

**Minutes
Council/RDA Meeting
City Council/Redevelopment Agency
City of Huntington Beach**

Monday, August 6, 2007
4:00 P.M. - Room B-8
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

**An audiotape of the 4:00 p.m. portion of this meeting
and a videotape of the 6:00 p.m. portion of this meeting
are on file in the Office of the City Clerk and are archived at
www.surfcity-hb.org.**

Call to Order

Mayor Coerper called the regular meeting of the City Council/Redevelopment Agency of the City of Huntington Beach to order at 4:30 p.m., in Room B-8.

Roll Call

Present: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
Absent: None

Councilmember Hansen arrived at 4:37 p.m.

The City Clerk Announced No Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan Flynn announced no Late Communications were received by her office pertaining to items on the Study Session and Closed Session portion of the agenda.

Public Comments - None.

(City Council/Redevelopment Agency) Study Session Held - City Administrator and Finance Director presented an overview of the City Administrator's recommended Proposed Fiscal Year 2007/08 Budget.

City Administrator Penelope Culbreth-Graft gave an overview of the proposed Fiscal Year 2007/08 Budget as it relates to the Strategic Plan goals.

Mayor Coerper asked for clarification of the location of public restrooms targeted for increased cleaning in the downtown area. City Administrator Culbreth-Graft identified the public restrooms at the oceanfront locations and the city parking structure.

Councilmember Green inquired about the job duties associated with the proposed Energy Coordinator and the Water Conservation positions. City Administrator Culbreth-Graft described the responsibilities of each position and the distinct differences between them.

Mayor Pro Tem Cook inquired about current employment numbers. Staff provided statistics on vacancies and historical unfilled positions. Mayor Pro Tem Cook questioned how much money the City would have to set aside for Governmental Accounting Standards Board (GASB) 45. Director Villella responded that the City sets monies aside to meet and exceed actual requirements.

Finance Director Dan Villella presented the Budget Overview information included in the revised PowerPoint report distributed at the Study Session titled *City of Huntington Beach Proposed Budget Fiscal Year 2007/08*. Director Villella indicated that the final Budget would be presented for Council adoption at its meeting of September 4, 2007. Councilmember Green asked if solar panels would be a viable option for the new roof replacement proposed at the Public Works Corporation Yard's Fleet Maintenance building. Deputy City Administrator Paul Emery indicated that staff would look at the suggestion.

Deputy Administrator Emery distributed additional information and discussed the Capital Improvement Program (CIP) Projects by Category for fiscal year 2007/08.

Additional discussion ensued on the Central Library renovation and the tax rate used for projected revenue.

Mayor Coerper and City Administrator Culbreth-Graft thanked staff for their hard work and presentation on the budget.

Motion to Recess to Closed Session at 5:15 p.m. - Approved

Motion by Green, second Cook to recess to Closed Session on the following items. The motion carried by consensus of all present, none absent.

(City Council) Closed Session #1 - Pursuant to Government code Section 54957.6, the Council shall recess to Closed Session to meet with its designated labor negotiators, Penelope Culbreth-Graft, City Administrator; Bob Hall, Deputy City Administrator; Dan Villella, Finance Director; and Renee Mayne, Chief Negotiator, regarding labor negotiations with the following employee organizations: **MEA, HBFA, and Non Associated.**

Reconvene City Council/Redevelopment Agency Meeting - 6:05 p.m.

The City Attorney Reported That There Were No Actions Taken in Closed Session Which Required a Reporting Pursuant to Government Code Section 54957.1(a) (3) (B).

City Council/Redevelopment Agency Roll Call

Present: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy.

Absent: None.

Pledge of Allegiance/Flag Salute - Led by Mayor Coerper

Invocation - Led by Maneck Bhujwala, Greater Huntington Beach Interfaith Council

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan Flynn announced the following communications regarding agenda items received by her office following distribution of the agenda packet:

Communication submitted by Larry Gallup, dated August 1, 2007 and titled *AB 1430 Assembly Bill - Bill Analysis*

Communication submitted by Steve Stafford, (undated) and titled *To: Mayor Gil Coerper, Councilmembers and City Staff.*

Communications submitted by the following individuals stating opinions pertaining to the proposed ordinance relating to public nudity: Bob Morton, Allen Baylis, David and Vicki Lasky, Lisa de Torres, Mike Powell, Janet Bean, Paul and Leslie Gustafson, Elva P. Kopacz, Lloyd Johnson, Jane Norman.

The Following Communications Were Submitted During the Meeting

Communication submitted by Lynda Hernandez dated July 31, 2007, untitled, that included a proposed Resolution and petition to impeach President George W. Bush and Vice-President Dick Cheney.

Communication submitted by Larry Gallup dated August 6, 2007, untitled, pertaining to Ordinance No. 3775 to modify existing campaign contribution limitations.

Communication submitted by Rusty Rustan, undated and titled *Resolution - Mandatory Funding for Veterans' Healthcare Services.*

Communication submitted by Ken Inouye, undated and titled *Orange County Human Relations Annual Report - 2005-2006.*

Communication submitted by Joe Syiek dated January 16, 2007, untitled, pertaining to the Huntington Beach Playhouse Lease.

Communication submitted by Leslie Gilson, undated and untitled, pertaining to the Norma Brandel Gibbs Monarch Sanctuary.

Public Comments

Mark Bixby voiced support for the recommended action to continue discussion until October 2007 on the proposed Ordinance 3775 to modify existing campaign contribution limitations. He does not support retroactivity to prior campaign cycles, and in his opinion, it would be equally problematic to include cycles already in progress. He would prefer any changes not be implemented before the 2010 campaign cycle and discussed improved protection against conflict of interest.

Rusty Rustan, representing Operation Firing for Effect, provided a copy of a proposed Resolution for Council consideration. The Resolution is titled, *Mandatory Funding for Veterans' Healthcare Services*. He requested Council's support of the Resolution and having it placed on the Election Ballot of 2008. He discussed possible avenues to forward the Resolution to the Orange County Board of Supervisors.

Leslie Gilson voiced her concern regarding the dilapidated condition of Norma Brandel Gibbs Park. She praised Maintenance Operation Manager Jim Jones for quickly responding to her emails and for getting the park cleaned up within a week after notification. She requested Council to allocate \$3,000 to retain professionals to make a Stewardship of Monarch Butterfly Winter Habitat Plan at the Park. She referred to the Stewardship Plan in the Council packets, while displaying a collage of photos taken which depicted the current state of dead trees.

Lynda Hernandez presented a proposed Resolution to be considered by the Council to impeach President George W. Bush and Vice-President Dick Cheney. She described her reasons for hosting the Resolution and gathering signatures, and described other cities that have crafted similar resolutions of impeachment.

Tom Lash urged the Council to adopt a Resolution to impeach President George W. Bush and Vice-President Dick Cheney. He described his military background and discussed the war in Iraq. He voiced his opinion as to why the Bush Administration chose to go to war.

David J. Keulen asked Council to support a Resolution to impeach President George W. Bush and Vice-President Dick Cheney. He stated his opinions related to acts of treason, international terrorism and obstruction of the laws for Congress to do their obligatory duties. He asked Council to agendaize the item for discussion.

R. Allen Baylis, Esq., Director of the Naturist Action Committee, discussed his proposed changes to Ordinance No. 3773 pertaining to public nudity. He requested Council adopt the language suggested by the Naturist Action Committee and adopt the ordinance in that form.

Larry Gallup discussed Ordinance No. 3775 related to campaign contributions. He would like to add another dimension to the ordinance to include Political Action Committees (PACs). He discussed at length the various Political Action Committees and agrees with the proposal to have a study session which would encourage citizen input.

Elva Kopacz urged the City Council not to adopt Ordinance 3773 as proposed,

pertaining to the ban on public nudity. She stated her opinion that criminalization of nudity is wrong.

Tim Geddes encouraged the City Council to follow the City Attorney's recommendation of the Ordinance No. 3775 pertaining to campaign contribution limits. He noted his opposition of Councilmember Don Hansen's suggested "retroactive" language. He discussed Consumer Price Index (CPI) adjustments and maximum contribution limits. He stated his opinion that if the Council adopts new, higher limits, it should only go into effect after the 2008 election cycle. Discussion ensued regarding campaign contribution limits in other cities.

Jeff LeBow shared his thoughts on the proposed Resolution to impeach President George W. Bush and Vice-President Dick Cheney. He urged Council to accept the challenge in preserving our Country's democracy by supporting the Resolution.

(City Council) AB 1234 Disclosure Reporting

Mayor Pro Tem Cook informed City Clerk Flynn that she submitted a report electronically.

Councilmember Green gave a report on OCTA's Committee Meeting of August 6, 2007, stating that Orange County has no bridges that are similar to the one that failed in Minnesota. She discussed the Caltrans inventory list of bridges that identifies structural deficiencies, stating one Huntington Beach location along the 405 freeway was included listing a deficiency related to vertical clearance. She also informed the public that Caltrans inspects all bridges every two years to ensure that they are structurally sound, and takes immediate action to correct identified problems.

Councilmember Hardy asked for clarification regarding the reporting criteria of AB 1234.

Mayor Coerper submitted a report pursuant to AB 1234.

City Clerk Joan L. Flynn submitted a report pursuant to AB 1234

City Administrator's Report

City Administrator Penelope Culbreth-Graft introduced Michele Carr, the new Director of Human Resources, and described Director Carr's background and experience. In addition, City Administrator Culbreth-Graft announced the proposed budget for fiscal year 2007/08 that was presented to the Council in today's Study Session. She informed the public that the draft budget is available for review online and in the Office of the City Clerk.

(City Council) Reviewed and Accepted Shari L. Freidenrich, City Treasurer's June 2007 Investment Summary Report Titled City of Huntington Beach Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for June 2007

City Treasurer Shari Freidenrich gave a PowerPoint presentation titled *June Treasurer's Report*, which was included in the agenda packet.

Councilmember Bohr asked what the annual return is on the reserves. City Treasurer Freidenrich stated the current rate of 4.9% multiplied by \$20 million, equates to approximately \$1 million. City Treasurer Freidenrich discussed state law restrictions on investments.

A motion was made by Green, second Cook to review and accept the Monthly Investment Report. Following review of the report, by motion of Council, accept the Monthly Investment Report entitled Summary of Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for June 2007, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

City Attorney Report of Litigation Filed - None

(City Council) Public Hearing Held -- Approved the 2007/2008 Housing and Urban Development (HUD) Action Plan with Amendments to the 2006/2007 HUD Action Plan for Receipt of Two Entitlement Grants: Community Development Block Grant (CDBG) and HOME Investment Partnership Program by Staff and the Citizens Participation Advisory Board (CPAB), Authorized Submittal of the Action Plan to the U. S. Department of Housing and Urban Development (HUD) and Approved the Amended Citizen Participation Plan

Communication submitted by the Director of Economic Development:

Statement of Issue:

NOTICE IS HEREBY GIVEN THAT the City Council will hold its Public Hearing on the 2007/08 Action Plan and amendments to the 2006/07 Action Plan, and its revised Citizen Participation Plan on Monday, August 6, 2007 at 6:00 PM or soon thereafter at the Huntington Beach Civic Center, 2000 Main Street, Council Chambers. The hearing will be held in accordance with the City's Consolidated Plan (CP) as required by the U.S. Department of Housing and Urban Development (HUD) for receipt of \$1,419,271 in Community Development Block Grant (CDBG) funds, and \$772,388 in HOME Investment Partnership (HOME) funds. Through this Action Plan the City is opting out of participating in the American Dream Downpayment Initiative and will de-obligate ADDI funds from prior years. The 2007/2008 Action Plan proposes the CDBG and HOME budgets from October 1, 2007 to September 30, 2008. In addition \$731,202 in unprogrammed CDBG funds from prior years and \$267,000 of the Revolving Loan Fund are being reprogrammed to projects. An amendment to the 2006/07 Action Plan will use \$352,500 of the reprogramming funds for new projects that are included in the table below.

The City followed its Citizen Participation Plan. The Citizen Participation Advisory Board (CPAB) held two public hearings on community needs and held subsequent monthly public meetings. The Consolidated Plan and Action Plans set the local policies and priorities for the development of a viable urban community by providing decent housing

and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The City intends to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations in order to provide for: the production and operation of affordable housing; a suitable living environment improving the safety and livability of neighborhoods; assistance to homeless persons and persons at risk of becoming homeless to obtain appropriate housing, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability; and expand economic opportunities including job creation and retention.

HOME Investment Partnership

In an effort to expand and preserve its existing affordable housing stock, Huntington Beach has worked with Community Housing Development Organizations (CHDOs) to acquire multifamily rental properties. These buildings are rehabilitated and then are made available to persons below 60% of Orange County median income for a minimum of 30 years. The CHDO must enter into an agreement with the City that outlines all of the affordability requirements, property maintenance standards, and long-term monitoring requirements that are required by HOME regulations.

With the total allocation of \$773,388 the following activities are proposed for the 2006/2007 HOME program: \$77,238 or 10% of the HOME grant for Administration and \$695,150 for Acquisition and Rehabilitation of an eligible housing project.

The Community Development Block Grant Program Summary matrix is available in the City Clerk's Office.

Revolving Loan Funds may be reprogrammed to other eligible projects while still providing sufficient funds for the Housing Rehabilitation Loan program. Projects proposed for the 2007/08 Action Plan that will reprogram \$267,000 are: \$125,000 to renovate the Oak View Gym and \$142,000 to improve the Magnolia Fire Station to accommodate persons with disabilities.

Public comments can be made at the hearing and during the thirty-day public comment period commencing July 6, 2007 and ending on August 6, 2007. A copy of the revised Citizen Participation Plan and Draft Action Plan, which includes a detailed listing and description of the proposed activities, is available at the City of Huntington Beach, Economic Development Department, 5th floor, 2000 Main Street, Huntington Beach, Monday through Friday, between the hours of 8:00 AM and 5:00 PM and at the City's website: <http://www.surfcity-hb.org/CityDepartments/ED/CDBG/>. Written comments can be addressed to: Joan Flynn, City Clerk, City of Huntington Beach, 2000 Main Street - 2nd floor, Huntington Beach, California 92648 - Telephone: (714) 536-5227.

**PowerPoint presentation titled Action Plans Community Development Block Grant and HOME Program and Citizen Participation Plan is included in the agenda packet.

Mayor Coerper announced that this was the time noticed for a public hearing to consider the following: Approval of the 2007/2008 Housing and Urban Development (HUD) Action Plan with Amendments to the 2006/2007 HUD Action Plan for Receipt of Two Entitlement Grants: Community Development Block Grant (CDBG) and HOME Investment Partnership Program as Proposed by Staff and the Citizens Participation

Advisory Board (CPAB), Authorize Submittal of the Action Plan to the U. S. Department of Housing and Urban Development (HUD) and Approve the Amended Citizen Participation Plan

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

The City Clerk announced for the record that there were no Late Communications which pertain to this public hearing.

City Administrator Culbreth-Graft called on Economic Development Director Stanley Smalewitz to provide a report. Director Smalewitz discussed the required public hearing process and introduced Senior Administrative Analyst Carol Runzel to give the Community Development Block Grant (CDBG) Program PowerPoint presentation. Analyst Runzel described the Citizens Participation Advisory Board's (CPAB) role and process, presentations and tour of proposed sites. She described the two primary changes to the Citizen Participation Plan and explained the next steps.

Councilmember Green stated that never before could she remember when the HUD Action Plan and Citizen Participation Plan were presented to the Council without differing recommendations by staff and the Citizens Participation Advisory Board, complimenting staff on the presentation and comprehensive report.

A motion was made by Green, second Bohr to **1)** Approve the 2007/08 Action Plan and Amendments to the 2006/2007 Action Plan for the CDBG Program and HOME program; authorize the application for federal assistance of \$1,419,271 in CDBG and \$772,388 in HOME for the 2007/2008 grant year; and reprogram \$731,202 in prior year CDBG funding and reprogram \$267,000 from the Revolving Loan Fund to projects approved in the Action Plan; and **2)** Approve the amended Citizen Participation Plan. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Consent Calendar - Items Removed for Separate Discussion

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

(City Council) Resolution No. 2007-47 Establishing a Centennial Committee to Coordinate the City's 100th Year of Incorporation on February 17, 2009

(City Council) Three-Year Agreement between the city of Huntington Beach and All City Management Services, Inc. for Crossing Guard Services

(City Council) Three-Year Lease Agreement Between the City of Huntington Beach and Huntington Beach Playhouse

(City Council) Resolution No. 2007-49 to Levy A Retirement Property Tax for Fiscal Year 2007/08 (Public Safety Employee Retirement Benefits)

Consent Calendar - Items Approved

A motion was made by Green, second Cook to approve the following consent calendar items, as recommended: The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council/Redevelopment Agency) Approved Minutes - Approved and adopted the minutes of the City Council/Redevelopment Agency regular meeting of July 16, 2007 as written and on file in the Office of the City Clerk.

(City Council) Approved a Reimbursement Agreement between the City of Huntington Beach and Makallon Atlanta Huntington Beach, LLC in the Amount of \$360,000, and a Professional Service Contract Between the City of Huntington Beach and Scott Fazakas Associates, Inc. in the Amount of \$360,000 for Special Inspection Services on the Pacific City Project; and, Authorized Appropriation, Acceptance and Expenditure of Funds - 1) Approved the Reimbursement Agreement between the City of Huntington Beach and Makallon Atlanta Huntington Beach, LLC for Costs Incurred for Special Inspection Services as prepared by the City Attorney, and authorize the Mayor and City Clerk to execute the Agreement; **2)** Appropriated Three Hundred Sixty Thousand Dollars (\$360,000) to the Building and Safety Department operating account number 10055201.69365 in connection with the Reimbursement Agreement between the City of Huntington Beach and Makallon Atlanta Huntington Beach, LLC for Costs Incurred for Special Inspection Services; **3)** Authorized the acceptance of two payments of \$180,000 on or before August 27, 2007 and July 1, 2008 from Makallon Atlanta Huntington Beach, LLC for special building inspection services; **4)** Approved the contract for \$360,000 for special inspection services and authorize the Mayor and City Clerk to execute the Professional Services Agreement Between the City of Huntington Beach and Scott Fazakas & Associates, Inc., for Building Inspection Services; and, **5)** Authorized the Director of Building and Safety to expend \$360,000 for Special Inspection Services for the Pacific City Project out of 10055201.69365. Submitted by the Director of Building and Safety. Funding Source: The proposed agreement allows the developer to pay for special services by depositing funds totaling \$360,000. Two payments of \$180,000 each will be made on or before August 27, 2007 and July 1, 2008.

(City Council) Approved the Reappointments of Lloyd Budwig and Sidney Kuperberg to the Library Board of Trustees, Each for a Second Term Effective July 1, 2007 through June 20, 2011 as Recommended by Council Liaisons Gil Coerper and Joe Carchio - Approved the reappointments of Lloyd Budwig and Sidney Kuperberg, each for a second term effective July 1, 2007 through June 20, 2011. Submitted by the Director of Library Services. Funding Source: Not applicable.

(City Council) Approved the Proposed Budget Submitted by the West Orange County Water Board (WOCWB) in the Amount of \$252,600 for Fiscal Year 2007/2008 - Approved the Fiscal Year 2007/2008 proposed West Orange County Water Board Budget in the amount of \$252,600. Submitted by the Acting Director of Public Works - Operations. Funding Source: The City's share of the Fiscal Year 2007/08 WOCWB budget will be included as a line-item expenditure in the Water Fund (506) Fiscal Year 2007/08 budget submittal under account 50685801.67655.

(City Council) Approved Plans and Specification, Authorized Execution and Award Construction Contract in the Amount of \$67,570 to Montes Pacific Engineering for the Greenview Lane Maintenance Project, MSC 446 - 1) Approved the plans and specifications for the Greenview Lane Maintenance Project, MSC 446; 2) Accepted the lowest responsive and responsible bid submitted by Montes Pacific Engineering in the amount of \$67,570; and, 3) Authorized the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. Submitted by the Acting Director of Public Works - Engineering. Funding Source: Funds are available from the General Fund, Concrete Maintenance Account 10085410.64620. The Engineer's estimate for this project is \$75,000.

(City Council) Approved Plans and Specification, Authorized Execution and Award Construction Contract in the Amount of \$3,885,549.75 to R. J. Noble Company for the 2006/07 Arterial Rehabilitation Project, CC-1294 - 1) Approved the plans and specifications for the 2006/07 Arterial Rehabilitation Project, CC-1294; 2) Accepted the lowest responsive and responsible bid, including the additive alternate project bid, submitted by R.J. Noble Company in the amount of \$3,885,549.75; and, 3) Authorized the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. Submitted by the Acting Director of Public Works - Engineering. Funding Source: Funds in the amount of \$4.5 million are available in Gas Tax, Arterial Rehabilitation, Street Improvement Account No. 20790008.82300.

(City Council) Approved a License and Settlement Agreement By and Between the County of Orange, the City of Huntington Beach, and the Huntington Beach City School District for Installation of a Landfill Gas Collection System on Property Located at Edison Community Park and a Portion of Kettler School; and, Authorized the City Administrator to Execute the Agreement on Behalf of the City - Approved the Edison Community Park Methane Settlement Agreement and authorized the City Administrator to execute the Agreement on behalf of the City. Submitted by the City Attorney. Funding Source: Not applicable.

(City Council) Adopted Resolution No. 2007-50 Approving the Capital Improvement Programs for Years 2007/2008 Through 2013/2014 for Compliance with Measure M (Traffic Improvement and Growth Management Ordinance) and Proposition 111 Requirements - Adopted Resolution No. 2007-50, *"A Resolution of the City Council of the City of Huntington Beach Adopting Capital Improvement Programs for the Years 2007/2008 Through 2013/2014 for Compliance with Measure M and Proposition 111 Requirements."* Submitted by the Acting Director of Public Works - Engineering. Funding Source: No funding is required for the Resolution. Annual Measure M Turnback allocation is approximately \$2.2 million.

(City Council) Approved the Appointment of Student Erica Salisbury and Reappointment of Students Alison Baskin and Nicolette Schindler for a Term of August 1, 2007 to June 30, 2008, and Approved the Appointments of Broc Coward, Stan Cohen and Kecia Van Mechelen for a Term of September 1, 2007 Through August 30, 2011 for the Children's Needs Task Force as Recommended by Council Liaisons Gil Coerper and Cathy Green - 1) Approved the appointment of student Erica Salisbury to the Children's Needs Task Force for a term of August 1, 2007 to June 30, 2008; 2) Approved the reappointment of students Alison Baskin and Nicolette Schindler to the Children's Needs Task Force for a term of August 1, 2007 to June 30, 2008; and, 3) Approved the appointments of Broc Coward, Stan Cohen, and Kecia Van Mechelen to the Children's Needs Task Force for a term of September 1, 2007 through August 30, 2011. Submitted by the Director of Community Services. Funding Source: Not applicable.

(City Council) Approved Plans and Specifications for the Annual Water Main Replacement Project CC-1238 Affecting Various Locations Along Beach Boulevard, Authorized the Mayor and City Clerk to Execute a Contract with Accord Engineering, Inc. in the Amount of \$1,931,885, Authorized the Director of Public Works to Approve Construction Change Orders, and Appropriated \$2.5 Million in Funds - 1) Approved the project plans and specifications for Annual Water Main Replacement Project, Various Locations Along Beach Boulevard, CC-1238; 2) Accepted the lowest responsive and responsible bid submitted by Accord Engineering, Inc., in the amount of \$1,931,885; 3) Authorized the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; 4) Authorized the Director of Public Works to approve up to fifteen percent (15%) in construction change orders; and, 5) Appropriated \$2,500,000 from the Water Master Plan undesignated fund balance to the project account. Submitted by the Acting Director of Public Works - Engineering. Funding Source: Funds for this project will be appropriated from the Water Master Plan unappropriated fund balance to Water Master Plan, Water Main Replacements, Water Improvements Account, No. 50791017.82100. The Engineer's estimate for this project is \$2,500,000.

(City Council) Approved Resolution No. 2007-51 to Determine that Certain Areas Have Met the City's Definition of Deteriorating or Deteriorated Areas, and Designate these Areas for Special Code Enforcement Activities in the Community Development Block Grant Program - Approved City Resolution No. 2007-51, "A Resolution of the City Council of the City of Huntington Beach Accepting the Determination that Certain Areas Have Met the City's Definition of Deteriorating and Deteriorated Areas, and Designating These Areas for Special Code Enforcement Activities in Community Development Block Grant Program." Submitted by the Directors of Economic Development and Planning. Funding Source: Not applicable.

(City Council) Approved Appointments of James Mallewick as At-Large Member to Fill the Unexpired Term of Resigned Member Lauren Barr, and Kathleen O'Conner Phelps as Alternate At-Large Member of the Design Review Board with Terms of August 6, 2007 to December 31, 2010 as Recommended by City Council Liaisons Keith Bohr and Joe Carchio - Approved the appointments of James Mallewick and Kathleen O'Conner Phelps to the Design Review Board as at-large member and alternate at-large member, respectively, to complete terms to expire on December 31, 2010. Submitted by the Director of Planning. Funding Source: Not applicable.

(City Council/Redevelopment Agency) Approved Revisions and Authorized Execution and Recordation of Subordination Agreements Between the City of Huntington Beach, Huntington Beach Redevelopment Agency and Jamboree Housing Corporation for the Acquisition and Rehabilitation of a Five-Unit Apartment Property Located at 17362 Koledo Lane - City Action: 1) Approved revised language in, and authorized execution and recordation of, "City Subordination Agreement" by the Mayor and City Clerk; and **Agency Action:** 1) Approved revised language in, and authorized execution and recordation of, "Agency Subordination Agreement" by the Agency Chairperson, Executive Director, and Secretary. Submitted by the Director of Economic Development/Deputy Executive Director. Funding Source: No additional funding will be required to carry out the requested action.

(City Council) Adopted Resolution No. 2007-47 Establishing a Centennial Committee Working With Staff and Volunteers to Assist in Coordinating the City's 100th Year of Incorporation on February 17, 2009

The City Council considered a communication from the Deputy City Administrator transmitting the following **Statement of Issue:** The City will celebrate its 100th year of incorporation on February 17, 2009. A volunteer committee is necessary to plan the City's Centennial Celebration. **Funding Source:** Not Applicable.

Councilmember Carchio requested that this agenda item be removed from the Consent Calendar for clarification of appointments of committee members. Community Relations Officer Laurie Payne responded that the Mayor and Councilmember Bohr would be reviewing a list of names that had been solicited and finalized by the Communications Committee for presentation to the Council in October 2007. Once the proposed Resolution is adopted, all Councilmembers will have the opportunity to recommend individuals to the Centennial Committee.

A motion was made by Carchio, second Cook to adopt **Resolution No. 2007-47**, "*A Resolution of the City Council of the City of Huntington Beach Establishing a Centennial Committee.*" The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council) Approved and Authorized the Mayor and City Clerk to Execute a Three-Year Agreement in an Amount Not to Exceed \$1,133,487 Between the City of Huntington Beach and All City Management Services, Inc., for Crossing Guard Services

The City Council considered a communication from the Chief of Police transmitting the following **Statement of Issue:** Should the City approve a three-year contract with All City Management Services, Inc., (ACMS), to assume management of the Crossing Guard Program? Currently, the Police Department manages the program. **Funding Source:** Sufficient funds are available in the crossing guard program budget for the remainder of the 06/07 fiscal year. If the contract is approved, the 07/08 fiscal year crossing guard budget will need to be increased to \$371,630 from the proposed amount of \$348,757.

Councilmember Bohr requested this agenda item be removed from the Consent Calendar to state his concern regarding the contract amount for the Crossing Guard Program and wondered if the School Districts could participate in the financial burden.

Police Chief Ken Small indicated that the City has been funding this program since its existence and he described the methodology used to determine selected crossing guard locations. Discussion ensued amongst the Council and Chief Small related to employment status, the School District's financial constraints and lack of funds to offer the program, safety issues if the program were to cease, and cancellation of the contract if needed. City Attorney Jennifer McGrath responded that a 90-day cancellation provision would be in place.

A motion was made by Green, second Cook to approve and authorize the Mayor and City Clerk to execute a three-year *Agreement Between the City of Huntington Beach and All City Management Services, Inc.* for Crossing Guard Services, to assume total responsibility of the Crossing Guard Program beginning on August 30, 2007. The motion carried by the following roll call vote:

AYES: Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None
ABSTAIN: Bohr

(City Council) Approved and Authorized the Mayor and City Clerk to Execute a Three-Year Lease Agreement between the City of Huntington Beach and the Huntington Beach Playhouse for the Nonexclusive Use of the Public Library Theater

The City Council considered a communication from the Director of Library Services and the Director of Economic Development transmitting the following **Statement of Issue**: The City Council is asked to approve the renewal of a lease agreement with the Huntington Beach Playhouse for the nonexclusive use of the City's Library Theater. **Funding Source**: Not Applicable.

Councilmember Green requested this agenda item be removed for further clarification regarding the issue of surcharge fees.

Huntington Beach Playhouse representatives, Betty Muellenberg and April Gentry, were asked to come forward and answer questions posed by Council and staff. Lengthy discussion ensued regarding the \$1-per-seat surcharge fee, possible refund retroactivity and hourly fees to reserve the Maddy Room. Director Smalewitz referred to item #3 on page E.16.16 of the agenda packet material and discussed negotiation strategies. City Administrator Culbreth-Graft indicated that renegotiation of an increased subsidy would trigger an adjustment to the General Fund.

Councilmember Green discussed perceived inconsistencies among citywide non-profit agreements, expressing her concern that Huntington Beach Playhouse is paying more for its lease agreement than other non-profits. She stressed the importance of encouraging culture in the City.

Mayor Pro Tem Cook asked if retroactivity were imposed, would the City owe the Huntington Beach Playhouse money. Director Smalewitz responded affirmatively. Due to budget constraints and the decline in attendance for theater productions at the Playhouse, Mayor Pro Tem Cook stated that she would not support the amended proposal.

Councilmember Carchio indicated his support by stating that for the Huntington Beach Playhouse is an important element of our community.

Mayor Coerper asked how much the City would reimburse Huntington Beach Playhouse. Director Smalewitz indicated that the Playhouse is currently on a month-to-month rental basis, awaiting approval by the Council of the proposed lease agreement. Mayor Coerper asked for the impacts involved to recommend the action without amending the proposal. Director Smalewitz explained how the City would calculate a reimbursement fee.

A motion was made by Green, second Bohr to **1)** approve and authorize the Mayor and City Clerk to execute the **amended** lease agreement entitled "*Lease Agreement Between the City of Huntington Beach and the Huntington Beach Playhouse for Nonexclusive Use of the Public Library Theater*" pending approval of the City's insurance requirements, as **amended** to remove the \$1 facility charge and to not include use of the Maddy Room; and **2)** make the lease commencement date retroactive to January 1, 2007, the date when the last lease term expired. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Coerper, and Green
NOES: Cook, Hansen, and Hardy

(City Council) Adopted Resolution No. 2007-49 to Levy a Retirement Property Tax for Fiscal Year 2007/2008 to Pay for Pre-1978 Public Safety Employee Retirement Benefits - Adopted Resolution No. 2007-49

The City Council considered a communication from the Finance Director transmitting the following **Statement of Issue**: Should the City of Huntington Beach adopt a tax rate to fund the portion of public safety retirement costs that can be legally collected in accordance with court cases, state law, and the City Charter? For Fiscal Year 2007/08, it is proposed to levy a tax rate of \$.0080 per \$100 of assessed valuation on secured values. This proposed tax rate would bring in an estimated \$1,973,346 in tax revenue to be used for funding a portion of the cost of pre-1978 public safety employee retirement benefits. **Funding Source**: Not Applicable.

Councilmember Hansen requested this agenda item be removed for confirmation that projected budget numbers for the upcoming fiscal year are based upon the current pension tax rate. Finance Director Villella responded affirmatively.

Motion by Hansen to maintain the existing property tax rate of \$00.007 per \$100 of assessed valuation on secured values. With no second, the motion failed.

Councilmember Bohr questioned the assessed value projections and Finance Director Villella responded his assumption that assessed values would go up.

A motion was made by Bohr, second Green to adopt **Resolution No. 2007-49**, "A Resolution of the City Council of the City of Huntington Beach Levying a Retirement Property Tax for Fiscal Year 2007/2008 to pay for Pre-1978 Public Safety Employee Retirement Benefits of \$.0080 per \$100 of assessed valuation." The motion carried by the following roll call vote:

AYES: Bohr, Coerper, Green, and Hardy
NOES: Carchio, Cook, and Hansen

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

Communication from Councilmember Jill Hardy, Chair, on behalf of Intergovernmental Relations Committee Members Councilmember Don Hansen and Councilmember Keith Bohr transmitting the following **Statement of Issue**: Approve a City Council position as recommended by the City Council Intergovernmental Relations Committee (IRC) on legislation pending before a federal, state, or regional government, thereby authorizing the Mayor to communicate the City's position to the elected members of the federal or state legislature, or regional body. **Funding Source**: Not Applicable

Councilmember Hardy indicated that the League of California Cities has a watch on SB 1430 and the FPPC is looking into the Bill, noting that changes might be made before voting on by the Senate.

Motion was made by Hardy, second Green to **1) SUPPORT SB 456 (Feinstein) Gang Abatement and Prevention Act of 2007 – As introduced; and 2) SUPPORT AB 468 (Ruskin) Vehicles: Abatement of Abandoned Vehicles – As amended on 7/10/07**. The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Councilmember Green proposed that Council continue to watch SB 1430, and asked Councilmember Hardy for further clarification of the benefit of watching the Bill as it relates to Huntington Beach. Councilmember Hardy described benefits.

Motion was made by Green to **WATCH SB 1430 (Garrick) Political Reform Act of 1974 - Campaign Finance - as amended on 5-09-07**. With no second, the motion failed.

Councilmember Hansen discussed his support for the bill as written. Councilmember Hardy noted that support of the Bill at this time could be accomplished by including the language, "as written," so that if additional changes are made by the legislature, the City's support of the Bill would reflect "as written."

A motion was made by Hardy, second Hansen to **SUPPORT SB 1430 (Garrick) Political Reform Act of 1974 - Campaign Finance - As amended on 05-09-07, amended to include "as written."** The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council) Rejected Bids Received from G-2000 Construction, T. B. Penick & Sons, Inc., and DJM Construction on June 12, 2007 for the City Hall Seismic Retrofit Project, CC-1306, Directed Staff to Revise the Project Design and Re-Advertise the Modified Project

Communication from the Director of Building and Safety transmitting the following **Statement of Issue:** The City Hall Seismic Retrofit project was advertised and three bids were received on June 12, 2007. All three bids substantially exceeded the engineer's estimate of \$5 million. There is insufficient funding available at this time to construct the project as bid. **Funding Source:** The project is funded by a \$3 million grant from Federal Emergency Management Agency (FEMA) and \$4 million from the Redevelopment Agency. The entire \$7 million has been placed into account 81655101.82800.

Mayor Pro Tem Cook voiced concerns about revisions that may compromise safety, suggesting that the City consider Second Tier Reserve funds to cover the differential between the engineer's estimate and bids received. Building Official Ross Cranmer stated that project safety elements would not be compromised, citing night and weekend work as an example of a contract item that may have driven up bids.

A motion was made by Green, second Hansen to **1) Reject all bids as submitted; and 2) Direct staff to revise the project design to reduce costs and re-advertise the modified project** The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Green, Hansen, and Hardy
NOES: None
ABSENT: Coerper (out of room)

(City Council) Introduced as Amended Ordinance No. 3773 Amending Huntington Beach Municipal Code Chapter 9.20 Relating to Public Nudity

Approved for Introduction as amended on July 16, 2007.

Councilmember Bohr stated his desire for international visitors to be given a warning on enforcement of public nudity on the beach and asked City Attorney McGrath for her legal opinion. Attorney McGrath referred to language in the municipal code to accomplish addressing a warning before citation enforcement.

Motion by Bohr to revise Ordinance No. 3773 to include a warning before a violation is issued for public nudity on the City beach. With no second, the motion failed.

Mayor Pro Tem Cook stated her appreciation of comments she received by the naturists and residents and voiced concerns about thong bikinis being illegal under this ordinance. Attorney McGrath differentiated the distinction between thong bikini and the natal cleft visibility language written in the ordinance.

Councilmember Carchio shared his concern of a blameless resident who might be nude inside his or her own home and possibly viewed inadvertently by a member of the public being in violation of the ordinance as written.

Discussion ensued amongst Council and staff regarding removing private property restrictions and beach enforcement. Mayor Coerper reiterated his support of the ordinance.

A motion was made by Hansen, second Green to After the City Clerk reads by title, Introduce **Ordinance No. 3773**, "*An Ordinance of the City of Huntington Beach Amending Chapter 9.20 of the Huntington Beach Municipal Code Relating to Public Nudity*", as **amended** by Hansen to remove "natal cleft." The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council) Adopted Ordinance No. 3774 Amending the Huntington Beach Zoning and Subdivision Ordinance by Amending Specific Plan 5 (Downtown Specific Plan, Districts 7 and 9) and Chapters 203 (Definitions), 204 (Use Classifications), and 211 (Commercial Districts) Thereof to Conform LCPA No. 2-06 (Timeshares) to Modifications Made by the California Coastal Commission.

Approved for Introduction July 16, 2007.

A motion was made by Green, second Bohr to after the City Clerk reads by title, Adopt **Ordinance No. 3774**, "*An Ordinance of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance by Amending Specific Plan 5 (Downtown Specific Plan) and Chapters 203 (Definitions), 204 (Use Classifications), and 211 (Commercial Districts) Thereof to Conform LCP Amendment No. 2-06 to Modifications Made by the California Coastal Commission.*" The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

(City Council) Approved for Introduction Ordinance No. 3775 Amending Chapter 2.07 of the Huntington Beach Municipal Code (HBMC) to Modify Existing Campaign Contribution Limitations from \$300 Per Person for Each Election Cycle to \$500 Per Person for Each Election Cycle

Deferred from the 7/16/07 meeting.

Communication submitted by the City Attorney transmitting the following: **Statement of Issue:** On May 21, 2007, City Council directed the City Attorney to research and prepare an ordinance modifying existing campaign contribution regulations under Huntington Beach Municipal Code Chapter 2.07.

Councilmember Hansen explained his support for raising current campaign contribution levels from \$300 to \$500 in the 2008 election cycle.

A motion was made by Hansen, second Green to after the City Clerk reads by title, approve for introduction **Ordinance No. 3775**, *An Ordinance of the City of Huntington Beach Amending Chapter 2.07 of the Huntington Beach Municipal Code Relating to Campaign Contribution Limitations*, " as **amended** to raise campaign contribution limitations from \$300 to \$500 commencing with the 2008 election cycle; and create a subcommittee to address Huntington Beach election code items as highlighted by the City Attorney.

Councilmember Bohr explained his opposition to the modification. Mayor Pro Tem Cook voiced concerns about meaningful campaign reform.

Councilmember Green referred to the various limits of campaign contributions determined in surrounding cities and her desire to remain consistent with practices used by other governmental agencies. She discussed the grass roots legacy behind campaigning and the importance of volunteerism. She asked for clarification of the campaign election cycle and Attorney McGrath responded.

Mayor Coerper stated his support of the motion.

The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Green, and Hansen
NOES: Bohr, Cook, and Hardy

(City Council) Approved for Introduction Ordinance No. 3776 Amending Chapter 2.100 of the Huntington Beach Municipal Code Pertaining to Operating Policy for Boards and Commissions

Communication submitted by the City Attorney transmitting the following **Statement of Issue**: At the City Council meeting of July 2, 2007, Council took a straw vote as to language in Chapter 2.100 regarding service limitations and attendance for boards and commissions. Subsequent to the straw vote, the City Attorney was directed to amend Chapter 2.100 to include the language arrived at from the straw vote.

A motion was made by Green, second Hardy to after the City Clerk reads by title, Approve for Introduction **Ordinance No. 3776**, *"An Ordinance of the City of Huntington Beach Amending Chapter 2.100 of the Huntington Beach Municipal Code Pertaining to Operating Policy for Boards and Commissions."* The motion carried by the following roll call vote:

AYES: Bohr, Carchio, Cook, Coerper, Green, Hansen, and Hardy
NOES: None

Council Comments - (Not Agendized)

Councilmember Carchio reported attending the Chamber of Commerce Outstanding Citizens Award, and the Annual Surfing Walk of Fame, commending Jack's Surf Shop and Huntington Surf and Sport for jobs well done. He attended U.S. Open Surf Contest and thanked Special Events Coordinator Naida Oslin and Police Chief Small for their

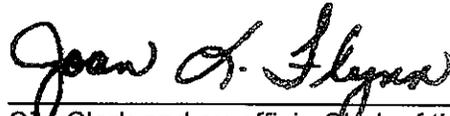
hard work. He attended the Surfers Hall of Fame and closed by reminding the public to attend *Surf City Nights* on Tuesday night.

Councilmember Green attended the Keys for Success Luncheon and named and congratulated recipients of the Legacy Awards, the Athena Award and the Outstanding Citizen Award. She expressed her honor in attending the Eagle Court of Honor for Matthew Lawrence Bottorff. She attended the opening of the Boeing Vanpool event and noted that the Orange County Transportation Authority (OCTA) will be subsidizing 400 vans for vanpools. Anyone interested in coordinating a vanpool, call OCTA.

Mayor Coerper attended the Chamber of Commerce Outstanding Awards and the Long Beach Emergency Operation Center's Dispatch Center, thanking Fire Chief Olson for the tour. In closing, he thanked City Administrator Culbreth-Graft for all her hard work.

Councilmember Hansen took a moment to express appreciation of condolences received after his father's recent passing on behalf of himself and his family. He mentioned the beautiful floral arrangement sent by Council, cards and sentiments received from various city departments, and how touched his mother was at the outpouring of love by those with whom Don spends his time.

Council/Agency Adjournment at 9:16 p.m., to Monday, August 20, 2007 at 4:00 p.m., in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California



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

ATTEST:


City Clerk-Clerk
Mayor-Chair