



Agenda Item # \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Members of the City Council

**FROM:** Mayor Linda Wilson  
Mayor Pro Tem Joyce Fahey

**DATE:** March 1, 2005

**SUBJECT:** Consideration of Compensation Adjustments for City Manager and City Attorney

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**RECOMMENDATION:**

It is recommended that the City Manager and City Attorney's Employment Agreements be amended to provide compensation adjustments for 2005.

**FISCAL IMPLICATION:**

Funds are available for the recommended adjustments within the adopted budget.

**DISCUSSION – CITY MANAGER:**

Our City Manager, Geoff Dolan, has just completed his 10<sup>th</sup> year of service to the City of Manhattan Beach. He is responsive to the needs of the City Council; sets high expectations for the organization; and oversees the exceptional levels of service provided to residents. The following are highlights of the City Manager's accomplishments this past year:

- City's Financial Condition  
The City's AAA bond rating received last year speaks significantly to the financial condition of Manhattan Beach. Mr. Dolan has consistently provided solid and conservative financial recommendations to the Council and manages the City's resources prudently.
- Public Safety Facility & Metlox  
The Metlox parking structure was completed early last year and was completed within budget. The remaining public and private improvements are well under construction and scheduled to be completed in the summer of 2005. The Public Safety Facility is nearly 40% complete and well within budget. Despite the contractor being nearly two months behind schedule, the facility is still expected to be completed by year end 2005. The City Manager has done a very good job keeping the Council and public informed on the project's progress and has responded well to complaints or inquiries.
- Library  
The City Manager has been a leader for many years in seeking changes to the library system that would benefit our residents. Very significantly, the County made a policy change this past year that will return "excess" library property tax contributions to the City

of Manhattan Beach. This first year we will receive nearly \$600,000, which the Council has decided to use to purchase the library building and land. Over time, this will provide never before had flexibility to meet the need of our residents.

- Work Plan Items

Attached is a copy of the City Council's 2004-2005 Work Plan with a status report for each item. The City Council gave the City Manager and staff a significant Work Plan last year with 36 different items. A review of the status report finds nearly all projects were completed and the Council feels that Mr. Dolan and the staff had a great year in this regard. Some of the significant items include the following:

- General Plan – zoning changes were completed
- Minor Exception Ordinance to encourage remodels was adopted
- Completed the design of the Strand renovation with significant public participation
- Actively supported the League of California Cities ballot initiative
- Increased the second story open space requirement from 6 to 8%
- While not yet under construction, three utility districts were approved, bonds were sold, and proceeds were provided to Southern California Edison for the construction.

In addition to the Work Plan items, there are several other accomplishments that we would like to mention in this summary:

- Ordinances were passed banning smoking on the beach
- Staff completed and City Council adopted the results of the User Fee Study
- New batting cages were installed at Marine Avenue Park
- El Porto Wall Project design was completed, the contract was awarded and the City received \$835,000 from the County of Los Angeles towards construction.
- In addition to these special project accomplishments, the Resident Satisfaction Survey once again showed very high satisfaction with our day-to-day City services.

### **CONCLUSION & RECOMMENDATION – CITY MANAGER**

The City Council is in complete agreement that our City Manager's performance is outstanding.

In recognition of this performance, it is the recommendation of this subcommittee that the following changes in the City Manager's Employment Agreement be approved effective January 1, 2005: an increase in annual salary of 6.5% from \$165,476 to \$176,232 per year; an additional \$2,000 annual contribution to the ICMA Retirement Corporation 457 Retirement Plan; and a one-time \$10,000 bonus.

The recommended compensation adjustment has two components: the bonus is to recognize outstanding performance during 2004 and the salary adjustment moves Mr. Dolan closer to the market average and an appropriate salary for this position. (City Manager salaries in the area include: Torrance \$215,676; Redondo Beach \$170,004; Hermosa Beach \$159,900; El Segundo \$194,652.)

**DISCUSSION – CITY ATTORNEY**

In the last year the City has seen its litigation case load decrease dramatically. There were only 6 active litigation cases at the end of the year. The City Attorney continued to handle almost half of the City’s total litigation caseload in-house at considerable savings to the City. In 2004 the City paid \$51,046.56 to outside counsel for litigation. This included attorney fees and costs incurred by outside counsel (e.g., mileage, parking, deposition fees, expert witness fees). This represents a decrease of over 81% from the prior calendar year. The City was victorious in its only trial in 2004, a unanimous jury verdict in federal court in a racial profiling case.

While criminal misdemeanor cases filed in 2004 decreased from the previous calendar year conviction rates remained high (97%). Total revenue from municipal code fines also decreased but the average fine per conviction increased reflecting the City’s aggressive prosecution philosophy.

The City Attorney’s office was closely involved in the continuing development of the Metlox project, the construction of the Police/Fire facility (including the bond issue for the facility), settlement of a potentially major CERCLA case, represented the City in the El Segundo Power proceedings, participated in Community Development code enforcement proceedings, worked with the Risk Manager to oversee the City’s claim processing and liability defense process, counseled all City departments, the City Manager and the City Council on legal issues, and reviewed all contracts, ordinances and resolutions of the City throughout the year.

**CONCLUSION & RECOMMENDATION – CITY ATTORNEY**

The Council would like to express its appreciation to Mr. Wadden for his performance and commitment to the City of Manhattan Beach. Based on our review of the market and Mr. Wadden’s performance this committee recommends an 8.5% salary adjustment from \$155,839 to \$169,085 effective January 1, 2005.

cc: Geoff Dolan, City Manager  
Robert Wadden, City Attorney

# CITY COUNCIL'S 2004-2005 WORK PLAN

Developed at the  
City Council Work Plan Meeting – February 21, 2004  
Adopted - March 2, 2004

## **Update Provided on January 14, 2005**

### **1. Implement General Plan Zoning Changes**

A number of specific zoning changes were identified in the General Plan process. Develop material and ordinances for the presentation to the Planning Commission and adoption by the City Council.

**Status:** Project complete. Zoning plan changes were approved by the Planning Commission in May 2004 and the City Council in July 2004.

### **2. Develop Issue Paper on Downtown Parking & Intensification of Use Issues**

Bring to Council a paper discussing the various issues to be addressed in a future downtown parking study. The paper will address the parking impacts of changing uses that create parking demand, i.e. retail to restaurant.

**Status:** Staff is updating the data base, which documents the intensification of uses downtown. This paper is scheduled to be presented to the City Council on February 1, 2005.

### **3. Historical Preservation Ordinance**

Bring to Council information on a historical preservation ordinance including zoning, legal, financial and preservation issues. City Council will discuss and provide further direction.

**Status:** A citizen committee has formed to address historical preservation issues. Staff has attended their meetings and will continue to monitor their efforts and provide assistance once they are ready to present their proposal to City Council.

### **4. Minor Exception Application to Encourage Remodels**

Consider using the minor exception application as a way to encourage home remodeling and small additions. This may reduce the practice of demolishing older homes and replacing them with new homes built to the maximum limits. Study possible alternatives and present to City Council; a way to address mansionization.

**Status:** Project complete. The study was presented to the Planning Commission and the City Council; the ordinance was adopted by the City Council on January 4, 2005.

**5. Lot Mergers**

Review current regulations pertaining to lot mergers including whether they are appropriate or if changes should be made to reduce mansionization.

**Status:** This issue is scheduled to be presented to the Planning Commission for initial review on February 9, 2005.

**6. Bike Lanes**

As identified in the General Plan, consider the creation of bike lanes in the community, particularly from east to west. This does not contemplate a bike lane on Veterans' Parkway.

**Status:** The City's Traffic Engineer and various staff members from other departments reviewed possible routes and presented the information to the Parking & Public Improvements Commission (PPIC) in October 2004. The PPIC's recommendation was reviewed by the City Council at its meeting of January 4, 2005; Council requested additional information, which staff will bring back in February.

**7. Metlox**

Monitor the construction of private improvements on the Metlox site. Coordinate the construction of the public plaza portion and all other public improvements.

**Status:** Construction of the private improvements and remaining public improvements are underway; completion is scheduled for summer 2005.

**8. Police & Fire Facility**

Return to Council with a bond issuance plan and issue debt. Stay within project budget and timeline. Continue extensive effort to keep the public informed.

**Status:** Council approved the financing documents at its October 19, 2004 meeting. The bonds (\$12 million net) were sold in late October, with a total interest cost of 4.68% for thirty years. The debt service will be \$760,000 per year, which is \$95,000 less than originally budgeted, freeing up CIP funds for other unfunded projects.

The budget is on track; Council established the contingency at 10% in August 2004. The Council approved a 51-day extension to the schedule in October 2004. Construction newsletters are being produced monthly; the project website is updated regularly and the project hotline is monitored daily.

Construction is progressing and is anticipated to be completed within budget. While there have been construction delays, it is still believed that the Police and Fire Departments will move in by year end 2005.

## **9. Strand Renovation Project**

The first community meeting is scheduled for March 9, 2004. Complete design and submit to Council for final approval. Review phasing and financing alternatives. Begin construction in fall 2004.

**Status:** Council approved the revised project on September 7, 2004; followed by Coastal Commission approval in October 2004. The contract is scheduled for award on January 18, 2005; a groundbreaking ceremony is tentatively planned for March 3, 2005. Trash container and signage issues will be brought back to Council in the spring of 2005. The project has been fully funded.

## **10. Council/Commission Communication**

Schedule annual joint meetings with City Council and the various boards and commissions. Develop policy for formal communication between Commissions and Council. Also, at a future meeting discuss Council expectations of commissioners. Consider addition of information to the current commission handbook.

**Status:** This issue was discussed by the Council on April 24, 2004. The Commissioner Handbook was modified to reflect the changes Council made. The following joint Council/Commission meetings were held:

- Parks & Recreation – February 11
- Planning Commission - April 13
- Cultural Arts Commission - June 8
- Parking & Public Improvements Commission - September 14
- Library Commission – November 9

## **11. Commissions – Fundraising for Projects**

Schedule a City Council discussion on project fundraising by City Commissions. Issues to address include how a project is approved for fundraising and the appropriate way to recognize donors.

**Status:** Project complete. This issue was discussed by the Council on April 24, 2004; Council's direction was to handle fundraising for projects and recognition for donors on a case-by-case basis.

## **12. Dog Issues**

Work with a group of residents to address issues relating to dogs in the community. Implement appropriate administrative changes. Policy issues to be considered by the Parks and Recreation Commission and the City Council.

**Status:** The Dog Issues Committee made a presentation before the Parks & Recreation Commission on October 25, 2004. The City Council, at its meeting of November 16, 2004, approved on leash pass throughs for Live Oak, Sand Dune (grass area and south steps) and Culiacan Parks; and an off leash area just beyond the outfield fence at Dorsey Field. A status

report will be provided to the City Council within six months of the ordinance adoption.

**13. Develop Informational Brochure on Community Development Appeal Processes**

Develop a brochure for Community Development customers, explaining options to pursue should they not be satisfied with a decision. This would apply to administrative, Planning Commission or City Council decisions.

**Status:** Project complete. A draft was presented to City Council on September 9, 2004, which was approved with minor changes. The brochure is now available at City Hall.

**14. Sidewalk Dining Program**

Review existing Sidewalk Dining program including whether it should be modified, extended or eliminated.

**Status:** Project complete. City Council reviewed the program on May 18, 2004 and approved continuation of the program with no changes.

**15. Utility Undergrounding**

The results of the election for the first three districts will be known on March 16, 2004. With passage we will move forward with financing and construction. Meanwhile, proceed to the next districts.

**Status:** Districts 1, 3, & 5  
Voters approved districts 1, 3, & 5 on March 16, 2004; the bonds were issued in August with a total interest cost of 4.92%. Delays by SCE and Verizon resulted in a 3-month delay. Construction is scheduled for January 2005 through December 2005, with property owner conversions scheduled for January 2006 through July 2006, and pole removal by October 2006.

Next Districts slated – 2, 4, 6 & Sepulveda

Higher priority work has resulted in a shift of schedule. Design will be complete in January/February 2005 with property owner meetings planned for the spring of 2005; followed by district elections to be held in the summer of 2005; bond sale is scheduled for the fall of 2005.

Edison has filed a request for a private letter ruling on the taxability of the improvements. The request was sent in late November 2004 and a response is expected to take 18-24 months.

City Council approved an additional engineering position to assist with the increased work load due to the number of underpaid projects. We are currently recruiting for the position; if you know of interested individuals please encourage them to apply.

**16. Sepulveda Improvements**

Present the original Sepulveda Corridor Improvement Project and its various phases for review. Provide a status report on the Sepulveda Utility Undergrounding Project.

**Status:** A status report is scheduled to be presented to the City Council in February 2005.

**17. Cell Site Policy**

Develop process and procedures to handle cell site applications and incorporate into a telecommunications ordinance.

**Status:** The City Attorney drafted an ordinance which was circulated to other departments for review. It has been discussed by the Planning Commission on three occasions and is scheduled to be presented to the City Council in February 2005.

**18. Downtown Valet Parking Program**

Schedule a presentation by the Downtown Business & Professional Association on the existing Valet Parking Program. Consider issues such as its necessity, effectiveness, and operations.

**Status:** Project complete. This item was presented to the Council on April 20, 2004. Changes made to the program include elimination of all daytime valet parking and extension of the months of operation to year around for station "B" located at 11<sup>th</sup> and Manhattan Avenue (in front of Fonz's restaurant). A new contract between the valet company, the Downtown Business Association and the City was executed.

**19. Public Education on Downtown Parking Alternatives**

Work with the Downtown Business & Professional Association to develop ways to promote all of the downtown parking alternatives to our residents, businesses and visitors.

**Status:** Project complete. This issue was discussed by the Council on April 24, 2004; Council's direction was to continue the efforts that are in place to promote parking in the downtown.

**20. Pedestrian Safety**

As a way to enhance pedestrian safety bring alternative new technology to Council to consider installing on a trial basis, i.e. flashing crosswalk pavement lights.

**Status:** Project complete. Community Development and the Police Department evaluated the feasibility of using flashing pavement warning lights in crosswalks downtown; the Parking & Public Improvements Commission



recommended against installing the pavement lights in Manhattan Beach. At the Council meeting of September 21, 2004, the City Council decided not to implement a trial project or to include this as an option in our “toolbox” at this point. Staff will continue to evaluate alternative crosswalk enhancements as suggested by the PPIC.

The Police Department continues to utilize traffic message boards to educate and inform residents. In addition, crosswalk pedestrian “stings” continue to be conducted in the downtown area as well as at other crosswalks in the community.

## **21. Neighborhood Traffic Enforcement**

Continue aggressive neighborhood traffic enforcement. Enhance promotion of the Area Traffic Officer program.

**Status:** The Traffic Bureau continues to respond to community requests for selective enforcement in specific areas of the City where the need has been identified. The Police Department’s enforcement and education efforts with back-to-school traffic and safety issues were successful. A new promotional campaign for the Area Traffic Officer Program is being developed. Additionally, a new motor officer has been assigned to the Traffic Division.

## **22. Citizen Involvement in Public Safety & Hometown Security**

Continue to emphasize and grow programs that promote citizen involvement in public safety. Examples of programs include the Community Police Academy, CERT program, and the Citizens’ Medical Corps. Consider expanding the Community Police Academy to include teens.

**Status:** The Fire Department continues to work with the Beach Cities Health District and the cities of Redondo Beach and Hermosa Beach in the development of the Citizens’ Medical Corps. A small number of medical volunteers are signed up at this time; this group will be used to develop and test the program. Five CERT classes were held with a total of 77 people successfully completing this valuable training. Additional CERT classes are being planned for 2005.

The 4<sup>th</sup> Community Police Academy class graduated in December 2004; the 16-member class included two teenagers from Mira Costa High School. Classes were facilitated by a new rotation of police officers, which provided valuable experience for the officers and gave them the opportunity to become better acquainted with members of the community. The curriculum was modified to include information and education on hometown security. The 5<sup>th</sup> Community Police Academy class will begin in March 2005.

The Police Department received a grant from the federal government for Personal Protective Equipment (PPE), which will be utilized in the event

of an emergency response to a chemical or biological weapons threat. Officers will be required to undergo 16 hours of training in order to utilize the specialty equipment. Training begins in April 2005.

The Police and Fire Chiefs are scheduled to make a presentation on hometown security to the Manhattan Beach Coordinating Council in April 2005.

**23. Pursue Distribution of Information through Schools**

Discuss at a City/School Ad Hoc meeting the distribution of City information through the schools.

**Status:** There is no information to report at this time.

**24. Elimination of Elected Treasurer Position**

Provide information to Council for possible placement of this issue on the November 2004 ballot including history of the position, survey of other cities, financial and staffing implications. City Council will discuss and provide direction.

**Status:** Project complete. This issue was discussed by the Council on June 15, 2004; Council decided against placing the issue on a ballot.

**25. Repeal of Term Limits**

Consider placing the repeal of local official term limits on the November 2004 ballot. Research the issue and bring information to the City Council for consideration.

**Status:** This issue was discussed by the Council on June 15, 2004; Council tentatively decided that this issue should be placed on the March 2005 ballot. The necessary ordinances and resolutions were presented to the Council and adopted on October 5, 2004. Titled "Measure 2005-A," the repeal of terms limits, will be on the March 8, 2005 ballot.

**26. League of California Cities – Ballot Initiative**

The League of California Cities is submitting a ballot initiative for the November 2004 election that would preserve local revenue sources and preclude the state from taking those without voter approval. City Council will look for ways to support the initiative.

**Status:** Project complete. Council diligently worked to gather signatures for the ballot measure; sufficient signatures were gathered to place the measure on the November 2004 ballot. A resolution in support was passed in February 2004; a resolution in support of Proposition 1A was presented to the Council on October 5, 2004. The initiative was overwhelmingly approved by the voters on November 2, 2004.

**27. Council Regional Youth Recognition Program**

City Council will initiate an effort to design a recognition program for youth in our region.

**Status:** Project complete. Two students were presented awards on December 21, 2004.

**28. Business License Tax Review**

Work with the Chamber of Commerce and existing businesses to review our current Business License Tax. Consider appropriate changes and submit to Council for consideration.

**Status:** Project complete. This item was presented for Council discussion and direction at the December 7, 2004 Council meeting. After reviewing the current methodology and statistics from neighboring cities, Council determined that no action is necessary at this time.

**29. Lighting & Landscaping District**

Update lighting and landscaping city-wide district information. Consider adding other services. Review financial implications. Consider late 2005 district election.

**Status:** Questions were included in the Resident Satisfaction Survey conducted in late fall 2004; the survey indicated some resident interest in shifting responsibility from the property owner to the City. An issue paper will be presented to the City Council after the election in 2005.

**30. Monitor Important Regional Projects**

Keep City Council apprised of important regional projects such as the Los Angeles Air Force Base, El Segundo Power Plant, Honeywell Project, and the Coastal Corridor project. Recommend actions to be taken in the interest of the citizens of Manhattan Beach.

**Status:** LA Air Force Base – We are continuing to monitor this situation; Council approved \$20,000 in February 2004 to support the effort. Council approved an additional \$20,000 on December 21, 2004.

LAX expansion – The Council adopted a resolution in opposition in October 2004. The master plan EIR/EIS was approved by the Los Angeles City Council in November 2004.

Area code split – We continue to monitor this situation; a letter was sent in September 2004 regarding the City's opposition to a split in the 310 area code.

Plaza El Segundo Project – The City is negotiating with the developer for additional traffic improvements along Rosecrans Avenue and Marine Avenue at Sepulveda Boulevard.

El Segundo Power Plant – The California Energy Commission approved the redevelopment project on December 23, 2004, which included several noise mitigation measures that were promoted by the City.

**31. Adelphia Cable Issues**

Continue to pursue improved broadcast quality of public meetings, i.e. City Council and Planning Commission. Follow-up with Adelphia on the required customer survey.

**Status:** Numerous letters and requests have been made of Adelphia for the required survey to no avail; Council decided to not pursue a franchise audit due to the current bankruptcy proceedings. Council awarded a contract in December 2004 for the replacement and upgrade of critical audio/visual equipment in the Council Chambers; completion is scheduled for February 2005.

**32. Newsstand Regulations**

Review newsstand regulations and existing program to convert all newsstands to a common style.

**Status:** A new news rack location was installed at Trader Joe's on Manhattan Beach Boulevard. Staff is working with CalTrans for appropriate permitting issues to address news racks on Sepulveda Boulevard; existing news racks in the downtown and north end have been inspected and upgraded where necessary.

**33. 9-11 Memorial**

Complete process of selecting an artist and designing the 9-11 Memorial. Installation will occur in conjunction with the completion of the Police & Fire Facility. Initiate an effort to raise funds from the community to offset project costs.

**Status:** Entries from 19 artists were received in response to the Request for Proposal. A panel of judges selected four finalists that developed three-dimensional maquettes.

On January 11, 2005, the Cultural Arts Commission and Citizens' Committee reviewed and prioritized the top four presentations. The City Council is scheduled to review and select the final project in February 2005.

**34. Outdoor Sculpture Garden**

After the 9-11 Memorial project, the next priority public art project is the Outdoor Sculpture Garden.

**Status:** Once the 9-11 Memorial project is complete, Council will determine if staff should proceed with the Outdoor Sculpture Garden; another option is

to direct staff and the Cultural Arts Commission to develop guidelines and procedures for an artistic element for the Strand bench areas.

**35. City Website**

Conduct a study of the efficiency and effectiveness of the City's website. Identify ways to expand its use with residents and collect e-mail addresses to augment our e-mail distribution list. Consider web casting City Council meetings.

**Status:** This item was presented at the September 21, 2004 City Council meeting. The Council appreciated the update and was generally impressed with our website. Staff made a number of suggestions to enhance the site that will be considered in next year's budget. Council felt the highest priority was video streaming of Council meetings, which will be implemented during the first quarter of 2005.

The City's 2004 Satisfaction Survey indicated that residents are increasingly looking to the City's website as a source of information. In 2004, nearly 20% of residents surveyed said they use this medium, which is up from 8.4% in 2002.

Staff will be requesting funding through the 2005-2006 budget for the enhancements discussed in September.

**36. Bulk Volume**

Review existing ordinances to consider additional methods to reduce bulk and volume.

**Status:** Project complete. On September 7, 2004 the City Council adopted an ordinance increasing second story open space from 6% to 8%.