

**Minutes  
City Council / Public Financing Authority  
City of Huntington Beach**

**Tuesday, September 2, 2014  
4:00 PM – Study Session, Room B-8  
6:00 PM – Regular Mtg., Council Chambers  
Civic Center, 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/agendas/](http://www.surfcity-hb.org/government/agendas/)**

**4:00 PM – Room B-8**

**CALL TO ORDER – 4:03 PM**

**ROLL CALL**

Present: Katapodis, Hardy, Shaw, Harper, Boardman (arrived at 4:16 PM), Sullivan,  
Carchio

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

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

**Study Session Item #1**

A PowerPoint communication submitted by Scott Hess, Director of Planning and Building dated September 2, 2014, entitled *Study Session Item No. 1*.

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

Gino Bruno spoke in opposition to Community Vision and the consultant PMC. (00:01:16)

**STUDY SESSION**

- 1. Staff and PMC, the City's General Plan Consultant, provided an overview of the General Plan Update project and presented the Community Vision**

Acting Planning Manager Jennifer Villasenor introduced Aaron Pfannenstiel and Jeff Henderson with PMC Consultants, who provided a PowerPoint presentation dated September 2, 2014 and entitled *Huntington Beach General Plan - The Next Wave* that included the following titled slides: Agenda, General Plan Update Overview, The General Plan is Important for us all, What is a General Plan? The General Plan provides a long-term view to support shorter-term decisions, Existing Huntington Beach General Plan, Proposed General Plan Update.

Manager Villasenor presented the following titled slides: Project Timeline Status, and Project Budget.

Consultant Henderson continued with Community Engagement Activities and Results, Phase I Community Engagement Activities, What do you cherish about Huntington Beach?, What are the key opportunities facing Huntington Beach?, What are key challenges facing Huntington Beach?, Cherish, Opportunities, Challenges, Comparison, Community Vision 2040 and Guiding Principles, Vision and Guiding Principles Process, What is a vision?, DRAFT Community Vision 2040, Draft Guiding Principles, 1. Economic Vitality, 2. Infrastructure, 3. Open Space and Recreation, 4. Surf City Community Image, 5. Public Safety, 6. Redevelopment and Revitalization, 7. Mobility and Access, 8. Resource Conservation, 9. Resident Services, 10 Culture and Arts, Discussion, and Next Steps.

Councilmember Boardman, Consultant Henderson and Director Hess discussed deadlines associated with online surveys and how the public will be able to provide input up to/until the public hearing scheduled in 2016.

Councilmember Boardman and Consultant Henderson discussed how prioritizing goals facilitates internal functions.

Councilmember Sullivan voiced his opinion that the events coordinated by staff were not appropriate to collect valuable input from the public. He questioned the credentials of PMC's Tammy Seale and stated that residents are concerned about the traffic impacts associated with large apartment developments. He suggested that the process be slowed.

Councilmember Carchio and Manager Villasenor discussed the timing and level of participation in the land use process by the School District.

#### **RECESS TO CLOSED SESSION – 4:50 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 PMA, SCLEA, MSMA.**

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

#### **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: Application of NextG Networks to Install a Telephone System with Mobile Phone Antennas in Huntington Beach, California Public Utilities Commission Application No. 09-03-007, consolidated with City of Huntington Beach v. NextG, CPCU Case No. 08-04-037, which involve NextG's project to locate its wireless telephone antennas in the public right-of-way, and related case, NextG Networks of California v. City of Huntington Beach, Orange County Superior Court Case No. 30-2009-00119646.**

- 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: PMA, SCLEA, MSMA.**

#### **6:00 PM – COUNCIL CHAMBERS**

**RECONVENE CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING – 6:01 PM**

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

#### **ROLL CALL**

Present: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio

**PLEDGE OF ALLEGIANCE – Led by City Attorney Jennifer McGrath**

**INVOCATION - Led by Penelope Nichols of the Latter Day Saints Church 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 Harper called on members of the Alzheimer's Association Orange County who proclaimed September as World Alzheimer's Awareness Month.**

Members of the Alzheimer's Association of Orange County commented on Alzheimer's disease as a public health crisis. They addressed the services provided by the Association and encouraged residents to participate in the Walk to end Alzheimer's, November 1, 2014. Additionally, they provided personal testimony about their experience with the disease and thanked the City, Mayor Harper and Council for its commitment and support.

Mayor Harper presented them with a proclamation declaring the month of September as Alzheimer's Awareness Month.

**Mayor Harper called on Director of Library Services Stephanie Beverage who acknowledged September as Adult Literacy Awareness Month and the 30th anniversary of the California Library Literacy Services.**

Director of Library Services Stephanie Beverage introduced Dianne Mosely, Literacy Services Coordinator and acknowledged the month of September as Adult Literacy Awareness Month. She noted that the City's program was one of the first when the California Library Literacy Services was founded and that this year marks the 30th anniversary of same. She commented on and thanked program volunteers and staff members who make a difference in the lives of Huntington Beach residents.

Mayor Harper presented a proclamation declaring the month of September as Adult Literacy Awareness Month.

**Mayor Harper called on HBPD Chief Robert Handy who introduced the "Start by Believing" campaign organized by the End Violence Against Women (EVAW) International.**

HBPD Chief Robert Handy introduced the "Start by Believing" campaign organized by the End Violence Against Women (EVAW) International. He provided information about the campaign and received a proclamation from Mayor Harper in acknowledgment.

**Mayor Harper called on members of the Huntington Beach Police Officers' Foundation who presented a check from the Foundation's charity golf tournament to Councilmember Jim Katapodis. Funds will go to the City's 9/11 Memorial fund.**

Members of the Huntington Beach Police Officers' Foundation presented a check from the Foundation's charity golf tournament in the amount of \$56,000 to Councilmember Katapodis that will go to the City's 9/11 Memorial fund. Additionally, Councilmember Hardy was asked to draw the winning name of the golf ball drop who will receive a prize of \$1,000. The Foundation's representative thanked Toyota of Huntington Beach and Mr. Bill Blair from California Resources Corporation for sponsoring the event.

Councilmember Katapodis thanked the Committee for their work and efforts and presented a slide with information on where to make a donation. He reported donating \$1,000 making the total donations to the 9/11 Memorial fund \$61,000.

Mayor Harper thanked that Foundation and Councilmember Katapodis for their donations.

**Mayor Harper called on Public Affairs Manager Jennifer Vaughn with the Gas Company who provided an annual update to the City Council.**

Jennifer Vaughn, Public Affairs Manager with the Gas Company provided an annual update to Council and addressed the company's commitment to safety, the environment and the community. She reported on meetings with the Fire and Police Departments to discuss safety and corporate security and addressed the importance of calling 811 before digging to determine the location of gas lines.

#### **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**

- #4.** Communication submitted by Jennifer McGrath, City Attorney, requesting approval of the Settlement Agreement with Crown Castle, as presented but including a revised signature page.

- #14. Communication submitted by Duane Wentworth, Historic Resources Board, dated August 28, 2014, regarding the Golden Bear plaque. Mr. Wentworth recommended adoption of the alternate recommended action.

**Public Hearing**

- #15. A PowerPoint communication submitted by Lori Ann Farrell, Director of Finance, dated September 2, 2014, entitled, "Fiscal Year 2014/2015 Proposed Budget".

**Councilmember Items**

- #20. A communication submitted by Robert Franklin regarding single-use plastic bags.
- #21. A communication submitted by Robert Franklin regarding single-use plastic bags.

**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/>).

Judy Ann Morris, Huntington Beach Council on Aging (HBCOA) reported receiving an award from the State for being a working senior and announced Senior Saturday on September 13, 2014, at the Huntington Beach pier and addressed their sponsors and programs, entertainment and activities during the event. She urged the public to participate and thanked the City for its support. (00:33:00)

Maureen Lawson commented on the upcoming election and specifically regarding Councilmember Boardman. Additionally, she addressed the issues of fire pits and the location of the new Senior Center and encouraged citizens to vote out Councilmember Boardman and Mayor Pro Tem Shaw. (00:33:26)

Duane Wentworth, Acting Chair, Historic Resources Board, addressed Item No. 14 on the agenda asking that Council reject the recommended action and approve the plaque for the Golden Bear as suggested in the alternate recommended action. He added that the version shown in Attachment 1 is historically inaccurate and grammatically incorrect and contains inappropriate references to the bankruptcy of the former owner of the venue. He urged Council to approve alternate action No. 1 and Attachment No. 2. (00:35:01)

Joseph Santiago, Historic Resources Board, spoke in support of Mr. Wentworth's letter and recommended action regarding Item No. 14 on the agenda. Additionally, he spoke regarding the importance of presenting history accurately and honorably and urged Council to approve the plaque as shown in Attachment No. 2. (00:36:50)

Robert Franklin spoke in opposition to Consent Item No. 5. He referenced a previous Council meeting where he spoke on behalf of Surfrider Foundation opposing proposed revisions to the Huntington Beach plastic bag ordinance. He stated he cannot understand why some Councilmembers do not want to do everything they can to protect the environment. He addressed the negative impacts of plastic on the environment and urged Council to oppose Item

No. 5. (00:37:54)

Kathleen Belohnnek voiced concerns about new developments going on in the City, and urged Council to carefully consider new development proposals going forward. (00:39:06)

Mary Jo Baretich spoke in opposition to Consent Item No. 5 and Councilmember Items Nos. 20, 21 regarding single-use plastic bags. She spoke in support of SB 270 and urged Council to do so as well. (00:40:50)

Nancy Agostini expressed her support of the plastic bag ban and stated that the paper bag charge does not bother her as she has become used to using re-usable bags. (00:41:35)

Craig Frampton read from a letter sent by Mayor Pro Tem Shaw and referenced an email to, and a response by, City Attorney McGrath regarding the matter. He alleged misconduct by Mayor Pro Tem Shaw and urged him to set the record straight. (00:41:52)

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

Councilmember Boardman reported that she is Council liaison to the Compassionate Cities Committee and announced a meeting on September 3, 2014, at 7:00 PM in Room B-7. She noted this is the last meeting before the beginning of the Compassionate Games.

Councilmember Sullivan reported attending the Executive Committee meeting of the Senior Citizens Advisory Council.

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

City Manager Fred Wilson deferred to Fire Chief Patrick McIntosh for a report.

Fire Chief McIntosh provided an update on the 2014 Disaster Preparedness Expo to be held on Saturday, September 13, 2014, from 10:00 AM to 2:00 PM at the Seabreeze Church. He addressed planned activities for the event and invited the public to attend and become prepared.

#### **CONSENT CALENDAR**

Mayor Harper pulled Item No. 5 for separate discussion and consideration and asked to be recorded as a no vote on Item No. 7.

Councilmember Katapodis pulled Item No. 9 for separate discussion and consideration.

Councilmember Sullivan pulled Item No. 2 for separate discussion and consideration.

Councilmember Hardy pulled Item No. 14 for separate discussion and consideration.

#### **1. Approved and Adopted Minutes**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to review and approve the City Council/Public Financing Authority regular meeting minutes dated July 21,

2014 and the City Council special meeting minutes dated August 11, 2014, as written and on file in the office of the City Clerk.

The motion carried with the following vote:

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

**2. Approved Donations from the Huntington Beach Council on Aging (HBCOA) and authorized the Director of Finance to appropriate funds up to \$170,000 for Senior Service Programs**

Councilmember Sullivan noted this item is the annual City contribution to the HBCOA to continue their great programs for residents. The bulk of the contribution goes towards transportation of seniors in the City. He commented positively on the organization and its services and noted the importance of seniors remaining connected. He commended the organization and its efforts.

A motion was made by Councilmember Sullivan, second by Councilmember Carchio to approve donations and authorize the Director of Finance to appropriate up to \$170,000 in donations from the Huntington Beach Council on Aging (HBCOA) during FY 2013/14 to the appropriate Senior Services donation accounts in Fund 103.

The motion carried with the following vote:

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

**3. Approved recommendations by Council Liaisons Joe Carchio and Jim Katapodis to appoint George Rivera and Karin Storm to the Personnel Commission**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve the appointments of George Rivera and Karin Storm with terms effective July 1, 2014 through June 30, 2016 as recommended by the Council Liaisons to the Personnel Commission.

The motion carried with the following vote:

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

**4. Approved Settlement Agreement Regulating Installation of a Distributed Antenna System in Public Right-of-Way by Crown Castle NG West, Inc., Resolving Two Legal Proceedings: California Public Utilities Commission Proceedings A.09-03-007 and C.08-04-037; and, NextG Networks of California v. City of Huntington Beach, OCSC Case No. 30-2009-00119646**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve and authorize the Mayor and City Clerk to sign the Settlement Agreement with Crown Castle, *as amended by supplemental communication to change the signature page.*

The motion carried with the following vote:

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

**5. Denied recommendation by the Intergovernmental Relations Committee (IRC) to authorize the Mayor to sign a letter to Governor Brown requesting a veto on Senate Bill 270 (Padilla) which would prohibit certain stores from providing single-use carry out bags**

Mayor Harper thanked the IRC for its recommendations and commented on the way the City and the State approach this issue. He opined that the bill is a "cram down" and believed that those voting against this matter show disrespect for neighboring cities that have not adopted a plastic bag ban.

A motion was made by Mayor Harper, second by Councilmember Sullivan to authorize the Mayor to sign a letter to Governor Brown requesting a veto on Senate Bill 270 (Padilla) which would prohibit certain stores from providing single-use carry out bags.

The motion failed with the following vote:

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

**6. Adopted Resolution No. 2014-64 amending the Conflict of Interest Code**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to adopt Resolution No. 2014-64, "A Resolution of the City Council of the City of Huntington Beach Amending Its Conflict of Interest Code."

The motion carried with the following vote:

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

**7. Adopted Resolution No. 2014-56 approving and implementing the Memorandum of Understanding (MOU) between the Fire Management Association (FMA) and the City for October 1, 2013 through September 30, 2015**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to adopt Resolution No. 2014-56, "A Resolution of the City Council of the City of Huntington Beach Approving and Implementing the Memorandum of Understanding Between the Fire Management Association (FMA) and the City for October 1, 2013 through September 30, 2015."

The motion carried with the following vote:

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

**8. Adopted Resolution No. 2014-65 authorizing the submittal of a grant application to the Orange County Transportation Authority (OCTA) for the Huntington Beach Catch Basin Retrofit Project**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to adopt Resolution No. 2014-65, "A Resolution of the City Council of the City of Huntington Beach Authorizing an Application for Funds for the Environmental Cleanup, Tier 1 Grant Program Under Orange County Local Transportation Ordinance No. 3 for the Huntington Beach Catch Basin Retrofit Project."

The motion carried with the following vote:

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

**9. Adopted Resolution No. 2014-63 authorizing the execution of an agreement with the California Office of Traffic Safety (OTS) for a Selective Traffic Enforcement Program (STEP) Grant in the amount of \$435,226; and, authorized appropriation and expenditure of funds**

Councilmember Katapodis noted that the HBPD arrested over 731 DUI drivers and noted that the City is rated number one out of fifty-five comparable cities in total fatal and injury collisions. He commended the Department for obtaining the grant but noted the need to add Police Officers to ensure adequate traffic enforcement. He urged residents to be careful and to report drunk drivers by calling 911.

A motion was made by Councilmember Katapodis, second by Councilmember Carchio to adopt Resolution No. 2014-63, "A Resolution of the City Council of the City of Huntington Beach Authorizing the Chief of Police to Accept Grant Funds From the State of California Office of Traffic Safety for Selective Traffic Enforcement Program" approving and accepting the OTS STEP Grant agreement #PT1543 between OTS and the City for \$435,226; authorize the Chief of Police to execute the grant agreement with OTS; approve appropriations and estimated revenue in the amount of \$435,226; and, establish a separate business unit for this funding and authorize the Chief of Police to expend up to a total of \$435,226 plus accrued interest on the Selective Traffic Enforcement Program (STEP) grant.

The motion carried with the following vote:

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

**10. Approved and authorized execution of a Contract Amendment with Bureau Veritas North America, Inc. in the amount of \$426,000 through FY 2016/17; and, approved an additional appropriation of \$100,000 for As-Needed Plan Check and General Environmental Engineering Services**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 To Agreement Between The City Of Huntington Beach And Bureau Veritas North America For Building And Fire

Inspection/Inspector And/Or Plan Review Services," in the amount of \$426,000 and an extension of one year through FY 2016/17; and, approve an additional appropriation of \$100,000 to the Fire Prevention business unit (10065201.69365) for plan checking and environmental engineering services and increase the Fire Department's professional services listing authority for FY 2013/14 by a commensurate amount.

The motion carried with the following vote:

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

**11. Approved and authorized execution of a Reimbursement Agreement with Archstone Huntington Beach College Park, LLC for Fire and Safety Inspection Services for the Huntington Beach Lofts Project; and, authorized appropriation of funds in the amount of \$99,450**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve and authorize the Mayor and the City Clerk to execute the "Reimbursement Agreement Between the City of Huntington Beach and Archstone College Park, LLC for Costs Incurred for Fire and Safety Inspection Services;" and, approve an appropriation of \$99,450 to the Fire Prevention business unit (10065201.69365) for these services and increase the Fire Department's professional services listing authority by a commensurate amount.

The motion carried with the following vote:

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

**12. Approved and authorized execution of a contract amendment to Professional Service Contract with Pacific Advanced Civil Engineering to complete design services for the Well 9 Hydrogen Sulfide Odor Reduction / Removal Project**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Agreement Between the City of Huntington Beach and Pacific Advanced Civil Engineering, Inc." to provide additional compensation of up to \$100,000, for a total contract amount not to exceed \$300,000.

The motion carried with the following vote:

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

**13. Approved and authorized execution of a contract amendment to Professional Service Contract with HDR Engineering for As-needed Corrosion Engineering and Maintenance Services**

A motion was made by Councilmember Carchio, second by Councilmember Katapodis to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to Agreement between the City of Huntington Beach and HDR Engineering, Inc." to extend the existing

professional services contract for two additional years.

The motion carried with the following vote:

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

**14. Approved content and location of the Golden Bear Plaque on the Pierside Pavilion property**

Councilmember Hardy deferred to Councilmember Carchio.

Councilmember Carchio explained how this matter was brought forward and noted that the Historic Resources Board wrote the copy for the plaque which was submitted to the City's Public Information Officer and she along with the City Manager and Councilmember Carchio reviewed and approved it. He reported that someone on the Board interfered with what was originally written and rewrote it. That language was sent to the foundry and was printed. Unfortunately, what was originally written was not what was printed. He addressed the cost of the plaque and opined that the difference in the wording is minimal. He asked the City Manager to place the item on the agenda for Council's discussion and consideration.

Councilmember Hardy noted that if cost was not an issue, she prefers the second version because the first version mentions someone's bankruptcy, which seems odd. She commented on the need to prevent this in the future and believed that Council should approve wording for all plaques going forward so that the public has one final chance to comment on any proposals.

Discussion followed regarding the possibility of the City sending the plaque back and being credited for the material. City Manager Wilson indicated he was unsure but that it is worth a try.

Councilmember Boardman stated there may be some grammatical errors in the second version regarding the number of commas and asked how the change occurred.

Councilmember Carchio reported that the wording was submitted by the Historic Resources Board and approved by the Public Information Officer, the City Manager and Councilmember Carchio. However, somewhere along the way, the Chair of the Board indicated she did not get an opportunity to see it and submitted a new version to the Public Information Officer. The new version was what was printed.

City Attorney McGrath noted that a bankruptcy would be a public document and available for public review.

Councilmember Katapodis stated that the bankruptcy was a part of the venue's history and that is why it doesn't exist.

Mayor Pro Tem Shaw noted that the second version includes more of the artists that appeared at the Golden Bear. He opined that the wording in the second version is more elegant and better-suited and makes more sense. He stated he was torn about spending another \$1,700 to correct some minor things.

A motion was made by Councilmember Carchio, second by Mayor Pro Tem Shaw to approve the content and location of the Golden Bear plaque (Attachment 1) and its placement on the Pierside Pavilion property.

The motion carried with the following vote:

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

## PUBLIC HEARING

**15. Adopted Resolution No. 2014-69 to adopt a Budget for the City for Fiscal Year 2014/2015 and Resolution No. 2014-70 establishing the Gann Appropriation Limit; and, approved updated Financial Policies to include an additional Budgeting policy and a Water and Sewer Service Reserve Policy**

City Manager Wilson introduced the item and addressed the requirements as per the City Charter. He reported that the budget was presented to Council in July where it held three different study sessions. The budget has been considered by Council and the item tonight is the formal public hearing to consider the formal adoption of the Fiscal Year 2014/2015 Budget. He deferred to staff for a report.

Budget Manager Carol Molina Espinosa provided details of the staff report addressing the strategic plan, an overview of the FY 2014-2015 proposed budget, General Fund by department, highlights of FY 2014/2015 General Fund, enhancing and maintaining public safety, enhancing quality of life, enhancing economic development, developing, retaining and attracting quality staff, improving long-term financial sustainability, recommendations and revisions to the FY 14/15 proposed budget. Additionally, she presented awards and accolades received by the City and offered to respond to questions from Council.

Mayor Harper opened the Public Hearing.

City Clerk Flynn noted no requests to speak at this time.

Mayor Harper closed the Public Hearing.

Councilmember Katapodis commented on the unfunded liability and noted the need to maintain public safety and therefore, to add Police Officers to the HBPD force. He stated that hiring two is not enough and that currently Police Officers are working overtime and the Chief is short on staffing. He suggested allocating 25% of the funds earmarked for unfunded liabilities towards hiring more Police Officers for the City and 75% towards unfunded liabilities.

Mayor Pro Tem Shaw agreed with Councilmember Katapodis and added that he was disappointed in that the budget does not allocate money towards adding more Police Officers. He noted that during Council's strategic planning both he and Councilmember Katapodis asked for the hiring of up to ten Police Officers. He stated he would support Councilmember Katapodis's suggestion if the money were allocated from another source besides unfunded liabilities.

City Manager Wilson suggested bringing the issue back in October and November upon looking at year-end fund balances. He believed the City will have the money to cover the suggested change.

Mayor Pro Tem Shaw believed that allocating \$1 million towards unfunded liabilities is a good plan but indicated he would support adjusting the budget to find another source for funding additional Police Officers.

Councilmember Boardman noted that over the last two years, the City has funded the hiring of seven additional Police Officers. In response to her inquiry, City Manager Wilson reported that \$250,000 would pay for one additional Police Officer. Councilmember Boardman agreed with reviewing the budget at year-end or mid-year to see if there is money available from other funds to allow for the hiring of additional Police Officers. She noted she is reluctant to take the funds out of unfunded liabilities and offered an explanation.

Councilmember Carchio agreed with the City Manager and stated he is sure there will be some money left in other funds to hire additional Officers. He stressed the importance of public safety and agreed with the need to hire additional Police Officers but felt that it should be funded from another source other than unfunded liabilities.

Councilmember Hardy commented on the importance of committing funds to reducing unfunded liabilities. She would prefer allocating the \$1 million to unfunded liabilities and reviewing the budget at year-end or mid-year to see if there is money available from other funds to allow for the hiring of additional Police Officers as a priority.

Councilmember Sullivan noted that coastal cities have unique problems but out of those, Huntington Beach has the lowest ratio of Police Officers to population. He agreed with Councilmember Boardman in terms of paying down unfunded liabilities.

Councilmember Katapodis stated he is also interested in paying down unfunded liabilities but stated it is important to review the budget in November to determine if the hiring of additional Police Officers can be funded through other means. He stressed that the City needs to seriously consider hiring more than one Police Officer and noted the importance of finding the funds elsewhere.

Mayor Pro Tem Shaw noted that any extra money must go towards the hiring of additional Police Officers and that it must be top priority.

Budget Manager Carol Molina Espinosa clarified that the City's fiscal year closes September 30th but that due to delays in State funding and accrual periods, it is more likely that staff would be prepared to return to Council with year-end adjustments in the late December/early January time period.

Councilmember Hardy indicated she is fine with waiting until the information is available.

Councilmember Boardman agreed with Councilmember Hardy.

Councilmember Katapodis agreed but asked the Finance Director to start looking into how more Police Officers can be hired.

Mayor Pro Tem Shaw suggested asking staff to put together a plan in January, for hiring more Officers in order to reach full staffing as soon as possible.

City Manager Wilson stated that staff will look at what is available to fund additional Police Officers in January.

A motion was made by Mayor Harper, second by Councilmember Carchio to hold the Public Hearing on the Proposed Fiscal Year 2014/15 Budget appropriations totaling \$342,253,604 as outlined in the Proposed Budget document and related Exhibits; adopt Resolution Number 2014-69, "A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for Fiscal Year 2014/15;" authorize the Professional Services included in the FY 2014/15 Proposed Budget to be representative of the services projected to be utilized by departments in FY 2014/15; adopt Resolution Number 2014-70, "A Resolution of the City Council of the City of Huntington Beach Establishing the Gann Appropriation Limit for Fiscal Year 2014/15" of \$753,008,825; and, approve an amendment to the City's Financial Policies to include an additional Budgeting Policy to fund the "One Equals Five" Plan to reduce the CalPERS Safety Plan's unfunded liability, and to include new reserve policies for the Water and Sewer Service Funds.

The motion carried with the following vote:

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

- 16. Continued to 9/15/2014 a Public Hearing to consider approving for introduction an Ordinance revising the Huntington Beach Municipal Code (HBMC) relating to Emergency Management and Homeland Security to reflect the evolution of approaches related to preparing for and managing events that threaten life, property, and community resources**

A motion was made by Councilmember Boardman, second by Councilmember Hardy to continue the item to the September 15, 2014 City Council meeting.

The motion carried with the following vote:

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

#### **ADMINISTRATIVE PUBLIC HEARING**

Mayor Harper announced that Items No. 17 and 18 would be heard concurrently.

- 17. Adopted Resolution No. 2014-66 approving an Annual Assessment within the Huntington Beach Auto Dealers Association Business Improvement District (BID) for Fiscal Year 2014-2015**
- 18. Adopted Resolution No. 2014-67 approving an Annual Assessment within the Huntington Beach Downtown Business Improvement District (BID) for Fiscal Year**

**2014-2015**

City Manager Wilson introduced the items and deferred to staff for a report.

Business Development Project Manager Simone Slifman provided details of the staff reports addressing the renewal process and public hearings, written protests, a history of each BID, BID Members, budgets, goals and assessments, and recommended actions.

Mayor Harper opened the Public Hearings.

Steve Daniel, Huntington Beach Downtown Business Improvement District (HBDBID), spoke regarding Public Hearing Item No. 18. He commented on the BID's efforts in raising funds and addressed accomplishments during the year, upcoming projects and yearly events. He thanked the City for its support and the Police Department for its efforts downtown. (01:40:29)

Susan Welfringer, Huntington Beach Downtown Business Improvement District (HBDBID) spoke regarding Public Hearing Item No. 18. She commented positively about the downtown area and invited Council and the public to visit for back-to-school shopping as well as for Surf City Nights. She announced Surf City Days on September 13th and 14th and addressed planned activities during the event. She added that the information is available at [www.hbdowntown.com](http://www.hbdowntown.com). (01:41:08)

There being no other speakers, Mayor Harper closed the Public Hearings.

City Clerk Flynn reported there were no protests received from the Auto Dealers Association Business Improvement District and addressed the assessments made.

City Clerk Flynn reported there were no protests received from the Downtown Business Improvement District and addressed the assessments made.

Mayor Pro Tem Shaw commended the Downtown BID for their efforts and making the venue more family-friendly. He noted he is proud to have been a part of it.

Councilmember Boardman thanked the Downtown BID for helping fund the Ambassador Program.

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Boardman to adopt City Council Resolution No. 2014-66, "A Resolution of the City Council of the City of Huntington Beach Approving an Annual Assessment Within the Huntington Beach Auto Dealers Association Business Improvement District for Fiscal Year 2014-2015."

The motion carried with the following vote:

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

A motion was made by Mayor Pro Tem Shaw, second by Councilmember Boardman to adopt City Council Resolution No. 2014-67, "A Resolution of the City Council of the City of Huntington Beach Approving an Annual Assessment Within the Huntington Beach Downtown Business

Improvement District for Fiscal Year 2014-2015."

The motion carried with the following vote:

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

## **ADMINISTRATIVE ITEMS**

### **19. Approved Robin Samsoe Ad Hoc Committee tribute recommendation**

City Manager Wilson introduced the item noting prior direction by Council to staff to form an Ad Hoc Committee to consider a bench in memorial of Robin Samsoe. He reported that the Ad Hoc Committee's work is now done and before Council for consideration.

Councilmember Sullivan thanked Community Services Director Janeen Laudenback and Mayor Pro Tem Shaw and Councilmember Carchio for their help with this matter. He addressed the inscription on the memorial and reported it was approved by the family.

In response to Councilmember Hardy's question, Ms. Laudenback reported that it will be similar to the plaque for the Downtown Library and addressed the specific location of the memorial.

Mayor Pro Tem Shaw stated he is proud of the work done and the resulting memorial adding that the lighthouse will be lit. He noted it is a beautiful memorial.

Councilmember Carchio thanked Councilmember Sullivan for bringing the item forward and commented on the unfortunate repeal of the City's sex offender ordinance. He hoped that the memorial will serve to make people aware of the dangers that exist and of their surroundings.

Councilmember Sullivan addressed part B of the recommended action adding that since the sex offender ordinance was overturned by the courts, he asked that the Police Chief and/or Fire Chief report on the steps being taken to avoid another tragedy of this nature in the future.

Police Chief Handy reported that a lot has changed since 1979 relative to how to deal with predators. He added that it is summarized in legislation that has been passed as well as technology and partnerships with other agencies and the City's policies and procedures. He addressed the adoption of Megan's Law adopted in 2004 to help educate the public of the location of sexual predators through the Internet and other laws dictating where sex offenders may live. He commented on challenges with the laws but noted they are part of a bigger piece that helps combat the violent offenses. He addressed relevant sections of the California Penal Code regarding Child Annoyance noting that it is a great tool for the Police Department. Additionally, he commented on the Amber Alert System and reported that the City issued its first Amber Alert this year with a successful result and addressed the County Alert System as well as social media and partnerships with other agencies. He addressed related policy changes within the Police Department. He reported that an initial response is critical in abduction cases.

Fire Chief McIntosh addressed the partnership with the Police Department in these types of cases and training of Fire and Marine Safety Departments. He added that there are specific standard procedures for each.

A motion was made by Councilmember Sullivan, second by Councilmember Carchio to approve the content and location of the tribute as recommended by the Ad Hoc Robin Samsøe Committee and its placement in Pier Plaza and ask the Police Chief and/or Fire Chief to report on the steps being taken to try to prevent another tragedy of this nature.

The motion carried with the following vote:

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

### **COUNCILMEMBER ITEMS**

#### **20. Withdrew Request Submitted by Mayor Harper To Direct the City Attorney to prepare an ordinance to repeal the mandatory 10 Cent Paper Bag Charge**

Mayor Harper reported submitting the aforementioned item after Council's previous meeting. He addressed his efforts against price-controls. He added that this matter was modified to take out the cap on the price of paper bags. He reported that this and the following matter are related to only the 10 cent paper bag fee and not in relation to the plastic bag ban. This item would amend the Municipal Code to remove Section 5.95.040. Mayor Harper commented on the provision in SB 270 dealing with this issue and asked the City Attorney to clarify same.

City Attorney McGrath reported that if the Governor signs the bill by September 30th, that would preempt any ordinance that was modified after September 1st. Council may take action at this time, knowing there are other steps in the process before adoption of the ordinance. If Council takes no action at this time, what is on the books as of September 1st cannot be modified to reduce the charge subsequent to January 1st. If the Governor does not sign the law, the ordinance can be modified according to how Council sees fit. She added that if the Governor signs the law, there will be no impact but the City will be subject to the law and the terms that are currently in the ordinance.

Mayor Harper stressed that the fee goes directly to the grocery stores and not to cleanup.

In terms of the differences between Items No. 20 and 21, City Attorney McGrath reported that they are identical as far as the charge goes. Councilmember Carchio's item makes it a voluntary charge. The biggest distinction between the two is that under Item No. 21, there would still be the limitation regarding what the fee can be used for if retailers choose to charge the fee.

Mayor Harper noted that if Council has a preference for either Item No. 20 or 21, he would support same.

Councilmember Hardy reported that Council's approval of the fee was reflective of the EIR. She asked how removing the fee would reflect on the EIR and City Attorney McGrath reported that staff would have to do some level of environmental review prior to the ordinance returning for final approval.

Director of Planning and Building Scott Hess reported the remaining monetary balance in the EIR consultant's account and stated that it would cover a preliminary view of the assessment to

determine whether an addendum or a supplemental EIR would be required. An addendum would require two months and cost approximately \$5,000 while a supplemental EIR would cost approximately \$15,000 to \$20,000 and would take about six months to process.

In response to Mayor Harper's inquiry, City Attorney McGrath reported that if the Governor signs the bill into law, no EIR will be required.

Mayor Harper then pulled his item from consideration and stated he would support Item #21.

**21. Request Submitted by Councilmember Carchio Failed to Direct the City Attorney to prepare an ordinance to amend the current ordinance on plastic bags to allow stores the option of not charging for paper bags**

A motion was made by Councilmember Katapodis, second by Councilmember Carchio to direct City Attorney to prepare an ordinance to amend the current ordinance on plastic bags, allowing stores the option of not charging for paper bags.

An amendment to the motion was made by Councilmember Katapodis, seconded by Councilmember Carchio to direct City Attorney to prepare an ordinance to amend the current ordinance on plastic bags to reduce current \$.10/bag fee to \$.05/bag for one (1) year, at which time the \$.05 bag fee sunsets - nothing to take place until the Governor either signs or veto's the bill.

Councilmember Hardy asked to ensure that the City not spend any money for an addendum or supplemental EIR until after September 30th or the Governor signs the bill, whichever occurs first.

Councilmember Katapodis agreed that the City should not spend any money on the EIR until the Governor signs or does not sign the bill.

Councilmember Boardman expressed disappointment that Council is revisiting this matter for the tenth time. She noted that Councilmember Katapodis has indicated he wanted to wait to see what the State did. She reported that the State has passed the bill in the two Houses and could not understand why Council is not waiting until the Governor makes up his mind to even discuss this matter. She indicated she will vote no on the motion.

Councilmember Sullivan stated he will be voting no as well.

Councilmember Carchio believed that this ordinance has been a huge windfall for grocers. He explained the steps and issues related to this legislation and stated that the ordinance does not make sense. He commented on the need to make the market determine what is important and presented his case in support of the item and making the charge, optional. He hoped that his colleagues would support the matter.

Councilmember Katapodis recommended waiting for the Governor's final action on this matter and withdrew his motion. He commented on a previous vote related to the matter but reiterated that Council should wait to see if the Governor signs or does not sign the bill into law.

Discussion followed regarding making the fee voluntary or having it be a mandate.

the electronic transmittals from Mayor Pro Tem Shaw in which he represents that Huntington Beach supports SB 270. He added that no one Member of Council should try to speak on behalf of the City when Council has taken no position on an issue.

**ADJOURNMENT**

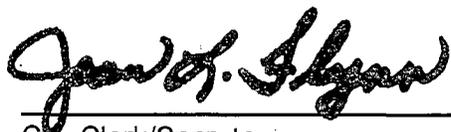
There being no other business to come before City Council, Mayor Harper adjourned the meeting at 8:37 PM.

The next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Monday, September 15, 2014, in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.



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

**ATTEST:**



City Clerk/Secretary



Mayor

An alternative motion was made by Councilmember Carchio, seconded by Councilmember Sullivan to direct the City Attorney to prepare an ordinance to amend the current ordinance on plastic bags, allowing stores the option of not charging for paper bags.

Councilmember Carchio stated he accepts banning plastic bags but recommends making the fee, optional.

Councilmember Sullivan commented on the \$.10 charge and opined that it is a bribe and stated support for the motion.

Mayor Harper commented on Councilmember Katapodis's prior vote on this matter and suggested the necessary action for him to be consistent.

Councilmember Katapodis noted that before the last vote on this matter, it had not passed the Assembly or the Senate and had not reached the Governor's desk. At this time, it has and so his preference is to wait for the outcome.

The alternative motion failed by the following vote:

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

Mayor Harper noted that since Item No. 20 was not voted on, it is eligible to be brought forward at a future meeting.

#### **COUNCILMEMBER COMMENTS (Not Agendized)**

Councilmember Boardman announced that the Compassion Games kickoff will be on September 7th with the Blessing of the Waves at 8:30 AM at Pier Plaza. She looks forward to a lot of participation in the event.

Councilmember Sullivan thanked the Municipal Employees' Association noting that at their recent picnic, he picked up containers of back-to-school supplies for the children of the 3-1 Marines. He reported that the Orange County Quilting Guild also made efforts to donate back-to-school supplies. He related a recent case of a young wife who was expecting her first child but was informed that it would be stillborn and did not have the resources for a burial. He reported contacting the Foundation's Board Chair whose wife, within a few days, was able to raise \$1,300 towards a burial for the family.

Councilmember Carchio reported attending the 3rd Annual Seacliff Tee It Up for the Troops Golf Tournament and commented positively on the event. The organization raised approximately \$250,000 which will be donated to Wounded Warriors and other groups. He addressed the City as being a Compassionate City but failed to understand how Council can deny things that residents want.

Mayor Harper reported that he personally asked Assembly Members Travis Allen and Allan Mansoor to vote no on SB 270 and they did as well as Senators Mimi Walters and Lou Correa. He stated that the City has not taken a stand on SB 270 and reported disappointment at some of