

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

April 8, 2008

A regular meeting of the City Council of the City of Palos Verdes Estates was called to order this day at 7:30 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, City Attorney Pannone, Assistant City
Manager Smith, Police Chief Dreiling, Public Works Director Rigg,
City Treasurer Ritscher, Administrative Analyst Davis,
Minutes Secretary Monson**

CEREMONIAL MATTERS

City Manager Joseph Hoefgen explained that the Police Department has two Captains positions and one of these has been vacant for a year due to a retirement and he is happy to announce the hiring of a new Captain, Kevin Scroggins. In addition, after conducting a promotional exam, Chief Dreiling will be promoting Steve Barber to Sergeant.

Chief Dreiling introduced Kevin Scroggins and shared his career background. Kevin started out as an Eagle Scout, then he joined the Marines and became a Marine Officer, he earned his Graduate degree, he worked for L.A.P.D. for 16 years moving up to the rank of Sergeant, and then he advanced to Police Chief of the Inglewood School District.

Chief Dreiling introduced Officer Steve Barber and shared his background. Steve was raised on the PV Peninsula and earned his Bachelor's degree at UC Irvine. Upon graduation Steve came to work as a Services Officer with PVEPD. Shortly thereafter, he was hired as a Police Officer for PVE. In the recent competitive Sergeant promotional examination Steve scored number one.

Chief Dreiling administered the Oath of Service to Captain Kevin Scroggins and Sergeant Steve Barber. Captain Scroggins' son pinned the Captain badge on his father's uniform. Sergeant Barber's wife pinned the Sergeant badge on her husband's uniform.

CONSENT AGENDA

It was moved by Mayor Pro Tem Perkins, seconded by Councilmember Rea and unanimously approved that the following Consent Agenda items be approved:

- MINUTES OF CITY COUNCIL MEETING OF MARCH 25, 2008
- PW-535-08; AWARD THE PUBLIC WORKS CONTRACT FOR THE 6-INCH SANITARY SEWER PIPE CLEANING PROJECT TO ADVANCED SEWER TECHNOLOGIES IN THE AMOUNT OF \$43,676.00, AND ADOPT RESOLUTION R08-07, ADJUSTING THE FY07-08 BUDGET.
- PARKLANDS COMMITTEE ITEMS OF MARCH 10, 2008

CITY COUNCIL 4-8-08

Deleted: .

PC-282-08; Application to reduce six eucalyptus trees in the city parkland located adjacent to Saint Francis Church for view restoration.

Applicant: Stanley and Maureen Moore
2416 Via Anita

Approved

PC-286-08; Application to remove two pine trees at 1825 Paseo del Sol.

Applicant: Dr. and Mrs. Jain
924 Via Mirada

Approved

PC-287-08: Removal of Via Arroyo/Via Almar street light

Applicant: The City of Palos Verdes Estates
Denied

COMMUNICATIONS FROM THE PUBLIC

Resident Sandy Durko, [PVE], feels that the Residential Permit Parking Zone moved the parking problems to Paseo del Mar. He noted there are 80-85 cars now parked bumper to bumper on Paseo del Mar. He met with Larry Clark, the California Coastal Commissioner for the area, regarding his concerns. Mr. Durko was referred to Gabriel Buhr, a staff member in the Long Beach office. Mr. Durko stated that both Mr. Clark and Mr. Buhr suggested that a Coastal Development Permit be submitted to restrict parking on Paseo del Mar at specified hours. Mr. Durko also met with the principal of PVHS, Chris Bowles. Mr. Durko asked the City Council to direct staff to meet with the staff of the Coastal Commission to begin the process for a Coastal Development Permit.

Resident Camille Feldman, [PVE], expressed deep gratitude to the Council for the implementation of the RPZ. She is grateful that the Council took in all the opinions and observations and made a decision that has helped tremendously. She does not feel that the job is complete as all PVE residents deserve to live the vision of the Olmstead brothers including those on Paseo del Mar. She thanked Chief Dreiling and staff for enforcing the laws. Ms. Feldman would like to see the School District address the impacts of inadequate parking for the high school.

Resident Robyn Marin, [PVE], reported that two years ago her son was hit by a car while walking to school on Cloyd Road. It was then that she realized there was a safety/traffic problem in the area. She agrees with Ms. Feldman, the RPZ is only the first step in a process to improve the situation. She is on the second block and is now experiencing students parking in front of her house, which she expected. She will monitor the situation and may be submitting a petition to have her block added to the RPZ.

Mayor Sherwood asked if the Traffic Safety Committee meeting in May would be addressing the parking issues around PVHS. City Manager Hoefgen said the agenda has not yet been put together for the May meeting. The RPZ has been in place for only two days and the City is monitoring the parking situation and working with the School District on some cost sharing for paving additional areas on campus. Manager Hoefgen said the City does need to have further dialogue with the Coastal Commission. He thinks the May Traffic Safety Committee meeting would be the logical time for the discussion.

Councilmember Goodhart wanted Director Rigg to clarify the process for any block in area of the RPZ to be added to the existing RPZ. Director Rigg said the process is completed through the staff at the City Hall. The petition would be signed by the residents of the block and turned into the City and the staff would mail a blind ballot to the residents of that block asking for approval to implement an RPZ. Director Rigg reminded everyone that the City does not want to conduct any balloting for 30 days from the implementation of the initial RPZ to allow the situation to settle. The School District is actively adding parking spots to the campus.

Councilmember Humphrey clarified that those blocks that have already submitted a petition to be added to the RPZ do not need to resubmit their petition. Director Rigg agreed.

CITY COUNCIL 4-8-08

Deleted: .

Director Rigg commented that he has observed the parking for the last two days in the morning and the afternoon and the only parking in any of the second blocks was on the second block of Chelsea north of the school. For two weeks prior to the implementation of the RPZ the parking was monitored on all streets surrounding the school. For the last two days, on Paseo del Mar, there have been 35 additional cars. The School District is urgently working on creating at least 35 additional parking spots on campus.

Councilmember Humphrey noted that the School District moved two huge cargo containers off of the campus which opened up a large amount of space.

Mayor Sherwood noted that Principal Chris Bowles emailed all the students two weeks ago suggesting they carpool, walk, or ride a bike to school.

Councilmember Rea asked if the residents of Paseo del Mar are eligible to apply for the RPZ to be extended in front of their houses even with the issues regarding the Coastal Commission jurisdiction. Director Rigg said they are not. The Coastal regulations for the State of California specifically prohibit preferential parking on streets that are within the coastal zone and which are used for coastal access. The City can implement limited parking regulations that would prohibit everyone from parking on Paseo del Mar during specific times.

Councilmember Rea asked if the City could implement the restrictions without going to the Coastal Commission. Director Rigg said that we could, we have an adopted local coastal plan and we would issue a coastal waiver for those types of regulations.

PUBLIC HEARINGS

REQUEST TO APPEAL PLANNING COMMISSION DENIAL OF NC-1314-07; CONSIDERATION OF A NEIGHBORHOOD COMPATIBILITY APPLICATION FOR A NEW SINGLE FAMILY RESIDENCE LOCATED AT 3929 VIA SOLANO. LOT 8, BLOCK 6201, TRACT 6887

Appellant/Owner: Henry Hymes – 3929 Via Solano – Palos Verdes Estates

Planning Director Rigg reported that this project is for a new single family residence which proposes a 1,432 sq. ft. first floor, a 1,532 sq. ft. second floor, a 238 sq. ft. mezzanine, and a 429 sq. ft. garage. The total proposed floor area is 3,631 sq. ft. The gross floor area proposed is 3,828 sq. ft. The maximum allowable floor area is 3,631 sq. ft. on this 7,262 sq. ft. lot. The project was originally reviewed by the Planning Commission on February 19, 2008. Concerns were raised regarding the height and massing of the project. There were concerns with the view and privacy impacts. Rigg stated that one of the commissioners suggested that the roof be redesigned, the plate height be lowered, and the mezzanine be eliminated. There were also concerns regarding the applicant's efforts to mitigate the impacts to the neighbors. The project was ultimately denied. Rigg noted that there is a 36" tree shown on the plans as being on private property. Due to concerns raised by a Councilmember, Rigg measured in both directions and is confident that the tree is on City Parkland. The Planning Commission's decision is being appealed by the owner Henry Hymes. The appeal purports that the project was designed per the code requirements. Prior to the purchase of the property the owner researched the code requirements to determine that the plans he wished to propose would be possible. The owner indicates that he followed protocol in processing his plans with the Art Jury and Planning Commission. Rigg reported the owner feels there is no way to address the concerns of the neighbors.

Mayor Sherwood asked the City Clerk if public notice had been given according to law. City Clerk Smith responded that it was.

Councilmember Goodhart asked Director Rigg if, in the neighborhood comparison chart, all the properties listed for the comparison are also listed without a garage. Director Rigg said the County Assessor subtracts the garage information for the comparison since garages are typically a 400 sq. ft., two-car garage.

Mayor Sherwood declared the Public Hearing open and invited the appellant/owner to speak for a total of five minutes.

CITY COUNCIL 4-8-08

Deleted: .

Henry Hymes, [PVE], asked if the Council had read the letter he had submitted and if they reviewed the tape of the Neighborhood Compatibility hearing. Mr. Hymes feels that he did not get to speak at the Planning Commission meeting without being interrupted by the (commissioners). He knew when he purchased the property that the trees, shrubs, and dense foliage that grow high on the properties behind and below his property were in the City of Torrance and he would have to accept them. He would like some consideration since his view is blocked by properties in a neighboring city and he has no recourse over the trees and shrubs that grow as high as the power lines, especially since he is only asking for what city zoning and code allow for. He had photos to submit, but was told he could not submit them at this time. He stated that he needs the height to see over the neighboring trees and shrubs.

Architect Peter Audelo, [office in] Oceanside, stated that during the Planning Commission meeting there were a lot of comments regarding the massing of the house and that it was too front heavy and too big. He reported that on (Via Solano) there are currently 20 houses from Via Ardilla to Via Cardelina and of those 20, eight are two-story homes. From Via Ardilla to the public right-of-way there are 12 houses and five of those are two-story. He did set back roof levels at different distances from the front of the house. Most of the houses on the street have the same 15 ft. front-yard set-back and there are two houses that are basically a straight-up vertical wall with bay windows in front. He did try to minimize the massing from the front of the house.

Fay Feeney, Hermosa Beach [resident], is a recent neighbor of Henry Hymes. She believes that Mr. Hymes is a quality neighbor. He conducts himself in a responsible and considerate way.

Mayor Sherwood responded to Ms. Feeney that the Council does not judge the quality or the character of the person, they only judge the dwelling.

Resident Bob Van Nice, [PVE], also spoke on behalf of the residents at 3921 Via Cardelina and 3945 Via Cardelina. Mr. Van Nice said the size of the house is simply too big. The assertion has been made and defended that the project requires the height to have a view – he said this is patently not true. The assumption is that a view could be obtained by removing what a City is owned tree. Also, the trees at the north edge of the trail are clearly trimmable. The project does hunch forward. The meet and greet was not as meaningful as it should have been due to the weather preventing the (silhouettes) from being erected in time. When the (silhouettes) were erected and the neighbors saw the vertical height and the way the house was massed it was clear that the house was not compatible with the neighborhood. He feels there are many things that can be done to develop the house appropriately. He asked that the Council confirm the Planning Commission's decision.

Resident Susan Moulton, [PVE], said her home is directly across the street from the applicant's home. She is strongly opposed to the appeal of the Planning Commission's decision. She submitted a letter to the Planning Commission which outlined her opposition to the project with regard the impact of her views. The proposed project entirely eliminates her ocean and mountain views. One of the reasons she moved to PVE was due to the procedures in place, such as the Art Jury and Planning Commission, to protect views and her investment into the community. She went through a remodel last year and the process was seamless for her. She feels the applicant has not engaged the neighbors in trying to address their concerns. The neighbors support the applicant trying to improve their property which helps to beautify the community. She hired an architect to provide some other view points of how the project could be redesigned which she included in her letter to the Planning Commission. The Planning Commission offered the letter to the applicant. She feels the applicant is not concerned with the size and mass of the dwelling or the Neighborhood Compatibility aspect of the project. She asked the Council to deny the appeal.

Applicant Hymes commented that if he did try to incorporate Ms. Moulton's ideas into his plans there is no guarantee that the Art Jury would approve those plans and he would be back at square one. He said he was in the Art Jury process for over one year letting them redesign his house. He commented that one of the neighbors said he, Mr. Hymes, had such 'audacity' to try to build this project. He characterized his project as beneficial to the whole community in that it would raise the surrounding property values which would bring more tax revenue to the community for schools, parks, and streets and there would be more job security for people who live and work in the community. If you ask him the only audacity he sees is by the residents who oppose such projects for their own selfish concerns and spoil it for the rest of the community. He believes it is a win/win

CITY COUNCIL 4-8-08

Deleted: .

situation for the community. He said he will never be able to appease the neighbors. He does not want any special treatment, he has done everything to the letter of the law, he would like to build his home and live there in peace.

Mr. Audelo said that Ms. Moulton submitted pictures with her letter to the Planning Commission which show her view. He said that if he brought down the height of the building by 5 feet he would still be blocking Ms. Moulton's view. He believes that any two-story project would block her view. There are other things that block the view as well, like a eucalyptus tree.

Mr. Hymes commented that half of the people opposing the project live in two-story homes.

Mr. Audelo stated that within the continuous process, during the (Planning Commission) portion, that maybe it could have allowed them to make some concessions, but they were denied completely.

Mayor Sherwood declared the Public Hearing closed.

Councilmember Rea said he will vote to confirm the Planning Commission's decision. He read the record carefully, visited the property, and listened attentively to what was said during this meeting. He feels the record is clear that the Planning Commission carefully considered the four factors of the Neighborhood Compatibility Ordinance and reached a well-reasoned decision. He feels it is the only decision that could have been reached properly under the circumstances. The record shows the proposal does have a looming massive appearance which could have been mitigated somewhat, but he does not think any real effort was made. Regarding the view impacts on the neighbors, he does not feel any reasonable attempt was made to mitigate that either. Also, the privacy impact, again no reasonable effort was made. It is true that the Planning Commission will impose special conditions of approval when presented with an application that is close to approval. When they are presented with an application that is so far removed from approval, when they have no idea how to "tweak" the project to be able to approve it with conditions, it is appropriate it for the Commission to deny the application and send the applicant back to the drawing board.

Councilmember Goodhart noted that the job of the Planning Commission is to evaluate the design of the property on the individual property's basis to the surrounding neighborhood. There could be houses that are four houses away that can be two-story, that block views, that may be the same size, but in the context of the time that these properties were reviewed by the Planning Commission they were determined to be acceptable. Those neighbors may have had comments about those proposals, but the final decision was to approve those projects. In this case, the Planning Commission looks at this sole property. When a Planning Commission decision is appealed to the City Council, the task is to make sure that the process was correctly followed in evaluation of the property. The record seems to indicate that the applicant had every opportunity with the meet and confer process, the applications were submitted on time, and the flags were erected within the time required by the City. Councilmember Goodhart said he read Mr. Hymes appeal letter and was trying to figure out exactly what was being appealed. He concluded that Mr. Hymes was concerned that the City Code does allow a 30 foot height and 30% lot coverage. Councilmember Goodhart said the City developed the requirements to apply across the entire City and this is where the Planning Commission becomes judgmental in how they apply these limits. There are a number of two-story homes in the neighborhood. He said he feels in this proposal the view is not so much the consideration, but the massiveness of the house. There is concern about the views, but more so the massiveness of the house in contrast to the other homes on the street that concerned the Planning Commission. In the neighborhood comparison for the 300 foot radius (excluding Torrance), there is only one home that is larger, but there are 18 larger lots - which works against the applicant in regards to the ratios. The Planning Commission is concerned that there are 28 smaller homes on the block which they call a "transitional neighborhood." There were nine neighbors on Via Solano that objected to the proposal which the Planning Commission tends to pay attention to. The point of the meet and confer process is to enable the owner and architect to take into consideration the issues that are of concern to the neighbors and possibly redesign the house. The most significant thing the Council pays attention to is the vote of the Commission. In this case it was 4-0. Councilmember Goodhart said the appeal asked why the applicant could not build a home to the maximum amounts listed in the guidelines. He explained that they rely on the Planning Commission to make that judgment, which depends upon the neighborhood. Councilmember Goodhart said he could not support the appeal.

CITY COUNCIL 4-8-08

Deleted: .

Councilmember Humphrey stated that she attended the Planning Commission meeting where this application was discussed and she concurs with both of her colleagues that the Commission did a thorough job in discussing this particular project. She agrees that the Planning Commissioners denied the project because they could not see a way to send it back with suggestions for approval. She feels there is a misunderstanding and she repeated what Chairman Hoffman stated during the Commission meeting – the limitations are not entitlements, the 30 foot height is not to be exceeded, it does not mean that a project can go to that height. Councilmember Humphrey said that during the Commission meeting Chairman Hoffman asked Mr. Hymes if he had researched the Neighborhood Compatibility aspect of the application and Mr. Hymes responded that he had not – he had done his research through the Art Jury. Councilmember Humphrey said this is a problem as Neighborhood Compatibility is the subjective portion of the City ordinances. It is not a vote of the neighborhood, it is a vote of the Commission and she will confirm the vote of the Commission. She feels they did a very thorough job; they did not err in their deliberations, their comments, or their study of the documents. She read all the letters and the Planning Commission meeting minutes, she has looked through the Council packet and she agrees to confirm the Planning Commission’s decision.

Mayor Pro-Tem Perkins was concerned that the applicant viewed the Municipal Code’s 30 foot height and 30% lot coverage as an entitlement since it is very clear that that is a starting point for the Neighborhood Compatibility Ordinance. In order for the Council to overturn the Planning Commission’s decision, it would have to be shown that the project was reasonably compatible in terms of the neighborhood character, that the proposed development would be developed in a manner that would preserve to the greatest extent practicable the privacy of the people residing in the adjacent properties and that the plans would be developed to the extent reasonably practicable to not unreasonably interfere with the neighborhood’s existing views. Mayor Pro-Tem Perkins said it was clear to her from reviewing the records, visiting the property, and visiting the Moulton’s property that the efforts were not made to accommodate views and privacy and to limit massing to the greatest extent practicable. When other matters have come before the Council where views have been lost in the process of building a project, the City has allowed some of those projects to go forward because the process has been good and reasonable and the City recognizes that in transitional neighborhoods there is going to be growth occurring. It is important that efforts are made to ensure that the projects are compatible with the existing neighborhood by following these criteria. She does not believe that the meet and confer for this project followed the spirit in which the City expects the meet and confer to be carried out. The idea of having the silhouetting done prior to the meet and confer is so the neighbors can see what the impact of the project is going to be and give input in time to, perhaps, change the roof, change the set-back so that you can move forward in a way that works. Another tact that the applicant could have taken is to continue the hearing with the Planning Commission to be sure to have the input from the neighbors. As the project is currently designed, she sees no error in what the Planning Commission decided and she will vote to confirm the Planning Commission’s decision.

Mayor Sherwood commented that he would not repeat all that has already been stated by his fellow Council members, but he did agree with it all. He walked the project over the weekend and spoke to two neighbors that were opposed to the project. He compared the proposed home that is listed at 3,631 sq. ft. to other homes (32) in the area on similar sized lots, which are plus or minus 10% of the project lot. He figured the proposed project is 184% of the average of these 32 homes. Mayor Sherwood said that rarely does a project that exceeds 150% get approved. Mayor Sherwood asked for a motion.

Councilmember Humphrey moved that the City Council confirm the Planning Commission’s decision to deny NC-1314-07, the Neighborhood Compatibility application for a new single-family residence located at 3929 Via Solano. Councilmember Goodhart seconded the motion and it was unanimously approved (5-0).

NEW BUSINESS

AUTHORIZATION TO SEEK CONSTRUCTION BIDS FOR THE RENOVATION OF THE LUNADA BAY FOUNTAIN

Public Works Director Rigg reported that the City Council approved the design for the renovations of the Lunada Bay Fountain at their meeting on September 25, 2007. He showed PowerPoint pictures of **CITY COUNCIL 4-8-08**

Deleted: .

the deterioration of the fountain and the original concept sketch of the fountain. The Council approved design had previously been approved by the Parklands Committee, the Art Jury, and the Lunada Bay Homeowners Association (LBHA). The renovations proposed include both improvements to the fountain walls and interior, Phase 1, as well as the concrete steps surrounding the fountain, Phase 2. The Lunada Bay Homeowners Association with the approval of the City has undertaken a plan to restore the fountain's facade to its originally intended design. Peter Bena, a local resident architect, donated his services to create the renderings and construction documents for the restorations. The two renovation phases can be undertaken together or separately. There are cost savings if completed together, but not any significant logistical difficulties if done separately. Phase 1 would include removing the existing tiles and fountain centerpiece, supply and affix new concrete panels to the outside of the fountain walls, supply and mount the new bowl centerpiece, upgrade the electrical service, waterproof the inside of the fountain bowls, and supply and install new lighting within the main fountain bowl. Phase 2 scope would supply and install new lighting and steps around the fountain, and supply and install PV stone, or similar stone, on steps surrounding the fountain. These renovations go beyond the original scope of repairs the City had planned for this year, \$25,000, to rehab the inside of the walls and make them watertight. In able to fund both of these phases requires additional monies. In order to bridge the gap in funding, the LBHA has been fundraising. To date they have raised \$38,075. Which is not quite enough to complete both phases, but the fundraising efforts are still on going. Requests for funds have also been made to the Palos Verdes Homes Association. Total funds including the City funds, LBHA funds, and a previous donation for the LB Park equal is \$83,000. To complete Phase 1 it will cost approximately \$77,000 and Phase 2 approximately \$34,000 for a total of \$111,000. There is currently funding available for Phase 1, but not for Phase 2. Typically, the City only requests bids for projects after complete funding has been secured. However, in this case, it may be appropriate to look at other options. Staff suggests the City Council authorize the staff to bid Phase 1 and Phase 2 together since it would be six weeks until the earliest date to award the contract. That would give the LBHA additional time to raise funds. Phase 1 would be bid as the main contract with the option to add Phase 2 as an add/alternate. This would allow Council to award only Phase 1 if the funding goals are not met. If there is enough money raised, the Council could award the base bid plus Phase 2 as the bid alternate. Or, the City could delay the award of the bid until the June 24th City Council meeting. The City is able to hold the contractors to their bids for 45 days. If the funding goals are reached earlier, the staff would come back sooner and the Council would have the option to bid one or both phases. The rough schedule is to begin advertising for the project in late April. Closing date for the bids would be May 19th. The bid would be awarded at the earliest on May 27th. The construction would be awarded on June 9th. There are a couple of custom pieces for the project and there may be a lag in design, construction, and delivery.

Councilmember Rea asked what the cost savings would be if Phase 1 and 2 were completed together. Director Rigg said about \$5,000 to \$10,000. Councilmember Rea asked if the grand total given at \$111,000 is with or without the cost savings. Director Rigg said that amount is with the cost savings, doing both phases at the same time.

Mayor Sherwood updated the Council on the fundraising efforts for the fountain. There has been a very generous offer by an anonymous donor to match dollar for dollar all funds raised up to \$10,000 for funds that are raised over and above the existing \$35,000.

Councilmember Goodhart stated that he feels it is incumbent upon the Council to approve only the projects that we have money for. He asked when the preliminary (cost estimates) were obtained in order to get a sense of accuracy for when we actually go out to bid. Director Rigg said the fountain is a centerpiece of the City and with that in mind, staff contacted a local pool contractor that has been involved in previous City projects. The contractor gave us cost estimates for Phase 1 as well as estimates for the Phase 2 work, not including the electrical for Phase 1 - staff has added the electrical to Phase 1. Director Rigg feels confident that the cost bids the City will be receiving will not vary from what we currently have. He said the City went to a heightened level of effort to make sure these numbers are accurate due to the efforts of those doing the fundraising for the projects. Councilmember Goodhart noted that there are administrative costs listed in the project and asked if it was the City's administration or a third party. Director Rigg replied that it is the City's administration. Councilmember Goodhart asked if prevailing wages apply to these projects. Director Rigg replied that they do.

City Manager Hoefgen noted that the administration costs shown are the direct costs the City will incur; it is not just staff time it is billing from Charles Abbott & Associates.

CITY COUNCIL 4-8-08

Deleted: .

Mayor Pro-Tem Perkins reiterated that if the Council approves the staff would begin advertising for the project, the bids would come in, and at that point we would verify where the fundraising stood, and prior to awarding the bid, the Council would determine if there is enough money to award Phase 1 or to award for Phase 1 and 2. She asked if the bids come in higher than anticipated or the fundraising has not been completed and we are only able to award Phase 1, how long are the bids good for. Director Rigg responded they would be good for 45 days – after that time the City would have to go through a competitive bid process again.

Director Rigg stated that City Attorney Pannone told him that another way to proceed would be to have a change order in the bid. Any change order in excess of 25% would require the staff to come back to the City Council for approval.

Mayor Sherwood recommended that the Council consider going out to bid for Phase 1 and Phase 2 since the fundraising efforts are very close.

Councilmember Goodhart confirmed that the staff has recommended that the City go out to bid for Phase 1, which he feels is imperative. Residents will then see the work being accomplished which will help the fundraising efforts. He feels the potential delay in the construction of the panels is problematic so he would like to see the bid come in and under contract. He is troubled by the recommendation to authorize going to bid for Phase 1 and Phase 2 since we do not have funding to support both yet. He asked if it is a requirement to obtain funding prior to going out to bid. City Attorney Pannone responded that is not, just when awarded.

Councilmember Humphrey moved that the City Council authorize the staff to seek construction bids for Phase 1 and Phase 2 for the renovation of the Lunada Bay Fountain. It was seconded by Mayor Pro-Tem Perkins and unanimously approved.

Resident Ruth Gralow, [PVE], wanted to reassure the Council that 20 years ago when the Roessler Pool Project was undertaken, they did not have the funding for that project either. If they had waited until they had collected all the money needed it would probably not have happened.

STAFF REPORTS

City Manager's Report –

City Manager Hoefgen reported that the first Budget Workshop was held on March 24th and the second has been scheduled for June 3rd at 7:00a.m. at the Malaga Cove Library Community Room.

DEMANDS

It was moved by Mayor Pro-Tem Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, totaling \$215,413.53 be allowed and it was unanimously approved.

It was moved by Mayor Pro-Tem Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, No. 513126H to 513130H, 513140 to 513205 totaling \$174,330.25 be allowed and it was unanimously approved.

MAYOR & CITY COUNCILMEMBERS' REPORTS

Councilmember Humphrey reported that she, Mayor Sherwood, and Mayor Pro-Tem Perkins attended the Citizen of the Year dinner for Frank, Pat, and Louise Brown on April 3rd at Trump National.

CITY COUNCIL 4-8-08

Deleted: .

ADJOURNMENT

There being no further business before Council the meeting was adjourned at 9:00p.m. to Tuesday, April 22, at 7:30 p.m. in the City Council Chambers of City Hall.

RESPECTFULLY SUBMITTED,

/s/

MICHÉLE D. MONSON, MINUTES SECRETARY

APPROVED:

/s/

JOSEPH C. SHERWOOD, JR., MAYOR