resources; Jimmie Medina, Human Resources Administrator; Employee Organizations: Associated Supervisory/ Administrative Personnel (ASAP); Irvine City Employees Association (ICEA); Irvine Professional Employees Association (IPEA); Irvine Police Association (IPA); and Irvine Police Management Association**
- 1.3 CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION: *Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: six (6) potential cases***

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

RECESS

Mayor Choi convened the City Council meeting to Closed Session at 3:41 p.m.

RECONVENE TO THE CITY COUNCIL MEETING

Mayor Choi reconvened the City Council meeting at 6:09 p.m. City Attorney Litfin, on behalf of the City Council, reported the following action taken in Closed Session:

- Item No. 1.1 - The City Council voted 5-0 to dismiss the action.
- Item No. 1.2 – No reportable action.
- Item No. 1.3 - A motion was made by Councilmember Shea, seconded by Mayor Pro Tempore Lalloway, and unanimously carried to authorize the City Manager or his designee to execute tolling agreements with Gafcon, Forde & Mollrich, and Stu Mollrich.

PLEDGE OF ALLEGIANCE

Mayor Choi led the Pledge of Allegiance.

INVOCATION

Mayor Choi provided the invocation.

MUSICAL PRESENTATION

Mayor Choi introduced Payton Aurora Jones, third grade student from Myford Elementary School, who performed "God Bless America," followed by "Tomorrow" from the musical, *Annie*.

2. PRESENTATIONS

2.1 *Introduction of CARE Ambulance Service*

Mayor Choi introduced Dan Jung, Special Assistant to the Chief of Police, and Bob Barry, Director of Business Development representing CARE Ambulance, who provided a brief presentation regarding the change in the City's ambulance services effective July 1.

2.2 *Presentation by Waste Not OC Coalition*

Mayor Choi introduced Dr. Eric Handler, Orange County Health Officer and Deputy Agency Director, and Mike Learokos, Business Owner, who provided a presentation on behalf of Waste Not OC Coalition (Coalition) on a food recovery program and its mission to reduce hunger in Orange County. A brief video was also presented highlighting the services provided by the Coalition.

Dr. Handler and Mr. Learokos noted that any restaurant, supermarket or food establishment that would like to participate in the program may contact the Coalition at (562) 283-1400 or via its website at wastenotoc.org. Mayor Choi also noted potential tax benefits for local businesses that participate in the program.

Councilmember Krom suggested that the Coalition's video presentation be posted on ICTV as well as the City's website under the "Irvine Cares" webpage.

CITY MANAGER'S REPORT

There was no report.

ANNOUNCEMENTS/COMMITTEE REPORTS/COUNCIL REPORTS

Mayor Pro Tempore Lalloway made the following announcements:

- The annual “Ride of Silence,” which pays tribute to bicyclists killed or injured while riding, was held on Wednesday, May 20 at 6:30 p.m. at the Irvine Civic Center. He also expressed his appreciation to Police Chief Maggard and members of the Irvine Police Department that assisted with the event.
- On Saturday, May 30 from 10 a.m. to 2 p.m., Mayor Pro Tempore Lalloway will lead a bike ride along the newly opened section of the Jeffrey Open Space Trail as part of Orange County Transportation Authority’s outreach to use bicycles, in which City of Irvine is a partner, and in an effort to promote “National Bike Month.” Giveaways, bicycle safety tips and gourmet food trucks will be available. The bike ride begins at 11 a.m. at Cypress Community Park.
- On Thursday, June 4 from 5:30 to 7:30 p.m. at the Irvine Civic Center, Mayor Tempore Lalloway, as Chair of the Orange County Transportation Authority (OCTA), will lead a public roundtable discussion regarding bicycle connectivity throughout Orange County. Discussion will focus on the third supervisorial district, which is comprised of the cities of Irvine, Tustin, Villa Park, Orange, Yorba Linda, and portions of Anaheim.

Mayor Choi made the following announcements:

- The 21st Annual Studio Arts Festival will be held at Heritage Community Park on Saturday, June 6 from 9 a.m. to 5 p.m. For information, visit irvinefinearts.org.
- The Irvine Animal Care Center’s Super Pet Adoption event will take place on Sunday, June 7 from 10 a.m. to 4 p.m. Admission is \$1 and parking is free. For information, visit irvineshelter.org.
- The annual Business Luncheon with the Mayor, sponsored by the Irvine Chamber of Commerce, will be held on Friday, June 19 at Hotel Irvine. For information and tickets to the event, visit irvinechamber.com.
- The sixth annual Irvine Korean Cultural Festival was held on May 16 at the Irvine Civic Center. An estimated 3,000 people attended and enjoyed entertainment, food, games and vendors. Several sponsors, community partners and restaurants participated in the event, which included Platinum Sponsors KIA, GFE, KD Navien, Waste Management, and Great Park Neighborhoods.

Following announcements, Mayor Choi invited forward Irvine resident Adam Gati, who recently passed the California Bar examination, and requested that Mayor Choi administer the Oath of Allegiance.

ADDITIONS AND DELETIONS

There were no additions or deletions to the agenda.

3. CONSENT CALENDAR

ACTION: Moved by Councilmember Shea, seconded by Councilmember Schott, and unanimously carried by those members present (Councilmember Krom absent for vote) to approve Consent Calendar Item Nos. 3.1 through 3.8.

Councilmember Krom abstained on Item No. 3.3* and Mayor Pro Tempore Lalloway abstained on Item No. 3.8. Item No. 3.9 was removed for separate discussion.

* Councilmember Krom requested an abstention but was absent for the final vote. Therefore, her vote will be reflected as absent.

3.1 MINUTES

ACTION:

- 1) Approved the minutes of a special meeting of the Irvine City Council held on May 5, 2015.
- 2) Approved the minutes of a special meeting of the Irvine City Council and special joint meeting with the Orange County Great Park Board held on May 12, 2015.

3.2 WARRANT AND WIRE TRANSFER RESOLUTION

ACTION:

Adopted RESOLUTION NO. 15-38 - 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

3.3 WARRANT AND WIRE TRANSFER RESOLUTION - AT&T

ACTION:

Adopted RESOLUTION NO. 15-39 - 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

3.4 APPROVAL OF THE 2015 ANNUAL UPDATE TO THE CONSULTANT TEAM

ACTION:

Approved the City's 2015 annual update to the Consultant Team for professional consultant services for a one-year period from July 1, 2015 through June 30, 2016, as set forth in the Consultant Team Recommendations List; and authorized department directors to execute master contracts with the recommended consultant team firms.

3.5 PROPOSITION 84 INTEGRATED REGIONAL WATER MANAGEMENT ROUND 2 IMPLEMENTATION GRANT FUNDING CONTRACT AND RESOLUTION TO ADOPT THE 2014 SANTA ANA WATERSHED PROJECT AUTHORITY ONE WATER, ONE WATERSHED 2.0 PLAN

ACTION:

- 1) Authorized the Mayor to sign the Proposition 84 Integrated Regional Water Management Round 2 Implementation Grant Funding Contract Between The Santa Ana Watershed Project Authority and City of Irvine for \$1,000,000.
- 2) Adopted RESOLUTION NO. 15-40 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ADOPTING THE 2014 SANTA ANA WATERSHED PROJECT AUTHORITY ONE WATER, ONE WATERSHED 2.0 PLAN, THE INTEGRATED REGIONAL WATER MANAGEMENT PLAN FOR THE SANTA ANA RIVER WATERSHED

3.6 AMENDMENT 1 TO AGREEMENT WITH THE NEWPORT BAY WATERSHED D11-066

ACTION:

- 1) Approved Amendment 1 to Agreement D11-066 to fund nutrient, fecal coliform and toxics Total Maximum Daily Load programs in the Newport Bay Watershed to extend the term to June 30, 2018.
- 2) Authorized the Mayor to sign the agreement on behalf of the City.

3.7 GRANT OF EASEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY FOR THE PETERS CANYON WASH CHANNEL WATER CAPTURE AND REUSE PIPELINE

ACTION:

Authorized the Mayor to execute the grant of easement to Southern California Edison Company.

3.8 NOTICE OF REVIEW FOR TRACT MAPS IN ORCHARD HILLS

ACTION:

Received and filed.

Mayor Pro Tempore Lalloway abstained due to a potential conflict-of-interest based on the proximity of his residence.

3.9 COMMUNITY PARTNERSHIP FUND GRANT NOMINATIONS

This item was removed for separate discussion at the request of Brigadier General James P. Combs, President of the Greater Los Angeles Chapter Association of the United States Army, who spoke about the upcoming 2015 Army Ball and thanked Councilmember Shea and members of the City Council for its support.

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

- 1) Approve Mayor Choi's request for Community Partnership Fund Grant nominations to the Orange County Veterans Employment Committee in the amount of \$500 in support of program costs; the US-Korea Law Foundation in the amount of \$1,000 in support of its annual conference; and Woodbury Waves in the amount of \$500 in support of program costs.
- 2) Approve Councilmember Schott's request for Community Partnership Fund Grant nominations to Families Forward in the amount of \$1,000 in support of program costs and the Orange County Korean Cultural Center in the amount of \$500 in support of the 6th Annual Irvine Korean Cultural Festival.
- 3) Approve Mayor Pro Tem Lalloway's request for Community Partnership Fund Grant nominations to Amyotrophic Lateral Sclerosis (ALS) Association of Orange County in the amount of \$1,000 in support of program costs; Chabad of Irvine in the amount of \$500 in support of educational and outreach programs; and Temple Beth Sholom in the amount of \$500 in support of program costs.

- 4) Approve Councilmember Shea's request for Community Partnership Fund Grant nominations to the American Cancer Society: Relay for Life of Irvine in the amount of \$300 in support of program costs and the Association of the United States Army in the amount of \$250 in support of the AUSA - Greater Los Angeles Chapter 2015 Army Ball.
- 5) Approve Councilmember Schott's request for Community Partnership Fund Grant nominations to Irvine 2/11 Marine Adoption Committee in the amount of \$800 in support of program costs and the Irvine Children's Fund in the amount of \$500 in support of the Irvine Junior Games.
- 6) Authorize the City Manager to prepare and sign funding agreements for each organization listed in Actions 1-5.

4. COUNCIL BUSINESS

4.1 *ISSUANCE OF SPECIAL TAX BONDS SERIES A AND SERIES B FOR COMMUNITY FACILITIES DISTRICT NO. 2004-1 (CENTRAL PARK)*

Valaya Chitchakkol, Finance Administrator, provided the staff report and responded to questions. Tom Johnson, representing Fieldman, Rollapp and Associates, and Bill Marticorena, Rutan & Tucker, were also available to respond to questions and concerns.

City Council discussion included: whether the special levy also applied to current property owners or was limited to future development; whether provisions related to prior taxes levied and/or pay-as-you-go basis was standard language; if this type of bond issuance request was consistent with similar developments in the City; developers collecting funds as part of Community Facilities Districts during the recent downturn in the economy; why current bond proceeds are not sufficient to reimburse the developer; concern that additional tax burden would be levied upon existing property owners if the bond issuance was not approved; clarification of "special levies;" why new authorization to issue bonds was being sought by the developer; total amount of bond issuance requested; and why the developer was not seeking additional bond monies to fully recover costs.

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

Adopt RESOLUTION NO. 15-41 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2004-1 (CENTRAL PARK) OF THE CITY OF IRVINE, CALIFORNIA, AUTHORIZING THE ISSUANCE OF ITS 2015 SPECIAL TAX BONDS SERIES A AND SERIES B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWENTY-TWO MILLION DOLLARS (\$22,000,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

As amended per the errata memo dated May 26, 2015 revising Exhibit D of the Acquisition/Financial Agreement and Exhibit A of the Agreement to Reimburse and Indemnify to reflect the reimbursable developer deposit for the Pedestrian Overcrossing Design Funds from \$350,000 to \$250,000.

4.2 REVIEW OF BUSINESS LICENSE PROGRAM

Michael Sherwood, Deputy Director of Public Safety / Business Services Manager, and Dan Jung, Special Assistant to the Chief of Police, provided the staff report and responded to questions.

The following individuals spoke in opposition to eliminating the Business License Program:

- Alan Meyerson, Irvine resident
- Diane Gale, Irvine resident
- Carl Mariz, Irvine resident
- Mary Edmonds, Irvine resident
- Harvey Liss, Irvine resident

City Council discussion included: costs and benefits associated with the Business License Program; willingness of business owners to pay the business license tax; comparison of the City's annual license tax to surrounding cities; minimal savings to business owners if the business license tax is reduced; and reiterated the absence of any increase or cost-of-living adjustment since the inception of the program in 1992.

ACTION: Moved by Councilmember Krom, seconded by Mayor Choi, to:

Maintain the City's business license fee (tax) as currently structured.

Additional discussion included: concern with lack of benefits and inefficiency associated with the business license tax; privacy concerns for business owners; savings to business owners; and maintaining the required collection of business data.

ACTION: A substitute motion was made by Mayor Pro Tempore Lalloway to:

Eliminate the business license tax and make the current Business License Program voluntary to register names, addresses, and other data that may be necessary to further the current information that is kept.

The motion failed for lack of a second.

Additional discussion included: eliminating the business license tax while simultaneously seeking funding for other City programs and projects; the current requirement of animal license fees for animal services; low cost of business license tax in comparison to the services provided to the business community; concerns about administering the program using General Fund monies if the business license tax is eliminated; whether the number of staff required to administer the program would change if the business license tax was eliminated; whether reducing the tax to \$35 would cover administrative costs; if any other efficiencies to the program could be realized; how data collection would be enforced without the tax; making data collection a requirement and not voluntary; increasing General Fund reserves; placing additional financial burden on all taxpayers instead of business owners; and whether the City would continue to mail out business licenses if the tax was eliminated.

Police Chief Maggard confirmed that staff could continue mandatory registration of City businesses as part of the current program, which included the mailing out of business licenses, if the tax was eliminated.

ACTION: A substitute motion was made by Councilmember Schott, seconded by Councilmember Shea, to bifurcate the vote to separate the business license tax from the vote on data collected as part of the existing Business License Program.

Following discussion, Councilmember Schott withdrew her substitute motion to bifurcate the vote.

ACTION: A substitute motion was made by Councilmember Schott, seconded by Mayor Pro Tempore Lalloway, to:

- 1) Continue mandatory registration of the City's businesses.
- 2) Direct staff to return to the City Council with the first reading of an ordinance amending the Business License Program to eliminate the annual business license tax.

The motion carried as follows*:

AYES: 3 COUNCILMEMBERS: Lalloway, Schott, and Shea

NOES: 2 COUNCILMEMBERS: Krom and Choi

ABSENT: 0 COUNCILMEMBERS: None

*The substitute motion carried and takes precedence over the main motion; therefore, a vote was not taken on the main motion.

4.3 FIRST READING OF ORDINANCE: REPEAL LIVING WAGE

Councilmember Shea provided opening comments noting her concerns with the City's Living Wage Ordinance (Ordinance) applicable to service contracts with an annual value of \$100,000 or more, which requires contractors to pay living wages to their employees who perform the majority of their services in Orange County, noting impacts to Irvine taxpayers.

The following individuals spoke in opposition to repealing the Ordinance:

- Alan Meyerson, Irvine resident
- Diane Gale, Irvine resident
- Jean Miller, Irvine resident
- Carl Mariz, Irvine resident
- Jane Olinger, Irvine resident
- Gale Lewis, Irvine resident

Mary Edmonds, Irvine resident
Farrah Khan, Irvine resident
Luis Alemán, Irvine resident
Mary Ann Gaido, Irvine resident
Ken Wyant, Irvine resident

Steve Greenberg, Irvine resident, spoke in support of repealing the Ordinance.

Iyad Afalqa submitted a Request to Speak card but did not speak.

City Council discussion included: importance of the Ordinance and its requirement for contractors to pay respectable wages to employees; basis for the required hourly rates; treating taxpayer dollars as our own; expense of the living wage requirement to taxpayers; living wage as a “feel good” wage; maximizing tax revenue; how the living wage discourages economic growth; lack of evidence that businesses will reduce wages if the Ordinance is repealed; promoting business growth; concerns over higher bid amounts based on the living wage requirement; small number of current contracts impacted by the Ordinance; concerns about the definition of a “covered employee” as someone who performs a majority of his or her services within Orange County (Section 2-6-103(d) of the Municipal Code); and exceptions to the living wage requirement for some service contractors.

ACTION: A motion was made by Councilmember Shea to:

Dissolve §(d) of Section 2-6-103 of the Municipal Code pertaining to the definition of a “covered employee.”

ACTION: A substitute motion was made by Mayor Pro Tempore Lalloway, seconded by Mayor Choi, to:

Introduce for first reading and read by title only ORDINANCE NO. 15-04 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, REPEALING DIVISION 6 OF TITLE 2 OF THE IRVINE MUNICIPAL CODE RELATING TO THE LIVING WAGE REQUIREMENTS

ACTION: A friendly amendment was made by Councilmember Shea, and accepted by Mayor Pro Tempore Lalloway as the maker and Mayor Choi as the seconder of the substitute motion, to:

Introduce for first reading and read by title only ORDINANCE NO. 15-04: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, REPEALING DIVISION 6 OF TITLE 2 OF THE IRVINE MUNICIPAL CODE RELATING TO THE LIVING WAGE REQUIREMENTS

As amended to reflect the change in the third recital of the Ordinance as follows:

“WHEREAS, it is the goal of the City of Irvine that all contractors voluntarily pay their employees a fair and living wage; however, payment of a living wage will no longer be a legal requirement for those engaged in contracts with the City.”

City Attorney Litfin noted that all new contracts moving forward would reflect the new language once an ordinance repealing the Living Wage goes into effect (30 days after second reading).

4.4 CONSIDERATION OF SENATE CONSTITUTIONAL AMENDMENT 2 TO PROHIBIT BANNING THE U.S. FLAG ON STATE FUNDED COLLEGE CAMPUSES IN CALIFORNIA

This item was agendaized at the request of Mayor Choi, who asked for City Council support of Senator Janet Nguyen’s Senate Constitutional Amendment 2 (SCA2) proposing that the display of the flag of the United States of America shall not be prohibited on University of California, California State University, or California community college campuses. He noted concerns of a recent decision by the Associated Students of University of California (ASUCI), which was subsequently overturned, to prohibit the display of flags at a particular location on the UC Irvine campus.

The following individuals expressed opposition to adopting a resolution in support of SCA2:

Carl Mariz, Irvine resident
Luis Alemán, Irvine resident
Harvey Liss, Irvine resident

Robert Browen submitted a Request to Speak card but did not speak.

City Council discussion included: clarification that SCA2 does not mandate the display of the U.S. flag on state college campuses, but rather only prohibits the banning of its display; reactions by members the public opposing ASUCI's decision; whether the matter was of municipal concern; inaccuracies reported by the press; the overturning of ASUCI's decision by the larger student body; respecting philosophical viewpoints of others; and U.S. Constitutional First Amendment rights.

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

Adopt RESOLUTION NO. 15-42 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, IN SUPPORT OF SENATE CONSTITUTIONAL AMENDMENT 2 (SCA 2) WHICH PROPOSES THAT THE DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA SHALL NOT BE PROHIBITED ON THE UNIVERSITY OF CALIFORNIA, CALIFORNIA STATE UNIVERSITY, OR CALIFORNIA COMMUNITY COLLEGES CAMPUSES

The motion carried as follows:

AYES: 4 COUNCILMEMBERS: Lalloway, Schott, Shea and Choi

NOES: 1 COUNCILMEMBERS: Krom

ABSENT: 0 COUNCILMEMBERS: None

PUBLIC COMMENTS

Mark Serpa, representing PACENow, spoke on the PACE (Property Assessed Clean Energy) Program which finances water conservation, energy and renewable energy improvements, and asked that the City Council agendaize the matter for discussion at an upcoming City Council meeting.

Brent Neben, representing YGRENE, noted the benefits of solar energy and how YGRENE works with the PACE Program, and asked that the City Council agendaize the matter for discussion at an upcoming City Council meeting.

Alan Meyerson, Irvine resident, spoke about discussion at the last City Council meeting regarding toxic waste located near the Portola High School site, time constraints for public comments, and in support of the proposed Veterans Cemetery adjacent to the Orange County Great Park.

Bill Cook, representing American Legion, expressed his appreciation for the City's Memorial Day events.

Mary Edmonds, Irvine resident, referenced a recent newspaper article in the Orange County Register containing negative comments about former Councilmember Larry Agran, and noted his accomplishments over the years.

Ilya Tseglin, Irvine resident, spoke of a domestic issue concerning his autistic son and continued legal issues.

Robert Tseglin, Irvine resident, reiterated a domestic issue involving his brother and continued legal issues.

Marilyn Vassos, Irvine resident, spoke in opposition to City Council consideration of support of Senate Constitutional Amendment 2, as well as the elimination of the annual business license fee and living wage ordinance.

Sam Castelo, Irvine resident, spoke in support of the proposed Veterans Cemetery adjacent to the Orange County Great Park.

ADJOURNMENT

Moved by Mayor Pro Tempore Lalloway, seconded by Councilmember Shea, and unanimously carried to adjourn the meeting at 9:53 p.m.


MAYOR OF THE CITY OF IRVINE


CITY CLERK OF THE CITY OF IRVINE

June 9, 2015