

**Regular Minutes
City Council/Redevelopment Agency
City of Huntington Beach**

Monday, August 15, 2005
4:30 P.M. - Room B-8
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

An audiotape of the 4:30 p.m. portion of this meeting
and a videotape of the 6:00 p.m. portion of this meeting
are on file in the Office of the City Clerk.

The 4:00 p.m. portion of the meeting was recessed by Deputy City Clerk Kelly Mandic to 4:30 p.m. in Room B-8 due to a lack of quorum.

Call to Order

Mayor Hardy called the regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach to order at 4:35 p.m. in Room B-8.

City Council/Redevelopment Agency Meeting Roll Call

Present: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook (arrived at 4:42 p.m.)
Absent: None

Public Comments

Ralph Bauer spoke regarding Planning Director Howard Zelefsky and handed out a Late Communication. He vocalized support for Mr. Zelefsky, referring to his work with the General Plan, his relationship with the Coastal Commission, and improved relations among Department Heads. Mr. Bauer also listed many instances when he received accurate information from Mr. Zelefsky, and asked Council to treat him fairly.

Daryl D. Smith stated his concerns with methods used to revise the Planning Director's contract. He stated his opinion of Mr. Zelefsky's positive qualities and his performance history. Mr. Smith suggested the City hire an outside investigator to determine if recent actions taken are proper.

The City Clerk Announced No Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan L. Flynn announced no Late Communications regarding agenda items on this portion of the meeting that had been received by her office following distribution of the agenda packet.

The Following Late Communications Were Submitted During the Meeting:

Communication submitted by Local Agency Formation Commission (LAFCO) dated July 19, 2005 titled *Local Agency Formation Commission Composition of the Commission*, which is a roster.

Communication submitted by Local Agency Formation Commission (LAFCO), undated, titled *What is LAFCO, an Introduction to Local Agency Formation Commissions*.

Communication submitted by Ralph Bauer, undated, titled *A Ten-Year Review of Huntington Beach, 1992-2002, Ralph Bauer*.

(City Council/Redevelopment Agency) Study Session Held – Presentation Made Regarding the Local Agency Formation Commission (LAFCO) Annexation Process (610.40)

Principal Planner Mary Beth Broeren gave an overview and introduced Joyce Crosthwaite, Executive Director of LAFCO. Ms. Crosthwaite gave a PowerPoint report titled *Orange County Local Agency Formation Commission (LAFCO) City of Huntington Beach Council Meeting August 15, 2005*, which was included in the agenda packet detailing LAFCO's process, the annexation process and spheres of influence. Council discussion followed regarding potential areas of annexation, protest mechanisms, and timelines. The Mayor and Councilmembers thanked the LAFCO representatives for their presentation.

Motion to Recess to Closed Session – Approved

A motion was made by Sullivan, second Coerper to recess to Closed Session on the following items. The motion carried by consensus of all present, none absent.

(City Council) Closed Session – Pursuant to Government Code Section 54956.9(a) to confer with its attorney regarding pending litigation which has been initiated formally and to which the City is a party. The title of the litigation is **Lynn Copeland v. City of Huntington Beach**, Orange County Superior Court Case No. 04CC10768. Subject: **Lynn Copeland v. City of Huntington Beach** (120.80)

(City Council) Closed Session – Pursuant to Government Code Section 54957.6 to meet with its designated representatives: Agency Negotiators: Penelope Culbreth-Graft, City Administrator; Chuck Thomas, Acting Director of Administrative Services, Dan Villella, Finance Officer; and Irma Youssefieh, Human Resources Manager regarding labor relations matters – meet and confer with the following employee organizations: **MSOA, and SCLEA**. Subject: **Labor Relations – Meet & Confer**. (120.80)

(City Council) Closed Session - Pursuant to Government Code Section 54957 to consider personnel matters. Subject: **Termination of At-Will Employment Status of Planning Director and Resumption of Planning Director Duties and Responsibilities Effective September 10, 2005, Pursuant to Paragraph 6(b) of the Employment Agreement Dated September 21, 1998**. (120.80)

Reconvened City Council/Redevelopment Agency Meeting – 6:10 P.M. – Council Chambers.

City Council/Redevelopment Agency Roll Call

Present: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
Absent: None

(City Council) City Attorney's Report of Action Taken by the City Council in Closed Session Pursuant to Government Code §54957.1(a) (2) Regarding Shugart v. City of Huntington Beach and Regarding Termination of At-Will Employment Status of Planning Director and Resumption of Planning Director Duties and Responsibilities Effective September 10, 2005. (120.80)

City Attorney Jennifer McGrath reported on the following two items:

1. On Monday, June 6, 2005 the City Council convened in Closed Session to discuss the matter of Shugart v. City of Huntington Beach, U.S. District Court Case No. SACV 91-0475 AHS. The City Council voted to authorize settlement up to \$100,000. The Council voted as follows: 4 Ayes; 2 Noes; 0 Abstentions. Ayes: Bohr, Coerper, Green and Sullivan. Noes: Hansen and Hardy. Debbie Cook was absent at vote. This case has now been settled in the amount of \$90,000.
2. On Monday, August 15, 2005 the City Council convened in Closed Session to discuss termination of at-will employment status of Planning Director and resumption of Planning Director duties and responsibilities effective September 10, 2005 pursuant to paragraph 6b of employment agreement dated September 21 1998. The Council voted to approved and voted as follows: 6 Ayes; 1 No. Ayes: Hansen, Coerper, Hardy, Green, Bohr, Cook. No: Sullivan.

Pledge of Allegiance – Led by Mayor Jill Hardy

Invocation – Led by Reverend Steve Isenman, First United Methodist Church

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan L. Flynn announced Late Communications regarding agenda items that had been received by her office following distribution of the agenda packet:

Communication submitted by Local Agency Formation Commission (LAFCO) dated July 19, 2005 titled *Local Agency Formation Commission Composition of the Commission*, which is a roster.

Communication submitted by Local Agency Formation Commission (LAFCO), undated, titled *What is LAFCO, an Introduction to Local Agency Formation Commissions*.

Communication submitted by Ralph Bauer, undated, titled *A Ten-Year Review of Huntington Beach, 1992-2002, Ralph Bauer*.

Communication submitted by Charles Thomas, Acting Director of Administrative Services, dated August 15, 2005 requesting an amendment to Section 2 of Resolution 2005-51.

Communication from K. & G. Yabuki dated August 15, 2005 stating opposition to the City purchasing a fourth helicopter.

PowerPoint presentation submitted by Jim B. Engle, Director of Community Services, and Leonie Mulvihill, Deputy City Attorney, dated August 15, 2005 titled *Approve Surplus School Draft Memorandum of Understanding with Fountain Valley School District*.

The Following Additional Late Communication Was Submitted During the Meeting:

Communication submitted by Doug Traub, undated, titled *Huntington Beach Conference and Visitors Bureau, What the Bureau Asked City Council to Support*.

Presentation - Mayor Jill Hardy presented a commendation to Olivia Zumwalt who was named "Most Outstanding Eight-Year-Old" in the Pre-Teen America Scholarship and Recognition Program. (160.40)

Presentation - Mayor Jill Hardy called on Library Director Ron Hayden who recognized the members of the inter-departmental team that recently completed implementation of the automated computer circulation system including new pcs for patrons and staff. The new sophisticated system will enhance access to the Library's collection and databases, expand the public Internet stations and offer Wi-Fi access at the Central Library. Sherrie Daugherty, Principal Librarian, detailed some of the enhancements. (160.40)

Mayor's Award - Mayor Jill Hardy called on Community Services Director Jim Engle to present the Mayor's Award to Junior Lifeguard Coordinator Dave Simcox and Assistant Junior Lifeguard Coordinator Mike Eich. Director Engle listed the successes of the Junior Lifeguard Program and the involvement of the two individuals. (160.40)

Public Comments

Je'net Kreitner, Special Projects Coordinator for the Second Harvest Food Bank in Orange, spoke regarding an upcoming Food Drive, the needy individuals in Orange County, and the clients of the Food Bank. She announced declining donations in Huntington Beach since the year 2000 and asked any interested parties to call 714-771-1343 X139. Ms. Kreitner also challenged every resident to donate one can of food or \$1 to the cause.

Erica Zelmer announced that she had volunteered to host a Food Drive for Second Harvest Food Bank on August 27 and 28 at her home located at 20642 Egret Lane in Huntington Beach, 92646. She encouraged everyone to attend and stated there will be entertainment at the event as well. Ms. Zelmer announced further information can be obtained on the website FacesofHunger@Yahoo.com.

Mayor Hardy asked for clarification on which items are acceptable for donation.

Doug Traub, President of Huntington Beach Conference and Visitors Bureau, suggested grant and budget amendments and increased funding for the Bureau, as detailed in a Late Communication he submitted to the City Council.

Jerry Dominguez, Representative from Southern California Edison, thanked Councilmembers Green, Bohr, Hansen, City Attorney McGrath and Community Services Director Engle for their efforts with the Animals in the Park Ordinance. Mr. Dominguez voiced his satisfaction with the results.

Alan Thaler, affiliated with DOGSTOP, spoke regarding the agenda items pertaining to Southern California Edison License Agreements and the Animals in the Park Ordinance, related the events leading up to the ordinance, and thanked the City Council, the City Attorney and Southern California Edison for their efforts.

Councilmember Bohr thanked everyone involved with the Animals in the Park Ordinance for their hard work. Councilmember Green also thanked everyone involved and commented on the positive process.

Alan Gandall, President of SaveourField.org spoke on the agenda item pertaining to Surplus Schools Draft Memorandum of Understanding (MOU) with the Fountain Valley School District and inquired if the City needs to act immediately. Mr. Gandall asked Council for an extended amount of time to consider issues, and to direct staff to renegotiate.

Marc Ecker, Superintendent of Fountain Valley School District (FVSD), spoke on the agenda item pertaining to the Surplus Schools Draft Memorandum of Understanding (MOU), noting that the MOU was built on trust between the City and FVSD. He also commented that the MOU represents compromise made on both sides and the historic nature of the agreement. Mr. Ecker urged Council to approve the item.

Karen Ward spoke regarding the agenda item pertaining to the Surplus Schools Draft MOU, stating concerns about moving the playing fields to the back of the lot. Ms. Ward also stated her opinion that 5.2 acres is too small and that there is a need for a significant setback from new development in relation to existing homes.

Larry Bottorff, Resident near Wardlow Field, thanked staff and Council for their efforts and stated concerns that 5.2 acres is too small, mainly due to parking needs.

Barbara Bottorff, Resident near Wardlow Field, voiced disappointment with how FVSD handled the situation. She stated her opinion that 5 acres are not enough. Ms. Bottorff also stated concerns with parking and open space for residents.

Dorothy Ralphs, Representing the Edinger Project Steering Committee and the Sea Isle Garden Club, thanked Council for participating in the funding for the Edinger Beautification Project study. Ms. Ralphs asked Council to partner with her group and to place the Edinger project in the budget, stating that the city is requiring approximately \$94,000 for curbs and gutters.

Steve Stafford spoke regarding a sidewalk on Frankfort Street, damaged by tree roots approximately seven years ago. Mr. Stafford also stated problems with neighbors in his complex and within his Homeowners Association, and health & safety concerns.

Paul Cross congratulated the City Council on the successful Junior Lifeguard Program. He asked about sidewalk conditions downtown and spoke regarding the proposed Poseidon desalination plant and potential problems. He stated his opinion that inland options are now available and a desalination plant is unnecessary. Mr. Cross asked Council to deny Poseidon's application.

Larry Porter, affiliated with Residents for Responsible Desalination and Ocean Outfall Group, voiced his opposition to Poseidon Resources Corporation. Mr. Porter asked Council to review the Environmental Impact Report (EIR) in detail prior to making a decision and alleged that there are untruths in the EIR.

Greg Jewell, Member of the Huntington Beach and Seal Beach Surfrider Foundation, spoke regarding the proposed desalination plant and of his concerns about the AES plant. He stated that he is not opposed to desalination projects, but to the conditions of the plant. Mr. Jewell asked Council not to rush into a decision.

Todd Palombo, 38-year resident, voiced his dissatisfaction with the industrial facilities in the area he lives. He enumerated the Sewer Treatment plant, AES and Ascon-Nesi. Mr. Palombo asked Council to beautify the area rather than adding another plant.

Tim Geddes, Southeast Huntington Beach resident, spoke in opposition to the proposed Poseidon desalination plant. He stated his opinion that the EIR needs more research, is inadequate, and should be rejected. Mr. Geddes asked Council to review reports from environmental authorities and to consider what is left out of the EIR document.

Pat McCully, 38-year resident and former teacher at Gisler Middle School, spoke in opposition to the proposed Poseidon desalination plant. Ms. McCully stated her opinion that the desalination plant should be a public enterprise and not a private one.

(City Council) Approved a City Council Representative to the Orange County Transportation Authority (OCTA) Policy Advisory Committee (PAC) Regarding Study of Potential Garfield Avenue/Gisler Avenue Bridge (800.45)

The City Council considered a communication from Mayor Jill Hardy transmitting the following **Statement of Issue:** The Orange County Transportation Authority (OCTA) has recently initiated the process of preparing a supplemental Environmental Impact Report and Preliminary Engineering Study for a potential bridge over the Santa Ana River, connecting Garfield Avenue and Gisler Avenue.

The City Council authorized the Mayor to execute a Memorandum of Understanding with OCTA, Fountain Valley, and Costa Mesa regarding participation in the study process. As part of the study process, OCTA is establishing a Technical Advisory Committee (TAC), composed of staff members from OCTA, Fountain Valley, Costa Mesa, Huntington Beach, Newport Beach, and the County of Orange. OCTA is also establishing a Policy Advisory Committee (PAC) for the project that will include a City Manager representative and City Council representative from the same agencies. Therefore, the city of Huntington Beach is being asked to identify the representatives that will be assigned to the PAC.

The first PAC meeting is being held the week of August 15, and it is necessary for the Mayor to make an appointment at this time.

A motion was made by Bohr, second Green to approve Councilmember Gil Coerper as a City Council representative to the OCTA Policy Advisory Committee (PAC) to participate in the study for a potential bridge over the Santa Ana River, connecting Garfield Avenue and Gisler Avenue. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook

NOES: None

ABSENT: None

(City Council) Approved Appointments of Sarah Martin; Dorey Poder, Thach Nguyen, Alene Tchekmedyan, and Natalie Kumaratne and Approved Reappointment of Nicolette Ulrich, Ann Quan, Andrew Kreitz and Amelia Huss to the Youth Board for One Year Terms to Expire May, 31 2006 (110.20)

The City Council considered a communication from Mayor Hardy and Councilmember Bohr who recommended Council approval of appointments of **Sarah Martin**, Oceanview High School; **Dorey Poder**, At-Large Representative; **Thach Nguyen**, At-Large Representative; **Alene Tchekmedyan**, At-Large Representative; and **Natalie Kumaratne**, At-Large Representative;

and reappointment of **Nicolette Ulrich**, Marina High School Representative; **Ann Quan**, At large Representative; **Andrew Kreitz**, Huntington Beach High School Representative; and **Amelia Huss**, Edison High School Representative to the Youth Board for One Year Terms to Expire May 31, 2006. Councilmember Bohr spoke about the interviews and the quality of the candidates.

A motion was made by Coerper, second Bohr to approve the appointments and reappointments of the above mentioned to the Youth Board with terms to expire May 31, 2006. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Hardy, Green, Bohr, Cook

NOES: None

ABSENT: Sullivan (out of room)

(City Administrator's Report) Overview of the City Administrator's Preliminary Recommended Fiscal Year 2005/2006 Budget Given (100.30)

City Administrator Penny Culbreth-Graft announced budget and Capital Improvement Program documents are available on the website, and presented a PowerPoint report titled *City of Huntington Beach Proposed Budget Fiscal Year 2005/06, City Administrator, Finance Officer*. She gave details of the Capital Improvement Program and commended Deputy Director Paul Emery and Principal Analyst Linda Daily from Public Works on project information. She announced the Public Hearing and proposed budget adoption is scheduled for September 6, 2005.

Council discussion ensued relative to increases in tax revenue, fund balance reserves, and the Fee Study. Councilmember Hansen inquired about the programming of capital improvement reserves. City Administrator Culbreth-Graft reported that reserves are set aside, then Council approves the plan for distribution. She announced that staff recommendations currently in the budget include a \$3.2 million increase in street and sidewalk repairs. Administrator Culbreth-Graft outlined three unfunded liabilities: PERS - \$50 million, Retirement Supplemental Plan - \$29 million, and Retiree Medical Subsidy - \$6.7 million. Councilmembers inquired about the timeline for payoff of PERS and commented on the reports. Staff to report back to Council on 1) the amount of last year's increase in tax dollars and 2) PERS position on the City paying more than required to reduce \$50 million unfunded liability.

Councilmember Bohr suggested five projects be considered for funding including the Edinger Beautification Project, Huntington Harbour Yacht Club architectural engineering, revitalization of temporary pier buildings, replacement of restrooms at Seapoint Cliff and Dog Beach, and entry node monument signs. He also commented on the fee study numbers and what he referred to as unintended results. Councilmember Cook suggested an amount be allocated for projects and then a list of projects for Council to vote on be created.

A motion was made by Green, second Sullivan to move the Public Hearing to September 12, 2005 and to televise the meeting. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook

NOES: None

ABSENT: None

(City Council) Reviewed and Accepted Shari Freidenrich, City Treasurer's June 2005 Investment Summary Report Titled *City of Huntington Beach Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity* (310.20)

The City Council considered a communication from City Treasurer Shari Freidenrich transmitting the Monthly Investment Report and Summary of Investments for June 2005. Council inquiries were made regarding the Capital Improvement Program and reprogramming of funds between short-term and long-term. City Treasurer Freidenrich reported she would work with City Administrator Culbreth-Graft on reprogramming of funds.

A motion was made by Hansen, second Green to review and accept the Monthly Investment Report *Summary of Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for June 2005*, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

Consent Calendar – Items Removed for Separate Discussion

The following items were removed from the Consent Calendar for separate discussion:

(City Council) Funds and Contract with Management Partners, Inc. for Development of a Strategic Plan

(City Council) Project Plans and Specifications and Construction Contract to GMC Engineering for the Underhill Lane Improvements; CC-1272

(City Council) Project Plans and Specifications and Construction Contract to R. J. Noble Company for the 2004/2005 Arterial Rehabilitation and Residential Street Overlay Project Phase 1; CC-1223

Consent Calendar – Items Approved

On motion by Green, second Coerper Council approved the following Consent Calendar items, as recommended. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Received and Filed City Clerk's Quarterly Report Listing Professional Services Agreements Filed in the City Clerk's Office During the Period of April 1, 2005 through June 30, 2005 (100.30) – Received and filed the *List of Professional Services Contracts Approved by Department Heads Pursuant to Huntington Beach Municipal Code Chapter 3.03* and submitted to the City Clerk's Office during the period April 1, 2005 to June 30, 2005. Submitted by the City Clerk. Funding Source: Not Applicable.

(City Council) Approved Two Amendments to Southern California Edison License Agreements to Modify Current Prohibition of Dogs on Their Property (500.10) - Authorized the Mayor and City Clerk to execute two original *License Agreement Amendments* with Southern California Edison. Submitted by the City Attorney. Funding Source: Not applicable.

(City Council) Adopted Resolution Number 2005-51 - as Amended by Late Communication to Include Compensation Levels - Amending the Classification Plan by Modifying the Positions of Finance Officer, Parking/Traffic Control Officer, Community Services Recreation Supervisor, Construction Inspector Trainee, Construction Inspector, Senior Construction Inspector, Building Plan Checker – Adding Safety Officer, Crime Analyst, Code Enforcement Technician and Building Plan Checker II (700.10) – Adopted **Resolution Number 2005-51** – “A Resolution of the City Council of the City of Huntington Beach Amending the Classification Plan by Modifying and Adding Class Specifications” for the following positions: Modify Finance Officer, Parking/Traffic Control Officer, Community Services Recreation Supervisor and Senior Construction Inspector; Add Safety Officer, Crime Analyst, Code Enforcement Technician and Building Plan Checker II; and Modify and Retitle from Construction Inspector Trainee to Construction Inspector I and from Construction Inspector to Construction Inspector II; Change job title from Building Plan Checker to Building Plan Checker I. Submitted by the Acting Administrative Services Director. Funding Source: There is no fiscal impact to this action. Adopted as amended by Late Communication to include compensation levels.

(City Council) Authorized Contract for Legal Services with Frandzel Robins Bloom & Csato, L.C. (600.10) – Authorized the City Administrator to execute a contract in a form acceptable to the City Attorney to retain the services of Hal Goldflam via an agreement with Frandzel Robins Bloom & Csato, L.C. Submitted by the City Attorney. Funding Source: Not applicable. There are sufficient funds in the current budget.

(City Council) Approved Huntington Beach Auto Dealers’ Business Improvement District (BID) 2004-2005 Annual Report - Adopted Resolution of Intention No. 2005-52 to Levy an Annual Assessment for Fiscal Year 2005-2006 - Scheduled Public Hearing for September 6, 2005 (460.30) – **1.** Approved the Huntington Beach Auto Dealers’ Business Improvement District Annual Report for Fiscal Year 2004-2005; **2.** Adopted City Council **Resolution No. 2005-52** – “A Resolution of the City Council of the City of Huntington Beach Declaring The City’s Intention to Levy an Annual Assessment Within the Huntington Beach Auto Dealers’ Association Business Improvement District for Fiscal Year 2005-2006;” and **3.** Directed the City Clerk to **schedule a public hearing to be held on September 6, 2005**, and send copies of the Resolution of Intention, BID Boundary Map, and assessment formula to each business to be assessed. Submitted by the Acting Economic Development Director. Funding Source: Not applicable.

(City Council) Approved Huntington Beach Downtown Business Association Improvement District (BID) 2004-2005 Annual Report - Adopted Resolution of Intention No. 2005-53 to Levy an Annual Assessment for Fiscal Year 2005-2006 – Scheduled Public Hearing for September 6, 2005 (460.30) – **1.** Approved the Huntington Beach Downtown Business Association Improvement District Annual Report for Fiscal Year 2004-2005; **2.** Adopted **Resolution No. 2005-53** – “A Resolution of the City Council of the City of Huntington Beach Declaring the City’s Intention to Levy an Annual Assessment For Fiscal Year 2005-2006 within the Huntington Beach Downtown Business Improvement District; and **3.** Directed the City Clerk to **schedule a public hearing to be held on September 6, 2005**, and send copies of the Resolution of Intention, BID Boundary Map, and assessment formula to each business to be assessed. Submitted by the Acting Economic Development Director. Funding Source: Not applicable.

(Redevelopment Agency) Received and Filed Annual Report of the Huntington Beach Redevelopment Agency for Fiscal Year 2003-2004 for Submission to the State Controller (400.20) – Received and filed the 2003-2004 State Controller’s Report. Submitted by the Acting Assistant Executive Director. Funding Source: Not Applicable. (Report is submitted to the State Controller as required by §33080.1 of the State of California Health and Safety Code “Redevelopment Law”.)

(City Council) Adopted Resolution Number 2005-54 Declaring the Disposition of Three City Owned Parcels Located Near the Southeast Corner of Goldenwest Street and Garfield Avenue – Accepted Offer to Purchase from B. G. Williams – Convey Ownership - Prepare, Execute and Process all Necessary Documents (650.70) – **1.** Adopted **Resolution Number 2005-54** – *“A Resolution of the City Council of the City of Huntington Beach Declaring the Disposition of Certain Surplus Property;”* and **2.** Accepted the Offer to Purchase City owned properties from B. G. Williams dated July 6, 2005; and **3.** Authorized the Mayor and City Clerk to execute all necessary documents to convey ownership of those certain properties; and **4.** Authorized the Director of Economic Development to prepare, execute, and process all necessary documents to facilitate the transfer of ownership of those certain properties. Submitted by the Acting Economic Development Director. Funding Source: Not applicable.

(City Council) Adopted Resolution Number 2005-55 Establishing Tax Proceeds for Fiscal Year 2005-2006 Gann Annual Appropriation Limit (340.90) – Adopted **Resolution Number 2005-55** *“A Resolution of the City Council of the City of Huntington Beach Establishing the Appropriation Limit for Fiscal Year 2005-2006”* of \$512,161,427. Submitted by the Finance Officer. Funding Source: Not applicable.

(City Council) Adopted Resolution No. 2005-56 Levying a Retirement Property Tax Rate for Fiscal Year 2005-2006 of \$0.00696 Per \$100 of Assessed Valuation Representing Cost of Pre 1978 Benefits (340.90) - Adopted **Resolution No. 2005-56** – *“A Resolution of the City Council of the City of Huntington Beach Levying a Retirement Property Tax for Fiscal Year 2005-2006 to Pay for Pre-1978 Employee Retirement Benefits,”* of \$0.00696 per \$100 of assessed value. Submitted by the Finance Officer. Funding Source: Not applicable.

(City Council) Approved Appointments of Don Lewis, Ben Miles and Dionne Cox and Reappointed Richard Moore to the Library Board of Trustees for Four-Year Terms from July 1, 2005 – June 30, 2009 (110.20) – Appointed **Don Lewis, Ben Miles and Dionne Cox** to a four-year term (July 1, 2005-June 30, 2009) and ratified the reappointment of **Richard Moore** to his last four-year term (July 1, 2005-June 30, 2009) as recommended by the City Council Library Board liaisons, Councilmembers Gil Coerper and Don Hansen. Submitted by the Library Services Director. Funding Source: Not applicable.

(City Council) Approved Huntington Beach Hotel/Motel Business Improvement District (BID) 2004-2005 Fiscal Year Annual Report - Adopted Resolution of Intention Number 2005-57 to Levy an Annual Assessment for Fiscal Year 2005-2006 - Scheduled Public Hearing for September 6, 2005 (460.30) – **1.** Approved the Huntington Beach Hotel/Motel Business Improvement District Annual Report for Fiscal Year 2004-2005; **2.** Adopted City Council **Resolution No. 2005-57** – *“A Resolution of the City Council of the City of Huntington Beach Declaring the City’s Intention to Levy an Annual Assessment for Fiscal Year 2005-2006 Within the Huntington Beach Hotel/Motel Business Improvement District;”* and **3.** Directed the City Clerk to **schedule a public hearing to be held on September 6, 2005**, and send copies of the Resolution of Intention and assessment formula to each business to be assessed. Submitted by the Acting Economic Development Director. Funding Source: Not applicable.

(City Council) Rejected all Bids for Sewer Lift Stations Number 26 and Number 28 Replacements; CC-1240 and CC-1241 – Returned all Bid Bonds – Authorized to Re-Advertise (600.60) – 1. Rejected all bids received for the Sewer Lift Station #26 and #28 Replacements, CC-1240 and CC-1241 and directed the City Clerk to return all bid bonds; and **2.** Authorized the Director of Public Works to re-advertise the project. Submitted by the Acting Public Works Director. Funding Source: Funds for this project are available in the Sewer Service Charge Fund, Sewer Lift Stations CIP, Account 51189001.82600. The engineer's estimate for construction of Sewer Lift Station # 26 is \$600,000 and for Sewer Lift Station #28 is \$400,000 for a combined estimate of \$1,000,000.

(City Council) Approved the Project Plans and Specifications and Awarded Construction Contract to Garcia Juarez Construction, Inc. for Newland Street Water Transmission Pipeline Replacement; CC-1274 (600.75) 1. Approved the project plans and specifications; and **2.** Accepted the lowest responsive and responsible bid submitted by Garcia Juarez Construction, Inc., in the amount of \$4,110,840; and **3.** Authorized the Mayor and City Clerk to execute a construction contract in substantially the same form as the attached sample contract; and **4.** Appropriated \$3.2 million to the project budget from the Water Master Plan Fund; and **5.** Authorized the Director of Public Works to approve up to fifteen percent (15%) in construction change orders. Submitted by the Acting Public Works Director. Funding Source: Funds in the amount of \$2.1 million are budgeted in the Water Master Plan Fund, OC-9 Water Main, Account 50791020.82100. An additional appropriation of \$3.2 million from the Water Master Plan undesignated fund balance is requested. The total project cost will be \$5.3 million.

(City Council) Approved the Project Plans and Specifications and Awarded Construction Contract to MSL Electric, Inc. for Traffic Signals at Graham Street and Heil Avenue; CC-1217; and Nichols Street and Slater Avenue; CC-1236 – Declared Inspection Engineering Construction as Non-responsive (600.55) – 1. Approved the project plans and specifications for the Traffic Signals at Graham Street and Heil Avenue, CC-1217; and at Nichols Street and Slater Avenue, CC-1236; and **2.** Declared the apparent low bid from Inspection Engineering Construction, Inc. as non-responsive; and **3.** Accepted the lowest responsive and responsible bid submitted by MSL Electric, Inc. in the amount of \$368,900; and **4.** Appropriated \$187,000 to the project budget; and **5.** Authorized the Mayor and City Clerk to execute a construction contract in substantially the same form as the attached sample contract. Submitted by the Acting Public Works Director. Funding Source: Funds in the amount of \$350,000 are budgeted in Traffic Impact Fund, Traffic Signals, Account No. 20690007.82700. An additional appropriation of \$187,000 is requested from the Traffic Impact Fund balance. The project cost, including the purchase of equipment, will be \$537,000. The engineer's estimate for construction was \$290,000.

(City Council) Approved the Project Plans and Specifications and Award Construction Contract to BRH-Garver West, Inc. for Downtown Water Main Replacement Project; CC-1262 (600.75) – 1. Approved plans and specifications; and **2.** Accepted the lowest responsive and responsible bid submitted by BRH-Garver West, Inc., in the amount of \$2,791,103; and **3.** Authorized the Mayor and City Clerk to execute a construction contract in substantially the same form as the attached sample contract; and **4.** Appropriated \$3.5 million to the project budget from the Water Master Plan (WMP) Fund; and **5.** Authorized the Director of Public Works to approve up to fifteen percent (15%) in construction change orders. Submitted by the Acting Public Works Director. Funding Source: An appropriation of \$3.5 million from the Water Master Plan undesignated fund balance, to Water Master Plan System Improvements, Account 50791017.82100 is requested. The project was originally budgeted in the Water Fund.

(City Council) Approved the Purchase of a New NOTAR Helicopter from MD Helicopters, Inc. and Retrofitting One MD 520N – Appropriated Funds – Entered into a Three Year Financing Agreement (330.10) – **1.** Authorized the Police Chief to expend \$1,393,495 for the purchase (from MD Helicopters, Inc.) and retrofitting of one MD 520N, NOTAR replacement helicopter; and **2.** Appropriated \$161,119 from Holly Seacliff Fund to expend for the purchase of a helicopter; and **3.** Appropriated \$453,000 from the State Abandoned Vehicle Fund to expend for the purchase of the helicopter; and **4.** Appropriated \$248,211 from the Narcotics Forfeiture Fund to expend for the purchase of the helicopter, install avionics and other equipment for retrofitting; and **5.** Directed the Finance Officer to enter into a 3-year financing agreement with a lending institution to borrow a current estimate of \$507,830 plus fiscal costs of \$23,335. The interest rate on this transaction is 4.24%. The estimated first quarterly payment of \$45,291 will begin on September 1, 2006 and the final payment to be made on June 1, 2009. These amounts will need to be budgeted in subsequent fiscal years. Submitted by the Police Chief. Funding Source: The total cost for the new helicopter is \$1,393,495. This amount represents the purchase price, tax, financing charges (presently quoted at 4.24%) and retrofitting costs.

(City Council) Approved Employment Agreement Between the City of Huntington Beach and Paul Emery as a Deputy City Administrator (600.10) **1.** Approved the appointment of Paul Emery to the position of Deputy City Administrator; and **2.** Approved and authorized execution by the City Administrator the Employment Agreement between the City of Huntington Beach and Paul Emery for the position of Deputy City Administrator. Submitted by the Acting Administrator Services Director. Funding Source: The position of Deputy City Administrator is a budgeted position in the fiscal year 2004/2005. No additional funding is required.

(City Council) Approved Employment Agreement Between the City and Jack K. Marshall as the Director of Information Services (600.10) – **1.** Approved the appointment of Jack K. Marshall to the position of Director of Information Services; and **2.** Approved and authorized execution by the City Administrator the Employment Agreement between the City of Huntington Beach and Jack K. Marshall for the position of Director of Information Services. Submitted by the Acting Administrator Services Director. Funding Source: The position of Director of Information Services is a budgeted position in the fiscal year 2004/2005. No additional funding is required.

(City Council) Appropriated Funds and Approved Contract with Management Partners, Inc. for Development of a Strategic Plan - (600.10)

The City Council considered a communication from the City Administrator transmitting the following **Statement of Issue:** Approval of a contract with Management Partners, Inc. to facilitate the development of a City Council Strategic Plan. Funding Source: To be appropriated out of the unappropriated general Fund Balance.

Councilmember Green requested that this agenda item be removed from the Consent Calendar to inquire about the value of creating a strategic plan, asking for input from other Councilmembers. Councilmembers Hansen and Bohr reported on their reasons for supporting the item. Mayor Hardy also spoke in support of the item.

A motion was made by Green, second Bohr to **1.** Approve use of Management Partners, Inc. to facilitate the City Council Strategic Plan; and **2.** Approve the *Professional Services Contract Between the City of Huntington Beach and Management Partners for Strategic-Plan Facilitation* for an amount not to exceed \$28,751; and **3.** Appropriate \$28,751 from the unappropriated General Fund Balance to cover the cost of the contract with Management Partners, Inc. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Approved the Project Plans and Specifications and Awarded Construction Contract to GMC Engineering for the Underhill Lane Improvements; CC-1272 (600.50)

The City Council considered a communication from the Acting Public Works Director transmitting the following **Statement of Issue:** On July 26, 2005, bids were received for the Underhill Lane Improvements, CC-1272. Staff recommends award to GMC Engineering, the lowest responsive and responsible bidder. Funding Source: Funds are budgeted in the Measure M Fund for Pedestrian Improvements; Account 21390004.82300. The engineer's estimate for construction was \$500,000.

Councilmember Green requested that this agenda item be removed from the Consent Calendar to highlight that the project uses Measure M funds.

A motion was made by Green, second Coerper to **1.** Approve the project plans and specifications for the Underhill Lane Improvements, CC-1272; and **2.** Accept the lowest responsive and responsible bid submitted by GMC Engineering in the amount of \$577,577.50; and **3.** Authorize the Mayor and City Clerk to execute a construction contract in substantially the same form as the attached sample contract. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Approved the Project Plans and Specifications and Awarded Construction Contract to R. J. Noble Company for the 2004/2005 Arterial Rehabilitation and Residential Street Overlay Project Phase 1; CC-1223 (600.50)

The City Council considered a communication from the Acting Public Works Director transmitting the following **Statement of Issue:** On July 26, 2005 bids were received for the 2004/05 Arterial Rehabilitation and Residential Street Overlay Project -- Phase 1, CC-1223. Staff recommends the award to R.J. Noble Company, as the lowest responsive and responsible bidder. Funding Source: Funds for this project are budgeted through Measure M Fund, Street Improvements Account No. 21390008.82300. The engineer's cost estimate for this construction contract is \$2,891,600.

Councilmember Green requested that this agenda item be removed from the Consent Calendar to highlight that the project uses Measure M funds.

A motion was made by Green, second Coerper to **1.** Approve the project plans and specifications; and **2.** Accept the lowest responsive and responsible bid submitted by R. J. Noble Company, in the amount of \$2,895,952.98 for the 2004/2005 Arterial Rehabilitation and Residential Street Overlay Project – Phase 1; CC-1223; and **3.** Authorize the Mayor and City Clerk to execute a construction contract in substantially the same form as the attached sample contract. Submitted by the Acting Public Works Director. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Approved City Council Position on Legislation Pending Before the Federal, State, or Regional Governments as Recommended by the City Council Intergovernmental Relations Committee (IRC) (640.90)

The City Council considered a communication from Mayor Jill Hardy, Chair, Intergovernmental Relations Committee, on behalf of members, Councilmember Gil Coerper and Councilmember Keith Bohr transmitting the following **Statement of Issue:** Approve a City Council position as recommended by the City Council Intergovernmental Relations Committee on an amendment to Regulation 1802 pending before the California Board of Equalization, and authorize the Mayor to communicate the City's position to the members of that Board.

A motion was made by Cook, second Coerper to **OPPOSE** – The proposed amendment to Board of Equalization Rule 1802, and request that if the amendment is approved that the change be prospective rather than retroactive. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Approved as Amended - Surplus Schools Draft Memorandum of Understanding with Fountain Valley School District (110.10)

The City Council considered a communication from the Planning Director, Community Services Director and City Attorney transmitting the following **Statement of Issue:** There is a need for the city to conceptually approve a draft Memorandum of Understanding between the City and the Fountain Valley School District relating to the disposition of Wardlow and Lamb School sites.

Community Services Director Jim Engle and Deputy City Attorney Leonie Mulvihill gave a PowerPoint report titled *Surplus Schools, Wardlow, Lamb, "Draft" Memorandum of Understanding with the Fountain Valley School District*, which was announced earlier as a Late Communication.

Council inquiries ensued regarding deadlines for negotiation. Councilmember Hansen reported on a Town Hall Meeting held the prior week. He suggested 6.8 – 7.0 acres would be more adequate, and that the City concurrently pursue the Naylor Act purchase in the event negotiations with the School District fail.

A motion was made by Hansen, second Bohr to direct City staff to meet and confer with the Fountain Valley School District and return to City Council with a Memorandum of Understanding (MOU) that provides for the disposition of Wardlow and Lamb School sites consistent with the terms contained in the draft MOU included herein, **amended** to convey that 5.2 acres is inadequate and Council's goal is to preserve the park, six fields and parking on the site, to expedite the MOU negotiation process, and to continue to negotiate a purchase should MOU fail. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Adopted Ordinance No. 3720 Amending Chapter 14.55 of the Huntington Beach Municipal Code Relating to Annual CPIU Adjustment for Sewer Services (1000.20)

After the City Clerk read by title, a motion was made by Sullivan, second Green to adopt **Ordinance Number 3720** - "An Ordinance of the City of Huntington Beach Amending Chapter 14.55 of the Huntington Beach Municipal Code Relating to Annual CPIU Adjustment for Sewer Service" Relating to Rates, Charges, and Annual CPIU (Consumer Price Index for all Urban Consumers and Billing Methodology for the Sewer Service User Charge.) (Approved for introduction August 1, 2005.) The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Approved for Introduction Ordinance No. 3721 Amending Chapter 13.48 of the Huntington Beach Municipal Code Relating to Animals in the Park (500.10)

After the City Clerk read by title, a motion was made by Green, second Bohr to approve introduction of **Ordinance No. 3721** - "An Ordinance of the City of Huntington Beach Amending Chapter 13.48 of the Huntington Beach Municipal Code Relating to Animals in the Park." The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
NOES: None
ABSENT: None

(City Council) Appointed Voting Delegate and Alternate to the Annual League of California Cities Conference October 5-8, 2005 (120.20)

The City Council considered a communication from Mayor Jill Hardy transmitting the following **Statement of Issue**: The Annual Conference for the League of California Cities will be held in San Francisco, October 5-8.

An important aspect of the annual conference is the annual business meeting when the membership takes action on conference resolutions. Each city is entitled to one vote in matters affecting municipal or League policy. The League has requested that we notify them no later than Monday, Sept 6, 2005 of the names of our delegate and alternate.

Councilmembers Bohr, Coerper, Cook, Green, and Hansen are currently registered to attend the annual conference.

A motion was made by Bohr, second Hansen to appoint Councilmember Cook to serve as the delegate and Councilmembers Coerper (1st alternate) and Hansen (2nd alternate) to serve as the alternate delegates for the City of Huntington Beach at this year's Annual Conference of the League of California Cities, October 5-8. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook

NOES: None

ABSENT: None

(City Council) Directed Staff to Conduct a Six-Month Trial and Report Back to Council a Recommendation Regarding the Opening of the Gate Between the HCP Sports Complex and the Central Library (560.10)

The City Council considered a communication from Mayor Pro Tem Dave Sullivan and Councilmember Gil Coerper transmitting the following **Statement of Issue**: City Council approved opening the gate between the HCP Sports Complex and Central Library parking lot for a trial period. The goal was to determine if this action would generate additional weekend business for The Stadium Club, the food concession within the sports complex, as well as evaluating the impact, if any, on the Central Library patrons' ability to have adequate parking.

Library Services stationed a recurrent staff person near the gate to survey the number of persons who parked their personal vehicles in the Central Library lot and then walked into the Sports Complex. On average, 31 such cars with 60 passengers used the Central Library lot each day; at \$1 per vehicle; this resulted in an average daily loss of \$31 in revenue. During that same time, the Stadium Club generated \$12,000 or \$923 per day in gross revenue. The city receives 7½ percent or \$69 per day from this concession. There is no relevant historical data with which to compare this revenue because the concessionaire had only begun operating and establishing a customer base in April. The HB Outdoor BBQ Snacks concession off Goldenwest generated \$9,787 or \$612 per day in gross revenue for the same period.

A copy of the public's comments is attached, along with survey overview and revenues from both food concessions. Ron Hayden, Library Services Director, informed the Central Library support groups of the trial period and solicited comments. He reports that there were two individuals, Friends of Library Board members, who indicated opposition to opening the gate.

We feel that the impact on the Central Library parking lot was minimal and, in fact, there were positive comments by park users, including mothers with children who accessed the food concession and playground. Before a final decision is made regarding the access gate, we recommend that the issue be evaluated for an additional six-month period. We propose continuing to open the gate on weekends, and give the Library Services Director the authority to close the access gate when he feels the amount of library activity projected for a weekend might create a shortage of parking. While Library Services would not station a staff person at the gate, Mr. Hayden's staff would monitor Central Library patron and support group comments during this extended trial period. Also, additional temporary signs would be posted on the weekends to identify the lot as "Central Library Parking Only." This extended trial period would provide a more realistic evaluation of any potential impacts on Central Library parking by HCP Sports Complex participants.

Mayor Hardy stated her opposition to the recommended action for reasons she had given at a previous meeting.

A motion was made by Cook, second Sullivan to direct staff to conduct a six-month trial of opening the HCP Sports Complex gate adjacent to the Central Library, and return to City Council with a final recommendation at the end of that period. The motion carried by the following roll call vote:

AYES: Hansen, Coerper, Sullivan, Green, Bohr, Cook
NOES: Hardy
ABSENT: None

(City Council) Councilmember Hansen Stated Success of AVP Pro Event at the Beach (120.85)

Councilmember Don Hansen spoke regarding the success of the AVP Pro Event held at the beach the prior weekend.

(City Council) Mayor Pro Tem Sullivan Congratulated Councilmember Cook on Verizon Presentation (120.85)

Mayor Pro Tem Dave Sullivan congratulated Councilmember Debbie Cook on her Verizon presentation at the League of California Cities meeting.

(City Council) Councilmember Cook Voiced Concerns with New Legislation (120.85)

Councilmember Debbie Cook stated her concerns with new legislation that could restrict the City's revenues from video and cable broadcasts.

(City Council) Mayor Hardy Congratulated Eagle Scout William Raschke (120.85)

Mayor Jill Hardy congratulated William Raschke on his Eagle Scout award.

Adjournment – City Council/Redevelopment Agency

Mayor Hardy adjourned the regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach at 9:41 p.m. to Monday, August 22, 2005, at 4:00 p.m., in Room B-8 Civic Center, 2000 Main Street Huntington Beach, California.

City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Clerk of the Redevelopment Agency of the City of Huntington Beach, California

ATTEST:

City Clerk-Clerk

Mayor-Chair