

**Minutes
City Council/Public Financing Authority Regular Meeting
Successor Agency Special Meeting
City of Huntington Beach**

Monday, August 20, 2012
4:00 PM - Room B-8
6:00 PM - 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 are archived at
www.surfcity-hb.org/government/agendas/**

4:00 PM - ROOM B-8

CALL TO ORDER – 4:07 PM

ROLL CALL

Present: Shaw, Harper (arrived at 4:48), Dwyer, Hansen, Carchio, Bohr (arrived at 4:09),
and Boardman

Absent: None

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda
Distribution)

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

Communication submitted for Study Session Item No. 1 submitted by Travis Hopkins, Director
of Public Works, a memorandum from Patrick Brenden, Chairman of the Pavement Blue Ribbon
Committee, regarding the feasibility of implementing a street maintenance assessment district.

PowerPoint communication submitted for Study Session Item No. 2 by Travis Hopkins, Director
of Public Works, entitled *OCTA Tier II Grant Opportunities*

PowerPoint communication submitted for Study Session Item No. 3 by Lori Ann Farrell, Director
of Finance, entitled *Fiscal Year 2012/2013 Highlights*.

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

STUDY SESSION

1. Chairman Patrick Brenden and Public Works Staff presented the recommendations of the
Pavement Blue Ribbon Committee regarding the feasibility of a benefit assessment district for
streets

Pavement Blue Ribbon Committee Roll Call:

Present: Patrick Brenden (Chair), Bob Ewing, Vincent Latora, and Dianne Thompson (Vice Chair)

Absent: Keith Carlson, Debbie Cook, Broc Coward, Ken Dickerson, Jonathan Ford, Doug Gahn, Karen Jackle, Hart Keeble, and Mick Totten

Public Works Director Travis Hopkins explained issues that led to the creation of the Pavement Blue Ribbon Committee.

Patrick Brenden, Chair, and Dianne Thompson, Vice Chair, discussed recommendations regarding the feasibility of implementing street maintenance assessment districts, moving forward with further research/study in the form of additional assessment engineering, and publishing a mail ballot survey to all property types within a particular assessment.

Council, Committee Members and Staff discussed the following topics

- Assessment districts
- Cost difference to perform further study (citywide versus by district)
- Fairness in prioritizing work
- What defines fair?
- Targeting areas with the greatest needs
- Districts that are willing to pay money to advance their priority ranking
- Presenting infrastructure needs appropriately to the public
- What assessment districts can and cannot pay for
- Forming a long-term infrastructure committee
- Is the City prepared to devote resources to polling residents about their financial ability to pay for infrastructure improvements?
- Exempting Homeowners' Associations from the study
- Separating arterials (special vs. general benefit)
- Who qualifies for street improvements?
- Pavement Condition Index (PCI)
- Seeking an independent opinion on how to structure a successful campaign
- Only 12% of residents felt pavement conditions were poor
- Need to build strong Council and community support through public education
- Deferring maintenance costs
- The Master Plan of Arterial Highways must still continue
- No incentives to pay to move forward

2. Public Works Staff presented OCTA Measure M2 Environmental Cleanup Program grant opportunities

Principal Civil Engineer Terri Elliott provided a PowerPoint presentation entitled *City of Huntington Beach OCTA Tier II Grant Opportunities*, that included titled slides: OCTA Environmental Cleanup Program, East Garden Grove Wintersburg Channel Urban Runoff Diversion Project, Talbert Lake, Council Direction for OCTA Tier II Grant Opportunities, and Questions.

Mayor Pro Tem Dwyer, Engineer Elliott and Director Hopkins discussed how the site conditions have changed, causing a need to reevaluate and redesign the project.

Councilmember Boardman and Engineer Elliott discussed rain water and maintaining the aquifer.

Mayor Pro Tem Dwyer and Director Hopkins discussed maintaining grant funding.

Engineer Elliott continued with the following slides: OCTA Environmental Cleanup Program - Adams Frontage Road Median Retrofit with Bio Swale.

3. Fiscal Year 2012/13 Proposed Budget Study Session - Finance Director, Lori Ann Farrell, was prepared to provide a brief update regarding the status of the Proposed FY 2012/13 Budget.

Finance Director Lori Ann Farrell was available to present a PowerPoint entitled *City of Huntington Beach Proposed Budget - Fiscal Year 2012/13 Highlights*. Council questioned if the presentation included significant changes from the prior budget study session, and Director Farrell replied in the negative. Council declined the presentation and with no questions or comments, recessed to Closed Session.

RECESS TO CLOSED SESSION

A motion was made by Carchio, second Bohr to recess to Closed Session. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr and Boardman
NOES: None

CLOSED SESSION

4. Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiators: Fred Wilson, City Manager; Paul Emery, Deputy City Manager; Bob Hall, Deputy City Manager; Michele Warren, Director of Human Resources; and Lori Ann Farrell, Director of Finance, regarding labor negotiations with MEO.

5. Pursuant to Government Code § 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding T-Mobile West Corporation v. City of Huntington Beach, United State District Court Case No. CV 10-2835 CAS, which involves T-Mobile's project to install antennas at 6666 Heil Avenue belonging to the Community United Methodist Church of Huntington Beach.

6. Pursuant to Government Code Section 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Parks Legal Defense Fund v. The City of Huntington Beach; Orange County Superior Court Case No. 30-2012-00570541. In this second lawsuit challenging the Senior Center, a public interest advocacy

organization alleges that the City violated CEQA, City Charter Section 612 (Measure C), and City's General Plan in approving the Senior Center.

7. Pursuant to Government Code § 54957.6, the City Council recessed to Closed Session to meet with its designated labor negotiators: Fred Wilson, City Manager; Paul Emery, Deputy City Manager; Bob Hall, Deputy City Manager; Michele Warren, Director of Human Resources; and Lori Ann Farrell, Director of Finance, regarding labor negotiations with SCLEA (Surf City Lifeguard Employees' Association).

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING AND CALL TO ORDER THE SUCCESSOR AGENCY SPECIAL MEETING - 6:05 PM

CLOSED SESSION REPORT BY CITY ATTORNEY - None.

ROLL CALL

Present: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman
Absent: None

PLEDGE OF ALLEGIANCE - Led by Councilmember Matthew Harper

INVOCATION - Given by Larry Schnitzer, Huntington Beach Interfaith Council

AWARDS AND PRESENTATIONS

Presentation - Mayor Hansen and Marine Safety Chief Kyle Lindo recognized Frank Lorina and the Toyota Motor Sales Corporation for their contributions and support of the City of Huntington Beach Lifeguards

Mayor's Award - Mayor Hansen called on Public Works Director Travis Hopkins to present the Mayor's Award to Tree Equipment Operator, Greg Peters. Director Hopkins discussed Mr. Peter's contributions and service to the City of Huntington Beach.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

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

Communication submitted for Consent Item No. 7 from Travis Hopkins, Director of Public Works, dated August 20, 2012 regarding Recommended Action "A:" to include additive bid items 1 and 2 to provide an additional 12 ADA ramps.

Communications submitted for Consent Item No. 13 regarding LeBard Park and the proposed residential project on the closed school site from: Karen Jackle, President, Huntington Beach Tomorrow, Lucy Chou, Franz Berghammer, Kathleen Dover, Starla Thompson, Eileen Root, Ann de Jong, and Larry and Linda Lee.

Communication submitted for Consent Item No. 18 from Lori Ann Farrell, Director of Finance, dated August 20, 2012 attached corrected Exhibit "A" for Successor Agency Resolution Nos. 2012-01 and 2012-02.

PUBLIC COMMENTS (3 Minute Time Limit)

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

Belle Solis spoke in opposition to Measure Z (Property Tax Override) on the November 6, 2012 ballot. (00:17:28)

Robert McKean spoke in opposition Measure Z (Property Tax Override) on the November 6, 2012 ballot. (00:19:19)

Skip Booth spoke in opposition to Measure Z (Property Tax Override) on the November 6, 2012 ballot. (00:21:35)

Alan Walls, Suburbia Park, spoke in opposition to Consent Item No. 13 - Proposed LeBard Park and Residential Project / Reimbursement Agreement with the Huntington Beach City School District. He distributed a communication to Council dated August 20, 2012 regarding *Opposition to Expenditure of Public Monies for Environmental Documentation since HBCSB's Proposal for LeBard Park is Non-Compliant with Federal Flood Requirements*. (00:22:23)

Joe Bui spoke in opposition to Consent Item No. 13 - Proposed LeBard Park and Residential Project / Reimbursement Agreement with the Huntington Beach City School District. (00:25:03)

Matt Fleming spoke in opposition to Consent Item No. 13 - Proposed LeBard Park and Residential Project / Reimbursement Agreement with the Huntington Beach City School District. (00:26:57)

Kim Fleming spoke in opposition to Consent Item No. 13 - Proposed LeBard Park and Residential Project / Reimbursement Agreement with the Huntington Beach City School District. (00:29:42)

Tim Geddes spoke in opposition to Measure Z (Property Tax Override) on the November 6, 2012 ballot, and in favor of Councilmember Item No. 26 - Reconsideration of Resolution No. 2012-41 (Statutory Maximum Tax Override), and Ordinance No. 3954 (Capping the retirement property tax at fiscal year 2012/13 rates). (00:33:52)

Elizabeth Howell spoke in opposition to Consent Item No. 13 - Proposed LeBard Park and Residential Project / Reimbursement Agreement with the Huntington Beach City School District. (00:35:52)

Kim Carr, Seagate resident, voiced concerns about the subdivision of Ecology Tire on Ernest Drive, and the noise and fume levels emitted from diesel trucks that lease the subdivided site.

Ms. Carr provided a petition from individuals opposed to the ongoing disruptions on Ernest Drive. (00:37:11)

Mayor Pro Tem Dwyer suggested the speaker fill out a blue follow up card.

Maria Young, Homeowners Association President, Huntington By the Sea Mobile Estates, voiced concerns about Coyotes and requested that the City adopt an ordinance prohibiting the feeding of wildlife. (00:40:57)

Donna Brandt, Vice President, Therapeutic Riding Center, announced a Riding Center event held on September 9 at Old World Village that includes food, games, silent auction, a dance, and more. Mrs. Brandt distributed an event flyer. (00:43:11)

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

Councilmember Boardman announced the *Art For Lunch* event scheduled for Wednesday, August 22 at the downtown Art Center.

Councilmember Bohr submitted a written report that will be made available in the City Clerk's Office.

CITY MANAGER'S REPORT

City Manager Wilson asked the Police Chief to comment on coyote management. Chief Small mentioned a meeting held on Tuesday, August 14 at 7:00 PM at the Huntington Central Library that was attended by 325 citizens to discuss living with coyotes.

Mayor Pro Tem Dwyer inquired, and Chief Small responded, that the City has not declared Coyotes a public emergency.

Manager Wilson asked Library Director Stephanie Beverage to describe *Geek the Library*, a public awareness campaign.

CONSENT CALENDAR

1. Approved and adopted minutes

A motion was made by Carchio, second Bohr to approve and adopt the minutes of the City Council/Public Financing Authority Regular Meeting of July 2, 2012, and the City Council/Public Financing Authority Special Meeting of July 23, 2012. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

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

A motion was made by Carchio, second Bohr to receive and file the updated status of the Six-Month Strategic Objectives. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

3. Appropriated funds, awarded and authorized execution of a Construction Contract in the amount of \$6,465,006.40 to CCL Contracting, Inc. for the Springdale Street 36-inch Water Main Corrosion Control and Rehabilitation and Arterial Street Rehabilitation Project, from Warner Avenue to the north City Limit Line, CC-1330

A motion was made by Carchio, second Bohr to appropriate \$1,100,000 from the undesignated Water Fund (506) balance to Corrosion Control Account No. 50691016.82100; and, appropriate \$1,800,000 from the undesignated Measure M Fund (213) balance to Arterial Rehabilitation Construction-Springdale Street Account No. 21390008.82100; and, appropriate \$525,000 from the undesignated Prop 42 Fund (219) balance to Arterial Rehabilitation Construction-Springdale Street Account No. 21990008.82100; and, accept the lowest responsive and responsible bid submitted by CCL Contracting, Inc., in the amount of \$6,465,006.40; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

4. Approved plans and specifications, awarded and authorized execution of a Construction Contract in the amount of \$141,141 to PTM General Engineering Service, Inc. for Safe Routes to School Project in the vicinity of Golden View School; and, authorized change orders not to exceed fifteen (15) percent, CC-1402

A motion was made by Carchio, second Bohr to declare the apparent low bid from Rakan, Inc., as non-responsive; and, accept the lowest responsive and responsible bid submitted by PTM General Engineering Services, Inc., in the amount of \$141,141.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to execute change orders not to exceed a total of 15 percent of the contract construction costs. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

5. Approved plans and specifications, awarded and authorized execution of a Construction Contract in the amount of \$1,295,430 to Kana Pipeline, Inc., for the Sunset Beach Water Main Replacement Project, CC-1412

A motion was made by Carchio, second Bohr to accept the lowest responsive and responsible bid submitted by Kana Pipeline, Inc., in the amount of \$1,295,430.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman

NOES: None

6. Approved plans and specifications, awarded and authorized execution of a Construction Contract in the amount of \$2,190,510 to Metro Builders & Engineers Group Ltd., for the Algonquin Lift Station #10, Sewer Lift Station Replacement Project, CC-1415

A motion was made by Carchio, second Bohr to accept the lowest responsive and responsible bid submitted by Metro Builders and Engineers Ltd., in the amount of \$2,190,510; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman

NOES: None

7. Approved plans and specifications, awarded and authorized execution of a Construction Contract in the amount of \$41,400 to GM Sager Construction for the FY 2011/12 ADA Curb Ramp Project, CC-1434

A motion was made by Carchio, second Bohr to accept the lowest responsive and responsible bid submitted by GM Sager Construction in the amount of \$41,400 for CC-1434; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney, **as amended to include additive bid item 1 (ten (10) ADA Ramps in RD 263); and, additive bid item 2 (two (2) ADA Curb Ramps in RD 463)**. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman

NOES: None

8. Received and Filed Infrastructure Fund Annual Report for FY 2011-2012

A motion was made by Carchio, second Bohr to receive and file the Infrastructure Fund Annual Report for FY 2011-2012. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman

NOES: None

9. Accepted the Sewer Service Charge Performance Audit for Fiscal Year 2011-2012 and suspended the annual Consumer Price Index (CPI) adjustment of the Sewer Service Rates for Fiscal Year 2012-2013

A motion was made by Carchio, second Bohr to accept the Sewer Service Charge Performance Audit for Fiscal Year 2011-12 as presented; and, suspend the Annual Consumer Price Index (CPI) Adjustment of the Sewer Service Rates for Fiscal Year 2012-13. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman

NOES: None

10. Approved Annual Report and fiscal year 2012/13 Budget and adopted Resolution No. 2012-56 declaring the City's intention to levy an annual assessment for fiscal year 2012/13 within the Downtown Huntington Beach Business Improvement District (BID); and, scheduled a Public Hearing for September 17, 2012

Councilmember Carchio pulled the item to question if custodial areas downtown had been expanded to Fifth Street. Staff responded "no," explaining that the BID would be responsible to fund that cost. Councilmember Carchio questioned \$72,000 for administrative costs, and City Manager Wilson indicated that questions should be communicated during the item's scheduled public hearing on September 17.

A motion was made by Carchio, second Bohr to approve the Annual Report and Fiscal Year 2012-2013 Budget of the Huntington Beach Downtown Business Improvement District; and, adopt City Council Resolution No. 2012-56, "A Resolution of the City Council of the City of Huntington Beach Declaring the City's Intention to Levy an Annual Assessment for Fiscal Year 2012-2013 Within the Huntington Beach Downtown Business Improvement District;" and, direct the City Clerk to schedule a public hearing to be held on September 17, 2012, and send copies of the Resolution of Intention, including the BID Boundary Map and assessment formula to each business to be assessed, and publish the same in a newspaper of general circulation as required. The motion carried by the following roll call vote:

AYES: Boardman, Bohr, Hansen, Carchio, Harper, Dwyer, and Shaw
NOES: None

11. Approved Annual Report and fiscal year 2012/13 Budget and adopted Resolution No. 2012-57 declaring the City's intention to levy an annual assessment for fiscal year 2012/13 within the Huntington Beach Auto Dealers Association Business Improvement District (BID); and, scheduled a Public Hearing for September 17, 2012

A motion was made by Carchio, second Bohr to approve the Annual Report and Fiscal Year 2012-2013 Budget of the Huntington Beach Auto Dealers Association Business Improvement District; and, adopt City Council Resolution No. 2012-57, "A Resolution of the City Council of the City of Huntington Beach Declaring the City's Intention to Levy an Annual Assessment Within the Huntington Beach Auto Dealers Association Business Improvement District for Fiscal Year 2012-2013"; and, direct the City Clerk to schedule a public hearing to be held on September 17, 2012, and send copies of the Resolution of Intention and assessment formula to each business to be assessed and publish the same in a newspaper of general circulation as required. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

12. Approved Annual Report and fiscal year 2012/13 Budget and adopted Resolution No. 2012-58 declaring the City's intention to levy an annual assessment and modify the boundaries of the Hotel/Motel Business Improvement District (BID); and, scheduled a Public Hearing for September 17, 2012

A motion was made by Carchio, second Bohr to approve the Annual Report and Fiscal Year 2012-2013 Budget of the Huntington Beach Hotel/Motel Business Improvement District; and, adopt City Council Resolution No. 2012 - 58 "A Resolution of the City Council of the City of Huntington Beach Declaring the City's Intention to Levy an Annual Assessment for Fiscal Year 2012-2013 and Modify the Boundaries Within the Huntington Beach Hotel/Motel Business Improvement District;" and, direct the City Clerk to schedule a public hearing to be held on September 17, 2012, and send copies of the Resolution of Intention, including the BID Boundary Map and assessment formula, to each business to be assessed, and publish the same in a newspaper of general circulation as required. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

13. Approved and authorized execution of a Professional Services Contract with Atkins North America Inc. for preparation of Environmental Documentation for the proposed LeBard Park and Residential Project; approved and authorized execution of a Reimbursement Agreement with the Huntington Beach City School District; and, appropriated funds to be fully reimbursed

Councilmember Boardman pulled the item to discuss the proposal's need for an environmental impact report. She and staff discussed the reimbursement process for EIR processing, including the City's responsibility to process the entitlement in a timely manner, scoping meetings, zone change, general plan amendment, and public hearing.

Councilmember Harper clarified that the project is not located within a redevelopment area. He also discussed the School District's budget, how open space is not seen as functional by School Districts, and how comments from the public should be directed to the School District prior to District's filing an application for entitlement with the City.

Councilmember Shaw urged residents opposed to the project to direct their opinions to the School District.

Mayor Hansen acknowledged professional study in the EIR, the disposition of the property, and discussed his attendance at a School Board outreach meeting.

A motion was made by Hansen, second Carchio to approve and authorize the Mayor and City Clerk to execute the "Reimbursement Agreement Between the City of Huntington Beach and Huntington Beach City School District For Costs Incurred for LeBard Park and Residential Project CEQA Documentation" in the amount of One Hundred Seventy-Two Thousand, Seven Hundred Eighty-Four Dollars (\$172,784); and, approve and authorize the Mayor and City Clerk to execute the "Professional Services Contract Between the City of Huntington Beach and Atkins North America Inc. for the LeBard Park and Residential Project CEQA Documentation" in the amount of One Hundred Seventy-Two Thousand, Seven Hundred Eighty-Four Dollars (\$172,784); and, appropriate funds in the amount of \$172,784 from the City General Fund to the Planning and Building Department Professional Services Account 10060201.69365 for the Professional Services Contract between the City and Atkins North America, Inc., which is funded by a reimbursement agreement. The motion carried by the following roll call vote:

AYES: Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman

NOES: Shaw

14. Approved and authorized execution of the Agreement for Provision of Sewer Services and Covenant Agreement between Midway City Sanitary District and the City for the proposed Vans Skate Park

A motion was made by Carchio, second Bohr to approve and authorize the Mayor and City Clerk to execute the "Agreement for Provision of Sewer Services" between Midway City Sanitary District and the City of Huntington Beach to provide sewer services to City owned property; and, approve and authorize the recordation and execution of the "Covenant and Agreement for Provision of Sewer Service;" and, authorize the City Manager to sign all necessary documents to effectuate the Agreement. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

15. Approved and authorized execution of a Film Production Agreement between the City and LMNO Cable Group, Inc., for the production of episodes of a television series for The Weather Channel based upon the on-duty activities of Southern California lifeguards

A motion was made by Carchio, second Bohr to approve and authorize the Mayor and City Clerk to execute the Film Production "License Agreement Between the City of Huntington Beach and LMNO Cable Group, Inc.," to allow the production of a television series to include the on-duty activities of the Huntington Beach Marine Safety Division. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

16. Approved and authorized execution of a Professional Services Contract with CSG Consultants, Inc. to provide Professional Plan Review Services

Councilmember Bohr pulled the item to discuss auditing of plan check services and the amount of time weekly that CSG will devote to Huntington Beach. Mayor Pro Dwyer and Planning and Building Director Hess participated in the discussion.

A motion was made by Bohr, second Dwyer to approve and authorize the Mayor and City Clerk to execute a Two (2) Year "Professional Services Contract Between the City of Huntington Beach and CSG Consultants, Inc. For Plan Review Services" in an amount not to exceed Three Hundred Thousand Dollars (\$300,000), as prepared by the City Attorney. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman
NOES: None

17. Adopted City Council Resolution No. 2012-59 and Successor Agency Resolution No. 2012-03 Terminating the Owner Participation Agreement (OPA) between the City, Successor Agency and Makallon Atlanta Huntington Beach, LLC for the Pacific City Project

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-59, "A Resolution of the City Council of the City of Huntington Beach Consenting to and Approving the Termination of an Owner Participation Agreement Among the City, the Former Redevelopment Agency and Makallon Atlanta Huntington Beach, LLC;" and, adopt Resolution No. 2012-03, "Resolution of the Successor Agency of the Redevelopment Agency of the City of Huntington Beach Consenting to and Approving the Termination of an Owner Participation Agreement Among the City, the Former Redevelopment Agency and Makallon Atlanta Huntington Beach, LLC;" and, authorize the City Manager/Executive Director or their respective designees to sign all documents and take all actions necessary to effectuate this item. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

18. Adopted Resolution No. 2012-01 approving the Recognized Obligation Payment Schedule (ROPS) for the Huntington Beach Successor Agency for the period of January 1, 2013, through June 30, 2013, in accordance with Health and Safety Code Section 34177; and, adopted Successor Agency Resolution No. 2012-02 approving the Administrative Budget and related actions

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-01, "A Resolution of the Huntington Beach Redevelopment Agency Successor Agency Adopting the Recognized Obligation Payment Schedule For the Period of January 1, 2013, Through June 30, 2013" in accordance with Health and Safety Code Section 34177; and, adopt Resolution No. 2012-02 "A Resolution of the Huntington Beach Redevelopment Agency Successor Agency Approving the Administrative Budget and Related Actions," **as amended to include corrected Exhibit A to the 1/1/13-6/30/13 ROPS & Exhibit A of Successor Agency budget.** The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

19. Adopted Resolution No. 2012-46 extending and modifying the Management Employees' Organization (MEO) Memorandum of Understanding (MOU) by adopting a Side Letter of Agreement; and, authorized the City Manager to sign and execute the Side Letter Agreement

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-46, "A Resolution of the City Council of the City of Huntington Beach Amending the Memorandum of Understanding Between the City and the Management Employees Organization (MEO), By Adopting the Side Letter Agreement;" and, authorize the City Manager to sign the Side Letter Agreement. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

20. Approved and authorized execution of one-year grant agreements with the California Office of Traffic Safety (OTS) for Driving Under the Influence (DUI) and Traffic Enforcement Programs FY12/13; and, approved appropriations and establishment of separate business units

A motion was made by Carchio, second Bohr to approve and accept Grant Agreement No. SC13184 (Sobriety Checkpoint Grant Program) between OTS and the City of Huntington Beach for \$107,500; and, approve and accept Grant Agreement No. PT1368 (Selective Traffic Enforcement Program) between OTS and the City of Huntington Beach for \$90,469; and, authorize the Chief of Police to execute both agreements with OTS; and, approve appropriations and estimated revenue in the total amount of \$197,969; and, establish separate business units for these funds and authorize the Chief of Police to expend up to a total of \$197,969 plus accrued interest on the Sobriety Checkpoint Grant Program and the Selective Traffic Enforcement Program. The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

21. Adopted Ordinance No. 3955 approving Development Agreement No. 12-002 with DCO Beach Walk LLC (Developer) for the Beach Walk Apartments Project Approved for introduction August 6, 2012.

A motion was made by Carchio, second Bohr to adopt Ordinance No. 3955, "An Ordinance of the City of Huntington Beach Adopting a Development Agreement By and Between the City of Huntington Beach and DCO Beach Walk LLC (Developer) (Development Agreement No. 12-002)." The motion carried by the following roll call vote:

AYES: Shaw, Dwyer, Harper, Hansen, Carchio, Bohr, and Boardman
NOES: None

22. Adopted Ordinance No. 3956 amending Chapter 2.28 of the Huntington Beach Municipal Code (HBMC) modifying the fringe benefits and expense allowances for City Council members Approved for introduction August 6, 2012

A motion was made by Carchio, second Bohr to adopt Ordinance No. 3956, "An Ordinance of the City of Huntington Beach Amending Chapter 2.28 of the Huntington Beach Municipal Code Relating to City Council Compensation." The motion carried by the following roll call vote:

AYES: Dwyer, Harper, Hansen, Bohr, and Boardman
NOES: Shaw, and Carchio

PUBLIC HEARING

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

23. Approved Entitlement Plan Amendment No. 12-005 to amend conditions of approval pertaining to affordable housing, school impact requirements, park land in-lieu fees, project phasing, and description of public open space and approve Development Agreement No. 12-001 between the City of Huntington Beach and 21002 HB, LLC (property owner) to vest the current land use designations and standards at the site, establish development impact fees, future condominium sale provisions, retail and hotel "time extension" fees, and affordable housing provisions for the Pacific City project.

Senior Planner Jane James provided a PP entitled *Pacific City Entitlement Plan Amendment (Appeal) and Development Agreement*, with titled slides: Location and Proposed Project, Background and Site History, Proposed Project, Proposed Project Continued, Analysis, and Recommendation.

Councilmember Bohr, Planner James and Deputy Economic Development Director Kellee Fritzal discussed how Delay Fees listed on Exhibit C of the Development Agreement are calculated.

Mayor Hansen opened the public hearing.

City Clerk Flynn informed Council of a correction to Exhibit E to the Development Agreement/ Development Impact Fees that changed the Parkland for Attached Dwelling Units (Per Unit) figure from \$13,835 to \$13,385.

Doug Manigone, IBEW #441, spoke in favor of the item and keeping local workers employed.

Jim Adams, LA/OC Building Trades Council, representing affiliated construction agencies, expressed his desire to continue working on the Pacific City Project and utilize local workers and contractors. (01:27:36)

Ralph Bauer recommended that the proposal be postponed to allow future discussion, and distributed a communication dated August 20, 2012 entitled *Comments to City Council*. (01:29:20)

Chaim Elkoby, representing 21002 HB, LLC (applicant), provided photographs depicting Crescent Heights projects, and informational slides titled: Who we are, California Experience, Current California Projects, and Pacific City Project Timeline. (01:32:18)

With no one else present to speak, the public hearing was closed.

Councilmember Boardman responded to public concerns about differences in park impact fees for rental versus for-sale units, calling attention to Exhibit E that indicates fees are the same for both attached and detached units. She acknowledged that the developer will pay 90% of the impact fees up front, and will not participate in the graduated schedule recently adopted by Council. She and City Attorney Jennifer McGrath also discussed how the original projection of \$40M in park impact fees was changed to \$22M by a third party arbitrator.

Councilmember Bohr acknowledged his impression that Crescent Heights is motivated, flexible, and willing to cooperate in order to develop a successful project.

Councilmember Shaw congratulated Crescent Heights on an exciting development.

Mayor Pro Tem Dwyer voiced disappointment with past decisions that lost the City and the previous developer a great deal of money through litigation, bankruptcy, etc.

Councilmember Carchio shared positive thoughts about the development, but also acknowledged loss of tax increment.

A motion was made by Shaw, second Bohr to approve Entitlement Plan Amendment No. 2012-005 with findings and conditions of approval; and, approve Development Agreement No. 2012-001 with findings for approval and after the City Clerk reads by title, approve for introduction Ordinance No. 3957, "An Ordinance of the City of Huntington Beach Adopting a Development Agreement by and Between the City of Huntington Beach and 21002 HB, LLC (Property Owner) (Development Agreement No. 12-001);" **as amended to correct the Parkland for Attached Dwelling Units (Per Unit) figure from \$13,835 to \$13,385 as identified on Exhibit E (Packet Page 644)**. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman
NOES: None

24. Accepted and approved expenditure of the County Supplemental Law Enforcement Services (SLESF) Grant in the amount of \$200,000 for Fiscal Year 2012-2013

Police Chief Small provided a PowerPoint entitled *Supplemental Law Enforcement Services Fund (SLESF)*, with titled slides: FY 2012/2013 SLESF, Proposed Expenditures, Recommended Action, and Questions.

Mayor Hansen opened the public hearing. With no one present to speak, the public hearing was closed.

A motion was made by Bohr, second Dwyer to conduct a public hearing; and, approve the acceptance of SLESF grant for funding fiscal year 2012-13; and authorize the Chief of Police to expend \$200,000, plus any accrued interest; and, appropriate \$200,000 plus any accrued interest to purchase the new Motorola Astro Digital XTS 5000 700/800MHz radios. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman
NOES: None

COUNCILMEMBER ITEMS

25. Submitted by Mayor Hansen - Considered the establishment of a Huntington Beach Community Foundation to promote and advance philanthropy in the community; directed the City Attorney to draft Articles of Incorporation and Bylaws

A motion was made by Hansen, second Carchio to direct the City Attorney to prepare Articles of Incorporation and draft Bylaws for the Huntington Beach Community Foundation. The initial development will call for the appointment of seven Directors of the Corporation, with the articles of incorporation allowing for amendments to the total number of directors. The authorized numbers of directors may be changed only by a resolution adopted by the affirmative vote of two-thirds of those directors in office.

Upon development of the Articles of Incorporation and the Bylaws, Mayor Hansen will request each Councilmember to provide him a nominee to serve as one of the initial directors of the Community Foundation. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Dwyer, Hansen, Carchio, Bohr, and Boardman
NOES: None

26. Submitted by Councilmember Bohr - Requested Council reconsider the August 6, 2012 agenda item concerning the clarification to Resolution No. 2012-41 regarding the City's Statutory Maximum Tax Override. Adoption failed August 6, 2012: Vote: 2-4-1 (Harper, Dwyer, Hansen, Bohr no, Boardman absent)

A motion was made by Bohr, second Shaw to vote to reconsider the action to Adopt Clarification to Resolution 2012-41 regarding the City's Statutory Maximum Tax Override. The motion carried by the following roll call vote:

AYES: Shaw, Carchio, Bohr, and Boardman
NOES: Harper, Dwyer, and Hansen

27. Clarification to Resolution 2012-41 regarding the City's Statutory Maximum Tax Override

A motion was made by Bohr, second Boardman to adopt clarification to Resolution 2012-41 regarding the City's Statutory Maximum Tax Override. The motion carried by the following roll call vote:

AYES: Shaw, Carchio, Bohr, and Boardman
NOES: Harper, and Hansen
ABSENT: Dwyer (had left meeting)

28. Submitted by Councilmember Bohr - Requested Council reconsideration of the August 6, 2012 agenda item regarding the adoption of Ordinance No. 3954 capping the Retirement Property Tax at the rate set for Fiscal Year 2012/13 to pay for pre-1978 Employee Retirement Benefits Approved for introduction July 16, 2012 Adoption failed August 6, 2012: Vote: 2-4-1 (Harper, Dwyer, Hansen, Bohr no, Boardman absent)

Councilmember Bohr explained his intention to reconsider approving a cap to the existing .015 rate for property tax override (\$15 per \$100,000.00 of assessed property value). He discussed Prop 218 implications that would require voter approval of future upward adjustments.

Councilmember Harper opined that taking action prior to Measure Z results from the November 6, 2012 election was premature and inappropriate.

Councilmember Carchio questioned, and City Attorney McGrath confirmed that future Council has the authority to lower the rate.

A motion was made by Bohr, second Shaw to vote to reconsider adoption of Ordinance No. 3954, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Adding Chapter 3.07 Relating to Capping the Retirement Property Tax at

Fiscal Year 2012/13 Rates" to pay for pre-1978 Employee Retirement Benefits. The motion carried by the following roll call vote:

AYES: Shaw, Carchio, Bohr, and Boardman
NOES: Harper, Dwyer, and Hansen

29. Adopt Ordinance No. 3954 capping the Retirement Property Tax at the rate set for Fiscal Year 2012/13 to pay for pre-1978 Employee Retirement Benefits

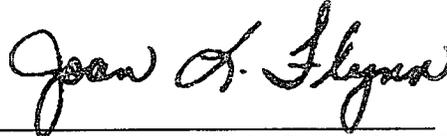
A motion was made by Bohr, second Boardman to adopt Ordinance No. 3954, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Adding Chapter 3.07 Relating to Capping the Retirement Property Tax at Fiscal Year 2012/13 Rates" to pay for pre-1978 Employee Retirement Benefits. The motion carried by the following roll call vote:

AYES: Shaw, Carchio, Bohr, and Boardman
NOES: Harper, and Hansen
ABSENT: Dwyer (had left meeting)

COUNCILMEMBER COMMENTS (Not Agendized)

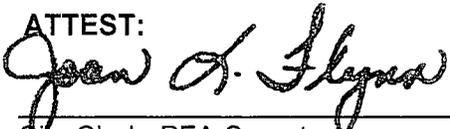
Councilmember Shaw reported attending the Peter's Landing Farmers Market on August 18; Councilmember Carchio reported attending the MEA Family Day event on August 11; Councilmembers Hansen and Carchio reported attending the Junior Lifeguard Program Graduation Ceremony on August 16; and, Councilmember Harper reported attending the Fountain Valley Chamber of Commerce Legislative Reception on August 10.

ADJOURNMENT at 8:01 PM to the next regularly scheduled meeting of Tuesday, September 4, 2012 at 4:00 PM in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.



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

ATTEST:



City Clerk, PFA Secretary,
Successor Agency Clerk



Mayor-Chair