

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

July 13, 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 Humphrey.

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

ABSENT: None

ALSO PRESENT: City Manager Hoefgen, City Attorney Hogin, Assistant City Manager Smith, Administrative Analyst Davis

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

- **CONFERENCE WITH LABOR NEGOTIATORS**
Pursuant to Government Code Section 54957.6
Agency Designated Representatives: Joe Hoefgen, Judy Smith, Alexa Davis
Employee Organizations: Public Service Employees Association

RECONVENE: Council reconvened at 7:30pm

Mayor Humphrey announced there was no reportable action.

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

PLEDGE OF ALLEGIANCE – Flag Salute led by Boy Scout Webelos #846.

CONSENT AGENDA

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

- MINUTES OF CITY COUNCIL MEETING OF JUNE 22, 2010

- INTRODUCE ON FIRST READING ORDINANCE 09-693-CORRECTION, WHICH PROVIDES THE CORRECT REFERENCE TO THE PVE MUNICIPAL CODE CHAPTER 5.12 – “TAXICABS” AS BEING REPEALED.
- PW-572-10; AWARD A CONSTRUCTION CONTRACT FOR THE COMPLETION OF THE FY 2010-11 OVERLAY PROJECT IN THE AMOUNT OF \$638,930 TO HARDY AND HARPER, INC., AND ADOPT RESOLUTION R10-12, ADJUSTING THE FY 2010-11 BUDGET
- PW-53-10; AWARD A CONSTRUCTION CONTRACT FOR THE COMPLETION OF THE FY 2010-11 SLURRY SEAL PROJECT IN THE AMOUNT OF \$281,022.31 TO AMERICAN ASPHALT SOUTH, INC.
- SPECIAL EVENT APPLICATION OF PALOS VERDES LIBRARY DISTRICT’S MALAGA COVE BRANCH TO HOLD A SING-A-LONG EVENT AT FARNHAM MARTIN PARK ON SATURDAY, AUGUST 28, 2010.

COMMUNICATIONS FROM THE PUBLIC - none

NEW BUSINESS

REVIEW AND APPROVAL OF THE PALOS VERDES STABLE FY 2010-11 OPERATING BUDGET

City Manager Hoefgen reported that the HGS Incorporated has now operated the Stables since March of 2009. The first year was a transition period with many things changing at the Stables such as additional boarders coming to the Stables and other boarders leaving the Stables. The revenues for 2009-10 were \$488,000 and expenditures were just over \$418,000 with a net profit of about \$70,000. For 2010-11 there are no proposed changes for the monthly boarding or service fees. The Stables are at full capacity and for the coming year the boarding revenue should be \$420,000 and training fees revenue should be \$60,000. HGS Management is focused on developing new revenue streams. The largest single cost of operating the Stables is staffing at \$175,000. The cost of hay has been reduced from the original budget projections due to instituting the premium charges for the more expensive hay. The budget allocates significant resources, \$24,000, for upkeep and maintenance of the facility. For FY 2010-11, the net profit is projected at \$83,190 which reflects payment of the 5% concession fee to the City totaling \$25,000. The Council Liaisons Mayor Pro Tem Rea and Council member Perkins along with City Manager Hoefgen met with David McLewee and Erin Isom-McLewee to review all the information which is included in the staff report.

Councilmember Bird said, with respect to the 2009-10 budget, hay cost less than was budgeted for and he wondered why the 2010-11 budget for hay is even higher. City Manager Hoefgen said the budget reflects the current higher cost of hay and also reflects the Stables being at full capacity now. Councilmember Bird congratulated the concessionaire on running the Stables at a profit and doing a good job providing the Stables services to residents.

Mayor Pro Tem Rea commented that this is his first time as a Stable Liaison and he is impressed at the McLewee's ability to turn the Stables into a profitable operation which is generating a concession fee to the City.

Councilmember Perkins also is pleased with the progress the McLeweese have made in just one year. She was also originally concerned with the cost of hay and shavings, but she was reassured during the Liaison meeting that the difference was due to boarders not opting to purchase the premium hay. She was concerned about the issue of availability of Western riding lessons and was told there is a Western trainer available but the demand is not high. Another issue that had been previously raised was the amount of ring time Erin Isom-McLewee was using as allowed in the Concession Agreement. Councilmember Perkins is confident that Erin is well below the use that is permitted. She said the McLeweese are to be complimented on the marvelous job they are doing with the Stables.

Councilmember Goodhart is also pleased that the Stables are doing so well. The initial issues have been settled. He believes the Stables are now being run like a business and he likes that the McLeweese are planning for capital improvements in the upcoming year. He is happy to see trail rides return to the Stables.

Mayor Humphrey said the McLeweese are to be commended.

Mayor Pro Tem Rea said the expenses were higher than budgeted, but so was the revenue. The bottom line ended up close to the projections despite all the uncertainties.

Erin Isom-McLewee, manager/concessionaire of the Stables, said she used to go to the PV Stables as a child and remembered it being full of life with the trail rides, riding schools, and kids everywhere. She said when they took over as the concessionaire much of that was gone but now it is back to how it used to be with a lot of kids, camps, people watching their kids take lessons – it is an alive, happy place.

Mayor Humphrey thanked the McLeweese for a job well done.

It was moved by Mayor Pro Tem Rea, seconded by Councilmember Perkins, and unanimously approved by a roll call vote to approve the FY 2010-11 Palos Verdes Stable Operating Budget.

STATUS REPORT ON EFFORTS TO DEVELOP A DOG PARK ON A PORTION OF THE FORMER PALOS VERDES LANDFILL PROPERTY

City Manager Hoefgen said the site of the former Palos Verdes Landfill has been a subject of great interest to those seeking a location for a dog park. The land is owned by Los Angeles County and is located in Rolling Hills Estates. The property is 175 acres of which 1-2 acres have been proposed for use as a fenced park area for owners and their dogs. The City Council of Rolling Hills Estates has written a letter to Supervisor Knabe in support of locating a dog park at the site. The effort to develop a location for a dog park has been lead by Palos Verdes Estates residents Bruce and Maureen Megowan. He noted that this item is not a request for financial support for the dog park.

Mayor Humphrey had spoken with the Megowans and they were hopeful the Council would send a letter of support. She reiterated that Palos Verdes Estates does not usually get involved with telling another City what to do with their property, but in this instance the City of Rolling Hills Estates (RHE) has already taken a position of support and would welcome the support of PVE.

Councilmember Goodhart asked if there was any discussion at the RHE council meeting about how the costs would be covered. City Manager Hoefgen said his understanding is that it would be through contributions and private fundraising.

Councilmember Perkins asked if RHE had solicited PVE's support or was this PVE's idea. Mayor Humphrey responded that community members asked PVE to send a letter of support. Councilmember Perkins appreciated the language of the support letter clarifying that PVE is not wishing to interfere with a land use decision, but rather to express support of the use of a portion of the site for a dog park in support of RHE.

Councilmember Goodhart agreed that he liked the language of the letter. He also thanked the Megowans for taking on this 'labor of love'.

Mayor Pro Tem Rea has also been interested in the possibility of a dog park in PVE and he knows staff has determined that there is no suitable area within PVE to locate a dog park. He understands that the boundaries of the landfill are located within RHE, but the land belongs to the County which is why PVE would direct the letter to the County.

Councilmember Goodhart moved, it was seconded by Councilmember Bird, and unanimously approved to send a letter to Los Angeles County 4th District Supervisor Knabe's office in support of the development of a dog park on a portion of the former Palos Verdes landfill property.

PALOS VERDES ESTATES MUNICIPAL CODE REVIEW AND RECODIFICATION

Assistant City Manager Smith reported that the last comprehensive update of the Municipal Code was in 1988. There has been some progress in this project to date including a review by the Code Publishing Company which produced a legal review analysis that will be helpful to the City Attorney and staff. The bulk of the project will be accomplished in the next 12 months. In order to proceed in an orderly and timely fashion, staff wanted to take the first step in providing this report that outlines the parameters for the review. The intent is to update the Code, including statutory references, to eliminate any vague, ambiguous or overly broad language, correct and update Code provisions that are inconsistent with current practice and to correct internal inconsistencies in the Code. It is not the intent of the project to review and revise policies under which the City currently operates.

Mayor Humphrey had questions regarding the time-line and wondered if it was ambitious. Assistant City Manager Smith said the time-line outlined is an educated guess at this point and she assured the Mayor that the project would not be rushed.

Councilmember Goodhart said that the School Board had undertaken a similar task years ago and a firm was hired to handle the project – he wondered if staff was going to handle what could turn into a significant task or is a subcontractor going to do the work. Assistant City Manager Smith said that

subject has not be broached yet, but it may be better to have the City Attorney work with staff as they are the ones that represent the City and help staff maneuver through the Municipal Code. Councilmember Goodhart said he just wanted to make sure that whoever handles the task, that it will be handled efficiently and effectively.

Councilmember Perkins said she had the same question regarding who will be handling the project. She believes that as the time-line is created, she would want enough time for the Council to go through the chapters and ask questions. She realizes that updating the Code will prompt conversations on current policies and practices.

Mayor Humphrey envisions the entire Municipal Code being given to Council in a red-line version. City Attorney Hogin said she envisions presenting the Code to Council a chapter or two at a time to keep it palatable.

Councilmember Perkins asked if the sections that pertain to zoning must go to the Planning Commission for review. City Attorney Hogin responded that when the Council actually implements the ordinances that make the changes, there will be a longer process that will involve the Planning Commission. She and Assistant City Manager Smith would like to give the Council a sort of preview prior to holding the actual public hearings.

Mayor Pro Tem Rea asked if the process would take place in Open Session. City Attorney Hogin said it would take place in Open Session and if it is too much of a burden for the regular Council agenda then the Council may want to consider having workshops.

Mayor Pro Tem Rea asked about the money that had been budgeted for the Code revision for payment to an outside vendor. Assistant City Manager Smith said that was for the first blush legal review of the Code for statutory mandates and vague and ambiguous language and has already been completed.

Councilmember Bird said he would prefer to set aside a few Saturdays to go through the Code instead of a chapter or two at a time during a regular Council meeting.

The Council agreed with the objectives set forth in the staff report: 1) update the Code, including statutory references, to reflect current state and federal law; 2) eliminate vague, ambiguous and overly broad language; 3) Correct/update provisions which are inconsistent with current practice; and 4) correct internal inconsistencies within the Code. The Council would also like the City Attorney to incorporate best practices from other agencies for consideration by Council as part of the update of the Municipal Code.

STAFF REPORTS

City Manager's Report – Presentation of FY 2010-11 Work Program

City Manager Hoefgen reported that the Work Program highlights major work activities and projects for the upcoming year. He highlighted a few items from each Department. In the City Manager's office one of the major priorities is the Green Program which will establish an emissions

reduction target as well as a Climate Action Plan to achieve that target. There are a number of Human Resources programs and activities – Labor negotiations, RFP for insurance broker services, and a review of the safety plan programs working with the Joint Powers Insurance Association. Also, there is the ongoing work with the City concessions. In the City Clerk and Finance Departments the website redesign should be complete by August 1st, there is an election in March 2011, the Municipal Code update, the budget process, the RFP for audit services, a review of pension obligations, and the implementation of the State franchise agreement for cable services. In the Police Department there are a number of significant projects and programs with the implementation of the Disaster District Plan, promotions for Captain and other personnel, replacement of radio system, updates to the Policy Manual, and continuation of the PVE CARES program. In the Planning and Public Works there are several major projects with the two sewer pump stations being replaced, the slurry and overlay programs, the seismic analysis of City Hall, an update to the Pavement Management Program, and the continued monitoring of the Malaga Cove groundwater.

Mayor Pro Tem Rea asked who is required to take AB1234 training. City Attorney Hogin responded that training is legally required every two years by anyone who receives compensation or reimbursement.

Mayor Pro Tem Rea asked about the 401A program. City Manager Hoefgen said the program is a way for employees to take leave balances that are available for cash-out to be able to roll these into a deferred compensation type benefit.

Councilmember Goodhart asked about the state mandate to provide low cost housing and how the City plans to deal with the requirement. City Manager Hoefgen said the plan is not specifically enumerated in the Work Program, but there are on-going programs that the City has in place in the Planning and Public Works Department.

Councilmember Goodhart said the issue of the management of the City owned homes had not been discussed in awhile and wondered how and when the City plans to deal with this. City Manager Hoefgen responded that the most immediate issue is the soon to be vacant City home which has been scheduled to be discussed with the Mayor and Mayor Pro Tem. Mayor Humphrey said she plans to have it on an upcoming agenda.

The City Council received the report and the Mayor thanked staff for their work in putting the Work Program together.

DEMANDS

It was moved by Councilmember Perkins and seconded by Councilmember Goodhart that the demands, as approved by a majority of the City Council, totaling \$307,913.07 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Goodhart that the demands, as approved by a majority of the City Council, totaling \$241,601.06 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Goodhart that the demands, as approved by a majority of the City Council No. 517756H to 517759H, 517770 to 517848 totaling \$70,470.70 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Goodhart that the demands, as approved by a majority of the City Council No. 517849 to 517871 totaling \$36,176.13 be allowed and it was unanimously approved.

MAYOR & CITY COUNCILMEMBERS' REPORTS

Appointments to Planning Commission, Parklands Committee, and Traffic Safety Committee

Mayor Humphrey announced appointments to City Commission/Committees:

- Planning Commission – James Vandever, Dave Evans, Jennifer King
- Parklands Committee – Charles Peterson, Ruth Shaffer, Lisa Levine
- Traffic Safety Committee – Myron Friedman, Gildon Beall

Designation of Officers - Planning Commission, Parklands Committee, and Traffic Safety Committee

Mayor Humphrey announced the appointment of Chair and Vice Chairs as follows:

- Planning Commission – James Vandever, Chair; Winston Chang, Vice-Chair
- Parklands Committee – Charles Peterson, Chair; Ruth Shaffer, Vice-Chair
- Traffic Safety Committee – Myron Friedman, Chair; Ron Buss, Vice-Chair

Mayor Humphrey reported that the L.A. County Sanitation District sent the City a letter of thanks for our participation in the Hazardous Waste Round-Up held in Torrance on June 19.

Councilmember Perkins reported that South Bay COG meetings will now be held at the Peninsula Library commencing July 22.

ADJOURNMENT

There being no further business before Council the meeting was adjourned at 8:35 p.m. to Tuesday, July 27th, at 7:30 p.m. in the City Council Chambers of City Hall.

RESPECTFULLY SUBMITTED,

MICHÉLE D. MONSON, MINUTES SECRETARY

APPROVED:

ROSEMARY HUMPHREY, MAYOR