

Agenda Date: 6/17/2014

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, Acting City Manager

FROM:

Richard Thompson, Community Development Director
Laurie Jester, Planning Manager
Angelica Ochoa, Assistant Planner

SUBJECT:

Status Report on the Mills Act - A Preservation Program for Historic Properties (Community Development Director Thompson).

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that the City Council receive the status report on the Mills Act Program, discuss and provide further direction.

FISCAL IMPLICATIONS:

Adoption of the Mills Act Program will require additional staff time and resources from the Community Development Department, and impact work load in the Department. Administration of the ordinance would involve the following: completing an inventory of eligible properties, processing of applications including Commission review, preparing and enforcing each contract with each property owner and reviewing and approving any proposed alterations to the eligible properties during the term of the contract.

BACKGROUND:

Since September 2006, the Culturally Significant Landmark ordinance has been in effect under Title 10 Chapter 10.86 of the Manhattan Beach Municipal Code regarding the designation of culturally significant landmarks. A local task force comprised of voluntary members from the community was formed in 2006 to increase public awareness and community appreciation of Manhattan Beach's unique heritage. The task force, named the Manhattan Beach Cultural Heritage Conservancy is headed by Jan Dennis, a local historian. This group has been actively researching potential historic properties throughout the City to designate as Cultural Significant Landmarks. To date, the City of Manhattan Beach has designated 18 properties as Culturally Significant Landmarks through the efforts of the

Manhattan Beach Cultural Heritage Conservancy. Two properties have been accepted by the State Historic Preservation Office to be listed in the California Register of Historical Resources.

On July 12, 2006, the Planning Commission considered the proposed Cultural Significant Landmark ordinance and adopted Resolution No. PC 06-08 recommending the City Council adopt it. The City Council held public hearings on August 15, 2006 and September 5, 2006 and adopted Ordinance No. 2089 to recognize Culturally Significant Landmark properties in the City of Manhattan Beach. At that time, the Mills Act costs and benefits were discussed by the Planning Commission and City Council. The benefits to the property owners are the financial incentives since the Mills Act provides a reduction in property taxes. The benefit to the City is the preservation of a historic structure. The staff report and minutes are attached as Attachment A.

On May 17th, 2011 and June 7, 2011 (Attachment A), the City Council reviewed amendments to the Culturally Significant Landmark Ordinance to remove the need for a required public hearing for designating properties cultural significance. The current Culturally Significant Landmark Ordinance No. 2143 (Attachment B) only acknowledges and designates properties of historical and/or cultural significance but does not prevent the ability to alter or demolish a designated property. Properties may only be nominated by the property owner. The criteria on determining designation include architectural significance, association with local significant events, association with a significant designer and unique locations which are associated with the City.

DISCUSSION:

The following is a discussion on the introduction of the Mills Act Program, how it will impact properties and the future of preserving historical properties in the City of Manhattan Beach.

Mills Act Program

State law provides for voluntary restrictions on historically significant properties in exchange for reduced property tax. The legislation known as the "Mills Act" (Government Code section 50280 et seq.) requires that local governments adopt a local ordinance establishing historical criteria (or adopting State or Federal standards) and authorizes the City to enter into contracts with property owners meeting those criteria. The contracts would limit an owners' ability to replace or alter the appearance of the property during the term of the contract which must be for a minimum of 10 years. The contract must be binding on the future owners and heirs of the property and must be recorded. The agreement would entitle the property owner to a lower valuation for property tax purposes during the term of the agreement. Participation from the property owner to enter into a contract through the Mills Act is strictly voluntary.

Other Cities (Attachment C)

Other Southern California cities, including the City of Redondo Beach, Hermosa Beach and Pasadena have adopted historic preservation ordinance such as the Mills Act Program. The City of Redondo Beach adopted the Mills Act Program in 1992 and the Program is regulated under the City's Preservation Commission. The Preservation Commission's goal is to promote awareness and use of the Mills Act as an incentive for the preservation of local

historic buildings. One Planner spends 25 to 35% of their time handling historic preservation, plus additional staff and other resources are required for the Preservation Commission, additional Planning Commission review and other related responsibilities.

The City of Hermosa Beach established their historic preservation program in 1998. The program is voluntary and encourages property owners to voluntarily apply for landmark status. The City Council must approve the alteration of a designated landmark or potential landmark through a Certificate of Appropriateness on the list of historic resources established by City Council. An outside consultant reviews the modification to ensure changes meet the historical guidelines. The City Council has designated 28 properties in the City of Hermosa Beach. Three commercial buildings, since 2009, have been designated and protected under the City's Historic Resources Preservation Ordinance.

The City of Pasadena established a historical ordinance in 1992 under the Mills Act Program. Property owners enter into contracts with the City and any alterations to the historic property must follow the Secretary of the Interior's Standards. The City approves up to six contracts per year for multi-family or commercial/industrial properties and up to twenty contracts per year for single family residential properties for historic designation. The program is administered through the Planning and Community Development Department under the Design and Historic Preservation Section.

Manhattan Beach Cultural Heritage Conservancy (Attachment D)

The Manhattan Beach Cultural Heritage Conservancy is requesting that the City Council consider adopting the Mills Act in the City. They feel that the current program does not protect or preserve potential historic properties and that the City of Manhattan Beach is losing its history and not maintaining the original character of the community. They will be making a presentation this evening on the Mills Act along with the Los Angeles Conservancy organization.

CONCLUSION:

Staff is requesting that the City Council provide direction on the further study of the Mills Act Program and the possible adoption of an ordinance in the future.

Attachments:

Attachment A- City Council Staff Reports and Minutes from August 15, 2006, September 5, 2006, May 17th, 2011, and June 7, 2011

Attachment B- Culturally Significant Landmark Ordinance No. 2143

Attachment C- Other Cities Historic Documentation

Attachment D- Manhattan Beach Cultural Heritage Conservancy Documentation

City of Manhattan Beach

1400 Highland Avenue
Manhattan Beach, CA 90266



Meeting Minutes - Final

Tuesday, June 17, 2014

6:00 PM

Regular Meeting

City Council Chambers

5:00 PM Adjourned Regular Meeting - Closed Session

City Council

Mayor Amy Howorth
Mayor Pro Tem Wayne Powell
Councilmember Mark Burton
Councilmember Tony D'Errico
Councilmember David J. Lesser

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A. PLEDGE TO THE FLAG

Curran Hedges, Mayor for the Day, led the Pledge of Allegiance.

B. ROLL CALL

Present: 5 - Mayor Howorth, Mayor Pro Tem Powell, Councilmember Burton, Councilmember D'Errico and Councilmember Lesser

C. CERTIFICATION OF MEETING NOTICE AND AGENDA POSTING

City Clerk Liza Tamura confirmed that the meeting was properly posted.

D. APPROVAL OF AGENDA AND WAIVER OF FULL READING OF ORDINANCES

A motion was made by Councilmember Burton, seconded by Mayor Pro Tem Powell, to approve the agenda and waive full reading of ordinances.. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

E. CEREMONIAL CALENDAR

1. Recognition of Curran Hedges as Mayor for the Day. **14-0289**

PRESENT

Mayor Howorth, on behalf of the City Council, recognized Curran Hedges as the Mayor for the Day and presented him with a certificate and a City pin.

2. Presentation of a Certificate of Recognition to Jeff Nicosia for his Services to the Beach Cities Sports (BCS) Youth Flag Football Program. **14-0270**

PRESENT

Mayor Howorth introduced Parks and Recreation Director Mark Leyman to recognize Mr. Jeff Nicosia for his accomplishments in Beach Cities Sports (BCS) Youth Flag Football.

Mayor Howorth, on behalf of the City Council, presented Mr. Nicosia with a certificate and a City pin.

3. Presentation of a Certificate by Southern California Edison and the South Bay Cities Council of Governments to Recognize the City of Manhattan Beach's Achievement of Rising to the Energy Leader Platinum Level, Representing Significant Electricity Savings in Energy and Energy Efficiency Education for the Community. **14-0278**

PRESENT

Mayor Howorth introduced Marilyn Lyon from SBCCOG who presented a commendation to the City for reaching the highest level of the Energy Leader Program. Ron Garcia of Southern California Edison congratulated the City Council for achieving the Platinum Level for conserving energy, being one of only four cities that Southern California Edison services, that has attained this level..

4. Presentation of a Commendation to the Mira Costa High School Music Department for Being Recognized as a GRAMMY Signature School by the GRAMMY Foundation. **14-0133**

PRESENT

This item was delayed until after the City Council Announcements awaiting the arrival of members of the Mira Costa Choir.

F. CITY MANAGER REPORT

Acting City Manager Bruce Moe gave a brief report regarding the Downtown Specific Plan, 900 Club, and Shade Hotel.

Councilmember Burton commended Acting City Manager Moe for his hard work and encouraged him to apply for Assistant City Manager, should the job be created.

Acting City Manager Moe commented on the LA Kings Parade occurring the following day.

G. CITY ATTORNEY REPORT

None.

H. CITY COUNCIL ANNOUNCEMENTS AND REPORTS

Mayor Howorth spoke of the passing of a member of the community, David Wachtfogel, and requested those present to participate in a moment of silence to honor him.

Mayor Pro Tem Powell announced the Dine and Discover lunch for the older community occurring later in the week.

Councilmember D'Errico reminded the audience of the downtown sidewalk sale occurring later in the month.

Councilmember Lesser announced a "map your neighborhood" program, which helps residents prepare for disasters.

Mayor Pro Tem Powell commended the Kings on their Stanley Cup Championship.

4. Presentation of a Commendation to the Mira Costa High School Music Department for Being Recognized as a GRAMMY Signature School by the GRAMMY Foundation. **14-0133**

PRESENT

Mayor Howorth, on behalf of the City Council, recognized the Mira Costa High School Music Department for being one of three high schools in the country to win the Grammy Signature Gold Award.

The Mira Costa Vocal Ensemble sang the Star Spangled Banner.

City Council commended the choir.

I. COMMUNITY ANNOUNCEMENTS REGARDING UPCOMING EVENTS

Tom Allard, representing the Senior Advisory Community and the Older Adult Program, invited the City Council to the ribbon cutting ceremony for the new petanque court.

Viet Ngo announced a meeting for the Anti-Corruption Advocacy group the following day, and remarked that the Kings should pay for the parade, not taxpayers.

Julliane Catts, President of the South Bay Bicycle Coalition, shared information on a bike friendly business program.

Don Gould, Manhattan Beach Library, spoke regarding summer reading and announced that an opera singer will be at an event at the Lawndale Library on June 21, 2014, at 2:00 PM.

J. PUBLIC COMMENT ON NON-AGENDA ITEMS

Nate Hubbard provided an update on negotiations between residents and the Shade Hotel.

Avigal Horrow, from 1736 Family Crisis Center, started to speak regarding budgetary allocations, but was told to wait until this agenda item was discussed.

David Denelle spoke regarding a program called Car2Go and expressed concern for cars being "dropped off" in his neighborhood.

Viet Ngo spoke of alleged conspiracy and misappropriation of public funds.

Robert Bush spoke about the LA Kings playoff performances, and spoke out against Deutsche Bank.

Katie David is disappointed seeing more office spaces constructed at the expense of the local businesses and wants to keep business local.

Paul Gross spoke in favor of the mall and asked that the City Council not block the project based on a vocal minority of residents who do not want change.

Gerry O'Connor spoke in favor of summary minutes.

K. CONSENT CALENDAR

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, to approve the Consent Calendar with the exception of 5, 8, 9, and 12. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

6. Award of Bid to the Armored Group, LLC for the Budgeted Purchase of One Law Enforcement Tactical Vehicle in the Amount of \$184,000 (Acting City Manager Moe). **14-0244**

APPROVE; APPROPRIATE

The recommendation for this item was approved on the Consent Calendar.

7. Award of Bid to Verde Inc. for the Budgeted Purchase of One Replacement DUI (Driving Under the Influence) Checkpoint Trailer in the Amount of \$27,617.55 (Acting City Manager Moe). **14-0245**

APPROVE

The recommendation for this item was approved on the Consent Calendar.

10. Agreement for Additional Services Not-to-Exceed \$5,000 with Messina and Associates for Team Building, Career Counseling, and Succession Planning Development (Fire Chief Espinosa). **14-0285**

APPROVE

The recommendation for this item was approved on the Consent Calendar.

11. Revised Salary Ranges for the Part-Time Recreation Leader I and Recreation Leader II Positions Due to a Mandated Increase in the State of California's Minimum Wage (Human Resources Director Hanson). **14-0280**

APPROVE

The recommendation for this item was approved on the Consent Calendar.

L. PUBLIC HEARINGS

13. Fiscal Year 2014-2015 Operating Budget (Acting City Manager Moe). **RES 14-0038**
CONDUCT PUBLIC HEARING, ADOPT RESOLUTION NO. 14-0038

Acting City Manager Bruce Moe requested items 13 and 14 be considered together and gave a presentation regarding this item.

Discussion followed between the City Council and Acting City Manager Moe as he responded to questions regarding the adoption of Fiscal Year 2014-2015 Operating Budget.

Mayor Howorth opened the floor for public comment.

Fyllis Kramer spoke in support of the consolidation of part-time Dial-A-Ride drivers to a single full-time driver.

Avigal Horrow, from 1736 Family Crisis Center, spoke regarding the removal of budgetary allocation for the 1736 Family Crisis Center, and outlined her case for funding from the City of Manhattan Beach, providing examples of the assistance the 1736 Family Crisis Center provides.

Viet Ngo alleged misappropriation of federal funds, and alleged criminal activity.

City Council followed up with Acting City Manager Moe about allegations brought by Mr. Ngo.

Gary McAully, Manhattan Beach Historical Society, spoke regarding digitalization of historic newspaper archive.

Bill Victor spoke in support of finding funds for 1736 Family Crisis Center and questioned the addition to the budget to compensate for the \$9 minimum wage when it will not affect any employees.

Gerry O'Connor expressed concern over the escalation of salary costs and suggested annual performance reviews of staff.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

Further discussion continued and Acting City Manager Moe responded to Councilmembers questions, and the role of the budget in planning.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Burton, to adopt Resolution 14-0038, approving Fiscal Year 2014-2015 Operating Budget with the following adjustments:

Full-time Traffic Engineer position and the Dial-A-Ride full-time driver, but freezing these position until such a time as the City Manager has time to review them.

Remove \$37,000 for Legislative Advocacy, the \$48,000 allocated for the Term-Limit Election, and the line-item for staff raises, subject to City Council approval.

At the request of Acting City Manager Moe, clarification of the motion was given.

The City Council asked for clarification regarding the raises provided for in the budget, and discussed the issue of raises and process of approving, and the location of funds, if this item is removed.

Mayor Pro Tem Powell amended his original motion, seconded by Mayor Howorth, to adopt Resolution 14-0038, approving Fiscal Year 2014-2015 Operating Budget with the following adjustments:

Adding back the Full-time Traffic Engineer, the Dial-A-Ride full-time driver, and Graphic Design Artist, but frozen until such a time as the new City Manager has time to review them.

Remove \$37,000 for Legislative Advocacy, and the \$48,000 allocated for the Term-Limit Election.

Keeping the line-item for staff raises, subject to City Council approval.

Discussion arose surrounding the change in the motion.

A motion was made by Mayor Pro Tem Powell, seconded by Mayor Howorth, to adopt Resolution 14-0038, approving Fiscal Year 2014-2015 Operating Budget with the following adjustments:

Adding back in the full-time Traffic Engineer, the Dial-A-Ride full-time driver, and Graphic Design Artist, but frozen until such a time as the new City Manager has time to review them.

Remove \$37,000 for Legislative Advocacy, and the \$48,000 allocated for the Term-Limit Election.

Keeping the line-item for staff raises, subject to City Council approval.

A friendly amendment was proposed by Councilmember Burton to remove the \$48,000 allocated for the term-limit election contingent upon a decision to change the election from November to March, and was accepted by Mayor Pro Tem Powell.

And a further friendly amendment that the allocation for staff raises is frozen until such time as the City Manager briefs City Council on a comprehensive pay plan.

Further discussion arose surrounding the allocation for staff raises.

A further amendment was proposed by Councilmember Burton to freeze the allocation for staff raises until the City Manager briefs the City Council conceptually on a comprehensive pay plan.

A motion was made by Mayor Pro Tem Powell, seconded by Mayor Howorth, to adopt resolution 14-0038, approving Fiscal Year 2014-2015 Operating Budget with the following adjustments:

Add full-time Traffic Engineer, the Dial-A-Ride full-time driver, and Graphic Design Artist, but frozen until such a time as the new City Manager has time to review them.

Remove \$37,000 for Legislative Advocacy, and the \$48,000 allocated for the Term-Limit Election.

Keeping the line-item for staff raises, subject to City Council approval.

Removal of the \$48,000 allocated for the Term-Limit Election contingent upon a decision to change the election from November to March.

Allocation for staff raises is frozen until such time as the City Manager briefs City Council on a comprehensive pay plan.

The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

- 14.** Public Hearing and Adoption of Fiscal Year 2014-2015 Operating Budget: Appropriation (Gann) Limit (Acting City Manager Moe).

RES 14-0037

**CONDUCT PUBLIC HEARING; ADOPT RESOLUTION NO. 14-0037
AS PART OF THE OPERATING BUDGET**

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Burton, to adopt Resolution 14-0037 establishing an appropriation (Gann) limit for Fiscal Year 2014-2015 as part of the Operating Budget. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

Acting City Manager Moe thanked his staff for all their work on the Operating Budget, especially Controller Henry Mitzner and Budget Analyst Eden Serina.

At 8:30 PM the City Council recessed and reconvened at 8:41 PM with all Councilmembers present.

15. Consideration of the Fiscal Year 2015-2019 Capital Improvement Plan (Public Works Director Olmos). **RES 14-0039**

CONDUCT PUBLIC HEARING; ADOPT RESOLUTION NO. 14-0039

Public Works Director Tony Olmos gave a staff presentation following up on specific items regarding the Capital Improvement Plan. Public Works Director Olmos and Traffic Engineer Eric Zandvliet responded to Councilmember questions.

Mayor Howorth opened the floor for public comment.

Denni Smith spoke against putting a signal at Highland Avenue and 38th Street.

Craig Cadwallader spoke in favor of doggie potties to keep the beach clean.

Gerry O'Connor does not see the need for the flashing lights at the pier and would also like to see some improvement done to the "Welcome to Manhattan Beach" sign near the proposed Manhattan Beach Boulevard median.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

Discussion continued and Public Works Director Olmos and Traffic Engineer Zandvliet responded to Councilmembers questions.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Burton, to adopt Resolution 14-0039 approving the Fiscal Year 2015-2019 Capital Improvement Plan with adjustment that one project be renamed from "Install Traffic Signal" to "Investigate and Potentially Install Crossing Devices". The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

Public Works Director Olmos thanked all the departments who helped assemble the Capital Improvements Plan.

M. GENERAL BUSINESS

17. Approve Pedestrian Enhancements at the Intersection of Ardmore Avenue and Flournoy Road as Recommended by the Parking and Public Improvements Commission *(Continued from June 3, 2014, City* **14-0247**

Council Meeting) (Community Development Director Thompson).

APPROVE

This item was heard after Item 15.

Acting City Manager Bruce Moe introduced City Traffic Engineer Erik Zandvleit who provided a PowerPoint presentation and then responded to Councilmembers questions.

Mayor Howorth opened the public comment.

Emmee Sarmiento, co-petitioner to this item, voiced her concerns and the need for pedestrian improvements at this intersection.

Gary McAully voiced his opinion regarding this item, thinks the onus is on both the pedestrians and drivers.

Joe Galliani cited fatality rates at various speeds.

Gerry O'Connor thinks that the fatality rate being represented by vehicle speed is grossly oversimplified.

Amy Brantley, co-petitioner to this item, spoke regarding slowing the speed limit on Ardmore Avenue.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

The City Council deliberated the merits of this item.

A motion was made by Councilmember Burton to install a stop sign at the intersection of Ardmore and Flournoy.

The motion failed for lack of a second.

A motion was made by Councilmember Lesser, seconded by Mayor Pro Tem Powell, to explore further calming measures on Ardmore to slow traffic down.

Councilmember D'Errico proposed a friendly amendment to have a date certain to review the impact of the traffic calming measure, and then make a decision whether to proceed with different measures.

City Council posed questions to Traffic Engineer Zandvleit regarding the feasibility and timetable relating to Councilmember D'Errico's friendly amendment.

Mayor Pro Tem Powell proposed a friendly amendment to the friendly amendment to have a program to see if these measures work. After, have an evaluation to determine whether the speed can be lowered, or the stop sign needs to be installed.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Burton, to continue this item, and retain jurisdiction over this matter and to void any appeal fees. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

- 18.** Status Report on the Mills Act - A Preservation Program for Historic Properties (Community Development Director Thompson).

14-0267

DISCUSS AND PROVIDE DIRECTION

Acting City Manager Bruce Moe introduced Assistant Planner Angelica Ochoa, who provided a staff PowerPoint presentation on the Mills Act.

Jan Dennis spoke briefly regarding the Mills Act and urged its passing.

Jane Guthrie further explained the Mills Act and how it works.

Jan Ostashay, Historic Preservation Consultant, also contributed information regarding the Mills Act.

Mayor Howorth opened the floor for public comment.

Gary McAully urged City Council to preserve the small beach town character of Manhattan Beach.

Gerry O'Connor stands behind approving a Mills Act Ordinance.

Jan Ostashay, Historic Preservation Consultant, spoke about the local control over this program, and benefits other cities have seen.

Martha Andreani sees the need for historic preservation in Manhattan Beach.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

Discussion followed between members of the City Council regarding this item, the shortcomings of the present system, and the costs to the city that would be incurred.

A motion was made by Councilmember Lesser, seconded by Mayor Pro Tem Powell, to direct the City Attorney to return with a draft Mills Ordinance along with a staff report that quantifies with real numbers how much staff time would be involved, how the data that has already been collected by the Manhattan Beach Cultural Heritage Conservancy could be utilized, save staff time, and provide the full picture.

Mayor Pro Tem Powell offered a friendly amendment that there be a date certain as to when it returns to the City Council. Councilmember Burton proposed 90 days.

Questioned by City Council over the timing viability, City Attorney Barrow indicated his firm had just finished this process with the City of Beverly Hills, and he indicated this would not take very long. However, the staff costs calculations he would defer to Community Development Director Thompson.

A friendly amendment was offered by Councilmember Burton that this motion should amend the existing ordinance, which was accepted by Councilmember Lesser.

The motion made by Councilmember Lesser, seconded by Mayor Pro Tem Powell, to direct the City Attorney to return with a draft Mills Ordinance along with a staff report that quantifies with real numbers how much staff time would be involved, how the data that has already been collected by the Manhattan Beach Cultural Heritage Conservancy could be utilized to save staff time, and provide the full picture to be returned to City Council within a specific time limit, and also amending the existing ordinance. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

At 10:59 PM the meeting was recessed and reconvened at 11:05 PM with all Councilmembers present.

- 16.** Presentation on the Draft Mobility Plan (Community Development Director Thompson). **14-0177**

DISCUSS AND PROVIDE DIRECTION

The City Council deliberated timing constraints related to discussing this item at this time.

This item was continued to a soon-to-be-decided off-Tuesday Special City Council Meeting.

- 19.** Approve Contract with Partners in Policy Governance for Assistance in Implementing the Policy Governance Model in an Amount to Exceed \$98,000 (Strategic Planning and Policy Governance Subcommittee) **CON 14-0028**
APPROVE; APPROPRIATE \$98,000 FROM COUNCIL CONTINGENCY

Acting City Manager Bruce Moe introduced the item, which was presented by Councilmember D'Errico, who stated that the policy governance issue is solely a City Council matter, discussed management, styles and theories of governance, and the reason for the creation of policy governance.

Councilmember D'Errico introduced the RFP, the reasons for choosing one consulting firm over others, what is being committed to through this RFP, and the benefits that could be gained through this consulting.

Discussion ensued and Councilmember D'Errico responded to City Council questions.

Mayor Howorth opened the floor for public comment.

Martha Andreani believes policy is in place through ordinances, direction is in place through agendas, and doesn't understand the purpose of this proposal.

Scott King posed a question whether the amount includes expenses, which it does.

Viet Ngo alleged violations of laws by the City by not holding a competitive bid.

Gerry O'Connor spoke about the importance of implementing policy governance, wants City Council to focus more on policy, and leave day-to-day operations to staff.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

Discussion continued with all Councilmembers regarding the need to approve the contract at this time.

Mayor Pro Tem Powell clarified that the RFP was competitively bid and there were no

Brown Act violations.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, to freeze any action, wait for the new City manager to come on board.

Discussion continued among the Councilmembers.

Mayor Pro Tem Powell made a motion to table.

A friendly amendment was made by councilmember Burton that 60 days after meeting with the City Manager to discuss the issue, City Manager Danaj return to City Council with a status report on where he is and what he thinks.

Councilmember Burton withdrew his friendly amendment.

City Attorney Quinn Barrow asked that the motion be clarified and make it a motion to continue.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, that this item be continued until a later time. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

**20. Home Loan for New City Manager 14-0286
APPROVE; APPROPRIATE**

Acting City Manager Bruce Moe gave a presentation outlining this item.

Mayor Howorth opened the floor for public comment.

Gerry O'Connor voiced his concern that he does not understand what the collateral of the loan is, and wants to know which house has been purchased with this loan.

Acting City Manager Moe responded to questions.

Viet Ngo alleged misappropriation of public funds by the City Council by providing this loan.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

A motion was made by Councilmember Burton, seconded by Councilmember Lesser, to approve and appropriate per the recommendation in the staff report.

Councilmember Lesser inquired about requirements about which records regarding this loan would become public documents, and City Attorney Barrow responded.

A motion was made by Councilmember Burton, seconded by Councilmember Lesser, to approve and appropriate per the recommendation in the staff report. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

**21. Consideration of a Resolution Approving an Amending to a Legal RES 14-0043
Services Agreement with Richards, Watson & Gershon for City
Attorney Services to Designate Quinn M. Barrow as City Attorney and
to Increase the Monthly Rate for General Services to \$24,000 (Acting
City Manager Moe).**

ADOPT RESOLUTION; APPROVE AGREEMENT

Acting City Manager Bruce Moe provided the staff presentation.

Discussion arose between the City Council and City Attorney Barrow regarding this item, and the difference between having an in-house and contracted-for City Attorney.

Mayor Howorth opened the floor for public comment.

Craig Cadwalder commended the City Attorney and his firm for their outstanding work.

Viet Ngo alleged conspiracy and corruption on the part of the City Council and City Attorney Barrow.

Diane Wallace agrees with Mr. Cadwalder for the outstanding job the Legal Department has provided to the city.

Gerry O'Connor would like a better measurement on the success of using outside contracted legal services.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

A motion was made by Councilmember Burton, seconded by Councilmember Lesser, to adopt the resolution and approve the agreement per the staff report.

Members of the City Council stressed the need for specialized knowledge that a firm offers, and commended City Attorney Barrow for his work.

A motion was made by Councilmember Burton, seconded by Councilmember Lesser, to adopt the resolution and approve the agreement per the staff report. The motion passes by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

N. ITEMS REMOVED FROM THE CONSENT CALENDAR

5. Contract Amendment #1 with Iteris, Inc. and Appropriate a **CON 14-0030**
Not-to-Exceed amount of \$21,000 from the General Fund for
Additional Services to Complete the Mobility Plan Update (Community
Development Director Thompson).

APPROVE AND APPROPRIATE

Acting City Manager Bruce Moe stated that, since the Mobility Plan has been continued, this item should be continued as well.

Gerry O'Connor had pulled the item and remarked that his complaint dealing with this item is contract management. Contracts should not be overspent and the City Council should not continue to approve additional expenditures on already negotiated contracts.

Members of the City Council discussed the merits of expanding a contract, and the practice of providing additional funding to contract where the original scope has been exceeded.

A motion was made by Councilmember Burton, seconded by Councilmember Lesser, to continue this item. The motion passed by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

8. Ordinance No. 14-0008 Prohibiting Smoking in Public Places and Regulating Electronic Cigarettes (Public Works Director Olmos).
ADOPT ORDINANCE NO. 14-0008

ORD 14-0008

This item was pulled by Viet Ngo.

Viet Ngo alleges that this ordinance is passed based on lobbying by private interests, and that the City Council has no authority to regulate E-cigarettes.

Mayor Howorth opened the floor for public comment.

Bill Victor remarked that the City Council should provide coffee at the minimum to those in attendance to help them stay awake, especially since important measures are discussed late at night.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, that Ordinance 14-0008 Prohibiting Smmoking in Public Places and Regulating Electronic Cigarettes be adopted.

Councilmember D'Errico expressed disappointment that the City Council did not discuss this measure with the business community in detail, and asked regarding hardship petitions.

Discussion followed regarding enforcement, and business related hardships being created.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, that Ordinance 14-0008 Prohibiting Smmoking in Public Places and Regulating Electronic Cigarettes be adopted. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

9. Award of Contract to Teri Black & Company for Community Development Director Recruitment Services; Appropriation of \$24,750 from the General Fund Available Fund Balance (Acting City Manager Moe).

CON 14-0029

APPROVE AND APPROPRIATE

This item was pulled by Viet Ngo, who later decided he no longer wished to discuss this item.

Mayor Howorth opened the floor for public comment.

Seeing no requests to speak, Mayor Howorth clod the floor to public comment.

A motion was made by Councilmember Lesser, seconded by Councilmember Burton, to award the contract to Terri Black & Company and appropriate the money for the Community Development Director Recruitment Services. The motion carried by the following vote:

Councilmember Lesser stated for public record that the incoming City Manager wanted this recruitment, and has addressed his concerns regarding costs.

A motion was made by Councilmember Lesser, seconded by Councilmember Burton, to award the contract to Terri Black & Company for the Community Development Director recruitment services. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

12. Minutes:

14-0273

This item contains action minutes of City Council meetings which are presented for approval. Staff recommends that the City Council, by motion, take action to approve the action minutes of the:

- a) City Council Adjourned Regular Meeting-Budget Study Session No. 1 of May 8, 2014
- b) City Council Adjourned Regular Meeting-Closed Session of May 12, 2014
- c) City Council Adjourned Regular Meeting-Budget Study Session No. 2 of May 12, 2014
- d) City Council Adjourned Regular Meeting-Budget Study Session No. 3 of May 21, 2014
- e) City Council Adjourned Regular Meeting-Closed Session of May 29, 2014
- f) City Council Adjourned Regular Meeting-Budget Study Session No. 4 of May 29, 2014
- g) City Council Special City Council Meeting-Closed Session of June 10, 2014
(City Clerk Tamura).

APPROVE

This item was pulled from the Consent Calendar by Gerry O'Connor.

Gerry O'Connor contended that bundling the minutes together is counter-productive.

Mayor Howorth opened the floor for public comment.

Bill Victor commented on the quality of the minutes.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

A motion was made by Councilmember Lesser, seconded by Mayor Pro Tem Powell to accept the minutes. The motion passed by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

O. OPTIONAL ADDITIONAL PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

P. OTHER COUNCIL BUSINESS, COMMITTEE AND TRAVEL REPORTS, FUTURE DISCUSSION ITEMS

Mayor Howorth announced that the following weekend she will be attending the US Conference of Mayors, and will report back after the event.

A motion was made by Councilmember Burton, seconded by Mayor Pro Tem Powell, to place an item on the July 1, 2014 Agenda to discuss the Resolution regarding term limits and changing the election from November to March, and requesting that the City Clerk keep the time for submitting arguments on this issue open until after July 1st, as well as extending the time period for the impartial analysis to be submitted.

The matter was placed on the next agenda.

No vote was taken.

- 22. Take a Position in Opposition to AB 2145 (Bradford) - Electricity: 14-0293
Community Choice Aggregation (Acting City Manager Moe).
OPPOSE**

Acting City Manager Bruce Moe provided the staff presentation regarding this item and states staff recommended position in opposition to the bill.

Discussion arose between members of the City Council and Environmental Programs Manager Sona Coffee regarding this agenda item.

Mayor Howorth opened the floor for public comment.

Joe Galliani, explained the confusion between the status quo and the changes that would occur if AB 2145 passed.

Dempsey Nelson spoke in support of opposition to this bill.

Bill Victor supports the staff recommended position in opposition to AB 2145.

Craig Cadwalder referred to an application created by Southern California Edison showing, in real time, all outages in their service area. Encourages the city write in opposition to AB 2145.

Diane Wallace spoke in support of opposing AB 2145.

Scott King spoke in favor of opposing AB 2145, and the positive effects it could have.

Jackie May remarked hearing similar arguments regarding telephone deregulation.

Gerry O'Connor brought up concerns regarding process and stated that he is in support of opposing AB 2145.

Seeing no further requests to speak, Mayor Howorth closed the floor to public comment.

Members of the City Council further discussed their positions and confusion regarding what is being asked of them tonight.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, to accept the recommendation to oppose AB 2145.

Discussion arose between members of the City Council regarding what classifies a direct financial impact to the City's residents, and concerns held by Councilmembers.

A motion was made by Mayor Pro Tem Powell, seconded by Councilmember Lesser, to accept the recommendation to oppose AB 2145. The motion carried by the following vote:

Aye: 5 - Howorth, Powell, Burton, D'Errico and Lesser

Q. RECEIVE AND FILE ITEMS

Mayor Pro Tem Powell made a motion, seconded by Councilmember Lesser, that Item Nos. 23 and 24 be Received and Filed.

23. Financial Reports: **14-0262**
Schedule of Demands: June 5, 2014 (Acting City Manager Moe).
RECEIVE AND FILE

24. Commission Minutes: **14-0272**
This item contains minutes of City Council subcommittees and other City commissions and committees which are presented to be Received and Filed by the City Council. Staff recommends that the City Council, by motion, take action to Receive and File the minutes of the:
a) Planning Commission Meeting of May 28, 2014
(Community Development Director Thompson)
b) Cultural Arts Commission Meeting of May 13, 2014
(Parks and Recreation Director Leyman)
RECEIVE AND FILE

R. ADJOURNMENT

At 1:40 AM, the June 17, 2014, Regular City Council Meeting adjourned to the 4:30 PM Adjourned Regular Meeting (Closed Session) on July 1, 2014, in the City Council Chambers at Manhattan Beach City Hall.

Matthew Cuevas
Recording Secretary

Amy Thomas Howorth
Mayor

ATTEST:

Liza Tamura
City Clerk