## REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL TUESDAY, SEPTEMBER 1, 2009 – 6:00 P.M.

6:00 P.M. SESSION

CALL TO ORDER – Mayor McDowell at 6:00 p.m.

**ROLL CALL** 

Mayor McDowell - Present
Mayor Pro Tem Busch - Present
Council Member Brann - Present
Council Member Fisher - Present
Council Member Jacobson - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250.

City Attorney Mark Hensley requested that an urgency item, which came to staff's attention after the posting of the agenda, be added to the closed session agenda and Government Code §54956.9(b) relates to a threat of litigation not known to public in general.

MOTION by Council Member Brann, SECONDED by Mayor Pro Tem Busch, to add the emergency item to the closed session agenda. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

SPECIAL ORDER OF BUSINESS:

#### CLOSED SESSION:

The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City's Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City's Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov't Code §54956.9(a) -0- matter

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b): -0-potential case (no further public statement is required at this time); Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): - 0- matters

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -0 matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): - 1-matter

Property: 2161 El Segundo Blvd., El Segundo

Agency Negotiator: Jack Wayt (City Manager), Bill Crowe, (Assistant City Manager)

Negotiating Party: PFK Enterprises, Inc.

Under Negotiation: Proposal to lease or purchase City-owned property

SPECIAL MATTERS: - 0- matter

Council recessed at 6:50 p.m.

# REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL TUESDAY, SEPTEMBER 1, 2009 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER - Mayor McDowell

INVOCATION – Pastor John Svendsen, First Baptist Church

PLEDGE OF ALLEGIANCE - Mayor Pro Tem Eric Busch

**PRESENTATIONS** 

**ROLL CALL** 

Mayor McDowell - Present
Mayor Pro Tem Busch - Present
Council Member Brann - Present
Council Member Fisher - Present
Council Member Jacobson - Present

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Samantha Connell ,Tree Muskateers, spoke regarding a grant received by Cal Trans for a residential tree enhancement grant.

Liz Garnholz, resident, spoke regarding the budget deficit, agenda Item 11 ground water lease, and agenda Item 4 the CalPERS Amendment.

Gifford Rodine, resident, spoke regarding the City's CalPERS rates and CalPERS funding.

#### A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Council Member Brann, SECONDED by Council Member Jacobson to read all ordinances and resolutions on the Agenda by title Only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

- B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)
- Consideration and possible action (Public Hearing) regarding the FY 2009-2010
   Preliminary Budget and Five-Year Capital Improvement Plan including discussion and possible direction regarding all City revenues and expenditures. (Fiscal Impact: None)

Mayor McDowell stated this is the time and place hereto fixed for a Public Hearing regarding the FY 2009-2010 Preliminary Budget and Five-Year Capital Improvement Plan including discussion and possible direction regarding all City revenues and expenditures. Deputy Clerk Domann stated that proper notice was completed and no written communication had been received by City Clerk's Office.

Deborah Cullen, Finance Director, gave a report.

Liz Garnholz, resident, asked for clarification regarding the in-kind services provided to the School District.

City Attorney Mark Hensley advised postponing discussion and/or action regarding the business license processing fee until an analysis can be done on a recent Court case ruling.

Council gave direction to staff as follows:

Regarding Transient Occupancy Tax to conduct additional research; regarding Business License Tax Indexing/Cost of Living to investigate indexing to Producer Price Index (PPI); regarding Utility Users Tax, to modernize existing Telecommunications Ordinance language and place on April 2010 General Municipal Election ballot.

Council Member Brann requested that the School District be funded at the same level as last year which would mean the addition of \$150,000.

MOTION by Council Member Jacobson, SECONDED by Mayor Pro Tem Busch to continue the Public Hearing to September 15, 2009 and schedule the budget adoption for the September 15, 2009 meeting. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

2. Consideration and possible action to open a public hearing and receive testimony regarding: 1) an Environmental Assessment for a proposed Negative Declaration; and 2) a General Plan Amendment for the City's Housing Element Update for the 8 ½ year, planning period extending from January 2006 to June 2014. Applicant: City of El Segundo (Fiscal Impact: None)

Mayor McDowell stated this is the time and place hereto fixed for a Public Hearing to receive testimony regarding: 1) an Environmental Assessment for a proposed Negative Declaration; and 2) a General Plan Amendment for the City's Housing Element Update for the 8 ½ year, planning period extending from January 2006 to June 2014. Applicant: City of El Segundo. Deputy Clerk Domann stated that proper notice was completed and no written communication had been received by City Clerk's Office.

Greg Carpenter, Planning and Building Safety Director, introduced Dean Sherer of Willdan, who gave a presentation.

Liz Garnholz, resident, spoke regarding second units in Residential Zones.

MOTION by Mayor Pro Tem Busch, SECONDED by Council Member Fisher to close the Public Hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

MOTION by Council Member Fisher, SECONDED by Mayor McDowell to adopt Resolution No. 4611 approving a Negative Declaration for Environmental Assessment No. EA 722, and adopt General Plan Amendment No. 08-01 (The 2006-2014 Housing Element) amending the Housing Element of the General Plan. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

3. Open a public hearing and receive testimony to consider and possibly act, regarding: 1) an Environmental Assessment of Environmental Impacts for a proposed Mitigated Negative Declaration and Addendum; 2) a General Plan Amendment to change the Land Use Designation from General Commercial to Corporate Office; 3) a Zone Change from the General Commercial (C-3) Zone to the Corporate Office (CO) Zone; and 4) an off-site parking covenant for 283 parking spaces, to allow the conversion of warehouse and storage uses into office uses and a building addition of 40,791 square feet of office uses for a maximum of 205,284 square feet of development on the site located at 900, 950, 960 Sepulveda Boulevard and 901 and 915 Selby Street. Applicant: The Boeing Company (Fiscal Impact: None)

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Greg Carpenter, Planning and Building Safety Director, gave a report.

Robert Ohls, Boeing Co., spoke regarding the project.

MOTION by Council Member Jacobson, SECONDED by Mayor Pro Tem Busch to close the Public Hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Council Member Jacobson requested that an item be placed on the next agenda regarding the re-zoning, from General/Commercial to Corporate/Office of 1916 E. Imperial Highway, adjacent to the Boeing property.

MOTION by Mayor Pro Tem Busch, SECONDED by Council Member Brann to adopt Resolution No. 4612 approving a Mitigated Negative Declaration and Addendum for Environmental Assessment No. 819, General Plan Amendment No. 08-02, Zone Change No. 08-01 and Parking Covenant (Miscellaneous No. 09-02) for the Boeing Selby Block Project (900, 950 and 960 Sepulveda and 901 and 915 Selby Street. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Mark Hensley, City Attorney, read by title only:

### ORDINANCE NO. 1432

AN ORDINANCE APPROVING ZONE CHANGE NO. 08-01 FOR THE BOEING SELBY BLOCK PROJECT (900, 950 AND 960 SEPULVEDA AND 901 SELBY STREET).

Mayor Pro Tem Busch introduced the Ordinance.

Second reading and adoption scheduled for September 15, 2009.

- C. UNFINISHED BUSINESS
- 4. Consideration and possible action regarding the Adoption of Ordinance No.1431 to approve an Amendment to the Contract between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the El Segundo City Council providing Section 20903 (Two Years Additional Service Credit) for the City's Local Miscellaneous (Non-Safety) Members, with the exception of Department Directors, Assistant City Manager and City Manager. (Fiscal Impact: 1) Estimated increase in the City's PERS miscellaneous employer rate of 0.327% and an estimated annual cost increase in FY 2011-2012 of \$50,235; 2) Salary savings based on the number of employees retiring during the Designated Retirement Period, less the \$5,000 payment for entering into a Date-Certain Retirement Separation Agreement.)

Bob Hyland, Human Resources Director, gave a report.

Mark Hensley, City Attorney, read by title only:

## **ORDINANCE NO. 1431**

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF EL SEGUNDO AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

Motion by Council Member Brann, SECONDED by Council Member Fisher to adopt Ordinance No. 1431 authorizing an amendment to the contract between the City Council of the City of El Segundo and the Board of Administration of the California Public Employees' Retirement System. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER JACOBSON ABSTAINED.

5. Consideration and possible action regarding an application for a special permit (Applicant - Chekesha Palmer, a sole proprietor) to sell ice cream and miscellaneous packaged snacks from a vehicle. (Fiscal Impact: \$0)

MOTION, by Mayor Pro Tem Busch, SECONDED by Mayor McDowell to approve issuance of a business license to Chekesha Palmer, a sole proprietor, to sell ice cream and miscellanous packaged snacks from a vehicle. MOTION PASSED BY THE FOLLOWING VOICE VOTE: AYES: MAYOR MCDOWELL, MAYOR PRO BUSCH, COUNCIL MEMBERS FISHER AND JACOBSON; NOES: COUNCIL MEMBER BRANN. 4/1

6. Consideration and possible action to review the water rate study, direct staff to commence the Proposition 218 protest procedures regarding potential increases to the City's water rates for FY 2009-2010 through FY 2014-2015 and set a public hearing to consider an ordinance increasing water rates and fees. (Fiscal Impact: \$20,000 for ballot mailing, Potential Fiscal Impact = Approximately \$3,640,000 loss in water revenue in FY 2009-2010)

Dana Greenwood, Public Works Director, gave a report,

Zeki Kayiran, AKM Consulting, gave a presentation.

MOTION by Mayor Pro Tem Busch, SECONDED by Council Member Jacobson to direct staff to implement the Proposition 218 protest ballot procedures for proposed potable water rate increases as presented in OPTION 1 and revise the Proposed Water Rate Notification Letter, paragraph five, second sentence by deleting the wording "by property owners" and revise the ballot by eliminating the check box, add under the ballot title "MUST BE COMPLETED IN FULL TO BE COUNTED," and revise the voter statement to read "I own the property and/or am a water customer at…" MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

MOTION by Mayor McDowell, SECONDED by Council Member Brann to adopt Resolution No. 4613 establishing procedures for mailing, handling and counting Proposition 218 protest ballots and set Public Hearing for November 4, 2009 for Council consideration of the proposed water rate increases. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

7. Consideration and possible action to introduce and waive first reading of an ordinance adding a new Chapter 10-5 to the El Segundo Municipal Code ("ESMC") regulating water conservation methods and amending ESMC §§ 1-2A-1, 1-2A-2, and 1-2A-3 to enforce Chapter 10-5 with administrative citations. (Fiscal Impact: None)

Mark Hensley, City Attorney, gave a report.

The following revisions were recommended:

Section 10-5-7 A.1. was amended to read: Use of mechanical automatic car wash facilities utilizing water recycling equipment or utilizing recycled water.

Section 10-5-22 E was removed.

Plumbing breaks to be fixed within 48 hours not 72 hours.

Mark Hensley, City Attorney, read by title only:

ORDINANCE No. 1433

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EI SEGUNDO, CALIFORNIA, AMENDING CHAPTER 2.10 TO THE CITY OF EL SEGUNDO MUNICIPAL CODE REGARDING POLICIES FOR WATER CONSERVATION

Mayor Pro Tem Busch introduced the Ordinance as amended. Second reading and adoption is scheduled for September 15, 2009.

- D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS
- E. CONSENT AGENDA

Deputy City Clerk Domann requested Consent Agenda Item 17 be approved with the deletion of one document, Contract No. 2068, from the destruction listing. All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

- 8. Approved Warrant Numbers 2573245 to 2573483 on Register No. 22 in the total amount of \$1,176,002.19 and Wire Transfers from 08/07/09 through 8/20/09 in the total amount of \$2,358,545.02. Ratified: Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.
- 9. Regular City Council Meeting Minutes of August 18, 2009.
- 10. Awarded three year Contract No. 3981 to the lowest responsible bidder, Johnson Controls, for a Heating, Ventilation and Air Conditioning (HVAC) 100% coverage maintenance contract for City buildings and additional repair services as required. RFP No. 09-13. (Fiscal Impact: Year 1 = \$118,140; Year 2 = \$60,400; Year 3 = \$62,212). Authorized the City Manager to execute a Maintenance Agreement in a form as approved by the City Attorney and to extend the contract for up to three additional years upon mutual consent of the contractor and City.
- 11. PULLED FOR DISCUSSION BY MAYOR MCDOWELL
- 12. Accepted the work as complete for the installation of new carpets at the El Segundo Police Department (348 Main Street). Project No.: PW 09-02 (Fiscal Impact: \$76,124.91) Authorized the City Clerk to file a Notice of Completion in the County Recorder's Office.
- 13. Awarded Public Works Contract No. 3983 to Pavement Coatings Company for the slurry sealing of the streets in the area bounded by Sheldon Street, Mariposa and Imperial Avenues and Sepulveda Boulevard.: Project No.: PW 09-10 (Fiscal Impact: \$199,987.00) Authorized the City Manager to execute a Standard Public Works Contract in a form as approved by the City Attorney with Pavement Coatings Company, in the amount of \$199,987.00.
- 14. Awarded Public Works Contract No. 3984 to CJ Concrete Construction, Inc., for the 2008-2009 annual contract for curb, gutter, handicap ramps, sidewalk and other minor improvements at various locations citywide. Approved Capital Improvement Program. Project No.: PW 09-08, CDBG Project No. 601209-09 (Fiscal Impact: \$158,863.00). Authorized the City Manager to execute a Standard Public Works Contract in a form as approved by the City Attorney with CJ Concrete Construction, Inc., in the amount of \$158,863.00.
- PULLED FOR DISCUSSION BY STAFF
- 16. PULLED FOR DISCUSSION BY COUNCIL MEMBER JACOBSON
- 17. Adopted Resolution No. 4614 authorizing the annual destruction of identified records in accordance with the provisions of Section 34090 of the Government Code of the State of California. (Fiscal Impact: Not to exceed \$1,000)

MOTION by Council Member Jacobson, SECONDED by Council Member Brann to approve Consent Agenda items 8, 9, 10, 12, 13, 14, and 17. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

## CALL ITEMS FROM CONSENT AGENDA

11. Consideration and possible action regarding the Awarded of a Lease of 1051 acre feet of ground water rights to the City of Manhattan Beach. (Fiscal Impact: \$105,100 Revenue to the Water Fund)

MOTION by Mayor McDowell, SECONDED by Council Member Jacobson to award Lease No. 3982 of 1051 acre feet of ground water rights to the City of Manhattan Beach. (Fiscal Impact: \$105,100 Revenue to the Water Fund) Authorized the Mayor to execute Lease Agreement No. with the City of Manhattan Beach in a form approved by the City Attorney. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

15. Consideration and possible action to award of contract to Professional Building Contractors, Inc. for construction related to Group 38 (26 homes) of the City's Residential Sound Insulation Program. (RSI 09-16) (Fiscal impact: \$839,531)

Council consensus to accept staff recommendation and reject all bids and rebid the project.

16. Consideration and possible action to waive City fees and costs in accordance with ESMC § 8-8-7 D 1, for the 33rd Annual Richmond Street Fair; use of the City's ligature artwork for event-related promotional merchandise; authorize the City Manager to execute a License Agreement with the El Segundo Kiwanis in a form approved by the City Attorney; operation of a "Beer Garden," and support of a CalTrans permit application for installation of an event banner across Sepulveda Blvd. (Fiscal Impact: \$3,118)

MOTION by Mayor Pro Tem Busch, SECONDED by Council Member Fisher to waive City fees and costs in accordance with ESMC § 8-8-7 D 1, for the 33rd Annual Richmond Street Fair; use of the City's ligature artwork for event-related promotional merchandise; authorize the City Manager to execute License Agreement No. 3986 with the El Segundo Kiwanis in a form approved by the City Attorney; operation of a "Beer Garden," and support of a CalTrans permit application for installation of an event banner across Sepulveda Blvd. at no cost to the City. MOTION PASSED BY UNANIMOUS VOICE VOTE. 4/0. COUNCIL MEMBER JACOBSON ABSTAINING.

- F. NEW BUSINESS
- G. REPORTS CITY MANAGER NONE
- H. REPORTS CITY ATTORNEY -NONE
- I. REPORTS CITY CLERK NONE

J. REPORTS - CITY TREASURER - NONE

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Brann – Completed the tours for City Departments. Will be holding office hours for meeting with the public.

Council Member Fisher - NONE

Council Member Jacobson - NONE

Mayor Pro Tem Busch – Reported that on Monday he attended the first processing of recruits at the MEPS Station.

Mayor McDowell – Congratulated ComDev USA on their new United States headquarters in El Segundo.

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Rod Spackman, Manager of Government and Public Affairs at Chevron, spoke regarding the proposed water rate increases.

MEMORIALS - Pam Roach, former City Employee.

Jonann In

**CLOSED SESSION - NONE** 

ADJOURNMENT at 9:50 p.m.

Cathy Domann Deputy City Clerk