

MINUTES OF THE REGULAR MEETING
OF THE LA PALMA CITY COUNCIL

June 18, 2002

Mayor Walker called the regular meeting of the La Palma City Council to order at 7:00 p.m. on Tuesday, June 18, 2002, in the Council Chambers of La Palma City Hall, 7822 Walker Street, La Palma, California.

PLEDGE OF ALLEGIANCE

Councilmember Blake led the Pledge of Allegiance to the United States Flag.

INVOCATION

Pastor Michael Heher of St. Irenaeus Catholic Church gave the Invocation.

ROLL CALL:

Councilmembers present: Christine Barnes, Kenneth A. Blake, Paul F. Walker

Councilmembers absent: Lauree Aragona, Alta E. Duke

City Officials present: Catherine Standiford, City Manager
Jeff Kirkpatrick, Police Captain
Ismile Noorbaksh, Director of Public Works/City Engineer
Tami K. Piscotty, Assistant to the City Manager
Paul Pitts, Director of Building & Safety
Jan Hobson, Director of Recreation & Community Services
Joel Kuperberg, City Attorney
Peggie Turnage, Executive Assistant

ORAL COMMUNICATIONS

There was no one who wished to address the Council at this time.

RECESS

Mayor Walker recessed the City Council to convene as the Community Development Commission at 7:02 p.m. (See separate Community Development Commission Minutes.)

RECONVENING

Mayor Walker reconvened the meeting in regular session at 7:04 p.m.

CONSENT CALENDAR

Councilmember Blake made a motion to approve the following items on the Consent Calendar:

APPROVED THE JUNE 4, 2002 CITY COUNCIL MEETING MINUTES

ADOPTED RESOLUTION NO. 2002-27 APPROVING A REGISTER OF DEMANDS FOR JUNE 18, 2002

ADOPTED RESOLUTION NO. 2002-28 AUTHORIZING EXAMINATION OF SALES AND USE TAX RECORDS PURSUANT TO REVENUE AND TAXATION CODE SECTION 7056 TO AUTHORIZED POSITIONS

APPROVED THE ATTENDANCE OF MAYOR PRO TEM BARNES AND COUNCILMEMBER ARAGONA AT THE ANNUAL RISK MANAGEMENT CONFERENCE, SEPTEMBER 11-12 IN SANTA BARBARA

RECEIVED AND FILED THE REPORT ON THE MAYOR'S REVISED APPOINTMENTS TO THE COUNCIL COMMITTEES

ADOPTED RESOLUTION NO. 2002-29 CONCERNING THE STATUS OF THE CIRCULATION ELEMENT FOR THE CITY OF LA PALMA

RECEIVED AND FILED THE 2002 ANNUAL WATER QUALITY REPORT

APPROVED THE AGREEMENT WITH R & W HIGHWAY INSPECTION COMPANY, INC. IN AN AMOUNT NOT TO EXCEED \$15,600.00 FOR THE RESURFACING OF VARIOUS RESIDENTIAL STREETS, CITY PROJECT NO ST-252

REJECTED THE ONLY BID RECEIVED FROM NATIONAL ELECTRICAL CONTRACTOR AND AUTHORIZE THE DIRECTOR OF PUBLIC WORKS TO RE-ADVERTISE FOR COMPETITIVE BIDS FOR THE EMERGENCY STANDBY POWER SYSTEM GENERATOR SET, CITY PROJECT NO. 01-BLDG-01

AWARDED A CONTRACT IN THE AMOUNT OF \$27,685.72 TO GOLDEN STATE FORD TRUCK SALES FOR THE PURCHASE OF A ¾ TON WATER UTILITY TRUCK WITH A LIFT GATE (LP-12)

APPROVED THE AMENDMENT AND RESTATEMENT TO THE NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM STORM WATER PERMIT IMPLEMENTATION AGREEMENT

APPROVED THE WATER QUALITY ORDINANCE IMPLEMENTATION AGREEMENT BETWEEN THE ORANGE COUNTY FLOOD CONTROL DISTRICT AND THE CITY OF LA ALMA

APPROVED THE COOPERATION AGREEMENT BETWEEN THE COUNTY OF ORANGE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE CITY OF LA PALMA FOR PARTICIPATION IN THE URBAN COUNTY PROGRAM FOR FEDERAL HOUSING AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS, HOME INVESTMENT PARTNERSHIP PROGRAM AND THE EMERGENCY SHELTER GRANTS PROGRAM FOR FISCAL YEARS 2003-2004 THROUGH 2005-2006

The motion was seconded by Councilmember Barnes and carried on the following roll call vote:

AYES: Barnes, Blake, Walker
NOES: None
ABSENT: Aragona, Duke

REGULAR ITEMS

TRANSFER OF CONTROL OF THE FRANCHISE AGREEMENT

City Manager Catherine Standiford stated that this item is for a transfer of control of the Franchise Agreement between the City of La Palma and AT&T Corporation. She explained that AT&T Corporation is requesting a transfer to AT&T Comcast Corporation. She also explained that the transfer procedures are governed by federal law and pursuant to the La Palma Municipal Code, the City had 90 days to act upon the application for the transfer. If the City did not act within this time the City's consent would be deemed granted.

Ms. Standiford stated that this item was on a Council Agenda approximately a month ago at which time the City received a request from AT&T Broadband to extend consideration of the item to see if the deal points related to an agreement governing the consent of the change of control. She added the agreement before Council this evening is basically the same agreement that was before Council a month ago. AT&T has agreed to all deal points except the one that would require AT&T Comcast to reimburse the City for expenses that the City has incurred in reviewing the transfer application up to a maximum of \$5,000.00. The staff recommendation is for Council to approve the agreement before them for consideration. AT&T Comcast would then have 60 days to review and agree to the terms of the agreement as it is currently structured. If AT&T does not concur with the terms then the City's consent of the change of control for the cable franchise would be deemed void or withdrawn.

Councilmember Blake asked if the agreement before Council was drawn up by the City's Attorney.

Ms. Standiford responded this agreement is almost identical to an agreement that was drawn up by MediaOne and AT&T during the last franchise transfer request.

Councilmember Barnes asked Ms. Standiford to restate the process that would occur after the 60 days. Ms. Standiford complied with her request.

Mayor Walker asked if there was anything other than language that the City is disagreeing with.

Mr. Del Heintz, AT&T Broadband Director of Local Government Affairs, responded that AT&T appreciates the time the Council has taken to consider this agreement. He added that the agreement is good for AT&T and it is good for the community. He stated there were a couple of issues that they are going to take care of, one of which is the reinstatement of premium channels at the Fire Station, and he will take care of that tomorrow. He explained that AT&T Comcast is a

well-run cable company that has a tendency to have more control brought back to the local level and that's what they're looking for here as well.

Mr. Fred Bly, Attorney for AT&T, addressed the Council to state that he believes the parties are in agreement about all of the language with the exception of Paragraph 6 regarding reimbursement of the attorney's fees. He explained that issue is part of a larger national debate that the company has taken a position on. He added that AT&T has the next 60 days to decide what they will do here in La Palma in terms of signing the agreement and until then he can't know what the outcome will be.

Councilmember Blake asked if this is a policy that AT&T has taken nationwide, or has it reimbursed other cities for similar costs.

Mr. Bly responded there is a slightly different policy in California because there is a case on point in California that changed the law in California. He added that he doesn't know what AT&T has been doing around the country or in other cities.

Councilmember Blake stated that since La Palma's percentage based on population is pretty low, he hoped that is not a factor in AT&T's decision.

Mr. Heintz responded that the high-speed Internet penetration in this City is the highest of all the cities in Southern California. He guaranteed Councilmember Blake that there is no punishment involved here whatsoever.

Mr. Bly added that the company has been trying to work in some communities, and with La Palma, to find other ways to help the City financially that don't jeopardize its legal position on this particular issue. He explained that it is more a protection of a legal position than it is an issue about the money.

Councilmember Blake made a motion to adopt Resolution No. 2002-30 Consenting to the Change of Control of the Cable Franchisee from AT&T Corp. to AT&T Comcast Corporation. The motion was seconded by Councilmember Barnes and carried on the following roll call vote:

AYES:	Barnes, Blake, Walker
NOES:	None
ABSENT:	Aragona, Duke

COUNCILMEMBER REPORTS FROM CITY-AFFILIATED COMMITTEES/COUNCIL REMARKS

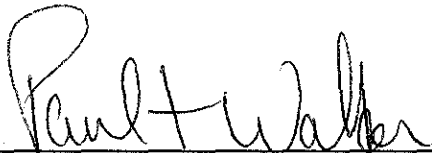
Mayor Pro Tem Barnes stated that she attended the Cypress Mayor's Prayer Breakfast and reported that the speaker was Young Kim. She also stated that she attended the West Orange County Cities Legislative Committee and reported that Councilmember Aragona was appointed Vice Chairman for next year. She also stated that she attended the League of California Cities

Meeting. She reported on the Buena Park/La Palma Chambers Golf Tournament and thanked companies such as ADP and Park Disposal for their support of the event.

Mayor Walker gave a synopsis of Councilmember Aragona's notes regarding the OCTA Board Meeting and reported that Councilmember Aragona was re-appointed to the Emergency Care Committee.

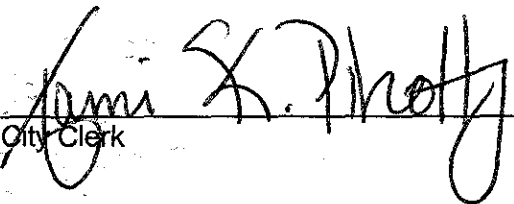
ADJOURNMENT

The City Council adjourned at 7:20 p.m.



Mayor

ATTEST:



City Clerk