

MEETING ASSISTANCE NOTICE - AMERICANS WITH DISABILITIES ACT

In accordance with the Americans with Disabilities Act the following services are available to members of our community who require special assistance to participate in City Council and Redevelopment Agency meetings. If you require special assistance, 72-hour prior notification will enable the city to make reasonable arrangements. For American Sign Language interpreters, a reader during the meeting, and/or large print agendas, please call: **Office of the City Clerk (714) 536-5227**. To make arrangements for an assisted listening system (ALD) for the hearing impaired, please contact: the **Sergeant at Arms** at the meeting or the **City Clerk (714) 536-5227**.

ACTION AGENDA **CITY COUNCIL/REDEVELOPMENT AGENCY** **CITY OF HUNTINGTON BEACH**

MONDAY OCTOBER 17, 2005

4:30 P.M. - Room B-8
6:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

4:35 P.M. - Room B-8
The City Clerk will recess the 4:00 P.M. portion of the Meeting to 4:30 P.M. due to an anticipated lack of quorum.
Deputy City Clerk Kelly Mandic recessed.

Call City Council/Redevelopment Agency Meeting to Order

Roll Call Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
Present

Pursuant to the Brown (Open Meetings) Act the City Clerk Announces Late Communications Received by Her Office Which Pertain to Items on the Agenda

(1) The Brown (Open Meetings) Act requires that copies of late communications submitted by City Councilmembers or City Departments are to be made available to the public at the City Council meeting. **(2)** Late communications submitted by members of the public are to be made available to the public at the City Clerk's Office the morning after the Council meeting. (Late Communications are communications regarding agenda items that have been received by the City Clerk's Office following distribution of the agenda packet.)

None

Public Comments Regarding 4:30 P.M. Portion of Council Meeting for Study Session and Closed Session Agenda Items

Speaker spoke in support of prevailing wages, asserting that it protects lower-middle class, and asked Council to consider protecting the ordinances.

Speaker representing construction and electrical workers in O.C. spoke in support of prevailing wages, noting that cost of living in Orange County is quite high. He referred to a Late Communication he had submitted to Council and stated contractors want to import workers, and this would hurt local workers.

Building & Trades Rep. spoke in support of prevailing wage – stating that it is not a union issue, but a labor issue. He noted cost of living in Huntington Beach and referred to the Impact Study, stating that certain issues are not included in the study. He asked Council to take the time to read and review the information in a packet he submitted as a Late Communication.

Speaker in support of prevailing wage ordinances cited studies conducted in other cities which he stated document negative impact of repealing prevailing wage laws.

Representative for workers referred to a Late Communication he submitted in support of the prevailing wage ordinance. He stated repealing the ordinance would hurt workers and local businesses and asked for Council support.

Speaker requested copies of all materials presented at the meeting be made available to the public.

Mayor Hardy confirmed copies of Late Communications would be available in the City Clerks office the next day.

(City Council/Redevelopment Agency) Study Session – Finance Board Presentation on Prevailing Wage History and Perspective as it Relates to Huntington Beach. Presentation will Include Finance Board Recommendations. (110.10)

PowerPoint presentation titled *Huntington Beach City Council/Finance Board Study Session October 17, 2005* is included in the agenda packet.

***Finance Board Roll Call: Charles Falzon-Chair, Bob Jones, Andy Weiss, Tim Geddes, Frank Lograsso – Present
Joe Domingo, Gerald Chapman – Absent***

Finance Officer Dan Villella introduced the Finance Board. Chair Falzon gave a PowerPoint report detailing the history of the board's actions prior to and subsequent to February 22, 2005. He noted goals including: Financial policies, Form 700 (to be brought back to Council in November), and prevailing wage. He spoke in detail regarding prevailing wage, outlining the opportunity for savings including maintenance contract opportunities, the impact study, a prior study done in 2002, and other considerations including limitations to the study. Lastly, Chair Falzon spoke regarding the board's recommendations: to adopt a policy to accept non-prevailing wage bids wherever possible and to provide staff the option of sourcing funds in the budget that would maximize opportunities to obtain non-prevailing wage contracts.

CM Green inquired about legality of workers – Mr. Weiss responded, speaking of employer's legal obligation to ensure legality of workers. CA Culbreth-Graft responded regarding setting up a process to ensure compliance. CM Green inquired about quality of work. Mr. Jones responded, speaking of bidding. Officer Villella also responded regarding completion bonds. Green also inquired about licensing of workers and benefits provided, and Public Works Director Robert Beardsley reported regarding requirements and standards made in terms of the contract and certified payroll.

MPT Sullivan commented on Finance Board recommendations, asking for clarification. Officer Villella reported on funding of projects and choosing labor-intensive projects for non-prevailing wage. MPT Sullivan also gave examples of current non-prevailing wage contracts including refuse services and ambulance services. He commented on the use of the word "inaccurate" when speaking of the 2002 wage study. He also stated his opinion that savings would be significantly larger than noted on the PowerPoint slide, and commented on the street sweeper prevailing wage situation. He thanked the Finance Board for their efforts and urged Councilmembers to study the situation.

Chair Falzon referred to a City of Sunnyvale study, and the methods used to determine prevailing wage figures.

CM Coerper thanked the Board, and inquired about a survey of Orange County cities. Chair Falzon reported this study was done in 2002, and agreed to submit copies to Council.

CM Bohr spoke regarding his interest in studying City-funded service contracts rather than services currently performed by City employees.

CM Cook announced disturbing trend of local income in the area dropping in rank as compared to other areas of the country. Mr. Weiss commented, stating his opinion that factors that made prevailing wage necessary are no longer present.

CM Green stated her interest that workers have benefits so that non-profit organizations are not overwhelmed with requests. She thanked the Board, as did the Mayor.

**Call Closed Session of City Council/Redevelopment Agency
Sullivan/Green, approved by consensus of all present, none absent.**

Recommended Action: Motion to recess to Closed Session on the following items:

(City Council) Closed Session – Pursuant to Government Code Section 54956.9(a) to confer with its attorney regarding pending litigation which has been initiated formally and to which the city is a party. The title of the litigation is **City of Huntington Beach v. State of California, Coast Community College District, City of Tustin, City of Stanton, et al.**, Orange County Superior Court Case No. 05CC00118; **and related actions: City of Huntington Beach v. Huntington Beach Police Officers Association**; United States District Court Case No. SA 01-1125 JVS; **and Scottsdale Insurance Company v. Huntington Beach Police Officers Association, and the related counterclaim, American States Insurance v. City of Huntington Beach**, United States District Court Case No. SA 03-1143 JVS. Subject: **City of Huntington Beach v. State of California, Coast Community College District, City of Tustin, City of Stanton, and related cases (Gun Range)** (120.80)

(City Council) Closed Session – Pursuant to Government Code Section 54956.9(a) to confer with its attorney regarding pending litigation which has been initiated formally and to which the City is a party. The title of the litigation is **Thomas Pejovich v. City of Huntington Beach**, Orange County Superior Court Case No. 04CC07087. Subject: **Thomas Pejovich v. City of Huntington Beach** (120.80)

(City Council) Closed Session – Pursuant to Government Code Section 54957.6 to meet with its designated representatives: Agency Negotiators: Penelope Culbreth-Graft, City Administrator; Chuck Thomas, Acting Deputy City Administrator, Dan Villella, Finance Officer; and Irma Youssefieh, Human Resources Manager regarding labor relations matters – meet and confer with the following employee organization: **SCLEA**. Subject: **Labor Relations – Meet & Confer**. (120.80)

The City Council and the Redevelopment Agency of the City of Huntington Beach will regularly convene in joint session for the purpose of considering the following City Council-Redevelopment Agency Agenda Items. The Huntington Beach Parking Authority, Civic Improvement Corporation, and the Huntington Beach Public Financing Authority are also agencies on which Council serves as members. On each Agenda these Agencies may have items scheduled. When an Agenda Item requires action by any of these Agencies, it will show in parenthesis preceding the item, for example (City Council-Redevelopment Agency).

6:00 P.M. - Council Chambers 6:11 p.m.

Reconvene City Council/Redevelopment Agency Meeting

The City Attorney Shall Determine If Any Actions Taken By The City Council or Redevelopment Agency In Closed Session Shall Require A Reporting On Those Actions As Required By Law (Government Code §54957.1.

City Attorney Jennifer McGrath announced on Monday, October 17, 2005, the City Council convened in closed session to discuss the matter of City of Huntington Beach v. State of California, Coast Community College District, City of Tustin, City of Stanton, et al.; Orange County Superior Court Case No. 05CC00118; and related actions: City of Huntington Beach v. Huntington Beach Police Officers Association; U.S. District Court Case No. SA 01-1125 JVS; and Scottsdale Insurance Company v. Huntington Beach Police Officers Association, and the related counterclaim, American States Insurance v. City of Huntington Beach, United States District Court Case No. SA 03-1143 JVS.

Council voted to authorize the following actions:

- 1. The Mayor to sign and the City Clerk to attest to a settlement in the amount of \$71,200 with the State of California regarding the Huntington Beach Gun Range.***
- 2. In exchange for the payment to the City, the City will:***
 - (a) Dismiss with prejudice its suit against the State.***
 - (b) Defend and indemnify the State and hold it harmless against any claims arising out of its use of the Gun Range.***
 - (c) Apply with the State for Court approval of the settlement agreement. If granted, Court approval would bar anyone (including the POA) from suing the User regarding the cost of cleaning up the Gun Range. If the Court denies the application, the settlement requires the City to defend the State against any third-party claims.***

The Council voted as follows: 7 Ayes; 0 Noes; 0 Abstentions.

Roll Call Hansen, Coerper, Sullivan, Hardy, Green, Bohr, Cook
Present

Pledge of Allegiance/Flag Salute – To be led by Girl Scout Troop 540

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

Invocation – To be determined

Reverend Peggy Price, Greater Huntington Beach Interfaith Council

Hello and welcome to the Huntington Beach City Council meeting. If you would like to address the Council, please fill out the pink public comment sheet attached to the agenda. After completing the form, hand it to the Sergeant at Arms and he will give it to the City Clerk. **As a courtesy to those in attendance, I would ask that cellphones and pagers be turned off or set in their silent mode. Thank you.**

Pursuant to the Brown (Open Meetings) Act the City Clerk Announces Late Communications Received by Her Office Which Pertain to Items on the Agenda

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Study Session – 3 items, D-4b – 30 items

Presentation Mayor Jill Hardy to call on Police Chief Ken Small and Fire Chief Duane Olson to introduce and present commendations to the graduates of the Summer 2005 Orange County Law Enforcement Explorers from Huntington Beach who are part of the Search and Rescue Explorer unit. (160.40)

Search and Rescue Coordinator Officer Adam Burke introduced the graduates.

Presentation Mayor Jill Hardy to call on Ray Hiemstra, Environmental Board Chair to present the Environmental Board Awards for 2005. **Mr. Hiemstra announced the following recipients: Cartridge World Huntington Beach, Shirley Dettloff, Gary Gorman, Claire Grozinger, Evan Henry, Kim and Thierry Kolpin, Jean Nagy, Brian R. Parker, Simple Green, and Linda Wolfe.** (160.40)

Mayor's Award Mayor Jill Hardy to call on Library Director Ron Hayden to present the Mayor's Award to Facilities Coordinator Renee Brown and Theater Media Technician Mark Pearce who work together to ensure the Library's facility program is a success. (160.40)

Director Hayden announced that the two individuals worked together to break a record for revenue generation in the past year.

Mayor Hardy asked Councilmembers if they would like to reopen the public hearing to allow comments on item D4b during the public hearing. A motion was made by Sullivan, second Coerper to reopen the public hearing. CM Green stated her opposition to the motion. CM Cook suggested opening the public hearing during public comments. CM Bohr stated his interest in continuing item D4b since new information has been provided. Mayor Hardy asked for clarification. A substitute motion was made by Bohr, second Hansen to pull forward and continue items D4b and F1 to November 21, 2005. Mayor Hardy stated her support for the substitute motion. MPT Sullivan stated his opposition to the substitute motion. The substitute motion carried 5-2 (Sullivan, Cook-No)

B. PUBLIC COMMENTS

This is the time of the meeting for the Council to receive comments from the public regarding items of interest or agenda items OTHER than Public Hearings. Generally, Council will not enter into a dialogue during this period.

Pursuant to the Brown (Open Meeting) Act, the City Council may not discuss items unless they are on our agenda. So if you are speaking on an item not on the agenda, we cannot discuss the issue with you at this meeting. However, if you wish to meet with any of us please call the Council's Secretary at 714-536-5553. Thank you for taking the time to come to the council meeting to address the Council. Councilmembers strive to treat members of the public with respect, and we ask that you also express your concerns and opinions in a civil and respectful manner.

Each speaker is allowed 3 minutes and time may not be donated to others. No action can be taken by Council/Agency on this date unless the item is agendized.

Complete the attached pink form and give to the Sergeant-At-Arms (the Police Officer located near the speaker's podium).

Speaker thanked Council for continuing the Poseidon agenda items to a future meeting.

CM Bohr asked for clarification when public comments for Poseidon should occur. Mayor Hardy clarified that all who wish to speak should speak during Public Comments.

Speaker thanked Poseidon Resources for their water donation to the food drive. She reported that the Library doubled their donation poundage. The City collected 13,778 pounds of food and \$1500 for an 810% increase from last year. She asked for a Councilmember and for citizens to sit on next year's committee. Call 771-1343 x139 for further information. She also presented a commendation to the City.

Speaker gave a PowerPoint report, his annual Shea Parkside update.

Speaker, President of Hunting Beach Tree Society, spoke regarding recent plantings of trees by the Tree Society. She encouraged individuals to view the newly planted trees. She recognized the citizens who donated money for the program. She thanked the Park Tree and Landscape crew, irrigation crew, residents, and corporate donors. Call 564-1396 to report areas that need more trees.

Speaker asked about hurry to annex Bolsa Chica, about placing water line below a sewer line, and about closing Los Patos which he stated may delay response time for public safety calls. He asked Council to resolve these issues before decisions on annexation are made.

Speaker announced his intention to return to speak November 21, 2005 regarding the desalination project.

Speaker, President of Huntington Beach Tomorrow, thanked Council for delaying the decision on Poseidon project. He stated his opposition to Poseidon, but not to desalination. He asked Council to research the project currently in process with the MWD.

Speaker displayed cards from a claimed 8,000 supporters of the desalination project. He said he would return November 21 to speak further on the topic.

Speaker, professor from Cal State Fullerton, spoke in support of the desalination project stating sustained development hinges on being self-sufficient as a City.

Speaker, long-time resident, asked Council to think about long term planning as related to the desalination project. He stated support for the Poseidon project and asked Council to approve the project in November.

Speaker, southeast resident, thanked Council for taking the time to research the Poseidon project and urged them to support it. She stated reliable source of fresh drinking water, tax benefits, jobs, and improvements to surrounding, no cost to the City as her reasons.

Speaker congratulated Council on libraries. He spoke in opposition to the Poseidon project, citing issues with the AES power plant.

Speaker spoke in opposition to the Poseidon project stating concerns that lifestyle in southeast will change if a new industrial project is added. She asked Council to vote "no" on the project.

Speaker, Costa Mesa resident, stated concerns that pipeline for Poseidon project would go through the City of Costa Mesa. She asked Council to announce the facts if this is true.

MPT Sullivan clarified that the Environmental Impact Report (EIR) was submitted to the City of Costa Mesa for comments.

Speaker voiced opposition to Poseidon project citing no proof that tax dollars will increase. He stated appreciation for Councilmembers comments and efforts to research the issue and stated his preference that the AES power plant go away and that people convert to solar sources for electricity.

Speaker, 92646 Zip Code resident, voiced her opposition to the Poseidon project based on concerns about the ocean and marine life. She also stated preference for conservation rather than new water sources.

Speaker, resident across from Ascon site, stated he installed solar panels in his home and voiced his opposition to the proposed desalination plant. He also spoke regarding the AES power plant and its negative visual image and polluting particles that attach to his solar panels.

Speaker, 30-year resident and local business owner, stated his opposition to the desalination plant as a surfer and user of the ocean. He asked Councilmembers to disclose if they have accepted or plan to accept donations from Poseidon. He also spoke regarding a brochure produced by Poseidon.

Councilmember Cook announced that information regarding campaign contributions is available in the City Clerk's office.

Speaker, Costa Mesa resident, spoke in opposition to the Poseidon project and the pipeline proposed for construction in his city. He asked the Council to vote "No" on the project.

Speaker, 16 year resident, voiced concern for the name of the City. She voiced her opinion that the ocean should not be used as a resource for money generation.

Speaker, local real estate agent, spoke in favor of the Poseidon project. He cited a need for water sources to allow property values to continue to increase. He also voiced concerns about a desalination plant be operated by a public agency, and how this would effect the City.

Speaker spoke in support of the Poseidon project, stating that streets will be in better shape than they are currently. He asked Council to vote "Yes" on the project.

Speaker, 35 year southeast resident, registered professional engineer and member of Amigos de Bolsa Chica & Bolsa Chica Conservancy gave PowerPoint report in support of Poseidon project, citing numerous benefits.

Speaker, southeast resident, spoke in opposition to Poseidon project. He stated he had attended a Costa Mesa City Council meeting and that Costa Mesa citizens are concerned. He voiced his opinion that statements of increased revenue with Poseidon are overstated.

Speaker, resident, stated her appreciation for Council and the City Clerk in organizing the desalination item. She spoke regarding experiences in Salzburg and comparisons to Surf City. She voiced concerns about the source of power to run the plant.

Speaker, 30 year resident, voiced her opposition to the Poseidon plant. She stated concerns with polluting of the ocean, and with adding an industrial plant to the area.

Speaker, 38 year resident, stated her opinion that vital public services should not be privatized. She voiced her opposition to Poseidon, based on the company's history.

Speaker asked Council to consider present and future residents before making a decision on the desalination plant. He voiced his concerns with Poseidon Resources track record, risk of added noise pollution, soil contamination, and deteriorated ocean conditions.

Speaker voiced his support for additional water sources, Poseidon or other. He spoke regarding serious drought in the Rocky Mountains a few years ago, and the danger of few water sources.

C-1. Council Committee/Appointments/Liaison Reports

(This is the opportunity for Councilmembers to make announcements regarding Council committees, appointments or liaison reports.)

CM Coerper reported on Marine Battalion "3/1" Committee fundraising and assistance. He announced presentation of two sets of washers & dryers, gas cards, Halloween event for 3/1 families, 4th of July event, ceremonies at Camp Pendleton, Time Warner program, and asked for more donations. MPT Sullivan reported community support, asking for volunteers and funds – He announced the \$31 Campaign, donation receives a window decal indicating support for 3/1. Other denominations also accepted. Call 375-3131 or visit hb4marines@aol.com for further information. He also announced a golf tournament May 22 at Camp Pendleton, with sponsorships still available and the intention to have another picnic after the July 4th parade. CM Green announced coordination of care packages for soldiers in Iraq – asked interested individuals to coordinate by calling Cindy at 714-375-3131.

C-2. City Administrator's Report – None

C-3. City Treasurer's Report

C-3a. (City Council) Review and Accept Shari Freidenrich, City Treasurer's August, 2005 Investment Summary Report Titled *City of Huntington Beach Summary of City Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity* (310.20) Communication from City Treasurer Shari Freidenrich transmitting the Monthly Investment Report and Summary of Investments for August, 2005.

Recommended Action: Motion to:

Review and accept the Monthly Investment Report. Following review of the report, by motion of Council, accept the Monthly Investment Report *Summary of Investment Portfolio, Bond Proceeds, and Deferred Compensation Activity for August, 2005*, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

City Treasurer Shari Freidenrich gave a PowerPoint report.

Motion to approve Coerper/Hansen.

Approved 5-0-2 (Sullivan, Cook out of room)

D - PUBLIC HEARING

Anyone wishing to speak on an OPEN public hearing is requested to complete the attached pink form and give it to the Sergeant-at-Arms located near the Speaker's Podium.

D-1. (City Council) Public Hearing – Approve the City of Huntington Beach Consolidated Plan 2005-2010 for Submittal to the U. S. Department of Housing and Urban Development (HUD). Pulled from Agenda of October 3, 2005 and Rescheduled to October 17, 2005. (340.70)

Communication submitted by the Acting Economic Development Director transmitting the following

Statement of Issue: In order to receive the City's annual entitlements from the U.S. Department of Housing and Urban Development, it is necessary every five years to conduct a public hearing and to approve a Consolidated Plan. Funding allocations for fiscal year 2005-2006 were approved by the City Council on July 18, 2005.

All interested agencies, groups and persons are invited to attend the hearing and express their opinions on Monday, October 17, 2005, at a City Council Public Hearing at the Huntington Beach Civic Center, 2000 Main Street, Council Chambers. The hearing will be held at 6:00 PM or soon thereafter on the 2005-2010 Consolidated Plan as required by the U.S. Department of Housing and Urban Development (HUD) for receipt of \$1,591,169 in Community Development Block Grant (CDBG) funds, and \$823,233 in HOME Investment Partnership (HOME) funds, and \$28,222 in American Dream Downpayment Initiative (ADDI) funds for 2005/2006, and the Consolidated Plan will be used in subsequent program years.

1. Staff report
2. City Council discussion
3. Open public hearing
4. Following public input, close public hearing

****PowerPoint presentation titled *Consolidated Plan for U. S. Department of Housing and Urban Development (HUD)*.**

Recommended Action: Motion to:

1. Approve the City of Huntington Beach Consolidated Plan 2005-2010

and

2. Authorize submittal of the Consolidated Plan to the U. S. Department of Housing and Urban Development.

Economic Development Consultant Mike Hennessey gave a PowerPoint report. Open public hearing, no speakers, no Late Communications, close public hearing. Motion to approve Green/Coerper. Approved 7-0

The following is a public hearing continued at the 9/6/05 meeting. A notice was posted by the City Clerk's Office notifying the public that the item is being continued to this meeting. The item remains D-4b to maintain consistent numbering.

D-4b. (City Council) Part 2 of 2 Parts of Public Hearing Opened/Closed and Continued from September 6, 2005: Approve Conditional Use Permit (CUP) No. 02-04 and Coastal Development Permit (CDP) 02-05 for Seawater Desalination Project (Poseidon) Forwarded by the Planning Commission. Approve CEQA Statement of Findings and Fact with a Statement of Overriding Considerations. Approve the Mitigation Monitoring and Reporting Program. (420.80)

Communication from the Director of Planning and the Director of Public Works.

Applicant: Poseidon Resources Corporation

Request: To construct a 50 million gallons per day seawater desalination project including a 10,120 sq. ft. administration building, a 38,090 sq. ft. reverse osmosis building, a 36,305 sq. ft. product water storage tank, and miscellaneous accessory structures on an 11-acre lease area. The proposed improvements include up to four miles of water transmission lines in Huntington Beach, one mile of which will be within the Coastal Zone, to connect to an existing regional transmission system in Costa Mesa. The project also includes perimeter landscaping and fencing along Newland Street and Edison Avenue.

Location: 21730 Newland (east side, south of Edison Avenue)

Project Planner: Ricky Ramos, Associate Planner

NOTICE IS HEREBY GIVEN that Conditional Use Permit No. 02-04/Coastal Development Permit No. 02-05 (Seawater Desalination Project) is located in the appealable jurisdiction of the Coastal Zone and includes Coastal Development Permit No. 02-05 filed on January 22, 2002, in conjunction with the above request.

NOTICE IS HEREBY GIVEN that the Coastal Development Permit hearing consists of a staff report, public hearing, City Council discussion and action. The City Council's action on Conditional Use Permit No. 02-04/Coastal Development Permit No. 02-05 (Seawater Desalination Project) may be appealed to the Coastal Commission within ten (10) working days from the date of receipt of the notice of final City action by the Coastal Commission pursuant to Section 245.32 of the Huntington Beach Zoning and Subdivision Ordinance and Section 13110 of the California Code of Regulations, or unless Title 14, Section 13573 of the California Administrative Code is applicable. The Coastal Commission address is South Coast Area Office, 200 Oceangate, 10th Floor, Long Beach, CA 90802-4302, phone number: (310) 570-5071.

1. Staff report
2. City Council discussion
3. Open public hearing
4. Following public input, close public hearing

Recommended Action:

STAFF RECOMMENDATION - Motion to:

1. Approve Conditional Use Permit No. 02-04 and Coastal Development Permit No 02-05 to permit the Seawater Desalination Project with staff recommended findings and conditional of approval (Attachment No. 1.)
2. Approve CEQA Statement of Findings and Fact with a Statement of Overriding Considerations (Attachment No. 2.)
3. Approve the Mitigation Monitoring and Reporting Program (Attachment No. 3.)

Continued to November 21, 2005 meeting.

E. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered by the City Council and Redevelopment Agency to be routine and will be enacted by one motion in the form listed.

Recommended Action: Approve all items on the Consent Calendar by affirmative roll call vote.

Green/Coerper

E-1. (City Council/Redevelopment Agency) Minutes (120.65) - Approve and adopt the minutes of the City Council/Redevelopment Agency Regular Meeting of August 15, 2005 and City Council/Redevelopment Agency Regular Meeting of September 6, 2005 as written and on file in the Office of the City Clerk. Submitted by the City Clerk.

Approved 7-0

E-2. (City Council) – Approve Orange County Flood Control District (OCFCD) Cooperative Agreement D05-040 for Newland Street Widening Project at Huntington Beach Channel, CC-1095 (550.20) Approve and authorize the Mayor and City Clerk to execute the Cooperative Agreement D05-040 with the City of Huntington Beach and the Orange County Flood Control District (OCFCD) for the Newland Street Widening at the Huntington Beach Channel. Submitted by the Public Works Director. Funding Source: No funding is required for this action.

Approved 7-0

E-3. (City Council) Approve the Release of the Cash Bond to CIM Group for Tract 16406, The Strand (420.60) – Release the Cash Bond No. T21926 and instruct the City Treasurer to issue a refund in the amount of \$1,161,300 to CIM Group. Submitted by the Public Works Director. Funding Source: The Bond and Trust Fund, 706.

CM Green inquired why bond is being released. Public Works Director Bob Beardsley reported that bond is an exchange of security. CM Green asked if Council can deny request. Staff reported, stating further research is needed to respond. Mayor Hardy inquired about potential delay of work if item continued. Staff reported. CM Cook stated her preference to offer CIM the same courtesies we offer other developers. CM Bohr inquired about project status. Deputy City Administrator Paul Emery reported. CM Green voiced concerns with project delays. MPT Sullivan stated his concurrence with comments made by CM Green and his opinion that penalties should be levied when developers do not meet performance dates. CA Penny Culbreth-Graft stated staff would review DDA and report back to Council on remedies.

Green/Sullivan motion to continue item to next meeting. Approved 7-0

E-4. (City Council) Adopt Resolution 2005-68 Approving Commitment of \$875,600 of Federal Home Investment Partnership Program Funds to the Pending Studios at Center Affordable Housing Project (340.70) – Adopt **Resolution No. 2005-68**; “A Resolution of the City of Huntington Beach Committing HOME Federal Housing Funds to the Pending Studios at Center Affordable Housing Project”. Submitted by the Acting Director of Economic Development. Funding Source: \$875,600 of HOME Program Funds, Account Numbers 85180401 and 85280401.

Approved 7-0

E-5. (City Council) Approve Amendment to West Orange County Water Board (WOCWB) Joint Powers Agreement (JPA) Increasing Meeting Compensation to Board Members (600.40) – Approve the amendment to the Joint Powers Agreement and authorize the Mayor and City Clerk to execute the amendment. Submitted by the Public Works Director. Funding Source: The Board's expenses are funded by each of the member cities (Huntington Beach, Seal Beach, Garden Grove and Westminster) based on percentage of ownership. The City of Huntington Beach's portion of Board operations is funded by the Water Fund.

CM Hansen commented on per diem increase and stated his opinion that no increase should be made. Hansen/Cook motion to deny amendment. Mayor Hardy stated her support of the motion. Hansen inquired about effect of "No" vote, and City Attorney reported amendment requires unanimous approval of cities. MPT Sullivan asked Councilmembers about stipends for other Boards, stating that the increase is justified based on time spent. Hansen attempted to amend motion to bind participating Councilmembers to vote "No". (Second to motion declined amendment) MPT Sullivan inquired further about stipends, and stated opposition to the motion. Coerper/Sullivan substitute motion to approve recommended action. CMs Bohr and Cook stated support for substitute motion. MPT Sullivan commented that Huntington Beach does not pay stipends to Councilmembers for attending Redevelopment Agency meetings.

Substitute motion approved 5-2 (Hansen, Hardy – No)

E-6. (City Council) Adopt Resolution 2005-69 Authorizing Execution of Revised Program Supplement Agreement No. M029 Rev. 1 to Master Agreement No. 12-5181 Which Covers Preliminary Engineering, Construction and Construction Engineering Costs for the Beach Boulevard Parkway Landscape Enhancement Federal Transportation Enhancement Activities (TEA) Project, CC-1229 (340.70) – Adopt **Resolution No. 2005-69** – "A Resolution of the City Council of the City of Huntington Beach Authorizing the Mayor and City Clerk to Execute Program Supplement No. M029 Rev. 1 to Agreement No. 12-5181 for Beach Boulevard Parkway Landscape Enhancement Project." Submitted by the Public Works Director. Funding Source: The project is fully funded through a combination of TEA Grant, Gas Tax and Water Fund. The budgeted project amount is \$940,000 including \$210,000 for water line relocation.

*Motion to approve recommended action Sullivan/
Approved 7-0*

F. Administrative Items

F-1. (Redevelopment Agency) Authorization to Enter Into Negotiations With Poseidon Resources Corporation to Construct and Operate a Seawater Desalination Plant at a Site in the Southeast Coastal Redevelopment Area (400.10)
Communication from the Acting Deputy Executive Director transmitting the following **Statement of Issue:** Poseidon Resources Corporation (Poseidon) proposes to construct and operate a seawater desalination plant at a site in the Southeast Coastal Redevelopment Area. The Redevelopment Agency of the City of Huntington Beach would like to ensure projected revenues are protected to the greatest extent possible.

Recommended Action: Motion to:

Upon approval or continuance of Conditional Use Permit No. 02-04 and Coastal Development Permit No. 02-05 to permit the Seawater Desalination Project authorize the Executive Director and staff to enter into negotiations with Poseidon Resources Corporation with the intent of preparing an Owner Participation Agreement (OPA) regarding development of a seawater desalination plant.

Continued to November 21, 2005 meeting.

G. Ordinances – None

H. City Council/Redevelopment Agency Items - None

At this time Councilmembers may report on items not specifically described on the agenda which are of interest to the community. No action or discussion may be taken except to provide staff direction to report back or to place the item on a future agenda.

CM Green announced dedication of Peter Green Park, flu shots may be obtained at Huntington Beach Hospital by calling 843-5000.

CM Coerper reported attendance at Fire Station Open House. Thanked Fire Chief and staff for event. Announced that one of his brothers is terminally ill and Councilman Coerper may be out of town for next meeting.

CM Hansen reported attendance at Fire Station Open House on Gothard. Thanked Division Chief Jacques Pelletier for his assistance.

Council/Agency Adjournment at 8:38 p.m. to Monday, November 7, 2005, at 4:00 p.m., in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California.

Council/Agency Agendas and Minutes are Available at No Charge to the Public at the City Clerk's Office, on the City's Website, Via Email, and Through Paid Subscription. Complete Agenda Packets are Available at the Central Library and Library Branches on Friday Prior to Meetings. Videotapes of Council Meetings are Available for Checkout at the Central Library at No Charge.

**JOAN L. FLYNN, CITY CLERK
City of Huntington Beach
2000 Main Street - Second Floor
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