

**MINUTES  
CITY COUNCIL OF THE CITY OF LA HABRA  
SPECIAL MEETING**

**Thursday, May 28, 2020**

**APPROVED:** These Minutes were approved on June 15, 2020.

**SPECIAL MEETING 3:00 P.M.:**

**CALL TO ORDER:** Mayor Beamish called the Special Meeting of the City Council of the City of La Habra to order at 3:00 p.m. in the Council Chamber, located at 100 East La Habra Boulevard in La Habra, California.

**INVOCATION:** Assistant City Attorney Collins

**PLEDGE OF ALLEGIANCE:** Councilmember Medrano

**COUNCILMEMBERS PRESENT:** Mayor Beamish  
Mayor Pro Tem Espinoza  
Councilmember Medrano  
Councilmember Shaw

**COUNCILMEMBERS ABSENT:** Councilmember Gomez (excused absence)

**OTHER OFFICIALS PRESENT:** City Manager Sadro  
Assistant City Attorney Collins  
City Clerk Swindell  
Assistant City Clerk Barone

Mayor Beamish stated that Councilmembers and staff were seated in order to abide by physical guidelines associated with Coronavirus COVID-19.

**I. PUBLIC COMMENTS:** None.

**II. STUDY SESSION ITEM:**

**A. PROPOSED ITEM:**

1. Consider the Fiscal Year 2020-2021 Proposed Budget presentation.

Director of Finance Shannon presented the staff report and a PowerPoint presentation, assisted by Department Directors. He spoke regarding the negative budget impacts due to COVID-19 on all levels of government. He stated that the Fiscal Year 2020-2021 proposed overall Municipal Budget totals approximately \$129.6 million and a proposed General Fund budget of \$45.7 million. He indicated that new expenses included increasing pension costs, vehicle replacement charges, and increased annual fire contract costs, negotiated labor costs, lack of fire stabilization reserves, labor costs, ambulance contract costs, November 3, 2020 Municipal Election, COVID-19 facility cleaning and sanitizing costs, increased vandalism/graffiti, and new Splash Pads maintenance costs. He reported the various proposed General Fund budget balancing measures including: full-time employee furloughs, a hiring freeze for certain full-time positions, and reducing or eliminating non-critical funding. He indicated that budget amendments will likely be made later this year, and that staff would provide regular revenue updates to City Council once more data

was received on economic impacts caused by COVID-19. He reviewed the General Fund Budget Comparison, General Fund Revenues, and 10-Year General Fund Revenue History. He indicated that budget summaries would be provided by each Department Director.

The following Department Directors spoke regarding their department budgets, including major accomplishments and goals, and stated department highlights as follows:

Director of Community Services Fujio gave an overview of departmental operations consisting of Administration, Child Development, La Habra Children's Museum, Employment & Training, Facility Maintenance, Recreation & Special Events, and Senior & Social Services. She indicated the departmental budget was approximately \$11 million. She spoke regarding potential grant funding.

Mayor Beamish thanked Director of Community Services Fujio and her staff for their work this past year.

Director of Public Works Saykali spoke regarding Fiscal Year 2019-2020 major accomplishments that included: the award of a construction contract for the Imperial Highway Synchronization Project; replacement of more than 1,700 water meters and repair of 12 water main breaks; completion of the Fiscal Year 2018-2019 Alley Project; the start of splash pads construction at Brio Park and Oeste Park; and completion of construction of the La Habra Boulevard Rehabilitation Project between Idaho Street and Beach Boulevard. He stated that the departmental General Fund budget was \$5,101,806 and the Non-General Fund budget was \$59,028,686, with a total budget of \$64,130,492. He stated that budget highlights included the furlough of part-time employees, the hiring freeze for one vacant Senior Service Worker in the Parks division and one vacant Principal Engineer in the Engineering division.

Mayor Beamish thanked Director of Public Works Saykali and his staff for their work this past year.

Assistant to the City Manager Ferrier spoke regarding Fire and Ambulance. He indicated the estimated unfunded liability pension costs for former City of La Habra Firefighters was \$1,377,049; Los Angeles County Fire Department (LACFD) contract cost increase of \$510,844; and CARE Ambulance contract cost increase of \$156,000. He noted that the allocations of costs to the Fire Contract Stabilization Reserve was \$400,000.

Director of Community and Economic Development Ho indicated that completed private development projects included: In-N-Out Project remodel; Luna Residential Development; Portola Walk Residential Development; Skylark Residential Development; the Vons Center Rehabilitation, that included Trader Joe's, Burlington, and CVS; 1450 South Harbor Boulevard Commercial Center Rehabilitation; La Habra Market Place upgrade; and Tommy's Hamburgers Project. He stated that approved/pending private development projects included: the La Quinta Hotel project; Taco Bell; and the 30-unit apartment complex on Monte Vista Street. He noted that in Fiscal Year 2019-2020 the Building and Safety Division issued 1,353 permits and the Code Enforcement Division responded to 449 property maintenance violations. He stated that Fiscal Year 2020-2021 Major Goals included to encourage and support economic development opportunities through appropriate and balanced land use development, and identify development opportunities on La Habra Boulevard. He stated that the budget included a hiring freeze for one vacant Management Analyst position, and a proposed increase of \$125,000 due to a shift in personnel costs to the General Fund from other funding sources.

Mayor Beamish complimented Director of Community and Economic Development Ho and his staff for their work this past year.

Chief of Police Price spoke regarding Community Outreach, Police Operations, and Police Support Services. He stated that the General Fund Budget was \$19,671,147. He indicated Fiscal Year 2019-2020 Major Accomplishments included: response to approximately 38,137 calls for service; conduct of directed enforcement at Driving Under the Influence (DUI) checkpoints; and hosting community events such as Police Department Open House, National Night Out, Coffee With a Cop, Cool Cops, and the La Habra Citizen's Academy. He stated Fiscal Year 2019-2020 Major Goals included: promoting outstanding customer service; addressing homelessness; and installing a fixed License Plate Reader system. He stated that the budget included delayed hiring of three Police Officers, one Crime Analyst, one Community Service Officer, and the part-time positions of three Cadets, one Parking Enforcement, and one Animal Canvasser. He spoke regarding upcoming personnel retirements and plans for police academy recruits.

Assistant to the City Manager Ferrier spoke regarding Administration and Support. He indicated that the General Fund budget was \$3,591,489 and included City Council, City Manager Department, City Clerk Department, Legal Services, Finance, and Human Resources. He stated that the General Fund and Other Funds totaled \$10,124,028. He noted that Fiscal Year 2019-2020 Major Accomplishments included: Ad Hoc Fiscal Review Committee policy recommendations; Join The Conversation public outreach campaign and community survey; First Aid/CPR/AED training for all employees; and implementation of a monthly wellness email news flash for all employees. He indicated that Fiscal Year 2020-2021 Major Goals included: advocacy of the City's legislative platform; pursuit of grant funding; conduct of the 2020 General Municipal Election; and implementation of an agenda management system.

Mayor Beamish complimented staff on their work with the budget, and suggested that, due to COVID-19 budget impacts, City Council, Community Services Commissioners, and Planning Commissioners salaries/stipends be decreased by 10 percent.

Councilmember Shaw spoke regarding his participation in a Senior Executives in State and Local Government conference in June 2021, and requested budget support for his attendance.

Mayor Pro Tem Espinoza suggested that the stipend City Council receives for serving as Housing Authority Directors be decreased to zero.

Finance Director Shannon provided an overview of the budget summary by fund, and stated that the total municipal budget was approximately \$129 million. He indicated that the budget was balanced by one-time budget cuts, phased hiring, and employee furloughs. He stated that future budget challenges included economic damage due to COVID-19, increasing pension liabilities, and the pending loss of Measure T local transaction and use tax in December 2028.

Mayor Beamish opened the public hearing at 4:36 p.m. There was no testimony so the public hearing was closed at 4:37 p.m.

Councilmember Medrano thanked staff for their work on the proposed budget. He spoke in support of the City Council stipend reductions suggested by Mayor Beamish.

Mayor Pro Tem Espinoza spoke regarding the difficult decision-making involved in the budget process. She thanked staff for their work on the proposed budget.

Mayor Beamish thanked staff for their work on the proposed budget and the conservative use of City reserves.

City Council discussion included: costs associated with employee furloughs; proposed projects regarding the Women's Club Property and Park; possible delay of the Vista Grande Landfill Gas System Upgrade; clarification of General Fund budget versus Non-General Fund budget; direction for staff to enter into formalized cost-saving discussions with the Los Angeles County Fire Department (LACFD); LACFD cost increases projected to 2025; annual amounts paid for each fire station; the number of sworn Police Officers and concerns with maintaining safety levels; reinstatement of fees that were temporarily suspended due to Coronavirus COVID-19; and concerns regarding pension liabilities.

Moved by Mayor Beamish, seconded by Mayor Pro Tem Espinoza, and CARRIED (4-0) TO RECEIVE THE FISCAL YEAR 2020-2021 PROPOSED BUDGET AND MAKE THE FOLLOWING ADJUSTMENTS: A 10 PERCENT DECREASE TO CITY COUNCIL, COMMUNITY SERVICES COMMISSIONERS AND PLANNING COMMISSIONERS STIPENDS; A STIPEND DECREASE TO ZERO FOR CITY COUNCILMEMBERS WHO SERVE AS HOUSING AUTHORITY DIRECTORS; AND DIRECT STAFF TO CONDUCT MORE FORMALIZED COST-SAVINGS DISCUSSIONS WITH THE LOS ANGELES COUNTY FIRE DEPARTMENT (LACFD) AND REPORT THOSE FINDINGS TO THE CITY COUNCIL.

Said motion CARRIED by the following roll call vote:

AYES: Mayor Beamish, Mayor Pro Tem Espinoza,  
Councilmember Medrano, Councilmember Shaw

NOES: NONE

ABSENT: Councilmember Gomez

ABSTAIN: NONE

**III. ADJOURNMENT:** Mayor Beamish adjourned the Special Meeting of the City Council at 4:41 p.m. to Monday, June 1, at 4:00 p.m. in the City Council Chamber, 100 East La Habra Boulevard, La Habra, California, for Commission Interviews, followed by the Regular Meeting at 6:30 p.m. in the City Council Chamber.

Respectfully submitted,

Laurie Swindell, CMC  
City Clerk