

April 12, 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. R11-09  
NEXT ORDINANCE NO. 11-699**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**MAYOR'S REPORT – Matters of Community Interest**

**CITY COUNCIL AGENDA  
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## CONSENT AGENDA (Items 1-3)

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

1. City Council Minutes
  - a. Adjourned Meeting of March 16, 2011
  - b. Regular Meeting of March 22, 2011

**Recommendation: Review and File.**

2. Monthly Financial Report – March 2011

**Recommendation: Receive and File.**

3. Approval of License Agreement with Palos Verdes Youth Football and Cheer for Use of George Allen Field as Practice Location

**Recommendation: It is recommended that the City Council approve a non-exclusive license agreement with Palos Verdes Youth Football and Cheer for the use of George Allen Field as a practice site for flag football and cheer teams.**

## 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.

## OLD BUSINESS

4. Southern California Association of Governments (SCAG) General Assembly on May 5-6, 2011 – Possible Designation of a Council Delegate and Alternate to Participate on Behalf of the City of Palos Verdes Estates

**Recommendation: It is recommended that the City Council determine whether it wishes to designate a delegate and alternate to attend the SCAG General Assembly.**

## NEW BUSINESS

**CITY COUNCIL AGENDA  
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5. Cancellation of Contract with Zeiser Kling Consultants, Inc. and Award of Contract for Engineering Geology and Geotechnical Engineering Review Services to Kling Consulting Group

**Recommendation:** It is recommended that the City Council terminate the contract with Zeiser Kling Consultants, Inc., by providing Zeiser Kling not less than thirty (30) days prior notice in writing, pursuant to Section 12 of the Agreement, and approve an agreement for Engineering Geology and Geotechnical Engineering Review Services to Kling Consulting Group.

6. Implementation of an Employee Paid 401(a) Investment Plan with the ICMA Retirement Corporation

**Recommendation:** It is recommended that City Council adopt Resolution R11-08 authorizing the Mayor to sign the ICMA 401(a) Money Purchase Retirement Plan and Trust Amended Adoption Agreement, which would allow for employee-paid deferred compensation investments with the ICMA Retirement Corporation.

## **STAFF REPORTS**

7. City Manager's Report

## **DEMANDS**

8.
  - a. Authorize Payment of Motion #1 – Payroll Warrant of April 1, 2011
  - b. Authorize Payment of Motion #2 – Warrant Register of April 12, 2011

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

## **MAYOR & CITY COUNCILMEMBERS' REPORTS**

**ADJOURNMENT TO TUESDAY, APRIL 26, 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, Wednesday, April 13, 2011 at 7:30 p.m., and Wednesday, April 20, 2011, at 7:30 p.m.*

**CITY COUNCIL AGENDA  
APRIL 12, 2011**

**TO: JOSEPH HOEFGEN, CITY MANAGER**  
**FROM: JUDY SMITH, ASSISTANT CITY MANAGER**  
**SUBJECT: MARCH 2011 FINANCIAL REPORT**

The Issue

What is the status of the FY 2010-11 budget after nine months?

Analysis of Graphs

As of March, which represents three-quarters of the fiscal year, total operating revenues are 5% less than expected and total operating expenditures are 3% less than expected. This performance is consistent with the pattern established during the previous months of the fiscal year and is well within expected ranges for results through March.

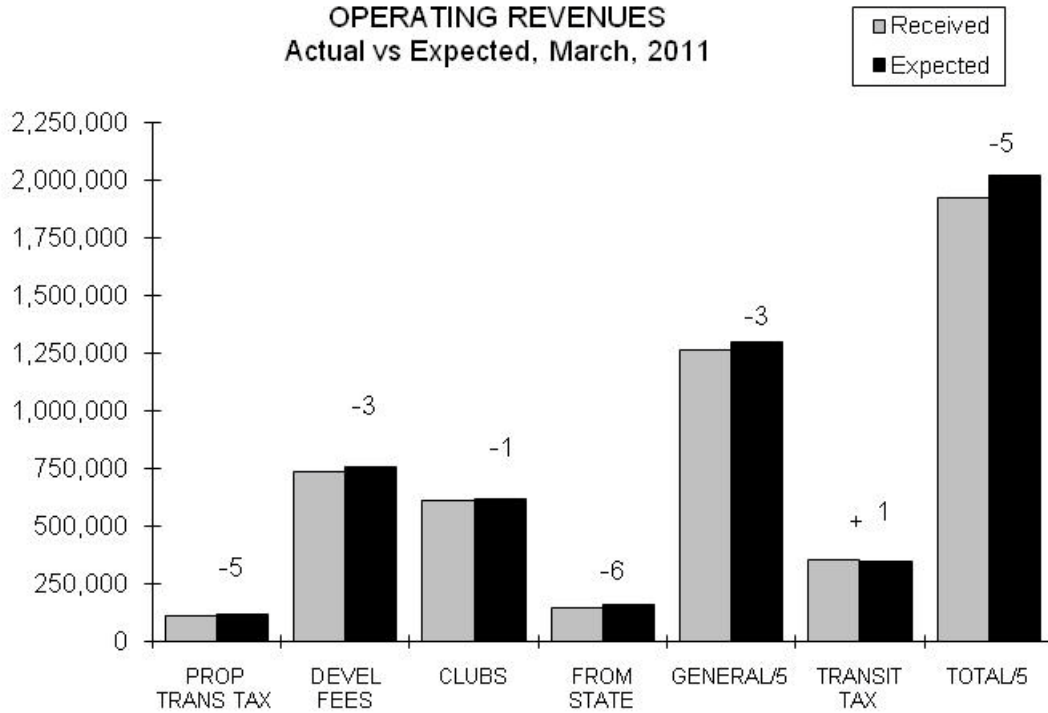
General fund revenues are 3% less than expected, but for the first time during this year, all general fund operating revenues reflect performance below expected, ranging from -1% for club concessions and -3% (“development fees”) to -6% (“from state”) for other categories. We expect the overall performance to improve with April receipts, which include a significant property tax allocation and various utility franchise fees.

Expenditures will track more closely to budget with April results, as the City will experience three pay periods that month. As mentioned in prior reports, the performance for the “Insurance/Attorney” category reflects the advance payment of an outstanding general liability retrospective deposit to the CJPIA in order to take advantage of a 10% discount offer. Staff will present a budget adjustment for Council approval as part of year-end processing in order to bring this item into line. At this time, a very small portion of the performance deviation is related to City Attorney costs for the municipal code review. The year-end process will also include a budget adjustment for costs incurred for this important project.

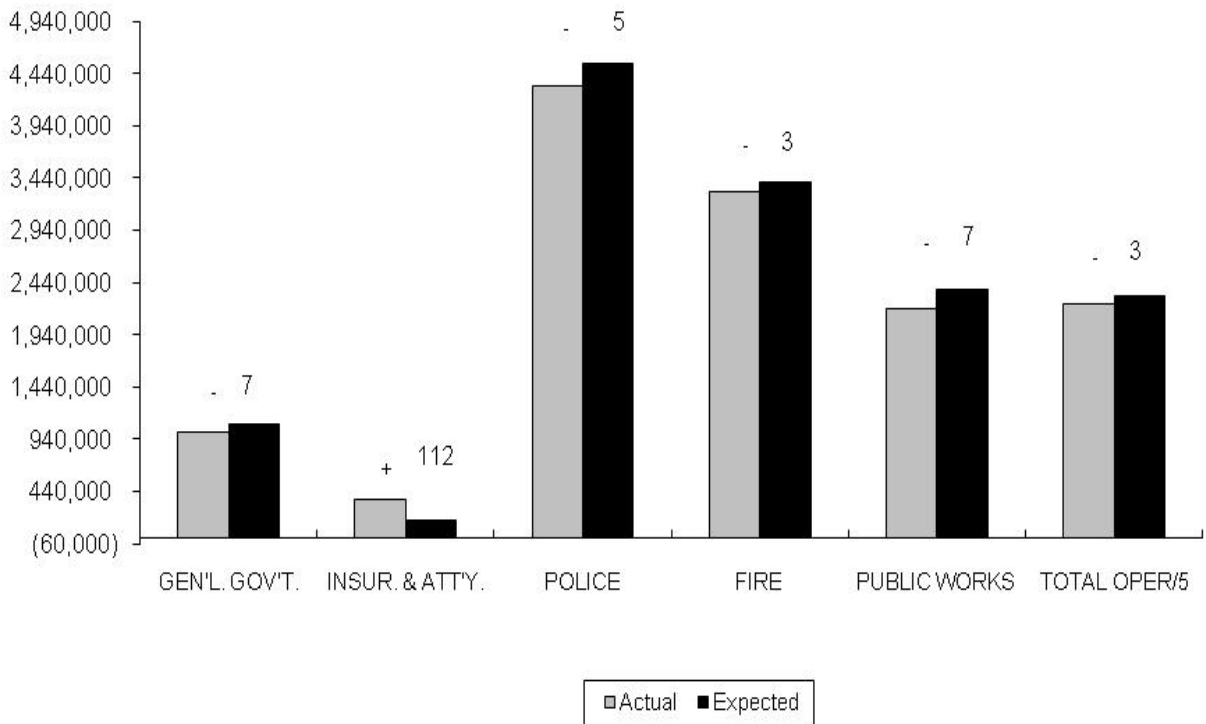
Spot Reports

None

**OPERATING REVENUES**  
Actual vs Expected, March, 2011



**OPERATING EXPENDITURES**  
Actual vs Expected, March 2011



**TO: JOSEPH HOEFGEN, CITY MANAGER**

**FROM: JUDY SMITH, ASSISTANT CITY MANAGER**

**SUBJECT: APPROVAL OF LICENSE AGREEMENT WITH PALOS VERDES YOUTH FOOTBALL AND CHEER FOR USE OF GEORGE ALLEN FIELD**

The Issue

Shall the City Council approve a new, two-year, non-exclusive license agreement with Palos Verdes Youth Football and Cheer for the use of George Allen Field as a practice location for flag football and cheer teams?

Background

The City owns the “Via Zurita” site (attached), which is slightly more than 10 acres. Originally designated as a school location, the School District determined in the mid 1980’s that the site was not needed for school purposes and title was transferred to the City through the Homes Association. Part of the property was developed for use as a baseball field and in 1992 was dedicated as “George Allen Field”.

Analysis and Findings

In addition to a non-exclusive license agreement between the City and the Peninsula Pony-Colt Baseball League (1996 to present), in 2007 and again in 2009 the City approved a two-year, non-exclusive license agreement with Palos Verdes Youth Football and Cheer (PVYFC), which permitted that League’s use of the baseball outfield as a practice location for flag football and a maximum of two cheer teams from the last week of July through the first week of September.

During the terms of the previous agreements, the City received no neighbor complaints about the PVFYC’s use. Any issues between the baseball and football leagues were addressed and resolved amicably between the parties without City involvement.

As with the prior agreements, this proposed two-year agreement permits use of the site as a practice location Monday through Friday (no weekends) for six weeks each year beginning the last week of July and ending the first week of September. Practice hours are limited from 4:00 P.M. until dusk, but in any event, no later than 8:00 P.M. No more than two flag football teams and no more than two cheer teams may be assigned this location as their practice site.

The license agreement provides for a two-year term from July 25, 2011-September 7, 2012. The lease includes a rental fee of \$500 payable to the City before the start of practice.

The City Attorney's Office has reviewed and approved the license agreement.

#### Alternatives Available to the City Council

1. Approve the agreement with PV Youth Football and Cheer as presented.
2. Decline to approve the agreement. There have been no issued or concerns during the prior agreements that would warrant an action to deny approval.

#### Recommendation

It is recommended that the City Council approve a non-exclusive license agreement with Palos Verdes Youth Football and Cheer for the use of George Allen Field as a practice site for flag football and cheer teams.

#### Budget Impact

The lease includes a rental fee of \$500 payable to the City. There are no other budget impacts associated with this action.

**TO: HONORABLE MAYOR AND CITY COUNCIL**

**FROM: JOSEPH HOEFGEN, CITY MANAGER**

**SUBJECT: SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY ON MAY 5-6, 2011 – POSSIBLE DESIGNATION OF A COUNCIL DELEGATE AND ALTERNATE TO PARTICIPATE ON BEHALF OF THE CITY OF PALOS VERDES ESTATES**

**Issue:**

Shall the City Council designate a Council Delegate and Alternate to participate in the SCAG General Assembly on May 5-6, 2011?

**Background:**

On March 22, 2011, the Palos Verdes Estates City Council received a report and took action to become a member of the Southern California Association of Governments (SCAG) -- the nation's largest Metropolitan Planning Organization, representing 190 cities and six counties in Southern California (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura).

SCAG is organized as a joint powers authority (JPA) established under California law as an association of local governments to address issues of common concern. SCAG is mandated by the Federal and State governments to develop regional plans for issues including, but not limited to, transportation, growth management, and housing development.

When a jurisdiction joins SCAG, a new seat is created on the SCAG General Assembly. Representatives to the Assembly elect officers, adopt SCAG's annual work program, set the agency's planning and policy priorities, and approve the study of specific problems, programs and other matters that concern the region. The City may designate one delegate and one alternate from the City Council to sit on the General Assembly. It is up to each agency to determine its degree of involvement in SCAG activities and meetings.



The 2011 SCAG General Assembly will take place on May 5-6, 2011 in La Quinta, California. This year's theme is entitled: "**Getting Back to Golden: Jobs, Transportation & Sustainability in Southern California.**"

In order to encourage member agencies to participate, SCAG covers the cost of conference registration and hotel lodging for one night for each member agency to send one delegate. The general registration fee for all others is \$100 (students \$50) and entitles registrants to participate in all events and meals of the SCAG Regional Conference & General Assembly.

While a copy of the complete agenda packet for the General Assembly (84 pages) is available on the SCAG's web site, the attached materials provide an overview of the topics covered in the SCAG Regional Conference and General Assembly. These materials were taken directly from the SCAG web site at [www.scag.ca.gov](http://www.scag.ca.gov).

The policy question before the City Council is whether to designate a Delegate and Alternate for participation in the SCAG General Assembly. As the meeting will take place on May 5<sup>th</sup> and 6<sup>th</sup>, it is appropriate for the City Council to consider this issue at this time.

**Recommendation:**

It is recommended that the City Council determine whether it wishes to designate a delegate and alternate to attend the SCAG General Assembly.

Agenda Item #: 5  
Meeting Date: 4/12/11

**TO: JOSEPH M. HOEFGEN, CITY MANAGER**

**FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR**

**SUBJECT: CANCELLATION OF CONTRACT WITH ZEISER KLING  
CONSULTANTS, INC. AND AWARD OF CONTRACT FOR ENGINEERING  
GEOLOGY AND GEOTECHNICAL ENGINEERING REVIEW SERVICES  
TO KLING CONSULTING GROUP**

**DATE: APRIL 12, 2011**

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**The Issue**

Should the City Council cancel the contract with Zeiser Kling Consultants, Inc. and award a contract for Engineering Geology and Geotechnical Engineering Review Services to Kling Consulting Group?

**Background**

The City has historically employed a consultant to provide Engineering Geology and Geotechnical Engineering Review Services. The consultant reviews plans submitted to the City's Building and Safety Department for Code compliance. In addition, the consultant provides review of the City's Public Works projects and consultation to staff regarding geology and geotechnical issues.

Since 2002, these services have been provided by Zeiser Kling Consultants, Inc. (Zeiser Kling). Zeiser Kling was selected as the best qualified consultant after proposals were solicited, obtained, and reviewed from other firms that provide these services. Jim Lancaster has been the geologist that Zeiser Kling has provided to the City since 2002 to provide the services per the contract. Staff has been extremely pleased with Mr. Lancaster and the other personnel provided by Zeiser Kling.

On February 16, 2011, we received a request from Zeiser Kling to cancel the existing contract and to enter into a new contract with the Kling Consulting Group. This is due to a reorganization of the firm due to the retirement of one of the two main partners in the firm. No changes to the contract or fees are proposed. Please note the fees charged to the City will remain the same and were most recently adjusted in February of 2007 to \$135 for a site visit and \$770 for either the review of a soils report or a geology report.

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As we worked with the City Attorney's office to prepare a new contract, it became apparent that there were some issues with indemnification language in the contract that needed to be addressed. In order to assure the City would not be without services in this transition period, the City Manager entered into a contract with the new firm on an interim basis.

As staff has been continually impressed with the personnel from Zeiser Kling, and as Jim Lancaster will continue to be the City's Geologist, we recommend that the City Council proceed with the changes as requested by Zeiser Kling. We propose to continue the terms of the prior arrangement which did not have a fixed term for the consulting agreement but gives the City authority to cancel the contract with 30 days notice.

### **Fiscal Analysis**

The City charges the project applicant for all work on private property including the site visits, soils report reviews, and geology reports. A small amount is added to the fee charged by the consultant to account for City staff's time in processing the work.

Any hourly work performed by the consultant is typically part of the City's budgeted review and administration costs. Occasionally staff will request the review of a land movement issue or other geologic concern, but these costs are extremely minimal and already budgeted.

### **Alternatives Available to Council**

The following alternatives are available to the City Council:

1. (1) Terminate the contract with Zeiser Kling Consultants, Inc. by providing Zeiser Kling not less than thirty (30) days prior notice in writing, pursuant to Section 12 of the Agreement, and (2) approve an agreement for Engineering Geology and Geotechnical Engineering Review Services to Kling Consulting Group.
2. Direct staff to obtain proposals from firms to provide Engineering Geology and Geotechnical Engineering Review Services.

### **Recommendation from Staff**

Staff recommends that City Council (1) terminate the contract with Zeiser Kling Consultants, Inc. by providing Zeiser Kling not less than thirty (30) days prior notice in writing, pursuant to Section 12 of the Agreement, and (2) approve an agreement for Engineering Geology and Geotechnical Engineering Review Services to Kling Consulting Group.

Staff report prepared by:

**CITY COUNCIL AGENDA  
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Allan Rigg  
Public Works Department

Agenda Item #: 6  
Meeting Date: 4/12/11

**TO: JOSEPH M. HOEFGEN, CITY MANAGER**

**FROM: ALEXA D. DAVIS, ADMINISTRATIVE ANALYST**

**SUBJECT: IMPLEMENTATION OF AN EMPLOYEE PAID 401A INVESTMENT PLAN WITH THE ICMA RETIREMENT CORPORATION**

**DATE: APRIL 12, 2011**

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**ISSUE**

Shall the City Council adopt Resolution R11-08 authorizing the Mayor to sign the ICMA 401(a) Money Purchase Retirement Plan and Trust Amended Adoption Agreement, which would allow for employee-only retirement contribution options for all employees?

**BACKGROUND**

A 401(a) Money Purchase Plan is a retirement savings plan that allows employees to set aside income on a pre-tax basis towards retirement. Like the existing ICMA 457 Deferred Compensation Plan, which is financed solely by voluntary employee contributions, the 401(a) would provide an additional option for employees to contribute on a pre-tax basis towards retirement.

The FY 2010-11 Work Program identified research into the possible implementation of a 401 (a) Plan during this current fiscal year. Over the last several months, staff has reviewed the 401(a) plan with ICMA and is now prepared, with Council concurrence, to extend such a plan to all City staff for employee-only contributions effective July 1, 2011.

The City previously adopted a 401(a) Money Purchase Retirement Plan in 1997 by adopting Resolution R97-50 – copy attached. This Plan, administered by ICMA Retirement Corporation, was established for then-City Manager, James Hendrickson. The recommended Council action at this time is to amend the previous ICMA 401(a) plan and make available to all full-time employees.

**ANALYSIS**

Employees currently have the ability to “cash-out” vacation, holiday and sick leave balances either upon departure from the City, or in limited circumstances, during their tenure as active employees. It is proposed that this be solely an employee-funded program that enables employees to designate eligible leave balances, and to make additional ongoing contributions, as deferred compensation.

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An example of how an employee could utilize this Plan is as follows:

An employee retires from the City and has an accrued vacation leave balance. He has maxed out the annual contribution limit to his 457 Plan and must either cash-out the balance or contribute it to the 401(a) Plan. If the employee accepts the balance as cash, a significant portion will be paid in taxes; however, through the 401(a) Plan, the employee would have the option of designating all or a portion as deferred compensation. The employee would only pay taxes on this income as withdrawals are made later in retirement years.

It is important to note, the plan does not increase the dollar value of any benefits or add any benefit to which an employee is not otherwise currently entitled. It merely provides an option to the employee on how the cash value of the earned benefit will be received and when it will be taxed.

The Agreement allows employee-only contribution tiers in the following manner, as also indicated in the attached Amended Adoption Agreement (Attachment B):

- 1) On-going employee-paid contribution  
A percent ranging from 0%-20%, or a fixed dollar amount, of the employee's base salary
- 2) One-time employee-paid Contribution Upon Separation from City Service  
Conversion of existing leave balances upon separation from the City
- 3) One-time employee-paid Contribution During City Service  
Conversion of hours in excess of leave accrual limits
- 4) Annual Contribution – employee paid  
Conversion of annually accrued leave hours in accordance with City cash-out policy

The 401(a) Plan is an irrevocable plan, meaning that once an employee has enrolled and elected an option, he/she may not make changes. Likewise, if one has chosen not to enroll, he/she is unable to enroll any other time in the future. Also to note, in order to select a one-time contribution (items #2-4), the employee must also select an on-going annual contribution as well (item #1).

Since the City is currently in contract with ICMA for a 401(a) Plan, ICMA only requires that the City amend the current contract. The attached Resolution contains the necessary

### **RECOMMENDATION**

It is recommended that City Council adopt Resolution R11-08 authorizing the Mayor to sign the ICMA 401(a) Money Purchase Retirement Plan and Trust Amended Adoption Agreement, which would allow for employee-paid deferred compensation investments with the ICMA Retirement Corporation.

## **FISCAL IMPACT**

There is no fiscal impact to the City through this action as the 401(a) Plan provides a mechanism for eligible employees to receive on a pre-tax basis amounts they would otherwise be entitled to receive as compensation.