

## Minutes

### City Council/Public Financing Authority City of Huntington Beach

Monday, May 2, 2016  
4:00 PM - Council Chambers  
6:00 PM - Council Chambers  
Civic Center, 2000 Main Street  
Huntington Beach, California 92648

**A video recording of the 4:00 PM and 6:00 PM portion of this meeting  
is on file in the Office of the City Clerk, and archived at  
[www.surfcity-hb.org/government/agendas/](http://www.surfcity-hb.org/government/agendas/)**

#### **4:00 PM - COUNCIL CHAMBERS**

**CALLED TO ORDER** —4:01 PM by Mayor Pro Tem Sullivan

City Clerk Joan L. Flynn requested and was granted permission to be absent pursuant to City Charter Section 310 (a)

#### **ROLL CALL**

Present: Posey, O'Connell, Sullivan, Hardy, and Peterson  
Absent: Katapodis, and Delgleize (arrived 4:03 PM)

#### **ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS** (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, Assistant City Clerk Robin Estanislau announced supplemental communications that were received by her office following distribution of the Council Agenda packet:

For Study Session No. 1 — Mid-Year Budget Review, a PowerPoint presentation titled *City of Huntington Beach, FY 2015/16 Mid-Year Budget Update, May 2, 2016*, was submitted by Chief Financial Officer Lori Ann Farrell Harrison.

**PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS** (3 Minute Time Limit) — None

#### **STUDY SESSION**

- 1. Mid Year Budget Review – Presentation by Chief Financial Officer, Lori Ann Farrell Harrison, regarding Fiscal Year 2014/15 Audited and Financial Performance/ current FY 2015/16 projected budget performance; and preliminary FY 2016/17 Budget estimate.**

Chief Financial Officer (CFO) Lori Ann Farrell Harrison was joined by Roger Alfaro, Partner, and Jessica Anderson, Audit Manager, with Vavrinek, Trine, Day & Co. LLP, and the City's Finance Budget Manager Carol Molina-Espinosa, to present a PowerPoint entitled *Mid-Year Budget Update, May 2, 2016*, with the following titled pages: *Summary; FY 2014/15 Audit and Year-End Results; FY 2014/15 Audit Results; FY 2014/15 Performance (Audited); GASB 68 Accounting and Financial Reporting for*

*Pensions; GASB 68 Implementation; Before GASB 68; After GASB 68; FY 14/15 General Fund Expenditures; FY 14/15 General Fund Revenue; FY 14/15 General Fund Balance Designation; General Fund Balance FY 2014/15 Audited; FY 2015/16 Mid-Year Update; FY 15/16 General Fund Budget; FY General Fund Projection; Mid-Year Budget Adjustments; FY 2016/2017 Preliminary Estimates; FY 2016/17 General Fund Budget Estimates; FY 2016/17 Preliminary General Fund Baseline Overview; FY 2016/176 Revenue (Preliminary Estimates); Budget Challenges & Opportunities; General Fund Requests and Needs; City's Aging Technology System; Major Business Systems; Sample of Aging Business Systems; Pensions and Liabilities; Plans to Reduce Unfunded Liabilities; Section 115 Trust Benefits; FY 2016/17 Proposed Budget Calendar; and Questions?*

Councilmember O'Connell and Mr. Alfaro discussed safeguards in place to prevent illegal removal of funds, asset custody, reconciling transactions, controls, and safeguards as part of the audit process. They also discussed how the underfunded liabilities are determined by California Public Employees Retirement System (CalPERS) reports and are verified through the audit process.

Councilmember Posey, Councilmember Delgleize and CFO Farrell Harrison discussed that Transient and Occupancy Tax, property tax and sales tax revenue projections do include new development projects. It was also noted that development projects appear to currently be slowing down a bit compared to the last several years and approaching a more normal level.

Councilmember Hardy and CFO Farrell Harrison discussed the additional \$18,000 needed for the new Senior Center in the Park, and noted that the increase has been incorporated into next year's budget.

Mayor Pro Tem Sullivan and CFO Farrell Harrison discussed adjusting User Fees every several years rather than waiting five or six years, and the fact that the User Fee Study is a very intense and detailed process which most municipalities do on a three- to five-year basis.

**Mayor Pro Tem Sullivan Announced:** Pursuant to Government Code § 54957.6, the City Council takes this opportunity to publicly introduce and identify designated labor negotiator, City Manager Fred Wilson, who will be participating in today's Closed Session discussions regarding labor negotiations with: Huntington Beach Firefighters' Association (HBFA), Management Employees' Organization (MEO), Huntington Beach Police Officers' Association (POA), Marine Safety Management Association (MSMA), and/or Surf City Lifeguard Employees' Association (SCLEA).

**Mayor Pro Tem Sullivan Announced:** Pursuant to Government Code § 54957.6, the City Council takes this opportunity to publicly introduce and identify designated labor negotiator, Peter Brown, who will be participating in today's Closed Session discussions regarding labor negotiations with: Assistant City Manager, Chief Assistant City Attorney, Chief Financial Officer, Chief Information Officer, City Manager, Community Development Director, Community Services Director, Fire Chief, Human Resources Director, Library Services Director, Police Chief, and Public Works Director.

#### **RECESSED TO CLOSED SESSION — 5:05 PM**

A motion was made by O'Connell, second Posey to recess to Closed Session Item Nos. 2-7.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Hardy, Delgleize, and Peterson  
NOES: None

ABSENT: Katapodis

**CLOSED SESSION**

2. Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: James Poe vs. City of Huntington Beach, WCAB Case No. ANA 0360912, Claim No. COHB-02-0003.
3. Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Rick Stein vs. City of Huntington Beach, WCAB Case Nos. ADJ6899995 & ADJ9120917 Claim No. COHB-12-0018.
4. Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Ashley Shew v. City of Huntington Beach, et al., Orange County Superior Court Case No. 30-2014-00731472.
5. Pursuant to Government Code § 54956.9(d)(2) the City Council recessed into Closed Session to confer with the City Attorney regarding potential litigation. Number of cases, one (1).
6. Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiators and Fred Wilson, City Manager regarding the following: Huntington Beach Firefighters' Association (HBFA), Management Employees' Organization (MEO), Marine Safety Management Association, (MSMA), Huntington Beach Police Officers' Association (POA), and/or Surf City Lifeguard Employees' Association (SCLEA).
7. Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator Peter Brown, regarding the following: Assistant City Manager, Chief Assistant City Attorney, Chief Financial Officer, Chief Information Officer, City Manager, Community Development Director, Community Services Director, Fire Chief, Human Resources Director, Library Services Director, Police Chief, and Public Works Director.

**6:00 PM – COUNCIL CHAMBERS**

**RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:17 PM**

**CLOSED SESSION REPORT BY CITY ATTORNEY — None**

City Clerk Joan L. Flynn requested and was granted permission to be absent pursuant to City Charter Section 310 (a)

**ROLL CALL**

Present: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
Absent: None

**PLEDGE OF ALLEGIANCE** — Led by Councilmember Hardy

**INVOCATION** — Led by Penelope Nichols, member of the Church of Jesus Christ of Latter-day Saints and member of 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 Katapodis called on players from Huntington Beach NonStop, a local girls' under-13 soccer team representing Huntington Beach AYSO Region 55, who recently took second place in the Western States Championship in Bullhead City, Arizona.**

**Mayor Katapodis called on Community Services Director Janeen Laudenback who acknowledged staff involved with the HBTV-3 "Rec Report" and presented the California Park & Recreation Society's award to City Council.** Chris Slama, Matt Leffring, Molly Eumura, Kaci Thol and Erin Burke were introduced as Community Services staff involved in the production process.

**Mayor Katapodis presented a Proclamation to Assistant City Clerk, Robin Estanislau, Commemorating the 46th annual national observance of Municipal Clerk's Week — May 1st through 7th.**

**Mayor Katapodis called on Lisa Gray and her young son Jacob from Mothers Against Drunk Driving (MADD) who recognized officers from the Huntington Beach Police Department for their outstanding efforts in DUI enforcement. The officers received the "Deuce Award" which was presented to officers who made 25 or more DUI arrests during 2015.** Ms. Gray recognized Officers Stefani Williams, Bradley Smith, Roman Altima, Ty Nguyen, and Doug Demetre.

#### **ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS** (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, Assistant City Clerk Robin Estanislau announced supplemental communications that were received by the City Clerk's Office following distribution of the Council Agenda packet:

For Consent Calendar Item No. 13, regarding the Participation Agreement between the County of Orange and City of Huntington Beach for design and construction of new animal shelter, an email from Cynthia Benton and 13 new signatures to the online petition supporting a new animal shelter.

For Administrative Public Hearing Item No. 14, regarding the Annual Weed Abatement Program, an email from Shannon Armond.

For Administrative Item No. 17, communication received from Human Resources Director Michele Warren with an updated proposed Memorandum of Understanding for the Huntington Beach Management Employees' Organization.

**PUBLIC COMMENTS** (3 Minute Time Limit) — 17 Speakers

*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>.*

Karen Chepeka spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (01:36:29)

Barbara Beck spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (01:39:52)

Mike Van Voorhis, President of the Sunset Beach Community Association, spoke to announce the 49th Annual Sunset Beach Art Festival on May 7 and 8, 2016, 9 a.m. to 5 p.m., on the greenbelt between 7th and Broadway. All proceeds are shared with local school art programs and local area youth shelters. (01:41:42)

Jerry Brady spoke to share that he has brought exotic pets to downtown Huntington Beach for twenty-four years with no incidents. (01:44:46)

Joseph Lascola spoke to share his concerns about the illegal fireworks in the City which have already started this year. He asked the City to take a zero tolerance policy and start patrolling the neighborhoods for illegal fireworks. (01:45:37)

Lisa Brooks spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (01:48:02)

Bridget Kaub spoke in support of Councilmember Item Nos. 20 and 21 regarding regulation of treatment houses, which in her opinion should not be located in residential neighborhoods. (01:49:06)

Stephen Knight, Vice Chair of the Orange County Sober Living Coalition, spoke to suggest the laws that are already on the books be enforced to control the issues that some are reporting about the treatment houses in their neighborhoods, and he offered to help the City provide solutions. (01:52:24)

Beverly Wallace spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (01:55:48)

Rhonda S. Belcher spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (01:59:11)

Nan Kappeler spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (02:02:26)

Maureen spoke to share her frustrations with the Council Agenda order, and belief that City money should be spent on public safety issues rather than a new animal shelter. (02:04:24)

John Briscoe voiced frustration regarding what he calls the Huntington Beach emergency fee/tax/utility charge and how it affects young people who do not have insurance, or have not paid the \$60/year subscription fee for ambulance service. Mr. Briscoe stated that he has submitted a California Public Records Request for details on what he considers outrageous full price ambulance charges, but has not received a response. He also stated that there has been no rate study in the State to justify these costs. (02:06:01)

Lynn Copeland spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (02:09:09)

Brenda Calvillo spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (02:12:10)

Taylor Beach spoke in opposition to Consent Calendar Item No. 13 regarding a Participation Agreement for the design and construction of a new animal shelter and in support of utilizing the volunteers ready to help the City create its own no-kill animal facility. (02:13:53)

Nannette Capriccio spoke in support of Councilmember Item Nos. 20 and 21 regarding regulation of treatment houses, which in her opinion should not be located in residential neighborhoods. (02:14:37)

### **COUNCIL COMMITTEE - APPOINTMENTS - LIAISON REPORTS, AB 1234 DISCLOSURE REPORTING, AND OPENNESS IN NEGOTIATIONS DISCLOSURES**

Councilmember Posey reported attending the OCTax April Lunch Program, and the Association of California Cities - Orange County (ACC-OC) Installation of the 2016-2017 Board of Directors, and he congratulated one of the new Directors — Councilmember Delgleize.

Councilmember O'Connell reported meeting with the Huntington Beach Police Officers' Association (HBPOA), business owners trying to bring new business to the City, attending a homelessness meeting, the ACC-OC Installation of the 2016-2017 Board of Directors, Amigos of Bolsa Chica 40th Anniversary celebration, the OCTax April Lunch Program, Taste of Huntington Beach, Welcome Reception for Fire Chief David Segura, and the Kiwanis Golf Tournament.

Councilmember Peterson reported attending monthly meetings of the Sanitation District and Orange County Council of Governments (OCCOG).

Councilmember Delgleize reported attending the OCTax April Lunch Program, the Welcome Reception for Fire Chief David Segura, and the Association of California Cities - Orange County (ACC-OC) meeting.

Mayor Katapodis reported attending the Orange County Transportation Authority (OCTA) Board of Directors and Finance Committee meetings.

### **CITY MANAGER'S REPORT**

City Manager Fred Wilson thanked the Public Works Department for their quick response to a recent contractor breach resulting in a water main break at Walnut and Main.

## **CITY TREASURER'S REPORT**

### **1. Received and filed the City Treasurer's March 2016 Quarterly Investment Summary Report**

City Treasurer Alisa Cutchen presented the *City of Huntington Beach City Treasurer's Report for the Quarter Ending March 31, 2016*, a PowerPoint presentation with pages entitled *Economic and Market Overview January — March 2016; Portfolio Overview 03/31/2016; Portfolio Composition 03/31/2016; Maturity Details 03/31/2016; Book Value by Month 03/31/2016; Current Agency Holdings 03/31/2016; Agency Structure 03/31/2016; Corporate Holdings 03/31/2016; Portfolio Earnings; Conclusion and Questions.*

A motion was made by Sullivan, second Delgleize to receive and file the Quarterly Investment Report for March 2016, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

## **CONSENT CALENDAR**

Councilmember Posey pulled Consent Calendar Item No. 7 regarding participation in the Public Agencies Post-Employment Benefits Section 115 Trust.

Councilmember Hardy pulled Consent Calendar Item No. 10 regarding the Interstate 405 Freeway Improvement Project.

Councilmember Peterson pulled Consent Calendar Item No. 4 regarding Cal OES Violence Against Women Act Grant; Item No. 9 regarding a Cooperative Agreement between the City and Visit Huntington Beach (VHB); and Item No. 13 regarding a Participation Agreement for design and construction of a new animal shelter.

### **2. Approved and adopted minutes**

A motion was made by Sullivan, second Hardy to review and adopt the City Council/Public Financing Authority regular minutes dated April 18, 2016, as written and on file in the office of the City Clerk. The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

### **3. Approved Fiscal Year 2015/16 Mid-Year Budget Adjustments**

A motion was made by Sullivan, second Hardy to approve mid-year budget adjustments to the FY 2015/16 Revised Budget in the Funds and by the amounts contained in Attachment 1.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

- 4. Approved Cal OES Violence Against Women Act Grant for the 2016 calendar year which includes accepting the grant between the State of California, Governor's Office of Emergency Services (Cal OES) and the City; Approved the appropriation and expenditure of \$251,967, of which \$188,975 is to be fully reimbursed by the grant from Cal OES; and, Amended the Professional Services Listing to provide domestic violence services**

Councilmember Peterson pulled this item to discuss with Police Chief Handy the purpose of these funds which are renewed every three years.

A motion was made by Peterson, second O'Connell to accept the grant between the State of California Governor's Office of Emergency Services (Cal OES) and the City of Huntington Beach; and, approve the appropriation and expenditure of \$251,967, of which \$188,975 is to be fully reimbursed by the grant from Cal OES. The remaining \$62,992 will be funded from appropriations in the Police Department's budget; and, amend the Professional Services Listing to provide domestic violence services.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

- 5. Approved City Policy offering a reduced rate of \$125 per year for an Annual Beach Parking Pass for military veterans**

A motion was made by Sullivan, second Hardy to approve the proposed City Policy offering a reduced rate of \$125 per year for an Annual Beach Parking Pass for veterans.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

- 6. Approved Sole Source Procurement request with Precision Survey Supply for crime scene and infrastructure threat planning equipment upgrades; authorized appropriation \$99,407.52 from the Narcotics Forfeiture Federal Fund; and, authorized trade in of current scanner**

A motion was made by Sullivan, second Hardy to approve a Sole Source Procurement request with Precision Survey Supply for crime scene and infrastructure threat planning equipment; and, appropriate \$99,407.52 from Account 21270101.83700 and authorize the Chief of Police to purchase the crime scene and infrastructure threat planning equipment; and, authorize the Chief of Police to trade in the current Leica C10 scanner for a trade in value of \$36,000.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**7. Adopted Resolution No. 2016-24 authorizing participation in the Public Agencies Post-Employment Benefits Section 115 Trust administered by Public Agency Retirement Systems (PARS) to Pre-Fund Pension and other Post Employment Benefits and Deposit an Additional Funding \$1.5 million into the Trust**

Councilmember Posey pulled this item to discuss with Chief Financial Officer Farrell Harrison how it would be possible to elevate the underfunded liabilities from 69 percent to 80 percent.

Councilmember O'Connell discussed possible ways to find additional resources which could be applied to the underfunded liabilities in the future.

A motion was made by Hardy, second Delgleize to adopt Resolution No. 2016-24, "A Resolution of the City Council of the City of Huntington Beach Approving the Adoption of the Public Agencies Post-Employment Benefits Trust Administered by the Public Agency Retirement Services (PARS);" and, approve the appropriation, transfer and deposit of an additional \$1.5 million into the Trust to further reduce the City's unfunded liabilities.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**8. Adopted Resolution No. 2016-28 authorizing submittal of application for Payment Programs and related authorizations as required by the California Department of Resources Recycling and Recovery (CalRecycle)**

A motion was made by Sullivan, second Hardy to adopt Resolution No. 2016-28, "A Resolution of the City Council of the City of Huntington Beach Authorizing Submittal of Application for Payment Programs and Related Authorizations."

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**9. Approved and authorized execution of a Cooperative Agreement in the amount of \$26,216.80 between the City and Visit Huntington Beach (VHB) for Summer 2016 Special Event Shuttle Services**

Councilmember Peterson pulled this item to confirm with staff that Orange County Transportation Authority (OCTA) approved the use of this "transfer" of funds, and that there will be a complete accounting of how the funds are actually used.

A motion was made by Peterson, second Hardy to approve and authorize the Mayor and City Clerk to execute the "Cooperative Agreement between the City of Huntington Beach and Visit Huntington Beach for Special Event Shuttle Services" in the amount of \$26,216.80.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**10. Approved and authorized execution of the Orange County Transportation Authority (OCTA) Preliminary Engineering Agreement for the relocation of three (3) City of Huntington Beach Water Pipelines as part of the Interstate 405 (I-405) Freeway Improvement Project**

Councilmember Hardy pulled this item to confirm with staff that this relates to three City owned water pipelines, two of which Orange County Transportation Authority (OCTA) will be paying for the work and to confirm that City staff worked with OCTA to determine the projected costs for the required changes. Councilmember Hardy provided some additional details about the fourth water pipeline, owned by the West Orange County Water Board of which Huntington Beach is a 56 percent owner, which will also be impacted by the Freeway Improvement Project at a projected cost of another \$4.5 million.

A motion was made by Hardy, second Peterson to authorize the Mayor and City Clerk to execute the "Orange County Transportation Authority Preliminary Engineering Agreement."

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**11. Approved and authorized execution of Professional Services Contracts for Fire Prevention Inspection and Plan Review Services with Bureau Veritas North America, Inc. in the amount of \$720,000 and with Jensen Hughes, Inc. in the amount of \$180,000; and, approved additional appropriation in the amount of \$325,000 for As-Needed General Environmental Engineering and Plan Check /Fire Inspection Services - Continued from March 21, 2016, April 4, 2016, and April 18, 2016 City Council meetings**

A motion was made by Sullivan, second Hardy to approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Bureau Veritas North America, Inc. for Fire Prevention Inspection and Plan Review Services;" and, approve and authorize the Mayor and City Clerk to execute "Professional Services Contract Between the City of Huntington Beach and Jensen Hughes, Inc. for Fire Prevention Inspection and Plan Review Services;" and, approve an appropriation of \$325,000 to the Fire Prevention business unit (10065201.69365). Funding will be allocated on an incremental basis as needed, based on development project demands.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**12. Approved and authorized execution of the Orange County Transportation Authority (OCTA) Agency Service Plan in order to clarify the type of Senior Mobility Program (SMP) transportation services provided by the City of Huntington Beach**

A motion was made by Sullivan, second Hardy to approve and authorize the Mayor and City Clerk to execute the "Orange County Transportation Authority (OCTA) Senior Mobility Program Agency Service

Plan" to clarify the type of Senior Mobility Program (SMP) transportation services provided by the City of Huntington Beach.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

- 13. Approved and authorized the Mayor and City Clerk to execute a Participation Agreement between the County of Orange and City of Huntington Beach for design and construction of new animal shelter; for an Agreement for Provision for Orange County Animal Care Services between the County of Orange and the City of Huntington Beach; and, appropriated \$1,829,954 from the General Fund for Huntington Beach's share of the new County of Orange Animal Shelter**

Councilmember Peterson pulled this item to state his opinion that the City does not have the funds to set up its own shelter, to ask staff what kind of out-reach efforts were made toward local organizations and other cities in reviewing all options, and why this is such a long contract.

County of Orange Community Resources Director Steve Franks explained that there is a ten-year payment plan for this capital improvement project, and therefore a ten-year contract, which also includes a no-termination agreement. If all cities do not opt in, the project will be scaled back. The numbers used to date are "not to exceed" amounts, so costs will not go up.

Dr. Jennifer Hopkins, Director of Orange County Animal Care, explained that their statistics were just recently validated and an independent consultant confirmed that there was a 93 percent live release rate for dogs in 2015.

Councilmember Delgleize, Dr. Hopkins and Lt. Brian Frick discussed the number of staff as well as the types of issues they deal with. Huntington Beach and Fountain Valley comprise one service area where on average there could be ten animals impounded in a day. When an animal is injured, it is taken to a local veterinary service that contracts with the County, and is not taken to the Orange County shelter until it is stabilized. The service trucks are air conditioned, have plenty of water and blankets for all animals being transported to the Orange County shelter. Injured wild animals are taken to the Wetlands Wildlife Center for treatment and release.

Orange County Animal Care has an outreach program to educate pet owners on responsible care, and also offers student meetings. They educate with the goal of helping to keep animals from being put in shelters. The new facility is expected to be completed in October 2017.

Councilmember O'Connell and Dr. Hopkins discussed the Huntington Beach 2013 calendar numbers which included 1,525 live impounds, 13 of which died in route (less than 1 percent).

Councilmember O'Connell and Mr. Franks discussed the reasons four cities have currently opted out of the County program, and Councilmember O'Connell stated he will not be supporting this item.

Councilmember Hardy and Police Chief Handy discussed the other options that were evaluated including the local private shelter, and how additional services provided by the County make it the most cost effective option for the City.

Councilmember Delgleize challenged the community that wants a local shelter to organize their efforts to include raising the necessary funds and stated her support for this item as the best option currently available.

Councilmember Peterson and Police Chief Handy discussed some of the facts and studies completed to reach this solution. Councilmember Peterson stated he would like to have seen more of the planning study details that went into reaching the current solution, and stated he would not be supporting the item because of the 10-year contract term.

Mayor Katapodis and Dr. Hopkins discussed that there is a vibrant volunteer component to the Orange County Animal Shelter program. Lt. Frick described the extensive recruitment and training program.

Councilmember Posey expressed his support for this item and also agreed with Councilmember Delgleize who encouraged the community interested in a local shelter to organize their efforts.

A motion was made by Delgleize, second Posey to approve and authorize the Mayor and City Clerk to execute the Participation Agreement between the County of Orange and City of Huntington Beach for the design and construction of a new animal shelter; and, approve and authorize the Mayor and City Clerk to execute the Agreement for Provision for Orange County Animal Care Services between the County of Orange and the City of Huntington Beach; and, appropriate \$1,829,954 from the General Fund for Huntington Beach's share of the new County of Orange Animal Shelter.

The motion carried by the following vote:

AYES: Posey, Sullivan, Katapodis, Hardy, and Delgleize  
NOES: O'Connell, and Peterson

#### **ADMINISTRATIVE PUBLIC HEARING**

#### **14. Conducted Public Hearing for Annual Weed Abatement Program and authorized the Director of Public Works to proceed with abatement of public nuisance**

Senior Administrative Analyst Debra Jubinsky of Public Works presented the Annual Weed Abatement Program, including the Program Timelines.

Councilmember Hardy confirmed that an email sent by one property owner will be addressed by staff.

Mayor Katapodis opened the Public Hearing. There being no one to speak, the Public Hearing was closed.

A motion was made by Sullivan, second O'Connell to open a public hearing for any objections and protests to the proposed removal of weeds, refuse and rubbish; and following the hearing, authorize the Superintendent of Streets (Director of Public Works) to proceed with the abatement of said nuisance.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**ADMINISTRATIVE ITEMS****15. Approved Local Coastal Program Amendment (LCPA) No. 15-001 by adopting Resolution No. 2016-16 and requesting certification by the California Coastal Commission**

A motion was made by Sullivan, second O'Connell to approve Local Coastal Program Amendment No. 15-001 by adopting City Council Resolution No. 2016-16, "A Resolution of the City Council of the City of Huntington Beach, State of California, Adopting Local Coastal Program Amendment No. 15-001 and Requesting its Certification by the California Coastal Commission."

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, and Delgleize  
NOES: Peterson

**16. Adopted Resolution No. 2016-27, supporting architectural improvements and approximate 150 ft. height limit request of the amended Huntington Beach Energy Project (AES) and transmitted the recommendation to the California Energy Commission**

Planning Manager Jane James explained that this item is a re-introduction of the revised design for the height issues and visual screening for the AES power plant. Manager James made a brief PowerPoint presentation titled *Huntington Beach AES* with pages entitled *Site Plan with Screening — Phase I, Site Plan with Screening — Phase II, Screen Wall, Proposed Architectural Screen, Project Attributes and Council Resolution*.

Councilmember Hardy and Manager James discussed the process required for variances, showing that the local agency approved them. Questions regarding any noise the wind may create going through the planned screen wall, whether the screen wall will create glare issues, and if the screen wall will possibly provide raptor landing opportunities, would all be addressed as part of the Energy Commission's approval process. The Energy Commission will issue a disclosure report which the City Council will then be allowed to comment on.

A motion was made by O'Connell, second Posey to adopt Resolution No. 2016-27, "A Resolution of the City Council of the City of Huntington Beach Supporting Proposed Architectural Improvements as Modified and Approximate 150 Foot High Structures Related to the Reconstruction of the Huntington Beach Energy Project."

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**17. Approved Tentative Agreement and introduction of proposed Memorandum of Understanding (MOU) between the Huntington Beach Management Employees' Organization (MEO) and the City for the period November 1, 2015 through October 31, 2017 - Continued from April 18, 2016 City Council meeting**

Human Resources Director Michele Warren provided a PowerPoint presentation which included the following slides: *Management Employees' Organization* and *MEO Tentative Agreement*.

Councilmember Peterson stated that he does not support this item because it doesn't improve the City's financial position, and in his opinion this will just increase the looming pension issues.

Councilmember Posey concurred, adding that in his opinion, until underfunded liabilities are at the 80 percent level, there should be no raises.

Councilmember Delgleize expressed her support of this item as she believes the City is making appropriate changes to the MOU and that employees do need to be recognized for their service.

Councilmember O'Connell and CFO Farrell Harrison discussed that steps taken by the City Council to date, to expedite prepayment of the liabilities should realize an estimated \$71 million savings for the taxpayers.

A motion was made by O'Connell, second Hardy to approve the "Tentative Agreement" and the introduction of the proposed "Memorandum of Understanding Between the Huntington Beach Management Employees' Organization and City of Huntington Beach" for the period November 1, 2015 through October 31, 2017, **as amended by supplemental communication to include an updated Memorandum of Understanding.**

The motion carried by the following vote:

AYES: O'Connell, Sullivan, Katapodis, Hardy, and Delgleize  
NOES: Posey, and Peterson

#### **ORDINANCES FOR INTRODUCTION**

**18. Approved for introduction Ordinance No. 4085 amending Huntington Beach Municipal Code Section 7.14.030 related to the performance of wild or exotic animals for public entertainment or amusement**

Chief of Police Handy explained this is for language clean-up and to provide proactive enforcement.

A motion was made by Delgleize, second Posey, after the Assistant City Clerk reads by title approve for introduction Ordinance No. 4085, "An Ordinance of the City of Huntington Beach Amending Section 7.14.030 of the Huntington Beach Municipal Code Relating to the Performance of Wild or Exotic Animals for Public Entertainment or Amusement."

The motion carried by the following vote:

AYES: Posey, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
OUT OF ROOM: O'Connell  
NOES: None

**19. Approved for introduction Ordinance No. 4088 amending Section 10.60.020 of the Huntington Beach Municipal Code (HBMC) relating to Meter Zones by bringing Pier Plaza parking lot into compliance with other parking meter zone hourly rates**

Councilmember Posey stated his continued opposition to this item because he believes this leaves the City at a competitive disadvantage with neighboring cities that have free parking after 7 p.m.

A motion was made by Hardy, second Delgleize, after the Assistant City Clerk reads by title approve for introduction Ordinance No. 4088, "An Ordinance of the City of Huntington Beach Amending Section 10.60.020 of the Huntington Beach Municipal Code relating to Meter Zones."

The motion carried by the following vote:

AYES: O'Connell, Sullivan, Katapodis, Hardy, and Delgleize

NOES: Posey, and Peterson

## **COUNCILMEMBER ITEMS**

**20. Item Submitted by Councilmembers Peterson and Posey approved as amended — Direct Staff to research available options and return with findings on requiring residential properties providing recovery, health, and/or medical services (for rent and/or fee) to comply with State and Federal laws and obtain a City permit and be subject to City inspection**

Councilmember Peterson shared that this item is presented in order to research options available, and if allowed, ensure these facilities are compliant with regulations.

Councilmember Posey stated that he has attended several workshops on sober living options and they are hard to regulate. This item is intended to focus on those facilities that are truly run as a business with on-site staff and to ensure they comply with ADA regulations. The plan is to also observe how neighboring cities are addressing the issues. Councilmember Posey stated he also supports the companion Item No. 21 submitted by Councilmember O'Connell. The purpose is to identify appropriate businesses and regulate to restore quality of life with dignity and compassion.

A motion was made by Posey, second Peterson to direct the City Attorney to conduct the necessary research to explore options available to the City to require residential properties providing recovery, health, and/or medical services (for rent(s) and/or fee(s)) to comply with all applicable State and Federal laws (including ADA requirements for the disabled); those residences providing such commissioned services shall also be required to obtain a City permit and be subject to City inspection; and, once the options have been identified by the City Attorney, the City Attorney shall prepare an Ordinance to accomplish such compliance. Discussion ensued.

Councilmember Delgleize thanked Councilmembers Posey, Peterson and O'Connell for presenting these items, and shared some facts about the challenges that exist in regulating treatment homes. She expressed her support for both Items 20 and 21.

Councilmember Hardy stated that both State bills mentioned by Councilmember Delgleize should be on the next Council Agenda as the Intergovernmental Relations Committee presents their recommendations.

Mayor Katapodis stated he is aware of a city that spent \$10 million in litigation trying to put together an ordinance on this issue, and knowing that there are two strongly supported State Assembly bills in process, in his opinion, it is premature to consider a City ordinance at this time.

Councilmembers Posey and Peterson agreed to amend C) to read "Request the City Attorney to present options that would accomplish such compliance at a future Study Session."

A amended motion was made by Posey, second Peterson to direct the City Attorney to conduct the necessary research to explore options available to the City to require residential properties providing recovery, health, and/or medical services (for rent(s) and/or fee(s)) to comply with all applicable State and Federal laws (including ADA requirements for the disabled); those residences providing such commissioned services shall also be required to obtain a City permit and be subject to City inspection; and, request the City Attorney to present options that would accomplish such compliance at a future Study Session.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**21. Item Submitted by Councilmember O'Connell Approved — Direct the City Manager and City Attorney to review current statutes and regulations relative to the operation of Alcohol and Drug Recovery Facilities and Sober Living Homes in the City and report findings and recommendations at a future Study Session**

Councilmember O'Connell shared that in his opinion there are good and bad operators of these facilities, and he is aware of how the bad operators affect the quality of life for the surrounding neighborhood. In discussing the issue with City Manager Wilson, he became aware of the upcoming State legislation, and wants to be proactive to ensure that City staff is keeping up to date on options.

A motion was made by O'Connell, second Posey to direct the City Manager and City Attorney to undertake a review of current statutes and other regulations relative to the operation of community-based alcohol and drug recovery facilities and sober living homes; and, report back findings and recommendations to the City Council at a future Study Session.

The motion carried by the following vote:

AYES: Posey, O'Connell, Sullivan, Katapodis, Hardy, Delgleize, and Peterson  
NOES: None

**COUNCILMEMBER COMMENTS** (Not Agendized)

Councilmember Hardy expressed appreciation to the Youth Board and Chris Cole, Youth Board Staff Liaison, and City staff from all departments for a great Youth and Government Day.

Mayor Pro Tem Sullivan reported attending Executive and Health and Nutrition meetings of the Senior Citizens' Advisory Council. As a member of the Orange County Mosquito and Vector Control Board, he advised that the best way to control the Zika virus is for everyone to make sure there is no standing water on their property. He also reported meeting with members of the Huntington Beach Police Officers' Association (HBPOA).

Councilmember Peterson was honored to attend the Eagle Scout Court of Honor for Troop 1226 to recognize Chase Schoumaker, Ryan Gaylord, Joe Lastelic, Keaton Nalle and Will Cuellar.

Councilmember Delgleize reported attending the Boys and Girls Club opening at Golden West College. The Robert Mayer Family Foundation and the Harry and Jane Bowen Family both played an important part in the success of this effort. This is the first Boys and Girls Club in California built on a college campus. The Pacific Life Foundation made a \$1 million contribution to this facility, and the playground equipment was donated by Kaboom.

Mayor Katapodis reminded everyone that there is now an Angel bus route that takes riders from the Gothard lot directly to Angel Stadium for \$7 round trip, and a bus leaves every 15 - 20 minutes. Mayor Katapodis reported attending the Boys and Girls Club opening at Golden West College, the Welcome Reception where he swore in Fire Chief Segura, the League of California Cities - Legislative Action Day Preview: Briefing on Priority Bills webinar, and presented the City Update for Saints Simon and Jude Church. He attended the Bolsa Chica Unveils New Travelling Wetland Science Program at the Bolsa Chica Ecological Reserve, Sandy's 6th Anniversary Celebration with proceeds benefitting the Huntington Beach Junior Lifeguards, Chamber of Commerce Ribbon Cutting at Old Crow Smokehouse, Taste of Huntington Beach, 3rd Annual College Commitment Celebration at Huntington Beach High School, American Cancer Society Relay for Life at Central Park, the 14th Annual Donate Life Run/Walk - Mayor-athon Challenge, at Cal State University, Fullerton where the Guinness World Book of Records was broken for having the most people with a donated organ in one place at one time (314 people beating the old record of 304), and the 2016 California Peace Officers' Memorial Ceremony in Sacramento to recognize over 1,600 officers killed in the line of duty.

#### **RECESS TO CLOSED SESSION**

A motion was made by Hardy, second Delgleize to recess to Closed Session — at 9:20 PM, the City Council returned to Closed Session to continue discussion on the following agenda items:

The motion moved because there were no objections.

6. **Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiators and Fred Wilson, City Manager regarding the following: Huntington Beach Firefighters' Association (HBFA), Management Employees' Organization (MEO), Marine Safety Management Association, (MSMA), Huntington Beach Police Officers' Association (POA), and/or Surf City Lifeguard Employees' Association (SCLEA).**
7. **Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator Peter Brown, regarding the following: Assistant City Manager, Chief Assistant City Attorney, Chief Financial Officer, Chief Information Officer, City Manager, Community Development Director, Community Services Director, Fire Chief, Human Resources Director, Library Services Director, Police Chief, and Public Works Director.**

**ADJOURNMENT** — 9:45 PM, in memory of all Police Officers killed in the line of duty, to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, May 16, 2016, at 4:00 PM in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.



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

**ATTEST:**

  
City Clerk-Secretary  
Mayor-Chair