

February 22, 2011
7:30 P.M.
Council Chambers of City Hall
340 Palos Verdes Dr. West
Palos Verdes Estates

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

Copies of the staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the office of the City Clerk and are available for public inspection. If applicable, materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's office during normal business hours. Any person having any question concerning any agenda item may call the City Clerk to make inquiry concerning the item. Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk at 310-378-0383, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

The City Council welcomes and encourages public participation at the Council meetings; however, to allow for the orderly progression of business, each person wishing to comment or make a presentation shall be limited to three (3) minutes. Anyone wishing to address the City Council must fill out a green speaker's card available at the end of each row in the Chambers. The card permits the City to identify persons for purposes of City Council minute preparation. Please see specific agenda sections below for any other requirements related to meeting participation. The City Council, at the direction of the Mayor with concurrence of the Council, may modify the order of items shown on the agenda.

NEXT RESOLUTION NO. R11-07
NEXT ORDINANCE NO. 11-699

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR'S REPORT – Matters of Community Interest

**CITY COUNCIL AGENDA
FEBRUARY 22, 2011**

- Announcement of Ribbon Cutting Ceremonies for Disaster District Program emergency containers at Palos Verdes High School (10:00 am) and Montemalaga Elementary School (12 Noon) on Saturday, March 12, 2011.

CONSENT AGENDA (Items 1-6)

All items under this heading are considered to be routine and will be enacted by one motion, unless a Councilmember, staff, or member of the public requests that an item be removed for separate discussion. An applicant or interested citizen who wishes to appeal any Planning Commission decision (Item # 6a) may file an appeal with the City Clerk’s office within 15 days after the date of the Planning Commission’s decision.

Any item removed from the Consent Agenda will be considered immediately following the motion to approve the Consent Agenda.

1. City Council Minutes of February 8, 2011

Recommendation: Review and File.

2. Treasurer’s Monthly Report – January 2011

Recommendation: Receive and File.

3. Monthly Financial Report – January 2011

Recommendation: Receive and File.

4. Traffic Safety Committee Meetings Item of February 9, 2011

Recommendation: Review and Approve.

- a. Traffic Calming Application for 360-396 Palos Verdes Drive West Neighborhood

Action: Recommended that staff 1) Modify the existing right turn restriction sign at the west end of the street to include an afternoon restriction from 3 pm – 3:30 pm, and 2) extend the existing morning restriction hours of the same sign to reflect the period from 7:30 to 9:30 am, and 3) bring the item back for review in April. (5-0)

5. Parklands Committee Meetings Items of February 14, 2011

Recommendation: Review and Approve.

- a. PC-317-11; Application to remove 1 Camphor tree located in the city parkway adjacent to 4008 Via Nivel

Applicant: Carol Dygean

**CITY COUNCIL AGENDA
FEBRUARY 22, 2011**

4008 Via Nivel
Palos Verdes Estates, CA 90274

Action: Approved (4-0, Chooljian absent). The applicant is approved to remove 1 Camphor tree located adjacent to 4008 Via Nivel according to the 'Standard Conditions for Tree Removal Approvals'. Replacement tree is not required to be planted.

- b. PC-318-11; Application to remove 1 Monterey pine tree located in the city parkway adjacent to 2729 Palos Verdes Drive West

Applicant: Leven Leatherbury
2729 Palos Verdes Drive West
Palos Verdes Estates, CA 90274

Action: Approved (4-0). The applicant is approved to remove 1 Monterey pine tree located adjacent to 2729 Palos Verdes Drive West according to the 'Standard Conditions for Tree Removal Approvals'. No replacement tree is required to be planted.

- c. PC-119-11; Application to top 4 city trees located in the median adjacent to 1008 Palos Verdes Drive West

Applicant: Beverley A. Petrie
1008 Palos Verdes Drive West
Palos Verdes Estates, CA 90274

Action: Approved (4-0). The applicant is approved to top 4 city trees located adjacent to 1008 Palos Verdes Drive West by 8-15 feet but is required to retain an attractive green canopy on top. The applicant is approved to request a no-fee permit to maintain these trees on an annual schedule under the City Foresters direction.

6. Planning Commission Action of February 15, 2011

Recommendation: Receive and File.

- a. **WT-116-10**; Consideration of a Wireless Telecommunication Facilities Application for equipment proposed within the City right-of-way adjacent to 2560 Via Olivera. Lot 1, Block 2412, Tract 6890.

Applicant: NextG Networks
890 Tasman Drive
Milpitas, CA 95035

Action: Denied (5-0).

COMMUNICATIONS FROM THE PUBLIC

This portion of the agenda is reserved for comments from the public on items which are NOT on the agenda. Due to state law, no action can be taken by the Council this evening on matters presented under this section. If the Council determines action is warranted, the item may be referred to staff or placed on a future Council agenda.

PUBLIC HEARINGS – 7:30 p.m.

All persons addressing the City Council during public hearings shall be limited to three (3) minutes for comment.

7. Protest Hearings of the City Council of the City of Palos Verdes Estates Declaring that Weeds Growing Upon or in Front of, and Brush, Rubbish, Refuse, and Dirt Upon and in Front of Certain Improved and Unimproved Private Properties in the City are a Public Nuisance, and Declaring its Intention to Provide for the Abatement Thereof

Recommendation: It is recommended the City Council open the protest hearing in accordance with Resolution R11-05 for unimproved properties, and at the conclusion of the hearing, adjust the list according to the protests heard and adopt a minute resolution directing the County Agricultural Commissioner's Office (CACO) to inspect and abate weeds, brush, rubbish, and refuse as necessary on unimproved lots contained in the adjusted list.

It is also recommended that the City Council open the protest hearing in accordance with Resolution R11-06 for improved properties, and direct the Los Angeles County Fire Department to inspect all improved properties before affirmation of the final list.

OLD BUSINESS

NEW BUSINESS

8. Award of Professional Services Agreement for City Auditing Services to Lance, Soll & Lunghard, LLP

Recommendation: It is recommended that the City Council award a professional services agreement to Lance, Soll & Lunghard, LLP for City audit services.

STAFF REPORTS

- City Manager's Report

**CITY COUNCIL AGENDA
FEBRUARY 22, 2011**

DEMANDS

9.
 - a. Authorize Payment of Motion #1 – Payroll Warrant of February 18, 2011
 - b. Authorize Payment of Motion #2 – Warrant Register of February 22, 2011

Recommendation: Authorize Payment of Motions #1 and #2.

MAYOR & CITY COUNCILMEMBERS' REPORTS

ADJOURNMENT TO TUESDAY, MARCH 8, 2011, IN COUNCIL CHAMBERS OF CITY HALL FOR THE PURPOSE OF A REGULAR MEETING.

- *This City Council meeting can be viewed on Cox Cable, Channel 35, Thursday, February 23, 2011 at 7:30 p.m., and Wednesday, March 2, 2011, at 7:30 p.m.*

TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: JUDY SMITH, ASSISTANT CITY MANAGER
SUBJECT: MONTHLY FINANCIAL REPORT – JANUARY 2011

Analysis of Graphs

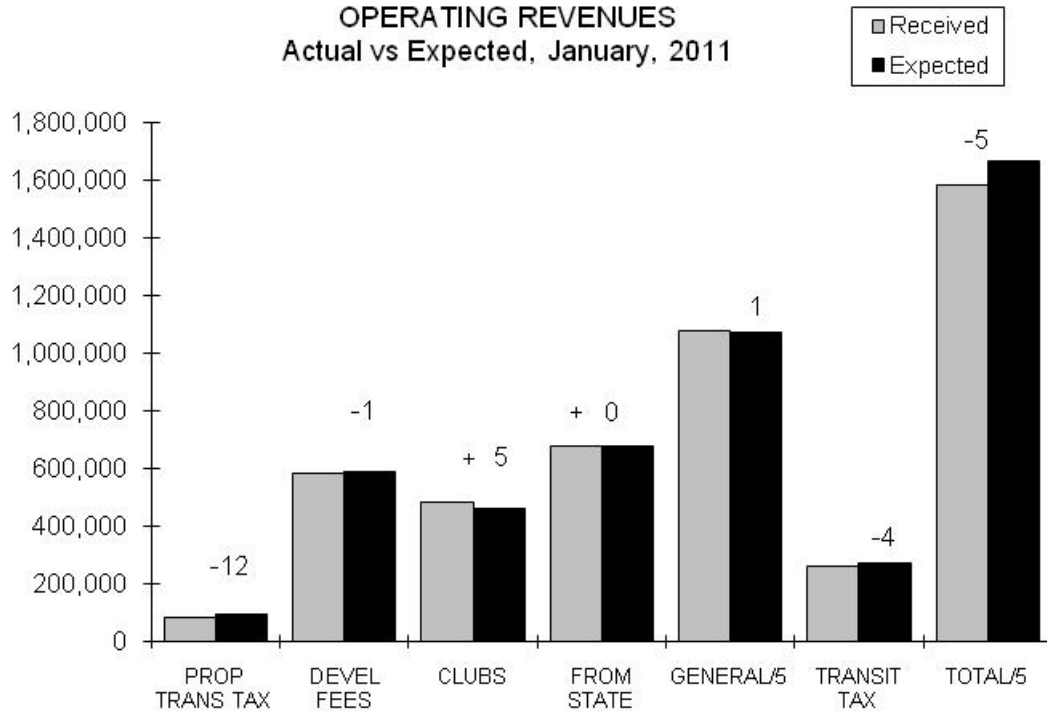
Total operating revenues are 5% less than expected due to the timing of receipts related to several restricted revenues, not the least of which involve the deferred gas tax and COPS fund payments by the State of California. The City fully expects to receive these funds later in the fiscal year, but until then, results will be skewed. Total general fund revenues are 1% ahead of budget, though we did see a drop in development fee revenue during January (now -1% to expected), which was anticipated, as staff saw many projects filed in December before the 2011 effective date for the new building codes.

Total operating expenditures are 3% less than expected. All operating departments continue to be below expected expenditures for the year to date, with the exception of Insurance, which reflects a lump sum payment to the CJPIA of an outstanding retro-deposit liability. A budget adjustment will be processed at year end to bring this item into line. The City will process three pay periods during the month of April, at which time, other operating department expenditures will track more closely to budget.

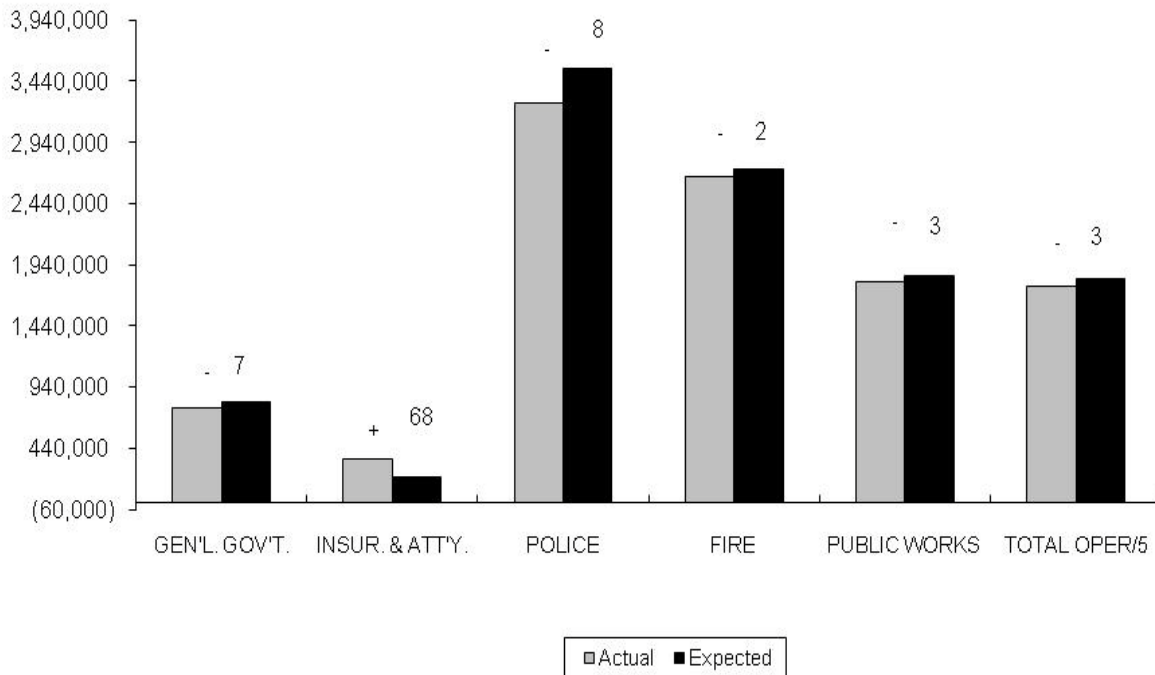
Spot Reports

None.

OPERATING REVENUES
Actual vs Expected, January, 2011



OPERATING EXPENDITURES
Actual vs Expected, January, 2011



TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: ALLAN RIGG, PLANNING DIRECTOR
DATE: FEBRUARY 22, 2011
SUBJECT: PLANNING COMMISSION ACTIONS OF FEBRUARY 15, 2011

The items attached were acted upon by the Planning Commission on February 15, 2011.

The Council may, within fifteen days after the date of the decision on or before the first day following the first Council meeting after the date of the Planning Commission decision, whichever occurs last:

1. Confirm the action of the Planning Commission and grant or deny the application;
2. Set the matter for public hearing and dispose of it in the same manner as on an appeal; or
3. Amend, modify, delete, or add any condition of approval which the Council finds is not substantial under the circumstances relative to or affecting the property subject to the application for a development entitlement. Any determination of the Council pursuant to this paragraph shall be conclusive and final.

In the event the Council does not take one of the actions specified above within the period of time required, the decision of the Planning Commission shall be final.

Recommendation:

Receive and file.

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: PROTEST HEARINGS OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES DECLARING THAT WEEDS GROWING UPON OR IN FRONT OF, AND BRUSH, RUBBISH, REFUSE, AND DIRT UPON AND IN FRONT OF CERTAIN IMPROVED AND UNIMPROVED PROPERTIES IN THE CITY ARE A PUBLIC NUISANCE, AND DECLARING ITS INTENTION TO PROVIDE FOR THE ABATEMENT THEREOF.

DATE: FEBRUARY 22, 2011

The Issue

Should the City Council open:

- a) The public hearing in accordance with R11-05 for unimproved properties, and at the conclusion of the hearing, adjust the list according to the protests heard and adopt a minute resolution directing the County Agricultural Commissioner's Office (CACO) to inspect and abate weeds, brush, rubbish, and refuse as necessary on unimproved lots contained in the adjusted list; and
- b) The public hearing in accordance with R11-06 for improved properties, and direct the Los Angeles County Fire Department (LACFD) to inspect all improved properties before affirmation of the final list?

Background and Analysis

Unimproved Lots

At the City Council meeting of February 8, 2011, the CACO provided the City with their annual lists for weed abatement proceedings. The City Council reviewed this list and declared that these properties are a public nuisance and have weed growth, brush, rubbish, refuse and flammable vegetation within and around the property. These unimproved properties were inspected by the County and weed abatement services will be provided, as needed. By law, each City is required to hold a public hearing, allowing unimproved-property owners the opportunity to protest the County's assessment of their respective properties, showing that their property has been improved and the nuisance abated.

**CITY COUNCIL AGENDA
FEBRUARY 22, 2011**

Improved Lots

On February 8, 2011, per the LACFD's request, the Council also reviewed a list of improved properties. The Los Angeles County Fire Department provided the City with its annual list of improved properties for the weed abatement service. Those properties listed represent a potential fire hazard. The LACFD notifies all property owners on the list of the potential hazard prior to making a final determination of which properties are a definite fire hazard. The hope is that owners, once alerted to the danger, will clear vegetation before the fire season begins. The process for improved parcels calls for the LACFD to inspect listed properties in June and return to the City for authorization to fine for any violations found.

Alternatives Available to Council

The following alternatives are available to Council:

1. a) Open the protest hearing in accordance with Resolution R11-05 for unimproved properties, and at the conclusion of the hearing, adjust the list according to the protests heard and adopt a minute resolution directing the County Agricultural Commissioner's Office to inspect and abate weeds, brush, rubbish, and refuse as necessary on unimproved lots contained in the adjusted list.
- b) Open the protest hearing in accordance with Resolution R11-06 for improved properties, and direct the LACFD to inspect all improved properties before affirmation of the final list.
2. Open only one protest hearing in accordance with the appropriate resolution.
3. Decline to authorize the County to proceed with weed abatement services.

Conclusions and Recommendations

Staff recommends the Council:

- a. Open the protest hearing in accordance with Resolution R11-05 for unimproved properties, and at the conclusion of the hearing, adjust the list according to the protests heard and adopt a minute resolution directing the County Agricultural Commissioner Office (CACO) to inspect and abate weeds, brush, rubbish, and refuse as necessary on unimproved lots contained in the adjusted list.
- b. Open the protest hearing in hearing in accordance with Resolution R11-06 for improved properties, and direct the LACFD to inspect all improved properties before affirmation of the final list.

Budget Impacts

There will be no budget impact to the City. Charges for inspection and weed abatement procedures within the city are assessed by the County Agricultural Commissioner and the LACFD and directly billed to respective property owners.

Staff report prepared by:
Floriza Rivera
Public Works Department

TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: JUDY SMITH, ASSISTANT CITY MANAGER
SUBJECT: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH LANCE,
SOLL & LUNGHARD, LLP FOR CITY AUDIT SERVICES FOR THE FISCAL
YEAR ENDING JUNE 30, 2011

The Issue

Shall the City Council approve a professional services agreement with Lance, Soll and Lunghard, LLP for City audit services for the fiscal year ending June 30, 2011?

Background

The City's financial procedures require an annual audit conducted by an independent accounting firm. The City has contracted with Mayer Hoffman McCann (formerly Conrad Associates) for these services since 2004 (seven years). Prior to Mayer Hoffman, Moreland and Associates provided City audit services from 1993-2003 (eleven years) under various engagements.

Because it is good financial practice to periodically change auditors in order to get a fresh perspective and a "new set of eyes" to review of the City's financial records, the FY 10-11 work program included the issuance of a Request for Proposal for professional auditing services. The Work Program was presented to the City Council on July 13, 2010. Subsequently, the City issued the RFP on December 15, 2010, requesting proposal for services for the fiscal year ending June 30, 2011 and the two subsequent fiscal years. The City's auditors are also required to audit the Tennis Club, Beach and Athletic Club and Palos Verdes Stable as part of the engagement, under a separate cost proposal.

Five proposals were distributed to firms specializing in governmental clients. Three responses were received by the deadline of January 24, 2011 from the firms Diehl, Evans; Lance, Soll and Lunghard (LSL) and Mayer Hoffman McCann. One firm declined to respond citing their current workload and inability to accommodate new clients. The City fielded inquiries from the other firm, which then did not follow through with a proposal.

Analysis and Findings

The City Audit Committee for the RFP process included the City Treasurer, Assistant City Manager and Financial Services Manager. The Committee reviewed and rated the technical proposals before opening the sealed cost proposals.

The technical proposals from all firms were complete. Staff focused further review on the proposals from Diehl, Evans and LSL, which were similar in audit approach and staffing. Both firms have extensive client lists and serve comparable cities. Selected references for Diehl, Evans were the cities of Rancho Palos Verdes, Palm Desert and Westminster. LSL references were Manhattan Beach, Malibu and Rolling Hills. The City also contacted other clients of both firms for further references in an effort to gauge firm expertise, responsiveness and general client satisfaction. We received overwhelming positive response from LSL clients, especially from those cities with the same engagement team personnel.

While cost was not a primary factor, the information provided below show the cost for the first year services. Cost differential for the second and third years of the engagement were similar. The cost for the Club audits is the total to be charged for all three: Beach, Tennis and Stable, which will be performed for the first time under the HGS concession.

	LSL	Diehl Evans	Mayer Hoffman
City Audit FY 10-11	\$24,010	\$23,565	\$27,400
Club Audits FY 10-11	\$4,917	\$7,350	\$15,415
Total	\$28,927	\$30,915	\$42,815

For FY 2010, the cost for Mayer Hoffman's services was \$35,299 for the City audit and approximately \$6,000 each for the Beach and Tennis Club audits. The Clubs reimburse the City for one-half of the audit cost. The Club audit reports for FY 2010 have not been released, but the field work is done. While there may be some concern that the LSL and Diehl Evans pricing for the Club audits reflected above are understated, the City's RFP included entire copies of the most recent Beach and Tennis Club audits and both audit firms inquired about the number of personnel hours provided by Mayer Hoffman in performing the Club services.

In light the technical proposal rating, as well as client references, and cost, staff recommends that LSL be engaged to provide City auditing services for the next three fiscal years.

Alternatives Available to the City Council

1. Approve the professional services agreement for audit services with Lance, Soll and Lunghard, LLP.
2. Decline to approve the agreement. The staff does not believe there is any benefit in seeking a wider response to the RFP and there is no reason not to proceed with an award.

Recommendation

It is recommended that the City Council approve a professional services agreement with Lance, Soll and Lunghard for City audit services for the fiscal year ending June 30, 2011 and the two subsequent fiscal years.

Budget Impact

Staff will budget based on the actual proposal cost. As we are entering the second year of the two-year budget, the proposed budget assumed a cost of \$42,400 for City audit. As a result of soliciting proposals, the FY 11-12 budget for these services will cost \$24,010 and the budget will be reduced, saving \$18,390.