

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

Monday, July 16, 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  
are on file in the Office of the City Clerk and are archived at  
[www.surfcity-hb.org/government/agendas/](http://www.surfcity-hb.org/government/agendas/)**

4:00 PM - ROOM B-8

CALL TO ORDER

ROLL CALL

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

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

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

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

A PowerPoint communication submitted for Study Session Item No. by Lori Ann Farrell, Director of Finance, dated July 16, 2012, entitled *City of Huntington Beach Proposed Budget, Fiscal Year 2012/2013*.

STUDY SESSION

1. City Manager and City staff presented an overview of the City Manager's recommended Proposed Fiscal Year 2012/13 Budget

Lori Ann Farrell, Director of Finance, and Carol Molina Espinosa, Budget Manager, provided a PowerPoint presentation dated July 16, 2012 and entitled *City of Huntington Beach Proposed Budget Fiscal Year 2012/2013*, that included titled slides: FY 2012/12 Proposed Budget Presentation Overview, A Roadmap to Success - The Strategic Plan, FY 2012/2014 Proposed Budget: An Overview, FY 2012/13 Proposed Budget, FY 2012/13 General Fund Budget, Enhance Economic Development, General Fund Expenditures, Highlights of Proposed Reductions, Proposed Staff Reductions, City Council Memberships, Alternatives to Consider,

Maintain Public Safety, Improve the City's Infrastructure, Financial Reserves, Strategic Use of Reserves, Improve Long Term Financial Sustainability Reserve Balances (In Thousands), Develop, Retain and Attract Quality Staff, Budget Calendar, and City of Huntington Beach Proposed Budget Questions?

Councilmember Shaw and Director Farrell discussed how our public safety budget compares with other cities.

Mayor Hansen and Director Farrell discussed the benefits of paying off the PARS pension obligation to eliminate liability.

Director Farrell thanked members of the Finance Department for their work on the budget.

Councilmember Boardman and Director Farrell discussed establishing projected sales tax revenue, projection comparison by year, and other revenues (property tax, transient occupancy tax), and how they are delivered (monthly, quarterly, annually, etc.). Discussion ensued regarding costs associated with cutting certain positions in the City's table of organization, when the economic uncertainties fund was established, and use of economic uncertainties funds to save positions anticipated for layoff.

Councilmember Carchio and Director Farrell discussed the value of employee PERS concessions, anticipated cuts affecting City libraries, and library collection procedures.

Councilmember Carchio voiced concerns about reductions affecting the SWAT program.

Mayor Hansen and Director Farrell discussed policy in relation to use of economic uncertainties fund monies.

Mayor Hansen proposed outsourcing the City's legal department, and solicited Council support to direct the City Manager to issue a Request for Qualifications (RFQ) document, with the City Attorney to serve as Contract Administrator. Councilmember Boardman recalled a favorable audit of City Attorney services, and Manager Wilson and Director Farrell discussed the types of legal services currently being outsourced. Councilmember Boardman reminded Council how the past City Attorney spent too much money on outsourced legal services.

Councilmember Harper questioned the appropriateness of a Council vote on publishing an RFQ. Deputy City Attorney Mike Vigliotta discussed Brown Act implications of and taking action on a non-agendized issue. Mayor Hansen opined that outsourcing services falls within the context of the budget discussion.

Councilmember Boardman opposed the amount of staff time needed to accomplish the task. Councilmember Harper expressed support for an RFQ. Councilmember Shaw asked for past expenses related to revising the Charter and evaluating the City Attorney's office, voicing concerns about the presence of a political agenda. Councilmember Carchio disagreed with Councilmember Shaw and voiced support to examine all options and issue an RFQ.

Mayor Pro Tem Dwyer, Deputy City Attorney Mike Vigliotta and Director Farrell discussed budget figures representing case load, and budget liability (claims).

Councilmember Bohr supported issuing an RFQ to identify potential cost savings. Mayor Hansen opined that any and all departments should be considered for evaluation, and discussed public opinion related to outsourcing police and fire services.

Councilmember Boardman reiterated her suggestion to use economic uncertainties funds to help balance the budget and discussed what the Police Department will not be providing because of budget cuts. Director Farrell described two identified scenarios (status quo and full employee pick of PERS obligations).

Councilmember Carchio and Manager Wilson discussed issues surrounding services being delivered at the same level with fewer resources.

Councilmember Bohr discussed revenue realized from increased parking fees and enforcement.

Mayor Pro Tem Dwyer and Director Farrell discussed the amount of funds appropriated in the City Attorney's budget for outside legal services, including the emergency litigation fund.

#### RECESS TO CLOSED SESSION

A motion was made by Carchio, second Dwyer 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

2. Pursuant to Government Code Section 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 Carr, Director of Human Resources; and Lori Ann Farrell, Director of Finance, regarding labor negotiations with MEO.

3. 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.

4. Pursuant to Government Code Section 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuits [and potential lawsuits]: Walker v. City of Huntington Beach, Orange County Superior Court Case No. 30-2011-00486324. Plaintiff was involved in an automobile accident with a City vehicle at the intersection of Edinger Avenue and Gothard Street.

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING - 6:02 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 Connie Boardman

INVOCATION - Given by Reverend Peggy Price, Huntington Beach Interfaith Council

## AWARDS AND PRESENTATIONS

Presentation - Mayor Hansen called forward the Huntington Beach Fast Pitch Girls Softball League Coach Jon Gmur to introduce his 8 and Under (8U) Gold Team that had a 30 and 2 season and won 5 of 6 local tournaments: Mikayla Carman, Hailey Gmur, McKenna Pua, Briana Gonzales, Sara Crespo, Cierra Escamillia, Bella Messina, Taylor Lane and Skylar Wallace.

Mayor Hansen called forward the Huntington Beach Fast Pitch Girls Softball League Coach Scott Drake to introduce the 10U Gold Team who placed second in State finals, 3rd in District, and qualified for "Nationals": Shayla Thomas, Allyson Fullbright, Megan Ryono, Kelli Ryono, Malia Cockrell, Maddie Botts, Natalie Dorame, Katelyn Drake, Emily Gray, Reanna Rudd, Helena Gonzales, Bella Gara, and Kamryn Petit. Players brought trading pins forward for the Council.

Mayor Hansen called forward Coach Aimee Valley to introduce the 12U Gold Team who took 3rd in District finals and qualified for "Nationals" in Salem, Oregon: Tyler Frydman, Kendell Henscheid, Amanda Valle, Greta Wessel, Sarah Ferguson, Mikayla Nieto, Stephanie Tsai, Kaylee Hammond, Danika McKee, Valerie Rudd, Ashley Drake, and Remi Davidson.

Presentation - Mayor Hansen presented a commendation to Dave and Margaret Carlberg for their many years of service with the Amigos De Chica Bolsa and the Bolsa Chica Foundation.

Mayor's Award - Mayor Hansen called on Lia Hernandez, Senior Librarian, to present the Mayor's Award to Amy Crepeau, Family Literacy Program Specialist for the Oak View location, Ms. Hernandez described Amy's service and contributions to the organization.

## 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:

Communications received for Councilmember Item No. 19 requesting staff to include analysis of relocation of historic buildings designated to be demolished on Nichols Street at Warner Avenue as part of the Focused Environmental Impact Report (FEIR): Elaine Parker, Doug Erber, Stacha Khatib, Jennifer M. Gates, Field Services Director of California Preservation Foundation, Karen Kai, Cathy Inamasu, White J. & Marilyn L. Harris, Melvin Araki, Gloria Alvarez

Communications received for Councilmember Item No. 21 regarding an alternative proposal be submitted to the Orange County Transportation Authority (OCTA) regarding the widening of the

405 freeway that would include no Toll Lanes: Christine Chapel, Harold Webster, Amy Shaw, and Elias Flores.

Communications received for Councilmember Item No. 22 regarding the drafting of a Charter Amendment that would be placed on the November 6, 2012 General Municipal Election Ballot approving the sale of California State-Approved Fireworks: Elaine Parker, Mary Jo Baretich, Dave Rollins, Francis VanderKallen and Maria Young.

Communication submitted on Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks by Paul Haussler, Huntington Beach Homeowners.

#### PUBLIC COMMENTS (3 Minute Time Limit)

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

Julie Bixby voiced opposition to Councilmember Item 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:27:23)

Mark Bixby spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:30:16)

Ted Mooers, Edison High School Football Booster Club, spoke in favor of Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:31:54)

Troy Adlawan, Edison Aquatics Complex, spoke in favor of Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:34:41)

Paul Haussler, representing Huntington Bay Homeowners' Association, spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks, and distributed a communication to Council. (00:35:49)

Mayor Pro Tem Dwyer and Officer Reinhart discussed HOA's authority to prohibit firework use.

Joseph Lascola spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:39:03)

Mary Jo Baretich spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:41:27)

Walter Fernandez spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:44:04)

Vern Nelson Jr. spoke in favor of Councilmember Item No. 21 - Recommendation that OCTA Pursue Alternatives One or Two for Widening of the 405 Freeway. (00:47:06)

Vicki Schlom spoke in favor of Councilmember Item No. 21 - Recommendation that OCTA Pursue Alternatives One or Two for Widening of the 405 Freeway. (00:50:22)

Gus Ayer spoke in favor of Councilmember Item No. 21 - Recommendation that OCTA Pursue Alternatives One or Two for Widening of the 405 Freeway. (00:53:39)

Councilmember Harper recognized Mr. Ayer as a past mayor of Fountain Valley.

Marselle Sloane, speaking on behalf of Roz Freeman, spoke in favor of Councilmember Item No. 21 - Recommendation that OCTA Pursue Alternatives One or Two for Widening of the 405 Freeway. (00:57:07)

Mike Van Voorhis, Sunset Beach Community Association, spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (00:58:10)

Schelly Sustarsic spoke in favor of Councilmember Item No. 21 - Recommendation that OCTA Pursue Alternatives One or Two for Widening of the 405 Freeway. (01:01:05)

Diana Carey, Chair of the City of Westminster I 405 Freeway Committee, spoke regarding Councilmember Item No. 21 - opposing OCTA's Alternative Three for the Widening of the I 405 Freeway. (01:04:09)

Mayor Hansen and Ms. Carey spoke about the largest property takes since the inception of the project. Ms. Carey stated the item has moved from affecting residents, to now affecting businesses.

Councilmember Harper and Ms. Casey discussed Westminster's support of a "build" alternative.

Tim Geddes spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:11:21)

Mary Urashima spoke in support of Councilmember Item No. 19 - Analysis of Relocation of Historic Buildings Designated to be Demolished on Nichols Street at Warner Avenue. (01:14:29)

Suzane Krol Boller, Allied Arts Board and Huntington Beach Art Center Foundation Board, spoke regarding NEA (National Endowment of the Arts) and forming an endowment to preserve the Art Center, and distributed information to Council. (01:17:43)

Ben and Laurie McCulloch spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:21:00)

Kari Cozza spoke in favor of Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:23:16)

Trent Cozza spoke in favor of Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:25:31)

John Earl spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:27:52)

Juana Mueller spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:30:46)

Betsy Morris spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:32:05)

Jennifer Gates spoke in support of Councilmember Item No. 19 - Analysis of Relocation of Historic Buildings Designated to be Demolished on Nichols Street at Warner Avenue. (01:34:52)

Pam Vallot spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:37:00)

Stacha Khatib spoke in support of Councilmember Item No. 19 - Analysis of Relocation of Historic Buildings Designated to be Demolished on Nichols Street at Warner Avenue. (01:40:05)

Linda Moon spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:41:03)

Randell James Costello spoke in favor of a skate park in Huntington Beach. (01:43:45)

Mayor Hansen asked Mr. Costello to fill out a blue card to gain information regarding the Vans Skate Park planned in Huntington Beach.

Alison Goldenberg spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:47:34)

Dann Gibb spoke in support of Councilmember Item No. 19 - Analysis of Relocation of Historic Buildings Designated to be Demolished on Nichols Street at Warner Avenue. (01:48:27)

Jerry Berger spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:49:57)

Brenda Calvillo spoke in opposition to Councilmember Item No. 22 - Charter Amendment for Sale of California State-Approved Fireworks. (01:53:09)

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

##### 1. Approve Youth Board appointments/reappointments

A motion was made by Dwyer, second Harper to approve the reappointment of the following students to a one-year term on the Huntington Beach Youth Board with terms to expire June 2013 as recommended by Council liaisons Devin Dwyer and Matthew Harper: Lindsey Thomas, Edison High School Representative, Samantha Sharkoff, Huntington Beach High School Rep, Quentin Cronk, Marina High School Representative, Gregory Welker, At-large Representative; and, approve the appointment of the following students to a one-year term on the Huntington Beach Youth Board with terms to expire June 2013 as recommended by Council liaisons Devin Dwyer and Matthew Harper: Lily Falzon, Ocean View High School Representative, Emily Le, At-large Representative, Elliot Lee, At-large Representative, Austin Smith, At-large Representative, Monica Waldau, At-large Representative. The motion carried by the following roll call vote:

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

NOES: None

Mayor Pro Tem Dwyer and Councilmember Boardman discussed the "Escape from the Landfill" exhibit at the Huntington Beach Art Center, and recognized artists Joyce Dallal, Olga Lah and Cynthia Minet.

Councilmember Boardman described participating in an informal panel discussion with Pegasus School students regarding plastic debris from beaches, and another regarding City green initiatives.

CITY MANAGER'S REPORT - None.

#### CITY ATTORNEY'S REPORT

2. Reported: Notice of Filed Cross Complaint: Michael Barber, et al. v. City of Huntington Beach, Orange County Superior Court, Case No. 30-2011-00456720 (fall in Talbert Park)

Assistant City Attorney Mike Vigliotta reported that a first amended cross complaint was filed on June 29th naming Spectrum Care Landscaping and Irrigation in the lawsuit Barber v. City of Huntington Beach, Case No. 30-2011-00456720.

#### CONSENT CALENDAR

3. 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 June 18, 2012, as written and on file in the Office of the City Clerk. The motion carried by the following roll call vote:

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

NOES: None

4. 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

5. Adopted Resolution No. 2012-45 consolidating with the County the November 6, 2012 Election as it pertains to the Measure which amends the City Charter, Section 607 entitled Tax Limits

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-45, "A Resolution of the City Council of the City of Huntington Beach, California, Requesting the Board of Supervisors of the County of Orange to Consolidate a General Municipal Election to be held on Tuesday, November 6, 2012, with the Statewide General Election to be held on the date pursuant to § 10403 of the Elections Code." The motion carried by the following roll call vote:

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

6. Adopted Resolution No. 2012-48 accepting State Grant funds; authorized execution of a one-year California Department of Alcoholic Beverage Control (ABC) Grant Agreement in the amount of \$50,000; and approved appropriation and expenditure of funds on enforcing state laws regulating the sales of alcohol

A motion was made by Carchio, second Bohr to approve and authorize Chief of Police to execute the State of California, Department of Alcoholic Beverage Control Grant Assistance Program Standard Agreement; and, adopt Resolution No. 2012-48, "A Resolution of the City Council of the City of Huntington Beach Authorizing Application for and Acceptance of Grant Funds From the State of California Department of Alcoholic Beverage Control and Authorizing Execution of the Grant Agreement;" and, approve the appropriation of \$50,000, which is to be fully reimbursed by the grant from the Department of Beverage Control; and, authorize the expenditure of \$50,000 for the authorized expenditures approved in the attached grant agreement. The motion carried by the following roll call vote:

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

7. Adopted Resolution No. 2012-47 confirming reports of cost for Weed Abatement on private property within the City - 2012 Season

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-47, "A Resolution of the City Council of the City of Huntington Beach Confirming the Report of the Public Works Director Regarding the Cost for Weed Abatement on Private Property Within the City for the 2012 Season;" and, direct that all charges listed thereon be certified to the Orange County 2012/13 Property Tax Roll. The motion carried by the following roll call vote:

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

8. Adopted Resolution No. 2012-49 approving the certification of Special Assessments for delinquent Civil Fines for Municipal Code Violations

A motion was made by Carchio, second Bohr to adopt Resolution No. 2012-49, "A Resolution of the City Council of the City of Huntington Beach Certifying Special Assessments for Collecting Delinquent Civil Fines for Municipal Code Violations." The motion carried by the following roll call vote:

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

9. Approved and authorized the City Manager to offer a \$25,000 reward to the public for information leading to the arrest and felony conviction of the person(s) responsible for the attempted murder of two Huntington Beach Police Officers

A motion was made by Carchio, second Bohr to approve and authorize the City Manager to expend \$25,000 as a reward program based on witness information that leads to the arrest and felony conviction of this crime. The motion carried by the following roll call vote:

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

10. Approved the extension of and modifications to the Hometown Heroes Banner Program

Councilmember Carchio pulled the item to discuss fee options for renewal/banner replacement, and the City's efforts to confirm soldiers who are still on active duty. Deputy City Manager Bob Hall participated in the discussion.

A motion was made by Carchio, second Shaw to continue the Hometown Heroes Banner program as previously approved; and, after the first year of display, offer a lower-cost renewal option of \$140 for replacement banners of the celebrated heroes with verification of continued active duty. The motion carried by the following roll call vote:

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

11. Approved of a City Council position on legislation, a regulation, or budget issues pending before a federal, state, or regional government as recommended by the City Council Intergovernmental Relations Committee (IRC)

A motion was made by Carchio, second Bohr to oppose AB 2231 (as amended) (Fuentes/Padilla) - An act to amend Section 5611 of the Streets and Highways Code, relating to sidewalks; and, oppose AB 904 (Skinner) - This bill could severely affect affordable housing and parking conditions for neighborhoods, businesses and public facilities. The motion carried by the following roll call vote:

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

12. Approved and authorized execution of a Cooperative Agreement with the County of Orange accepting funding for Sunset Beach Roadway Improvements

A motion was made by Carchio, second Bohr to approve and authorize the Mayor and City Clerk to execute the "Cooperative Agreement Between County of Orange and City of Huntington Beach for Funding of Sunset Beach Roadway Improvements in the County of Orange." The motion carried by the following roll call vote:

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

13. Approved Exhibit B of the Orange County Animal Care Services Contract for fiscal year 2012/2013

A motion was made by Carchio, second Bohr to approve and authorize the Mayor to execute the contract "Exhibit B to Agreement for Provision of OC Animal Care Services With City of

Huntington Beach July 1, 2012 Through June 30, 2013," and, authorize the Chief of Police to expend up to \$619,436 for animal control services. The motion carried by the following roll call vote:

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

14. Approved and authorized execution of Amendment No. 1 to License Agreement between the City and See Scopes for coin operated telescopes on the Pier

A motion was made by Carchio, second Bohr to approve and authorize the Mayor and City Clerk to execute "Amendment No. 1 to License Agreement Between the City of Huntington Beach and See Scopes." 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 the Memorandum of Understanding (MOU) between the City and the Huntington Beach Auto Dealers Association extending the Annual Beach Parking Pass incentive program another year (July 1, 2012 - June 30, 2013)

A motion was made by Carchio, second Bohr to approve and authorize the Mayor and City Clerk to execute "Memorandum Of Understanding Between the City of Huntington Beach and the Huntington Beach Auto Dealers Association" to continue the Annual Beach Parking Pass incentive program for an additional year. The motion carried by the following roll call vote:

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

#### ADMINISTRATIVE ITEMS

16. Adopted Resolution No. 2012-50 consolidating with the County the November 6, 2012, Election and proposing Ordinance No. 3953 to confirm that all taxes, assessments and property related fees as set forth in the Ordinance apply to all residents, property owners and businesses in the City

A motion was made by Dwyer, second Hansen to adopt Resolution No. 2012-50, "A Resolution of the City Council of the City of Huntington Beach Submitting to the Qualified Electors of the City at the November 6, 2012, General Municipal Election a Measure Related to the City's Taxes, Assessments and Property Related Fees and Requesting the Board of Supervisors of the County of Orange to Consolidate a General Municipal Election to be Held on Tuesday, November 6, 2012, with the Statewide General Election to be Held on the Date Pursuant to Section 10403 of the Elections Code," including Exhibit A, Ordinance No. 3953, "An Ordinance of the City of Huntington Beach confirming the imposition of taxes, assessments and property related fees on all of its residents, business owners, transients, and property owners of the City of Huntington Beach." ***The City Clerk read into the record the title of Ordinance 3953, and Councilmembers Dwyer, Bohr and Carchio were selected to write arguments in favor of the proposed measure.*** The motion carried by the following roll call vote:

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

NOES: None  
OUT OF ROOM: Carchio

#### ORDINANCES FOR INTRODUCTION

17. Approved for introduction 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

Assistant City Attorney Mike Vigliotta discussed methodology in adopting the proposed Ordinance, and what would trigger Proposition 218 requirements.

A motion was made by Bohr, second Boardman to after the City Clerk reads by title, approve for introduction 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."

Councilmember Harper and staff discussed the sunset of the existing pension tax and whether or not the City Council had authority to lower the tax.

The motion carried by the following roll call vote:

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

#### COUNCILMEMBER ITEMS

18. Submitted by Councilmember Connie Boardman - Reconsideration of Construction Contract #1397 awarded at the July 2, 2012 Council meeting regarding the rehabilitation of Main Street due to concerns raised regarding the removal of trees as part of the project

Councilmember Boardman explained her intent to save a large eucalyptus tree growing within the project area, and discussion ensued on how to accomplish that.

A motion was made by Boardman, second Harper to award Construction Contract in the amount of \$1,188,402.00 to All American Asphalt for the Main Street (Adams Avenue to Utica Avenue) and the Garfield Avenue (Delaware Street to Beach Blvd.) Rehabilitation Projects, CC-1397, **amended to include a caveat that the large eucalyptus tree growing within the project be preserved if there is no evidence of damage to homes.** The motion carried by the following roll call vote:

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

19. Submitted by Councilmember Connie Boardman - Request staff to include analysis of relocation of historic buildings designated to be demolished on Nichols Street at Warner Avenue as part of the Focused Environmental Impact Report (FEIR) for this project.

Councilmember Boardman presented a PowerPoint depicting history of the buildings, and as liaison to the Historic Resources Board, shared her concerns about the lack of analysis to consider relocation of the structure(s) proposed for demolition, including moving them to City-

owned land. Councilmember Carchio shared concerns about the property owner's ongoing costs to store the structures at their current location, and suggested they be moved temporarily to the Public Works yard.

Councilmember Harper thanked Councilmember Boardman for bringing the item forward to explore ideas to place the structures on City property, and make the public aware of their historical significance.

Councilmember Bohr and Planning and Building Director Scott Hess discussed how the EIR has not been finalized, and why it isn't necessary to make decisions before the item goes as a public hearing before the Planning Commission. Director Hess explained it was possible to direct that temporary relocation of certain structures to a city property be included in the EIR. Senior Planner Ricky Ramos elaborated on what the EIR/Initial Study will focus on, and also mentioned that cost information had not yet been confirmed.

Jerry Moffett with Rainbow Environmental Services offered a timeline of discussion on relocating the structures, indicated there was no solid interest to this point. He also discussed cost estimates to restore damaged buildings.

Dick Harlow voiced support to relocate buildings, but not until the EIR receives City approval.

Councilmember Boardman and Mr. Moffett discussed what Rainbow Environmental Services would allow regarding relocation of structures in the year following publication of the EIR.

Councilmember Boardman suggested a mitigation measure be added that would trigger additional study if the EIR recommends demolition.

Councilmember Harper voiced support to relocate structures to city property, and attain assistance from a reputable, third party or non-profit organization for restoration.

Mayor Pro Tem Dwyer provided support for finalizing the EIR, and then have Council become involved in the process.

Mayor Hansen expressed support for educating the Council and community about the historical significance of the property, but allow the EIR process to finish before making any other substantial decision. He too called for other non-profit organizations to come forward and show interest.

Councilmember Boardman and Mary Urashima discussed Council's ability to create an ad hoc committee to raise funds for relocation.

A motion was made by Boardman, second Hansen to form an ad hoc committee that includes three Councilmembers (Shaw, Harper and Boardman) and interested individuals to participate in the study of preserving and relocating the historical buildings designated to be demolished on Nichols Street at Warner Avenue. The motion carried by the following roll call vote:

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

20. Submitted by Councilmember Connie Boardman - Request Council consider a Ballot Measure for November 2012 to increase in the Transient Occupancy Tax from 10% to 12.5%

Councilmember Boardman explained her intent to gain support for a ballot measure that would increase the transient occupancy tax (TOT) from 10% to 12.5%. She discussed the anticipated loss of funds should the property tax measure be approved, and provided a brief history related to TOT collection, and what other cities collect.

Councilmember Bohr was not in favor of the request, and discussed how Southern California conference planners consider room and tax rates when considering where to do offsite business.

Councilmember Shaw expressed support for increasing TOT to offset the loss of revenue created by the property tax measure. He also voiced concerns about lack of funding to support public safety services.

Mayor Pro Tem Dwyer concurred with Councilmember Bohr and his concerns about not being competitive in the conference planning market. He also felt it would be inappropriate to raise taxes as an unstudied reimbursement for anticipated loss.

Councilmember Carchio expressed concerns about the timing of the request, and staying competitive in the conference planning market. Councilmember Boardman explained the timing is appropriate so the item can be placed on the November 6, 2012 ballot.

A motion was made by Boardman, second Shaw to direct staff to prepare necessary documentation to place the item to increase Transient Occupancy Tax from 10% to 12.5% on the November 2012 municipal election ballot. The motion failed by the following roll call vote:

AYES: Shaw, and Boardman

NOES: Harper, Dwyer, Hansen, Carchio, and Bohr

21. Submitted by Councilmember Connie Boardman - Request Council recommend to the Orange County Transportation Authority (OCTA) Board an alternative proposal for the widening of the 405 freeway that includes no Toll Lanes

Councilmember Boardman discussed proposed alternatives to widening the 405 Freeway presented by OCTA representatives at a previous Council study session, and recommended that the OCTA Board pursue Alternative One or Two, both of which do not include toll lanes.

Mayor Pro Tem Harper discussed why toll lanes comply with Federal guidelines and his support for the addition of two lanes. He requested that the motion on the floor be amended to specifically support Alternative 2.

Mayor Pro Dwyer provided support for Alternative Two.

Councilmember Bohr expressed support for keeping Alternative 3 an option, discussed the amount of revenue toll lanes bring in.

Mayor Hansen recommended no action be taken at this time to consider additional information that has not yet been presented. He discussed how Measure M, when presented to the voters,

did not include information relative to Alternatives Two and Three. He also discussed the project's potential impacts to neighboring cities, and the consensus reached among transit planners that in order for any Alternative to be successful, it must exist in the current right-of-way.

Councilmember Harper voiced support for the infrastructure improvements identified in Alternative Two, but concurred with Mayor Hansen's suggestion to table a decision.

Councilmember Shaw voiced concerns about bond issuance and where the funds will be appropriated.

A motion was made by Boardman, second Harper to request that the City Council make a recommendation to the OCTA Board that they pursue Alternative Two as described in the EIR for the 405 improvements, amended to include **this alternative expands the lanes by two each way without the addition of toll lanes**. The motion carried by the following roll call vote:

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

22. Submitted by Mayor Hansen - Fireworks - Direct the City Attorney to draft a Charter Amendment to be placed on the November 2012 Ballot approving the sale of California State-Approved Fireworks

Mayor Hansen discussed the widespread opinion by those in favor of firework use in Huntington Beach. He opined that a majority of those uncomfortable with their use relate more to illegal, rather than safe and sane fireworks, and his intent to put the decision in the hands of the community.

Mayor Pro Tem Dwyer provided support for bringing the item to the voters, and shared his observations of illegal firework use and how it should be considered separately.

Councilmember Boardman recognized non-profits being able to raise money through fireworks sales, but also expressed concerns about reduced public safety resources, describing her experience during a 4th of July holiday ride along with fire suppression teams. She opposed the request, stating that Council would not be able to repeal a charter amendment.

Councilmember Harper supported the proposal, expressed concerns that some of the complaint calls to public safety officials may be politically motivated, and how fireworks will be used regardless of whether or not their use is legalized.

While Councilmember Carchio supported the use of safe and sane fireworks, he felt the Council should follow through with their pledge to citizens that a two-year pilot program be carried out before placing a charter amendment on the ballot.

Councilmember Shaw opposed the proposed Council initiative, and read a written statement prepared by public safety staff about how reduced resources cannot respond appropriately and successfully meet safety obligations.

Councilmember Boardman opined that while the holiday seemed to present a smaller amount of problems than in recent years due to cool weather and taking place mid week, the pilot

program should be carried out to consider a more true experience.

Police Officer Russ Reinhart recognized budget cuts that have placed a burden on resources, but stated the Police Department will always do their best to keep service levels acceptable. He and Councilmember Bohr discussed complaint call volume, and how maximum deployment on July 4 resulted in not enough Officers to respond to calls.

Fire Marshall Eric Engberg acknowledged problems and discussed how public safety on this holiday continues to present challenges.

City Clerk Flynn reminded Council of election-related deadlines associated with successfully placing the item on the November 6, 2012 ballot. A special meeting will be held on July 23 to meet the deadlines.

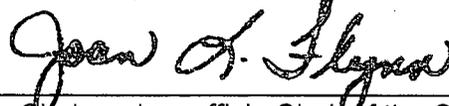
A motion was made by Hansen, second Harper to direct the City Attorney to draft a Charter Amendment to be placed on the November 6, 2012 Ballot that prohibits the City of Huntington Beach from restricting the sale of California State-Approved Fireworks in any manner that would be inconsistent with our currently approved policies and ordinances. The motion carried by the following roll call vote:

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

COUNCILMEMBER COMMENTS (Not Agendized)

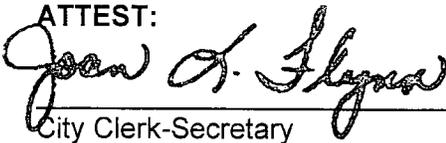
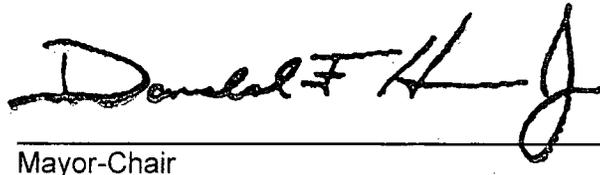
Councilmembers Bohr and Harper reported attending DJM Capital's "Topping Out BBQ" on Tuesday, July 3; Mayor Hansen reported attending the NSSA National Championship on July 3; Councilmembers Harper, Dwyer and Boardman reported attending the Downtown Art Center "Escape from the Landfill" event on July 14; all Council recognized the Fourth of July Board and HB Explorers for a successful Independence Day; Councilmember Boardman wished Eileen Murphy a happy 96th birthday; and, Councilmember Carchio recognized members of the Kiwanis Club, Dave Simcox and Junior Lifeguards for a successful Pancake Breakfast.

ADJOURNMENT at 11:17 PM to the next regularly scheduled meeting of Monday, August 6, 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 of the City of Huntington Beach,  
Secretary of the Huntington Beach Public  
Financing Authority of the City of Huntington  
Beach, California

ATTEST:

  
City Clerk-Secretary  
Mayor-Chair