

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

Monday, September 12, 2005
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

A videotape of the 6:00 p.m. portion of this meeting
are on file in the Office of the City Clerk.

Call to Order

Mayor Hardy called the adjourned regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach to order at 6:00 p.m. in the Council Chambers.

City Council/Redevelopment Agency Meeting Roll Call

Present: Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook (arrived at 6:19 p.m.)
Absent: None

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 Penelope Culbreth-Graft, DPA, City Administrator dated September 12, 2005 titled *Annual Budget Adoption Item D-1*.

Communication submitted by Penelope Culbreth-Graft, DPA, City Administrator dated September 12, 2005 titled *Additional Slides – Public Hearing Regarding Adoption of Proposed City Budget for Fiscal Year 2005-06*.

The Following Additional Late Communications Were Submitted During the Meeting:

Communication submitted by Councilmember Keith Bohr, undated, titled *Draft Reconnaissance Study for Edinger Avenue Parkway Improvements between Saybrook Lane and Countess Drive CC 1275*.

PowerPoint slide report submitted by Councilmember Keith Bohr titled *City of Huntington Beach Public Hearing on City Budget Monday September 12, 2005; Additional Budget Items for Council Consideration as Proposed by Councilman Bohr*.

CD recording submitted by Lloyd Glick titled *Patriotic Concert Selections, Huntington Beach Concert Band – From Live Concerts 2005, Tom Ridley, Conductor*.

Public Comments

Steve Stafford voiced concern about sidewalks on Frankfort St. between Delaware Ave. and Huntington St. that he said are in need of repair. He stated his opinion that the situation is in dire need of attention, and was reported in 1998. Mr. Stafford also spoke regarding valves at Worthy Park, Field No. 1 that he said needed repairs, and asked these repairs be approved in the budget.

Juana Mueller, President of Friends of Shipley Nature Center, asked Council to approve the budget item pertaining to the Nature Center. Ms. Mueller stated her appreciation for the City's partnership with the Friends.

Judy Loschin, Co-Chair of Project Self Sufficiency (PSS) Program, described the creation of PSS and the need for funding. She gave examples of different aspects of the program funded by the City. Ms. Loschin thanked Council and the City Administrator for their support of the program.

Ken Maylone thanked the Councilmembers who voted to certify the Poseidon Environmental Impact Report (EIR) at the last meeting. Mr. Maylone gave examples of projects that may be funded by income the City may receive from Poseidon.

Chuck Beauregard, 20-year resident and real estate agent, stated his concern about a lack of signage at the City's boundaries. Mr. Beauregard asked Council to allocate money in the budget for signage to help identify these boundaries.

(City Council) Public Hearing Held Regarding Adoption of Proposed City Budget for Fiscal Year 2005-06 (320.20)

Mayor Hardy announced that this was the time noticed for a public hearing to consider the following:

The City of Huntington Beach Charter requires a Public Hearing prior to the adoption of the City Budget. The City Charter requires adoption of the annual budget by September 30 for the next fiscal year.

Legal notice as provided to the City Clerk's Office by staff had been published and posted.

City Administrator Penny Culbreth-Graft presented a PowerPoint slide report titled *City of Huntington Beach Proposed Budget Fiscal Year 2005/06* which was included in the agenda packet and was updated by a Late Communication announced earlier by the City Clerk. She reviewed general fund revenue vs. appropriations, fund balance reserves, unfunded liabilities, budget issues, extraordinary general fund issues, and other projects.

Councilmembers requested a Study Session be scheduled to describe the methodology used for equipment replacement in the City. Administrator Culbreth-Graft responded, stating a report would be forthcoming and would be inclusive of equipment in many departments.

Council commented on retirement unfunded liabilities, and asked for an explanation of the Retiree Medical Subsidy. Finance Officer Dan Villella reported. Council inquired about state takeaways, repayments, and funds forgiven. Council commented on dates of the mid-year review, inquiring about bringing non-budgeted projects forward. Administrator Culbreth-Graft reported on both, stating the mid-year review will be held in March/April.

City Administrator Culbreth-Graft then introduced Deputy City Administrator Paul Emery, who presented highlights of the Capital Improvement Program (CIP). Councilmembers inquired about requirements for a mid-year budget session, the definition of various arterial highways, and complimented staff on the recommended increase of funding to infrastructure projects, asking drainage/storm water quality category be increased in the future. Deputy Administrator Emery announced the availability of CIP project detail on the City's website. He gave further details on water facilities, arterial rehabilitation, sewer projects, residential sidewalk/tree replacement, drainage/storm water quality, and storm drain pump stations.

City Administrator Culbreth-Graft concluded her report, speaking of opportunities to bring non-budgeted projects forward. She thanked Finance Officer Dan Villella, Senior Budget Analyst John Roulette, and Senior Administrative Analyst Jennifer Lampman for their efforts, and Department Heads for adjusting their budgets to balance the City's budget.

Councilmembers inquired about reserving the right to change the budget mid-year or other times, including the Strategic Planning meeting, about Proposition 172 requirements in regards to funds and public safety departments, and about unfunded public safety positions. Staff reported on these inquiries. Councilmembers commended staff and the City Administrator for improvements to the budget report. A further Council inquiry was made about funding for curb and gutter repairs and a timeline for repairs, stating a preference for increased funding in this area. Deputy Emery reported that four street segments were completed last year and twenty are budgeted for next year.

A Council inquiry was made regarding parking fine fluctuations and staff reported, stating vacant enforcement positions have been filled and the public is better educated on street sweeping schedules. A Council inquiry was made regarding the City's vulnerability for service level declines and potential adjustments necessary. City Administrator Culbreth-Graft reported, stating Community Services and Public Works may require mid-year adjustments.

Further Council inquiries were made regarding the projected increase in fuel expenses, specifically natural gas, sources of funding for unfunded liability increases, professional services contracts and the dollar limit above which they must be presented to Council, and the format of the budget and number of personnel in departments.

Mayor Hardy declared the public hearing open.

Prior to announcing the public speakers, the City Clerk restated for the record the following Late Communications which pertain to this public hearing:

Communication submitted by Penelope Culbreth-Graft, DPA, City Administrator dated September 12, 2005 titled *Annual Budget Adoption Item D-1*.

Communication submitted by Penelope Culbreth-Graft, DPA, City Administrator dated September 12, 2005 titled *Additional Slides – Public Hearing Regarding Adoption of Proposed City Budget for Fiscal Year 2005-06*.

Lloyd Glick, President of the Board of Directors of Huntington Beach Concert Band, urged Council to adopt the staff recommendations in the budget for the Band. He stated he has been the manager of the band for twenty-five years, and reported over thirty years of concerts in the park. He further stated he hoped to increase to ten weeks/ten concerts next year, and asked Council to continue with their support. Mr. Glick announced a music CD created by the band, copies of which he distributed to Council.

Ralph Bauer, Forty-one year resident, stated his appreciation for Council's efforts, thanking them for funding for Little League Fields, a signal at Graham and Heil, and concurred with the previous speaker on funding support for the Huntington Beach Concert Band. He also stated support for the Art Center and infrastructure repairs, flood control, urban runoff solutions and spoke about the Harbor Patrol and the County. Mr. Bauer lastly spoke regarding Measure M funds and volunteered to help.

Doug Traub, President of Huntington Beach Conference and Visitors Bureau, voiced his support for funding of the Bureau to assist in increasing overnight tourism. Mr. Traub referred to details of the contract with the City, and urged Council to approve the budget resolution as submitted.

Anne White, President of Sea Isle Garden Club, stated her appreciation for Council on behalf of the club. She spoke about the Edinger Beautification Project, thanking Council for its assistance and the residents for attending the meeting. Ms. White also thanked Dorothy Ralphs for her fundraising and support of the club.

Dorothy Ralphs voiced her support for the Edinger Beautification Project, thanking Council for its assistance with the initial study. She updated Council on further necessary studies and costs involved. Ms. Ralphs asked Council to support Councilmember Bohr's proposal for this project, and volunteered her time to continue to raise funds.

Councilmember Bohr announced that he would be presenting a PowerPoint report later in the hearing pertaining to the Edinger Beautification Project.

Tim Geddes, Vice Chair of the City's Finance Board, congratulated staff on the budget document and for their commitment to improvement in the future. He stated the Finance Board looks forward to continued involvement with the budget, and urged citizens to become involved as well. Mr. Geddes lastly stated his concurrence with the speaker who stated support for funding for the Conference and Visitors Bureau.

There being no persons present to speak further on the matter and there being no further protests filed, either written or oral, the Mayor declared the public hearing closed.

A motion was made by Coerper, second Green to Adopt Resolution Number 2005-64, "A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for Fiscal Year 2005/06." **and** authorize the Professional Services Included in FY 2005/06 Budget to be representative of services projected to be utilized by departments in 2005/06. (Vote to follow)

Councilmember Bohr presented a PowerPoint report titled *City of Huntington Beach Public Hearing on City Budget Monday September 12, 2005; Additional Budget Items for Council Consideration as Proposed by Councilman Bohr* that detailed five items for Council consideration. The first item was the Edinger Avenue Parkway Improvements.

Councilmember Cook suggested a competitive grant process be created for these types of projects. Councilmember Coerper stated his concerns relative to safety issues and the pavement drop-off illustrated in Councilmember Bohr's report. Staff responded, stating the area in question needs attention. Councilmembers inquired about funding assistance from the County or the Navy, the amount of funding requested, existing procedure for funding requests, and grants available. Councilmembers Coerper and Hansen stated their support for the project.

A motion was made by Bohr, second Coerper to approve the Edinger Avenue Parkway Improvements, proposed for \$150,000 to be funded from the 2nd tier or CIP reserve (giving authority to staff to determine which) and directing staff to commence the first phase of work. (The motion was subsequently replaced by a substitute motion)

Councilmember Cook voiced opposition to the motion, stating she believes there is a need for a consistent process. Councilmember Green inquired about payment for the initial study. Staff reported that the Sea Isle Garden Club would be billed for their portion. Councilmember Green stated her support for the motion.

Further discussion ensued amongst Council and staff regarding irrigation requirements, ongoing maintenance, curb and gutter requirements, Newland beautification project costs and source of funding, communication from the Garden Club, and potential formation of an assessment district and timeframe.

Mayor Pro Tem Sullivan stated possible reasons for opposing the motion, including perceived greater liabilities in other areas of City, and past lack of success with publicly matched types of projects. He suggested the Garden Club funds be received before the City funds are spent, and stated support for an assessment district.

Mayor Hardy stated concurrence with the Mayor Pro Tem and suggested Council require funds from the group and match funds by project phase, up to \$150,000. She also stated her preference for creating a consistent process such as a formal grant.

City Administrator Penny Culbreth-Graft advised caution in creating a grant process due to the inconsistency of surplus dollars.

Councilmember Coerper inquired about fundraising efforts and Councilmember Bohr reported, enumerating the Garden Club's successes.

Mayor Hardy stated support for the motion if it includes curb and gutter and if the match is project-by-project.

Councilmember Hansen stated his support since the project will provide infrastructure that had not been provided by the City.

Councilmember Green stated further support for curb and gutter improvements and conservation-minded irrigation and lighting.

A **substitute** motion was made by Sullivan, second Hardy to appropriate \$90,000 for curb and gutter improvements on this section of Edinger. Councilmember Bohr requested an additional \$60,000 to be spent on the project, as matched by the Garden Club, and funds to come from surplus fund balance if available, then 2nd Tier Reserve. The maker and second to the motion agreed to this amendment. (Vote to follow)

Councilmember Green suggested an amendment for an additional \$66,000 for drip irrigation and solar lighting to encourage conservation. The maker of the motion denied this amendment. Direction was given to staff to encourage energy saving irrigation and lighting when those phases of project arise.

The **substitute** motion carried by the following roll call vote:

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

Councilmember Bohr brought forth additional items which he said he did not anticipate action on at this meeting, but will bring back to Council at a later date. They included:

Item 2: Requested the City fund \$100,000 for design and construction of monument type signage for up to 10 City gateways, for the Mayor to form Council subcommittee to work with the Design Review Board, and staff to develop design process to be brought back to Council.

The Mayor agreed to form a Council subcommittee and suggested consideration of funding come at a later date, possibly to be discussed at the Strategic meeting at end of the month. The Mayor asked Councilmembers to contact her if they are interested in serving as liaisons on the subcommittee.

Item 3: Requested the City fund replacement/upgrade of porta potties at the beach.

Item 4: Requested replacement of portable business units on the Pier with permanent structures.

Item 5: Requested Huntington Harbour Yacht Club/HB Warner Fire Station refurbishments.

Mayor Pro Tem Sullivan inquired about the traffic signal at the Warner Avenue Fire Station, asking for an update and suggesting the project be expedited in the interest of public safety. Staff reported on the status of approvals.

Mayor Hardy announced the vote on the original motion to adopt Resolution Number 2005-64, "*A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for Fiscal Year 2005/06.*" **as amended** by Late Communication and to authorize the Professional Services Included in FY 2005/06 Budget to be representative of services projected to be utilized by departments in 2005/06. (Vote to follow)

Mayor Pro Tem Sullivan stated his concerns with equipment replacements. He suggested Section 6 of the Resolution be amended to include the final sentence of: "However the City Administrator must obtain City Council approval for items that exceed \$500,000" The maker and the second to the motion accepted this amendment

The motion carried by the following roll call vote:

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

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 the consensus of all present, none absent

(City Council) Closed Session – Pursuant to Government Code Section 54957 to consider personnel matters. Subject: **Appointment of Economic Development Director.** (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 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 **Baugh v. City of Huntington Beach**; Orange County Superior Court –West Justice Center; Case No. 05WS00870. Subject: **Baugh v. City of Huntington Beach** (120.80)

Reconvened City Council/Redevelopment Agency Meeting – 9:59 P.M. – Council Chambers.

No Actions Taken Which Require a Reporting Pursuant to Government Code §54957.1(a) (3) (B).

Adjournment – City Council/Redevelopment Agency

Mayor Hardy adjourned the adjourned regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach at 10:00 p.m. to Monday, September 19, 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