

**MINUTES OF AN ADJOURNED REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
PALOS VERDES ESTATES, CALIFORNIA**

March 18, 2009

An adjourned regular meeting of the City Council of the City of Palos Verdes Estates was called to order this day at 7:00 p.m. in the City Council Chambers of City Hall by Mayor Joseph C. Sherwood.

PLEDGE OF ALLEGIANCE

**ROLL CALL: Councilmembers Rea, Humphrey, Goodhart, Mayor Pro Tem Perkins,
Mayor Sherwood**

ABSENT: None

**ALSO PRESENT: City Manager Hoefgen, Assistant City Attorney Ailin, Assistant City
Manager Smith, Police Chief Dreiling, Public Works Director Rigg,
City Treasurer Ritscher, Administrative Analyst Davis,
Minutes Secretary Monson**

OPENING REMARKS FROM MAYOR SHERWOOD

Mayor Sherwood congratulated Jim Goodhart and George Bird on their election to the City Council. He introduced his wife, Phyllis Sherwood.

Mrs. Sherwood said that the eight years that Mr. Sherwood has been on the City Council has given her insight into the time and effort that Council members expend to keep Palos Verdes Estates the wonderful city it is. Residents need to take time to learn the functions of the Art Jury, the Homes Association, the Planning Commission, the Police Department and the various City committees. She said there are laws, rules, and regulations that residents of the City need to live by – some of which were put into place when the City was incorporated.

Mayor Sherwood presented Mrs. Sherwood with flowers. He also introduced his son, Jay, and daughter-in-law, Linda.

Mayor Sherwood introduced and thanked the sitting Council members, Ellen Perkins, Rosemary Humphrey, Jim Goodhart, and John Rea. He thanked Councilmember Jim Goodhart and George Bird for running very honest, fair, and positive campaigns. He also introduced and thanked Treasurer Ed Ritscher who has served the City as Treasurer for 17 years and prior to that served on the City Council for 12 years for a total of 29 years of service to the City. Mayor Sherwood thanked City Manager Hoefgen for his work and how quickly he acclimated to the City. He introduced Police Dan Dreiling and informed the audience that the Chief received the Medal of Valor in 1994 for his actions during an incident that took the lives of two of the City's police officers. Mayor Sherwood next introduced Assistant City Manager Judy Smith who also serves as the City Clerk and Finance Director and he thanked her for her support over the years. He introduced Allan Rigg who serves as the City Engineer, Planning Director, Public Works Director, and Traffic Engineer. He said there

has not been a better City Engineer since he has lived in the City. He thanked Executive Assistant Michele Monson for her service. He thanked Administrative Analyst Alexa Davis for her work.

Mayor Sherwood thanked the members of the Planning Commission – George Bird, James Vandever, Winston Chang, Jennifer King, and David Evans. He thanked the Parklands Committee – Lisa Levine, Charles Peterson, Jim Kinney, Ruth Shaffer, Dianna Chooljian. He also thanked the Traffic Safety Committee – Blake Lamar, Ron Buss, Myron Friedman, Don Culler, Gildon Beall.

Mayor Sherwood introduced former Council members – John Flood, Joseph Barnett, Dwight Abbott, Ruth Gralow, Barbara Culver, Fred Mackenbach, and William Finer. Also in attendance were Council members from neighboring Peninsula cities John Addleman, Allan Lay, Frank Hill, and Library Trustee Jim Moore.

Mayor Sherwood attended many of the coffees held by the candidates and he wanted to respond to some questions that came up during the course of the election campaign. He said the finances of the City are solid with a 50% reserve at \$7.3 million on a \$15 million operating budget. The City's revenues come from many areas four of which are the City owned concessions – the Golf Club, the Tennis Club, the Beach and Athletic Club, and the Stables. The largest portion of revenue comes from property taxes with the City receiving 11 cents on the dollar. The City's budget is not heavily dependent upon retail sales tax like many other cities. On the expenditure side, 53% of expenditures are for public safety which is the Police Department and Fire Department. He is proud that the average response time to a critical call is two minutes for the Police Department. Mayor Sherwood said the Lunada Bay Fountain renovation project cost \$142,000 of which \$76,000 was raised by local residents. The Lunada Bay Park property was obtained by a land swap with no cash involved. The park is used in the summer for free concerts and Santa visits at Christmastime. There was a vehicle parking and safety problem at Palos Verdes High School which Mayor Sherwood estimated over 1,000 hours were spent by the neighbors, the City, School District, and students to resolve the problem. There were many additional parking spaces created on campus and a Residential Permit Parking Zone was implemented around the school which solved the problem. Mayor Sherwood said one of the greatest successes has been the implementation of silhouetting of homes during the planning process prior to construction. This has helped the Planning Commission make correct decisions and helps the neighbors to understand what a project will look like when built. Mayor Sherwood said Police Chief Dan Dreiling came up with the original idea for PVE CARES to help our seniors in need. There are 30 volunteers that call on seniors in need whether it pertains to financial, health, or physical well-being. Emergency preparedness is very important to the City. Mayor Sherwood said many residents are CERT trained volunteers and he reminded residents to have 10 days of supplies, food, and water on hand in case of an emergency. Mayor Sherwood said the restoration of the Palos Verdes Golf Course is beautiful. The Golf Club is run by concession agreement with the City. The public is invited to dine at the Golf Club; you do not need to be a member. He thinks the Golf Club can compete with any country club around and he has enjoyed working with the Club Board members as City Liaison. He ended his comments with a bit of philosophy that has helped him throughout his life – "Life is not about sitting around waiting for the storm to pass; life is about learning to dance in the rain."

CEREMONIAL MATTERS

Deputy Supervisor Mike Gin reported that he has worked for Supervisor Don Knabe since 2003 and has become familiar with the different people in the local communities. He knows Carol Ritscher

through her work with the Chamber of Commerce and Ed Ritscher through his tenure with the City. Deputy Gin said that Supervisor Knabe believes Mr. Ritscher's 29 years of public service is an extraordinary achievement. He thanked Mr. Ritscher, on behalf of Supervisor Knabe, for his service as Councilmember and Treasurer to the City of PVE. He said the Peninsula is a beautiful place and that is due to people like Mr. Ritscher. He presented Mr. Ritscher with a plaque commemorating his service.

Mayor Sherwood presented a City Seal tile plaque and a framed picture of the La Venta Inn to Mr. Ritscher.

Councilmember Humphrey said she met Ed Ritscher when she replaced him on the Council in 1990 and his parting words to her were "take good care of the City." He is an expert in finances and he dealt with things in a quiet, calm manner. She appreciated his guidance and his friendship.

Mayor Pro Tem Perkins said Mr. Ritscher was on the Council when she first moved to PVE. During her two years on the Council she gained appreciation and a respect for what he brought to the City as Treasurer with his knowledge and sound financial practices. She said PVE is a better place for all that he has done.

Councilmember Goodhart said Mr. Ritscher is knowledgeable, capable, and with quiet determination ensured the City's investments were in the right place. He commented that the Council collectively has approximately 34 years of experience and Mr. Ritscher is close to that all by himself.

Councilmember Rea said the City is in very solid financial shape and this is in no small measure due to the fine work Mr. Ritscher has done focusing on safety, liquidity, and yield. Councilmember Rea said the City will miss him.

Treasurer Ritscher said he will miss the extraordinary staff that the City has. He thanked the residents of the community – he is amazed at the level of involvement and the things that are done to help the City. The City is blessed by the actions of prior Councils. The Council listens to the public and attempts to solve the issue with the residents in mind and no change in the character of the City. He served due to his love of the City and is leaving with fond memories. He said it has been an honor and a privilege to serve the City. He presented flowers to his wife, Carol.

Mayor Pro Tem Perkins paid tribute to Mayor Sherwood's eight years on City Council, highlighting his numerous contributions to the City. She said the Sherwood family has been an active part of the community for almost 40 years. Mayor Sherwood has been a strong proponent for maintaining the quality of life in the City. She said he has been an articulate, passionate, and unapologetic advocate for the City. He has been asked by Supervisor Knabe to serve as a representative on the Board of the Community Services Block Grant Program. Mayor Pro Tem Perkins said that Mayor Sherwood has been a mentor to her and she is deeply grateful. She thanked him for his service on behalf of the City and the Council. She presented him with a Mayor's Gavel Plaque, a City Seal tile plaque, and a framed picture of the La Venta Inn. The Council also gave him a gift certificate to Aaron Brothers Art Mart – he is a painter.

Councilmember Humphrey said Mayor Sherwood came to Council with business and management experience and also longevity on the Planning Commission. She said he has been wonderful to work with and she enjoys his sense of humor. She is glad he will still be serving the City as Treasurer.

Councilmember Goodhart complimented Mayor Sherwood on his service during their term as Mayor and Mayor Pro Tem. He believes Mayor Sherwood was a great asset in solving the parking problems around PV High School. Councilmember Goodhart thanked him for his years of service and looks forward to a continued good relationship.

Councilmember Rea said that contrary to some of the campaign rhetoric, there has been a great deal of turn over in City Hall during the last two years. There are two new Council members with a third taking office this evening; there has been a complete turnover on Planning Commission, there is a new City Attorney, and a new City Manager. Mayor Sherwood has played a major role in making sure there has been continuity and consistency. One of the biggest achievements of the Council was the process of interviewing and hiring City Manager Hoefgen in 2007. He thanked Mayor Sherwood for his service.

Deputy Supervisor Mike Gin said he has always loved Mayor Sherwood's infectious enthusiasm and love for the City. He said the Sherwood's have an extraordinary partnership which is similar to Ed and Carol Ritscher. He presented Mayor Sherwood with a Proclamation from Supervisor Don Knabe. He thanked Mayor Sherwood for his distinguished service and congratulated him on his election as Treasurer.

NEW BUSINESS

CITY CLERK'S REPORT ON CERTIFICATE OF CANVASS OF MARCH 3, 2009, GENERAL MUNICIPAL ELECTION, RESOLUTION R09-09; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON MARCH 3, 2009, DECLARING THE RESULTS AND OTHER SUCH MATTERS AS PROVIDED BY LAW.

City Clerk Judy Smith reported that the City held a municipal election on March 3, 2009 and a tabulation of votes was conducted that evening which constituted the unofficial results. On Thursday, March 5th, the official canvass of returns was conducted by the City Clerk, the Deputy City Clerk, and the Vote by Mail Canvass Board. During the canvass the Board added to the total of votes voted on election evening 147 Vote by Mail ballots that were delivered to the polls on Election Day and 47 provisional ballots. All precinct returns from the precinct boards were checked following procedures required by law. Exhibit A of Resolution R09-09 indicates that the members elected to a full four-year term for City Council are Mr. James F. Goodhart and Mr. George Bird and for City Treasurer, Mr. Joseph C. Sherwood, Jr. Also attached to the Resolution is the certification of results for the Los Angeles Community College District Board of Trustees. The City is required to submit a copy of the Resolution to the Los Angeles City Clerk's office.

Councilmember Humphrey moved, it was seconded by Councilmember Goodhart, and unanimously approved to adopt Resolution R09-09 accepting the official Certificate of Canvass for the City of Palos Verdes Estates General Municipal election held on March 3, 2009 and declaring the results thereof.

CERTIFICATES OF ELECTION AND OATH OF OFFICE

City Clerk Judy Smith administered the Oath of Office to Mr. George Bird and Mr. James F. Goodhart.

City Clerk Judy Smith administered the Oath of Office to Mr. Joseph C. Sherwood.

CEREMONIAL MATTERS

City Clerk Smith asked for nominations for Mayor.

Councilmember Humphrey commented that last year at this time she stepped out of the rotation for Mayor due to her daughter being a senior in high school. She thanked Mayor Sherwood and Mayor Pro Tem Perkins for stepping in and allowing her this special time with her daughter. She then nominated Mayor Pro Tem Perkins for Mayor of Palos Verdes Estates. It was seconded by Councilmember John Rea and unanimously approved.

Mayor Perkins asked for nominations for Mayor Pro Tem. Councilmember Rea nominated Councilmember Rosemary Humphrey. It was seconded by Councilmember Goodhart and unanimously approved.

Mayor Perkins thanked her fellow Council members for the honor and privilege of serving them and the residents of PVE as Mayor for the upcoming year. Mayor Pro Tem Humphrey brings a wealth of knowledge and experience to the position and she feels fortunate to have her sitting next to her this year. She and Councilmember Rea have learned the ropes together during the past two years. She welcomed new Councilmember George Bird who comes to the Council with experience as the Chair of the Planning Commission, as former President of the Harbor Regional Center Board of Trustees, as a member of the Board of Trustees of Riviera United Methodist Church, and as a President of the South Bay Bar Association. He was recently recognized by the South Bay Torrance YMCA as the recipient of the 2008 Good Neighbor Award.

Councilmember Bird said he is humbled by the trust placed in him by the voters. He is privileged to call his fellow Council members colleagues. He would not have been elected if not for the sage advice and good council from individuals who have served the City and given their time and energy to making PVE what it is. He thanked Dwight Abbott, Barbara Culver, Ruth Gralow, Fred Mackenbach, John Flood, Joe Barnett, Bob Welbourn, and Bill Finer. He thanked the residents who voted and placed their trust in him. He dedicated himself to being a good steward. He thanked his friends and his golf partners – Judges Honeycutt, Brandlin, and Guzman. He thanked his sons, Hunter and Cameron, and also his wife, Karen.

Councilmember Rea welcomed Councilmember Bird to the Council. He said they met seven years ago when they both served on the Board of Trustees of the Harbor Regional Center. Councilmember Rea

was impressed by the courtesy and skill shown to the Board members and members of the public. He said that Councilmember Bird had insight and an ability to address the problems afflicting the developmentally disabled adults and children in the community. He said the YMCA award given to Councilmember Bird is bestowed annually to a South Bay citizen that has gone above and beyond in the unselfish and voluntary giving of assistance to the community and he thinks the award should be renamed the George Bird Award.

Councilmember Goodhart met Councilmember Bird when he interviewed for a seat on the Planning Commission. Councilmember Goodhart has been impressed with Councilmember Bird's handling of the Planning Commission meetings. He welcomed him to the Council.

Councilmember Humphrey has known the Birds for many years as their children attended school together. She said he offered his help to the City several years ago when his wife, Karen, was serving on the City's Financial Advisory Committee. She said he has served the City well on the Planning Commission and is so pleased that he is now a member of the City Council.

Mayor Perkins acknowledged Mr. Goodhart for being re-elected to the City Council. She said that Councilmember Goodhart is the epitome of a Palos Verdes Estates community leader. By day he is an aerospace engineer for Honeywell where he has travelled to Baghdad multiple times during the past year. In his spare time he devotes himself to his family and his community. He served as a Planning Commissioner, a Trustee on the Peninsula Education Foundation, a member of the PV School Board, and now starting his second term as Councilmember. He has served as Mayor, as the representative to the PV Transit Authority, and representative to the South Bay Cities Councils of Governments.

Councilmember Goodhart said the campaign has been an extraordinary experience. He thanked his campaign committee – Ruth Gralow, Barbara Culver, Dwight Abbott, Hal Lazar, Julie Taylor and Marlene Young. He said Councilmember Bird invited him to his kick-off party and announced that the first thing that needed to be accomplished was re-elect him, Jim Goodhart. He said that speaks to the kind of person that Councilmember Bird is. Councilmember Goodhart said he met many people during the campaign and he promised to accomplish three things: 1) make sure the City is safe and prepared for a disaster, 2) to improve the process in dealing with the public, and 3) to maintain the City's beauty. He thanked his wife, Ann, for allowing him to run for Council again and he presented her flowers. He said engineers have a poor reputation with spelling and it will be a tough couple of years for him on the Council with three attorneys and an educator.

Councilmember Humphrey welcomed Councilmember Goodhart back to the Council. She said she has known the Goodharts since their children were in preschool together. She said Councilmember Goodhart is a kind, knowledgeable, wonderful man. He likes to make sure everyone is heard and makes sure he understands the issues in order to make sure the residents are well served. She is pleased that he decided to give four more years to the residents of the City.

Councilmember Bird said it was a pleasure to get to know Councilmember Goodhart during the campaign. The most important issue to him was to have Councilmember Goodhart re-elected. During the campaign he had the opportunity to hear Councilmember Goodhart speak to the residents and answer their questions which was inspiring. He feels if he can emulate the kind of work Councilmember Goodhart has done over the past four years he will consider himself successful.

Councilmember Rea said he was pleased by Councilmember Goodhart's re-election. He said Councilmember Goodhart shows courtesy and respect to everyone he meets. He said Councilmember Goodhart, when he was Mayor one year ago, set the gold standard for how the job should be done. As a candidate during the campaign he exhibited grace under pressure and dignity running for re-election. Councilmember Rea also reported that Councilmember Goodhart spent a good deal of time in Baghdad wearing a helmet and body armor over the past year and the Council barely knew anything about it. He also congratulated both men on running campaigns that were positive, honest, clean, and frugal which reflects on their moral character. They both volunteer their time generously to the community without self-serving agendas which the community wants and needs.

Mayor Perkins acknowledged and thanked her family – husband, Fraser, son and daughter-in-law, Jonathan and Krista, daughters, Katie and Molly – and also her daughter, Lizzy, who was in Chicago. She thanked her friends for attending the meeting. She and Fraser chose to live in PVE, moving here in 1979, because they heard it was a very special place. They knew there were good schools and they appreciated the open space, the Parklands, the views, but most of all the people. When her children were young she practiced law part-time and became involved in the schools. She ran for the School Board in 1993 serving three terms. She then served on the Board of the Palos Verdes Land Conservancy and as a member the PVE Parklands Committee. She ran for PVE City Council and over the past two years has gained an appreciation for what works so well in the City. She wants to build on the past accomplishments of the Council. Everyone is aware that this is a time of fiscal uncertainty for the State and the Nation and PVE is fortunate to be in a relatively stable position with 52% of the revenues derived from property taxes which are projected to remain stable. The special tax for fire and paramedic services provides stable funding for those services. With only 2% of revenues derived from sales tax PVE is not as affected by the decline in spending as other cities. The State has the ability to divert funds from cities despite the Proposition 1A protections and she is watching how the State is planning to deal with another projected \$8 billion shortfall. The Council will be meeting with staff at a Budget Workshop on March 30 to discuss the second year of the two year budget cycle. The City will move forward carefully and prudently with capital projects such as the Bluff Cove Stabilization Project on Palos Verdes Drive West. Council will be analyzing how best to pay for the project looking at Federal stimulus funds and possible County funds. This roadway is an important link for transportation and utilities. She would also like to focus on disaster planning and emergency preparedness with the City being geographically isolated and may require a great deal of self-sufficiency following a disaster. The City has begun to establish a Disaster District Plan (DDP) and will be moving to take steps to help each of us as neighbors and individuals to have equipment and supplies needed to survive for 10 days. One of the benefits of a City Council campaign is it gives the Council the opportunity to hear from residents first-hand – criticisms and concerns, suggestions and ideas for what the City can do even better. The major concerns raised include issues related to Planning & Building, customer service, and communications. There will be a facilitated Council retreat where they will discuss these issues. Regarding communications, one item that came up during the campaign, there is an item on every Agenda for every public meeting toward the beginning of the Agenda titled Communications from the Public. This spot on the Agenda is for any member of the public to share an issue of concern. Due to the Brown Act, Council can not enter into discussion or resolve the item that evening – they can look into it, refer it to staff, or place it on a future agenda. For the coming year, there will be an additional opportunity to share suggestions and concerns through community forums where the Mayor, one member of the Council, and the City Manager will listen to your concerns and talk to you. The first forum will be held on Tuesday, May 5th, at 6:30pm in the

Council Chambers. She thanked everyone for the opportunity to serve as Mayor and is dedicated to preserving and enhancing the quality of life enjoyed in Palos Verdes Estates.

COMMUNICATIONS FROM THE PUBLIC – No one came forward to speak.

ADJOURNMENT

There being no further business before Council the meeting was adjourned at 8:26 p.m. to Tuesday, March 24th, at 6:30 p.m. in the City Council Chambers of City Hall.

RESPECTFULLY SUBMITTED,

MICHÉLE D. MONSON, MINUTES SECRETARY

APPROVED:

ELLEN PERKINS, MAYOR