

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

April 12, 2011

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 Rea.

PLEDGE OF ALLEGIANCE

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

ABSENT: None

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

MAYOR'S REPORT – Matters of Community Interest

Mayor Rea announced the latest edition of the City newsletter is available on the website. A Household Hazardous Waste Disposal is scheduled for May 7th at the RPV City Hall. PVE accepts electronic waste year-round. The Annual Bulky Trash pick-up is scheduled for April 30th. The PV Beach & Athletic Club has a summer swim program available. The PV Stables is offering a summer Horse Camp. The PV Tennis Club has a junior program available.

CONSENT AGENDA

Councilmember Perkins recused herself from Item #1b, Minutes of March 22, as she was not present at that meeting.

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

- MINUTES OF THE ADJOURNED CITY COUNCIL MEETING MARCH 16, 2011
- MINUTES OF THE REGULAR COUNCIL MEETING MARCH 22, 2011
- MONTHLY FINANCIAL REPORT – MARCH 2011
- 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 -- none

OLD BUSINESS

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

City Manager Hoefgen said this item is a follow-up to the Council meeting of March 22, 2011 at which time the Council took action to become a member of SCAG. The issue is whether Council would like to designate a delegate to attend the upcoming Regional Conference and General Assembly to be held May 5-6 in La Quinta, CA. SCAG has funds to enable each member agency to send a representative. The funds cover the cost of registration which is \$100 and one night of lodging. The main revenue sources for SCAG are the member contributions.

Councilmember Goodhart said he believes it would be good for PVE to participate in the conference as a defensive measure regarding State mandates and being part of the process. RHE Councilmember Judy Mitchell is on the Board of the SCAG Regional Council and can represent all of the Peninsula cities. Kim Fuentes is the Assistant Director of SBCCOG also attends these meetings and will bring back information on topics discussed. Councilmember Goodhart said the upcoming agenda lists the unveiling of the draft Regional Economic Growth Study and California Sustainable Community Strategy with transportation on the forefront. He and Councilmember Perkins participated in a SBCCOG function driving around the Peninsula looking at potential community strategies that could be implemented on the Peninsula. He believes that if PVE is a member of SCAG, perhaps we should participate. He said he heard of new legislation where cities can share their numbers for affordable housing which is a change in the statute. He believes SCAG is an organization that PVE should be a part of to stay informed.

Councilmember Humphrey said the SCAG conference is paid for through the dues of the members. She trusts staff to provide any information that may come from SCAG. She is concerned that SCAG is holding the conference at a resort location in light of the state of the economy.

Mayor Rea believes that the speakers and sponsors are helping with the cost of the conference.

Councilmember Humphrey also noted that the conference conflicts directly with the League of California Cities (LA Division) meeting.

Councilmember Perkins checked the SCAG website to understand their budget and sources of income. She said their revenue for the current year is \$1.9 million with much of it coming from membership fees. She wants to be sure that if PVE has someone attend these conferences that they come away with something of value that helps PVE in a larger context. She is troubled that this conference may open the door to other commitments. She feels that this is part of the staff's obligation - to look at the projected growth and see if it is fair and accurate for PVE and to argue that on PVE's behalf. She also is concerned with the expenditure during a time when PVE is trying

to be very careful about tying expenditures to being in support of core municipal values. She said that attending the conference could be in support of PVE's mission, but she also knows that costs for these things can creep up.

Councilmember Goodhart said he is not promoting or against designating a delegate. He said the staff report discusses use of tax-payer funds. He said PVE pays dues to SCAG and they will pay for a delegate to attend the conference – contrast that with SBCCOG and League of California Cities events that Council attends and pays for lunch/dinner.

Councilmember Perkins clarified that SBCCOG lunches are paid for by sponsors and not dues.

Councilmember Humphrey said the cost of the League dinner is \$30.

Councilmember Goodhart said his point is that it is all tax-payer money. He said that PVE is a member of SBCCOG and they have representatives that attend the SCAG conference. I said he would support PVE relying on Judy Mitchell and Kim Fuentes to report back on what transpires at the conference.

Mayor Rea wondered if the conference is meant to be a networking situation and also how worthwhile the lectures are.

Councilmember Bird asked staff if there were some benefit professionally having a Councilmember attend the conference. City Manager Hoefgen responded that PVE has never attended this conference in the past and any information can be obtained from SCAG staff after the fact. Councilmember Bird agreed that there would be no benefit in sending a representative to the conference.

Mayor Rea confirmed that there is a consensus not to designate a delegate to attend the SCAG conference in May.

NEW BUSINESS

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

Director Rigg reported that PVE has historically employed a consultant to provide engineering geology and geotechnical engineering review services. Since 2002 these services have been provided by Zeiser Kling Consultants who also provide this service for RPV. PVE has been working with Jim Lancaster of the firm who is designated as the City Geologist for both PVE and RPV. The firm is reformulating due to the retirement of one of the senior owners. PVE received a request from Zeiser Kling to cancel the existing contract and to enter into a new contract with Kling Consulting Group. The fees are the same and the people are the same, it is just a name change. Staff has been continually impressed with the personnel from Zeiser Kling, specifically Jim Lancaster and recommends proceeding with the contract. The new agreement has been reviewed and revised with the City Attorney, however, it is an "evergreen" contract with no fixed term.

Mayor Rea said it is important to hear the report as this is a significant contract for the city.

Councilmember Goodhart said nothing substantial has changed just with the management, not with the performance of the contract in serving PVE.

Councilmember Goodhart moved, it was seconded by Mayor Pro Tem Bird and unanimously approved to 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.

IMPLEMENTATION OF AN EMPLOYEE PAID 401(a) INVESTMENT PLAN WITH THE ICMA RETIREMENT CORPORATION

Administrative Analyst Davis reported that the FY 2010-11 Work Program included research into the possible implementation of a 401(a) Plan as a project for the current fiscal year. The Money Purchase Plan is a retirement savings plan that allows employees to set aside income on a pre-tax basis towards retirement. It is comparable to the existing 457 Plan administered through ICMA financed solely by voluntary employee contributions. Staff has reviewed the 401(a) Plan with ICMA. PVE previously adopted a 401(a) Plan in 1997 under R97-50 and was established at that time only for the City Manager. It is now proposed that the plan be made available for all employees as an additional option to contribute on a pre-tax basis towards their retirement. Per current city policy, employees have the option to cash out vacation, holiday and portions of sick leave balances either upon their departure from the city or in limited circumstances during their tenure as active employees. The 401(a) Plan is entirely employee funded and allows employees to designate certain amounts of their leave balance as deferred compensation or to make additional on-going contributions as deferred compensation. The amended agreement allows four options for employees to contribute. The 401(a) Plan is irrevocable meaning once an employee has elected to enroll in an option they are not able to opt out nor modify their election. Likewise if the employee has chosen not to enroll during the open enrollment period, they will not have another opportunity to opt in.

Councilmember Goodhart clarified if an employee elected a dollar amount contribution, they would not be able to amend the amount elected in the future upon possibly earning a higher salary. Analyst Davis said an employee can elect to defer a percentage instead of a specific dollar amount.

Mayor Rea asked if there is a fee charged for managing the fund over the fees involved with managing the program. City Manager Hoefgen said the fees that are charged are charged to the individual depending on the type of investments they choose. He said for the most part the funds are no-load mutual funds. Manager Hoefgen said this is a common benefit from city to city and can follow the employee if they change cities.

It was moved by Councilmember Goodhart, seconded by Councilmember Perkins and unanimously approved to 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

City Manager's Report

City Manager Hoefgen said the details have been worked out for the PV Art Center's Homes Tour to take place April 15-17th.

DEMANDS

It was moved by Councilmember Humphrey and seconded by Councilmember Perkins that the demands, as approved by a majority of the City Council, totaling \$222,211.36 be allowed and it was unanimously approved.

It was moved by Councilmember Humphrey and seconded by Councilmember Perkins that the demands, as approved by a majority of the City Council, No. 515740V, 518359V, 519267 to 519357 totaling \$282,183.39 be allowed and it was unanimously approved.

MAYOR & CITY COUNCILMEMBERS' REPORTS

Mayor Rea announced that the Peninsula Friends of the Library and PV Library District are holding the Grand Reopening of the Gallery Garden at the Malaga Cove Library on Sunday May 1st at 2:00 p.m. Several of the contributors include former Mayor Fred Mackenbach and his wife JoAnn and former Mayor John Flood and his wife Dorothy.

Councilmember Humphrey reported that she, the City Manager and Councilmember Goodhart attended the PV Stables Open House. She said the Stables looked great and the highlight was a young man's surprise marriage proposal dressed as a Knight on horseback.

Councilmember Goodhart reported that during the last Breakfast Club meeting Don Culler spoke about PVE's Get Ready, Get Certified program. He and City Manager Hoefgen attended the LA Division League of CA Cities meeting held at the Columbia Memorial Space Center in Downey. The center is aimed at educating children.

ADJOURNMENT

There being no further business before Council the meeting was adjourned at 8:15 p.m. to Tuesday, April 26, at 7:30 p.m. in the City Council Chambers of City Hall.

RESPECTFULLY SUBMITTED

MICHÉLE D. MONSON, MINUTES SECRETARY

APPROVED:

WILLIAM JOHN REA, MAYOR

**CITY COUNCIL
APRIL 12, 2011**