

**CITY OF MANHATTAN BEACH
MINUTES OF THE CITY COUNCIL
REGULAR MEETING OF
MAY 16, 2006**

The Regular Meeting of the City Council of the City of Manhattan Beach, California, was held on the 16th day of May, 2006, at the hour of 6:30 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

PLEDGE TO FLAG

Community Development Director Richard Thompson led the pledge of allegiance.

ROLL CALL

Present: Aldinger, Montgomery, Fahey, Tell and Mayor Ward.
Absent: None.
Clerk: Aliabadi (Acting).

CEREMONIAL CALENDAR

06/0516.1 Recognition of the Mira Costa High School Choir for their Performance at Carnegie Hall

Mayor Ward, on behalf of the Council, congratulated the Mira Costa High School Choir for their performance at Carnegie Hall and presented City pins to the students.

06/0516.2 Presentation of Proclamation Declaring the Week of May 21 – 27, 2006 as Public Works Week

Mayor Ward, on behalf of the Council, presented a proclamation to Public Works Director Neil Miller and announced the week of May 21 – 27, 2006 as Public Works Week.

CONSENT CALENDAR

The Consent Calendar (Item Nos. 3 through 18), consisting of items under *General Consent* and *Boards and Commissions*, was approved by motion of Councilmember Fahey, seconded by Councilmember Aldinger and passed by unanimous roll call vote.

Ayes: Aldinger, Montgomery, Fahey, Tell and Mayor Ward
Noes: None.
Absent: None.
Abstain: None.

GENERAL CONSENT

06/0516.3 Approve Minutes of the City Council Adjourned Regular and Regular Meeting of May 2, 2006

The Council approved the subject minutes.

06/0516.4 Approve Minutes of the City Council Adjourned Regular Work Plan Meeting of May 5, 2006

The Council approved the subject minutes.

06/0516.5 Consideration of Resolution Adopting Revised Records Retention Schedules

The Council adopted Resolution No. 6031.

RESOLUTION NO. 6031

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, ADOPTING A RECORDS RETENTION SCHEDULE, AUTHORIZING DESTRUCTION OF CERTAIN CITY RECORDS AND RESCINDING RESOLUTION NO. 5496

06/0516.6 Consideration of Financial Reports:

- a) Ratification of Demands: May 4, 2006
- b) Investment Portfolio for the Month Ending April 30, 2006
- c) Financial Reports for the Month Ending April 30, 2006

The Council approved with no exception Warrant Register No. 23B in the amount of \$2,266,928.54 in payment of ratification of demands and claims as prepared by the Director of Finance, together with the original demands and claims as prepared by said Warrant Register; received and filed the Investment Portfolio for the month ending April 30, 2006; received and filed the Financial Reports for the month ending April 30, 2006.

06/0516.7 Consideration of Resolution of Intention to Provide for Annual Levy and Collection of Assessments for the Downtown Business Improvement District and Setting June 6, 2006 for a Public Hearing

The Council adopted Resolution No. 6030.

RESOLUTION NO. 6030

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA DECLARING ITS INTENTION TO PROVIDE FOR ANNUAL LEVY AND COLLECTION OF ASSESSMENTS FOR THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT, PURSUANT TO SECTION 36500 OF THE STREETS & HIGHWAYS CODE OF THE STATE OF CALIFORNIA AND SETTING A TIME AND PLACE FOR PUBLIC HEARING THEREON

06/0516.8 Award of Three-Year Lease Contract for Two Photocopiers to Canon Business Solutions (Estimated Value of \$22,200 Per Year)

The Council waived formal bidding per Municipal Code Section 2.36.150 (cooperative purchasing) and approved the award of three-year lease contract to Canon Business Solutions valued at \$22,200 per year for the replacement of two photocopiers.

060516.9 Ratification of Motor Fuel Purchase from Merrimac Energy Group in the Amount

of \$25,959.53

The Council approved the purchase of fuel from Merrimac Energy Group in the amount of \$25,959.53.

060516.10 Award of Three-Year Contract with Power Plus to Provide Auxiliary Power Generator Maintenance for the Public Works Department in the Net Amount of \$72,021.15 and Appropriate \$2,000 from Parking Fund Reserves

The Council approved the award of Request for Proposal (RFP) # 681-06 to Power Plus for a three-year contract to provide auxiliary power generator maintenance services in the amount of \$72,021.15 and appropriated \$2,000 from Parking Fund Reserves.

060516.11 Award a Two-Year Contract Extension of Traffic Engineering Services to Willdan Company

The Council approved authorizing the City Manager to enter into a new two-year contract for traffic engineering consulting services with Willdan Company.

06/0516.12 Consideration of Resolution Authorizing the Submittal of an Application to the California Integrated Waste Management Board for a 2006/2007 Used Oil Block Grant (\$9,613) and the Submittal of Future Used Oil Block Grant Applications through 2011/2012

The Council adopted Resolution No. 6029.

RESOLUTION NO. 6029

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF APPLICATIONS TO THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD FOR THE USED OIL RECYCLING BLOCK GRANT

BOARDS AND COMMISSIONS

Parks and Recreation Commission

06/0516.13 Consideration of Draft Minutes, Parks & Recreation Commission Meeting of April 24, 2006

The Council received and filed the subject draft minutes.

Parking and Public Improvements Commission

06/0516.14 Consideration of Action Minutes, Parking and Public Improvements Commission Meeting of April 27, 2006

The Council received and filed the subject action minutes.

06/0516.15 Uphold the Parking and Public Improvements Commission Recommendation to Approve Installation of a Disabled Parking Space on the East Side of Laurel

Avenue Adjacent to 1728 Laurel Avenue

The Council approved the Parking and Public Improvements Commission recommendation to Avenue.

Planning Commission

06/0516.16 Consideration of Action Minutes, Planning Commission Meeting of May 10, 2006

The Council received and filed the subject action minutes.

06/0516.17 Consideration of Planning Commission Denial of a Use Permit for Save-on Drug Store Including a Parking Reduction, 24-hour Operation, and Sale of Alcoholic Beverages; and a Variance from Maximum Allowable Building Height, Located at 1100 Manhattan Beach Boulevard

The Council received and filed the subject report.

06/0516.18 Consideration of Planning Commission Approval of a Use Permit and Coastal Development Permit for Proposed Construction of a New Duplex, Located at 320 Rosecrans Avenue

The Council received and filed the subject report.

COMMUNITY ANNOUNCEMENTS

06/0516.24 Dave Wachtfogel Re Marlin Smith Appointed to 9th Circuit Court of Appeals

Dave Wachtfogel, No Address Provided, announced that Manhattan Beach resident, Marlin Smith, was recently appointed to the 9th Circuit Court of Appeals and that Mr. Smith's wife Kate, previously served on the City's Library Commission.

06/0516.25 Viet Ngo Re Apology to Black Americans and Metlox Dog

Viet Ngo, No Address Provided, urged the City Council to issue an apology to African Americans and change the name of Parque Culiacan to remedy past injustices.

Mr. Ngo also accused the City of acquiring the Metlox dog sculpture illegally and without a formal Public Hearing.

PUBLIC HEARINGS

06/0418.14-19 Consideration of Planning Commission Approval of a Use Permit, Coastal Development Permit and Vesting Tentative Map No. 065187 to Allow Construction of a 34-Unit Commercial Condominium Project for Office and Retail Use, for the Property Located at 1300 Highland Avenue (Formerly Good Stuff)

Associate Planner Eric Haaland addressed Council explaining that the Planning Commission approved a 14,273 plus square foot commercial condominium project that will include 15 underground parking spaces, with 10 units to be used as retail/personal services and 24 units for general office use. He conveyed that each unit will be approximately 300 square feet and that the 10 units that will be used for retail purposes will be facing Highland Avenue and 13th Street. He stated that in an effort to be eligible for a parking exemption, the applicants are proposing dedicating 10 square feet of land to the City to be used as 3 public parking spaces. He added that without the exemption, the property would be required to have 34 parking spaces (one dedicated to each unit) as opposed to 15 and further clarified that the Code requires that commercial property over 10,000 square feet is subjected to the 1:1 floor area ratio. Associate Planner Haaland further reported that a parking study revealed that the project would demand less parking than Good Stuff did; that peak demand would be mid-day on weekdays; and that the project would include demolishing the Good Stuff restaurant and use the entire site from Highland Avenue to Crest Drive and cornering on 13th Street.

In response to Council inquiries as to the specific nature of the retail sales that would be permitted, Associate Planner Haaland stated that only personal/professional (i.e.: yoga, personal training) retail activity would be permitted; that it would not include the sale of food, merchandise, or to provide medical care; that approval by the Coastal Commission is not required; and that although the condominiums will be individually owned, they will only be allowed to be used for commercial purposes.

In regard to questions about off-site parking, Associate Planner Haaland stated that additional parking would be available at the Metlox parking structure after obtaining downtown merchant parking permits.

In response to Mayor Ward's question regarding why a variance wasn't pursued as opposed to the 10 feet dedication of land to the City, Associate Planner Haaland advised that the applicant felt that in addition to satisfying zoning code requirements by reducing the amount of square feet for the project, it would benefit the public by adding 3 public parking spaces.

Applicant and Project Architect Grant Kirkpatrick introduced himself and the co-applicants of the project that included **Bryn Strokey, Nick Schaar, Bunny Srou, Alex Anamous and Eric Lang**. **Mr. Kirkpatrick** reported that the project, named La Mar Worklofts, seeks to create an environment where sole practitioners and local residents can work in the downtown area and take advantage of the downtown amenities. He added that according to a recent traffic study, the daily trip generation as compared to the trips generated by the former Good Stuff restaurant is a reduction of 302 trips per day.

Mr. Kirkpatrick used a model and three-dimensional photographs to relate the specificity of the architecture and the materials that will be used to build the property noting that the project is consistent with the City's General Plan of a "small town atmosphere and low profile human scale development."

In response to inquiries by Councilmembers Montgomery and Fahey about tenant parking at the proposed site, Traffic Engineer Eric Zandvliet explained that because of the limited amount of parking on the site (15 spaces) each tenant will be required to have a parking permit so that they will have access to parking if on-site parking is not available.

In response to Mayor Ward's inquiry about how the parameters of the proposed project would change if the city refused the 10 foot dedication, **Mr. Kirkpatrick** stated that the property would be limited to 15-20 units to accommodate the required parking permit, if the property were over 10,000 square feet.

In response to Councilmember Aldinger's question about the parking exemption as it relates to property that is 10,000 square feet, Associate Planner Haaland explained that the parking exemption is not allowed for property 10,000 feet or more and for those that are allowed the parking exemption, onsite parking spaces are not required.

City Manager Geoff Dolan gave a historical perspective on the rationale for the project stating that both he and Community Development Director Richard Thompson believe that the project is intriguing, would be a benefit to the City and encouraged the developers to move forward.

In response to Councilmember Montgomery's inquiry about whether or not one of the dedicated parking spaces would be Americans with Disabilities Act (ADA) compliant and allow for wheelchair access, **Mr. Kirkpatrick** stated that one space will be handicapped accessible for an automobile, but not for a van or other larger vehicle.

Mayor Ward opened the Public Hearing at 7:52 p.m.

Martha Andreani, No Address Provided, expressed her concerns regarding the compatibility with the Downtown Strategic Plan and the General Plan. She questioned whether any studies were done that show the viability of office condominiums; questioned the credibility of the parking and traffic studies presented; and expressed concern over the bulk of the proposed building.

Ron Coach, No Address Provided, asked Council to put a "sunset" on the parking permits for a year after the building is built until parking studies are done and merchant parking in the downtown area can be modified, if necessary.

Viet Ngo, No Address Provided, stated that there is a conflict of interest with the project because Grant Kirkpatrick is a former Planning Commissioner and that the Planning Commission approved the project without knowing this information.

Karol Walberg, No Address Provided, voiced concern about the location of the project and potential traffic problems on Highland Avenue.

Mayor Ward closed the Public Hearing at 8:03 p.m.

Co-applicant **Bryn Strokey** spoke of the extraordinary interest in the project; related that a similar project in Hermosa Beach sold out in 24 hours; and stated that the prices are not set yet, but that they should range from approximately \$400,000 to \$700,000 each.

In response to Councilmember Fahey's request for her thoughts on the project, **Executive**

Director of the Downtown Manhattan Beach Business and Professional Association (DMBBPA) Carol Rowe stated that the DMBBPA fully supports the project; however she is concerned with dedicating 34 merchant parking spaces as opposed to sharing the spaces with the rest of the business community.

MOTION: Councilmember Aldinger moved to approve the Use Permit, Coastal Development Permit and Vesting Tentative Map No. 065187 to allow Construction of a 34-Unit Commercial Condominium Project for Office and Retail Use, for the Property Located at 1300 Highland Avenue (Formerly Good Stuff). The motion was seconded by Councilmember Montgomery.

Prior to roll call vote, Mayor Pro Tem Tell suggested an amendment to the motion to include that the first 9 months of business be strictly traditional retail.

Council concurred with the amended motion and passed the motion by the following unanimous roll call vote:

Ayes: Aldinger, Montgomery, Fahey, Tell and Mayor Ward.
 Noes: None.
 Absent: None.
 Abstain: None.

RECESS AND RECONVENE

At 8:52 p.m. the Council recessed and reconvened at 9:03 p.m. with all Councilmembers present.

GENERAL BUSINESS

06/0502.20 Select Members for City's Boards and Commission:
a) Parking and Public Improvements: Seat 5
b) Parks and Recreation Commission: Seats 4 & 5

Parking and Public Improvements Commission (Seat No. 5)

	<u>Nomination</u>	<u>1st Round Vote</u>	<u>2nd Round Vote</u>
Tell	Paul Gross	Paul Gross Pat Donahue	Paul Gross
Aldinger	Lester Silverman	Les Silverman Pat Donahue	Pat Donahue
Montgomery	Patrick Donahue	Pat Donahue Paul Gross	Pat Donahue
Ward	James Gill	Pat Donahue James Gill	Pat Donahue
Fahey	None further	Paul Gross Pat Donahue	Paul Donahue

MOTION: Mayor Ward moved to unanimously appoint Patrick Donahue to the Parking and Public Improvements Commission Seat No. 5. Hearing no objection, it was so ordered.

Parks And Recreation (Seat No. 4)

	<u>Nomination</u>	<u>1st Round Vote</u>	<u>2nd Round Vote</u>
Tell	Steven Nicholson	Dierdre Murray Steven Nicholson	Dierdre Murray
Aldinger	Rocky Miller	Rocky Miller Sara Sellers	Dierdre Murray
Montgomery	None further	Steven Nicholson Dierdre Murray	Dierdre Murray
Ward	Dierdre Murray	Dierdre Murray Rocky Miller	Dierdre Murray
Fahey	Sara Sellers	Dierdre Murray Sara Sellers	Dierdre Murray

MOTION: Councilmember Aldinger moved to unanimously appoint Dierdre Murray to the Parks and Recreation Commission Seat No. 4. Hearing no objections, it was so ordered.

Parks and Recreation (Seat No. 5)

	<u>Nomination</u>	<u>1st Round Vote</u>	<u>2nd Round Vote</u>
Ward	Rocky Miller	Rocky Miller Sara Sellers	Rocky Miller
Fahey	Sara Sellers	Sara Sellers	Steven Nicholson
Tell	Steven Nicholson	Steven Nicholson Sara Sellers	Steven Nicholson
Aldinger	None further	Rocky Miller Sara Sellers	Rocky Miller
Montgomery	None Further	Steven Nicholson Sara Sellers	Steve Nicholson

MOTION: Councilmember Fahey moved to unanimously appoint Steven Nicholson to the Parks and Recreation Commission Seat No. 5. Hearing no objections, it was so ordered.

06/0516.21 Introduction of Fiscal Year 2006-2007 Proposed Budget & 2006-2011 Capital Improvement Plan

Finance Director Bruce Moe recognized staff for their hard work in preparing the proposed Operating Budget and Capital Improvement Plan (CIP) and advised Council on the dates of future budget meetings.

Assistant Finance Director Russ Morreale noted the budget highlights and stated that key fund reserves are strong; that General Fund revenues have increased by 10.82% and expenses by 8.83%; that Public Employee's Retirement System (PERS) rates are level after previous year increases; that the last two years of State take-a-ways totaling \$672,000 are expiring; and that while insurance costs are still on the rise, the City has a budget surplus of approximately 3 million dollars. He reported that the proposed budget includes adding four full time staff; addresses increases in maintenance costs; and that funds in need of future attention include the Street Lighting Fund, the Storm Drain Fund, the Water/Wastewater Funds and the Parking Fund. Assistant Finance Director Morreale conveyed that the General Fund Balance is projected to be over 15 million dollars after proposed fund transfers; that the Capital Improvement Fund balance

is projected to be slightly over 5 million dollars; and that the five year General Fund projection is reported to be very good based on conservative estimates.

Public Works Director Neil Miller discussed the 2007-2011 Capital Improvement Plan (CIP) stating that the balance is just over 5 million dollars and includes both enterprise and grant funds and that with regard to the unfunded CIP; there is \$3.5 million available and \$4.3 million of unfunded projects. He summarized all unfunded CIP line items and stated that a full in-depth discussion on the budget will occur on May 23, 2006.

The following individual spoke on this item:

- **Viet Ngo, No Address Provided**

Council received and filed the presentation and encouraged the community to return next Tuesday for the Budget Study Session Meeting.

O6/0516.22 Review of City Council Compensation

Explaining that a salary and benefits survey of eleven surrounding cities was recently conducted to review the City Council's compensation rates, salary and benefits, Human Resources Director Marcie Scott revealed that the data indicates that the average monthly salary for a Council member is \$951 (or \$653 if the City of Inglewood is removed). She stated that Government Code Section 36516 establishes a maximum salary for elected officials of General Law cities based on population and that the law was amended in January of 1985 to increase the maximum from \$200 to \$300 per month for a city the size of Manhattan Beach. She added that the guidelines allow for a Council salary increase which "may not exceed an amount equal to five percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment was enacted" and that according to recent research, there has been no salary increase for at least 30 years.

The following individuals spoke on this item:

- **Viet Ngo, No Address Provided**
- **John Chaykowski, 200 Block of John Street**

Councilmember Fahey commented that the compensation should reflect the work done as a Councilmember and noted that a lot of time is spent attending public events as well as fielding phone calls and e-mails.

Mayor Pro Tem Tell stated that because he donates his compensation to the Manhattan Beach Education Foundation he would leave the discussions on this issue to his colleagues.

After further discussion, Council agreed to refer this issue to the Finance Subcommittee for recommendation.

06/0516.23 Consideration of a Status Report on the Police & Fire Facility Construction Project and Disbursement of Progress Payment #26 in the Net Amount of \$501, 821 to Swinerton Builders

City Manager Geoff Dolan asked if Council could defer to the Staff Report for this item in lieu of a presentation by Deputy City Manager Sherilyn Lombos commenting that the information provided in the PowerPoint presentation is the same information as is in the Staff Report.

With the exception of Councilmember Aldinger, Council agreed to defer to the Staff Report in lieu of a presentation.

In response to Councilmember Fahey's question regarding the Police/Fire Grand Opening, City Manager Dolan confirmed that the Grand Opening will take place on July 1, 2006.

MOTION: Councilmember Fahey moved to receive and file the status report on the Police & Fire Facility construction project and approve the disbursement of progress payment #26 in the net amount of \$501,821 to Swinerton Builders. The motion was seconded by Mayor Pro Tem Tell and passed by the following unanimous roll call vote:

Ayes: Aldinger, Montgomery, Fahey, Tell and Mayor Ward
Noes: None.
Absent: None.
Abstain: None.

AUDIENCE PARTICIPATION

06/0516.26 Viet Ngo re Personal Attack

Viet Ngo, No Address Provided, alleged that on May 5, 2006 at an Alcohol Beverage Control hearing, he was personally attacked and threatened by business owner Mike Zislis and asked that the City Attorney refer this case to the District Attorney for prosecution.

06/0516.27 Robert Bush Re Utility Undergrounding & City Council Compensation

Robert Bush, No Address Provided, stated that Utility Undergrounding should be stopped and/or the costs for undergrounding be paid for by Southern California Edison.

Mr. Bush also noted that he feels that Council is entitled to an increase in compensation.

06/0516.28 Bev Morse Re Utility Undergrounding

Bev Morse, 900 Block of 1st Street, indicated that Utility Undergrounding has divided the City and will create a hardship for many residents.

In response to **Ms. Morse's** inquiry regarding whether the City was subsidizing 20% of the costs for Undergrounding in Districts 2 and 6, City Manager Dolan stated he didn't believe so, but that he would have Senior Civil Engineer Stephanie Katsoules contact **Ms. Morse** to clarify.

06/0516.29 John Chaykowski Re Previous Laws Re Undergrounding

John Chaykowski, 200 Block of John Street, asked that a moratorium be declared against Utility Undergrounding and stated that the City has violated its own laws stating that 100% resident support was required in order for undergrounding to pass.

06/0516.30 Frank Matranga Re Utility Undergrounding

Frank Matranga, No Address Provided stated that many residents are upset about undergrounding and that it should be stopped.

06/0516.31 Dave Wachtfogel Re Shift in Engineering Costs

Dave Wachtfogel, No Address Provided, suggested that the residents in favor of undergrounding, not the City, pay for engineering costs for undergrounding and that this would possibly reduce the amount of accusations by residents against Council.

06/0516.32 Joyce Leroy Re Undergrounding

Joyce Leroy, 1300 Block of 11th Street stated that undergrounding is hurting a lot of residents and forcing many of them to leave the City.

CITY MANAGER REPORT(S)

None.

OTHER COUNCIL BUSINESS & COMMITTEE REPORTS

06/0516.33 Councilmember Montgomery Re Bike Rodeo

Councilmember Montgomery commended Police Sergeant Brian Klatt and Police Captain Dale Reissig of the Manhattan Beach Police Department for their outstanding work on the Bike Rodeo that was held on May 13, 2006 at Grand View Elementary School.

06/0516.34 Mayor Ward Re Mayor's Golf Tournament

Mayor Ward announced that he will be hosting the Mayor's Golf Tournament that will take place on October 9, 2006 and that anyone interested in sponsoring the event should contact him or former Councilmember Linda Wilson.

06/0516.35 Mayor Ward Re Hazardous Waste Round-up

Mayor Ward thanked everyone that participated in the Hazardous Waste Round-up in Hawthorne last week.

ADJOURNMENT

At 11:00 p.m. the meeting was duly adjourned to the 5:30 p.m. Adjourned Regular Meeting, to be followed by the 6:30 p.m. Adjourned Regular Budget Study Session Meeting on Tuesday, May 23, 2006, in said City.

SALLY R. OLIVER
Recording Secretary

MITCH WARD
Mayor

ATTEST:

TERRI ALIABADI
Acting City Clerk

**CITY OF MANHATTAN BEACH
MINUTES OF THE CITY COUNCIL
ADJOURNED REGULAR MEETING
MAY 16, 2006**

The Adjourned Regular Meeting of the City Council of the City of Manhattan Beach, California, was held on the 16th day of May, 2006, at the hour of 5:38 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

ROLL CALL

Present: Aldinger, Montgomery, Fahey, Tell and Mayor Ward.
Mayor Ward arrived at 6:02 p.m.
Absent None.
Clerk: Wadden (Acting).

CLOSED SESSION

The Council recessed into Closed Session at 5:38 p.m. and moved to open session at 6:26 p.m.

ADJOURNMENT

The meeting was duly adjourned at 6:26 p.m.

ROBERT V. WADDEN, JR.
Recording Secretary

MITCH WARD
Mayor

ATTEST:

TERRI ALIABADI
Acting City Clerk