

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

Monday, August 2, 2010  
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  
is on file in the Office of the City Clerk and is archived at  
[www.surfcity-hb.org/government/agendas/](http://www.surfcity-hb.org/government/agendas/)**

4:00 PM - ROOM B-8

CALL TO ORDER - 4:02 PM

ROLL CALL

Present: Carchio, Coerper (arrived at 4:08), Hardy (arrived at 4:03), Green, Bohr, Dwyer,  
and Hansen

Absent: None

**ANNOUNCEMENT OF LATE COMMUNICATION**

Pursuant to the Brown "Open Meetings" Act, City Clerk Joan Flynn announced receipt of late communication received after distribution of the Council agenda packet:

PowerPoint communication for Study Session Item No. 2 submitted by the Finance Department, dated August 2, 2010, and entitled *City of Huntington Beach Proposed Budget Fiscal Year 2010/11*.

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

**STUDY SESSION**

1. City Administrator and City staff presented an overview of the City Administrator's recommended proposed Fiscal Year 2010/2011 Budget.

City Administrator Wilson provided a brief budget overview and introduced Jennifer Lampman, Budget Manager, to present a PowerPoint presentation entitled *City of Huntington Beach Proposed Budget - Fiscal Year 2010/2011*, with titled slides: FY 2010/11 Budget Presentation Overview, Beginning Challenges (Challenges), PARS (PARS Basics, Preliminary PARS Impact), FY 2010/11 Proposed Budget (General Fund by Department, General Fund Revenues, General Fund Expenditures, New Reductions, Filled Positions Impacted, Operational Reductions, Bright Spots! and Necessity is the Mother of all Invention!).

Finance Director Bob Wingenroth presented the Five-Year Financial Plan that included the following titled slides: Five-Year Financial Plan (Key Assumptions, Preliminary Project Revenue vs. Expenditures), Financial Reserves (General Fund Reserves), Challenges Ahead (There Will Be Things We Don't Know), and Questions.

Discussion between Council and staff centered on the following topics:

- Vacant positions (outsourcing versus retaining)
- Five-year projection measures
- Adopting a two-tier retirement system (associated impacts to the five-year plan)
- Length of hiring freeze
- PARS retirement incentive
- MOU conditions currently in place
- Reduction in Marine Safety hours
- Reduction in Crossing Guards
- Difference between FY 2009/10 and 2010/11 budget (bottom line)
- GIS replacement
- Beach Maintenance
- Story Time Hour reduction
- Collecting lost/overdue book fines
- Loss of Senior Vehicular Body Technician (impact on insurance)
- PARS credit in budget vacancies
- Attrition
- Community Services Director position assumed by Deputy City Administrator
- City Clerk's professional services budget
- Candidate statement reimbursement process
- Passport advertising

Director of Public Works Travis Hopkins and City Engineer Tony Olmos presented the Capital Improvement Program (CIP) PowerPoint that included titled slides: CIP Funding History, Factors Potentially Affecting CIP, New Appropriations, CIP by Category, CIP by Funding Source, Facilities \$2.9M and Neighborhood \$1.7M.

Discussion between Council and staff centered on the following topics:

- Parking lot at 1st and Atlanta (length of ownership, cost of land/parking lot construction)
- Life of an EIR (5 years)
- Gun Range clean up
- 8th Field @ Sports Complex
- Sewer
- Enterprise Funds
- Streets and Transportation
- Water Improvements
- Continuing Projects
- Talbert Lake

RECESS TO CLOSED SESSION - 5:37 PM

A motion was made by Coerper, second Carchio to recess to Closed Session. The motion carried by the following roll call vote:

AYES: Carchio, Green, Bohr, Dwyer, and Hansen  
NOES: None  
ABSENT/OUT OF ROOM: Coerper, and Hardy

#### CLOSED SESSION

2. Pursuant to Government Code Section 54956.9, the City Council recessed into Closed Session to confer with the City Attorney regarding the following workers compensation case: Robert Lancaster, COHB-01-0134; 02-0037, Case No's: ADJ2990647; 2691184; 3473744.

3. Pursuant to Government Code § 54956.9, the City Council recessed into closed session to confer with the City Attorney regarding the following lawsuit: Omnipoint Communications, Inc. (T-Mobile) v. City of Huntington Beach, United States District Court Case No. CV09-3777 RGK, which involves T-Mobile's project to install antennas at Harbour View Park and Bolsa View Park

6:00 PM - COUNCIL CHAMBERS

RECONVENE CITY COUNCIL/REDEVELOPMENT AGENCY/PUBLIC FINANCE AUTHORITY MEETING - 6:02 PM

#### CLOSED SESSION REPORT BY CITY ATTORNEY

City Attorney McGrath announced that a special meeting of the Huntington Beach City Council will be held on Thursday, August 5, 2010 at 4:00 PM in the Council Chambers regarding cell sites.

#### ROLL CALL

Present: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
Absent: None

#### ANNOUNCEMENT OF LATE COMMUNICATION

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

PowerPoint communication submitted for Public Hearing Item No. 17 by Stanley Smalewitz, Director of Economic Development, dated August 2, 2010, entitled *Consolidated Plan 2010-2015 and Action Plan 2010-11, Community Development Block Grant and HOME Program*.

Communication submitted on Public Hearing Item No. 17 by Robert Dettloff, Vice Chair, Resource Development of the Project Self Sufficiency Foundation, dated July 31, 2010, entitled *PSSF letter to City Council*.

PowerPoint communication submitted for Public Hearing Item No. 18 by the Fire Department dated August 2, 2010, and entitled *Fire Department Cost Recovery*.

PowerPoint communication for Administrative Item No. 19 submitted by Administration dated August 2, 2010, and entitled *Sunset Beach Annexation*.

Communications submitted for Administrative Item No. 19 (Sunset Beach annexation) by Diana Mizera, Arlene Mayor, Jeff Nutts, Patricia Swancutt, Elizabeth Gellatly, Wendy McKeever Lack.

PowerPoint communication submitted for Ordinance for Introduction No. 21 by Stanley Smalewitz, Director of Economic Development, dated August 2, 2010, and entitled *Petroleum Pipeline Franchises*.

Communications submitted for Councilmember Item No. 22 (proposed ordinance prohibiting smoking in outdoor dining areas where food is served) by Ron Newman and Dennis Boggeln.

PLEDGE OF ALLEGIANCE - Led by Girl Scout Troop 416 members Marina Elmore, Carly Kaplan, and Kaura Grande.

INVOCATION - Given by Mark Curry, Huntington Beach Interfaith Council

#### AWARDS AND PRESENTATIONS

Mayor Green was joined by Elsa Greenfield to present a commendation to Girl Scout Troop 416 members Marina Elmore, Carly Kaplan, and Kaura Grande for their work to upholster a couch for the Huntington Beach Youth Shelter.

Councilmember Coerper presented his son Michael's Golden Knight wings pin and shot glass to Councilmember Dwyer as a token of appreciation for his attendance at a parachute jump.

Mayor Green called for a moment of silence to honor the passing of Fran Falkner, Councilmember Carchio's mother-in-law, and Warren Hunter, Councilmember Coerper's brother-in-law.

ACTION ON THE FOLLOWING AGENDA ITEM WAS TAKEN OUT OF ORDER:

#### COUNCILMEMBER ITEMS

22. WITHDRAWN BY COUNCILMEMBER COERPER - A Recommendation that the City Attorney draft an ordinance prohibiting smoking in outdoor dining areas where food is served, and for 20 feet from the outdoor dining areas where food is served between the hours of 7:00 A.M. and 9:00 P.M. in District 1 of the Downtown Specific Plan

A motion was made by Coerper, second Carchio to withdraw the item from the agenda. The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
NOES: None

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

(The number following the speaker's comments reflect the approximate point in the archived video located at <http://www.surfcity-hb.org/government/agendas>).

Mark Bixby voiced support for the community of Sunset Beach to participate in the Local Agency Formation Commission (LAFCO) process to incorporate, and also spoke in support of reducing second hand smoke in public places. (00:14:45)

Don MacAllister, Surfing Walk of Fame, discussed events to showcase Walk of Fame honorees including a private reception on Wednesday, August 4 at 10:00 AM, and an all day event on Thursday, August 5. (00:18:00)

Renee Ellerbroek questioned the Huntington Beach City Council's right to make decisions about Sunset Beach, a community they do not govern, and urged Council to discontinue action and allow Sunset Beach residents to participate in the LAFCO process to incorporate. (00:19:42)

Julie Lurie spoke in opposition to the annexation of Sunset Beach, voicing concerns about Huntington Beach debt and property taxes. She urged Council to allow Sunset Beach residents to pursue incorporation. (00:21:18)

Scot Dodson spoke in opposition to the annexation of Sunset Beach, voicing concerns about additional Police resources, reduced number of lifeguards, and water services. He urged Council to allow Sunset Beach residents to seek incorporation. (00:23:30)

Robert Ferguson, Humboldt Island resident, complimented Street services for removing a fallen tree immediately in his neighborhood. He urged Council to table a decision on the annexation of Sunset Beach, drawing attention to global issues that affect all areas. (00:25:30)

Diana Dodson discussed the small number of individuals in favor of Sunset Beach annexation, compared to the large number who oppose it. She also discussed the community's activity to incorporate. (00:28:53)

Charles G. Bakaly Jr. urged Council to table a vote to annex Sunset Beach and allow the community to participate in the LAFCO process. (00:32:04)

Maria Jones discussed her impression of the City's involvement in assisting Brethren Christian School to move AYSO soccer lights, and voiced concerns about their future building plans. (00:34:00)

Clem Dominguez spoke in opposition to the annexation of Sunset Beach and urged Council to allow residents to seek incorporation. He also voiced concerns related to parking, bars, blight, eminent domain and urbanization (00:36:13)

Tom Burke spoke in opposition to the annexation of Sunset Beach, and discussed residents' efforts to sustain the community. (00:39:30)

Larry Crandall spoke in opposition to annexation of Sunset Beach and urged Council to allow LAFCO to decide if Sunset Beach qualifies as a city. (00:42:45)

Jack Markovitz spoke in opposition to the annexation of Sunset Beach, discussed the recent formation of a Political Action Committee with 40 volunteers, and stated that 90% of Huntington Beach residents do not support annexation. He also voiced legal concerns regarding Proposition 218 and certain sections of the government code. (00:44:47)

Councilmember Hansen questioned if Sunset Beach residents were able to participate in the LAFCO process and were denied incorporation, would the residents support annexation by Huntington Beach. Discussion ensued regarding price of a feasibility study and the likelihood that Sunset Beach residents will not be granted a vote on the issue.

Lauren Alderette spoke in opposition to annexation of Sunset Beach, described the area's character, its community events, history, and the importance of a democratic process. (00:53:00)

Gretchen Hoad spoke in opposition to annexation of Sunset Beach and her opinion that the action is meant to balance the Huntington Beach city budget and maintain reserves, but will not benefit the residents of either community. (00:56:00)

Leslie Markovitz spoke in support of Sunset Beach independence, and in opposition to its annexation. (00:58:00)

Ben Frederickson spoke in opposition to the annexation of Sunset Beach. (01:00:05)

Mike Van Voorhis, Vice President, Sunset Beach Community Association, spoke in support of annexation of Sunset Beach and discussed a need for qualified Police protection. (01:01:48)

Marilyn Crosby spoke in support of annexation of Sunset Beach and described her past affiliations with several Sunset Beach associations. (01:06:00)

Timothy McCormick spoke in support of annexation of Sunset Beach and described his membership with related community boards. He voiced concerns with placing the financial burden of incorporation on residents, money spent on studies, and outsourcing for vital services. (01:06:57)

Phyllis Maywhort, Bayview Drive resident, spoke in support of annexation of Sunset Beach and voiced concerns about blight and existing Sunset Beach businesses that operate without business licenses or code enforcement. (01:09:59)

John Woods, Sunset Beach resident since 1966, discussed his civic involvement and support for the annexation. He voiced concerns about generating funds for incorporation and services. (01:13:17)

Dawn McCormack, President of the Sunset Beach Women's Club, spoke in support of annexation. She expressed sympathy for residents who wish to incorporate, but feels the decision makes no financial sense. She also requested that if annexed, Council craft binding documents for non-redevelopment to protect the Sunset Beach community. (01:15:03)

Dr. Anthony Nobles spoke in support of annexation of Sunset Beach and discussed his perception that incorporation is not financially feasible based on his attendance at meetings with members of LAFCO and the Orange County Supervisor's Office. (01:18:12)

Jay Myers spoke in opposition to the annexation of Sunset Beach, urging Council to do what is morally right and allow citizens to seek incorporation through LAFCO. (01:21:20)

Mark Weiss voiced concerns about his opinion that the City plans to provide financial assistance to Brethren Christian School to relocate AYSO Soccer lights.

Alison Goldenberg voiced concerns about the City considering a financial contribution to assist the Brethren Christian School in relocating AYSO Soccer lights. (01:26:20)

Scott Miller voiced concerns about the City considering a financial contribution to the Brethren Christian School to relocate AYSO Soccer lights. (01:28:18)

Ian Thompson voiced concerns about the City considering a financial contribution to the Brethren Christian School to relocate AYSO Soccer lights. (01:29:05)

Kent Miller spoke in opposition to annexation of Sunset Beach, urging Council to allow residents to participate in the LAFCO process for incorporation. (01:30:06)

Michael Battistone spoke in opposition to annexation of Sunset Beach, urging Council to allow citizens to participate in the LAFCO process for incorporation. (01:31:34)

Bill Sebring spoke in opposition to annexation of Sunset Beach, urging Council to allow citizens to participate in the LAFCO process for incorporation. (01:34:50)

Greg Griffin spoke in opposition to the annexation of Sunset Beach and expressed concerns about residents not having the right (according to LAFCO and the County Orange) to vote on annexation, especially when a majority of Sunset Beach residents support its independence. (01:38:00)

Tom Nuccio spoke in opposition to annexation of Sunset Beach, explaining that his parents are residents there. (01:41:40)

Gerard Brown, Freedom from Huntington Beach, spoke in opposition to annexation of Huntington Beach, urging Council to allow residents a vote, and discussed his emotional ties to incorporation and the process of government. (01:42:16)

Dan Domancich, Huntington Beach business owner, questioned lack of sufficient information on Police patrol services in the Anderson Study, and voiced concerns about Sunset Beach blight and alcohol use on the beach. (01:43:19)

Terese Hampton spoke in opposition to annexation of Sunset Beach, urging Council to allow residents to participate in the LAFCO process for incorporation. (01:45:55)

Tim Geddes requested that Council pull for discussion Consent Item No. 10 (Pacific City Development Project), expressing concerns about the developer's failure to construct perimeter improvements as promised in the development agreement. (01:49:00)

Neal Franks voiced opposition to the annexation of Sunset Beach, voicing concerns about the City taking on additional financial responsibility. (01:51:10)

Susan Pierce, Red Bucket Equine Rescue, invited the community to a fundraising event on August 14 and 15 at the Equestrian Center, describing it as a family event that will include a pancake breakfast, barbeque lunch, dinner, cowboy races, and a hoe down. (01:52:55)

Daniel Lurie spoke in opposition to the annexation of Sunset Beach, and urged Council to allow residents to participate in the LAFCO process for incorporation. (01:54:14)

Graham Hoad, Orange County Sanitation District Board of Directors, spoke in support of annexation and voiced concerns related to residents bearing costs associated with incorporation and services. (01:57:32)

Hans Roggeband requested Council consider his idea to convert the Wardlow School property into an organic farm, garden and arts center to grow crops for local foods banks. He distributed communication to Council that explained his request. (20:00:20)

Mayor Pro Tem Hardy explained how the City negotiated purchase of the Wardlow School ball fields in 2005, and requested that the speaker contact Cathy Fikes for an appointment with Council.

Eric Grandia voiced concerns about beach pollution at Huntington Beach State and City beaches, Bolsa Chica Wetlands, and on Pacific Coast Highway. He requested that Council consider upgrading programs currently in place to remediate the trash problem. (02:03:00)

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

Councilmember Dwyer thanked the Howard Jarvis Taxpayer's Association for volunteering to cover expenses to place the City Charter Measure involving the Infrastructure Fund 617 on the November 2, 2010 ballot.

Councilmember Dwyer announced that the Allied Arts Board is seeking nominees for its upcoming awards ceremony.

#### CITY ADMINISTRATOR'S REPORT

Police Chief Ken Small provided an update on the OC Alert System's message that reported a missing 11-year autistic boy on July 27.

City Clerk Joan Flynn reported that October 18 is the last day to register to vote for the November 2, 2010 General Municipal election, and that the candidate filing period closes on August 6, 2010.

#### CITY TREASURER'S REPORT

1. Reviewed and Accepted the City Treasurer's June 2010 Investment Summary Report

City Treasurer Freidenrich provided a brief PowerPoint presentation.

A motion was made by Coerper, second Carchio to review and accept the Monthly Investment Report. Following review of the report by motion of Council, accept the Monthly Investment Report for June 2010, 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: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
NOES: None

CONSENT CALENDAR

2. Approved and adopted minutes.

A motion was made by Hansen, second Coerper to approve and adopt the minutes of the City Council/Redevelopment Agency/Public Financing Authority regular meeting of July 6, 2010, the City Council/Redevelopment Agency/Public Financing Authority regular meeting of July 19, 2010, and the City the City Council/Redevelopment Agency/Public Financing Authority special meeting of July 20, 2010, as written and on file in the Office of the City Clerk. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

3. Approved and authorized execution of the First Amendment to Agreement for 700 MHz Portable Radios Purchase using Public Safety Interoperable Communications (PSIC) Grant Funding; appropriated \$370,259, and authorized offsetting revenue of \$267,207 from grant revenues from the City of Santa Ana Urban Area Security Initiative (UASI) office

A motion was made by Hansen, second Coerper to accept the "First Amendment to Agreement" between the City of Santa Ana and the City of Huntington Beach; and, approve and authorize the City Administrator and City Clerk to execute the "First Amendment to Agreement" between the City of Santa Ana and the City of Huntington Beach to purchase 100 quantity of the 700 MHz pieces of equipment; and, approve the appropriation of \$370,259 of which \$269,207 is to be fully reimbursed by the grant from the City of Santa Ana Urban Area Security Initiative (UASI) office. The remaining \$74,052 will be funded from appropriations in the upcoming FY 10-11 Police Department's equipment replacement budget; and, authorize the expenditure of \$370,259 to pay for 700 MHz equipment. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

4. Accepted the Gates Foundation Opportunity Online Broadband Grant to improve and support high speed Internet connections at the Helen Murphy branch library and the Banning branch library.

A motion was made by Hansen, second Coerper to approve and accept grant award in the amount of \$20,312 - \$15,252 in FY 2010-2011 and \$4,380 in FY 2011 - 2012 from the Bill and Melinda Gates Foundation Opportunity Online Broadband Grant program providing support for broadband connectivity charges at the Helen Murphy branch library and the Banning branch library; and, appropriate funds into Account numbers to be determined by the Finance Department. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

5. Approved and authorized execution of the agreement for sale of City-owned property near the intersection of Gothard Street and Main Street to the adjacent owner, Gustafson Partners, LLC.

*Pulled for further discussion by Councilmember Coerper*

Councilmember Coerper and staff discussed marketing real estate for the best purchase price.

A motion was made by Coerper, second Hansen to approve the "Agreement for Sale of Surplus Real Property and Escrow Instructions" for the sale of surplus property to buyer, Gustafson Partners, LLC; and, authorize the Mayor and City Clerk to execute the "Agreement for Sale of Surplus Real Property and Escrow Instructions By and Between the City of Huntington Beach and Gustafson Partners, LLC" and all other related documents to convey ownership of the surplus property; and, authorize the Director of Economic Development to execute any other related escrow documents. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

6. Adopted Resolution No. 2010-50 to levy the annual retirement property tax for Fiscal Year 2010/2011 to pay for pre-1978 public employee retirement benefits.

*Pulled for further discussion by Councilmember Hansen*

Councilmember Hansen questioned the progression of consecutive increases on retirement property tax made during the past four years. Finance Director Wingenroth provided the figures and explained staff's recommendation to increase the current tax by .016 percent.

Councilmember Hansen voiced disappointment in asking taxpayers to take on staff's proposed new rate. Mayor Pro Tem Hardy discussed the maximum allowable rate of .03777, how the taxation is governed by voter-approved Proposition 13, and how the proposed increase of .016 percent is necessary for public services.

Councilmember Coerper discussed Cal PERS monies collected into the General Fund and spent on vital services. Councilmember Bohr discussed how the increase equates to \$.41/month for necessary services.

A motion was made by Bohr, second Hardy to adopt Resolution Number 2010-50, "A Resolution of the City Council of the City of Huntington Beach Levying a Retirement Property Tax for Fiscal Year 2010/11 to Pay for Pre-1978 Public Employee Retirement Benefits" of \$.01600 per \$100 of assessed valuation. The tax rate of \$.01600 would increase general fund revenue approximately \$250,000.

Councilmember Hansen and City Attorney McGrath discussed litigation that occurred in 2001.

The motion failed by the following roll call vote:

AYES: Coerper, Hardy, and Bohr  
NOES: Carchio, Green, Dwyer, and Hansen

A motion was made by Hansen, second Carchio to retain the current retirement property tax rate for Fiscal Year 2010/11. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Dwyer, and Hansen  
NOES: Bohr

7. Approved project plans and specifications and awarded construction contract in the amount of \$1,570,599 to CCL Contracting, Inc., Escondido, California, for the Water Main Replacement Project, CC-1361; and, authorized execution and 15% in change orders

A motion was made by Hansen, second Coerper to approve the project plans and specification for Water Main Replacement Project, Various Locations Downtown, CC1361; and, accept the lowest responsive and responsible bid submitted by CCL Contracting, Inc., in the amount of \$1,570,599; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney; and, authorize the Director of Public Works to approve up to fifteen percent (15%) in construction change orders. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

8. Awarded Miscellaneous Service Contract in the amount of \$578,600 to Palp, Inc. dba Excel Paving Company for the asphalt overly of various residential streets, MSC-474; and, authorized the appropriation of \$30,000 and 12.5% in contingencies

A motion was made by Hansen, second Coerper to accept the lowest responsive and responsible bid submitted by Palp, Inc. dba Excel Paving Co. in the amount of \$514,095.20; and, approve the appropriation of \$30,000 from Proposition 42 undesignated fund balance to 21990417.82200; and, authorize the Mayor and City Clerk to execute a construction contract in the amount of \$578,600 in a form approved by the City Attorney; and, authorize the Director of Public Works to approve up to twelve and one half percent (12.5%) of the contract in contingencies. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

9. Approved project plans and specifications and awarded Construction Contract in the amount of \$167,565.80 to Sancon Engineering, Inc. for Sewer Rehabilitation Project, CC-1339

A motion was made by Hansen, second Coerper to approve the project plans and specifications for the Sewer Rehabilitation Project for the neighborhood bordered by Adams Avenue, Bushard Street, Cape Cod Drive, and Chesapeake Lane, CC1339; and, accept the lowest responsible and responsible bid, including the additive alternate project bid item for lining of 10 sewer manholes submitted by Sancon Engineering, Inc. in the amount of \$167,565.80; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

10. Approved Amendment 1 to Subdivision Agreement with Makallon Atlanta Huntington Beach, LLC, (Makar) for Tract No. 16338 extending the term for completion of infrastructure improvements at the Pacific City development project.

A motion was made by Hansen, second Coerper to approve and authorize the Mayor and City Clerk to execute "Amendment 1 to Subdivision Agreement By and Between the City of

Huntington Beach and Makallon Atlanta Huntington Beach, LLC for Tract No. 16338." The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

11. Adopted Resolution No. 2010-54 approving Residential Permit Parking District "M" on Sculpin Lane between Warner Avenue and Sun Drive; Sun Drive between Cod Circle and Limelight Circle; Cod Circle between Sun Drive and its Northerly Terminus; and, Limelight Circle between Sun Drive and its Northerly Terminus

A motion was made by Hansen, second Coerper to adopt Resolution No. 2010-54, "A Resolution of the City Council of the City of Huntington Beach Establishing Permit Parking District "M" Within the City of Huntington Beach." The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

12. Approved and authorized execution of a License Agreement between the City of Huntington Beach and Hurley for sponsorship of two lifeguard towers; and, approved the \$90,000 reimbursement to the City

A motion was made by Hansen, second Coerper to approve and authorize the Mayor and City Clerk to execute the "License Agreement Between the City of Huntington Beach and Hurley for Sponsorship of Two Lifeguard Towers," after the receipt of the insurance; and, approve the reimbursement of \$90,000 to the Community Services Department for the purchase and installation of two lifeguard towers. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

13. Approved and authorized execution of a 3-year Agreement between the City of Huntington Beach and All City Management Services Inc. for Crossing Guard Services Beginning August 30, 2010

*Pulled for further discussion by Councilmember Bohr*

Councilmember Bohr expressed concerns about the City, not the School District, bearing costs related to school crossing guards. He suggested allowing a one-year agreement and putting the School District on notice to assume costs.

A motion was made by Bohr, second Dwyer to approve and authorize the Mayor and City Clerk to negotiate a one year "Agreement Between the City of Huntington Beach and All City Management Services, Inc. for Crossing Guard Services" beginning on August 30, 2010, **as amended to negotiate a one-year agreement, and put the School District on notice to assume future costs.** The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

14. Adopted Resolution No. 2010-56 adopting Capital Improvement Programs (CIP) for the years 2010/2011 through 2016/2017 for compliance with Measure M and Proposition 111 requirements

A motion was made by Hansen, second Coerper to adopt Resolution No. 2010-56, "A Resolution of the City Council of the City of Huntington Beach Adopting Capital Improvement Programs for the Years 2010/2011 through 2016/2017 for Compliance with Measure M and Proposition 111 Requirements." The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

15. Adopted Resolution No. 2010-55 informing the Orange County Transportation Authority (OCTA) that the Circulation Element for the City of Huntington Beach is in conformance with the Master Plan of Arterial Highways (MPAH), allowing the City to qualify for participation in the Combined Transportation Funding Programs (CTFP)

A motion was made by Hansen, second Coerper to adopt Resolution No. 2010-55, "A Resolution of the City Council of the City of Huntington Beach Declaring that Status of the Circulation Element for the City of Huntington Beach." The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

16. Approved an Intergovernmental Service Agreement with the City of Costa Mesa for Jail Services

A motion was made by Hansen, second Coerper to approve and authorize the Mayor and City to execute the "Intergovernmental Service Agreement Between the City of Huntington Beach and the City of Costa Mesa for Detention at Huntington Beach Police Department of Detainees Held in Custody by the Costa Mesa Police Department" for booking and detention services. The motion carried by the following roll call vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, and Hansen  
NOES: None

#### PUBLIC HEARING

17. Approved the 2010-2015 Housing and Urban Development (HUD) Consolidated Plan; the 2010/11 HUD Action Plan for the Community Development Block Grant (CDBG)/HOME Investment Partnership Program (HOME); and, authorized the City Administrator to sign for federal assistance funds as amended

Sidney Stone, Project Manager, provided a PowerPoint entitled *Consolidated Plan 2010-2015 and Action Plan 2010-11, Community Development Block Grant and HOME Program*, with titled slides: Action Items, CDBG Category Allocations, Recommendations (Public Services), Recommendations (Public Improvements), 2010/11 Allocation, and Next Steps.

Councilmember Dwyer and staff discussed the actual percentage for Fair Housing Council Administration.

Mayor Green opened the public hearing.

City Clerk Joan Flynn read into the record receipt of the following late communications:

PowerPoint communication submitted for Public Hearing Item No. 17 by Stanley Smalewitz, Director of Economic Development, dated August 2, 2010, entitled *Consolidated Plan 2010-2015 and Action Plan 2010-11, Community Development Block Grant and HOME Program*.

Communication submitted on Public Hearing Item No. 17 by Robert Dettloff, Vice Chair, Resource Development of the Project Self Sufficiency Foundation, dated July 31, 2010, entitled *PSSF letter to City Council*.

With no one present to speak on the item, Mayor Green closed the public hearing.

A motion was made by Bohr, second Hardy to approve the City of Huntington Beach 2010-2015 Housing and Urban Development (HUD) Consolidated Plan; and, approve the 2010/11 HUD Action Plan for the Community Development Block Grant (CDBG)/HOME Investment Partnership Program (HOME); and, authorize the City Administrator to sign for federal assistance of \$1,481,423 in CDBG and \$822,743 in HOME Funds for the 2010/11 grant year and any other necessary documents to receive the funds, ***as amended to designate unspent funds in the 15% public service would be offered to the American Family Housing Homeless Program***. The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
NOES: None

18. Approved for introduction Ordinance No. 3888 adding Municipal Code Section 8.43 regarding costs of emergency response; and, Adopted Resolution No. 2010-57 establishing fees

Fire Chief Patrick McIntosh presented a PowerPoint entitled *Fire Department Cost Recovery*, with titled slides: Cost Recovery Basics, Cost Recovery Revenue, Cost Recovery Overview, and Staff Recommended Action.

Councilmember Coerper and staff discussed insurance coverage for operating a motor vehicle, and the number of Orange County cities who participate in the program.

Councilmember Carchio expressed concerns about being underinsured, and staff explained that the rates proposed are consistent with what the industry pays or associated types of service calls.

Mayor Green opened the public hearing.

City Clerk Joan Flynn read into the record receipt of the following late communication:

PowerPoint communication submitted for Public Hearing Item No. 18 by the Fire Department dated August 2, 2010, and entitled *Fire Department Cost Recovery*.

With no one present to speak on the item, Mayor Green closed the public hearing.

A motion was made by Coerper, second Carchio to after the City Clerk reads by title, approve for introduction Ordinance No. 3888, "An Ordinance of the City of Huntington Beach Adding Chapter 8.43 of the Municipal Code Relating to Costs of Emergency Response;" and, after conducting a public hearing adopt Resolution No. 2010 - 57, "A Resolution of the City Council of the City of Huntington Beach Setting the Cost of Emergency Response for Motor Vehicle Incident and Hazardous Materials, Including Pipeline and Power Line Incidents, Rates to be Charged by the Fire Department of the City of Huntington Beach."

Councilmember Dwyer thanked Chief McIntosh for breaking down the costs, but voiced his opposition to the proposal.

Councilmember Hansen and Chief McIntosh discussed how the fee schedule was created.

Councilmember Coerper and Chief McIntosh discussed the citation process for City visitors responsible for causing a traffic accident.

Mayor Green offered support for the proposal.

The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Bohr, Green, Hardy, and Coerper  
NOES: Dwyer

#### ADMINISTRATIVE ITEMS

19. Authorized the preparation of all documents required for application to the Orange County Local Agency Formation Commission (LAFCO) for annexation of the unincorporated County of Orange community of Sunset Beach

City Administrator Wilson offered background on the item. Deputy City Administrator Paul Emery provided a PowerPoint presentation entitled *Sunset Beach Annexation*, with titled slides: *Why Change the Status Quo?*, *Implications of Annexing Sunset Beach*, *Annexation Revenue Expenditure*, *Public Service/Infrastructure Impacts*, *Summary*, *Peer Review Assessment of City Annexation Study*, *Sunset Beach Community Association is Concerned with a Number of Issues*, *Annexation Benefits to Sunset Beach*, *Sunset Beach Commissioned Incorporation Report*, *Key Incorporation Issues (Continued)*, and *Peer Review Assessment of Incorporation*.

John Goss of Ralph Anderson and Associates continued the presentation with the following titled slides: *Sunset Beach Incorporation - Application of Peer Review to the Preliminary Feasibility Analysis*, *Peer Review Implications*, *Peer Fiscal Review (in addition to the Peer Review Conclusion)*, *Other Fiscal Impacts*, *Conclusions*, *Annexation Process*, *Timeline*, and *Questions*.

Councilmember Bohr discussed the events behind the proposal, and his views on why annexation makes sense. He spoke of surrounding development, revenue generators, the Local Coastal Program (LCP), parking meters, utility user's tax, water service, efficiencies versus emotions, and misinformation.

LAFCO representative Joyce Crosswaithe responded to questions related to cost of the feasibility study, LAFCO's authority to place Sunset Beach within the Huntington Beach Sphere of Influence, and how the request was not initiated by the City.

Councilmember Coerper and Ms. Crosswaithe discussed a meeting that took place between LAFCO, Sunset Beach residents, and the City to clarify the incorporation process, which is currently four months behind schedule.

Councilmember Coerper and staff discussed the number of Fire, Police and Marine Safety service calls annually, and what will be needed if annexation takes place.

Councilmember Dwyer and Ms. Crosswaithe discussed annexation upon Sunset Beach's failure to incorporate, special election process, availability of staff resources, and the planning process.

Mayor Pro Tem Hardy and Ms. Crosswaithe discussed the applicant's failure to submit funds required for a feasibility study causing a four-month delay.

Council and Orange County Supervisor John Moorlach discussed avenues for placing measures on the November 2, 2010 ballot.

Mayor Pro Tem Hardy expressed opposition to annexation since she does not represent Sunset Beach residents, and her support for their right to incorporate.

Councilmember Hansen and Ms. Crosswaithe discussed LAFCO's experience with Economic & Planning Systems, Inc., (EPS). Councilmember Hansen described Sunset Beach as a unique community, and offered support for annexation.

A motion was made by Bohr, second Hansen to direct staff to prepare all the necessary documents required for application to the Orange County Local Agency Formation Commission for annexation of the unincorporated County of Orange community of Sunset Beach, ***amended to give staff authorization to provide proactive outreach to educate facts of the study and create a subcommittee similar to the Southeast HB subcommittee with three Council liaisons to begin a dialogue with Sunset Beach leadership to address their concerns.***

Councilmember Carchio and Ms. Crosswaithe discussed cost estimates for peer review. Discussion ensued on recommendations proposed by Sunset Beach residents in relation to their unique identity, parking and future governance.

Supervisor Moorlach discussed the County's standing policy to annex islands in the County.

Mayor Green questioned costs the City would incur to hold a special election, if needed. She also suggested the City allow residents to pursue incorporation while the City prepares for annexation, a "dual track" of sorts in support of Sunset Beach community residents.

The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Dwyer, Bohr, and Coerper  
NOES: Green, and Hardy

ORDINANCES FOR INTRODUCTION

20. Approved for introduction Ordinance No. 3887 adding Huntington Beach Municipal Code Section 1.08.115 regarding use of the official City seal

A motion was made by Coerper, second Hardy to after the City Clerk reads by title, approve for introduction Ordinance No. 3887, "An Ordinance of the City of Huntington Beach Amending Chapter 1.08 of the Huntington Beach Municipal Code Relating to the Official Seal." The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
NOES: None

21. Approved for introduction Ordinance No. 3889 amending Chapter 3.44 of the Huntington Beach Municipal Code (HBMC) relating to Pipeline Franchises

A motion was made by Carchio, second Coerper to after the City Clerk reads by title, approve for introduction Ordinance No. 3889, "An Ordinance of the City of Huntington Beach Amending Chapter 3.44 of the Huntington Beach Municipal Code Relating to Pipeline Franchises." The motion carried by the following roll call vote:

AYES: Carchio, Hansen, Dwyer, Bohr, Green, Hardy, and Coerper  
NOES: None

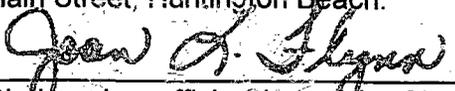
COUNCILMEMBER ITEMS

Comments provided by Councilmembers Carchio, Green and Hardy.

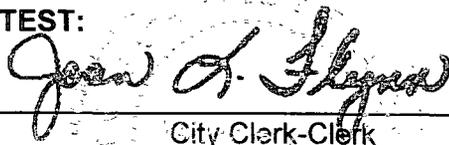
ADJOURNMENT - 10:50 - August 5, 2010 @ 4:00 PM

At 10:50 PM, Mayor Green adjourned the meeting in the name of Staff Sgt. Kyle Warren of Huntington Beach who was killed by an IED in Afghanistan to a special meeting on August 5, 2010 at 4:00 PM in the Council Chambers.

The next regularly scheduled meeting of the Huntington Beach City Council will be held on Monday, August 16, 2010 at 4:00 PM, Civic Center, 2000 Main Street, Huntington Beach.

  
\_\_\_\_\_  
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:

  
\_\_\_\_\_  
City Clerk-Clerk

  
\_\_\_\_\_  
Mayor-Chair