

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

February 9, 2010

A regular meeting of the City Council of the City of Palos Verdes Estates was called to order this day at 6:30 p.m. in the City Council Chambers of City Hall by Mayor Perkins.

ROLL CALL: Councilmembers Bird, Goodhart, Mayor Perkins,
Councilmember Rea (Rea arrived at 7:00pm)

ABSENT: Mayor Pro Tem Humphrey recused

ALSO PRESENT: City Manager Hoefgen, City Attorney Pannone, Assistant City
Manager Smith, Public Works Director Rigg

CLOSED SESSION: Council recessed to Closed Session at 6:33 p.m.

- **CONFERENCE WITH LEGAL COUNSEL -EXISTING LITIGATION**
Pursuant to Government Code Section 54956.9 (a)
Palos Verdes Peninsula Unified School District v. Palos Verdes Homes Association
and City of Palos Verdes Estates, Case No. BC431020

RECONVENE: Council reconvened at 7:35 p.m.

PLEDGE OF ALLEGIANCE

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

ALSO PRESENT: City Manager Hoefgen, City Attorney Pannone, Assistant City
Manager Smith, Police Chief Dreiling, Public Works Director Rigg,
City Treasurer Sherwood, Minutes Secretary Monson

MAYOR'S REPORT – Matters of Community Interest

Mayor Perkins administered the Loyalty Oath to approximately 20 PVE Disaster Service Workers.

Southern California Edison Regional Managers Marvin Jackmon and Scott Gobble presented a report on maintenance activities of SCE and the "State of the Electric Utility" in PVE and the South Bay area. Mr. Jackmon reported that SCE met with the Public Works Director and City Forester regarding SCE's Right Tree, Right Place program. This is an expanded line clearance program which will increase the space required between a tree and an electrical line from 18" to 48".

CONSENT AGENDA

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

- MINUTES OF CITY COUNCIL MEETING OF JANUARY 26, 2010
- RESOLUTIONS OF THE CITY COUNCIL DECLARING THAT WEEDS GROWING UPON AND IN FRONT OF, AND BRUSH, RUBBISH, REFUSE, AND DIRT UPON AND IN FRONT OF CERTAIN PRIVATE PROPERTIES IN THE CITY ARE A PUBLIC NUISANCE, AND DECLARING ITS INTENTION TO PROVIDE ABATEMENT THEREOF

COMMUNICATIONS FROM THE PUBLIC

Realtor Sam Ingram, [RPV], asked that Council relax the City's sign policy with regard to directional signs. He said he would like to see the policy relaxed during the daytime on weekends to accommodate realtors' open house schedules. Director Rigg said the regulations allow the signs, but placement must follow the City's policy and signs need to be placed 10 feet from the curb adjacent to private property not on medians, islands or public parks.

NEW BUSINESS

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE PERIOD ENDING JUNE 30, 2009 AND FISCAL HEALTH REPORT 1999-2009

Assistant City Manager Smith reported that the Audit Committee met on February 4th with the auditors to review the audit procedure and the findings. The City received a clean opinion. In FY 2009 the City's net assets totaled \$88.5 million with \$60 million of that being infrastructure values. The City's total net assets increased \$161,879 as a result of operations for FY 2009. She highlighted one new item included in the report, the supplemental retirement program, which is a \$275 per month contribution to employees that retire from the City after 20 years of service which continues until the person is Medicare eligible. The cost for this program in 2009 was \$14,000.

Mayor Perkins and Mayor Pro Tem Humphrey complimented the finance staff on their diligence and excellent work. They were happy to hear from the auditor that the City would again be receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.

Assistant City Manager Smith presented the Fiscal Health Report which is a visual graphic representation of the audit report. It shows trends and the staff ratings for these trends. She reported that in general the trends are usually stable or favorable. FY 2008 and 2009 reflect the current economic conditions which has changed some of the 'stable' items to a 'watch' factor. The assessed values are rated 'unfavorable' for a second year as the increase was 5.5%. Values are expected to continue to drop. For 2009, per capita revenue exceeded expenditures by \$67. For the 2010 budget, staff will run several expense/revenue scenarios for the Council to help budget planning. Personnel costs are a large component of the budget, running between 65% and 66% of the budget for the last 10 years. The Council has a policy to target a 50% general fund reserve with any excess funds being transferred to the capital fund to support non-sewer projects. The proposed transfer at fiscal year-end 2009 was suspended due to anticipated loss of property tax funds during FY 2009-10.

It was moved by Mayor Pro Tem Humphrey, seconded by Councilmember Rea, and unanimously approved to receive and file the Comprehensive Annual Financial Report for the period ending June 30, 2009 and the fiscal Health report 1999-2009.

STAFF REPORTS

City Manager's Report

City Manager Hoefgen reported on the L.A. County Sanitation District sewage spill in the Lunada Bay area, which occurred due to a Sanitation District pipe that was compromised in the recent storms. Beach closure notices are posted for Lunada Bay.

City Manager Hoefgen also reported that the PVDW Stabilization Project has been delayed due to the recent rains. The project is now targeted to be complete by the end of March.

DEMANDS

It was moved by Councilmember Goodhart and seconded by Councilmember Bird that the demands, as approved by a majority of the City Council, totaling \$231,942.46 be allowed and it was unanimously approved.

It was moved by Councilmember Goodhart and seconded by Councilmember Bird that the demands, as approved by a majority of the City Council No. 516651V, 516912 to 516980 totaling \$333,058.89 be allowed and it was unanimously approved.

MAYOR & CITY COUNCILMEMBERS' REPORTS

Mayor Perkins reported that she, Councilmember Bird and City Manager Hoefgen attended the Mayor's Forum on February 2. She attended the Palos Verdes Library's 80th Anniversary celebration on February 6th.

Councilmember Bird congratulated PVE resident the Honorable Steve Van Sicklen on being honored by the South Bay Bar Association with the McFadden Award. He also attended the Mayors Forum where residents raised the issues of peafowl, speed limits, development of a 25 year plan for the City, street trees, and re-evaluation of flood zones.

Councilmember Goodhart also attended the PV Library 80th celebration. He said they have many wonderful programs.

Mayor Pro Tem Humphrey reported that she and Councilmember Goodhart attended the California City Selection Committee meeting on February 4th where Judy Mitchell, Councilmember from RHE, was nominated to be the South Bay representative to the Air Quality Management District.

ADJOURNMENT

There being no further business before Council the meeting was adjourned at 8:50 p.m. to Tuesday, February 23, at 7:30 p.m. in the City Council Chambers of City Hall.

RESPECTFULLY SUBMITTED,

MICHÉLE D. MONSON, MINUTES SECRETARY

APPROVED:

ELLEN PERKINS, MAYOR