

**Minutes  
City Council/Public Financing Authority  
City of Huntington Beach**

Monday, August 3, 2015  
4 00 PM - Room B-8  
6 00 PM - Council Chambers  
Civic Center, 2000 Main Street  
Huntington Beach, California 92648

**An audio recording of the 4:00 PM portion of this meeting  
and a video recording of the 6:00 PM portion of this meeting  
are on file in the Office of the City Clerk and are archived at  
[www.surfcity-hb.org/government/agendas/](http://www.surfcity-hb.org/government/agendas/)**

**4:00 PM - ROOM B-8**

**CALL TO ORDER – 4 00 PM**

**ROLL CALL**

Present     Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson  
Absent     None

**ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)**

**Study Session**

**#1.**     PowerPoint communication submitted by Public Works, dated August 3, 2015, entitled *Interstate 405 Improvement Project*.

**#2.**     PowerPoint communication submitted by Administration, dated August 3, 2015, entitled *Huntington Beach Youth Shelter*

**#2.**     Communications received regarding Lease Agreement with Community Service Programs, Inc (CSP) for the Huntington Beach Youth Shelter     Steve Engel, Melissa Shaia-Egle

**STUDY SESSION**

**1. Presentation made by Orange County Transportation Authority (OCTA) updating the City Council on progress and current status of I-405 Improvement Project**

City Manager Fred Wilson introduced Bob Stachelski, the City's Transportation Manager and OCTA representatives Christina Byren, Community Outreach Manager, and Jeffrey Mills, P E , Program Manager Mr Mills provided a PowerPoint presentation entitled Interstate 405 Improvement Project that included the following titled slides Project Location, Project Description, OCTA/CalTrans Terms and Conditions, Coordination with City of Huntington Beach, Recent Milestones and Next Steps

Councilmember Peterson and Consultant Mills discussed how the project replaces the carpool lane with express "toll" lanes

Mayor Hardy and Consultant Mills discussed Huntington Beach access points and signage. Mayor Hardy shared concerns about signage alerting motorists regarding exits that don't have entrances, and vice versa. Councilmember Peterson echoed her concerns.

Councilmember Sullivan and Consultant Mills discussed use of Measure M funds, and Councilmember Sullivan had specific concerns about future Measure M issues if the majority of Orange County residents won't favor toll roads.

Mayor Hardy and Consultant Mills discussed OCTA taking on debt and how the responsibility allows OCTA to control toll policy at the local level. Discussion ensued about how the decision will support the partnership between OCTA and CalTrans when future HOV lane decisions are made.

Councilmember Sullivan and Consultant Mills discussed the presence of highway shoulders.

Councilmember Posey and Consultant Mills discussed lane barriers not precluding continuous access. Discussion ensued on systems in the San Francisco Bay area for operational and transponder purposes.

Councilmember O'Connell and Consultant Mills discussed 405 exits points between Goldenwest and the 605 Freeway.

Councilmember Delgleize and Consultant Mills discussed the project plans for rebuilding area overcrossings to eliminate bottlenecks.

Mayor Pro Tem Katapodis and Consultants Mills and Byren discussed CalTrans providing \$82 million to the project (00 03 46)

**PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit) – 8 Speakers**

(The number [hh mm ss] following the speakers' comments indicates their approximate starting time in the archived audio located at <http://www.surfcity-hb.org/government/agendas/> )

Lois Abrams, Ph D , spoke in support of the City extending the Huntington Beach Youth Shelter's lease (00 20 59)

Peter Rice, General Manager, Hyatt Regency Huntington Beach Resort and Spa, spoke in support of the City extending the Huntington Beach Youth Shelter's lease (00 23 05)

Jeff Lebow spoke in support of the City extending the Huntington Beach Youth Shelter lease (00 25 41)

Weikko Wirta, President, AES Huntington Beach, spoke in support of the City extending the Huntington Beach Youth Shelter's lease (00 28 46)

Steve Engle spoke in support of the City extending the Huntington Beach Youth Shelter's lease (00 30 06)

Elsa Greenfield, CSP Director, Huntington Beach Youth Shelter, recognized representatives from CSP, supporting organizations and businesses, and spoke in support of the City extending the Huntington Beach Youth Shelter's lease (00 31 56)

Lance Ware spoke in opposition to the proposed plan to remove a fuel dock in Huntington Harbour (00 35 59)

Walter Ware spoke in opposition to the proposed plan to remove a fuel dock in Huntington Harbour (00 38 27)

## **2. Discussion of Lease Agreement - City and Community Service Programs, Inc. (CSP), for the operation of the Huntington Youth Shelter located at 7291 Talbert Avenue**

Kellee Fritzal, Deputy Business Development Director, provided a PowerPoint entitled *Huntington Beach Youth Shelter* that included the following titled slides Background, Clients served at the Huntington Beach Youth Shelter, CSP and County Agreement, Summary, and City Options

Councilmember Delgleize recognized how local families in need have benefited from the services provided by the Youth Shelter, and stated support for extending the Shelter's lease She and Director Fritzal discussed actions that took place when the previous Request for Proposal (RFP) was initiated, and how Option 3 allows for another RFP

Councilmember Posey described the HB Youth Shelter as an asset that serves only 20% of the City, and questioned whether the City should look at a revenue agreement with the County to make the Shelter's operation fair to Huntington Beach taxpayers Police Chief Handy discussed his experience as liaison to the contract, including how contracting with the County allows CSP to provide services to Huntington Beach at no cost to the City He recognized the Shelter's value even if services aren't provided directly to all of Huntington Beach Discussion ensued on the number/percentage of direct (Huntington Beach resident) referrals

Councilmember O'Connell and Ms Greenfield discussed the Shelter's operating budget, number of beds, number of youth served annually, and certifications enabling the Shelter to serve high risk kids Councilmember O'Connell spoke in favor of extending the lease

Mayor Pro Tem Katapodis stated support for extending the lease 18 months to when CSP's agreement with the County expires

Councilmember Peterson stated support for extending the lease 18 months to when CSP's agreement with the County expires He also voiced support for Huntington Beach youth having top priority to beds in the facility Councilmember O'Connell cautioned the Council to not discriminate when the operation involves pass-through of funds from the County

Mayor Hardy stated support for extending the lease 18 months to when CSP's agreement with the County expires She also wants to ensure that a report will be provided in 2016 (00 45 17)

**RECESS TO CLOSED SESSION - 5:00 PM**

**Mayor Hardy Announced: Pursuant to Government Code § 54957.6, the City Council shall recess into Closed Session to meet with its designated labor negotiators and Fred Wilson, City**

**Manager regarding the following: Fire Management Association (FMA), Huntington Beach Firefighters' Association (HBFA), Huntington Beach Municipal Employees' Association (MEA), Management Employee's Organization (MEO), Huntington Beach Police Officers' Association (POA), Police Management Association (PMA), Marine Safety Management Association (MSMA), and/or Surf City Lifeguard Employees' Association (SCLEA).**

A motion was made by O'Connell, second Katapodis, to recess to Closed Session Item No 3

The motion carried by the following vote

AYES        Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson  
NOES        None

### **CLOSED SESSION**

**3. Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiators and Fred Wilson, City Manager regarding the following: Fire Management Association (FMA), Huntington Beach Firefighters' Association (HBFA), Huntington Beach Municipal Employees' Association (MEA), Management Employee's Organization (MEO), Huntington Beach Police Officers' Association (POA), Police Management Association (PMA), Marine Safety Management Association (MSMA), and/or Surf City Lifeguard Employees' Association (SCLEA).**

**6:00 PM - COUNCIL CHAMBERS**

**RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING – 6 02 PM**

**CLOSED SESSION REPORT BY CITY ATTORNEY – None**

### **ROLL CALL**

Present     Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson  
Absent      None

**PLEDGE OF ALLEGIANCE - Led by Councilmember O'Connell**

**INVOCATION - Led by Mark Currie, of the Bahia Faith and member of the Greater Huntington Beach Interfaith Council**

### **AWARDS AND PRESENTATIONS**

**Mayor Hardy called on Visit Huntington Beach CEO Kelly Miller who presented a recap report on the Guinness World Record Big Board event held on June 20, 2015.**

June 20, 2015, Visit Huntington Beach (VHB) made two Guinness World Records the largest surfboard in the history of mankind (42 feet long by about 12 feet wide by 16 inches thick), AND the most people riding a surfboard for more than 10 seconds! The VHB record was set with 66 people riding the world's largest surfboard for 12 seconds! A short video recap of the record-setting day was shown to demonstrate that the event resulted in over 1,300 broadcast segments and 665 print/online articles with half a billion readers/viewers, resulting in a \$72 to \$1 ROI -- all focused on Surf City (Huntington Beach, California) This event was not a "one and done" because this surfboard will continue to draw people to Huntington Beach after it is installed this Fall outside the International Surf Museum

**ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS** (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced supplemental communications that were received by her office following distribution of the Council agenda packet

**CONSENT CALENDAR**

**#6.** Communications received regarding Intergovernmental Relations Committee (IRC) recommendations Rob Pool, Milt Dardis

**PUBLIC HEARING**

**#13.** Communications received regarding Housing and Urban Development (HUD) Consolidated Plan, Annual Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnership Program Maria T Spain, Cari Swan (2), Sandy Thigpen, Dick Thiel, Linda Polkinghorne (2), Pura Vida, and Joseph Mastropaulo

**#13.** PowerPoint communication submitted by Administration, dated August 3, 2015, entitled *CDBG/HOME Programs*

**#14.** PowerPoint communication submitted by Lori Ann Farrell, Director of Finance, dated August 3, 2015, entitled *TEFRA Public Hearing*

**COUNCILMEMBER ITEMS**

**#15.** Communication submitted by Rob Pool, dated August 3, 2015, supporting the Recommended Action (00 12 03)

**PUBLIC COMMENTS** (3 Minute Time Limit) -- 29 Speakers

(The number [hh mm ss] following the speakers' comments indicates their approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas/> )

Jordon Owens was called to speak and voiced support for allowing medical marijuana dispensaries to operate in the City of Huntington Beach (00 15 16)

Richard Moore was called to speak and voiced opposition to Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan, and, voiced support for Councilmember Item No 15 - Transparency Ordinance (00 18 25)

Charles Barfield, Assistant General Manager, Orange County Employees' Association, and representing the City's Management Employee Organization (MEO), was called to speak and voiced opposition to Councilmember Item No 15 - Transparency Ordinance (00 21 07)

Can Swan was called to speak and voiced support for Consent Item No 6 - IRC recommendations, opposition to Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan, and, support for Councilmember Item No 15 - Transparency Ordinance (00 23 57)

Michelle Yerke was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 27 08)

Debbie Cook was called to speak and provided support for Consent Item No 6 - IRC letter to the Orange County Water District (OCWD) regarding the Poseidon Desalination Plant (00 29 26)

Scott Maloni, Poseidon Water, was called to speak and provided an update on the proposed Huntington Beach Desalination Plant Project (00 30 40)

John Briscoe, Ocean View School District Trustee, was called to speak and voiced concerns about the City not scheduling a special study session before August 3 to review City code requirements related to litter, noise, dust, odor, vector, vermin and birds (00 32 30)

Michelle Essex, Program Manager with Children's Bureau, was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 36 21)

Tayna Hoxsie, CEO, Boys and Girls Clubs of Huntington Valley, was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 39 42)

Rebecca Sanchez, Boys and Girls Clubs of Huntington Valley, was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 41 52)

Olivia Flores/Baltazar was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 44 00)

Allison Coover was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 46 56)

Laura Syzdek, Chair, Project Self Sufficiency Foundation, was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 48 20)

Randy Pesqueira, the City's Senior Supervisor of Human Services, was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 51 20)

Joseph Mastropaulo was called to speak and voiced opposition to Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (00 54 03)

Merle Moshiri was called to speak and voiced support for Consent Item No 6 - IRC letter to the Orange County Water District (OCWD) regarding the Poseidon Desalination Plant (00 54 52)

Bill Larkin was called to speak and requested that Council prohibit the proposed closure of a fuel dock in the Huntington Harbour on October 1, 2015 (00 57 02)

Lyn Semeta was called to speak and voiced support for Councilmember Item No 15 - Transparency Ordinance, and encouraged the City Council to delay a final decision on Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (01 00 39)

Janet Slinkard, recipient of benefits provided by Project Self Sufficiency (PSS), was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (01 03 01)

Craig Sheets was called to speak and commented on perceived illegal assault weapons storage, chemical silos, warheads, and inappropriate filming without consent (01 05 18)

Robert Johnson was called to speak and voiced concerns about the City's affordable housing program (01 08 35)

Dan Kalmick was called to speak and voiced support for Public Hearing Item No 12 - Implement Assembly Bill 2188 - Small Solar Photovoltaic Systems (01 11 50)

Vern Nelson was called to speak and voiced support for Consent Item No 6 - IRC letter to Orange County Water District (OCWD) regarding Poseidon Desalination Plant (01 14 30)

Rob Pool was called to speak and voiced support for Consent Item No 6 - IRC letter to Orange County Water District (OCWD) regarding Poseidon Desalination Plant (01 17 08)

Devin Dwyer was called to speak and voiced support for Councilmember Item No 15 - Transparency Ordinance (01 19 50)

Carol Woodworth was called to speak and voiced support for Consent Item No 6 - IRC letter to Orange County Water District (OCWD) regarding Poseidon Desalination Plant, opposition to Public

Hearing Item No 13 - Housing Urban and Development (HUD) Consolidated Plan, and, support for Councilmember Item No 15 - Transparency Ordinance (01 23 01)

Jacqueline Ruddy, Project Self Sufficiency (PSS), was called to speak and voiced support for Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (01 25 15)

Rita Barry was called to speak and voiced opposition to Public Hearing Item No 13 - Housing and Urban Development (HUD) Consolidated Plan (01 27 56)

### **COUNCIL COMMITTEE - APPOINTMENTS - LIAISON REPORTS AND ALL AB 1234 DISCLOSURE REPORTING**

Mayor Pro Tem Katapodis announced his election to the Board of Directors for the League of California Cities and attendance at the OCTA Committee Meeting

Councilmember Delgleizé reported attending the League of California Cities meeting

Councilmember O'Connell reported attending the League of California Cities meeting

### **CITY MANAGER'S REPORT**

1 City Manager Wilson reported on the non-profit groups' firework sales for July 4, 2015 The City issued permits for 15 non-profits, and gross revenues were about \$850,000 with an estimated total benefit for the non-profits of between \$300,000 to \$350,000

2 Police Chief Robert Handy and Fire Chief Patrick McIntosh reported on public safety issues related to the U S Open of Surfing which had an attendance of approximately 450,000 people Police Chief Handy reported that this was a successful event due to the efforts of the Downtown Task Force, use of the Mounted Force presence every day, and dedication of City staff from many departments Overall, the criminal activity this year was down significantly from last year All feedback from residents, businesses and people attending the event was extremely positive this year

Fire Chief McIntosh reported that the crowds were spread out a bit more which appeared to minimize the situations which have created issues in the past The Fire Department call volume was down a bit this year and the CERT volunteers experienced a major reduction in the number of minor first aid incidents Hats off to the City staff, residents, community and the promoter for working together to create a great event

Mayor Pro Tem Katapodis and Councilmember Delgleize both expressed that this year's event was well planned and successful, and extended their appreciation to both Chiefs

City Manager Wilson explained that the private party/owner involved in the proposed closure of a fuel dock in the Huntington Harbour may be agreeable to postponing its closure City Attorney Gates

explained ongoing discussions with County officials since the O C Sheriff also has a presence and fueling needs in Huntington Harbour

### **CITY TREASURER'S REPORT**

#### **3. Receive and file the City Treasurer's June 2015 Quarterly Investment Summary Report**

City Treasurer Cutchen presented the *Treasurer's Quarterly Report ending June 30, 2015*. Summarized, the City's Investment Portfolio remains compliant with all State regulations and the City's investment policy with no loss.

A motion was made by Katapodis, second Delgleize to receive and file the Quarterly Investment Report for June 2015, pursuant to Section 17 0 of the Investment Policy of the City of Huntington Beach.

The motion carried by the following vote:

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

### **CONSENT CALENDAR**

Councilmember Peterson pulled Items 6 and 7, and Councilmember O'Connell pulled Items 10 and 11, for discussion.

#### **4. Approved and adopted minutes**

A motion was made by Katapodis, second Sullivan to review and approve the revised City Council/Public Financing Authority regular meeting minutes dated July 6, 2015, and the City Council/Public Financing Authority regular meeting minutes dated July 20, 2015, as written and on file in the office of the City Clerk.

The motion carried by the following vote:

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

#### **5. Approved the Environmental Board appointment of Melissa Stern and the reappointments of Sue Gordon and Kim Nicolson as recommended by City Council Liaisons Mayor Hardy and Councilmember Delgleize**

A motion was made by Katapodis, second Sullivan to approve the appointment of Melissa Stern to the Environmental Board for a first term to expire June 30, 2018, the reappointment of Sue Gordon for a second term to expire June 30, 2017, and, the reappointment of Kim Nicolson for a full second term to

expire June 30, 2019 as recommended by City Council Liaisons Mayor Hardy and Councilmember Delgleize

The motion carried by the following vote

AYES Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson  
NOES None

6. **Intergovernmental Relations Committee (IRC) recommendations: Request for City Council authorization to send letters to the Orange County Transportation Authority (OCTA) regarding the I-405 HOT Lanes continued to August 17 for reconsideration of a stronger letter; request for City Council authorization to send letters to the Orange County Water District (OCWD) regarding the Poseidon Desalination Plant continued to August 17 for reconsideration of a letter with revised language; and, authorization for a position of opposition to Senate Bill 331 regarding Public Contracts approved.**

Councilmember Peterson pulled Item 6 (A) regarding I-405 HOT lanes, and voiced concerns about the letter being too weak and recommended much stronger language Mayor Hardy questioned if the letter could wait two weeks for edits and Mayor Pro Tem Katapodis agreed to a delay to create a stronger letter

A motion was made by Peterson, second O'Connell to authorize consideration of a letter on behalf of the City of Huntington Beach to the Orange County Transportation Authority regarding ingress and egress from the I-405 HOT Lanes, **as amended to continue to August 17, 2015 to allow Councilmember Peterson and O'Connell to craft a stronger letter of opposition.**

The motion carried by the following vote

AYES Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson  
NOES None

Councilmember Peterson voiced his concerns with Item 6 (B) regarding Poseidon, and questioned if this letter had received a review from the City Attorney's office Mayor Hardy responded that in her opinion the letter was only stating expectations according to the original agreement and confirmed that the letter had not been reviewed by the City Attorney's office She also stated that she thinks this letter should also be continued to the next meeting to allow time for addressing the issue of discounted water Councilmember O'Connell added that the utility tax issue needs to be addressed

A motion was made by Peterson, second Delgleize to continue to the next meeting consideration of a letter on behalf of the City of Huntington Beach to the Orange County Water Distract regarding anticipated revenues to the City of Huntington Beach as outlined in the agreements between the City of Huntington Beach and Poseidon for the proposed desalination plant, **as amended to include language related to receipt of discounted water and utility tax**

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

Councilmember Peterson pulled Item 6 (C) regarding SB331, to question the City's position, and read from SB 331 that there will be no cost to the City as the State will have to reimburse expenses

Councilmember Sullivan stated that the State will NOT reimburse the City for all of the staff time required to review contracts, and he feels that the Finance Board is sufficient to do it

Councilmember Delgleize voiced her agreement with Councilmember Sullivan's comments and sees SB331 as putting an unnecessary burden upon the City

Mayor Pro Tem Katapodis expressed his agreement with Councilmember Sullivan. He agrees with the transparency requirement but has major reservations about the State's willingness to reimburse expenses for outside auditors

Councilmember Posey expressed his opposition to SB331 because it targets municipalities that have adopted a transparency ordinance

Councilmember O'Connell stated his opinion that transparency should apply across the board for everyone -- not just a select group of people, therefore he opposes writing this letter

A motion was made by Sullivan, second Katapodis to approve a City position of opposition for Senate Bill 331 regarding Public Contracts and authorize the Mayor to sign a letter of opposition accordingly

The motion carried by the following vote

AYES	Posey, Katapodis, Sullivan, and Delgleize
NOES	O'Connell, Hardy, and Peterson

- 7. Approved request to increase the daily rate at the Sunset Vista RV Campground by \$10.00 per space by adopting Resolution No. 2015-37 (Supplemental Fee Resolution No. 7), authorized appropriations of \$36,000 for additional cleaning of the Main Promenade Parking Structure, and \$64,000 to improve and expand recreational services at Lifeguard Headquarters by adding one permanent, full-time Community Services position to the Community Services Table of Organization**

Councilmember Peterson pulled Item 7 to state his support for the proposed \$10 increase in daily rates, but remained concerned about the salary level identified for the full time position, and recommended

that this position start part-time to validate the assumptions of increased permit fees There was discussion with staff on his concerns (02 03 19)

Councilmember Posey voiced support for raising the daily rate, and for earmarking funds to clean the parking structure

Mayor Pro Tem Katapodis questioned changing the position from two part-time, to one full time employee (with benefits) Director of Community Services Laudenback explained that the full time position would focus on the beach event permit process, which is a much more detailed procedure than just selling beach parking permits There is an increased level of responsibility, and consistency of personnel is important to this detailed process Mayor Pro Tem Katapodis stated he supports increased daily rates and cleaning of the parking structures, but he will not support hiring a full time position

Councilmember Delgleize voiced support for a full-time position to increase permits, event control, and recommended that the position's performance be reviewed and reported to Council within a year

The Item was broken down for votes on specific parts

A motion was made by Peterson, second O'Connell to approve the proposed \$10 00 increase per space to the daily rates for the Sunset Vista Campground, and, approve the appropriation of \$36,000 into the Community Services Parking-Camping repairs and maintenance account 10045202 64520 for quarterly steam cleaning services at the Main Promenade Parking Structure as part of the FY 2015/16 budget, and, adopt Resolution No 2015-37, "A Resolution of the City Council of the City of Huntington Beach Amending Resolution No 2009-33 Which Established a Schedule for Charges of the Community Services Department for Facility Rentals and Recreation Services (Supplemental Fee Resolution No 7) "

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

Councilmember Peterson recommended taking new fees to train part-time individuals, and report back to Council in 6 months or a year to validate the necessity of a full-time position

Director Laudenback stated that Community Services has been functioning for the last year with part-time personnel and it is the result of that pilot program which validated that a full-time position would best meet the needs

Councilmember O'Connell asked for clarification on the cost vs benefits analysis which Director Laudenback answered it is a cost neutral situation

Councilmember Sullivan shared concerns that a lack of consistency and basic knowledge may lead to unfavorable circumstances

Councilmember Posey clarified that part-time employees, with varied hours and days, may not be able to follow-through on a situation in a timely manner, and part-timer #2 would most likely have to start back from the beginning to resolve an issue Whereas a full-time employee could most likely provide a much better customer service experience Director Laudenback confirmed that scenario described the consistency that is needed and could be provided through a full-time position

Councilmember Peterson and Director Laudenback discussed different types of events this position would handle

A motion was made by Delgleize, second Posey to approve the increase of one (1) permanent, full-time Community Services position (TBD) to the Community Services Department Table of Organization and authorize the appropriation of \$64,000 into the Community Services Parking-Camping Personnel Services salaries and benefit accounts in business unit 10045202 as part of the FY 2015/16 budget

The motion carried by the following vote

AYES	Posey, O'Connell, Hardy, Sullivan, and Delgleize
NOES	Katapodis, and Peterson

**8. Adopted Resolution No. 2015-40 authorizing the adoption of a Capital Improvement Program (CIP) to comply with Renewed Measure M (M2) Requirements in order to receive funding from Orange County Transportation Authority (OCTA)**

A motion was made by Katapodis, second Sullivan to adopt Resolution No 2015-40, "A Resolution of the City Council of the City of Huntington Beach Adopting a Capital Improvement Program for the Years 2015/16 Through 2021/2022 for Compliance With Renewed Measure M Eligibility Requirements "

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

**9. Approved and authorized execution of a Cooperative Agreement with the County of Orange for the Huntington Harbour Waterline Project, CC-1446; appropriated \$850,000 from the undesignated Water Fund; and, authorized the Director of Public Works to pay the County of Orange a deposit of not-to-exceed amount of \$1,300,000 from the Water Fund**

A motion was made by Katapodis, second Sullivan to approve and authorize the Mayor and City Clerk to execute the "Cooperative Agreement Between The County of Orange and The City of Huntington Beach For Huntington Harbour Waterline Project," and, appropriate \$850,000 from the undesignated

Water Fund (506) balance to Business unit 50691006 82100, and, authorize Director of Public Works to pay the County of Orange a deposit of not-to-exceed amount of \$1,300,000 from the Water Fund, Account No 50691006 82100

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

**10. Adopted Ordinance No. 4065 approving Zoning Map Amendment No. 12-001 (LeBard Park and School Site Land Use Change to Residential - 20451 Cramer Lane)  
Approved for introduction July 20, 2015, Vote: 6-0-1 (O'Connell-Absent)**

Councilmember O'Connell pulled Item 10 to announce he was abstaining from voting on this item

A motion was made by Katapodis, second Delgleize to adopt Ordinance No 4065, "An Ordinance of the City of Huntington Beach Amending District Map 8 (Sectional Map 8-6-10) of the Huntington Beach Zoning and Subdivision Ordinance to Rezone the Real Property At LeBard School Located at 20451 Cramer Lane from Public/Semi-Public to Residential Low Density (RL) and Open Space - Park and Recreation (OS-PR) (Zoning Map Amendment No 2012-001) "

The motion carried by the following vote

AYES	Posey, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None
ABSTAIN	O'Connell

**11. Adopted Ordinance No. 4066 approving Zoning Map Amendment (ZMA) No. 05-001R (Warner & Nichols Site - Rainbow Environmental Services)  
Approved for introduction July 20, 2015, Vote: 6-0-1 (O'Connell-Absent)**

Councilmember O'Connell pulled Item 11 to recuse himself because of a personal financial interest in the area

A motion was made by Katapodis, second Sullivan to adopt Ordinance No 4066, "An Ordinance of the City of Huntington Beach amending the Huntington Beach Zoning and Subdivision Ordinance by changing the zoning designation from CG (Commercial General) on a +1 1 gross acre portion and IG (General Industrial) on a +3 3 gross acre portion of real property located on the southeast corner of Warner Avenue and Nichols Street back to the previous designation of RM (Residential Medium Density) (Zoning Map Amendment No 05-001R) "

The motion carried by the following vote

AYES	Posey, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None
RECUSE	O'Connell

## **PUBLIC HEARING**

(The number [hh mm ss] following the speakers' comments indicates their approximate starting time in the archived video located at [http //www.surfcity-hb.org/government/agendas/](http://www.surfcity-hb.org/government/agendas/) )

### **12. Continued Closed from July 20, 2015 – Approved Request to Implement Assembly Bill 2188, Expedited Permit Process for Small Solar Photovoltaic Systems, by approving for introduction Ordinance No. 4067 and adopting Resolution No. 2015-39 (Supplemental Fee Resolution No. 3), and appropriate funding for outsourced review and inspection**

Councilmember O'Connell requested that staff present the PowerPoint for Item 12. Mark Carnahan, Building Manager, provided details on staff's recommendations for implementing Assembly Bill 2188. His PowerPoint presentation included the following titled slides: Purpose, Proposed Streamlined Permitting Process, New Permit Fees for Photovoltaic Systems, Current Business Conditions, Proposed Fee Matrix, Proposed Building Plan Checker I, and Recommendations Either in its Entirety or Individually.

Councilmember Peterson stated support for adding the fee and outsourcing the position at least initially. He further stated that in the future, fees could be adjusted if it was discovered adjustments were needed to cover actual costs.

Councilmember Posey questioned staff on how many inspections a Plan Checker could do in one day. Manager Carnahan responded that the plan checks are done by Inspectors, who typically do 18-22 inspections each day. It is estimated that 8 or 9 photovoltaic inspections could be done each day. Councilmember Posey asked if one Plan Checker could handle the projected load, and Manager Carnahan responded in the affirmative.

Mayor Pro Tem Katapodis voiced his support for outsourcing the Plan Checker position.

Councilmember Delgleize voiced her agreement with outsourcing the Plan Checker position.

Councilmember O'Connell asked how the expenses for this program could be recaptured. City Manager Wilson responded that this is a fee for service and there is no option to charge more than the cost of the service provided.

Mayor Hardy and staff further discussed outsourcing vs hiring the Plan Checker position.

A motion was made by Peterson, second Sullivan to after the City Clerk reads by title, approve for introduction Ordinance No. 4067, "An Ordinance of the City of Huntington Beach Adding Chapter 17.61 to the Huntington Beach Municipal Code Regarding Expedited Permitting Procedures for Small

Residential Rooftop Solar Systems," and, adopt Resolution No 2015-39, "A Resolution of the City Council of the City of Huntington Beach Amending the Citywide Development Fee Schedule Established Pursuant to Resolution No 2009-32 and Setting the Building Permit Fee for Photovoltaic (solar) panels (Supplemental Fee Resolution No 3)," and, outsource plan review and inspection of Small Rooftop Photovoltaic (solar) panels and authorize the appropriation of \$130,000 into the Planning and Building - Permit & Plan Check professional services account 10060501 69365 as part of the FY 15/16 budget, (Alternative Motion No 2)

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None

**13. Continued Closed from July 20, 2015 - Approved the 2015/2016-2019/2020 Housing and Urban Development (HUD) Consolidated Plan, the 2015/2016 Annual Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs and the Amended Citizen Participation Plan**

Kellee Fritzal, Deputy Director of Business Development, presented two slides of information a recap of CPAB recommendations regarding public services, and public improvements that would be funded Karen Warner, Karen Warner Associates, with over 25 years of experience in housing, and who was involved in Huntington Beach's last three (3) housing element updates, presented information in response to the Council's confusion related to HUD's ruling on Affirmatively Furthering Fair Housing Warner explained the differences between Affirmatively Furthering Fair Housing (AFFH) and the current AI (Analysis of Impediments to Fair Housing) plan, and concerns over loss of local control The new AFFH rules will not impact the City of Huntington Beach until 2020 Ms Warner believes that the regulations will continue to support decisions remaining at the local level in terms of actions to be taken She continued by offering several examples of appropriate local actions Ms Warner concluded by presenting several options that are working their way through the system to address what some call loss of local control She again stated that she doesn't see this as a legitimate concern for Huntington Beach because the City is already integrating housing She concluded her presentation by outlining the steps to be taken by the City Council now to meet the HUD deadline of August 14th

Councilmember O'Connell questioned being required to prepare an AFH in 2020 if HUD financing is accepted now Ms Warner responded that if the City Council became aware of issues in 2019 that other communities were having then they could certainly choose to bow out and not accept the financing

Councilmember O'Connell asked about the differences between HUD and RHNA, and Ms Warner said they are totally different in that one is a federal and the other a state program Basically, a zoning analysis is used to meet RHNA

Councilmember Peterson asked about possible involvement by the City's lobbyist and City Manager

Wilson responded that the lobbyist is not an expert on HUD like Ms Warner is. Councilmember Peterson voiced his continued concerns about possible loss of local control should the City continue to accept funds from HUD.

Councilmember Sullivan and Ms Warner further discussed the fact that there are different timeframes and schedules across the country for different agencies which will provide opportunities for others to uncover potential issues before the City of Huntington Beach must decide to proceed with the new program.

Councilmember Delgleize and Ms Warner discussed who is responsible for reviewing the current AI, and based on her knowledge of the City's current housing element, whether or not the City should be concerned about a potential HUD audit. Ms Warner complimented the City's programs in place, and indicated that she would not expect an audit to be triggered.

Councilmember Delgleize voiced support for the item, discussed groups in need of CDBG funds, and questioned when the review may be published. Ms Warner expects that the HUD assessment tool is targeted for completion in the Fall.

Councilmember O'Connell asked Deputy Director Fritzal if she felt that proceeding with this AI would not impact the City through 2020. Deputy Director Fritzal restated her opinion made at the meeting two weeks previous that the City will not have an issue before 2020. Councilmember O'Connell concurred with Councilmember Delgleize's position to support this item.

Mayor Pro Tem Katapodis stated his support for local control vs federal or state and stated he understands the option to pull out in 2019, therefore he supports the item.

Councilmember Posey voiced support for the item to help service organizations that rely on CDBG funds to operate, as well as funds that the City uses to comply with federal mandates that are not funded.

Councilmembers Peterson and Sullivan further stated their distrust of the possibility that HUD could rule retroactively against the City and Ms Warner expressed her professional opinion that would be very unlikely to happen.

Mayor Hardy stated she feels confident that she can support this item while being alert to any future changes or issues that may occur closer to 2020.

A motion was made by Posey, second O'Connell to approve the 2015/2016-2019/2020 Housing and Urban Development (HUD) Consolidated Plan, and, approve the 2015/2016 Annual Action Plan for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Program Funds, and, approve the Amended Citizen Participation Plan, and, authorize the City Manager to sign any and all applications and necessary documents for federal assistance under the CDBG and HOME programs.

The motion carried by the following vote

AYES	Posey, O'Connell, Katapodis, Hardy, and Delgleize
NOES	Sullivan, and Peterson

- 14. Conducted a Tax and Equity Fiscal Responsibility Act (TEFRA) Public Hearing and Adopted Resolution No. 2015-42 approving the issuance by the California Statewide Communities Development Authority (CSCDA) a Multifamily Housing Revenue Bond, in an amount not to exceed \$13,000,000, for Huntington Villa Yorba located at 16000 Villa Yorba Lane with no City obligations**

Lori Ann Farrell Harrison, Director of Finance, presented a PowerPoint titled *TEFRA Public Hearing, Huntington Villa Yorba* project that included the following titled slides Public Hearing and Overview Project Manager Duran Villegas presented slides titled California Statewide Communities Development Authority (CSCDA), Summary, and Questions

Mayor Hardy opened the Public Hearing

City Clerk Joan Flynn announced there are no public speakers and receipt of the PowerPoint as Supplemental Communication for this item

Mayor Hardy Closed the public hearing

A motion was made by Sullivan, second Delgleize to conduct the public hearing under the requirements of TEFRA and the Internal Revenue Code of 1986, as amended (Code), and, adopt Resolution No 2015-42, "A Resolution of the City Council of the City of Huntington Beach Approving the Issuance by the California Statewide Communities Development Authority of Multifamily Housing Revenue Bonds for the Huntington Villa Yorba "

The motion carried by the following vote

AYES	Posey, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	None
OUT OF ROOM	O'Connell

#### **COUNCILMEMBER ITEMS**

- 15. Item Submitted by Councilmembers Peterson and Posey amended to Meet and Confer and report back in one month regarding discussions on a Transparency Ordinance that incorporates five components: Independent Negotiator, Cost of Contracts, Offers and Counteroffers, Council Disclosure and Contract Approval**

Councilmembers Peterson and Posey described a bit of the history and their reasoning behind this item

Mayor Pro Tem Katapodis asked City Attorney Gates to discuss the difference between policy and ordinance. City Attorney Gates stated that an ordinance is a well-defined and codified policy and can become a direct target for a legal challenge. A policy is generally a softer target, but could also be challenged. Mayor Pro Tem Katapodis affirmed his support for a policy rather than an ordinance.

Councilmember O'Connell stated his support for transparency for everyone, not just a select few. Since this item singles out a selected few he will oppose it.

Councilmember Delgleize expressed her support of Councilmember Posey's comments.

Mayor Hardy questioned Item 5 - the timeline for posting of the MOU, i.e., Monday of Agenda Review or Wednesday prior to the Council meeting? Councilmember Peterson replied Monday of Agenda Review. Mayor Hardy further stated that she would support a policy rather than an ordinance.

Councilmember Peterson addressed Councilmember O'Connell's concerns by stating that he feels contracts require different procedures or mechanisms and that is why this item only addresses them. Each individual type of negotiation needs to be addressed, and this item is specifically only for labor contracts. He further shared that as far as policy vs ordinance, a policy can be changed behind a closed door but an ordinance must be changed publically. Councilmember Peterson stated that his intention is that with the passage of this item the City Attorney will draft an ordinance and then with the outside negotiator present to the various bargaining units for a meet and confer. The information gathered through the meet and confer process would be brought back to Council for review in a month or so. The other municipalities that are being challenged on this topic did not perform the meet and confer step of the process.

City Attorney Gates clarified that it is the City Manager, not the City Attorney that meets with outside negotiators.

Councilmember Sullivan expressed a couple of concerns: would the first offer from a bargaining group have to be disclosed, or only everything following that offer? He also can see situations where City processes may be used and an independent/outside negotiator may not be necessary.

Councilmember Posey stated that the words "in regards to labor contract negotiations" need to be added to the end of Item No. 4.

A straw vote motion was made to approve.

1 Independent Negotiator: A Yes vote indicates the city will hire an independent negotiator for all bargaining contracts who is not impacted by any outcome in the negotiation process. A No Vote indicates a negotiator will be hired if desired on a case-by-case basis.

The Straw Vote Tally

AYES Posey, and Peterson  
NOES O'Connell, Katapodis, Hardy, Sullivan, and Delgleize

A straw vote motion was made to approve

3 Offers and Counteroffers A Yes Vote indicates this ordinance would require that all offers and counteroffers be disclosed to the public within 24 hours after they have been acted on A No Vote indicates the first offer would not be published

The Straw Vote Tally

AYES Posey, Delgleize, and Peterson  
NOES O'Connell, Katapodis, Hardy, and Sullivan

Discussion ensued and it was recommended to add language as noted in bold on 4 Council Disclosure Each member of the City Council will be required to disclose any and all verbal, written, or electronic communications they have had with an official representative of a recognized employee organization, city staff, or members of the public ***in regards to labor contract negotiations***

Discussion ensued and it was recommended to add language as noted in bold on 5 Contract Approval This ordinance will require that, before the final proposed contract is placed on the Council Agenda, the Memorandum of Understanding will be posted to the City website ***on the Monday of agenda review*** Additionally, the proposed contract will be placed on the City Council's Agenda as an administrative item on two (2) consecutive Council Meetings to insure the City Council, the bargaining units, and the public have ample time and ability to supply comments

Text additions received a consensus by Council

A motion was made by Peterson, second Posey to direct the City Manager and City Attorney to suspend negotiations and initiate the meet and confer process with all bargaining units to discuss Council's proposal, and to return to Council with a Report in 30 days regarding

Directing the City Attorney to draft a Transparency Ordinance that incorporates the following five (5) components

1 Independent Negotiator The city will hire an independent negotiator (***when desired***) who is not impacted by any outcome in the negotiation process

2 Cost of Contracts The city will cost contracts and/or changes to contracts This ensures an equal

playing ground for both labor organizations and the city, as both will be given the ability to comment about the analysis

3 Offers and Counteroffers This ordinance would require that all offers and counteroffers (**after the first submitted offer and counteroffer**) be disclosed to the public within 24 hours after they have been acted on

4 Council Disclosure Each member of the City Council will be required to disclose any and all verbal, written, or electronic communications they have had with an official representative of a recognized employee organization, city staff, or members of the public **in regards to labor contract negotiations.**

5 Contract Approval This ordinance will require that, before the final proposed contract is placed on the Council Agenda, the Memorandum of Understanding will be posted to the City website **by Agenda Review Monday** Additionally, the proposed contract will be placed on the City Council's Agenda as an administrative item on two (2) consecutive Council Meetings to insure the City Council, the bargaining units, and the public have ample time and ability to supply comments, **as amended to suspend negotiations with all associations; meet and confer regarding this concept and return with a report to Council in 30 days.**

The motion carried by the following vote

AYES	Posey, Katapodis, Hardy, Sullivan, Delgleize, and Peterson
NOES	O'Connell

City Manager Wilson clarified that all negotiations will be suspended until this process is completed Councilmember O'Connell questioned what will happen when a contract expires City Manager Wilson responded that no contracts expire before September 30, 2015, and current contracts remain in effect until replaced

#### **COUNCILMEMBER COMMENTS (Not Agendized)**

Councilmember Posey reported attending most of the functions related to the successful U S Open Surfing event, and The Bungalow, Huntington Beach opening

Councilmember O'Connell reported attending the BIA and ACC-OC Residential Development in 2015 Discussion, the Retirement Party for Tom Graham, Debbie Dove, Kay Crawford and Darrin Dixon, the OCBC Executive Invitational 2015 Golf Tournament and Reception, the OC Division League of California Cities General Membership Meeting, the memorial service for Rooster Lowell Dixon, The Bungalow opening and the Huntington Beach Junior Lifeguard Program's 21st Annual Pancake Breakfast

Councilmember Peterson reported attending the Surfing Walk of Fame ceremony, and U S Open, which was a successful event due to the great work of ING and Vans, plus the efforts of Huntington Beach Police and Fire Departments

Councilmember Delgleize reported attending the Surfing Walk of Fame events, the U S Open, and the BIA and ACC-OC - OC Residential Development in 2015 Discussion, and announced not to miss Bill Anderson's gallery in Sunset Beach

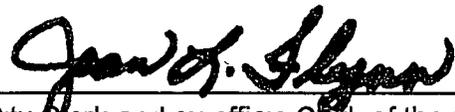
Councilmember Sullivan reported attending the Retirement Party for Tom Graham and Debbie Dove, who will be missed not only because they were exemplary employees but also because of their tireless efforts for the 3/1 Marines

Mayor Pro Tem Katapodis reported attending the Huntington Beach Arts & Cultural - Athletes tour Art Center for the Special Olympics event, spoke at the LDS Breakfast to send off the Australian Special Olympics Delegation, Special Olympics World Games Los Angeles 2015 Opening Ceremony, Retirement Party for Tom Graham, Debbie Dove, Kay Crawford, Darrin Dixon and Sergeant Rob Warden, Surfing Walk of Fame events, and the OC Division, League of California Cities General Membership Meeting with Assemblymember Matthew Harper

Councilmember O'Connell reported attending the Premiere Girls' Fast Pitch National Championship held in Huntington Beach the last 10 days which brought upwards of 30,000 people to our City

Mayor Hardy reported a very busy couple of weeks just with attending the Special Olympics events in cooperation with the City of Fountain Valley as a host city, Huntington Beach Day at the O C Fair, U S Open events, and Pacific City Bungalow event

**ADJOURNMENT** at 10 12 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, August 17, 2015, at 4 00 PM in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California



City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Secretary of the Public Financing Authority of the City of Huntington Beach, California

**ATTEST:**

  
City Clerk-Secretary  
Mayor Char