Minutes
City Council/Public Financing Authority and
Special Meeting of the Successor Agency and Housing Authority
City of Huntington Beach

Monday, June 16, 2014
4:00 PM – Room B-8
6:00 PM – Regular/Special Meeting
Civic Center Council Chambers
2000 Main Street
Huntington Beach, California 92648

An audio recording of the 4:00 PM portion of this meeting, and a video recording of the 6:00 PM portion of this meeting, is on file in the Office of the City Clerk and is archived at www.surfcity-hb.org/government/agengas/

4:00 PM - ROOM B-8

CALL TO ORDER – 4:04 PM

ROLL CALL

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan (arrived at 4:08 PM), Carchio
Absent: None

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan L. Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet:

Study Session

PowerPoint communication submitted by Fred Wilson, City Manager, dated June 16, 2014, entitled *Update of Downtown Task Force Recommendations.*

Communication submitted by Kim Kramer, President of the Huntington Beach Downtown Residents Association, dated June 6, 2014, regarding residential permit parking in the coastal zone.

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit)

John Webb commended the City for its efforts during the last U.S. Open and suggested implementing parking meters, parking passes and guest passes downtown. He commented on other areas in the City that have parking meters. He believed that it is an issue of control and stated that would be another source of income for the City. Additionally, he suggested placing large trash containers and asked that Council consider his suggestions. (00:01:14)

Robin Rustan commented on over population caused by over building in the City and opined that

placing parking meters in front of residences places the burden on homeowners. Additionally, he commented on problems created by allowing a large number of bars on Main Street and suggested placing an added tax on them to pay for extra security and Police services. (00:04:04)

Dan Kalmick, Planning Commissioner and former member of the Downtown Task Force, but speaking as a private citizen, commented on the Downtown Taskforce recommendations. He indicated that parking will be the biggest issue, suggested that meters turn off at 6:00 PM and asked for information regarding the amount of revenues being generated by the parking structure and meters. He suggested offering free parking after 8:00 PM in the parking structure and commented on issues that need to be re-evaluated. He suggested implementing trials to determine what is best for the City and residents. (00:07:30)

STUDY SESSION

1. Staff Analysis/Review of the Downtown Task Force Recommendations presented April 21, 2014, as directed by the City Council.

City Manager Fred Wilson introduced the item, acknowledged the attendance of members of the Downtown Taskforce (DTTF) and provided a general overview. He deferred to staff for a detailed presentation of each recommendation.

Energy Project Manager Aaron Klemm presented details of DTTF Recommendation No. 1 (Main-Promenade Parking Structure), noting that the goal was to improve user experience in the downtown parking garage. He addressed options considered including strategic painting, interior light retrofit and comprehensive redesign of interior and exterior lighting, estimated costs for each option and staff recommendations.

Discussion followed regarding challenges and concerns regarding graffiti and vandalism, stairwells and energy savings realized by using new technology.

Councilmember Sullivan stated that $100,000 for painting seems to be excessive. He added that as a Charter City, Huntington Beach has the ability to hire non-union workers in order to keep costs down. In response to his inquiry, Public Works Director Travis Hopkins reported on existing maintenance contracts.

Councilmember Boardman clarified that the $100,000 estimate is with non-union contractors.

Public Works Director Hopkins stated it is an estimate and could be either with union or non-union contractors. It was noted that painting would not only be done on the stairwells but also on the ceiling of the parking structure and that the $100,000 is only an estimate. The City has not yet gone through the bidding process.

In response to Councilmember Sullivan's inquiry regarding the co-owner of the structure paying for any of the recommended improvements, Director of Community Services Janeen Laudenback reported the City has an agreement with the co-owner who would be responsible for 13% of the costs and the City for 87% which coincides with the ownership ratio.

Councilmember Sullivan noted that the problem exists with the interior, not the exterior of the structure and stated that the estimates seem excessive for the work required.

Energy Project Manager Klemm reported there is no staff recommendation to retrofit the exterior of the parking garage and noted that staff recommendations include strategic painting and replacement of lighting fixtures.

Councilmember Katapodis commented on the recommended improvements and suggested the possibility of increasing the parking rates to offset costs.

Director of Community Services Laudenback presented details of Recommendation No. 2 (U.S. Open of Surfing) and addressed non-competition related items completed and staff recommendations. She addressed the branding and messaging for the U.S. Open noting that press releases have been issued which focus on making it a community event.

Councilmember Sullivan commented on minimizing vendor booths and stated that the key is to consider the types of vendors as some attract undesirable crowds. He added that vendors should be those that offer surfing-related products and services.

Director of Community Services Laudenback reported that the U.S. Open top sponsors will be the approved vendors and will focus on surfing-related products and services.

In response to Councilmember Carchio's inquiry regarding the City having the opportunity to review the vendors prior to the event, Director of Community Services Laudenback stated that has not been a typical practice but that can be added as a condition of the event process.

Police Chief Robert Handy presented details of Recommendation No. 3 (District 1 Public Parking Lots) noting that the goal is to improve security and a feeling of safety in the downtown area both during the day and at night. He reported that discussions have been initiated to form a private/public partnership for a Downtown Ambassador program. Ambassadors will be employed by a private security firm and trained by the Police Department and Visit HB staff and will be managed by the Police Department for the summer. Chief Handy reported that there is sufficient funding in place and the City will be responsible for one-third of same. Chief Handy presented recommendations as listed in the presentation and reported that if the program is successful, staff will look for future funding to extend it.

Discussion followed regarding what Visit HB training will entail.

Councilmember Sullivan commented positively on the concept, noting it should be done on a trial basis.

Councilmember Boardman asked regarding delivery of horses.

Chief Handy reported that the horses were delivered last week and that training has begun. He added there will be horses in the City from other agencies during the 4th of July and during all days of the U.S. Open.

In response to Councilmember Sullivan's inquiry, Chief Handy reported that the City has two (2) horses and there are two (2) people who have expressed interest in donating one (1) each. Chief Handy commented on the care and upkeep of the horses and reported staff is working to reach a reduced-rate agreement with stable owners. He added that the horses will not be available until

the end of the summer. Councilmember Sullivan commented on the possibility of having youth volunteers to care for the horses.

Councilmember Carchio commended the Chief for moving forward with the matter including the Ambassador program.

Deputy Economic Development Director Kellee Fritzal presented details of Recommendation No. 4 (Employee Parking in Public Parking Structure) and addressed results of a City survey of downtown businesses and staff recommendations.

Councilmember Hardy suggested that the recommended parking pass be good only for the top level of the parking structure.

Associate Planner Jennifer Villasenor presented details of Recommendation No. 5 (Conditions of Approval - Eating and Drinking Establishments with Alcoholic Beverage Sales and Live Entertainment in District 1) and addressed specific staff recommendations.

In response to Councilmember Sullivan's inquiry regarding the length of the Coastal Commission's reach on Main Street, Associate Planner Villasenor reported that it reaches up to Palm and includes all of the Downtown Specific Plan (DTSP).

In reply to Councilmember Boardman's questions, Associate Planner Villasenor presented examples of possible unintended changes to the DTSP.

Transportation Manager Bob Stachelski provided details of Recommendation No. 6 (New Parking Permit District(s)) addressing conditions with differing requirements; focus on the areas outside the coastal zone and staff recommendations.

Councilmember Boardman pointed out that 67% of residents of each street must agree before a residential parking district can be established.

In reply to Councilmember Sullivan's question, Transportation Manager Stachelski reported that staff just received a formal request and that staff will prepare a petition to send to residents, soon. Efforts will begin in mid-July and it was noted that the item will be brought to City Council for final approval. The process should take at least one (1) month as it is very labor-intensive.

In response to Mayor Harper's inquiry, Transportation Manager Stachelski reported that the ordinance contains a provision for eliminating a district by a simple majority of residents. He added that he is unsure whether that would preclude the City Council from taking an action to eliminate a district.

Transportation Manager Stachelski added that a discounted rate has not yet been requested.

Chief Handy provided details of Recommendation No. 7 (Security Cameras Downtown). He addressed success stories and presented a video clip of a major assault and another with great bodily injury. He provided an update on additional cameras and presented staff recommendations.

Discussion followed regarding cameras at the heliport and savings in connection with security

cameras.

In response to Mayor Pro Tem Shaw's inquiry, Chief Handy reported there are signs indicating that people are being videotaped and the plan is to upgrade them when all of the cameras are in place and their positions are finalized.

Director of Community Services Laudenback presented details of Recommendation No. 8 (Trash Receptacles During Special Events) and staff recommendations noting that additional trash receptacles will be part of the conditions as part of the Special Events process.

Transportation Manager Stachelski presented Recommendation No. 9 (Downtown Signage) and addressed existing parking structures downtown and establishing a consistent signage program. Staff is researching costs and Transportation Manager Stachelski presented staff recommendations.

Councilmember Sullivan commented on a simple signage design used in the City of Monterrey.

Associate Planner Villasenor presented details of Recommendation No. 10 (Regulation/Limitation of Various Business Types Downtown) and addressed the results of research of other cities with similar regulations as those in Huntington Beach. She presented staff recommendations as listed in the report.

Mayor Pro Tem Shaw noted the need for additional information and suggested a study session to look at the kinds of businesses that need to be downtown and the type of regulations needed to ensure that the area is family-friendly, has a healthy mix of retail and alcohol uses and that will ensure the long-term success of downtown.

Councilmember Sullivan agreed with Mayor Pro Tem Shaw's comments.

Deputy Economic Development Director Fritzal provided details of Recommendation No. 11 (Employee Parking - Main Promenade) and addressed limiting the top level of the parking structure for employee parking. She added that 17 out of 22 respondents to the City survey believed their employees would not park at the top level of the structure, if designated as the majority preferred parking where their cars are covered. She presented staff recommendations on this matter.

Councilmember Sullivan commented on the possibility of using a color-coded sticker.

Councilmember Hardy indicated she does not see a need for monitoring who parks on the top level as anyone could park there. The top level could be designated for employees having a permit (at a discounted rate) and suggested that those who do not like to park in the top level could pay extra to park elsewhere.

Mayor Pro Tem Shaw noted that for people with limited means, the parking rates are high and stated that a solution would be to require, as a condition of use, that businesses pay for employee parking permits or make available a limited number of discounted parking passes.

Councilmember Sullivan commented on employees leaving work at late hours.

Associate Planner Villasenor presented details of Recommendation No. 12 (Residential Permit Parking) addressing the Coastal Commission approval process and unintended changes to the DTSP as well as staff recommendations.

Discussion followed regarding discussing the hours of the residential permit parking with the Coastal Commission, appealable and non-appealable zones, the number of streets in the non-appealable zone and the legality of walking on the path along Pacific Coast Highway at night.

Chief Handy provided details of Recommendation No. 13 (Parking Signage/Meter Enforcement) and addressed potential, unintended consequences including pushing cars further into neighborhoods and moving the problem to non-metered streets. He presented staff recommendations as listed in the report.

Mayor Pro Tem Shaw commented on the lack of funds for staffing and on the possibility of implementing meters on all streets.

Chief Handy suggested considering the matter on a broader scale, looking at a bigger plan and considering the incorporation of meters on additional streets.

Mayor Pro Tem Shaw commented positively on the possibility of expanding the use of meters downtown to non-meter streets.

Councilmember Sullivan commented positively on focusing on directing people to garages.

City Manager Wilson presented details of Recommendation No. 14 (Permanent Downtown Committee) and presented options for Council's consideration regarding the Downtown Task Force. He provided a summary of all of the recommendations and asked for input from Council.

Members of Council concurred with Recommendations No. 1, 2 and 3. Concerns were expressed regarding Recommendation No. 4 and staff was directed to bring the matter back as a study session or agenda item to consider incentives for employees to park in the structure including financial considerations and additional options.

Regarding Recommendation No. 5, Councilmember Boardman disagreed with staff's recommendations and stated she would like to see the matter move forward as a zoning text amendment. The matter will be brought back to Council for consideration.

Members of Council concurred with Recommendations No. 6, 7, and 8. Councilmember Sullivan expressed concerns with Recommendation No. 9 and asked that it be brought back for Council to consider more cost-effective options.

Members of Council concurred with holding a study session on Recommendation No. 10. Relative to Recommendation No. 11, the matter will be brought back for Council consideration.

Discussion followed regarding Recommendation No. 12 and Council concurred with staff's recommendations. Regarding Recommendation No. 13, Council noted the need for further discussion on the matter. Relative to Recommendation No. 14, Council concurred with Option No. 2 to create a new committee with three Council Members and downtown residents and conduct meetings as needed.

RECESS TO CLOSED SESSION – 5:26 PM

Mayor Harper announced: Pursuant to Government Code Section 54957.6.a, the City Council takes this opportunity to publicly introduce and identify designated labor negotiator City Manager Fred Wilson, who will be participating today in Closed Session discussions regarding labor negotiations with FMA, MEA, MSMA, PMA and/or POA.

A motion to recess to Closed Session Item Nos. 2-3 was approved by a consensus of Council.

CLOSED SESSION

2. **Pursuant to Government Code § 54957(b)1, the City Council recessed into Closed Session to consider employee discipline or dismissal.**

3. **Pursuant to Government Code § 54957.6, the City Council recessed to Closed Session to meet with its designated labor negotiators and Fred Wilson, City Manager regarding the following: FMA, MEA, MSMA, PMA and/or POA.**

6:00 PM – COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING – 6:20 PM

CLOSED SESSION REPORT BY CITY ATTORNEY - None

ROLL CALL

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
Absent: None

PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was led by Councilmember Jim Katapodis.

INVOCATION - Led by Father Christian Mondor of Sts. Simon & Jude Parish and the Greater Huntington Beach Interfaith Council.

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

AWARDS AND PRESENTATIONS

Mayor Harper called on Victoria Alberty and Gisela Campagne to present the Adoptable Pet of the Month.

Gisela Campagne, Director of Wagon Trails Rescue Foundation, invited residents to their Wags and Wine Fundraising event on Sunday, June 22, 2014, at the Waterfront Hilton. She introduced Pat with the Orange County Humane Society and presented a nine (9) year-old miniature poodle, Dorothy.

Pat thanked the City for allowing the presentation of the Adorable Pet of the Month. She provided a brief background on and description of Dorothy and encouraged the public to think about adoption, first. She added that the Pet of the Month is offered at discounted fees.

Mayor Harper invited all to the 100 Years of the 1914 Pier Commemoration Celebration June 22 at 11:00 AM at the Pier.

Mayor Harper announced the 100 Years of the 1914 Pier Commemoration Celebration on June 22, 2014, at 11:00 AM at the Huntington Beach Pier and invited residents to attend.

Mayor Harper presented a commendation to Ocean View High School Senior Thien-An Nguyen, as he was the only Huntington Beach student to receive a 2014 Disneyland Resort Scholarship. The Disneyland Resort gives 10 scholarships to Orange County high school seniors.

Mayor Harper invited Disney Ambassador Megan forward who presented a certificate to Ocean View High School Senior Thien-An Nguyen, as he was the only Huntington Beach student to receive a 2014 Disneyland Resort Scholarship in the amount of $7,500. She addressed eligibility requirements, including volunteering for a minimum of 150 hours and reported that Mr. Nguyen recently graduated as the class valedictorian. Megan listed Mr. Nguyen's accomplishments and qualifications and thanked him for his service to the community.

Mayor Harper presented him with a commendation for his accomplishments.

Mayor Harper called on Ken Inouye to present the Human Relations Commission Annual Report.

Ken Inouye, Chair of the Orange County Human Relations Commission, introduced colleagues Tim Cole and Minzah Malik and deferred to them for a presentation.

Mr. Cole and Ms. Malik presented details of the Human Relations Commission Annual Report and addressed civility in public forums, partnerships with cities, remediation, hate crimes and incidents, forums and accomplishments.

Mr. Inouye thanked the City for its support and acknowledged Police Chief Robert Handy for providing resources to the City. He presented Mayor Harper with a Certificate of Appreciation.

Councilmember Sullivan commented on his church's practice of placing a Nativity Scene outside the church during Christmas and reported that in 2012, it was desecrated. He asked what the Commission did in relation to that incident.

Mr. Inouye stated that he does not have personal knowledge of the incident but that he will research the matter and provide information regarding the outcome.

Councilmember Sullivan further explained that he is a Christian and commented on an artist by the name of Robert Mapplethorpe who immersed a crucifix in a jar of urine. He reported that the artist receives funds from the government and asked what the Commission would do if he were to do that in the City and whether the Commission feels that is a problem.

Mr. Inouye stated they would work with local officials to evaluate the issue. He added that many actions are protected by the First Amendment and noted the need to be mindful of the Constitution. He stated that the Commission is not an enforcement agency but rather tries to bring good people together to find solutions for problems.

Mayor Harper commented on the work done by the Commission in Orange County and on its responsiveness and complimented them on the work they do for the County and the City.

Mayor Harper presented a commendation to the Huntington Beach High School Head Volleyball Coach Craig Pazanti, coaching staff and the Oilers varsity volleyball team for its CIF Champions victory.

Mayor Harper presented a commendation to the Huntington Beach High School Head Volleyball Coach Craig Pazanti, coaching staff and the Oilers varsity volleyball team for its CIF Champions victory.

Coach Pazanti noted there were no losses during the entire season and listed the team's accomplishments.

Mayor Harper called on Director of Finance Lori Ann Farrell to present the Mayor's Award to Accounting Technician Supervisor Mark Fegan.

Director of Finance Lori Ann Farrell presented the Mayor's Award to Accounting Technician Supervisor Mark Fegan and commented on his experience, capabilities and accomplishments.

Mr. Fegan expressed his appreciation to the City and staff.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan L. Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet:

CONSENT CALENDAR

#7. Communication submitted by Travis K. Hopkins, Director of Public Works, dated June 16, 2014, submitting a corrected Attachment 3 (Exhibit A Commercial Rate Schedule Effective July 1, 2014).

COUNCILMEMBER ITEMS

#24. Communication submitted by Richardson Gray, dated June 12, 2014, supporting Councilmember Boardman's item to cap the alcohol licenses at the present level in District 1 of the Downtown Specific Plan.

#24. Communication submitted by Mike Heh, dated June 15, 2014, supporting Councilmember Boardman's item.

#25. Communication submitted by Mary Jo Baretich, dated June 13, 2014, supporting

Councilmember Sullivan's item authorizing that a letter be sent to Municipal Water District of Orange County opposing any efforts to change desalination from a "choice" service to a "core" service.

PUBLIC COMMENTS (3 Minute Time Limit)

(The number (hh:mm:ss) following the speakers' comments indicates their approximate starting time in the archived video located at http://www.surfcity-hb./org/government/agendas/).

Susan Welfringer, Manager for the Huntington Beach Downtown Business Improvement District (BID), expressed concerns with Councilmember Boardman's recommendation to direct staff to bring a zoning text amendment to Council for the purpose of capping alcohol licenses at the present level in District 1 in the Downtown Specific Plan (Item No. 24). She noted that the Downtown BID is opposed to the action and believed it would limit their ability to attract fine dining establishments to the area in the future. She addressed positive improvements and changes made and asked that Council trust in the leadership of Police Chief Handy in his efforts to provide a safe environment and to oppose the item. Additionally, she announced the Downtown Art Walk on June 19, 2014, and thanked those who participated in the recent Chili competition. (00:34:58)

Tim Geddes spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. (00:35:22)

Jerry Wheeler, President and CEO of the Huntington Beach Chamber of Commerce, commented on Item No. 23 regarding short-term vacation rentals with concerns about the proposed wording and what it may suggest in terms of it being easier to enforce a prohibition rather than current zoning regulations. He suggested taking a step back and reviewing how other communities have dealt with the issue without impacting personal property rights. He noted that short-term vacation rentals are a thriving business in the City and suggested regulating the business by imposing enforceable fines and penalties and creating a revenue stream for the City and accountability for homeowners. Additionally, he commented on maintaining personal property rights and stated there are options available that would preclude the need for another ban. (00:37:11)

Mayor Pro Tem Shaw encouraged Mr. Wheeler to remain in order to hear the matter being considered.

Mary Jo Baretich spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. (00:38:07)

Nancy Agostini spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. (00:41:15)

Merle Moshiri, President of Residents for Responsible Desalination, spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She addressed the importance of residents being given a choice and commented on the excessive cost of desalinated water and on the positive effects of

conservation, reclamation and recycling efforts. (00:41:59)

Michael Hoskinson reported attending a meeting regarding the General Plan Update and commented on the consultant (PMC) leading the meeting noting that she is a global warming expert and expert on the City's payment to her firm for the General Plan Update. He expressed concerns regarding the excessive price tag and lack of transparency in the General Plan process and stated that the process is fraudulent and unacceptable. He called on City Council to put a halt to the General Plan process, fire PMC and restart the process with the public being the primary driver as to the long-term direction of the City. (00:42:19)

Councilmember Boardman asked staff to clarify the public input that has gone into the process and the fact that it is required, by law, to update the General Plan every ten (10) years.

Director of Planning and Building Scott Hess reported that the City has a website that is devoted to the General Plan Update and addressed the General Plan Advisory Committee which is made up of representatives from all segments of the community and meets on a regular basis. He added that it is a two-to-three year process and that nothing is predetermined in the process. Staff is gathering technical data and taking community surveys. The public is welcomed to visit the website and take the survey and the process has another two years before it is completed.

Councilmember Boardman noted that in addition to the Advisory Committee, there are Sub-Committees in each of the different aspects of the General Plan and there are people from all segments from the community involved in the process.

Director of Planning and Building Hess provided information on websites that residents may visit to learn about the General Plan Update and participate in a survey including www.huntingtonbeachca.gov or www.hbthenextwave.org.

Councilmember Sullivan asked Mr. Hoskinson to call him and expressed concerns with the City hiring someone with preconceived ideas adding that this is not the first time he has heard similar complaints.

Debbie Cook spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She believed that the MWDOC is attempting to force north Orange County to subsidize two (2) desalination plants and commented on how water subsidies do not work. (00:44:34)

Craig Durfey, Garden Grove, commented on Resolution GA2014-2 relative to safety for walkers and bicyclists as well as on AB1371 and AB47 and urged that Council consider issuing "fix it" tickets for bicycles. Additionally, he spoke regarding distracted driving. (00:51:28)

Maureen Lawson commented on the building of the new Senior Center and suggested the possibility of placing it on the site of a vacant school or constructing a multi-story building on the current site. She commented on the importance of parking and looking at all possibilities when it comes to location. In addition, she spoke about impacts of large apartment complexes in the City and suggested limiting the number of apartment buildings in the City. (00:54:39)

Councilmember Sullivan commented on the multi-story Senior Center in Costa Mesa noting that

the firm running it is doing such a poor job that the City of Costa Mesa is considering taking over its control and commented on other multi-story senior centers in Orange County. He addressed sites and related issues considered for the Huntington Beach Senior Center.

Norma Vandermolen spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She expressed concerns with the Poseidon proposal adding that it would encumber the City with a terrible debt and that they do not have a good record of success. (00:58:22)

Mike Heh expressed support of Item No. 24, Councilmember Boardman's proposal to place a cap on alcohol licenses at the present level in District 1 in the Downtown Specific Plan noting there are over eight times the ABC's recommended number of alcohol licenses in the area. He added that downtown neighborhoods are being overrun with late-night bar patrons and commented on crime and DUI statistics in the City. (00:59:59)

Bill Cuppy commented on Item No. 23 proposed by Mayor Pro Tem Shaw regarding short-term rentals in the City. He asked that the wording of the proposal be changed to direct the City Attorney and staff to explore all possibilities of the future of short-term rentals in the City, including regulation, taxation and licensing of homes to be used for that purpose. He stressed that he does not support the concept of party houses and that not all vacation rentals become party houses as most are rented by families with children or people that travel with their pets and that not all short-term rentals are vacation rentals. (01:02:32)

Angie Karkut commented in support of Item No. 23 proposed by Mayor Pro Tem Shaw regarding short-term rentals in the City. She provided testimony relative to vacation rentals near her home and complained of noise, drunkenness and trash resulting from vacationing patrons. (01:02:58)

Mayor Pro Tem Shaw asked for Ms. Karkut's opinion if it would be helpful for the City to regulate occupancy levels and impose stricter noise requirements and fines. She stated that at one point, she felt that it may help but that patrons don't seem to follow the rules. She added that the owner runs the house as a business and noted that the area is not zoned as commercial, but rather as a residential area.

Joe Anello spoke regarding Item No. 23 noting that he is in favor of vacation rentals but also the right of property owners to be able to enjoy quiet on their property. He stated the increased regulations and enforcement could alleviate the problems being faced. He questioned whether regular tenants would be any quieter than vacation renters. He added that by considering other options, the City has an opportunity to increase its revenue as well as control the issues of complaint. He stated he is in favor of a dialogue on the matter and offered his help. (01:11:18)

Tim Boucher spoke regarding Item No. 23 and stated that vacation rentals should be regulated rather than prohibited. He believed that setting strict guidelines work very well and that the City would benefit from doing so. He expressed concerns with decreased property values and noted that vacation rentals are used by a variety of people. (01:11:29)

Randy Wells, Pacific Mobile Home Park, reported that residents have asked for a meeting according to State law and have never been given one by Star Management. He commented on how they have raised space rents, how they have caused people to lose their homes and why

they are doing so. He added that the reason a lease is needed is to retain home values and Mr. Wells reported that Star Management has promised to issue same but have not done so. He stated that home owners had a professionally-drafted lease generated and gave it to management but they claimed to have lost it. Star Management changed their conditions and claimed that the only people who will be given a lease are those who are trying to sell their homes. Mr. Wells reported that if people are not given a lease, it creates a loss in their property value. He asked that Mike Cerillo be removed. (01:17:43)

Kenneth Adler, vacation rental manager, spoke regarding Item No. 23 and referenced prior written communications he submitted to City Council. He commented on the recommendation for a clear prohibition and stated that an attorney would consider that arbitrary and capricious and added that higher fines discourage good renters. He commented on prohibitions on advertising and questions the constitutionality of same. He suggested that advertising without a permit or valid number be prohibited. He listed items that can be considered and regulated. (01:21:01)

Juana Mueller spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She hoped that Council will approve the letter. (01:24:10)

Dianne Thompson, Chairman of the Board of the Huntington Beach Chamber of Commerce, commented on Item No. 24 relative to the proposed cap on alcohol licenses for the downtown area and noted that it is clear there is a problem with alcohol in the downtown area. She added that the problem is with existing bars and restaurants, not with potential future restaurants and bars and that the cap will not stop those who bring their own alcohol to party. She believed that capping licenses would reward the businesses that are part of the problem. She addressed increased enforcement, visibility and education by the Police Department and suggested the need to see if their efforts are making a difference before enacting another ban in the City. (01:24:40)

Alison Goldenberg spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. (01:27:41)

Dr. Alison Stanley thanked Council Members who recently voted against repealing the use of wild and exotic animals in entertainment ordinance, especially Councilmember Boardman. She commented on the cruel and inhumane treatment of animals in transporting, confining and beating animals to control their behavior adding that there is nothing fun or educational about it. She encouraged the City to enforce the ordinance and not repeal it. (01:27:58)

Mark Dixon spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service and in strong opposition to the Poseidon desalination project. He advocated for a strong, effective initiative to raise everyone's consciousness about water conservation. (01:28:08)

Brenda Calvillo thanked Council Members who recently voted against repealing the use of wild and exotic animals in entertainment ordinance. She commented on the abuse and mistreatment of animals for entertainment including elephant rides. She noted there is a travelling zoo at a local Farmers' Market and complained they are in violation of the ordinance. She encouraged the

City to enforce its ordinance. (01:31:27)

John Ehlenfeldt, Vice President of Sales and Marketing with Visit Huntington Beach, spoke in opposition to Item No. 24 regarding placing a cap on alcohol licenses in the downtown area. He commented on the work of Police Chief Handy in enforcement and patrol of the area and noted the need for the City to continue and encourage fine dining establishments that will attract visitors and drive revenue to the community. (01:34:13)

John Earl commented on alcohol-related problems in the downtown area noting that not enough has been done to stop the problems. He spoke in support of Item No. 24 regarding placing a cap on alcohol licenses downtown. (01:34:35)

Amy Von Freymann spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She spoke on her behalf as well as her mother, father and her brother. She expressed concerns that the high price of desalinated water will drive prices up in many areas. (01:37:19)

Dr. Mikel Hogan spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. She added that this move would force member water agencies to buy Poseidon's water rather than retaining other options. (01:38:22)

Maria Laurienzo, Pacific Mobile Home Park resident, reported that the park recently got new pool furniture for $400 per month per resident. She thanked Councilmember Sullivan for supporting the City's seniors and announced he will be speaking at one of the Senior Mobile Home Parks on July 1, 2014, at 6:30 p.m. and urged interested residents to attend. (01:39:14)

Joe Geever, Surfrider Foundation, spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. He commented on the Poseidon project noting that MWDOC is considering a purchase agreement that would give Poseidon 30% more money for the water than the current estimate. He added that there is no good reason to give away choice when none of the important costs are known. In response to Mayor Harper's inquiry, Mr. Geever reported that Surfrider has no opposition to the Dana Point desalination project. (01:40:58)

Evelyn Oynebraaten commented on the Farmers' Market in the downtown area and specifically the petting zoo and expressed concerns that it may be exposing the produce to serious diseases. She reported that when she complained about the matter, she was harassed by the provider, Giddy Up Ranch, who photographed her with flashes that injured her left eye, placed a large parrot in front of her face and a shovel in front of her that was soiled with animal feces. She reported that there were no Police present to help and that the public wanted to intervene but was too scared to do so. She urged the City to protect its residents from potential diseases from farm animals that could contaminate the prepared food and produce offered by the Farmers' Market. (01:42:45)

Robert Hunter, General Manager of MWDOC, addressed the organization and its work and reported that the Orange County Water District (OCWD) is evaluating a water purchase

agreement with Poseidon, not MWDOC. He added that MWDOC is not considering forcing utilities to buy water and noted that the discussion of core versus choice has to do with their budget structure. He added that nineteen (19) of their member agencies have elected to be part of a work group to study what is said and presented about the Poseidon project and addressed the subscription for doing so. He reported that MWDOC has already passed its budget and that Huntington Beach subscribed as part of the work group, which is the "choice" part of the budget. He stressed this is not about taking the public's choice away and forcing them to buy expensive water. He stated he will be available for comment when the item is brought forward. (01:43:32)

Cheryl Bernstein thanked Council for upholding the prohibition of using wild and exotic animals for entertainment and commented on the importance of the issue. She stated she is proud to be part of a city that makes compassionate choices. (01:49:00)

Tamar commented on Item No. 23 adding that she owns and maintains seven (7) vacation rentals throughout the County. She addressed Huntington Beach as a vacation destination and commented on the people who use vacation rentals noting that they are typically, families with children, have sold their homes and are waiting to close escrow or remodeling their new purchases, snowbirds and people who attend for competitions such as the Equestrian Center. She stated that labeling a house as a vacation rental does not necessarily mean that it is a party house and that all vacation home owners must take responsibility for who they rent to. She suggested regulating vacation rentals would help the City in terms of controlling behavior and increasing revenue. (01:49:25)

Councilmember Boardman clarified that vacation rentals in Huntington Beach are not currently legal and their rental is already prohibited.

A speaker on behalf of Colette Chaillou, Pacific Mobile Home Park resident, noted that she is being removed from her house due to the proposed expansion. He reported that the group has offered $55,000 for the house and that she has been the victim of a sudden increase of $500 per month in space rental. He reported that she is confused through the process and that she entered into escrow on another house but that Star Management has refused to release her from her contract. He commented on Council's allocation of funds for Ms. Chaillou and others in her situation and reported that she will lose the money she put into the new house because Pacific Mobile Home Park will not release her. (01:52:56)

Mayor Pro Tem Shaw asked if staff is aware of the situation and reported receiving a call from a friend asking how the City can help. He explained the situation and noted that because Pacific Mobile Home Park will not settle with Ms. Chaillou, she will lose her down payment on the new home.

Deputy Economic Development Director Kellee Fritzal reported that staff is working on this with the Assistant City Manager and City Attorney and that they may have an answer by the end of the day, tomorrow. She asked for Ms. Chaillou's contact information in order to follow-up directly.

Councilmember Sullivan asked that Council be kept informed as to the results of that situation.

Councilmember Carchio noted this is not an isolated case and stressed the need to get it under control. He stated the City needs to put pressure on mobile home management companies who seem to be changing the rules.

Deputy Economic Development Director Fritzal reported that a meeting will be set with property owners and Star Management to see what can be done on this matter.

Lorik Bernstein thanked Councilmembers Boardman, Hardy and Katapodis and Mayor Pro Tem Shaw for voting to continue the ban on using exotic and wild animals in Huntington Beach. She added that Huntington Beach is known as a compassionate city and would like to stay that way. (01:57:58)

Lori Ann Robeson spoke in support of Item No. 25, Councilmember Sullivan's proposal of issuing a letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service. (01:58:33)

Karen Chepeka, animal advocate, noted she worked closely with Councilmember Boardman in the original drafting of the ordinance to ban the use of exotic and wild animals for entertainment in the City and protect public safety. She added that Mayor Harper attempted to rescind the ordinance, calling it obsolete as there is no space in the City to have a circus. Ms. Chepeka reported that the ordinance is far more than just a "circus" ordinance and listed other situations prevented by same. She addressed a comment by Councilmember Sullivan that circuses were an educational experience and suggested whale-watching as an educational experience. She thanked Mayor Pro Tem Shaw and Councilmembers Boardman, Katapodis and Hardy for their courage in doing what is right for the animals and keeping this ordinance in place. (01:58:55)

COUNCIL COMMITTEE - APPOINTMENTS - LIAISON REPORTS AND ALL AB 1234 DISCLOSURE REPORTING

Councilmember Katapodis reported attending a 25th Annual USC-SCAG Demographic Workshop on June 5, 2014.

Mayor Pro Tem Shaw, Human Relations Task Force Liaison, commented on the Orange County Human Relations Committee Annual Report and felt they were disrespected. He added that they are community volunteers and that the City of Huntington Beach has been a leader in Human Relations. He commented on the creation of the Task Force in response to hate crimes in the City and on the unanimous passing of a Declaration of Policy about Human Dignity initiated by former Councilmembers Shirley Dettloff and Ralph Bauer. He read a passage from the latter noting that "everyone should be treated with courtesy and respect regardless of their racial background, their nation of origin, the religion they practice, their sexual orientation, gender or disability status. It is the right of all citizens to pursue their daily lives with the knowledge that they will not be physically harmed or verbally abused". He commented positively on the Human Relations Task Force and the Declaration and stated he will continue the work to create better human understanding which is the same thing that the Orange County Human Rights Commission does. Mayor Pro Tem Shaw noted he has a lot of respect for Councilmember Sullivan noting that when he speaks, he listens because usually he speaks wisdom but that tonight, he did not hear that and apologized to representatives of the Orange County Human Relations Commission for the way they were treated.

Mayor Harper asked that Council Members limit their comments to Council Committees, liaison reports and AB1234 disclosure reporting. He urged Council Members to reserve comments for that portion of the meeting.

Councilmember Boardman announced the next meeting of the Compassionate Cities Committee on Wednesday, June 18, 2014, in Room B-8 at 7:00 p.m. She added that the Committee is in the process of organizing events for the Compassion Games between September 11 and 21, 2014, which will be acts of service or days of service in the community.

Councilmember Sullivan noted he was on vacation and stated he will address Mayor Pro Tem Shaw at the appropriate time in the meeting.

Councilmember Carchio reported speaking before the California Coastal Commission on June 11, 2014.

CITY MANAGER'S REPORT

City Manager Fred Wilson provided information on the Library's new Book Shack noting that it will be unveiled on Saturday, June 21, 2014, at the pier.

CONSENT CALENDAR

Councilmember Sullivan pulled Items No. 7, 10, 11, 15, 17 and 21 for separate discussion and consideration.

Mayor Harper pulled Items No. 5 and 8 for separate discussion and consideration.

Councilmember Katapodis recused himself from Item No. 12 as the project is near his place of residence.

1. Approved and adopted minutes

A motion was made by Councilmember Carchio, second by Councilmember Boardman to review and approve the City Council/Public Financing Authority regular meeting minutes dated May 5, 2014, the City Council/Public Financing Authority regular meeting minutes dated May 19, 2014, and the City Council/Public Financing Authority regular meeting minutes dated June 2, 2014 as written and on file in the office of the City Clerk.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

2. Received and filed the City of Huntington Beach Strategic Plan Update

A motion was made by Councilmember Carchio, second by Councilmember Boardman to receive and file the Twelve-Month Strategic Objectives.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

3. Approved Appointment of Kay Cowling for a first term to the Historic Resources Board (HRB)

A motion was made by Councilmember Carchio, second by Councilmember Boardman to approve the appointment of Kay Cowling to a first term on the Historic Resources Board expiring June 30, 2017.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

4. Approved Youth Board appointments and reappointments with terms to expire June 2015 as recommended by City Council liaisons, Mayor Harper and Councilmember Hardy

A motion was made by Councilmember Carchio, second by Councilmember Boardman to, as recommended by City Council Member liaisons Matthew M. Harper and Jill Hardy, approve the reappointment of the following students to a one-year term on the Huntington Beach Youth Board with terms to expire June 2015: Austin Smith – Edison High School Representative; Aurora Johnson – Huntington Beach High School Representative; Melissa Applebee – Marina High School Representative and, as recommended by City Council Member liaisons Matthew M. Harper and Jill Hardy, approve the appointment of the following students to a one-year term on the Huntington Beach Youth Board with terms to expire June 2015: Amanda Boyd – Edison High School At-large Representative; Darby Hughes – Edison High School At-large Representative; Natalie Anzivino – Huntington Beach High School At-large Representative; Mallory Matsumae – Marina High School At-large Representative; Ariana D'Zmura – Ocean View High School Representative; Hailey Hoyt – Ocean View High School At-large Representative.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

5. Adopted Resolution No. 2014-26 approving the Pay Schedule for Part-Time Non-Permanent and Non-Classified Employees to comply with the State of California minimum wage law

Mayor Harper asked for clarification and City Manager Wilson reported that these are positions requiring changes due to the State mandate. He added that there are only a handful of positions that will be subject to the minimum wage increase.

A motion was made by Mayor Harper, second by Councilmember Carchio to adopt Resolution No. 2014-26, "A Resolution of the City Council of the City of Huntington Beach Adopting the Updated Pay Schedule for Part-Time Non-Permanent and Non-Classified Employees. Effective July 1, 2014."

The motion carried with the following vote:

AYES:	Katapodis, Shaw, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Hardy (Out of the Chambers)

6. Adopted Resolution No. 2014-20 approving Amendments to the City's Classification Plan by adding the job classification of Code Enforcement Supervisor and establishing compensation

A motion was made by Councilmember Carchio, second by Councilmember Boardman to adopt Resolution No. 2014-20, "A Resolution of the City Council of the City of Huntington Beach Amending the City's Classification Plan by Adding the Job Classification of Code Enforcement Supervisor and Establishing the Compensation."

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

7. Adopted Resolution No. 2014-28 adjusting Residential Refuse Rates and Received and Filed 2014 the Commercial Refuse Rate Schedule

Councilmember Sullivan commented on the fairness of the methodology by which residential and commercial solid waste rates are determined, noting that it is done by a combination of CPI, gate fees at the dump sites, and fuel costs. He pointed out that Rainbow Environmental Services is charging less than what they are entitled to and commended them for doing so.

Councilmember Boardman pointed out that during nine (9) of the last fifteen (15) years, Rainbow has taken less than the formula allows and that staff just negotiated with them for a lower rate increase. She thanked City staff for its efforts.

Councilmember Katapodis thanked Rainbow Environmental Services for their efforts.

Councilmember Carchio commented on increased landfill percentages and commended Rainbow Environmental Services for keeping fees down.

Councilmember Boardman provided information on the current and proposed fees.

A motion was made by Councilmember Sullivan, second by Councilmember Carchio to adopt Resolution No. 2014-28, "A Resolution of the City Council of the City of Huntington Beach Adjusting Residential Refuse Rate Charge by the Formula Established in the Revised and Restated Refuse Collection and Disposal Services Franchise Agreement as Ratified on March 21,

2011;" and, receive and file the rate sheet for Commercial Solid Waste collection and disposal service effective July 1, 2014, as amended by Supplemental Communication replacing Attachment 3, Exhibit A, "Commercial Rate Schedule Effective July 1, 2014.

The motion carried with the following vote:

AYES:	Katapodis, Shaw, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Hardy (Out of the Chambers)
ABSTAIN:	Harper

8. Adopted Fee Resolution No. 2014-25 revising and restating the Fee Schedule for Civil Fines for Municipal Code Violations to reference the current Fire Code Section

Mayor Harper requested clarification regarding new fees or increases in existing fees.

City Manager Wilson noted there are no new fees or increases in existing items in relation to this item.

Fire Chief Patrick McIntosh added that every three (3) years, the City adopts its Uniform Code so that this matter is simply to state the correct code section in the most recently adopted version of the Uniform Code.

A motion was made by Mayor Harper, second by Mayor Pro Tem Shaw to adopt Resolution No. 2014-25, "A Resolution of the City Council of the City of Huntington Beach Revising and Restating the Fee Schedule for Civil Fines for Municipal Code Violations."

The motion carried with the following vote:

AYES:	Katapodis, Shaw, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Hardy (Out of the Chambers)

9. Adopted and authorized recordation of Resolution No. 2014-27 ordering the Summary Vacation of an existing Sidewalk/Pedestrian Access Easement at the Pacific City Commercial Development

A motion was made by Councilmember Carchio, second by Councilmember Boardman to adopt Resolution No. 2014-27, "A Resolution of the City Council of the City of Huntington Beach Ordering the Summary Vacation of a Pedestrian Ingress and Egress Easement on Property Located at Pacific City (Tract Map Number 16338)" (for sidewalks, pedestrian ingress and egress and access purposes) at the commercial/retail portion of Pacific City; and, instruct the City Clerk to record said Resolution (and attachments) with the Orange County Recorder.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

10. Adopted Resolution Nos. 2014-23 and 2014-24 which call for and consolidate with the County to conduct the General Municipal Election for City Officers (4 City Council Members and 1 Attorney) to be held on November 4, 2014

Councilmember Sullivan congratulated Mayor Harper for getting into a runoff for the Assembly position and noted that Mayor Harper has chosen to go for the Assembly office rather than for City Council.

Mayor Harper noted the prohibition to run for incompatible offices and noted these are two (2) incompatible offices. Therefore, he will not be running for re-election for City Council.

A motion was made by Councilmember Sullivan, second by Councilmember Katapodis to adopt Resolution No. 2014-23, "A Resolution of the City Council of the City of Huntington Beach, California, Calling for the Holding of a General Municipal Election to be held on Tuesday, November 4, 2014 for the Election of Certain Officers as Required by the Provisions of the Huntington Beach City Charter;" and, adopt Resolution No. 2014-24, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange to Consolidate a General Municipal Election to be held on Tuesday, November 4, 2014 with the Statewide General Election to be Held on that Date Pursuant to Section 10403 of the Elections Code."

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES:	None

City Clerk Flynn reported that if an incumbent who is able to run because his/her term limit has not been reached does not run, it extends the nomination period for five (5) days for everyone else.

11. Approved and authorized execution of a three-year Services Agreement with the City of Newport Beach for Public Safety Helicopter Services

Councilmember Sullivan asked whether the rate being charged to Newport Beach is compatible with the rate being charged to Costa Mesa.

Police Chief Handy stated the rates are the same and that CIP index increase ability was added to the contract which will allow adjusting the contract, as necessary.

In response to Councilmember Boardman's inquiry regarding appropriate staffing in case of a natural disaster, Chief Handy stated that on most days, three (3) helicopters could be manned to provide emergency services to all three (3) cities. He added that currently, there are a couple of pilots in training as well.

Councilmember Carchio commented on shared services noting that Huntington Beach is a leader in same. He thanked Police Chief Handy for his efforts.

Mayor Harper commented on prioritizing and maximizing City resources.

Councilmember Sullivan commented on the noise and benefits of helicopters in terms of public safety.

Councilmember Katapodis commented on the importance of helicopters in all aspects of police work.

A motion was made by Councilmember Sullivan, second by Councilmember Katapodis to approve and authorize the Mayor and City Clerk to execute the "Services Agreement For Public Safety Helicopter Support Between the City of Huntington Beach and the City of Newport Beach."

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES:	None

12. Awarded and authorized execution of a construction contract in the amount of $2,337,119.00 to All American Asphalt for the Residential Overlay of Maintenance Zone 11 including the Rehabilitation of Craig Lane and Edmonds Circle, CC-1477

A motion was made by Councilmember Carchio, second by Councilmember Boardman to accept the lowest responsive and responsible bid submitted by All American Asphalt in the amount of $2,337,119.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approval by the City Attorney.

The motion carried with the following vote:

AYES:	Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)
RECUSED:	Katapodis

13. Awarded and authorized execution of a construction contract in the amount of $173,761.00 to Excel Paving Company, for the Northbound Beach Boulevard Improvements, CC-1454; and approved an appropriation of $136,331 in ACE grant funds; and approved the appropriation of $30,000 from the Gas Tax fund; and authorized up to fifteen percent (15%) in construction change orders

A motion was made by Councilmember Carchio, second by Councilmember Boardman to accept the lowest responsive and responsible bid submitted by Excel Paving Company, in the amount of $173,761.00; approve an appropriation of $136,331 in ACE grant funds to OCTA Beach/Edinger Grant Account No. 121090001.82700; approve the appropriation of $30,000 from the Gas Tax fund undesignated fund balance to Account No. 20790023.82700; authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to approve up to fifteen percent (15%) in construction change orders.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio

NOES: None
ABSENT: Shaw (Out of the Chambers)

14. Approved and authorized execution of Professional Services Contract with Harris & Associates to provide engineering services to complete the design of the intersection widening of Brookhurst Street and Adams Avenue

A motion was made by Councilmember Carchio, second by Councilmember Boardman to approve and authorize the Mayor and City Clerk to execute a professional services agreement with Harris & Associates to provide engineering services for an amount not to exceed $350,000.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES: None
ABSENT: Shaw (Out of the Chambers)

15. Approved and authorized execution of an Agreement for Temporary Assignment of State of California Office of Emergency Services (Cal OES) Fire Engine to the Huntington Beach Fire Department

Councilmember Sullivan requested clarification in terms of the City incurring additional personnel costs.

Fire Chief McIntosh reported that any repairs over $100 would be the responsibility of the State. He added that typically, the State would reimburse the City for personnel costs along with a 16% administrative rate. He added there would be no additional personnel or training costs.

A motion was made by Councilmember Sullivan, second by Councilmember Katapodis to approve and authorize the Fire Chief to execute the "State of California Office of Emergency Services Fire and Rescue Division Agreement for Temporary Assignment of Vehicular Equipment."

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES: None

16. Approved and authorized execution of Amendment No. 1 to the Agreement between the City and DLR Group for preparation of plans and specifications for Senior Center building; and, authorized appropriation of funds

A motion was made by Councilmember Carchio, second by Councilmember Boardman to approve and authorize the Mayor and City Clerk to execute "Amendment No.1 to Agreement Between the City of Huntington Beach and DLR Group for Preparation of Plans and Specifications for Senior Center Building;" and, authorize the appropriation of $81,000 from the Park Acquisition and Development Fund balance (Fund 209) to Central Park Senior Center account 20945005.82800.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

17. Approved and authorized execution of a Cooperative Agreement between the Orange County Transportation Authority (OCTA) and City for Measure M Project V Program grant funding to implement free shuttle service on July 4th and on weekends during the US Open of Surfing; and, authorized appropriation of funds

Mayor Harper commented on ensuring that there are transportation funds to be able to handle the City's large event and thanked staff for pursuing this.

Councilmember Sullivan thanked Mayor Harper for his efforts and asked regarding the inclusion of weekends during the U.S. Open of Surfing.

Project Manager Simone Slifman provided a short presentation addressing the dates of the U.S. Open of Surfing transportation service. She addressed the times, dates and locations of the shuttle service during the 4th of July holiday and for the U.S. Open of Surfing. She added that additional information is available on the City's website.

Mayor Harper commented on the transportation service connection to the Golden West College Transportation Center.

In response to Councilmember Boardman's inquiry regarding shuttle service to and from City Hall from Memorial Day to Labor Day, Project Manager Slifman reported that the funding is not available to run the full program at this time. She added that staff is looking for additional funding for the future.

Councilmember Katapodis commended Ms. Slifman for her efforts.

A motion was made by Councilmember Sullivan, second by Mayor Pro Tem Shaw to approve and authorize the Mayor and City Clerk to execute "Cooperative Agreement No. C-3-1845 Between Orange County Transportation Authority and City of Huntington Beach for Project V Community-Based Transit/Circulators;" and, appropriate $93,287 over a seven-year period for the OCTA-funded portion of the program.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES:	None

18. Adopted Housing Authority Resolution No. 04 approving execution of a Second Amendment to the Joint Exercise of Powers Agreement to include the Housing Authority as a member of the Huntington Beach Public Financing Authority

A motion was made by Boardmember Carchio, second by Boardmember Boardman to adopt Housing Authority Resolution No. 04, "A Resolution of the Governing Board of the Huntington Beach Housing Authority Approving the Execution and Delivery of a Second Amendment to Joint

Exercise of Powers Agreement and Other Matters Related Thereto Relating to the Huntington Beach Public Financing Authority;" and, authorize the Executive Director to execute any agreements and take any actions necessary in furtherance of the amendment.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

19. Adopted Resolution No. 2014-29 approving execution of a Second Amendment to the Joint Exercise of Powers Agreement to remove membership of the Successor Agency and include the Housing Authority as a member of the Huntington Beach Public Financing Authority

A motion was made by Councilmember Carchio, second by Councilmember Boardman to adopt Resolution 2014-29, "A Resolution of the City Council of the City of Huntington Beach Approving the Execution and Delivery of a Second Amendment to Joint Exercise of Powers Agreement and Other Matters Related Thereto Relating to the Huntington Beach Public Financing Authority;" and, authorize the City Manager to execute any agreements and take any actions necessary in furtherance of the amendment.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

20. Adopted Successor Agency Resolution No. 2014-03 approving execution of a Second Amendment to the Joint Exercise of Powers Agreement to remove the membership of the Successor Agency and include the Housing Authority as a member of the Huntington Beach Public Financing Authority

A motion was made by Boardmember Carchio, second by Boardmember Boardman to adopt Successor Agency Resolution 2014-03, "A Resolution of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Execution and Delivery of a Second Amendment to Joint Exercise of Powers Agreement and Other Matters Related Thereto Relating to the Huntington Beach Public Financing Authority;" and, authorize the Executive Director to execute any agreements and take any actions necessary in furtherance of the amendment.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Harper, Boardman, Sullivan, Carchio
NOES:	None
ABSENT:	Shaw (Out of the Chambers)

21. Adopted Ordinance No. 4027 approving an Amendment to Development Agreement No. 11-001 with Sares-Regis Group (Developer) and Freeway Industrial Park

(Property Owner) for the Boardwalk Mixed Use Project
Approved for introduction June 2, 2014
Vote: 6-1 (Sullivan - No)

Councilmember Sullivan pulled the item to publicly voice his opposition to the project.

A motion was made by Councilmember Boardman, second by Councilmember Katapodis to adopt Ordinance No. 4027, "An Ordinance of the City of Huntington Beach Adopting the First Amendment to the Development Agreement By and Between the City of Huntington Beach and Freeway Industrial Park (Property Owner) and Sares-Regis Group (Developer)" (Development Agreement No. 11-001).

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Harper, Boardman, Carchio
NOES:	Sullivan

ORDINANCES FOR INTRODUCTION

22. Approved for introduction Ordinance No. 4028 amending Huntington Beach Municipal Code Chapter 10.44 related to oversized vehicle parking regulations, exceptions, and overnight parking in a commercial or industrial district

Police Chief Handy presented details of the staff report addressing background and the basis for the ordinance. He highlighted and detailed each of the proposed changes to the ordinance. He added that the main motive was to have the City get more in line with the California Vehicle Code and with what neighboring cities are doing.

Councilmember Sullivan commended Chief Handy for his efforts and commented on the amount of time allowed for oversized vehicles to be parked on City streets. He asked regarding the possibility of being more restrictive in this regard.

Chief Handy stated that the City could be more restrictive and that in the past, recreational vehicles were eligible for an eight (8) day permit and for two (2) permits per month. The time has been cut back to twelve (12) days with a four (4) hour grace period for loading and unloading. He addressed the process for handling complaints as well as the penalties involved.

Councilmember Boardman noted these are changes to regulations on public streets and does not impact private driveways and Chief Handy responded affirmatively.

Councilmember Katapodis thanked Chief Handy for his work and efforts on this item.

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to after the City Clerk reads by title, approve for Introduction Ordinance No. 4028, "An Ordinance of the City of Huntington Beach Amending Chapter 10.44 of the Huntington Beach Municipal Code Relating to Parking – Time Limits" (Oversized Vehicle Parking Regulations, Exceptions, and Overnight Parking in a Commercial or Industrial District).

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Boardman, Sullivan, Carchio
NOES: Harper

COUNCILMEMBER ITEMS

23. Submitted by Mayor Pro Tem Shaw - Direct City Attorney to draft an Ordinance to enhance the enforcement of the prohibition of Short-Term Vacation Rentals

Mayor Pro Tem Shaw reported receiving many citizen complaints regarding vacation rentals downtown. He reported meeting with the City Attorney and the Chief of Police to discuss ways to enhance enforcement. He acknowledged there may be options of making the problem turn around and be able to advance the policy objectives of having no party houses by regulating and allowing the use of vacation rentals and asked staff to return with a compare and contrast comparing cities with vacation rentals and prohibiting same (i.e., Palm Springs, Newport Beach and others). He reported he has expanded his ideas of what possible solutions could be and would like Council to consider not only stepping up enforcement, but all of the possibilities for creating a quieter atmosphere downtown with respect to vacation rentals.

Councilmember Boardman stated she has received many complaints from downtown residents about the impacts of party vacation homes on their quality of life. In her research, she found there are people who are renting out rooms in their homes while owners are still there and felt these are not the source of the problem although the City's current ordinance prohibits doing so. She added there are fifty-five (55) sites all over the City offering vacation rentals and listed the prices being charged. She stated she would appreciate hearing from residents who live near a vacation rental home that may not be problematic as well as those where they are problematic. She added that Code Enforcement is reactive and responds when complaints are received. She stressed that vacation rentals are currently not legal in the City.

Councilmember Sullivan commended Mayor Pro Tem Shaw for bringing the item forward and agreed with the idea of finding out what other cities are doing in deciding what is best for Huntington Beach. He added that he was intrigued at the possibility of increasing revenue for the City.

Mayor Harper stated that just because something is prohibited in the City doesn't mean that it doesn't happen. He added that he has heard many firecrackers over the last few weeks and addressed the possibility of legalizing and regulating vacation rentals in the City.

Councilmember Hardy commented on long-term rentals and parties and asked regarding the enforcement process.

Chief Handy reported that the Police Department does some enforcement but primarily supports Code Enforcement in their efforts.

Director of Planning and Building Hess reported that Code Enforcement works with the Police Department in terms of noise and nuisances in the early morning hours but stated that staff doesn't wait six (6) months for enforcement.

Chief Handy reported on the enforcement process noting that there is a first-time warning and that

subsequent fines can be up to $1,000. He added that the warning does not cover an extended period of time.

City Attorney Jennifer McGrath reported it would be $1,000 for a twelve-month calendar from the first day it was issued.

Police Chief Handy reported that the fine goes to the occupant for noise citations and if it is a vacation rental, the fine goes to the property owner.

Councilmember Hardy hoped that there could be a different set of standards or consequences for vacation rentals. She added that prohibition is not the solution and agreed with considering establishing regulations.

Chief Handy clarified that the notice of violation is good for thirty (30) days.

Councilmember Katapodis asked about the citation process for vacation rentals.

Mr. Hess stated that the City will issue a warning notice and if staff can substantiate that they continue to violate, a $250 fine will be issued with a thirty (30) day period to respond. After that it elevates to $500 or $1,000 per day. He noted there is a limited ability to monitor websites and reported if there are addresses provided; the City is able to send notices and follow-up. He added that enforcement is complaint-based.

Councilmember Katapodis commented positively on considering regulating vacation rentals. He encouraged residents to email him regarding the matter.

Mayor Pro Tem Shaw commented on the possibility of restricting occupancy and noted there are a lot of options to consider.

Councilmember Carchio commended Mayor Pro Tem Shaw for bringing this matter forward and noted that the City is losing a lot of money. He stated that the City should look at a strong ordinance and make sure that the minority of people that create the problems are covered. He suggested including a requirement that the property owner must post a bond which will be forfeited upon violations.

Councilmember Hardy invited the Sunset Beach Homeowners Association to provide feedback on this matter.

City Manager Wilson suggested bringing the matter back at a study session and Mayor Harper agreed.

Councilmember Boardman encouraged staff to do independent research and "take with a grain of salt" information from anyone who is illegally profiting from short-term vacation rentals currently. In addition, she stated she would like to hear how other communities police their regulations.

Mayor Harper commented positively on evolution of this item and stated he will support the motion.

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Sullivan to direct City

staff to return with an ordinance comparing and contrasting ordinances from other cities that have vacation rentals such as Palm Springs and Newport Beach, and how they regulate them.

The motion carried with the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES: None

24. Submitted by Councilmember Boardman - Cap on Alcohol Licenses at the present level in District 1 in the Downtown Specific Plan

Councilmember Boardman provided background on this matter and clarified she is not proposing a ban on alcohol noting there are forty-two businesses within District 1 of the Downtown Specific Plan that currently sell alcohol on site. The proposal is not to reduce that number, but simply to cap it. She pointed out the location of District 1 and noted it is not all of the downtown area. She added that the ABC recommends there be five (5) alcohol licenses in an area that small. She reported that Pacific City has 27,000 square feet of restaurant space with permitted alcohol licenses which provides a lot of room for nice restaurants to locate and that the community can support good restaurants elsewhere besides District 1 of the Downtown Specific Plan. She commented on the success of restaurants at Bella Terra.

Mayor Harper expressed concerns regarding drawing the line on the types of businesses in the downtown area and stated that it is not the role of City Council to decide but rather free market.

Councilmember Hardy asked regarding the availability of data related to the types of businesses downtown.

Mr. Hess reported there are none available relative to the Downtown Specific Plan. He addressed Coastal Commission requirements for certain uses and that there are individual site requirements, but not for the entire downtown.

Councilmember Hardy commented on a restaurant that requested an entertainment permit and claimed to be a family restaurant but is not. She believed that forty-two alcohol licenses are enough and commented on nice restaurants that have converted into bars. She noted that alcohol permits run with the land, not with the business owner and City Council needs to be mindful of that. She stated she will support this matter.

Councilmember Sullivan commended Councilmember Boardman for bringing this item forward and that although he agrees with the concept; the area is a "combat zone" due to three (3) or four (4) bad bars. He stated wanting to encourage good restaurants in the downtown area and felt that if Council does the right thing and puts undesirable establishments out of business there can be a transition of Main Street over a period of time. He expressed concern that the matter would prohibit nice restaurants in the area. He stressed the need to do something about the downtown situation.

Mayor Pro Tem Shaw agreed that forty-two alcohol licenses in downtown are enough. He commented on closing Main Street on Tuesday nights and on the creation of Surf City Nights and reported there are a lot of good things happening downtown but that more needs to be done to curtail bad things. He reported there will be nice restaurants at Pacific City, that there are

opportunities for them in other areas of the City, and that downtown needs a more holistic mix of businesses. Restaurants and bars need to be farther apart and changes need to be made downtown. There is a toxic mix of businesses in the area that bring the wrong element to the City and until the City starts to plan its way out of that, problems will continue. He commented on making downtown family-friendly and believed this is the first step towards making that happen. He stated his support of the matter.

Councilmember Carchio stated that moratoriums do not work and tie hands for future growth. He believed that by implementing a cap on alcohol licenses, it increases the value of existing licenses. He stated there are a limited number of problem establishments within one (1) block and noted the need to enforce existing laws. He believed Chief Handy is moving in the right direction and stated that a moratorium will not improve the situation. He commented on the excessive rents in the downtown area and noted that restaurants have to serve alcohol because that is what the public demands. Councilmember Carchio stated there is a need to think carefully about this matter before jumping into it because of the strong ramifications for the future adding that it will tie the City's hands for future development.

Councilmember Katapodis stated he would not want to discourage nice restaurants from opening downtown and asked whether there is a way to be able to identify nice establishments as opposed to bars that claim they are restaurants.

Councilmember Boardman noted there is ample turnover of businesses with ABC licenses downtown. If a fine dining establishment had a strong interest in opening downtown, there would be, within a few months, an ABC license and spot available for that restaurant. She reiterated there are forty-two ABC licenses downtown and stated that is enough for the area. She expressed interest in Councilmember Katapodis's idea about ways of ensuring that the next restaurant will be of a certain quality and prevent more bars.

Councilmember Carchio commented on controlling problem bars downtown through the Police Department and ABC. He added that alcohol licenses are tied to food sales and suggested engaging ABC to verify the percentage of food sales to alcohol.

Mayor Pro Tem Shaw wondered if staff can determine if there is a way to make an exception for establishments in terms of a ratio of food sales to alcohol sales.

City Attorney McGrath noted there is a number of ways to address the issues including engaging ABC and only placing a moratorium on places that stay open past 10:00 PM as most fine dining restaurants do not stay open past 10:00 PM.

Councilmember Boardman suggested no more alcohol licenses for businesses that stay open past 10:00 PM.

Mayor Pro Tem Shaw agreed.

Councilmember Sullivan agreed and felt that it may be a good compromise. He noted he does not want any more alcohol licenses but believed the setting the closing time would be an acceptable solution.

Councilmember Katapodis agreed.

Councilmember Carchio asked if consideration could be given to weekend closing times.

Mayor Pro Tem Shaw asked Councilmember Boardman to consider that businesses downtown stay open an hour later on Friday and Saturday nights and asked to amend the motion to 10:00 PM on weekdays and Friday and Saturday nights at 11:00 PM.

Councilmember Boardman stated she will not accept the amendment noting that initially, she didn't want any closure limitation and felt this is a reasonable compromise.

Mayor Harper stated he and his wife enjoy downtown and find it to be a safe and enjoyable place to visit. He expressed disappointment at the way downtown is being portrayed and hoped that colleagues would not resort to scaring people away. He agreed with Councilmember Carchio's comments and spoke in support of the free market and opposed to governments picking winners and losers. He commented on the popularity of the Golden Bear and felt that this item would limit similar businesses in the downtown area.

A motion was made by Councilmember Boardman, second by Mayor Pro Tem Shaw to direct staff to bring to the City Council a Zoning Text Amendment capping alcohol licenses for businesses that stay open past 10:00 PM in District 1 of the Downtown Specific Plan area.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Boardman, Sullivan
NOES:	Harper, Carchio

25. Submitted by Councilmember Sullivan – Letter of opposition to Municipal Water District of Orange County (MWDOC) regarding changing Desalination from a "Choice" Service to a "Core" Service

Councilmember Sullivan introduced the item and addressed the rate structure for water noting that MWDOC is moving towards going by the connection charge which will in effect; have the City subsidizing South Orange County. Additionally, he noted that his objection to Poseidon is that they have never built a successful desalination plant and commented on Coastal Commission actions and new technologies available. He spoke against building a desalination plant in Huntington Beach and commented on problems with the City's streets being dug up.

Mayor Harper believed that in his lifetime, there will be a desalination plant in every beach city in California as a result of the drought situation. He asked regarding the relevancy of this specific action.

Robert Hunter, General Manager of MWDOC, reported it is not relevant to their budget as they have already passed it for the next fiscal year. He stated referenced language dealing with subsidies by the northern utilities for the southern utilities and reported that is not true and noted that over the years, MWDOC has built customers in various ways. He addressed the settlement agreement and noted that the agency is not dominated by districts. He explained the matter is not removing choice from citizens or compelling them to pay the higher price for desalination but rather that individual agencies can opt in or out. He added that eighteen (18) agencies have opted in for participating in a work group relative to Poseidon and is not in support or opposition to

Poseidon.

Mayor Harper asked for clarification regarding the OCWD and MWDOC and its relationship with the City.

Mr. Hunter explained the structure of the organizations, their roles and the City's direct representatives.

Councilmember Sullivan commented on the work group and asked regarding money paid by the City to participate in same.

Mr. Hunter reported that the budget is $3,000 per agency.

Councilmember Sullivan stated he does not want to pay anything and stated that the majority of people in the City do not want anything to do with a desalination plant. In terms of equal representation, he reported that it is different to having a Council Member deal with this issue versus people whose their entire elected job is to deal with water issues and noted there is an imbalance in terms of representation.

Mayor Pro Tem Shaw invited Joe Geever, Surfrider Foundation, to comment.

Mr. Geever expressed confusion related to the "Choice" program and stated that the difference between choice and core projects is the distribution of those projects. He believed that desalination facilities are somewhere in between adding that not everyone will benefit from them. He added that if the choice program is working, he cannot understand why it would be changed and spoke in support of Councilmember Sullivan's motion.

Mayor Pro Tem Shaw indicated he will support Councilmember Sullivan's proposal because the City has choices. He stated that the Poseidon project is a failed, free-market project noting there is no private investment that wants to invest in Poseidon. The only way it can become profitable is if the taxpayers bail it out and support it. He noted that the City does not want to give corporate welfare to Poseidon. He added that what happened in Australia could happen here and that this is fiscally irresponsible on the part of OCWD. He noted the need for reform of water districts in California and reiterated he will support the motion.

Councilmember Boardman indicated she will support the item as she opposes any change in the "opt out" of participation from choice to core. She added that not all agencies will benefit from desalinated water and believed it is appropriate that it remain a choice service and not a core service.

In response to Councilmember Katapodis's inquiry, Mr. Hunter reported that the MWDOC board passed the budget and commented on the work group adding that it is not about Poseidon but rather knowledge, discussion and understanding for utilities about what is happening with the project. He added there are core elements related to issues dealing with desalination in general and sub issues that apply to a large number of projects. He added that the letter will not impact the MWDOC budget but will impact the City's utility managers' ability to participate in the work group.

Mayor Harper noted the question at hand is whether or not to make comment on a budget that

has already passed.

Councilmember Hardy stressed that she does not support the Poseidon project and will be supporting the motion.

Councilmember Sullivan asked regarding other cities that oppose the project.

Mr. Hunter reported that some include Irvine Ranch Water District and the City of Brea. He added that the permitting community is holding off the project, not the financial community. Few agencies have subscribed to taking Poseidon water because of the high cost. He added this is not about supporting Poseidon but rather knowledge and analysis.

Councilmember Sullivan asked for copies of letters opposing the project from the City of Brea and the Irvine Ranch Water District.

Councilmember Carchio commented on discussions and votes at the IRC and noted this is not about Poseidon. The IRC voted to have it remain as a choice in the future, always and that if it were to change; it would need to be approved by City Council.

In response to Councilmember Sullivan, staff reported that no money has been sent to MWDOC.

A motion was made by Councilmember Sullivan, second by Councilmember Boardman to authorize a letter to Municipal Water District of Orange County (MWDOC) opposing any efforts to change desalination from a "Choice" Service to a "Core" Service and to "Opt Out" of participation in the existing "Choice" desalination service for fiscal year 2014/2015.

The motion carried with the following vote:

AYES:	Katapodis, Hardy, Shaw, Boardman, Sullivan
NOES:	Harper, Carchio

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Katapodis reported attending the Pacific City Hotel Ground Breaking Ceremony, the Open House at the Watertable Restaurant, the Third Annual Pacific Coast Dreamin' Barefoot Ball at Bolsa Chica State Beach and the Relay for Life event at Central Park. Additionally, he reported attending the California Coastal Commission meeting on June 11, 2014 and the Stacey Middle School Eighth Grade Exit Interviews.

Mayor Pro Tem Shaw noted his enthusiasm on all matters related to Downtown Huntington Beach. He reported attending the 2014 Surf City 7th Annual Chili Cook-off, the installation of the new Friends of the Library Officers, and the California Coastal Commission meeting on June 12, 2014, relative to The Ridge. He departed the meeting at 10:50 PM.

Councilmember Hardy congratulated the Community Service Program's (CSP) Huntington Beach Youth Shelter on their 8th anniversary. She thanked them for the resource.

Councilmember Boardman reported attending the California Coastal Commission meeting on June 12, 2014, regarding The Ridge project and the 2014 Surf City 7th Annual Chili Cook-off.

Councilmember Sullivan asked regarding the City's ordinance for campaign signs being taken down after elections and reported there is a sign for a gentleman named Boyd, who ran for the Orange County School Board and noted it needs to be removed as it is on the median on Edwards Hill.

City Attorney McGrath stated it is a violation of the Zoning Code but was unsure as to how it is being enforced.

Councilmember Sullivan suggested considering a financial penalty for not removing signs. Additionally, he addressed his comments to the Human Relations Commission and stated he does not apologize for them. He was surprised that Mr. Inouye did not know about the desecration of the Nativity scene and addressed his other comment regarding the artist Robert Mapplethorpe and his question regarding whether there can be hate crimes against Christians. He noted that the latter remained unanswered.

Councilmember Carchio reported attending the Ground Breaking Ceremony of Pacific City Hotel, the Open House of the Watertable Restaurant in the Hyatt Regency, the Hoag Hospital Foundation Reception, the Third Annual Pacific Coast Dreamin' Barefoot Ball at Bolsa Chica State Beach, the CSP Huntington Beach Youth Shelter 8th Anniversary Reception and Open House and the California Coastal Commission meeting.

Mayor Harper reported attending the Ground Breaking Ceremony of Pacific City Hotel, the Stacey Middle School Eighth Grade Exit Interviews, the Eagle Court of Honor for Kyle Graham, the Third Annual Pacific Coast Dreamin' Barefoot Ball at Bolsa Chica State Beach and the 2014 Girl Scout Gold Awards. Additionally, he attended the 25th Annual USC-SCAG Demographic Workshop, the CSP Huntington Beach Youth Shelter 8th Anniversary Reception and Open House, the California Coastal Commission meeting, the Huntington Beach High School Graduation and the Edison High School Graduation Ceremonies, the 2014 Surf City 7th Annual Chili Cook-off, the Eagle Scout Court of Honor for C. J. Mann, Billy Miller and Ryan Delcoure.

Mayor Harper reported that the final Surfboard on Parade was unveiled and a short video was presented on the event.

ADJOURNMENT – 11:06 PM

There being no further business to come before Council, Mayor Harper adjourned the meeting at 11:06 PM.

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Monday, July 07, 2014, at 4:00 PM in Room B-8, Civic Center, 2000 M Street, Huntington Beach, California.

City Clerk and ex-officio Clerk of the City Council/Successor Agency of the City of Huntington Beach, Secretary of the Huntington Beach Public Financing Authority and Housing Authority of the City of Huntington Beach, California

ATTEST:

City Clerk-Clerk-Secretary

Mayor-Chair