

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

Monday, May 2, 2011  
5:00 PM - Room B-8  
6:00 PM - Council Chambers  
Civic Center, 2000 Main Street  
Huntington Beach, California 92648

**An audio recording of the 5:00 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/)**

5:00 PM - ROOM B-8

CALL TO ORDER – 5:00 PM

ROLL CALL

Present: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper (arrived at 5:12 PM), and Shaw

Absent: None

**ANNOUNCEMENT OF COMMUNICATIONS RECEIVED AFTER AGENDA DISTRIBUTION**

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

A PowerPoint presentation for Study Session Item No. 1 provided by Lori Ann Farrell, Director of Finance dated May 2, 2011 and entitled *CalPERS Actuarial Issues - 6/30/09 Valuation Preliminary Results, John E. Bartel, Bartel Associates, LLC.*

**PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS (3 Minute Time Limit) - None.**

**STUDY SESSION**

1. A presentation was provided by the Finance Department on the CalPERS Actuarial Valuation prepared by John Bartel, Bartel & Associates

City Manager Fred Wilson introduced John E. Bartel with Bartel Associations, LLC. Mr. Bartel made a PowerPoint presentation entitled *CalPERS Actuarial Issues - 6/30/09 Valuation Preliminary Results*, that included the following titled slides: Agenda, Definitions, Summary of Demographic Information - Safety, Members Included in Valuation - Safety, Funded Status - Safety, Employer Rate Projections - Safety, Summary of Demographic Information -

Miscellaneous, Members Included in Valuation - Miscellaneous, Funded Status (Millions) - Miscellaneous, Employer Rate Projections - Miscellaneous, Contribution Policy, Benefits Factors - Miscellaneous, Benefit Factors - Safety, Current Benefits, Alternative Benefits, Estimated Savings (000's) - Miscellaneous, Estimated Savings (000's) - Safety, and Projected Payroll.

Councilmember Dwyer and Mr. Bartel discussed the Actuary (CalPERS Discount Rate of 7.75% Investment Return Assumption). Councilmember Shaw questioned today's rate of return, and discussion ensued on unfunded liability and membership contribution rates.

Mr. Bartel addressed short-term budget savings, and his recommendation that employees pay a greater share or full portion of their CalPERS contribution rate. Mayor Pro Tem Hansen questioned short- versus long-term recommendations. Discussion ensued regarding benefit levels for short- versus long-term employees, and what other jurisdictions are doing to remain competitive in the job market.

#### RECESS TO CLOSED SESSION

By consensus the Council recessed to Closed Session.

#### CLOSED SESSION

2. Pursuant to Government Code Section 54957.6, the City Council recessed to Closed Session to meet with its designated labor negotiators: Fred Wilson, City Manager; Paul Emery, Deputy City Manager; Bob Hall, Deputy City Manager; Michele Carr, Director of Human Resources; and Lori Ann Farrell, Director of Finance, regarding labor negotiations with all labor groups.

3. Pursuant to Government Code § 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuits: Squirrell v. City of Huntington Beach, et al., Orange County Superior Court Case No. 30-2010-00355326. Junior Life Guard incident of July 14, 2009, resulting in the death of minor participant.

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/REDEVELOPMENT AGENCY/PUBLIC FINANCE AUTHORITY MEETING - 6:21 PM.

CLOSED SESSION REPORT BY CITY ATTORNEY - None.

#### ROLL CALL

Present: Shaw, Harper, Hansen, Carchio, Bohr, Dwyer, and Boardman  
Absent: None

PLEDGE OF ALLEGIANCE - Led by Mayor Pro Tem Don Hansen.

#### INVOCATION

The invocation was given by Maria Khani, Greater Huntington Beach Interfaith Council.

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

#### AWARDS AND PRESENTATIONS

**Announcement** - As part of the City's Human Relations Task Force recognition of federal diversity months, May is Asian/Pacific American Heritage Month. May was selected as the month to honor our fellow Americans of Asian and Pacific descent in recognition of the first Japanese immigrants to the United States on May 7, 1843, as well as the completion of the transcontinental railroad on May 10, 1869. On behalf of the City Council, we join in this celebration as we recognize their struggles and achievements throughout our history. Mayor Carchio also announced it was "Older American Month" and expressed his appreciation for all those generations had contributed.

**Presentation** - Mayor Carchio called on Huntington Beach Marketing and Visitors' Bureau President Steve Bone and Vice President of Sales and Marketing Bob Wentworth to announce *Tourism Week* May 7th to May 14th.

**Presentation** - Mayor Carchio called on Jim Powers to accept a proclamation for National Bike Month, including the third week of May which is "Bike to Work Week."

#### ANNOUNCEMENT OF COMMUNICATIONS RECEIVED AFTER AGENDA DISTRIBUTION

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

Communication for Consent Item No. 6 received from Jennifer McGrath, City Attorney, dated April 29, 2011, submitting a replacement page 1 for Resolution No. 2011-29.

Communication for Consent Item No. 8 received from Michele Carr, Director of Human Resources, dated April 28, 2011 cancelling (pulling) the staff report regarding the Huntington Beach Firefighters' Association (HBFA) Side Letter Agreement.

Communication for Public Hearing No. 10 received from Scott Hess, Director of Building and Planning requesting the Magnolia Oil Storage Tank Demolition Public Hearing be continued open to the May 16, 2011 City Council meeting.

PowerPoint presentation submitted for Ordinances for Introduction Item No. 12 from Bob Hall, Deputy City Manager, entitled *Local Vendor Preference*.

#### PUBLIC COMMENTS (3 Minute Time Limit)

(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/>).

Stephani Deagle, representing Relay For Life, described the various events planned for their 24-hour fundraiser for the American Cancer Society being held at Central Park beginning at 11:00 a.m. on Saturday, May 21, and ending at 11:00 a.m. on Sunday, May 22. Special guests include Miss Huntington Beach and Tony Gonzales from the Atlanta Falcons football team. (00:15:14)

Ralph Bauer, former Mayor and long-term Huntington Beach resident, spoke regarding an unsubstantiated rumor that the Art Center will be moved from its downtown location and replaced by a new Surf Museum. He rendered his opinion that contemplating such a move might ignite a public relations nightmare, and suggested that the current Surf Museum be sold and the proceeds used as seed money for a new Surf Museum in a suitable location. (00:18:15)

Sherie' Fransen, a resident of Huntington Beach and a local artist, spoke in support of the Huntington Beach Arts Center. She described how the 2007 exhibition of her paintings at the Huntington Beach Arts Center benefited her both personally and financially. Now a nationally recognized artist, she urged the Council to keep the venue operating for the benefit of all artists, as well as the community. (00:21:50)

Cathy Cooper, a resident of Los Angeles and a sculpture artist, spoke in support of the Huntington Beach Arts Center. She emphasized the importance and value of the venue for local artists, and especially for younger artists who are learning their craft. (00:24:23)

Linda Lewis, a volunteer with the Second Harvest Food Bank of Orange County, announced their food bank drive that benefits the hungry of Orange County. On Saturday, May 14, United States Postal Service letter carriers will collect all non-perishable food donations that residents place adjacent to their mail boxes. For further information visit: [www.feedoc.org](http://www.feedoc.org). (00:27:37)

Brett Morehead, a retired Huntington Beach Firefighter (1969-2002), requested the City Council's assistance in resolving with the Finance Department an alleged delinquent health care premium from October (or December) of 2004. (00:30:01)

Diane Thompson, a resident of Huntington Beach and a member of the Chamber of Commerce Board of Directors, spoke in support of Agenda Item No. 12 (Ordinance No. 3913 Local Vendor Preference threshold). (00:32:20)

Darrin Witt, President of the Huntington Beach Firefighters' Association (HBFA), requested that the City Council approve HBFA's latest good faith offer regarding future wages and benefits. (00:32:59)

Brian Barclay, President of the Music Teachers Association of California - Orange County West Branch (MTAC-OCW), spoke in support of the Huntington Beach Arts Center. He discussed the mutually beneficial 8-year relationship between MTAC-OCW and the Huntington Beach Arts Center, and how it has directly benefited thousands of music students over the years. (00:37:31)

Donna Brandt, an instructor at the Therapeutic Riding Center of Huntington Beach (a 501C3 Non-Profit Corporation) and Event Chair of their 3<sup>rd</sup> Annual "Kentucky Derby Day" fundraiser benefiting those with disabilities, described the various attractions that will be available for adults as well as children. She invited everyone to attend on Saturday, May 7 at the Equestrian Center at Golden West and Ellis from 2:00 p.m. until 6:00 p.m. Pre-sale admission is \$10 for adults and \$5 for children. (00:40:47)

Don MacAllister thanked the City Council, City Attorney and Fire Chief for their participation at the 1<sup>st</sup> Annual Family Fun Day sponsored by the Kiwanis. (00:44:13)

Fred Nowroozi, President and CEO of FANA Global Foundation, a 501C3 Non-Profit, Non-Political Public Benefit Corporation founded in 2010, stated their values of oneness, transformation, and embracement of goodness for all with exclusion of no one. Niloo Nikpour, Treasurer of FANA Global Foundation, stated their two missions: (1) raise awareness about worldwide childhood malnutrition and; (2) empower children to create and build a sustainable healthy future for themselves and their families. She described their Childhood Wellness 5K Walk Event that will be held at the beach across from the Huntington Beach Hyatt Regency on Sunday, September 25, beginning at 8:00 a.m. Mr. Nowroozi asked the City Council to participate in the 5K Walk, and to provide transportation for the disadvantaged students of Huntington Beach Oak View Elementary School from the school to the 5K Walk site. For more information visit: [www.fanaglobal.org](http://www.fanaglobal.org). (00:44:51)

Candace Bartsch, a Board Member of the Huntington Beach Council On Aging (HBCOA), spoke regarding Older American's Month (May 2011), whose theme is "Older Americans Connecting the Community." She discussed the services that HBCOA provides for senior citizens, and the increasing demand for those services due to the increased population and life expectancy of those reaching the age of 65. For further information visit: [www.hbcoa.org](http://www.hbcoa.org). (00:48:32)

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

Mayor Carchio reported that Sgt. John Paul Castro of the United States Army's 101st Airborne Division, a 25-year old father of two, lost his life on April 22 in a close-encounter firefight in Afghanistan's Paktika Province. Also involved in the firefight was PFC Russell Hall, the son of Deputy City Manager Robert Hall. Mayor Carchio wished PFC Hall and his comrades all the best, and asked everyone to keep them in their prayers.

Councilmember Bohr submitted a written report that will be made available in the City Clerk's Office.

#### CITY MANAGER'S REPORT

City Manager Wilson reported the current status of the Civic Center Solar Project. The project is on schedule, building permits were issued for the Central Library and the Civic Center Project, trees have been removed from the City Hall parking lot in anticipation of solar construction, and the project should be completed on schedule in September of 2011.

Mayor Carchio and City Manager Wilson discussed alternate parking locations for City employees and the public until the City Hall parking lot is reopened.

#### CONSENT CALENDAR

1. Approved and adopted minutes.

A motion was made by Hansen, second Bohr to approve and adopt the minutes of the City Council/Redevelopment Agency/Public Financing Authority Regular Meeting of April 18, 2011, as written and on file in the Office of the City Clerk. The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

2. Received and filed the City Treasurer's March 2011 Investment Summary Report.

A motion was made by Hansen, second Bohr to receive and file the Monthly Investment Report for March 2011, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach. The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

3. Received and filed the 230 Park Impact Fee Annual Report for FY 2009/2010.

A motion was made by Hansen, second Bohr to receive and file the 230 Park Impact Fee Annual Report for fiscal year 2009/2010 The motion carried by the following roll call vote:

AYES: Shaw, Harper, Hansen, Carchio, Bohr, Dwyer, and Boardman  
NOES: None

4. Approved the Strand Parking Structure Budget pursuant to the Operating Agreement with CIM/Huntington LLC., and appropriated funds to cover the operating expenditures.

A motion was made by Hansen, second Bohr to approve the June 2011 - September 2012 Strand Parking Budget, establishing estimated revenues and expenditures relating to the Strand Parking Structure; and, appropriate \$350,000 in expenditures (from the Strand Parking Revenue) in Fund 712 for Fiscal Year 2010/11 for payment of operating expenditures related to the Strand Parking Structure through the end of the City's fiscal year (September 2011). The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

5. Adopted Resolution No. 2011-28 authorizing submittal of an application for Proposition 84 Funding (Urban Greening) for the East Garden Grove Wintersburg Channel Urban Runoff Diversion Project, Phase I.

Consent Calendar Item No. 5 was pulled for separate consideration by Councilmember Dwyer.

Councilmember Dwyer requested and Public Works Director Hopkins provided an update on the status of the East Garden Grove Wintersburg Channel Urban Runoff Diversion Project, Phase I.

A motion was made by Dwyer, second Harper to adopt Resolution No. 2011-28, "A Resolution of the City Council of the City of Huntington Beach Approving the Application for Grant Funds for the Urban Greening Grant Program Under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84)." The motion carried by the following roll call vote:

AYES: Shaw, Harper, Hansen, Carchio, Bohr, Dwyer, and Boardman  
NOES: None

6. Adopted Resolution No. 2011-29 declaring the disposition of surplus property and approved Quitclaim Deed to release City's interest in said property adjacent to 7742 Glencoe Avenue.

A motion was made by Hansen, second Bohr to adopt Resolution No. 2011-29, "A Resolution of the City Council of the City of Huntington Beach Declaring the Disposition of Certain Surplus Property," and authorize the Mayor and City Clerk to execute; and, approve the subject Quitclaim Deed, and authorize the Mayor and City Clerk to execute on behalf of the City of Huntington Beach, **as amended by late communication to replace page one of Resolution No. 2011-29**. The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

7. Approved a Memorandum of Understanding (MOU) between the City of Huntington Beach and the Huntington Beach Council on Aging (HBCOA).

A motion was made by Hansen, second Bohr to approve the updated "Memorandum of Understanding between the City of Huntington Beach and the Huntington Beach Council on Aging;" and, authorize the Mayor and City Clerk to execute the Memorandum of Understanding. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Hansen, Carchio, Bohr, Dwyer, and Boardman  
NOES: None

~~8. **WITHDRAWN BY LATE COMMUNICATION** Request to Approve Resolution No. 2011-32 approving a Side Letter Agreement to modify the Memorandum of Understanding (MOU) between the City of Huntington Beach and the Huntington Beach Firefighters' Association (HBFA) regarding wage increase deferral.~~

#### PUBLIC HEARING

9. Conducted a public hearing and adopted Resolution Nos. 2011-30 and 2011-31 authorizing Staff to apply to the California Department of Transportation for a Federal Transit Administration Section 5310 Program Grant and to execute and file all Certification of Assurances, Contracts, and Agreements.

Mayor Carchio opened the Public Hearing.

City Manager Wilson stated that Agenda Item No. 9 is a mandatory public hearing before the City can apply for the grant.

City Clerk Flynn announced there were no speakers and no late communications for Agenda Item No. 9.

Mayor Carchio closed the Public Hearing.

A motion was made by Hansen, second Boardman to adopt Resolution No. 2011-30, "A Resolution of the City Council of the City of Huntington Beach Authorizing Staff to Apply to the California Department of Transportation for a Federal Transit Administration Section 5310 Program Grant" to purchase four accessible vans to transport elderly for the "Surf City Seniors

on the GO!" senior transportation program; and, adopt Resolution No. 2011-31, "A Resolution of the City Council of the City of Huntington Beach Authorizing Execution of Documents Required by California Department of Transportation for Grant Funds Available for Capital Transportation Projects Pursuant to Section 5310 of the Federal Transit Act." The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

**10. AS REQUESTED BY LATE COMMUNICATION, CONTINUED WITH PUBLIC HEARING OPEN TO MAY 16, 2011** Mitigated Negative Declaration No. 10-07 and Coastal Development Permit No. 10-11 (Appeal of Planning Commission's Approval - Magnolia Oil Storage Tanks Demolition and Transfer Pipeline Removal) Continued from April 18, 2011.

#### ADMINISTRATIVE PUBLIC HEARING

11. Conducted Administrative Public Hearing pursuant to Resolution No. 2011-14 for the 2011 Annual Weed Abatement Program on public and private property.

City Manager Wilson stated that Agenda Item No. 11 is a mandatory public hearing and deferred to Public Works Director Hopkins.

Public Works Director Hopkins provided a PowerPoint presentation entitled *Program Timeline*.

Councilmember Dwyer and Public Works Director Hopkins discussed the overall cost of the Weed Abatement Program.

Mayor Carchio opened the Public Hearing.

City Clerk Flynn announced there were no speakers and no late communications for Agenda Item No. 11.

Mayor Carchio closed the Public Hearing.

A motion was made by Dwyer, second Harper to open a public hearing for any objections and protests to the proposed removal of weeds, refuse and rubbish; following the hearing, authorize the Superintendent of Streets (Director of Public Works) to proceed with the abatement of said nuisance. The motion carried by the following roll call vote:

AYES: Boardman, Dwyer, Bohr, Carchio, Hansen, Harper, and Shaw  
NOES: None

#### ORDINANCES FOR INTRODUCTION

12. Approved for introduction Ordinance Nos. 3913 and 3914 amending the Huntington Beach Municipal Code to reflect raising the Local Vendor Preference threshold for commodities and professional services from 1% to 5%; and authorized execution of an agreement with Huntington Beach Auto Dealers for a one-year pilot Annual Beach Parking Pass incentive program.

City Manager Wilson stated the purposes of Ordinance Nos. 3913 and 3914 and deferred to Deputy City Manager Hall.

Deputy City Manager Hall provided a PowerPoint presentation entitled *Local Vendor Preference* including slides titled: Background; Definition of Local Business; Staff Recommendation; Auto Dealer Incentive Program; and Recommended Action.

Councilmembers Dwyer and Harper spoke in support of Agenda Item No. 12.

Councilmember Harper requested an annual report from Staff on the results of the Annual Beach Parking Pass program.

Councilmember Shaw and Deputy City Manager Hall discussed how the programs will be publicized for small businesses.

A motion was made by Bohr, second Hansen to after the City Clerk read by title, introduce Ordinance 3913, "An Ordinance of the City of Huntington Beach Amending Chapter 3.02 of the Huntington Beach Municipal Code Relating to the Purchasing of Goods and Services," authorizing staff to implement 5% local vendor preference for commodities or \$5,000.00, whichever amount is lower (capping the maximum bid amount of \$100,000); and, introduce Ordinance 3914, "An Ordinance of the City of Huntington Beach Amending Chapter 3.03 of the Huntington Beach Municipal Code Relating to Professional Services," to provide five additional points for Huntington Beach-based businesses bidding on professional services; and, authorize the City Manager to execute an agreement approved in form by the City Attorney with Huntington Beach Auto Dealers for the one-year pilot Annual Beach Parking Pass incentive program. The motion carried by the following roll call vote:

AYES: Shaw, Harper, Hansen, Carchio, Bohr, Dwyer, and Boardman  
NOES: None

#### COUNCILMEMBER COMMENTS (Not Agendized)

Comments were provided by Councilmembers Harper, Dwyer, Hansen, and Mayor Carchio.

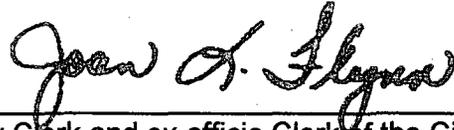
#### RECESS BACK INTO CLOSED SESSION - 7:43 PM

Council recessed back to Closed Session to conclude discussions on the agendized Closed Session items.

CLOSED SESSION REPORT BY CITY ATTORNEY - None.

ADJOURNMENT

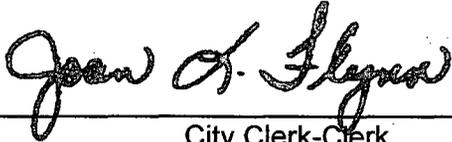
At 8:48 PM, Mayor Carchio adjourned the meeting to Monday, May 16, 2011, at 4:00 PM in Room B-8, Civic Center, 2000 Main Street, Huntington Beach, California 92648.



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City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Clerk of the Redevelopment Agency of the City of Huntington Beach, California

ATTEST:



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City Clerk-Clerk



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Mayor-Chair