

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

September 13, 2011

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 Council Chambers of City Hall by Mayor Rea.

Council Members Perkins, Goodhart, Humphrey, and Mayor Pro Tem Bird were also present.

ALSO PRESENT: City Manager Smith, City Attorney Hogin

PUBLIC COMMENT ON CLOSED SESSION ITEM(S) – No one came forward to speak.

CLOSED SESSION: Council recessed to Closed Session at 6:31 p.m.

CONFERENCE WITH LABOR NEGOTIATORS –

Pursuant to Government Code §54957.6

Agency designated representative: City Manager Judy Smith

Employee Organizations: Management and Confidential Group and Palos Verdes Estates Public Service Employees

Council reconvened at 7:30 p.m.

Mayor Rea announced that the Council took no reportable actions.

Following the **Pledge of Allegiance**, a moment of silence was observed in honor of former City Council Member, Mayor, and Treasurer Edward Ritscher, who passed away on August 22, 2011.

ALSO PRESENT: Police Chief Dreiling, Public Works Director Rigg, City Treasurer Sherwood, Executive Asst./Deputy City Clerk Kroneberger

MAYOR'S REPORT – Matters of Community Interest

Mayor Rea reported that the City's flags were flown at half staff to honor the memory of Ed Ritscher on September 7, 2011, the date of a memorial service at St. John Fisher. He noted Mr. Ritscher's many years of accomplished and dedicated service to the City, having served on the City Council from 1978-1990; two terms as Mayor, and City Treasurer from 1992 to 2009. Mayor Rea also noted Mr. Ritscher's many volunteer efforts and he was later distinguished with the "Older American's Recognition Award" presented by the Los Angeles County Board of Supervisors. MPT Bird, Council Members Humphrey, Goodhart, Perkins and City Treasurer Sherwood each honored the memory of Mr. Ritscher with personal and professional remembrances.

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Mayor Rea reported on the Patriot Day observance at Memorial Park on Sunday, September 11, 2011, commemorating the 10th Anniversary of the September 11, 2001 attacks. He thanked staff, and acknowledged Administrative Analyst Alexa Davis for organizing the event, and that the 'Freedom Tree' –a Coast Live Oak, was an appropriate choice.

Mayor Rea asked Chief Dreiling for commentary on the Students and the Law program at PVHS, who reported on the successful collaboration with PVPUSD; an instructional-interactive class being taught by PVEPD Sergeant Tony Best and Officer Charles Reed.

CONSENT AGENDA

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

- CITY COUNCIL MINUTES OF JULY 26, 2011 (REGULAR); AUGUST 9, 2011 (ADJOURNED)
- TREASURER'S REPORTS: MONTHLY REPORT OF JULY 2011; QUARTERLY INTEREST REPORT (APRIL-JUNE 2011)
- RESOLUTION R11-25; AFFIRMING THE PLANNING COMMISSION APPROVAL OF NC-1411/GA-1481-11; NEIGHBORHOOD COMPATIBILITY AND GRADING APPLICATIONS FOR A NEW SINGLE FAMILY RESIDENCE LOCATED AT 2316 VIA ACALONES. LOT 1, BLOCK 1651, TRACT 5330
- RESOLUTION R11-24; AUTHORIZING RESERVE FUND TRANSFER FROM THE SEWER FUND TO THE GENERAL AND CAPITAL IMPROVEMENT FUNDS FOR FY 2010-11
- APPROVAL OF AMENDED JOINT POWERS AUTHORITY AGREEMENT – SOUTH BAY CITIES COUNCIL OF GOVERNMENTS (SBCCOG)
- CLAIM REJECTION – SCHLICKMAN, RICHARD
- CLAIM REJECTION – SCHLICKMAN, ELOISE
- SPECIAL EVENT APPLICATION FOR THE COMPASSIONATE FRIENDS ORGANIZATION TO HOLD A LOCAL EVENT OF THE WORLDWIDE CHILDREN'S MEMORIAL CANDLE LIGHTING AT THE FOUNTAIN IN MALAGA COVE PLAZA
- L.A. COUNTY SUPERVISORIAL REDISTRICTING; CITY SUPPORT OF PROPOSAL A-3
- PLANNING COMMISSION ACTIONS OF AUGUST 16, 2011

M-825-11; Consideration of a Miscellaneous Application for a structure exceeding the maximum allowable height at the single family residence located at 1409 Via Davalos. Lot 32, Tract 30905.

Owners: Neil & Bobbi Patton

Approved with conditions.

NC-1422-11; Neighborhood Compatibility Application for a new single family residence located at 1745 Palos Verdes Drive West. Lot 8, Block 1277, Tract 7140.

Owner: Andrew Woods

Action: Approved with conditions.

NC-1423-11; Neighborhood Compatibility Application for a new detached structure and additions to the single family residence located at 4040 Via Valmonte. Lot 11, Block 6321, Tract 7143.

Owners: Mr. & Mrs. CD Wilson

Action: Approved with conditions.

NC-1375R-11; Revised Neighborhood Compatibility Application for the new single family residence located at 2717 Paseo Del Mar. Lot 6, Tract 19787.

Owners: Masih Hakimpour & Marzieh Daneshvar

Action: Denied.

M-821-11; Consideration of a Miscellaneous Application for a new detached accessory structure at the single family residence located at 4037 Via Pavion. Lot 27, Block 6321, Tract 7143.

Owners: Eric Ku & Margaret Wong

Action: Approved with conditions.

M-822-11; Consideration of a Miscellaneous Application for new detached accessory structures at the single family residence located at 3609 Navajo Place. Lot 12 & portions of Lots 13 & 14, Block 6102, Tract 6887.

Owners: Rick & Dee Edler

Action: Approved with conditions.

COMMUNICATIONS FROM THE PUBLIC – No one came forward to speak.

PUBLIC HEARINGS

OLD BUSINESS

NEW BUSINESS

REVIEW OF SPECIFICATIONS FOR THE RESIDENTIAL REFUSE COLLECTION CONTRACT

Public Works Director Rigg reported that the current contract will expire June 30, 2012. He said currently the trash diversion (from landfills) rate is at 60%, while law requires 50%. He reviewed current provisions of the contract, which includes the benefit of rear-yard service; unlimited pickup of recyclables, green waste and refuse; green waste and recyclables containers provided by the hauler, and side/rear loading vehicles. He said the City produces more weight in green waste than with rubbish (landfill material). He identified seven potential changes to the specifications for Council's review and direction, which include:

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- Collection of recyclables on a weekly basis; currently done bi-weekly.
- Implementation of a two-barrel system (recyclables separation by hauler rather than resident/source) instead of traditional three-barrel system. He said studies show more recycling is derived by this alternative method. He reported a small sampling was conducted by City staff with Athens; 50% of what was found discarded as refuse could have been recycled.
- Inclusion of street sweeping as part of the services provided by the hauler; a developing trend with other cities.
- Term of the agreement. Research supports a 7-year contract award is appropriate with the possibility of a 3-year extension as a performance incentive. It correlates well with the schedule for depreciation/life expectancy of a refuse vehicle.
- Increase in (landfill) diversion rate. He said the state may increase the amount required by law from 50% to 60-75%.
- Basis of award; consideration of “value” basis versus lowest responsive proposals.
- Franchise fee. He said many cities charge a franchise fee (ranging from 0 to 25% within the scope of cities serviced by Athens); the average is 10%. The hauler charges and collects the fee and remits it to the City; a revenue source that could be used for a specific purpose such as road repairs for damage caused by waste hauler trucks. PVE does not currently charge a franchise fee.

Councilmember Goodhart asked about incorporating commercial or multi-family dwellings into the bid process. Director Rigg suggested bidding this out as a separate franchise if Council so desired; collection parameters are different and could prove troublesome if included within the single family residential franchise. Currently, there is no franchised waste hauler for commercial and multi-family dwellings in the City. Each location contracts their own, directly, with a vendor of their choice.

Councilmember Perkins confirmed with City Attorney Hogin that voter approval is not required to establish a franchise fee; it is not a tax.

Mayor Rea asked staff if diversion rates for the two-barrel system are higher than the three-barrel system. Director Rigg said it would depend on our specific waste stream, but studies indicate the diversion rate would be higher with a two-barrel system.

MPT Bird asked if residents would pay more or less if we change to a two-barrel system. Director Rigg responded that estimates indicate the prices would be about the same, but it is difficult to determine; however, the contract could bid both ways. MPT Bird asked if composting is a good alternative to facilitate less green waste leaving the City. Director Rigg said AB939 funds have been used in the past to provide [low cost] compost bins; it was popular and could be done again.

Councilmember Goodhart confirmed with City Manager Smith that street sweeping is paid for with restricted gas tax (restricted for street-related expenses) funds. He did not support inclusion of street sweeping because it is already incumbent upon the waste hauler to clean up street debris caused by

trash collection. Director Rigg said Athens has their own street sweepers; other haulers may subcontract the service out as part of their bid if so required.

Councilmember Perkins asked if more street debris would result from using smaller trucks utilized for two-barrel system hauling. PWD Rigg said he did not think so.

Gary Clifford, Athens Services, 14048 Valley Blvd., Industry, commented on their good service and said they work well with City staff. He asked Council to reconsider negotiating/extending their contract with competitive rates. He said street sweeping can be classified as a free city service adding that Athens is the only certified organics composting hauler; they could do a pilot program with food and green waste to increase diversion. He said a hybrid system of two and three-barrel systems could be considered to assist in a transition.

Mayor Rea asked for diversion statistics relating to the two-barrel system. Mr. Clifford responded that a few cities they service divert in the mid-70's; Redondo Beach went from 35% to 75% diversion. He said by processing the City's waste, [PVE] could gain up to an additional 7-10%. He said they are using technology to increase diversion.

Collecting recyclables on a weekly basis:

Mayor Rea commented on his personal experience noting that blue recycle bins fill quickly over a week's time and supported a weekly collection to increase diversion rates, the provision of additional cans, or a two-barrel system.

Councilmember Perkins supported the two-barrel system bid as an add-alternate along with weekly collection of recyclables.

MPT Bird said more data from City residents may be desirable. Mayor Rea, considering mixed comments on recycling received from Malaga Cove Homeowners Association members, didn't expect more than anecdotal data on what City residents are doing as a whole. MPT Bird supported Council member Perkins' suggestion.

Councilmember Goodhart asked if survey data would be helpful. PWD Rigg said they could conduct a sampling survey.

Mayor Rea confirmed with Director Rigg that it was desirous to go out for bid if Council considered different collection systems rather than renegotiating with the current hauler to keep it a clear and open process.

Consensus of Council was to require an alternative bid on a two-barrel system as well as weekly pick-up of recyclables.

Inclusion of street sweeping:

After discussion of tax-related issues, consensus was not to include street sweeping as part of the RFP.

Term of agreement:

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Councilmember Goodhart suggested adding measurable criteria in consideration of including an option for a 3-year extension to a 7-year term award. MPT Bird supported sole discretion of Council is more advantageous; Council member Perkins agreed. Director Rigg said some conceptual criteria could be added.

Consensus was to bid for a 7-year contract with a 3-year option to extend the contract at Council's sole discretion.

Diversion rate:

Councilmember Perkins supported specifying a minimum of 60% diversion. Council member Goodhart supported increasing the diversion rate, suggesting that additional public education of recyclable materials is desirous.

Council concurred a minimum 60% diversion rate is appropriate.

Basis of award:

Councilmember Goodhart commented that bid processes have evolved to best value, which may result in the best value to the tax payer, but noted that qualitative v. quantitative evaluations of service can be difficult. PWD Rigg suggested a numerical point system for value can be structured to include such criteria as a firm's experience, proposed public education programs, and increased promised diversion rates.

Mayor Rea asked the City Attorney if we would be required to establish a point system in consideration of a value based award.

City Attorney Hogin said the tenets of fair practice is that everyone knows in advance what the rules are; understanding what is valued equates to receiving better bids.

Director Rigg agreed establishing a criteria up front as to what bidders will be measured on is appropriate, so bids can be compared equally.

Council member Humphrey said defining criteria for the lowest responsible bidder is important. Council member Perkins supported the criteria used by Manhattan Beach, which spells out the areas of evaluation, to ensure a fair and open process. Council member Humphrey agreed.

Franchise fee:

MPT Bird did not support collection of a franchise fee; he was concerned it would result in higher costs to our residents.

Councilmember Perkins said she could only support a franchise fee if it was used as a dedicated funding source for road repair resulting from associated [refuse hauling truck] damage.

Councilmember Humphrey queried if the residents should bear the cost of road repair caused by trash trucks. MPT Bird agreed that repairing roads is part of the cost of doing business as a City.

Mayor Rea said it also gives the appearance of a tax. Council members Humphrey and Perkins agreed and did not favor the fee. Council member Perkins said it is tempting in tough economic times to find ways of generating fees that free up the general fund for other needs, but sources of funds for road repair can be found elsewhere.

Consensus of Council was to not include a franchise fee.

Councilmember Goodhart asked about requiring the use of alternative fuels. Director Rigg said this is a requirement per AQMD and it will be included as part of the RFP. He said the City Attorney has also confirmed that if there is future need for funding road repairs, a contract amendment to institute a franchise fee can be revisited.

Two-barrel system:

Consensus was to require a bid on the three-barrel system with an alternative bid on a two-barrel system, and an alternative bid for weekly recyclables collection.

Director Rigg summarized Council direction was to require one bid each for a weekly pick-up utilizing the two-barrel system; a bi-weekly pick-up of recyclables with three-barrel system; and for weekly pick-up of recyclables with three-barrel system.

STAFF REPORTS

City Manager's Report - none

DEMANDS

It was moved by Councilmember Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, totaling \$227,849.61 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, totaling \$228,154.14 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, No. 520066 to 520140 totaling \$484,338.72 be allowed and it was unanimously approved.

It was moved by Councilmember Perkins and seconded by Councilmember Humphrey that the demands, as approved by a majority of the City Council, No. 519887V, 520141H to 520143H, 520154 to 520247 totaling \$988,254.04 be allowed and it was unanimously approved.

MAYOR & CITY COUNCILMEMBERS' REPORTS

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Councilmember Perkins reported on L.A. County's Energy Upgrade California Program; an opportunity for residents to receive rebates of up to \$8,000 for qualifying/compliant energy saving projects, referencing the County's website for additional information:
www.energyupgradeca.org/lacounty.

Councilmember Humphrey reported on the National Night Out festivities of August 2nd and acknowledged residents for combining neighborhood parties, providing Council and City staff the opportunity to visit all neighborhoods.

Councilmember Goodhart reported on the recently completed inventory of the 6 DDP (Disaster District Preparedness) containers placed on school sites throughout the City. Police Chief Dreiling reported that the layout of the containers exceeded expectations; they are well organized and stocked, and we are prepared in the event of a need-based emergency.

Councilmember Bird acknowledged the PVEPD Honor Guard and local Scouts/Brownies for their participation in the Patriot Day commemorative event held at Memorial Park on Sunday, September 11, 2011.

ADJOURNMENT

There being no further business before Council, Mayor Rea adjourned this evening's meeting at 8:40 p.m. in memory of the passing of former Council Member, Mayor, and City Treasurer Ed Ritscher, and former PV Transit Administrator John Meyer, to Tuesday, September 27, 2011 at 7:00 p.m. in the City Council Chambers of City Hall for the purpose of an Adjourned Regular Meeting to conduct applicant interviews for the Traffic Safety Committee.

RESPECTFULLY SUBMITTED:

**VICKIE KRONEBERGER,
EXECUTIVE ASSISTANT/DEPUTY CITY CLERK**

APPROVED:

WILLIAM JOHN REA, MAYOR

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