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>> This is about accountability and transparency. If broadband penetration is nearly 100% in Manhattan Beach, why do we need cell towers in residential areas?

We don't. If additional bandwidth is not needed for residents, who is benefitting, and why is the city council pushing this agenda. Was there an RFP process to determine the locations, technology used, and vendors, such as AT&T. Was there an environmental impact study done. What other options were considered. Per the Manhattan Beach Municipal Code, any telecommunications equipment will not be allowed to interfere with public health and requires a level playing field for all service providers. Who is approving these installations. Where are the proposed locations. What is the potential upside. Did AT&T and Edison donate any money to city council members. If we don't find the answers to these questions, it is clear that Manhattan Beach City Council is not representing its constituents, but other more nefarious interests, and we will seek injunction to stop this process and protect our community. Thank you for your time and thank you to all of our friends and family who came to support us today.

>> Mayor D. Lesser: Thank you. I think as our next speaker is coming up, you heard there will be a community meeting to discuss the various issues that requires the city to consider some of the permits as well as pending legislation in the state legislature that will remove further local control on this issue.

>> You can imagine how alarming this is, and we get three days to comment.

>> Mayor D. Lesser: Thank you very much for your comments tonight.

Phil, hi.

>> Good evening. I remember a few years ago Mark Burton came to an MBRA meeting, and he told us of the plans to tear down this building, only 40 years old, tear it down, and build, among other things, four levels of underground parking. And that means digging a 40-foot hole in soft sand right up the intersection of two of the busiest streets in Manhattan Beach. If you remember when they built the Skechers building where the old funeral home was, the shelving collapsed and they lost two or three of the surrounding buildings, actually fell in the hole before they recovered the things. And that was a mess. I don't want to see that happen again. That is a sure recipe for disaster. If you were you, I would not touch this building. What I would suggest, if you need more space, if you keep hiring more people, open an annex, use the second floor of the building at 13th and Highland. And it even comes with its own parking. So instead of trying to cram everybody in this building, just bite the bullet and open this annex, and that would solve a lot of the problems.

>> Mayor D. Lesser: Thank you. For the record, did you -- Mr. Reimert -- I want to get his name for the record. Thank you. Next speaker, please.

>> Sorry. After Abigail, I have Melanie McFarland, and that is the last card that I have.

>> Good evening, city council. I'm Avigail Horrow from 1736 Family Crisis Center. And I have been coming for about three years now, but I do welcome the new city council members -- the new old city council members. You know, every time I come I kind of start off by telling you the services that 1736 provides to our community. I live in Manhattan Beach, but to Manhattan Beach and the entire South Bay. And the short list is that we provide full services to victims of intimate partner violence through shelter, legal, clinical case management, and permanent housing. We provide full services to homeless youth ages 10-17, full services to victims of human sex trafficking and we also provide housing services to veterans and to any homeless person who has had any domestic violence anywhere in their past. Over 45 years, our services keep increasing and our funding keeps decreasing. Manhattan Beach City Council used to fund us pretty significantly through the CDBG grant. I know it was a federal grant, but I have also come and I have talked about you funding us through other line items that provide for safety in our community. I have shown statistics of how people in this community have been served. I have brought in therapists, family therapists, to say they refer to the shelter in this community. I brought in students from Mira Costa who say they have campus clubs and they understand education about what is and what is not intimate partner violence and teen dating violence because of 1736. Recently I sent you a public service announcement about a former Hermosa beach student surfer who went to the beach and unfortunately was given a roof if I, was raped, and killed. Our community is affected, and what I'm asking for you in the way of funding is to help create awareness so we are not responding to a crisis, we are actually preventing more crisis from

occurring. You know, every student I talk to tells me that learning the difference between consent or learning that they have a place to call if they have suicidal tendencies or saw "13 Reasons Why" or any is that true might come up for them, that is what we do, and we need your help, because we help the people of this community. So what I'm asking for tonight is not only your help, but if you are not going to give us help, tell us why and help us to get help, either from the city or in a way that you feel is suitable since we are serving your community. Thank you for your time.

>> Mayor D. Lesser: Thank you.

>> Hi. I'm Melanie McFarland. Mayor, council members, city, I have lived in Manhattan Beach 22 years. I have been a homeowner 22 years. I love this city. And Friday I also, like Ms. NUCCI, received a letter like this in the mail, which is not in my backyard, but literally that's my house. It is in my front yard for the cell phone tower. And we want to keep our city beautiful. And with a notice that we only have until Friday -- and again, I did hear there is going to be a meeting -- that wasn't put on the letter. I have urged everyone I know to send an e-mail or call to oppose this proposition. And I agree with Ms. NUCCI. Do we need it?

Is it necessary? Why are we doing this? And this is around the corner from Robinson, where my kids went to school. I live next door to the wonderful family Carol court who was the first principal when Robinson reopened. I have a feeling that she or I will hit this box if it is in the front yard because it is right in the path of our driveways. And I think there has got to be a better solution for the entire city, not just for some people or for some utility companies. We all want better service, but at what

cost? And I think we do have such a beautiful city where citizens like me can come down here, and it is small enough that we can say exactly how we feel and feel like we are listened to. So I really appreciate your time, and I look forward to hearing more information on the matter. Thank you.

>> Mayor D. Lesser: Great. Thank you.

[ APPLAUSE.]

>> Clerk: Now I have John Petes and Gianna Ingraham.

>> Hi. I'm John Petes. Mayor, city council people. I thought there was going to be a mob here today, and I thought I needed to come. And the two speakers on the cell tower issue were very respectful, and I very much appreciate that. But I put on my most formal beach outfit, so here I am. I would like to make two points. I'm not going to talk about aesthetics -- that is not my thing -- although if you chose to put a UCLA Bruin mascot up, I think that would look pretty good. The two issues to me are health and safety. Let me talk about safety first, because I think it could get lost, and I don't want to get my violin out here, but we have all witnessed what happened in Houston and what happened with Hurricane Harvey. And it was wonderful how people of this country came together and helped one another. It was awful. And we are still living it and we are still digesting it. One thing we think we are learning about this is that people self-organized to get out there and save other people's lives. We don't know how many lives yet. And one of the things that enabled them to do that was a robust cellular structure. As you know, we are living where the big one could happen any day. It won't be a flood, but it could be something far worse. And I would hate to think that we spent a lot of time worrying about cell towers in such a way that we don't get enough

infrastructure here so that when some of them go out we can still help our fellow citizens. That's number one. On the technology issue, I would commend everybody, because I went to a block party, which we do on Labor Day, don't we, and there was a lot of emotion on this subject, which kind of surprised me. And I didn't know much about it. So I looked at American Cancer Society, their website, and I would suggest everybody do that. You wouldn't expect them to be a group whose funding depends upon disease to self-pedal something like that, but you need to look up two different things. You need to look up cell tower radiation and cell phone radiation, because they are very different. Ironically, something I think I learned by reading this is that the more cell towers you have, the less radiation you have. Why? Because cell phones emit 100 times on average the amount of radiation that cell towers do. And cell phones emit more radiation when they are further away from cell towers. So the more cell towers you have, the closer you personally are to a cell tower, the less radiation your phone is emitting. So I think we need a full look at the technical issues, but I think we are going to come down on the side of improving our infrastructure. Thank you.

>> Gianna Ingraham.

>> Hello. I'm here tonight to talk about the same issue. I appreciate the neighbors coming. I have my three children with me. We purchased our home five and a half years ago. I had a parent die of cancer 13 years ago and have been concerned about environmental factors that contribute to cancer since then, and I have done a lot of research myself. And I had an environmental inspection done on our property before we purchased it. The inspection came back that we were actually far enough

away from a cell phone tower. This was done by a company that had been in environmental business for over 25 years, so I appreciate learning as much as I can about both sides of the argument with what the gentlemen had just said about reasons why there wouldn't be safety issues. However, there are many, many studies that show the opposite. And I'm not willing to put my children's lives in jeopardy. I'm not prepared for this meeting tonight because 13 days ago I found out my father has brain cancer. It is real, and it is scary. And nobody really knows. I don't think it is conclusive. Nobody knew in the '50s cigarette smoking could kill people. And I just don't understand why we would take the chance if we don't know for sure. I know there is going to be more meetings on this topic, and I can come better prepared. But tonight, because initially what was said is there was just a couple of days to speak on this matter, I'm here to try and get people to start thinking about the repercussions. Across the street from my house several months ago there have been plans made to put stronger antennas on the poles right across from my home. The man that lives there has two types of cancer. His wife has cancer as well. He is very worried and very well-educated. He is high on the California system, smart man. He has studies that show that this could be a problem. So what they are doing on our street is putting stronger cell antennas in. Now, this was never ever explained to us. We never had a chance to dispute it. He has called the city since March. He has talked to Jason masters. We have talked to his boss Laurie. And according to them, they still don't know anything about it. However, this was left in the street just a few weeks ago when they were drilling holes in every pole down 19th street. It says, warning, Verizon fiberoptic cable. So either Verizon is working in our city without



anyone in the planning department knowing about it, or there is lack of communication somewhere. So I look forward to your careful consideration about this matter. Thank you.

>> Next I have Will Arviso.

>> Hi, there. Kind of nice having you round up the little things for Texas. Couple things to comment on tonight. Item 6, new city hall with public parking. I think we should put that away. Fire station number 2, definitely fire station number 2 should be addressed. I think probably sooner than later, if possible. The other thing is undergrounding. I really hope we just put undergrounding away. And if anything you do tonight or you discuss is raise the bar. Before you raise the bar or even get any further, get an actual amount of what it is going to cost. Nobody seems to know. I thought it was put away four years ago that we weren't going to do anything with undergrounding. We pretty much stepped away from it. And it seems to be coming up again now. With anything involved in undergrounding, we need a really good idea of how much it is going to cost. And definitely raise the bar as far as what the qualifications to get it done are. Thank you.

>> Mayor D. Lesser: Thank you.

>> No further speaker cards.

>> Mayor D. Lesser: Okay. Would any other speaker come down and care to speak to council? If so, if you would fill out a yellow card, perhaps after your comments, if you haven't filled it out yet.

>> Yes, sir. I just came from the yoga class. It is a great class, by the way. I wasn't planning on speaking tonight either, but there are two things that I just want to bring to your attention, because I feel

like things are coming dumped on the community sometimes, and we don't get enough notice. First of all, I got a notice on Friday -- you had a four-day weekend -- you were closed until today. And so it was about the response about putting in. And I understand about the cell tower, but I guess it is a relay station. It really doesn't matter to me. I don't want it there. And I had to kind of rally my neighborhood. I live on 9th and valley. It is right in front of my neighbor's house. It is a bad location. Both she and I have gone through episodes with cancer. There is no way that I want to jeopardize my grandchildren. I totally relate to this other lady talking about cancer. Both my parents died of cancer. 50 years ago they didn't know about tobacco. My husband had x-ray treatment as a kid that was supposed to be completely safe. Ended up having thyroid cancer. So there is a lot of stuff that you really need to take into consideration. The other thing that I think was very disturbing is that you sent pockets of letters to various people in various areas about putting up towers on valley here and there and you only gave them four days to respond. So I think communication is important. The same thing happened with the parking. We have dealt with the parking on valley. It was supposed to be a whole other issue with commercial business parking and yet we are the ones in the neighborhood paying for the permits. Things don't get resolved and get put back on our back. I feel like more research needs to be done. I have Sprint, so I don't have a problem, but I do see people that have AT&T probably do. I do know a lot of stuff is put in. Like the hotel, took out the whole sidewalk where people had to walk to the fair, on the street all the time. People with baby carriages. Sometimes things are rushed into and you really need to think about the

community. I kind of got the run around with the people because they don't live here, don't live in the area or they don't live near downtown. People who live downtown on the sand section, on valley, up on the hill, need to be considered when you are running anything with the commercial area. I would think that you are trying to keep it away from the residents. There are children. And you would put it somewhere. You have two of them on city property. Went up on Grandview, and I knew the Grandview people didn't want. And you have a cell tower over where the water tower is. And both of those seem to be higher up and not running energy through the houses. Most of the houses are two stories and people live in the top unit. And if you have someone calling from up above, even though the person said nothing is going to happen, who knows? It is just a consideration about this. And better communication to the community. Okay. Thank you.

>> Mayor D. Lesser: Ma'am, it is optional. Ma'am, it is optional, but would you care to provide your name? >> Oh, yes. I'm Karen Darling. I live on 9th Street.

>> Mayor D. Lesser: And I'm sorry, Council Member Napolitano, did you want to raise a question or make a comment?

>> S. Napolitano: Not at this time.

>> Mayor D. Lesser: Are there further speakers that would care to address council?

>> I received one more speaker card. It is for William Victor.

>> Mayor D. Lesser: Let me just ask. If there is anyone else who would like to address council, if you could please provide a yellow card to our assistant city clerk.

>> First of all, I want to thank the city manager for getting the information on all the money that we have, or as much money as he could find, or that the City could find on the payments by the Pierre cafe, even though they said it wasn't making any money. I counted about \$82,000 just from what we could find, which was piecemeal. So if I have more items, it doesn't matter, only three minutes no matter what?

>> Mayor D. Lesser: I think those are our current rules.

>> You would be the person to ask. Anyway, I'm very much concerned about notice, and it was mentioned very well by a number of people. I have about 30 sections of the law that I have asked to be notified about when it involves the coastal act. And they haven't been complied with. And I am going to give a copy to Lisa to make a copy for you. I give notice every July every year. And I'm not getting notice. Thanks to Angela Soo, I'm getting more notices than I did before. Thank you for that. I'm very much concerned about the cafe at the pier being removed. It is the only source of revenue for our funds that we collect for the maintenance of the pier other than parking. The next thing that I want to talk about is undergrounding. I find it very interesting that you select tonight, the next day after a busy weekend, to select such a controversial item to discuss. And look at the stampede of people that came knowing about it. They probably didn't. And I think it is really -- people should know what undergrounding costs. I heard of the numbers that Ms. Katsouleas was involved in my district being dissolved, because there was an unfortunate era and the trenching was counted twice. There were estimates of over \$100,000 for some homes. And then plus you have to pay for redoing your panels and everything else. And I have

offered to donate a good part of money just to paint the wires blue, and I wasn't kidding. Maybe we ought to try that. Maybe it wouldn't bother so many people if the wires were blue. We wouldn't see them. It wouldn't be that bad and we would be able to find problems when they exist without having to dig up the whole city. The third thing that I want to talk about is the AT&T. I am very sorry. But the AT&T people are just backward in their development of their program. And there are other companies that Joan the existing towers and are able to share the cost. I brought this up the before. And I think we should not have to pay for the stupidity of AT&T. I'm a shareholder, but I don't want to see them causing cancer. I have two relatives that did have cancer, in their nineties, but nevertheless, my mother had cancer and she was 99. I just don't think we need to have that risk and I side with everyone person who spoke about those towers. Thank you.

>> Mayor D. Lesser: Thank you. Are there any other members of the audience that would care to make a public comment? If not, I will close public comment. I had a follow-up and then I realized I did not give my council colleagues an opportunity to make any community announcements. But Mr. City manager, there is obviously a great deal of concern about these notices. And I think beyond this community meeting, I think there should be something posted on our website right away to explain why the city has gone about and made these -- sent these notices out at this time and why the time frame is what it is. So I'm just wondering, what can be done tomorrow to better inform the community, who is obviously very upset about the context for these announcements and the notices they have received?

>> I think we can do just that, Mr. Mayor, as well as advertising the meeting that was just announced. That is a good idea. Thank you.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: That was going to be my point. We need a frequently asked questions about this. The idea that this is a nefarious conspiracy. The city is not pushing this. By law we have to take their application and consider it. By law we have to. They applied, and we have to consider it. Doesn't mean we have to prove it. But even when we talk about approval it is limited on what we can disapprove it for. And basically aesthetics is it. Cancer, very emotional, touched many of my friends with some very unfortunate consequences that I think we have all had someone affected by cancer. But the law does not allow us to consider those going forward. And we will have the city attorney -- we will have that on the website and put up in the answers as well. So I would focus on the aesthetics and how it should be battled in that front. Because to go through this and disapprove it for those findings we are just going to find ourselves in court and lose it in court, if that's where you want to go. And that's fine. But if you focus on the aesthetics of it, the placement, what it looks like, those things, you'll have a much better case that can stand up legally to any challenge they bring back to us. They want to improve their coverage. We didn't ask them to apply for this. This isn't the city pushing anything. This is AT&T doing what they feel is necessary to improve their network coverage, whether we agree with it or not, they have the right, the legal right, to apply for it and we legally have to consider it. And that is why we are where we are. And we are also

where we are because we said hold on. We don't like what you are doing and the way you are doing it. And the information the city put out the last time this was the situation. And AT&T to their credit said, look, by law also, if we don't approve it in a certain amount of time, they get to put it where they want, where they have asked for it already. But they agreed to toll the time line so it will continue on for another 60 days so we can go through this exercise and have a public meeting and do these things so we can get the information out there. And all of this will be coming back to council for a decision. But also note the other areas, the areas we discussed last time, the appealable coastal zone areas. The other areas, by law, again, the community development director makes a decision as to whether or not those additional areas like on church street or other areas outside the coastal zone get approved or not. And then that approval or not approval, but if one is approved, then it can be appeal, and the appeal goes to the city council to make the final decision on. All that will be laid out hopefully tomorrow -- and we should have done that already -- but this isn't the city pushing everything. This is the city responding and trying to be responsive, and we haven't been. But social media being what it is P the misinformation gets spread like wildfire. And it is our fault for not putting out correct information earlier. And we are going to fix that going forward.

>> Mayor D. Lesser: Thank you. Council Member Montgomery.

>> R. Montgomery: Thank you, Your Honor. I piggyback on Steve's comments, where there are two pieces here. One, Steve is correct.

AT&T is the one who petitioned us to do this in the first place. Secondly, Senate Bill 649 that Steve is talking about, if you want to get involved, e-mail your senator and say, Ben Allen, stop 649.

>> Oh, yeah.

That will strip every city in California of the right to block and cell site and/or cabinet.

>> That's right.

>> R. Montgomery: So think about that for a second.

You went through all of this stage to underground utilities. Now they are going to stick a six-foot cabinet right on your sidewalk right in front of your face. So there are two ways battle it. One, Steve is correct. And the city we will fight on one end, but that is only the ones on the west side the coastal commission doesn't impact. East Manhattan, they can stick it right there, and we have to fight it a different way. We are fighting it on two different fronts. So don't think we are not fighting.

We haven't fought yet.

We haven't even seen the presentation from AT&T.

They canceled that night. They showed up and saw the animosity. They just said, you know what, we are going to take a step back, we are going to come back and let the engineers explain to us why did you pick the these sites, what was the reason for the sites, and go through the whole process. And that will help our defense going forward. So we are just quiet because we should have done better outreach, but there is more to follow and we haven't seen their proposal yet. No one's seen it yet. So we want to see it at the same time. And Anne is correct. Having a community



meeting and knowing what the facts are and why they picked these sites and find them across the board in east Manhattan and why you want to go there as well. I'm not discounting what someone else said about having the right to dial 911 because they can't get out their own phone to get access. I get that. At the same time, I don't want to give in and say, well, why can't we decide somewhere further north or further east or further west? What about this location? So we are learning. We have to learn and have patience as we go along.

That's all. Thank you.

>> Mayor D. Lesser: Mayor Pro Tem Howorth.

>> A. Howorth: And just some additional information, you mentioned the senate bill. We took a position as a city council and submitted a letter saying we are in opposition to this -- it takes away our control. It is obviously being lobbied for heavily by the telecom companies. And I do agree there's a balance. I do agree with Mr. Petes. I am in that area. I got the notice. I don't have good cell phone service, but I don't want it next to my window or anything either. So we have to really look at everything. But I appreciate everyone coming forward and organizing and advocating, but there are some facts, and I think you heard here tonight we are required by law to look at the application. There are things, as Council Member Napolitano said, that if you are opposed to it, you should focus on that. So all of those things. I hope you will listen to that and keep coming back, and we will work together on this as a community.

>> Mayor D. Lesser: Great. Thank you. And I apologize to my colleagues. I did not ask if any council colleagues had a community

announcement to make. Any additional community announcements that should have been made earlier? Please.

>> A. Howorth: I just wanted to say if anybody wants to help, we have talked about Hurricane Harvey relief. I'm so glad that the school board president Jen Cochran came and spoke. I'm moved by Ben Dale's offer and everything. If you do have materials you are bringing from home to donate, I'm going to say it because everyone is too polite. Try to organize it as asked for on the flyer because we want to get down there and make sure these things are really useful to the people. And then I also wanted to say that I saw something on the Facebook -- that is sort of a joke -- that I thought was really useful for folks. People who are now afraid of hurricane Irma and there are a lot of people who have family and friends living in Florida. And it is really hard when you are away from your friends and family who live in other places and this person put an idea on Facebook that I want to share with you. And she said I felt so disconnected but I went on to Amazon and I ordered cases of water and had it delivered to my family in Florida. And I just want to put that out there. That's a great idea of something that you can do to feel useful for your friends and family.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: Moving on from that just earlier, one of the speakers -- several speakers -- the Red Cross Youth Club, which is absolutely fantastic. Which made me think do we have and should we have a cert class for kids?

>> Great idea.

>> S. Napolitano: And youth. And depending on age limits and all that thing. But it seems like it would be something very good since we want to encourage our youth to know CPR and everything else and how to deal with a disaster and emergency, expanding upon that might be a good idea.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: I also want to thank -- those who were around 12 years ago when we had the Katrina relief and saw what that was like and actually went down there and made a difference in a city in Mississippi that was home to chevron and Northrop Grumman. And we got to see what was the effect. A little different with the salt water. When chevron and everybody else donates and Costco and everybody gives the things and you get to hand it to someone, it is a personal hand all of, there is no government there. It is just a you and a line of people that are there. And what has happened now, to Jen Cochran and the school board's meeting, the 30-minute meeting turned into a two hour meeting, saying we are going to come down there. The list and how we did it and it all happened so fast, and we were overwhelmed. But we are still overwhelmed by the number of drop-offs you saw here today. And our city manager will mention some more about it. And that doesn't even count what the schools are picking up tonight. You'll see a flood of -- wrong word -- it is an overwhelming response to the request for aid. I know Hermosa schools jumped in as well today. So whatever you are doing as a native Texan, Houstonian, I know my family is out of harm's way. I am one of the lucky ones. Their homes are flooded but they are safe. That's all that matters. Now they will rebuild and. And you talk about how to make a difference. Some places don't have

water. Skechers stepped up and made a donation. They left the house thinking it wasn't going to be that bad. Well your shoes are gone. You won't have anything to go back to that will make a difference above four feet in your house. It is a massive construction prong. But your donations and efforts make a huge difference. Families like might happen that were lucky to get out there and are coming back to the rebuilding stage. Others couldn't get out. They are still trapped. While the red cross is focused on the city of Houston itself, and that is understandable, the smaller cities around there don't have help. A lot of them don't have help. The water is still there. Contrary to what you are seeing on CNN. There is still standing water. You don't want to walk in the water. You need to wear waders. It is not something that you want to walk around in. We will go there Friday morning with all the stuff you donated to us, see what a difference you make and see what the impact it was. And the difference will be why did you pick Cleveland instead of BENDEJO, whenever something happens in California, they will be the ones who will come running to help us. Thanks to the school board for helping, kudos for taking the lead. And we are happy to be a parent.

>> Technically you are the government, so if you go it is you.

>> Mayor D. Lesser: Just to confirm for members of the public, here at city hall we will be collecting very specific items that are listed on our city website if you are interested between the hours of 8:00 a.m. and 5:00 p.m., and the city school district sites all seven sites will be collecting from 5:00 p.m. until 9:00 p.m. Because again we ask that you pay attention to the specific items that are sought. Council Member Montgomery and I were helping with the effort today to collect

items, and a lot of other items were contributed. Very much appreciated, but they are not necessarily going to make it on the truck headed to Cleveland. I also wanted to personally thank the members of the city staff who volunteered their time, in particular Kendra Davis, and many others, who during their lunch hours helped with the efforts to collect the items, packaged items, built boxes, taped them up and labeled them. This was a great deal of work that was done and this was just day one. It is a tremendous service to our community. Also many members of the community came up and just showed up and offered to volunteer. It was really a wonderful scene to see.

>> Our city manager was even there.

>> Mayor D. Lesser: Our city manager was there.

>> One other community announcement. The Downtown Business and Professionals Association are hosting a blood drive for the American Red Cross on Thursday September 7th, this Thursday, from 12:00 p.m. noon to 6:00 p.m. The Bloodmobile will be on Morningside Drive and 13th Street. There will be complementary valet parking for blood donors at the Shade Hotel. Sign up in advance at [redcrossblood.org](http://redcrossblood.org). That is [www.redcrossblood.org](http://www.redcrossblood.org). And use the sponsor code, which is D as in down T as in town, Manhattan Beach. Okay. Any other announcements? Seeing none, we will move on with our agenda. Next item is, I believe, our consent calendar. Is there a motion by a council member on the agenda for the consent calendar? Motioned by council member long-terms, I presume to approve.

>> Yes.

>> Second by Council Member Napolitano. Any questions? Seeing none, call for the question.

>> Honor mayor, all votes being recorded motion passes 5-0.

>> Mayor D. Lesser: Thank you. No items have been pulled from the consent calendar. No public hearings.

Item J, general business, we begin with item number six.

Consider Findings from the Assessment and Feasibility Study Report on a New City Hall with Public Parking, Fire Station No. 2, and City Aquatic Complex, and Provide Direction.

>> Madam Public Works Director, hello.

>> S. Katsouleas: Good evening. Good evening, Mayor and members of the city council. I'm going to go back in time a little bit and talk about things that we have done for various city facilities and how we got to where we are today and what kind of direction we are looking for from you guys in the future. To start with, in 2006 a couple of you were on council through this period, we opened a brand new police and fire facility across the plaza. In 2015 following the Facilities Strategic Plan we opened a new library. We have a lot of other older facilities in our city that are functioning today -- Fire Station 2 built in 1954. That is just over 60 years old. Our cultural arts center in 1962. Joslyn in '65, public works in '67, and a few other facilities. We also have other facilities that are smaller that eventually will need some attention. Live Oak tennis center, the rec center, craft room, the park bathrooms. And I put on this Begg Pool. I don't have the year for it. It is not a city facility, but it functions much like a city facility. So for this particular presentation in November, almost two years ago, staff was directed to conduct a needs

assessment for three facilities: City hall with the consideration of including additional parking, whether or not to construct a new Fire Station 2, and really talking about a city aquatics complex. And some of you might remember that the city aquatics complex was a very big topic with the mid 2000s with the Facilities Strategic Plan. So we got to work on this project, and there was a tease-out of Fire Station 2 where council also asked us to look at not just the facility itself but could it be located somewhere else? Is there a better property site that would function as a more desirable location? So that direction was given in March, and then we came back in April and looked at other sites. The Manhattan Heights School District property where they have their maintenance yard and the cultural arts center, and it was determined basically that none of those sites were really desirable, and to really keep our focus on the existing Fire Station 2 property. So we did that, and then in August of that same year there was another consideration given about potential revenue sources that might pay for either a new or renovated facility. So I will start with city hall with public parking. So Griffin structures developed a cost structure and plan for a city hall facility. The red box up there is where the current city hall is. Saying if we were going to reconstruct a new city hall what else could we do and what would we get for that? There were three proposals that came up. The first one, option A, would contemplate a three-story facility. So this floor that we are on now considered the first floor, the second floor, and a third floor. The first floor would have street retail facing Highland, and then on the eastern side have a connection to the existing parking garage, the parking platform that we have now, and adding a third level of

parking in that vicinity for a total cost of \$37 million. Option two said no street retail, existing two stories that we have today but reconfigured a little bit differently with a larger footprint because no changes to the parking structure. Option C was somewhat of a hybrid of that. Two stories, no street retail, but including a third level of parking. And that was \$29 million. So what these look like, the first one up there shows a more square foot than the angled footprint that we have with expanded parking on the lower level. And the second story showing the same footprint of the building, the existing parking structure, and then the third story showing again a very similar footprint to what they have told. That would be three levels on the Highland side. The two-story building with no expanded parking shows a similar footprint for the existing building and then the existing parking that we have today.

Option C, again, same building, same footprint for the first and second stories on the parking level and then down at the bottom adding that third level of parking on the outside. So these are kind of the three options that Griffin Structures came up with that could enhance the existing facility and solve some of the parking problems in at least two of the options. Moving on to Fire Station 2. This is what it looks like today. Again, it is over 60 years old. It has outlived its useful life in terms of functionality. There are several issues that a new fire station would seek to solve. So real briefly, although council decided not to show this, I do want to show that option one in the original report showed expanding to the south one parcel, option two is expanding to the two parcels and giving up a city's portion of the property to the east and then option three showed just acquiring one parcel to the east rather than



to the south. As I mentioned earlier, all three of those options were eliminated for consideration. So then we moved on to option 4. What could we do if we just stayed in the footprint that we owned today? And options four, five, and six all are variations of what we could do. Option 4 is just to renovate the existing facility to make it a larger apparatus bay for modern equipment to house both male and female firefighters and all of the space configurations that come with that in terms of locker room space and personal space. And expand where necessary the administrative functions and the fitness functions. So to just renovate our existing facility and have it meet our needs today, \$6.2 million, or almost \$6.3 million. That is about 8,600 square feet, roughly double what we have today. Not quite, but roughly. In lieu of just renovating, option 5 contemplating constructing a brand new facility. 9700 square feet. It is about a little over 15% more to do that, \$7.7 million. And this is one of the configurations that was proposed. It would have the parking the farther-most west, expand the apparatus bay and expand all of the other facilities for living and administration. The last option, option six S was an even larger facility at a slightly higher price tag of \$8.4 million. And it flips a little bit of the configuration. So you notice on this one the apparatus bay is on the far east side, and almost all of the living quarters are situated on top of that building with additional parking on the west side of the property. So all of these options -- four, five, and six -- show that the fire apparatus would continue to be backed in rather than a pull-through, which would be the most desirable option but would require obtaining the additional parcels.

There are additional administration space, cert office space. One of the things they don't have today but would be expanded on would be the opportunity to serve various community needs like community clinics and cert training. As I mentioned T the living quarters would be expanded to include both male and female accommodations and would go from a three-person station to being able to accommodate a six-person station. And then the apparatus bay, right now there are some things that are stored at fire station one that could be moved to Fire Station 2 and could make that facility more functional than it is today for fire response needs. Lastly, the city aquatic complex. Begg Pool is owned by the school district, but through a shared use agreement it is a shared facility with the city. There are three rough costs, and using a parking deck that would give us 59 spaces, additional at-grade parking for 20 spaces, and they all have one competitive pool, one training pool, one splash pad and locker rooms and training facility buildings. The difference between the main three is the configuration of the elements. You'll notice in option one the facility is sandwiched between the pools and the parking structure, and in option two they are to the north of the parking structure and in option three they are somewhat north and a little bit between the parking structure and the pool facilities.

Other options we have not looked at but if you directed us to go back and do an assessment on that and what purpose they will serve over the next 30 years, the Joslyn Center. Of course that was also included in the Facilities Strategic Plan in the mid 2000s, the heights, cultural arts center, sand dune park, Live Oak and public works yard. So what we are looking for today and what I want to stress, there have been other studies

done for these facilities. What do they need in terms of today's needs? For example we could replace the lighting with LED lighting. We could upgrade the HVAC system to be more energy efficient. We could replace the water tanks with tankless units. There are things that we can do to the building today to make it more energy efficient. There will things we will need to do to the building just in terms of replacements, maintenance, roof replacement. Those just come with the facility. But what we are really asking council to consider is the long-term purpose of the buildings and do they meet today's needs and will they meet our needs over the next ten, 20, 30, or even 50 years. And then based on that can we reconfigure what we have, or do we really need to contemplate new facilities? And so this study I'm bringing to you because council asked for an analysis of if I did something new, what would it look like? That is what this is. But the global conversation is what do we want to do with these facilities? And based on what you want to decide to do with them, we will bring you back plans for that cost or that time line or that scope of work to ultimately achieve that. So for city hall, we have space challenges. So no amount of fixing the roof or lighting will fix our space challenges. If we know we are going to keep this facility, we will bring back ultimately a plan that says what is the best way to configure this facility to meet our current space needs, and how are we going to comply with ADA? Many aspects of this building do not include somebody's opportunity to come down and speak to you. For Fire Station 2, it doesn't meet today's needs, it doesn't meet today's desire to hire female engineers. It can be retrofitted but you'll have to decide does that really make sense with the cost of a new building is only 15% more? And

then a pool, it has been a long conversation, and if that is something that we want to look at, then you might direct us to go back and look at funding opportunities and what would that look like and what kind of pool would we ultimately have. So that is the global conversation I'm looking for tonight, tell me which direction you want to proceed, and then we will proceed accordingly.

So that is my presentation in a nutshell.

>> Mayor D. Lesser: Okay.

Council member questions. Anyone want to start?

>> S. Napolitano: Have to change my screen.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: I didn't push the --

>> Mayor D. Lesser: Council Member Hersman.

>> N. Hersman: I beat you out. Just a quick question.

You mentioned right at the beginning that there was a financial study done at some point before.

>> S. Katsouleas: The finance subcommittee met in August a year ago to look at potential revenue sources.

>> N. Hersman: Right.

>> S. Katsouleas: My understanding is there has been no definitive direction but that the finance subcommittee now is looking at a strategy for raising income for a variety of reasons. And that plan is coming back. Do you remember -- Bruce, do you remember that?

>> M. Danaj: Two things. The previous city council had taken some steps to consider alternative revenue sources, which is what is being

referenced in the slide, and then it also chose to stop, so there was no --

>> N. Hersman: Stop looking at that.

>> M. Danaj: Yes.

>> N. Hersman: But this study wasn't continued.

>> M. Danaj: It wasn't really studied, per se.

It was looking at alternative revenue sources, potentially polling the public for assessments of needs, willingness to make certain choices.

And then the previous city council then stopped that process, so we did not move forward. That is what is being referenced in the slides.

>> S. Katsouleas: That process was discussed in August. This report was overwhelmingly done in August and finalized in September.

>> N. Hersman: And because I feel a little bit like the cart before the horse or, you know, which one do we look at first? I mean, to say, oh, well, let's put in a new fire station but we don't have a revenue source for that. So I'm sort of struggling with how we prioritize without really knowing how we are going to pay for it.

>> S. Katsouleas: That is a great point. And I think in this world of conversations this report was done a year ago, and as the city manager mentioned, it just sort of stopped with the previous council. So what we are doing here is we are bringing the conversation back, but the direction might be I think I want to consider one of these, let's go investigate financial opportunities and then I'll have a better idea which direction I want to go. That might be the direction you give tonight. What we are looking for is this is just the tipping point for what do we want

to do. If you know you don't want to build a new fire station, how we proceed might be different than if you want to think about it.

>> In a perfect world, what would we want to do first, second, third, or at all City Manager or none of these. This was a body of work that was done by the previous city council and it concluded as the council was changing and this council asked it to be brought forward for informational purposes only. It is just the data on the three projects that were studied.

>> N. Hersman: Thank you.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: Thank you. And the discussion should always include the financing of these things, but something like the fire station would probably be a low enough cost through COPs that you bond and need a revenue stream but the cost of that will be a whole lot less than city hall.

>> Right.

>> S. Napolitano: As an example, and the aquatic center. My question, towards the aquatic center, that would also, though, include an increase in staff costs, I'm sure, as well. And do we have an estimate on that? Because you are talking about multiple pools, multiple water. There would be, I assume, more staff there than is there now.

>> S. Katsouleas: Yeah. And I think all of that --

>> S. Napolitano: Costs associated with that for ongoing. Pools can be sinkholes of money between maintenance and staff costs. I think that is an important part of the equation.

>> That is correct. There are a number of different models out there. If it is more towards a water park, if you are selling memberships, if you are emphasizing the splash pad, there can be more revenue generated to offsetting. It probably not cost offset, but at least revenue.

>> And for cab in as or something like that. You can create revenues. That wasn't included. It wasn't asked for. It was the scope, capital expenses.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: Thank you, your Honor. Let me start with the basic questions. I can't find anywhere unless you buried it in the massive report. What is the ongoing maintenance costs for Fire Station 2.

>> S. Katsouleas: I don't have the number on off the top of my head.

>> R. Montgomery: We are putting Band-Aids on a 1952 building.

>> S. Katsouleas: True. There are two types of maintenance costs. There is obviously janitorial cost, HVAC maintenance, door maintenance that will come no matter what building you have. And then there are other costs, the Band-Aid approaches, you keep trying to retrofit or bring up to code or address things that are failing simply because the building is old. And I don't have those costs.

>> R. Montgomery: I think part of it for me and those of that were here for the facilities plan published in 2008, the community with all the meetings we had said what is the priority? Thank God the library was number one, the skate park was two. I don't know if the Begg Pool was three or four.

>> The pool was four.

>> R. Montgomery: Two of the three are gone, that is good. The bucket list is shrinking. To me it is the need. And if we look at the true need, fire station number two is in my mind the need. It is the obvious oldest one. It is public safety number one. You can't put a Band-Aid on it because say let's rehab it and shove everybody in there. If you are going to do it do it right and shut it down and make a brand new station out of it. If they want to expand the child cert program and also admin space. I'm not a big fan of backing units up. I would like to see a pull-through given the choice, drive-through like we do at station one and get through there. But also best value for my money. If I am putting my money out somewhere what is the best value for my money? I don't own the land on Begg Pool. So that money could be gone and I don't control it. Not only the staff costs as Steve mentioned, I don't own the land so therefore I'm not in control of what happens to it. And city hall, that to me is the last item that I want to fix outside of public safety is city hall. To me the choice is obvious. Put your money where you are needed most T public safety first, makes more common sense. You knock a building down from 1954. You knock it down, make a brand new building, get it ready to go and then address your needs at that point. So if I ask, Bruce, COP or what do we do with the money needs, I want to know what is the highest priority. To me it is clearly obvious fire station number two is where we need to go. If we move forward, that should be our number one item.

>> Mayor D. Lesser: Thank you. Quick question. Let me start with city hall and then I'll move on to Fire Station 2. I recognize what you are seeking from council is really a broader question. Do we want to reconfigure what we have or begin planning for something else? But for me



with city hall I have to start with what some of the needs are with this structure and what those costs would be. And I recognize that was not necessarily the scope of this particular presentation, but for me that is directly relevant. You and I -- and I know the city manager and I -- have had a conversation about what some of the items are that must be undertaken at this building, because it is also reaching the end of its useful life with many items that have been deferred because of uncertainty as to whether or not this building was going to be replaced. But off the top of my head beyond the list that you had indicated, I felt we needed to look at our HVAC system, our heating and air-conditioning system.

>> S. Katsouleas: Yes.

>> Mayor D. Lesser: Our windows, our doors. Fundamental infrastructure. And my question is to what extent has there been a comprehensive list created of what some of those costs would be so that we can make the decision as to whether or not we can reconfigure this building or if the cost is such that we really should be thinking about a whole new building if the costs are going to be at such a level that we might as well replace the building? How would you respond to that fundamental question?

>> S. Katsouleas: It is a great question. It is actually a two-part question.

>> I can say the air-conditioning in here doesn't work.

>> Maybe the controls do.

>> S. Katsouleas: It is a two-part question. And part one is what does the building need to function? HVAC, as you said. It doesn't need new windows, but the windows that we have aren't energy efficient. So

you can replace the windows if your goal is to improve efficiency and eventually save money. It needs a new HVAC system. It needs ADA upgrades. In the near future we will need a new roof. It will need, you know, elevators -- their shelf life is about 20 years. So there are those kinds of needs. Because the second part of the question is functionality. Does it hold all of the staff that we need and provide them adequate space to do their jobs? If you look at community development or if you look at the parks areas, they are so tightly crammed in that the pathways just to get to their cubicles don't meet ADA. There is no more space available for them. And I.S. didn't exist 20 years ago, but it does today. There is a lot of support in I.S. through tablets, through the web, through a home page, desktop computers, all the things that just came into existence in the '90s and early 2000s. That is the second fundamental question. And my recommendation is if we know we are going to keep this building I think we need to take a very serious look at what opportunities we have to gut and redo. That won't change whether or not we need a new roof, but it might change how we spend money on HVAC or how we spend money on elevators or ADA compliance for bathrooms. So it is a little bit of a hybrid. If you are going to keep the building in tact the way it is and then keep all the cubicles and that part of the functionality, then over the next ten years you'll need to spend about \$1 million. If you want to do the energy enhancements, you'll spend about another \$1 million. There is some overlap. Like I said, you'll eventually need probably new wiz, and you can do them earlier and get energy efficiency savings. But ballpark, \$2 million is your conversation for the building improvements but not the space improvements.

>> Mayor D. Lesser: So if council so directs, we can ask staff to come back with further detail on these numbers so we can have that conversation.

>> S. Katsouleas: Yes.

>> Mayor D. Lesser: So at least understand what would need to be done --

>> S. Katsouleas: Yes.

>> Mayor D. Lesser: -- in terms of needs and as you suggested some of the aspirations for this building.

>> S. Katsouleas: And I would bring back and I would seek for funding to basically do a very detailed space assessment for how you can reconfigure this building if you are going to keep it.

>> Mayor D. Lesser: Just a suggestion I have, because I asked the city manager for prior reports that we had gotten on prior councils. And I was told the numbers are stale, the numbers are no longer valid. How do we continue this circle, as soon as you get a report, it goes on a shelf, it sits and no longer are the numbers valuable?

>> M. Danaj: I think council can make a decision and we will use those reports and we will implement. That is the easiest question. I just want to answer your original question. And I think Stephanie has said it indirectly. There is a big cost differential between building an entire new city hall versus making improvements or energy efficiency or even HVAC. So you can just assume there is a very different cost associated with it. It is much less to do the things that Stephanie has been mentioning.

>> Mayor D. Lesser: Very good. Let me move on to fire station number two, if I could, and I do see our fire chief is here. Let me ask the questions of you and if he needs to chime in, please do. That is these three different options which were presented of rebuilding the fire station or renovating it on its existing footprint, I wanted to better understand the operational needs and how those different plans varied as to which of those three were what the department feels it needs. Because I read through the report, but I still am a little bit confused at what are some of the fundamental needs, even envisioning our future, which is somewhat projecting here. Does the department have a position on what it feels it needs going forward to continue the level of support that it currently provides our residents, particularly on the east side of Manhattan Beach?

>> R. Espinosa: Good evening, mayor, council members, Robert Espinosa, Fire Chief. Just strictly looking at the facility itself and the age, we know that it was built pre any seismographic code. That alone, it is not an essential facility. So the community, if there is a large-scale event or emergency is going to congregate or come to the fire station. The last thing we want is to have a crumbled building there. We have to run operations out of there. We will have to accommodate the units coming in to help. In the future when we talk about gender accommodations, I have heard it said before, we can't put a female at that station. Well, I would say if there were three females out there, you couldn't put a male out there. So it is not about getting females over to the station. It is about the equality of having the same facilities for members and employees of the city. There is also -- we have to look way ahead -- and when you talk

about a building that is supposed to last 50 years -- in this case 60, 75 years, is that are we addressing other issues that we are going to be faced with culturally, religious issues, privacy issues, environmental issues? Those kind of things where today if somebody wanted to pray in privacy they wouldn't have that opportunity. If you all walk down a hallway at the fire station from the kitchen to your dormitory a person would have to go outside into the apparatus room and back in because it is an open locker room. And so there is no privacy issues there. So the needs have to do with privacy, has to do with being an essential facility and we have to be sure that the building will withstand any traumatic insult to it.

>> Mayor D. Lesser: My understanding is there is three different proposals, escalating scale of square footage sizes. And I'm just wondering has the department analyzed the three different options and confirmed one is a better fit? Suppose we have not.

>> N. Hersman: Can I ask a question about that really quickly.

There was a lot of questions about backing apparatus in, and the three options were taken off the table that would allow pull-through. In your opinion, is that a huge issue? I mean I live on that side and I see them backing in all the time. And I'm sure it is not easy.

>> Yes.

>> N. Hersman: But is that a problem.

>> R. Espinosa: Most of your accidents today occur backing up. That is just the nature of driving, and driving a large apparatus. There is also, because of having a certain number of people on the fire engine itself, sometimes it doesn't lend to be able to get somebody off to help

the backup part of it. The other is pulling into traffic. Not only does it stop traffic but it is dangerous sometimes for the firefighters to pull into traffic and to request people's patience in order for them to back in. So ideally you want to look at safety. You want to look at the traffic conditions. And you want to look at accident prevention.

>> Mayor, I just wanted to follow up on your previous question. And the fire chief can try to correct me.

>> M. Danaj: To your question of looking at the options, we have looked at the options. The least expensive one is there is still operation and value to it. As they increase in expense, there is more capacity, more long-term use of the facility. Perhaps it can handle different apparatus. That has been looked at. There is no recommended one but the least expensive one is still better than what we have today.

>> Mayor D. Lesser: My final question picks up on the line that Council Member Hersman was going on. Whether or not an existing structure can be rebuilt on the existing footprint. As was indicated, the prior council considered but ultimately rejected looking at acquiring adjacent parcels to be able to have a large enough space for a drive-through of larger apparatus as opposed to backing in. Is there any sort of analysis that you can offer on what essentially we are presented here tonight, which is only the back-in of the apparatus?

>> R. Espinosa: One of the biggest challenges we do have is employee parking as well as visitor parking. If you are looking at using that facility more than just a fire station, if you are looking at a community room or some other function, it just doesn't have the parking

available to it. I'm sorry. I'm lost at the rest of this. What specifically again were you asking.

>> Mayor D. Lesser: I was really asking is whether the footprint is sufficient for a new facility. Is it worth spending the amount of money that is being projected here to rebuild on that existing footprint that we now have.

>> R. Espinosa: Look. There are a lot of things to take into consideration. Can you build underground parking? Can you expand out? Can you build easements on it? What will traffic look like 20 years from now? Those kinds of things. So is the current footprint large enough? Not for a building that is going to be there for 75 years and have a changing community.

>> Mayor D. Lesser: Great. Thank you. Mayor Pro Tem Howorth.

>> A. Howorth: Thank you, Mr. Mayor. You can probably sit down, chief. You know, and I want to hear from the public as well. We have heard some things from the public. I was fortunate enough to serve on the facility strategic master plan committee before, and what was so great, and I was a member of the school board at the time. And the pool does sit on school district property. So it made sense when we had that committee to have a school board representative because you really couldn't talk about doing anything there without the school board being a part of it. But the real thing that I learned, if I really look back at that whole process, it was a good process. There were a lot of meetings. There was a lot of research done. There were lots of plans done. But I think when I look back on it where we as a committee maybe went astray, in my humble opinion, we might have looked at certain grandiose ideas, and Russ Lesser,

our former mayor and council member and surf beach trash member Russ Lesser was on that committee as well. This was when I didn't know who he was and hadn't had much experience with him. He impressed me so much because he just kept saying, listen, let's be smart about what we are doing and let's be modest. It wasn't let's slap a coat of paint on it and call it a day. But, yeah, we probably need better facilities for our kids to learn how to swim and for the water polo teams that practice and are state champions and etc. We probably need a bigger facility. Do we need this giant facility? That is really impactful on the enabled. Maybe not. He was the one who encouraged us to really revisit putting the library on the site of the old library, that new library, and that really enabled us to go forward with that project. And although I wouldn't necessarily call it a modest building, I think it is stunning and it is used all the time and it is an incredible building. But he wanted us to -- we had originally had a plan to at the Joslyn maybe make that a dual-purpose community center library and it was going to be quadruple the footprint over there. He really tried to make us think about things, I think, in a smart way, in a way that really fit our community. But maybe this is more of an opinion but I'm going to go for it -- you gave some opinion.

>> Yes, I did.

>> A. Howorth: Golly gee, we can give our opinion. We want to be careful that we are not so afraid to propose ideas or say, hey, we have needs. And when I say afraid, like it is hard for a city council member to say we should put something into city hall, right? Because everybody out there says, oh, city hall, you don't need a Taj Mahal -- and we do not -- I was on the school board, so I get that whole thing -- but you



know what, this is a community asset at the end of the day. The building IT. And it could also be a community liability. And when the building was, what, from 1974.

>> '75.

>> A. Howorth: A little younger than I am, and it will need some work. The point is you don't want to throw good money after bad. And so what I would encourage us all to do is when we are trying to make these decisions about what we are going to do or try to do -- because we can sit here and say we want a pool, we want a fire station, we want a city hall -- I'm not saying we are saying that -- but when we have that discussion let's come up with some principles that help guide us. That public safety is number one, and we will go for this first, and we want to try to use more modest plans when possible, or what not. Let's have that discussion. And also when we talk about city hall -- and I really am not -- if I were to rank these, city hall would not be my number one choice, but I can tell you it is not that functional at this point. And it is not because we have hired so many people. It is because, again, in 1974 we didn't have personal computers at home or at work, okay. There are things that exist now that didn't exist then. And it is not -- pardon me -- it is not for the employees' comfort, although, yeah, we want them to have ADA access because there may be employees who need that. But it is so we can serve the residents better, right? That is what it is all about. So I'm just trying to cut it down now. If we were to do something to this building it is so we can serve residents and also protect our investment in our building. And with a pool, it would sort of be one of my personal goals to attack that project because I also believe that our community's

changed a lot, even since 2008. And I don't have a conversation with anybody who doesn't say, my God, why is Begg Pool our community pool? And they say that not because they are all fancy, but because it doesn't serve our residents. It is not big enough to serve our residents. But the fire -- oh, I'm looking at city hall. Like why does that keep saying --

You know, fire station number 2, it is attractive, I can tell, to all of us because the price tag seems a little bit lower, but it is about public safety. And there are changing needs for our community as well. You mentioned community clinics, which I, you know, don't know that we need, but we need to explore all of these things. So I hope that we can have a greater discussion on how we would attack even talking about these things. And I would encourage us to kind of come up with a framework for having a discussion going forward, and not just punt it back to staff, but give them some direction and encourage community involvement and take care of some of this stuff. Not so we can put our names on buildings, but so we don't let the community's investment in buildings go upside down. And one last comment I'll make is -- I think it was the fire chief who said -- there is also a need for increased employee parking and perhaps community parking at Fire Station 2. We have to be real careful about underground parking just because the cost is about triple per space. I think even back in 2008 it was if you are doing a lot, the conventional wisdom was something like \$20,000 per space, which I think, well, I got cement at home and paint, but anyway, if you go underground, it is \$60,000 per spot. Keep that in mind. And then also the other thing about city hall, they talk about adding parking, and I can also hear, you know, some suspiciously saying, oh, great, for employees. But let's keep in mind

that, yeah, for employees so then they are not parking on the streets or what not, so there is more parking for residents, and residents would use that parking because they do anyway now all the time. So I just want to encourage us to be able to have a real discussion about prioritizing these facilities, and then talk about financing options and encourage the community participation and come up with our values. And I hope modesty and return on investment are right up there.

>> Mayor D. Lesser: Okay. Any questions before I open it up for public comment? Thank you seeing none, I invite members of the public to come down and address this item. And if you could please provide the assistant city clerk with a yellow sheet.

>> Currently I just have Phil Reimert.

>> Mayor D. Lesser: I'm sorry. Mr. Reimert, did you already address this item earlier tonight?

>> Excuse me?

>> Mayor D. Lesser: Did you already address this item earlier tonight? Did you already speak about this item?

>> I did, but I'm going to present an option D to the city hall nobody has thought about.

>> Mayor D. Lesser: I'll allow it. You have already spoken earlier, but I'll allow you an additional minute if you would like to address that item.

>> I'm sorry?

>> Mayor D. Lesser: Because you have already addressed this item earlier this evening, we discourage people from speaking a second time. But please, go ahead and provide your idea.

>> Okay. Option D would be move the entire city council and this building permanently up one of the towers in Manhattan Village Mall up there. It solves your parking problems, and you have all those restaurants and stuff up there. This building could become the -- make an enterprise thing out of it and use this building for the U.L.I. building for low-rent businesses that they were talking about, because the rents are so high in downtown Manhattan Beach. So you just convert this entire building into a bunch of small shops. And Bruce will get his parking meters back. He would love that. Okay. That's it. Thank you.

>> Mayor D. Lesser: Thank you, Mr. Reimert. Would any other member of the public care to address this item? Seeing none, we will close -- oh, nope. Victor.

>> Only just the building, the office building. [ OFF MIC ].

>> Mayor D. Lesser: Mr. Victor, I am not sure if I can understand what you are asking. Let me turn to the city attorney. What is the rule with regards to residents wanting to speak? Victor will briefly address this.

>> Q. Barrow: Since we are on item number six this is the feasibility study on the city hall fire station number two and the aquatic complex.

>> I would like to speak about the pool and city hall. I think the city hall -- there is another option, to use it and to add an annex. That is what I prefer. I think we have a beautiful building here that we all appreciate because we are used to it. And it is kind of crowded behind the lock and key of the clerk's office, but maybe it could be used better in another way. The aquatic pool, we missed something. I was here in this

commodious chambers years ago when Mrs. Char lot lesser represented the Beach Cities Health District. And she promised the city council and all the city people, I felt promised, that if the marine park became a reality the Beach Cities Health District would donate a swimming pool to the community. Apparently the water evaporated, but I think that that is one thing we should pursue. I think we should ask people to -- we pay taxes to the Beach Cities Health District. We shouldn't be so shy about it. And I would like to see it develop into a beautiful pool for the community. And on our property or on the marine property and not have to follow along we are begging the school district to use where the Begg Pool is. I think that is the idea there. Those are my ideas, and I donate my 32 seconds to somebody else. Thank you.

>> Mayor D. Lesser: Thank you. Okay. Any other members of the public care to address this item? Seeing none, I'll close public comment. Council Member Napolitano.

>> S. Napolitano: Thank you, your Honor. When we first started talking about the big three -- and this was not my big three -- but I understand why it is here, because it was a big three to somebody else. And it has been carried over. We had this report, another lovely consultant report, and so we have to accept it for what it is. That is nice. But I don't necessarily agree with all the conclusions. This to me I think is a perfect example of a number of things that are continuing to be running themes and patterns that I have seen in my time at the city. One is when we talk about something like city hall, no one is going to jump in and say, yes, we need to do city hall. That is why maintaining a sinking fund, a capital improvement sinking fund where money is set aside every

year until we get enough to do something about city hall is, I think, a good financial idea. I think also that when we talk about it I'm not interested in replacing it. As far as beauty goes, it is in the eye of the beholder. But in this eye it is the ugliest building in Manhattan Beach. It always has is. It is a subject to brutalist architecture that was popular in the seventies and has gone by the wayside, as it should. And I would love to do an aggressive remodel of it. I don't want to tear it down. We have talked about adding more parking. People have come out against it. It needs to be remodelled and expanded. I think the position of the building now could be done in such a way that room could be added to it or it is a more usable rectangle than is positioned on the lot it is now. Having said that, it is not a priority to me in this sense, certainly not on the list here. And in respect to other needs in the city as well. I think that we should set money aside for it on a yearly basis, but I really don't want to go down the path of doing more reports, because we need reports with conviction. If we are going to do it, we are going to say we are going to do city hall, then we should order up a report and do it. If we are going to order up a report just to see and then decide later that it costs too much or it is not palatable to a large portion of the community, that to me is another waste of time and money. We have gone down that road before. We don't need to repeat it. Because like I said, themes and patterns in this community, having survived and lived through and been a part of, been on the council, when we did the public safety facility, where we tore down two different department buildings, put up one combined building. We went out for a bond for that. That was rejected by the voters. Then we financed that internally. And it was needed. We had

police officers working out of trailers. The fire station was falling apart, rusting drywall, everything. It was way out of date, way out of line with what the needs of the this community were. Same thing at Fire Station 2. Public safety comes first. Yes, the price tag is acceptable. I would go with option 5 if anyone is asking. Demolish the existing building. Not interested in option 4, expand. Option 5, rebuilding it with a new building. This community is loathe to spend a lot of money on things, and loathe to trust us with doing more than one project at a time either.

And so I think we need to take this. The Facilities Strategic Plan, nice idea, not executed, because I think we just bit off more than we could chew or that anyone else wanted to chew. I would say go with the Fire Station 2 first and then we re assess as to aquatic center: I also want to throw into the fold Manhattan Heights community center. It has not been updated with significance. You look at Joslyn which has had money put into it. This has not had money put into it. The east side deserves as much as any part. And it is a parcel that needs to be updated, not just the community center itself but the adjacent buildings too. The whole thing could stand an upgrade over there. I would like to see us take a look at that. But again, I think we need to make a decision on one project, determine what that financing is, and start moving on that before we do another one. We can have our list, our theoretical list, but Fire Station 2 first for public safety purposes, go with option 5 and reassess the other ones and start putting away money. And part of that is our finance subcommittee, which I am a part, and looking at revenue streams that we can set aside for infrastructure.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: Thank you, your Honor. This is good. As a fellow eastsider, going two for two would be great for me. I love the idea that -- stating public safety is number one, I think for all the reasons the chief talked about. Obviously seismic, that's your first priority. And walking in with the chief to tour a bit, it seems smaller now the second time while walking through it. It seems smaller. So the facility is attached. You can either have three men or women, and you can't have them mix. There is nowhere for them to go. But also the commonsense test. Why would I fix some building built in 1954 and keep patching it instead of bulldozing it and build a brand new one to modern building standards and space requirements. And forget the parking part of it. That is just common sense. I like Steve's idea, the option 5 that we were talking about originally.

Razing that site, but I'm still a fan of acquiring the second parcel. I don't understand why the prior council did not acquire the second parcel when they had the chance or still had the chance to do it. If I am going to leave it and make it the best way, why would I want my truck to back up again. You only solve one problem. You only solve that one issue. Why not do it right the first time, raze it, acquire the piece behind it and have the drive-through.

No more backing up. You get in, and you get out. That's the way you want. Get in and get out.

So concerns about having fire out there blocking the boulevard, I live right by there. Trust me.



I don't want them to be blocking traffic on that street either. So I think that is your first item. I'm good with option 5, but I call it 5A, acquire either that one parcel directly to the south or the two to the -- I'm sorry -- the south, yeah, to the south, both parcels -- and make enough room. Give up the half parcel, fine, but at least give me one more parcel where I can have the truck come through the bay and make it all the way through. As far as other items, I want to focus on one thing at a time. We didn't do a good job. The purpose of the city maintenance facility plan was to focus on the highest rated item by our residents. They picked the library first. To me that was a success. We didn't go through all of them because our goal was to find one and do it. And thanks to Steve and Don Knabe, that happened. I don't need to focus on city hall. I think you just keep Band-Aiding city hall as you need it. When we have enough money to go back and do renovations that make it worth our while, you can go to that. And i will tell you finally, the pool is my very last thing for us to think about. Not that it is not a need, Amy, or a luxury for us to have a pool that we can all go to. Maybe Bill is right. Maybe we start realizing we promised you guys 40 years ago.

Help with the pool. It never happened. Maybe that is one thing you look at. But stick with one item at a time like we did the library. Focus one issue, one item, find a way to make that happen, and get it done the right way. People say, wow, you came in underbudget. And then you focus on your luxury items, which is renovating city hall and/or working on the secondary pool. But I'm sticking with my option 5A. That is a complete demolition of Fire Station 2 and acquiring the parcel to the south.

>> Mayor D. Lesser: Thank you. Mayor Pro Tem Howorth.

>> A. Howorth: Look at us. All right.

So I do sense consensus building around Fire Station 2. And again, I think that we are not making the complete decisions yet because we don't know if the residents will support funding or how we will fund it, you know?

So we are going to be looking at all those aspects.

But if we are looking at this list today, I agree with my colleagues who have already spoken about it, completely. Yeah, when the building doesn't even have seismic protection and those are the people who you want to respond in the event of an earthquake, but yet they might not survive the earthquake, we have to deal with that. That is really a concern. And I'm sure Council Member Hersman might bring up the fact that her daughter is actually a firefighter for the city of L.A. and we can't hire -- we don't have places for women who might apply here. So to me that is an issue. As far as this second parcel, I would want to check on availability and what that adds to the project. I absolutely agree that certainly it would be easier, better, safer, faster, all of those things, everything being equal that makes sense. I can tell you why I did not want to pursue it the last time and that was simply because we didn't even have this discussion so much in public, and I didn't see there being consensus, so I didn't want to direct staff to go buy this piece of land and then us not be able to do anything with it. So that was my reasoning. Grateful for the opportunity to explain that. And I hear what I think Council Member Napolitano -- I believe it is what you said and it is what you said. It is an ugly building. I'm sorry, oh, did I hurt your feelings? I do believe we

can do some cosmetics upgrades. And that would make sense. And cosmetic also means HVAC. And Steve made the joke earlier. We don't need a better air conditioner because he was freezing because it was blowing really hard or with a lot of force. That is part of the problem, it is very inconsistent and hard to control. And that actually ends up costing money and all of that. So when I say cosmetic, I'm talking about some of those major things too. I'm going to disagree a little bit with my colleague that I don't believe a pool is a luxury, especially in a beachside community. I know that Mr. Victor has presented many, many times publicly about the Beach Cities Health District, and, yeah, let's pursue that and find out what that means and if that is real, but also I have to tell you there are real people who are willing to create a private/public partnership with a lot of energy and organization around a pool. And I would like to say to my colleagues if we move that up a little bit or if we could commit to supporting that with the private/public partnership, I think that would be such a win for this community. And again, I don't see it as a luxury in a beach community. And, yeah, we do have to find out about what it takes to staffing that, but keep in mind if you can have more programs teaching and recreational programs, there might be more revenue. But it is not a luxury. So I would urge us to actively seek that. I have been in direct talks with folks, and I'm happy to partner up on that for the Howorth Pool. Just kidding. I actually can't swim that well, so I might take lessons. So I think we have a lot of consensus, and it is really exciting. Again, if we come to some direction tonight, which it feels like we might, we are still a long way off, and I hope we do have the discussion about our principles and our goals and our values about it,

because I think that is really important for us to discuss and for the community to hear.

>> Mayor D. Lesser: Great. Thank you. Council Member Hersman.

>> N. Hersman: Thank you. Just my two cents on all of this.

Looking back at the facilities hearings that we had, people really did want the pool. And so we can't discount what our community has already said. We don't want to -- just as we don't want to have reports one after another, we also don't want to have to go through this every time. They have said they want a pool, so I think we do need to consider that, and of course what Ms. Howorth -- I was going to say councilwoman, member, whatever, Howorth said -- we also have to include the school district in that discussion. So that a school/city/private partnership could be something that could really get a lot of momentum and go. As far as the fire station, I guess one of the questions I had was why they took off consideration of the additional property? And I wonder -- and perhaps the fire chief could answer the question -- if you purchased the property right behind, can you pull through? Because that street is fairly narrow next to the fire station -- I don't know what street it is. But to actually go around and make that turn to go through, is that really a possibility? Has that been looked at? And I am wondering if that was why it was taken off, to make that turn. Because normally you would have more of a straight shot coming in. I mean, you would have to come in through the back side somehow, not off Manhattan Beach boulevard.

>> R. Espinosa: The radius of that turn is fine. We can make that turn.

>> N. Hersman: To go in if we had that property.

>> R. Espinosa: Yes.

>> N. Hersman: So I guess another question could be, is there a way without that property back there to make a turn into the building to go in from the side street and then out to Manhattan Beach boulevard.

>> R. Espinosa: I think we looked at that and that was not possible.

>> N. Hersman: To make that turn.

>> R. Espinosa: Right.

>> N. Hersman: So you need the wider. Thank you. That was just looking at it in my mind how that would work. I mean, my feeling is, yeah, Fire Station 2, absolutely. I think that is our number one priority. But I do think that we need to consider the pool. And I would like to see us do some renovations to this building, if we can, without a \$30 million price tag on that.

>> Mayor D. Lesser: Thank you, council member. Council Member Napolitano, did you have a follow-up before I make my comments?

>> S. Napolitano: Yes, to follow up T. I really think there is a difference between wants and needs. And while we want things like a pool and everything, and certainly there was a passionate contingent for a pool, but the polling had it lower down on the list than a lot of these other things. So that is why if anything we need to reinvigorate the folks out there and get them back involved and find out what that level of support is. Beach Cities Health District, they serve three communities, not just ours. They are not going to spend all their money in our community. They wanted a portion of that marine park, which I was here on council at that time, and they decided to go with adventure parks instead

of a pool, which is why we have what we have. And I also think this is not far down the line for why we need to do more here. I will stick with option 5, respectfully disagree that we need to acquire the additional property. The property, let's say it is a minimum \$1.6 million for the dirt alone. So it will be over a \$3 million addition. Lots of areas of downtown L.A., fire stations, they still back up into them. Is it ideal? No. But is it a \$3 million solution we need? I don't think so. I think we can still manage it here in Manhattan Beach. And to get this thing going and done faster. If anything, Texas shows we need to be prepared before these things strike is that we get it going. I would love to have this back -- I'll approve it tonight -- go through it, move it forward and make it happen. I'm good with it.

>> Mayor D. Lesser: My comments are beginning as Mayor Pro Tem Howorth did, I cannot tell you how pleased I am with this conversation among this council, how refreshing it is, how civil it is, how focused it is on how we move forward in a responsible manner. Having served on council for six and a half years, these issues are not new. They have become intractable. Studies have been done. Concerns about public perception and public approval have really stopped us from moving forward and I'm very much in favor of the council consensus that is emerging. I'll state my own views, and I know Council Member Montgomery wants to say something, and let's see if we can't come up with a motion to move this forward. First, I share the concern of my council colleagues. Public safety is number one. The fact that we have a public safety facility, our fire station, that doesn't meet bare seismic standards that is going on 60, 64 years.

>> 63.

>> Mayor D. Lesser: 63 years of age. We have to look at that. To the extent we are serving our full community, I think it is a symbolic act that we must move forward with this facility. I was one who was in favor of acquiring that additional parcel mainly because it was my understanding that that would really provide for greater functionality of that facility. On the other hand, I think maybe that is part of the direction which is what do you need? I mean, that was part of my frustration with this report. We had the three different options on the existing footprint, but it still is a little unclear to me exactly what are the needs of our department that they feel they need to be able to serve our residents with the type of functionality that they anticipate in the coming ten, 20 years in that location? So I would be in favor of exploring option 5A, as Council Member Montgomery has indicated, but let's explore what can be done to move forward and what they need on the existing site. With city hall, I very much welcome the comments and suggestion by Council Member Napolitano about a sinking fund for the long-term replacement of the building.

Let's really envision what we want this building to be in the future as a public works director has encouraged us to do. Think forward. Imagine what type of facility we want for the next 35, 40 years, particularly given how much the work environment has changed. However, for now, I think we need a better assessment internally of what needs to be done to this building to keep it functional in the interim. Because there are some immediate needs that are required for this building and I don't think we are clear on what they are and what some of the expenditures

would be. And I think that would need to be part of the report coming back. Finally, I do share the interest in the pool. I would like to give direction to come up with, unfortunately, funding. We do need to explore what funding options might be out there which would drive the size of our facility. And I would welcome included in our motion is really giving some council direction, because there has not been that unanimity moving forward with recent councils to explore what options are out there to fund this, and that will help determine moving this forward. With that, let me move on to council members who want to speak. Council Member Montgomery.

>> R. Montgomery: Thank you, your Honor. Two things. One, in '05 or '13 we talked about a sinking fund for Heights, Steve, for Joslyn Center. We thought we would put money aside. And I think we got a million dollars a year. And then the pension fund crunched, and the money never made it to that sinking fund to put aside for a new Joslyn Center. Heights it is all on the facilities plans list, and so is the pool. I'm not saying the pool is not important. I'm saying if I had to pick one item only, I'm going with public safety and doing this. And I am curious. No one talked about a price that I have seen anywhere what the property lot to the south -- maybe Rob or Bob can tell us off the top of their heads what the property is worth. I never saw a number anywhere. I was informed he was offering the city --

>> The homeowner.

>> -- the homeowner was offering an attractive price. I don't know if it was \$1.6 million or \$1 million. I don't know what that number was. I never saw a number.

>> You know what property goes for on average.



>> I'm just saying the minimum price for a house is \$1.6 million.

>> R. Montgomery: If someone says I'm going to police and fire, I am going to help them, I won't ask full price. I don't know what the full price was, was the discount was. I don't know what the price was originally.

>> (Inaudible) -- the owner.

>> R. Montgomery: So given a choice, I would go with 5A for the reason the chief expressed, to make sure it is safer. If I have to make an option only as said and go with five, fine, I'm happy to make that motion with five. But I'm trying to see, let's find out first, really is that really an option? The homeowner, was he really willing to considering to sell? If he is going to sell, would he offer what we have heard is a discounted price for a new fire station expansion? Do you anything about that, Mark. Is that anything you heard?

>> M. Danaj: At the time it was for sale and we actually had an appraisal done, and at the time it was \$1.65 million, but we believe it would be a lot higher now.

>> Especially after hearing this tonight.

>> Yeah.

>> If we had acquired it, we would have equity.

>> R. Montgomery: So I concur with Council Member Napolitano. I think we need to move forward with one item at a time. I have no concern with bringing back something else down the road behind this as far as pool options, but I think we stick with one option today and move forward with the Fire Station 2 tonight.

>> Mayor D. Lesser: Thank you. Council Member Napolitano.

>> S. Napolitano: Thank you, your Honor. And that actually brings back my point about the assessment at the time. That was one property owner who was friendly to the city but we are talking about two lots. And really at the end of the day you are talking about eminent domain. You are talking about court, talking about a lengthy process. And again if we want to get this done -- and I appreciate your frustration, your Honor, but I also know that we were presented these alternatives, including the ones that just keep it within the footprint or the boundaries of the current lot that is out there because the fire department can live with that.

We can serve our city with that. Is it the bells and whistles? Is it going to be a big community meeting room or something and have additional parking to have that? No. But that is what improving Manhattan Heights could be about.

>> Right.

>> S. Napolitano: Using our other facilities for that too. Do we need our fire station to serve as a community room? No. We need it to serve our residents in their emergency needs. So that is why I'm going with -- and like I said, I don't want to necessarily add on \$3 million either. If we want to get this done, we can finance this with C.O.P.s tomorrow if we wanted to. We have very low debt in this city.

>> That's right.

>> S. Napolitano: So if you want to get this done and get it done quickly, I would make a motion to go with option 5. What is that?

>> [ OFF MIC ].

>> S. Napolitano: Is that me? I would move to go with option 5, get staff to come back and prepare that for approval by council. The other two items -- city hall bring back separately at a different time. Same thing with the pool. But I would add in Manhattan Heights and other facilities too and look at those things again. Again, I don't think the communities wants us to bite off more than we can chew, which I think we would if we were talking about this. Public/private partnership, I would love that for the pool. Has that been available for us to years? Yeah. Is it taking place in El Segundo and is Richard Lundquist already stretched to the max?

Yeah.

>> That is not what I'm talking about.

>> S. Napolitano: Well, I would love to see what you are talking about, but it hasn't materialized yet, so I don't want to hold out for that. I would rather go with what we can do with the greatest need for the city, replacement of Fire Station 2.

>> R. Montgomery: Just to be clear, option 1 is one lot.

I don't want option 2. Option 1 was the one lot, not the two lots.

>> S. Napolitano: I would stick with my motion.

>> Mayor D. Lesser: Let's take a breath. And I see Mayor Pro Tem Howorth wants to speak. We now have a motion, a motion by Council Member Napolitano.

And that motion is -- can you simply state your motion, please, so it is a little clearer.

>> S. Napolitano: I would direct staff to bring back option 5 as the replacement plan for Fire Station No. 2 and bring back financing options and all that is necessary to do that.

>> Mayor D. Lesser: And do I see that has been seconded by Mayor Pro Tem Howorth. Mayor Pro Tem Howorth, did you want to speak as well.

>> A. Howorth: Yes. I pressed my button to speak before the motion. After we, if we have more discussion, vote on this, I might want to do another motion. I don't want to just say we will deal with the other stuff later. I still want to deal with it. But I so appreciate the approach, because I do think we can get this done, like you said, with C.O.P.s and get it done right. I'm appreciative of that. But I also wanted to mention here our public works director, Ms. Katsouleas, because I really think you have done a great job taking what we have talked about before and what we have bandied about or batted about and come forward with really sensible options presented well. And I think you did a great job with that. I really think that needs to be said. So I have seconded this motion, and I just want to say that, yeah, I get it. There is the public/private, oh, yeah, we have said that before and it is out there. I'm talking about something very different and some different stuff. So I will second this motion. I hope we vote on it. And then I would like to make a motion to talk about not building the pool yet, because we don't know what pool we would build and how much it would cost and who would pay for it and how we would pay for it, but I want to talk about the pool next.

>> Mayor D. Lesser: First I wanted to also compliment our public works director. You have really done a terrific job synthesizing all this information and presenting it tonight.

>>Just to confirm, Mr. City Attorney, there is no objection to our breaking this into different motions related to this one item.

>> Yes. We can deal with the first motion, and the floor will be open for other motions.

>> Mayor D. Lesser: Any further comment on this motion?

>> Your Honor.

>> Mayor D. Lesser: The first was Council Member Hersman.

>> N. Hersman: Sorry. I beat you. Just a quick question. Yours is option 4, you said?

>> No. Option 5.

>> N. Hersman: Option 5. Right.

And the difference between five and six is 1,000 square feet, right? That is the only difference? And price. There is no additional highlights of four, five and six, and it includes those. Is that 1,000 square feet going to -- where is that coming from? Or would it go to?

>> S. Katsouleas: Actually, what I should stress is these are concept drawings. This is not the footprint. So if you move forward with directing us to do something, we will come back to you with a time line and all the elements that we will need to do, which will basically start with an RFP to hire an architect to flesh out the fine details. So those are kind of magnitude of cost of square foot costs. But once you decide exactly what your configuration is going to be, it may be somewhere in between that and the cost may be somewhere in between that.

>> N. Hersman: Okay. So when we are accepting this motion, it could end up being 10,000 square feet, it could be less than that, just depending on how it comes back to us?

>> S. Katsouleas: Right. We will refine what that parcel is going to provide. These are concept layouts and order of magnitudes.

>> N. Hersman: We are not being that specific?

>> S. Napolitano: I will be surprised if this comes under \$1,000 a square foot. Soft and hard costs.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: I would ask Steve why 5.6, we think we will gain more usable space when they are done.

>> S. Napolitano: When the cost estimates come back and they are fine tuned with more costs it will be more than \$7.7 million.

>> R. Montgomery: Perfect.

>> Mayor D. Lesser: Very good. No further conversation. Call for the question.

>> Clerk: Honorable Mayor, all votes have been recorded. Motion passes 5-0.

>> Mayor D. Lesser: Before we move on to the next motion, I just want to clarify with staff if they would like clarification on the last motion.

>> M. Danaj: I think we are good. Obviously we can follow any motion. We can chew gum and walk as well. Some of the comments about the singular focus, the project will get done quicker, to the extent that is the priority and after that is done we move on to other items.

>> Mayor D. Lesser: Okay.

Mayor Pro Tem Howorth.

>> A. Howorth: Thank you. And again, let's see how that fleshes out. Let's do the architect, hire them and see how it goes. Because there

may be other things that come into play. So I would like us to consider opening up some type of process to discuss the pool to go forward and perhaps -- and I am spitballing here -- whether it is a community meeting with a subcommittee, public meeting to assess needs and to assess is public support for it. I think one of the problems that we had before, frankly, I think that the facility was really hugely massed, and so of course neighbors didn't like it, and I don't blame them.

>> It was massive.

>> A. Howorth: It was massive and it was super expensive. That again is in my head. And I could bring forward some of the people that have talked to me in the past about it. We could have those discussions. But I would dearly love to at least flesh out if this is possible. I would love to really figure that out. It is something that I just think will benefit the community. So I would make a motion that we determine a process to go forward with some sort of pool upgrade.

>> Mayor D. Lesser: So do you want to leave it open with a motion to determine a process or do you have a process in mind at this point?

>> A. Howorth: I would like Director Katsouleas to help me out.

>> S. Katsouleas: I would recommend taking three key actions. So one, start a community survey.

>> A. Howorth: Okay.

>> S. Katsouleas: Number two, look at pools that have been recently built here and other areas of Los Angeles county. As you know, El Segundo is in the process of building one right now.

>> A. Howorth: Yep.

>> S. Katsouleas: To see what costs they are actually experiencing and what they are getting for that cost.

>> A. Howorth: Mm-hmm.

>> S. Katsouleas: And three, come back and present those along with the finance committee saying if you wanted to fund a pool, here is your suite of options. It could be an infrastructure bank loan, it could be a bond, it could be other revenue sources. If you just kind of looked at those three components, I think you would have a good idea about what you could get, how much it would be and does the community really want it?

>> A. Howorth: Perfect. What she said.

>> Mayor D. Lesser: I like it. I want someone to second it so we can talk about it. I think it is a great idea. Thank you. Council member comments? Council Member Napolitano. Pledge of allegiance.

>> S. Napolitano: Thank you, your Honor. I guess if I can twist this a little bit, I'll throw it out there for consideration. What I wrote down follows what our director said, except I would have it in a different way. I would not really want a survey on a pool. I would want a survey on several of our capital improvement needs.

>> Okay.

>> S. Napolitano: Again, going back to wants and needs, this is a want, but there are other wants out there too. And as I said before, there was a poll taken during the Facilities Strategic Plan and this didn't poll as high. There were passionate people about it but it was a passionate minority overall for the different facilities that were talked about.

>> Okay.



>> S. Napolitano: So if we are going to do a survey I would like to throw in Manhattan Heights and Joslyn and other things.

>> A. Howorth: I would support that.

>> S. Napolitano: And depending on what the outcome is follow it occupy with other community meetings so we can have a process laid out. Start with the survey. We were going to be doing a survey. And we don't know if we want it separate or not. That was one of the financial --

>> A. Howorth: It was one of the financial committee recommendations. So perhaps -- I'm open to throwing other things in. Obviously when you create a poll it is such a scientific process, etc., but I am open to that. Because I don't want to preclude those other things. But that is.

>> Mayor D. Lesser: As the one seconding the motion I agree. I'm very much interested in consensus. Whatever we do the more we have a council majority behind it, unanimity behind it, the better. So I support it.

>> A. Howorth: She has something. Council Member Hersman.

>> N. Hersman: I just have concerns because of what Mark said. If we start splitting our time and going in the direction of Fire Station 2 and we are looking at all of this other stuff so when we do that survey we are going to say, well but we have this on the agenda to do. We don't quite know how we are going to do it but if we are going to do that, then... you know? It starts to -- the focus starts to get kind of changed. Perhaps I would suggest that we do that after they come back, staff comes back and says, okay, here is what is -- here is what we are proposing for Fire Station 2, and then we approve whatever it is.

>> A. Howorth: I agree.

>> N. Hersman: And then we can look.

>> A. Howorth: I was going to withdraw the motion and add to that. After you come back with the Fire Station 2 next step, my motion would now be to do a survey of the pools that have been built in the area, right, and then we could have the discussion about whether we want to poll, whether we want to look at the other facilities, whether we want all of that other stuff. And I think that would satisfy -- that would satisfy what I want to see, which is just the process continue. And some dedicated support, in theory, at least, towards this progress.

>> Mayor D. Lesser: I guess my one question, I thought we were still planning to move forward with the poll, perhaps, and this would be a question we might want to be asking simultaneously to get that poll out there to be able to gauge community sentiment to favor it or not, regardless of how we are moving forward with Fire Station 2. Is there any comment on that?

>> S. Napolitano: For something like this, and you are talking about financing and you are talking about multiple things, you are talking about multiple questions as well.

>> A. Howorth: Right.

>> S. Napolitano: It is not one question, do you want a pool or other things. They would have a series of questions. The poll might be very long. I think it is something that doesn't need to be answered tonight.

>> A. Howorth: Right.

>> N. Hersman: I guess I just don't want to distract.

>> A. Howorth: That is what my new motion is.

>> N. Hersman: You are talking about we can do this tomorrow and we can get going on and that is very exciting.

>> S. Napolitano: I was just talking about doing a survey.

>> N. Hersman: Yeah, but if we split our time and staff's time -- you know.

>> I'm with you. We will keep it focused.

>> N. Hersman: Just like you don't want to add it happen second property.

>> A. Howorth: Do you know what the motion is, Mr. Mayor?

>> Mayor D. Lesser: Are you withdrawing it?

>> A. Howorth: I withdrew and I put a new one up.

>> Mayor D. Lesser: And the motion is -- can you state your motion?

>> A. Howorth: See everyone paying attention? I said the new motion is to focus -- move forward on the fire station as we talked about in the motion. After that comes forward to us, the next step of that comes forward to us, then provide us with a survey of the pools that have been done in the area and what they have done and how much they have cost. And that can be our next point of what we decide to go forward with. So it keeps the pool moving but doesn't take it out as, oh, now we are going to do this, we are going to focus on that now, we are going to do that. What?

>> N. Hersman: Director Katsouleas, I mean, we have all these C.I.P. projects we can't forget we are doing.

>> S. Katsouleas: We do.

>> N. Hersman: We have hired all these engineers to go forward with these projects. How do you look at us putting this on the plate in addition to everything that we have already --

>> S. Katsouleas: That is a great question. And the short answer is that the five-year C.I.P. I have always considered to be a dynamic list rather than a static one. So things will adjust, things will be pushed out as none things come on, new priorities. We can't say today that for the next five years this is the only thing we are going to do. We will adjust accordingly.

>> Can you do everyone a favor and state your last name.

>> S. Katsouleas: Katsouleas.

>> A. Howorth: I know. We all say it differently. Katsouleas.

>> M. Danaj: Mr. Mayor, just a suggestion, since the finance subcommittee is still doing its work and bringing recommendations back to this body one additional option would be you can ask it to consider this conversation you had thus far and include it in their deliberations.

>> Mayor D. Lesser: What is your preference then?

>> A. Howorth: I have a motion.

>> Mayor D. Lesser: It is seconded.

>> A. Howorth: It is up there. It doesn't preclude anything.

>> Mayor D. Lesser: In which case if there is no further conversation, call for the question.

>> Clerk: Honorable Mayor, all votes have been recorded. Motion passes 5-0.

>> Mayor D. Lesser: And finally with regard to city hall then, obviously there is a growing consensus that there is a longer term

division. I'm not sure if I heard it expressly but I'm sure there is interest in looking at what are some of the immediate needs to this building to allow it to continue to function until we are add such a point as we are ready to move forward with the next iteration of city hall. Council Member Napolitano.

>> S. Napolitano: Until we have no money, there is no vision.

>> We can be visionary all we want.

>> Mayor D. Lesser: What would be helpful for me, this goes back to my request on information on some of the immediate needs that are required for this building to continue to be operational. Can I ask the public works director to come up and say to the extent council is about to potentially not take any action on city hall, do we just defer until we have you come forward until two, three years from now and indicate there are immediate issues, or this is your opportunity to state if there are immediate issues that need to be resolved in the next I would say five years.

>> S. Katsouleas: Great question. And the answer have right now we put away \$830,000 annually for all facility improvements. So city hall is on that list. The things that are on the list in the time line they were scheduled.

>> HVAC was on the list.

>> S. Katsouleas: If you recall the city assessments for all city facilities and what needs to be done in 2013, was a \$10 million list for everything. So we said we will put away \$1 million a year. We have since taken just a little bit out of that out to fund the engineer that will do those things, but those things are already planned and will get

done and they come to you as an annual approval. In addition to that, when we had our conversation about the budget and the C.I.P. earlier this year, there were some things you put on hold. You adopted the money but said don't spend any money on H.R. planning remodel until we have this conversation. So there is money set aside to do some of the reconfiguring we need to do operationally. To answer your question, there is already money to do some of these things. The real question is do I want to spend some of the money and go ahead and do it or pause that, if I am going to build something new don't also spend that money. But also what I heard Council Member Napolitano state that I really liked the idea of is what could you do with this building and maybe expand out in some of the open area footprint? Because if you enter right here, we have a lot of outside open space that if we enclosed and had two stories we might be able to look at a facility that we have grown with just enough. So I would recommend exploring that. And that won't change the operational things we need to do.

>> Mayor D. Lesser: Are you seeking that direction tonight, or because of the suggestion by our city manager, which is to potentially focus on one project and one project now, do you suggest we defer any action on city hall.

>> S. Katsouleas: The study that would need to be done to investigate what Council Member Napolitano suggested, we could simply do now and defer the conversation of it until we have settled on these things. The finance subcommittee is going to look at all of your options for revenue sources, so there is no harm in at least having that assessment done. And it would be a minor amount of money.

>> Mayor D. Lesser: That assessment being...

>> S. Katsouleas: If we capitalized on existing space within our footprint to expand this building.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: Yes. I don't want to put too much on staff, though, because it is really a policy decision by this council to make. It is not for our director to say, yeah, it is what you should do.

>> Right.

>> S. Napolitano: The options are out there for us. And I think it is something we need to explore. I just guess if someone can do a back-of-the-napkin kind of thing for now and bring it back. But I don't want to do that tonight. If anything, I say yes if we can just direct the department to come back with a look at the available space around city hall and what might be able to be done with it without going too deep with the weeds with it and we can bring it back as an option to discuss, among other options, that is fine. But right now I don't want to give any grandiose. Because we already talked earlier in the budget about bathroom remodels, ADA upgrades and things like that that cost some several hundreds of thousands of dollars. So we need to start prioritizing those kinds of things. Either we are going to do that and do those other things or an aggressive remodel of city hall over the long term. So I can say can we direct the department to go back, take a look at that, see what is possible building-wise and then just bring that back for further discussion on city hall on another night?

>> Mayor D. Lesser: I like it. That's great. City manager, did you want to be recognized?

>> M. Danaj: I just want to clarify, what you are saying is do it with existing city staff and resources.

>> Mayor D. Lesser: Does staff want a motion on that or is direction sufficient?

>> M. Danaj: I think it is sufficient. I just wanted to clarify we are not doing a deep study, just whatever skill set we have internally to look at some of the back-of-the-napkin things.

>> Mayor D. Lesser: I believe that is the consensus of council. Any further comments? Seeing none, any further comments on this item before we take a recess of ten minutes? Thank you. We stand in recess.

>> Mayor D. Lesser: Calling back to order the city council meeting of date date. We now move on to item number seven. Can we have order in the chamber? Item number seven, Consider the Current Underground Utility Assessment District Formation 17-0372 Policy and Provide Direction on Potential Revisions.

Public Works Director Katsouleas.

>> S. Katsouleas: Good evening. Welcome back this is a welcome back conversation, actually. I will talk about utility undergrounding. To recap, in June we talked districts 12, 13, and a little bit of 15 which will be delayed until next month. Tonight we are not focused on those districts but future districts. If a resident says I would like to consider undergrounding, what do I need to do? That is tonight's conversation. Providing staff direction so we can tell residents these are the steps you'll need to take, these are the thresholds that you need to meet in order to form a district and then there will be some other monetary conversations that we will be seeking direction on as well in



terms of bringing a district to a vote. Let's just start with a quick overview. In this city to date 16 utility undergrounding assessment districts, which we are calling U.U.A.D.s, have been proposed, and some of them actually formed. So there were six that have been constructed. It is districts, one, two, three, five, six, and a long time ago district 85. And then there were three districts that were dissolved by council for various reasons. Those include four, eight, and 13. Three are still in planning that we talked about in June. And five didn't meet the validation criteria. And I do want to stress for three of those listed -- 7, 9 and 10 and 11 -- 7, 9 and 10 originally did meet the survey evaluation criteria but later petitioned the city to withdraw their districts. Ultimately they did not move forward. So the formation criteria that was outlined by the city, actually started in 1968, and it is codified in section 7.28 of our municipal code. Other formation guidelines that we have to follow are captured in Southern California Edison's Rule 20 program. 20A is a city-sponsored corridor program. 20B is a residential voluntary program. And then the telecommunications companies follow a Rule 40 program which basically mirrors SCE's Rule 20 program. And then in 2006 after a lengthy discussion the city council at that time adopted some revised guidelines. I call them informal because there was no actual change to the municipal code. And we will go over what those were. So our current policy is really well-captured in the 2007 utility undergrounding fact booklet and it basically says if you want to start an undergrounding district as a residential group the first they think you need to do is come to the city, meet with us, get an idea about what an undergrounding district is, how you set boundaries, what the utility companies look for, what given your

particular neighborhood the probable cost might be, and then go petition your neighbors. And if 60% of them understand the criteria, understand the probable costs and are generally in favor of it, they'll sign your petition, you submit those to the city. The city then sends out a validation survey to all of the residents in the form district boundary that says, hey, we understand that a petition was circulated. You signed that petition or you didn't sign that petition, but the probable cost is in this range. I want to verify that you are generally in favor of utility undergrounding and would like to know the final cost in order to make an informed decision. We call those valuation surveys. 60% of the parcel owners in that particular district must return the validation survey saying, yes, I am generally in favor of undergrounding. If that happens, historically we would bring those results to council. We would bring the cost estimates for designs from the three utilities -- cable, phone and electricity -- and authorize funds. We would have design work done and that really kicks off the process.

Anecdotally we like to limit the size to 300 or fewer parcels for a variety of reasons, construction, manageability, phone calls, but at least one block long. And that is a criteria that Edison implements because it is very difficult to underground just half a block for a variety of reasons. So once you got through all of that process and you had an assessment engineer take the actual cost of the district formation, so the plans, assessment engineers, all the staff time, the bond costs, you allocate that over all of the parcels in a district according to a formula, and then if the residents -- when they vote, if 50% plus one of the dollar value votes are in favor of undergrounding, you have the legal

right to form the district. And by dollar value votes I mean if your dollar assessment is \$10,000 you have 10,000 votes. If someone else's is \$20,000 they basically have 20,000 votes. You only have to consider the totality of the dollar value votes in your ability to approve a district. Council in 2006 said in addition to the Prop 218 allowing me to pass it at 50% plus \$1, we would like to see 60% of the actual parcels in that district who sent in their petition, or their ballots, in favor of the district. So that was basically one vote per parcel and you wanted to see a very clear majority of that. I do want to stress that was only of the ballots returned. So if you did not mail in your ballot during that 45-day window under prop 218 we didn't consider your ballot either way. So the city once a district is formed with the survey validation criteria, typically would pay for construction designs. That has escalated. The original districts one, three, five the designs were relatively low for all three districts and by the time we got to district 13 they were upwards of \$350,000. If the district passed, the city gets reimbursed for all of its expenses. Not just for design or assessment engineering, but also on staff time we had spent on forming the district plus the estimated staff time to see it through construction, cabling and conversion. So given this framework, now what we would like to do is seek council direction on do we want to keep the same policy in place, or are there any elements of the policy that we would like to change? So I'm going to go through them just as a one by one. First and fundamentally, do we want to revive the U.U.A.D. program? Do we want to allow residents of a particular district the opportunity to form a district to underground utilities next to their houses? Assuming that is yes, there are things that we want to

look at, whether we should modify district size criteria from 300 parcels. Staff's recommendation is we do not change that. That is the maximum of what we consider manageable for a district. In terms of having people submit petitions, it is currently 60%. Should that be raised, should it be lowered, or is 60% still a good number? Once we validate the surveys, again, we require 60% of every parcel, not just those that are returned, should that be modified. Currently 60% of parcels -- voting, those who return ballots -- are required to be in favor of undergrounding, although Prop 218 only requires 50% plus one. So do we want to keep both of those or revert maybe to just one? And then number three, the source of funds for design and assessment engineering services.

As I mentioned, currently the city pays for those. Do we want to continue that policy? Do we want to put a new policy forward that would require residents to pay for it, or do we want to explore some kind of cost-sharing approach? The in-kind services for administering the program, again, they are reimbursed if the district moves forward. But to get a district to a vote, the city does spend staff dollars. So do we want to require residents to help pay for those staff dollars while we bring it to a vote, or do we want to leave it as in-kind services, knowing that if it forms we will be reimbursed? Do we want to talk about setting limits for the number of districts that can be in process at any one time? From the day that we start a petition drive to the day that we would complete construction is typically four years. It is a very long process. So what we can do currently with one person would be to have a rolling stage of these things. You can oversee some construction at the same time that are considering district formation at the same time that you are working on

design plans, but ideally you would have no more than three to four districts, somewhere in that four-year band at any given time. And then district 13 and district 8 are unique in the sense that they were formed under the old guidelines. And pre-2006. But they were dissolved by council just at the beginning of the recession. The city has spent funds on completed design plans for both districts.

If these districts were to move forward or the residents were to repetition for those to move forward, which they have contacted me with general interest about, would we hold them to the original guidelines they were formed under? Would we hold them to new guidelines we decide on tonight? And that conversation is really driven by the fact we have spent about just over \$500,000 to bring those these two districts to the voting stage. So we might want to treat them under the old program, or we might not. And so we just want to call out that these are uniquely different than districts that have never formed, because we have spent \$500,000 on them. So that covers our program in a nutshell, and it would be easiest for me and staff if we took these discussions one at a time in terms of your questions and we can go from there.

>> Mayor D. Lesser: I'll ask my council colleagues at this point if there are any preliminary questions before we open it up for public comment and we can have our discussion after public comment, would be my suggestion. Any questions at this point?

>> None from me, your Honor.

>> Mayor D. Lesser: I have a question for the city attorney. We have had residents who suggested that the process that was put on hiatus that was established in 2006 does not pass muster under proposition 218

case law that has been handed down since that time. And I guess I want your opinion as to whether or not there is any truth to those allegations attorney I have seen correspondence from two separate people, perhaps three, who cite two cases from 2008. And those two cases were both about the methodology used in the engineer's report. So I can reassure the council and the public that the methodology that the city will be using fully complies with Prop 218 and those two cases. Staff has been well aware of those two cases, and our engineer has already developed a different type of methodology to comply with those two cases.

>> Mayor D. Lesser: Okay. Helpful. Thank you. And I guess I also will then ask you just to make sure that the public and I am clear, the rules promulgated in 2006, how long they were in effect and put in high United States. Because we are being asked to simply whether or not allow those same guidelines implemented at that period of time to implement them and reactivate them. I just want to make sure for how long they were active.

>> S. Katsouleas: Those were the last guidelines adopted by city council so there has been no discussion to consider new guidelines. So we would consider those effective today, absent other direction. And I wasn't here at the time, but my understanding is somewhere around 2010 that there was direction -- I'm not sure whether from the city manager or city council -- to place a moratorium on undergrounding. And at that point everything went dormant until, I think, 2014 and then there was some conversation again on districts 12 and 14 that did start to move forward again.

>> Mayor D. Lesser: Okay. And I didn't see it in the staff report, but we also have a chance as a council tonight to give some direction on the deferment program, is that correct?

>> S. Katsouleas: The deferment program I did include in the staff report. And it is laid out. It is, again, also what is in place today, but my recommendation is tonight to seek direction on whether you want to continue with some form of a deferment program and then let either the finance subcommittee or myself and Bruce look at what today's costs are and to come back with maybe a recommendation similar to what we have, with some adjustments.

>> Mayor D. Lesser: Great. Thank you. Any other questions? Thank you. If not, open this item up for public comment. Madam assistant city clerk, have you received any cards?

>> I currently have no cards.

>> Mayor D. Lesser: I think there are members of the public that would like to speak. And if you would like to speak on this item, if you would please provide our assistant city clerk with the yellow card so she can call you up.

>> Clerk: I have Alita Wraithmeyer.

>> Mayor D. Lesser: Please.

>> Alita Wraithmeyer, 751 Marina Avenue which I really couldn't find on your map. So 751 Marina Avenue. And might like to look at what map you used. I just want to say that when I moved here in '76 and I bought my house and I bought another house and I remodelled it in 1999, the city mandated -- mandated -- that I make my house underground-ready. So here we go, make my house underground-ready. Had to move the telephone pole, had

to move the electrical pole, had to pay for that. Fast forward to almost 2018. No underground, why would you make us? Going back to 1968, you have not updated your regulations, let's get with the program. I will also ask Stephanie -- I can't pronounce your last name -- have you done a study engineering on how the poles are now. And if we have 400 K -- heavy, heavy lines, and then if you look at the standards today, for the poles today and what they can hold, how guidelines, guidelines, meaning how to make the poles stand straight. Those poles are old poles. Many of them are leaning. The lady that talked about her children lives right down the street from me. It is very real. This cancer thing is really real. I know that the city doesn't want to talk about it, they don't want to do anything. But I think in some areas you have a moral obligation to move your electrical lines to your property down Valley on city hall property. And it is a real safety issue. Thank you.

>> Mayor D. Lesser: Thank you.

>> Clerk: Next I have Kim Lankerton followed by Lisa Benequista.

>> Hello, everyone, my first meeting. I'm really excited we have a new council. I live on 3206 Crest Drive. I'm for undergrounding. I have lived in my home --

I'm in district 13 -- when they actually put our district on hold back in 2008. And I was devastated. I have two small children. The utility poles and the wires on Crest Drive, it is really impacted there. It is small streets. It is not safe. The utilities companies come, they keep putting more wires up. They won't remove their old telephone boxes. It is an extreme problem that we as a growing city that everyone wants to live in, we can do something about this, we can change things. So I'm confident



that with your help we can do this and make my neighborhood for my children a safe place to live. So I am for expediting district 13 since it was approved years ago, and we need to move forward quickly on this to make this a better place. Thank you.

>> Clerk: After Lisa I have William Victor.

>> Hi, council. First of all, I want to thank you for bringing up this conversation again and being really open to undergrounding. I have been on and off working on this for about two and a half, three years, and I am outside of just on the border of district 13, so I would have to form a new district. And one of my biggest challenges is that I feel like the public is very misinformed about, A, the process, and B, about the cost and people are saying, oh, we are going to lose our homes. They don't know there is a deferment. They don't know that if they have a lower income bracket or a certain fixed income, age bracket, special circumstances, that they have options. Those are the things that for people like me that are trying to form a district or just trying to get the word out there, all of this is wonderful that Stephanie put together, and I have done a lot of research and kind of dug through and gotten that information on my own, but it is not available to them and I try to tell people this, and they look at me like I'm an alien and I don't know what I'm talking about. I have had residents yell at me and tell me I don't know what I'm talking about. Even if there is some type of pamphlet, because it makes it really difficult for us. Again, it has been three years of constantly trying to work on this. So if there was a pamphlet or something that is put off by the city that I can hand out that those people like us that want to form new districts can get the proper information out, because that is what is

really I feel like holding it up. People don't know the truth about the system and how it works and what the real costs are. So thank you.

>> Mayor D. Lesser: Thank you.

>> Clerk: So Phil Victor.

>> I'm sorry. There is a pamphlet that perhaps we can explain how to get, from the website?

>> Mayor D. Lesser: Just before we call up the next speaker, let me confirm. My understanding is there was a pamphlet that was prepared, but it was perhaps taken down from the website because the -- let me finish the conversation -- because I think the program was put on hiatus and as a result the pamphlet was not made available on the website, is that correct?

>> S. Katsouleas: That is correct. And the pamphlet doesn't contemplate any decisions you may make.

>> Mayor D. Lesser: We need to have this conversation tonight and perhaps make it available in the future. I'm sorry. Assistant City Clerk.

>> After Phil Victor I have Mark Cohen, Brian Sweeney and Robert Friedman.

>> Am I correct, there was a renter, the last person that was speaking? It is a different obligation by a renter compared to an owner of property. Anyway, I am in the old district 8. There is a lot of irregularities. One was an error by the city that they doubled the cost of trenching. Also, there was a bribe. We call it a bribe, anyway, \$80,000 given to the city. That was what we call an irregularity. And the costs were much more than what were anticipated. \$100,000 was not unusual. I

know people, friends of mine, clients of mine even, that were assessed \$100,000, didn't include the connections, and the cost, it is not clear in anything that I have heard today, the cost of bringing the line from the street to the panel. Most panels, or many panels, will have to be redone. And like I have a three-unit building, it could be \$4,000, \$5,000, \$6,000 in addition just to get the electrical panels on 2002 costs. I'm sure they have gone up quite a bit, from what I can tell on getting contractors lately. So I think the expenses are tremendous, and I think it is a really unfair way to have lowered the 60%. That is not democracy. Okay? And I oppose that. I think the district 8 -- I would like to opt out and I'm making it public right now. I'm right on the edge of district 8. I would like to be an island without this. And I'm sorry. I'm the first property on district 8. Thank you very much. I make my point, I hope.

>> Mayor D. Lesser: Thank you. Next speaker, please.

>> Hi. I'm Mark Cohen. I'm also in district 8. District 8, as we heard, was dissolved. I don't really know the real reason behind that. I think it was related to going into a recession. But a lot of money was spent. And I would like it to be able to be revived so that we could pick up where we left off. It only sort of makes sense. District 8 is, just to remind everybody, 8th Street to 15th Street. And it is west of Highland. So it is that strip. It can be complicated because there are commercial buildings in there. But with the city council's help I would love it if we could figure out a way to move this forward. I have read the pamphlets, I have looked at the slides. It is very helpful, but it is a complicated process to try and go through with the 60% and the 60% validation. And four years, okay, it will be even more than that. There has to be a way

that we can streamline this process to let people really know what it really will cost. We hear people say it will cost too much money. But maybe if people really understood what the real costs would be and people understood that maybe they could opt out and other people would absorb that cost, there are a lot of people that would be interested in not only for aesthetic reasons but for safety and efficacy. A lot of us know near the beach we have these power surges all the time, and I think the transformers are just going out all the time. Thank you very much.

>> Mayor D. Lesser: Thank you.

>> I'm Brian Sweeney. Thank you for allowing us to chat here. The only thing I would like to just mention is that there has been no districts approved under what the -- we had a big recession, call it a depression, and the council put in a bunch of recommendations to protect people in crisis times. But no districts got approved under any of the new policies. It was 50.1%. That is how we got our district formed. That is the law of the land, that is how the district gets formed all over the state. And the council at the time took the extraordinary measure putting a 60% criteria on, which no districts have had to have that criteria. So I'm hoping the council will be able to move forward at least with district 8 and district 13, where we have spent all the money. And very little money needs to be spent to bring it to a vote. And our districts would love to have the opportunity to vote on it, and we are hoping with the 50.1% criteria. Thank you very much.

>> Mayor D. Lesser: Thank you. Next speaker, please.

>> Clerk: After Robert Friedman, I have Bob Sievers and Diana Turner.

>> Mayor D. Lesser: Great.

>> Good evening. I'm happy to see all of you. It is very nice after this period of time to have such an esteemed council that actually I think has the ability and the vision to get some things done around here. So welcome to all of you. I think if anything we would need to make the criteria easier to get the undergrounding done throughout the city. Particularly the districts that bother me the most, obviously besides my own, I'm in what used to be district four, district eight, the city would be no greater beautified than to have that happen tomorrow. And I think at a bare minimum, as much as Mr. Victor would like to indicate that democracy is served by some number higher than 50%, it would be remiss for me not to point out that democracy is actually served at 50% or better. 60% at the time the council put that into effect to get this thing moving made sense because it was at that point that the city was going to be absorbing some costs so it made sense they go to a bigger number. Even though I would like to see it lessened I certainly would not like to see it go higher. I want to make it easier for people to do what it is they set out to do. The vision is there. Undergrounding is going to happen in the city of Manhattan Beach. That is inevitable. At least it will happen probably in my lifetime to every telephone pole that is there. If we had done this in 1980 it would have been \$3,000 per site and the vision at that time would have been fantastic. We are looking at now -- don't envision a time 25 years from now it is three or four times the cost. It will happen either way. So I would recommend you at least leave things alone, maybe make it easier, look for some visionary techniques to make it easier in areas like district eight where you have dimensional owners to

contend with that even though they get the benefits that are near to them they don't want to pay. I get that probably more than the residents that actually live in those places. But I guarantee you if one wire blows down in a windstorm and fries a child, the wires are going down the next day. They will start digging. Thank you.

>> Mayor D. Lesser: Thank you.

>> Clerk: Bob Sievers.

>> Mayor, city council, it is nice to be in front of you again.

I actually just quickly want to say thank you for moving the process forward. I don't have as much at stake here tonight I guess because my districts that I'm in are already under process. But a couple things. I also care about the rest of the city as well. And I just want to reiterate a couple points. One, I think the deferment program that is up for discussion should be an integral part of this. Granted, only I think there were three people that opted in on this, but there are people out there that are, as they say, house rich and cash poor. So I think that deferment program will help sort of unify maybe these two opposing sides and not result in these sort of civil wars that ensue. And one other thing that I wanted to just bring up just for clarification, I had read somewhere during that public records request when I was poring through 15 years of undergrounding documents, I saw somewhere -- and I just want to confirm it or if the answer is unknown, check into it -- that my districts, 12 and 14, were not subject to that second rule, the parcel rule. The words "grandfathered in" were actually in the documents. I'm not sure if you ran across that or not, Stephanie, but if we can just double check on that. Because for whatever reasons 2012 and 14 specifically were noted on this

document as grandfathered in at 50% plus one only and not subject to the 60% single parcel rule. So if I could just -- if maybe somebody --

>> Mayor D. Lesser: At the end of all presentations I'll ask some questions of staff. Thank you.

>> Great. So anyway, I appreciate it. And for the rest of the city I think it will beautify the city. It is good for property values. It is good for safety. And I think we can come up with greater solutions to help the people that can't afford it get through it. Thanks.

>> Mayor D. Lesser: Thank you.

>> Hi. I'm Diana Turner. And I own a complex at 3607 crest. And I am also a realtor in town. I was part of the contingency that tried to get the undergrounding going back in 2009. And as I spoke earlier in the summer, we were devastated when it was not to be continued. Stephanie has said that she has got a lot of our paperwork in place, and that getting our district, 13, up and running again -- and I'm so glad to have other people here tonight supporting us -- would be great. And we have gotten a lot of positive feedback. So, Stephanie, I would just like to know our next steps for district 13 what would be necessary.

>> Mayor D. Lesser: Thank you. Next speaker, please.

>> Clerk: Will aery sow.

>> Back to undergrounding again. Yeah. I wish we had done a whole bunch of things like suggestions I made 25 years ago that you do this as a city project by the whole city under a bond and we wouldn't be going through this escalating price now. I mean, do we have even -- what I would like to hear, since this is being revitalized, what is going to be the minimum price per parcel? Do we have a number? How much? It varies.

>> Mayor D. Lesser: We will ask questions at the end of the presentation.

>> This is the same thing we have gone through before. Like, oh, we know what the price is going to be. No, we don't know what the price is going to be. And I saw something up there, and I think maybe it was just a misprint. It was 60% of residents or 60% of property owners? Which is the qualification? A resident or property owner?

>> Mayor D. Lesser: Finish your comments and we will ask questions at the end.

>> Basically that. And that we have some real guarantees on the price. Something to speed the process up so the price doesn't go from X to X times three, which in some cases it did do back a few years ago. I actually believe the barrier should be a little higher. We should be raising it rather than trying to figure out how to lower it with the qualifications as far as passing this. But definitely that we have a better idea, a really good estimate of the price.

>> Mayor D. Lesser: Thank you.

>> Clerk: The last speaker card I have is for Chris Ryan.

>> Mayor D. Lesser: Great. Thank you.

>> Mayor Lesser, council members, city staff, good evening. I'm Chris Ryan. I'm a longtime resident of Manhattan Beach. I actually moved here two years before the validation survey criteria was created in 1968. I live at 200 south Poinsettia in district four. I have spent considerable time along with approximately 20 of my neighbors in the district speaking with our neighbors. And the feedback on undergrounding has been consistent. It has been overwhelmingly positive. In fact, there is not one



person that we have spoken with that opposes undergrounding. The question that does come up is related to the cost. So while I know that Stephanie had proposed a number of questions for you to discuss and comment on or make decisions on, the one thing that I would add, and it was shared previously, is retaining the assessment deferral program and whether that needs to be changed, whether it needs to be expanded. I know that when it was offered before I believe there were only five residents that used it. Four of those residents I think, were able to complete the repayment. It is one of those things that has come up from neighbors that I have spoken with. So thanks again for the time.

>> Mayor D. Lesser: Great. Thank you. Would any other member of the public care to speak on this item? Seeing none, we will close public comment. Before I turn to council members for comments, I would like to maybe clarify some questions that some of the residents who spoke raised. First, there was a reference by one speaker to irregularities due to trenching, due to the process, and more particularly, how that impacts costs. Back you state about that?

>> S. Katsouleas: I don't recall any irregularities for district eight, but they had an assessment engineer report done that I believe they got to the voting phase, and it was dissolved by council. I don't believe I know what he is talking about.

>> Mayor D. Lesser: What are the rules relating to opting out.

>> S. Katsouleas: Currently there is no option for opting out of a district boundary once it has been formed because of the way the wires are distributed over the system network that you -- it becomes very difficult for a single parcel to opt out without also bringing in other

parcels because of where lines go down and where they come back up and where the limitations are. So council took a policy that once the boundaries are formed and approved there is no opt-out option.

>> Mayor D. Lesser: Is that part of the survey then, to really identify whether there is sufficient support.

>> S. Katsouleas: Yes.

>> Mayor D. Lesser: There were a number of concerns about the costs and having a better number, a better estimate. Back you offer about those concerns?

>> S. Katsouleas: So it is a great question, because I think when undergrounding originally started in the 2000s, districts one, three and five went first and they were all in the sand section below Highland between Highland and the Strand. And at that time number one the utilities underestimated what the cost would be when they gave us final numbers. So people paid an artificially low rate for that reason. Secondly, Time Warner didn't provide a cost at all because they thought they had no lines there. Turns out they did, so they had to underground on their own dime. So there were some unique circumstances. In addition to that, density alone will dictate the cost over a district. So for example, in one square mile if you have 500 homes sharing the cost it is very different than if you had ten homes sharing the cost. Overall, the linear foot cost is typically the same, regardless of whether it is big or small. So if you have more homes sharing that linear foot cost, the price to each is lower. In addition to that is the actual power draw from the houses that you serve. So more power draw will require more transformers and vaults, and there is a cost associated with that. When I say that the cost varies, I

can't tell you what the cost for your district will be until we look at how many linear feet, how many homes, how much power draw is needed to serve that district.

>> Mayor D. Lesser: There was also a question specific to districts 12 and 14 with regard to the parcel rule and whether they are subject to it. This second requirement, can you expand on whether they are subject to the requirement?

>> S. Katsouleas: I will double check that but I believe in the August 2006 minutes there was an explicit statement in there that 12 and 14 would not be subject to the 60% parcel rule because they had been formed under the old rule. But I can verify that.

>> Mayor D. Lesser: Okay. There was also a question about what is the minimum price. I'm wondering to what extent you can even answer that, or is it really going to require the engineering and the calculations that you just referenced a moment ago?

>> S. Katsouleas: One, when I talked how many houses over how many linear feet and what power draw, in addition to that what assessment formula is used. So I couldn't tell you today what any minimum would be.

>> Mayor D. Lesser: Finally there was a question of the 60% rule, whether that referred to residents or the property owners.

>> S. Katsouleas: I think sometimes we use the term interchangeably but it is specifically parcels, regardless of whether they have one owner or five owners. Each individual parcel is a vote.

>> Mayor D. Lesser: Council colleagues, did I miss any questions? All right. Thank you. Council Member Montgomery.

>> R. Montgomery: Your Honor, do you want us to go through the items that staff has laid out in order? Are you looking for general comments now?

>> Mayor D. Lesser: What I heard from the public works director was that it would be helpful to give her direction going through the questions that are provided in a little more detail starting on page 406 of the council packet, page four of the staff report. Is that correct?

>> S. Katsouleas: Yes.

>> Mayor D. Lesser: Is that all right?

>> R. Montgomery: It is fine. Giving leeway here so I can bring it to speed. For those of you who were here in 2006, I know Brian and Mark, you were here, I we went through a lot of up because down with the council at that time and the formation. There were people who were frustrated by the design time and the length and the process, so it culminated in that. Some of the districts stopped and started. And at the very end of it some of the districts got caught up and the economic recession. Not only your end, but the staff time and money costs. What are we paying out for it? Let's put a pause and bring it back. That was the background for all of this. Those of you don't realize this, the person who wrote the book was Stephanie in 2007. She actually wrote the book and we have a copy of it here in the staff report. You can get it. Things may change tonight based on that. But she wrote the book on it. You can't have a better person to ask questions to. With that said, let me go through this and ask a couple questions.

>> Mayor D. Lesser: Can I make a quick poll of council to see if there are any requests to approach this any differently than going through

these numerically? Is that right? Because were you about to go through them?

>> R. Montgomery: Going through the order. If you want to change it, let's change it.

>> Mayor D. Lesser: Does anyone want to make a general comment before we go through them? Council Member Hersman.

>> N. Hersman: I just have a quick question just to make sure I understand where we are going here. You went through the 16 districts and what has happened to them and all of that and you did say this is for new districts that we are talking about. So 4, 8, 13, were dissolved but they are all wanting to come back, so they would then go on to this new if we change things?

>> S. Katsouleas: That is part of the discussion tonight. We were formed and funds were spent by the city under the old formulas. They don't exist today because they were dissolved. So for them to be reinvigorated, the residents would have to come to the city and say we want to form this district boundary, the old one. We would go through the survey validation process again because they technically don't exist, but if they met the survey validation thresholds, then the way we actually bring them to a vote would be a council decision. Do you want to require just the 50% plus one, do you want to require 60% of parcels? Is that conversation going to change anyway? What you decide for future districts would probably be an easier conversation first because it will determine whether you even need to make a change for 8 and 13.

>> N. Hersman: Right. And then the other ones that you said didn't make validation, seven, nine, ten, 11, are they any different than the ones that were dissolved? They could also come back?

>> S. Katsouleas: They could come back but no plans were completed for those districts. So the city initially paid Edison for three of those districts. There were no plans finally delivered. And they opted out before it went on to Verizon and Time Warner. They are not at the point that eight and 13 are, which is they went to the Prop 218 night. Those would be those districts, and four and 17, which would be a separate conversation.

>> N. Hersman: Just one other question. How does solar fit into all of this? Does that change anything, how they are connected to the homes?

>> S. Katsouleas: It doesn't change anything in this process because they are paying the cost to remove the wires and poles and they serve who they serve. You don't get to opt out of paying that removal cost just because you are not using the service. Same for telephone, same for cable.

>> N. Hersman: So if you didn't have phone service. Okay, thank you.

>> S. Katsouleas: Right.

>> Mayor D. Lesser: Council Member Napolitano did you have a general question before we go through the specific ones?

>> S. Napolitano: My general statement would answer number one, so you tell me.

>> Mayor D. Lesser: I want to defer to Council Member Montgomery, who has the floor, but before we start going through this process, I just wanted to confirm if there are any opening statements.

>> R. Montgomery: I would defer, do you want to go through the questions before the general index?

>> S. Napolitano: Prop 218 allows for this process. The city doesn't dictate it. Once the process is engaged then it is a democratic one and it is based on an assessment and votes of those people who make up that district. And it really -- I have lived through these wars before and there are folks who come down on both sides of it. We need to protect the rights of the minority, and I very much want to continue the deferment program looking at other options, along with that as well. But it doesn't make sense for the entire city. That is why we didn't go for a bond from the entire city because the entire city does not benefit from it. Some areas are already underground like the village. Some areas have the poles running along the backs of the property and not the front of the property. And some areas are not concerned about an ocean view and this doesn't make sense. And those areas do not want to pay for those people who are interested and do want to underground the wires to improve their view or some other aesthetic. For that reason it makes sense to do this in districts. Prop 218 allows for that. We are here to facilitate for that and we are providing guidelines to do that. That is why I'm fine with moving forward with number one, saying should we revive it. Again, we are allowing people to avail themselves of what the law provides.

>> Mayor D. Lesser: My general comments have really essentially been stated by Council Member Napolitano. I think we just needed an

opportunity to state our positions here. And that is proposition 218 provides property owners the right to self- assess for improvements. This is what Prop 218 allows for. I am in favor of going through as indicated by the public works director and then as a council.

>> So number one, review the program, yes. Is that what you said, Steve?

>> Mayor D. Lesser: Council member.

>> R. Montgomery: I just want to make sure I'm going through the order. You want me to go one at a time, go through mine or piecemeal?

>> Mayor D. Lesser: One by one.

>> And we all say yes to number one. Okay. Cool. Just want to check.

>> Mayor D. Lesser:

>> R. Montgomery: Holding the floor in case you guys deviate. Holding the floor.

>> Mayor D. Lesser: What would be helpful for the public to indicate what these questions are. Number one, should the city revive the utility undergrounding assessment district program and allow future districts to form? And we have just answered that. Onto question number two. Does the city want to set a minimum or maximum number of parcels needed to form a district? Current guidelines call for at least one block in length and no more than 300 parcels per district. Staff recommends that these guidelines be maintained. Council Member Montgomery.

>> R. Montgomery: Your Honor, let me address this one. I don't want to change anything there with the exception of the last two comments. And my council was the one that made that threshold higher to stop



bleeding from this city mainly during the recession. That is why I put it in there. The 60% hurdle was our way to stop that, at least in our mind stop it, and the moratorium made it official. The last two items, 60% parcel approval --

>> I thought we were on two.

>> R. Montgomery: Number two, modifying the following.

>> A. Howorth: We are looking at the PowerPoint, Richard and I, and you are all on the staff report.

>> That is one of the dangers of going piecemeal, not watching the screen.

>> A. Howorth: Let's all work on something.

>> This is more detail-oriented, the staff report.

>> R. Montgomery: You want me to use this? Let's go back to what I wanted to do, line by line.

>> A. Howorth: Let me find the right page.

>> Four of the staff report.

>> A. Howorth: Okay, everyone. Calm down. Okay.

>> R. Montgomery: Does the city want to set a minimum or maximum number of parcels needed to form a district? Current guidelines call for at least one block in length and no more than 300 parcels per direct. So again, I want to maintain exactly the status quo what we are today.

>> Mayor D. Lesser: Any objection?

>> Nope.

>> Mayor D. Lesser: Question number three, which is the should the current residential petition signature threshold of 60% support among

all parcels in the district be increased or decreased? And I believe that is what you were starting to address.

>> R. Montgomery: Yes, your Honor. This is what it was. To the districts, eight and 13, that Brian and Mark were talking about, I'm trying to -- no one passed the formation stage under the new 60% threshold. So in my mind, we keep that same percentage what it was, 50% plus one back at that time frame of eight and 13. It is not only fair and the right thing to do. That was in place at that time. Yes, that district dissolved, but they were under the old rules of formation. So for those old/new districts coming forward, I would say they be under the old formation requirement. Anything new that forms go to the higher percentage.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: I don't think that is correct. I think you are referring to actually number seven there. It is the 50% plus one. Then what was added is the 60% support. This is the minimum -- you change from 66% to 60%. The one issue that I have with these two -- I will lump three and four together, and number three, should the current residential petition threshold of 60% support among all parcels in the district be increased or decreased? And number four, should the city's current validation threshold, 60% of all support in the parcel be increased or decreased? The numbers that have come in recently show they are well-above 60%. I think that lends itself to the argument of going back to a two-thirds requirement for the residential petition threshold. And I say it only for the reason not to discourage anyone, because the numbers are already above there, but to protect the city's money. This is where the

city money gets involved. This is where we commit the money of -- and the money for the assessments and the studies and whatever needs to be done for the engineers and everything. And then when the estimates come back, that is when that final vote happens. But to have it above 60% and two-thirds creates a greater likelihood that final vote is going to pass and that the city will be able to recoup its money in the long term. If it fails, if it fails, if you are at 60% and 10% fly the coop because the costs come back too high for them, then the city is out all the hundreds of thousands of dollars it spent on number seven.

>> R. Montgomery: So I guess my question to that and maybe the reason I jumped to 7, 5A talks about do you want to consider fronting or have the district fronting? So if you are saying you don't want the city to share the costs and keep the status quo that is the reason for jumping the percentage?

>> S. Napolitano: I believe the city would be fronting the cost. I think the districts would fail if they had to front the costs themselves.

>> R. Montgomery: That is five A. We are jumping ahead on that one. Your proposal is to increase the percentage to form a new district from 60% to what?

>> S. Napolitano: Two-thirds.

>> R. Montgomery: Where was it originally?

>> S. Napolitano: 66.6%.

>> Mayor D. Lesser: I guess the question is I want to better understand the problem we are trying to solve, because the example is where that has been a problem. Granted, we have these examples of where

the city has fronted money and it now is on the hook, essentially, as it is motivated to move forward. But can you articulate what the challenge would be there with the two-thirds requirement as opposed to the 60%?

>> S. Katsouleas: Well, I'll first start by saying you have a variety of options available to you. You might have one policy the city pays because you might have another policy if the resident pays. Because as Council Member Napolitano mentioned, the first item is protecting the city's money. So if I am going to spend any dollars, what is the likelihood I'm going to get that money back? I think the prior council, it was two-thirds and it was dropped to 60%. I think there were a lot of -- there was a lot of surveying done that showed that somewhere between 60% and 66% is what some of the numbers were coming back at for districts. So the council at times said, well, if 60% say yes during this time period of surveys and then the results come back, I think I can get at least 50%. I think that 10% buffer is enough. For the districts that have formed, that number was enough. For 8 and 13, 8 was at 58%, I think, when the surveys were done. District 13 was almost at 70%. So it really is a policy question of how much protection do I want to put in that I will get my money back as the city? And that answer probably is somewhere between 60% and 66%.

>> Mayor D. Lesser: Other council members' comments on this proposition so we can get some direction? Council Member Hersman.

>> N. Hersman: Well, I agree that a higher level is a good thing to get over that first hurdle so we can get our money back. But that we don't do the 60% at the end, whatever that next part is. That was the part that you had added on, your council.

>> R. Montgomery: Yes.

>> N. Hersman: So I would agree we could go to the two-thirds if you think that is the best way to protect the city. And then when it comes down to it, it is 51% at the end.

>> 50% plus one.

>> [ OFF MIC ].

>> Mayor D. Lesser: Not at this time. I'm sorry. Council Member Napolitano, did you want to respond?

>> S. Napolitano: No.

>> Mayor D. Lesser: Go ahead.

>> N. Hersman: The only other thing is this weighted versus unweighted. And I just wanted to hear, since I wasn't involved in any of this before. The 50% plus one is weighted returns, and this created some issues with some people because it gave more weight to people who had the more expensive homes than the less expensive homes. So is that something that we want to look into?

>> Mayor D. Lesser: You are jumping ahead. I'm still at --

>> N. Hersman: I know we are jumping ahead, but I think all of it is sort of is combined. I would agree to the two-thirds if we went to the 50% plus one. I don't want to keep the 60% at the second, because then the city could lose their money at that point.

>> R. Montgomery: Right. So I'm with you. If we go to one by one, let's do that until we get to the items that we don't agree on. I have no problem if we are agreeing the city is fronting the first section. I'm not going to go ask 8 and 13 to put money up for it. We are going to do it ourselves and front it and bring it back to them. Even if the

increase goes to 60%, over 66%, it is not that big of a jump. I think both districts, all districts will be well above 66% in the first step. So that to me is fair, and let's see the next step going forward. Your Honor, that is 3. And 3 and 4 together, they are both tied to each other.

>> Mayor D. Lesser: Any objection.

>> S. Katsouleas: I'm sorry. Just to clarify. For 4, when the city validates the survey or the petitions, right now we are saying 60% of every parcel in the district must be in favor during the validation process. Prior to that, it was 60% of surveys returned during the validation process. So if you got an 80% response rate and of those 60% said yes --

>> I understand that. I didn't change the language. I was just suggesting two-thirds for both. I wasn't saying on the validation it had to be 66% of all the parcels. That is why I didn't say that. It is of those that are returned. The problem that I have is that you have -- at least for the first one, 60% support among all parcels in the district, so 66%, again, no change in the other wording. But you see how things can decrease, because you are talking about only returned ballots the second time.

>> Right.

>> S. Napolitano: And 50% plus one. I just wanted enough certainty in there the city will recoup its money by the time we get to the vote.

>> S. Katsouleas: Right.

So I'm just asking for clarification. For number four it is also for all parcels in the district, not just those returned? 66%.

>> S. Napolitano: When did that change?

>> That is the question on here. She is asking.

>> Can I jump in, your Honor?

>> R. Montgomery: A lot of the owners don't live in California, they are out of state, they don't reply to the e-mails for parcels as far as ballots. We took the step of saying forget the parcel number. What is returned to us? Bruce sent out certified letters trying to find owners all over the country.

>> S. Napolitano: I don't think the process should be thwarted by someone who just doesn't want to vote.

>> S. Katsouleas: That is what we are saying. So it should be weighted.

>> S. Napolitano: That is what I'm saying too.

>> We are all on the same page.

>> S. Napolitano: Weight, returned.

>> Just returned.

>> S. Katsouleas: Just sounds I will make this very clear. On number three during the petition drive when people sign and say, yeah, I think I'm generally in favor of it, it must be 66% of all the parcels in the district. Petition. The residents themselves initiate the petition drive, right? 66% of the people in the district must sign the petition.

>> Yes.

>> S. Katsouleas: Then when it comes back to the petition and we validate, 66% of those returned?

>> Yes.

>> Mayor D. Lesser: Good. On the item number five. Should the city, A, continue to front funds for the full cost of utility designs and assessment engineer services estimated at \$350,000 per district?

>> R. Montgomery: My comment is to Steve's first point. If they have the strength to 60% they obviously have the will to go forward. So like in the past we are fronting it based on the strength of them going forward.

>> Right.

>> R. Montgomery: So, yes, 5A would be a yes.

>> N. Hersman: Because we are confident, pretty confident we will get that money back. So we are okay fronting it.

>> Mayor D. Lesser: Objections? Seeing none, onto 5B. Should the city require --

>> Those are "ors."

If you do A, B and C are ors. D.

>> Mayor D. Lesser: D. Would or should the policy be different for two failed districts that have already drafted plans -- and this gets back to districts 8 and 13 -- where minimal work and funding may be needed to bring the district to a vote?

>> R. Montgomery: I'm supportive if they already have plans done and pass, why would I make them start from scratch all over again?

>> Exactly right.

>> Not going to change the rules.

>> Mayor D. Lesser: Agreed. Any objection?

>> No.

>> Mayor D. Lesser: Move on to question six.



>> S. Katsouleas: I'm sorry. Do you mind clarifying? For eight and 13 they obviously don't need to do a petition.

>> Or a survey. You have done it.

>> S. Katsouleas: We are not going to do the validation survey. If they come forward and want to reinitiate the district, we will bring them to a 218 vote without a validation survey?

>> They don't have that?

>> S. Katsouleas: They went through everything and council dissolved them at the hearing for initiating 218. So these two districts are unique in that sense, so if they come to me today and say I want to reset my boundaries exactly as they were, I would assume that we would ask them to petition and that we would validate that because there will be some minor amount of money that will be needed to do an assessment engineers report and have the utilities verify the plans are good in totality or need minor modifications. So for the \$500,000 that was already spent at the districts, are they just at the 60% return or under the new policy of 66% return for surveys and validations?

>> I would say the 60%. They spent the money, they have done this.

>> S. Napolitano: We spent the money.

>> We spent the money.

>> S. Katsouleas: 60% for those two districts.

>> Mayor D. Lesser: Those monies expended would be recouped if this moves forward.

>> S. Katsouleas: Yes. And when we come back to talk about district 15 and 4 in the beginning of October, we will have this conversation unique to them.

>> Mayor D. Lesser: Let me ask you then, any further clarification you seek.

>> S. Katsouleas: No, I'm good. Thank you.

>> Mayor D. Lesser: Onto question six. Should the city provide in-kind staff support during the design, assessment, engineering, and voting phases of the underground assessment district formation. Passage of a 218 vote would be required in order to be reimbursed for staff time.

>> R. Montgomery: Again, if we are basing it on the strength they have and the 50% plus one, we will be there already. We are expected to be reimbursed for our time. We wouldn't go all the way to step six if we didn't believe it was going to pass. So we are doing this already based on the assumptions moving forward.

>> N. Hersman: So my only question is, so the in-kind staff support, has that been reimbursed before? Is that part of the normal reimbursement?

>> S. Katsouleas: Yes, for all the districts.

>> N. Hersman: Why is it being pulled out now like a separate thing.

>> S. Katsouleas: If you had said that you wanted something other than option A above where there was either cost-sharing of residents, what would happen with this portion.

>> N. Hersman: Got it. Since we have A, we are good.

>> S. Katsouleas: Yes.

>> N. Hersman: All right.

>> Mayor D. Lesser: All right. Clear? Any clarification required?

>> S. Katsouleas: No. Good so far.

>> Mayor D. Lesser: Onto question number seven. Does the city want to modify the approval thresholds required for district formation during the proposition 218 voting process in currently the program requires that both of these conditions be met. We just went through these. Weighted returns must show at least 50% plus one support to form per proposition 218 requirements, should this be I increased, or actual ballots show support for district policy. Should this be increased or decreased?

>> I'm pretty sure we went with the weighted returns for 50% plus one, wasn't it?

>> S. Katsouleas: It is both of them currently.

>> R. Montgomery: I'm saying why would I want both.

>> S. Katsouleas: Currently you have to meet both thresholds.

>> R. Montgomery: We do but why would I want double checks?

>> What you did. You tell us.

>> S. Napolitano: Weighted returns also reflect weighted assessment.

>> Yes.

>> S. Napolitano: Because the higher the vote is also the higher the assessment for that piece of property.

>> S. Katsouleas: Correct.

>> S. Napolitano: Including the other one means that smaller properties can negate -- who would pay less can negate the properties that are bigger that would pay more.

>> Yep.

>> R. Montgomery: May be inconsistent with what at that time we were looking at. Looking back, I understand why we did that back in time. Do you want to make a change or leave it the way it is?

>> I would think the 50% plus one. I don't know why we need to add that additional.

>> That is why we are looking for you as to why.

>> R. Montgomery: When we looked at it, remember, we were flying by the seat of our pants at that time. But I think looking back and stepping back we should just focus on ourselves, 7A, the weighted returns. Focus should be on what actual ballots come back to us.

>> Mayor D. Lesser: Okay. Any objection?

>> You are combining the two. The first one is weighted returns must show 50% plus one. The second one is actual ballots returned must show 60%.

>> S. Katsouleas: Right.

>> N. Hersman: You could combine the two, I suppose, and say actual ballots returned must show 50% plus one.

>> R. Montgomery: In our heads when we first did it, weighted. I would say stick with 7A to make it simple across the board. Prop 218, weight returns, 50% plus one support.

>> When you said it out loud before you added the word actual. And I think you misspoke.

>> Mayor D. Lesser: I presume you are favoring 7A.

>> R. Montgomery: So I'm not clear, 7A is what it meant. Take B out.

>> 7A is what Prop 218 requires.

>> S. Katsouleas: That is correct.

>> N. Hersman: So this was just the added one with the actual ballots.

>> S. Katsouleas: Correct.

>> N. Hersman: We are just following 218 now.

>> S. Napolitano: From my reading the concern is that with the weighted returns you can have fewer parcels passing it rather than a majority of parcels passing it.

>> I think that is right.

>> S. Katsouleas: That is correct.

>> Mayor D. Lesser: Any clarifications.

>> S. Katsouleas: My understanding is you are eliminating the B requirement.

>> Mayor D. Lesser: Correct. Onto question number eight. Does the city want to set any limit on how many districts can somewhere the design phase at the same time? Currently there is no policy, however in the past it was informally based on the availability of staff resources and the city's desire to limit the total amount of funds expended that would be ready to be reimbursed.

>> R. Montgomery: I thought we were doing three or four coming in at a time and at that time we were still adjusting the process. Mark's comment about streamlining it. And at the same time it was learning how to

do all of this. It was all at the same time. But I think we had three, maybe four at the same time, districts.

>> S. Katsouleas: We had six at the same time.

>> R. Montgomery: Three that were starting to go forward, they sit in a line, in a queue. By the time we did it all forward it was three or four at a time moving forward. We were always hung up on a reason to redesign or opt out.

>> S. Katsouleas: They were all at various stages. In reality, we had more than six. If you are considering the survey validation plus construction plus assessment plus plan review.

>> Your Honor, we had a discussion earlier about the need and the priority of building Fire Station 2. We have a whole list of C.I.P. projects that have been backlogged. I'm going to leave it to the discretion of the public works director, and she is going to know what her department can take on and what it can't in light of all these other priorities as well.

>> S. Katsouleas: Actually our recommendation would be that if we are going to go forward and if we are going to be facilitating all of this that an engineer is hired specifically for that and they get reimbursed by the district, so it is not part of my existing count at all.

>> That makes sense.

>> Mayor D. Lesser: That makes sense, particularly if it is paid for by those seeking benefit to the property.

>> A. Howorth: That is what you were, right.

>> S. Katsouleas: Yes, I was.

>> Mayor D. Lesser: Any objection to giving that direction, that we explore hiring this additional person with the benefit -- what phase would you explore that need.

>> S. Katsouleas: We would begin it now. With the assumption 12 and 14 are going forward, and I had said we could with our existing staff resources absorb getting them to a vote, but once you start construction and with the assumption that 8 and 13 and 4 and 15 are coming forward, you'll absolutely need a full-time person for those five districts.

>> Absolutely agree. Council member Hersman.

>> N. Hersman: How long do we need a full-time person? I mean, at some point are we going to get to the point, let's say districts start going again. I mean, at some point, as you were saying, it is the coast, it is going up the hill.

>> Is that a contractor.

>> N. Hersman: That would be mine. Is that a contractor or employee.

>> S. Katsouleas: I was here three years before working full-time, and I couldn't keep up with the volume of work. That is why districts like seven, eight, nine, ten, 12, 14, were pushed out, because I was working on one through six at the same time. So you could have -- based on the interest now and if they meet the survey validation process, you could have a full-time person working five years and they would be busy the entire time.

>> N. Hersman: Five years of a full-time person?

>> A. Howorth: But if they are paid for by the district.

>> N. Hersman: But my point is at the five-year mark that person, let's say, is out of a job because all the districts are formed, they are done, we are good.

>> S. Napolitano: It would be up to the council whether to maintain that position.

>> S. Katsouleas: Keep in mind with the four engineers we will be hiring in addition to this one plus the one we have. And through natural attrition we would be able to make those adjustments within that period of time.

>> N. Hersman: I'm just thinking pensions.

>> Mayor D. Lesser: Very good question. Is there any clarification required, or are you good?

>> S. Katsouleas: I'm good. Thank you.

>> Number nine.

>> Mayor D. Lesser: Making sure I didn't miss anything. Does the city want to consider providing an assessment deferment program? If yes, should the terms be modified? Stop there.

>> R. Montgomery: This is the Nictel decision with Bruce Moe in the finance division. This was a good design. We estimated what the cost would be. We put \$1 million aside. We vastly overestimated, and we have one person left that is still tied to it. So I would say yes with a much lower threshold reserved for the people that may need that. It is a necessary program, I agree, but I wouldn't put \$1 million aside for it anymore. Much lower based on our history. So yes.

>> Mayor D. Lesser: I'm very much in favor of this, however, I did want to give an opportunity, provide an opportunity for staff to



explore any suggested modifications to this program. I understand there was a fair amount of staff time involved in this program, and I would like to give them an opportunity to come back, because I think invariably they would anyway, to tell us what modifications, if anything, need to be made.

>> S. Napolitano: I agree with that.

>> R. Montgomery: I'm fine with that.

>> A. Howorth: So am I.

>> Mayor D. Lesser: Any clarification? What remaining outstanding questions are there, then, Director Katsouleas?

>> S. Katsouleas: I think you have covered them all. I have said it earlier, and I do want to stress that this conversation is for all districts moving forward that have not formed. You gave me very clear direction on eight and 13. If they decide to reform, I am assuming that criteria will apply to four and 15, which was also formed under the old plans, but we will confirm all of that in October when we have that specific conversation. And I think we are good.

>> Mayor D. Lesser: Perhaps just a question for the city attorney. Is it sufficient just to provide direction or is a motion and vote sufficient?

>> Q. Barrow: The direction you have given is already enough.

>> R. Montgomery: Are you going to update your fantastic 2007 booklet now that you have direction on what we are doing to send out to people that they can go to our website and find the -- change the date, it pretty much stays the same, and they can have it as a guideline.

>> S. Katsouleas: We will update it before we have it published.

>> A. Howorth: Make it easy to find.

>> Start a new utility undergrounding page.

>> Mayor D. Lesser: Any further action required.

>> S. Katsouleas: None for me.

>> Mayor D. Lesser: Thank you very much. All right. Council, we move on to item number 8, resolution number 17-0115 approving the chamber of commerce work plan contract.

>> A. Howorth: Mr. Mayor, before we move on to this item, just hold on a second. I was going to propose we hold off number nine until a different night because I had requested we bring it on, or just that we receive it and file it. And I just want to say it now so we understand what time we have left in the evening. So if everybody else is open to that.

>> Yes.

>> Sure.

>> Mayor D. Lesser: Item number nine, defer.

>> S. Napolitano: It should be brought back on consent.

>> A. Howorth: Yeah, just brought back on consent would be terrific, actually. I'm fine with that. It is great information. I think it is helpful to have it out there. We don't need to save time for it at this point.

>> Mayor D. Lesser: Any objection? So ordered.

>> A. Howorth: Thank you.

>> Mayor D. Lesser: Thank you for interjecting that. All right. Item number 8.

>> I was just going to note it is already agendized to receive and file. You can simply do that tonight.

>> Move to receive and file.

>> Second.

>> Mayor D. Lesser: Any objection? So ordered. Any further action required, Mr. City manager?

>> No.

>> Look at us.

>> Mayor D. Lesser: Third time's the charm, item number eight.

>> We get things done.

>> Get 'er done.

>> Good evening, Honorable Mayor, members of council. My name is Andy Sywak, I'm the economic vitality manager. Tonight we are here to present a proposed work plan and accompanying contract with the Manhattan Beach Chamber of Commerce to provide economic development services. On the August 1st council meeting that included a work plan brought forward by the chamber, staff directed to come back with a one-year contract with line items and provide more details about specific work items. This more fleshed-out work plan is included as an attachment in the report and it can be divided really into two unique sections. The first area of work plan is about local marketing programs and this is really the bulk of the work plan. It is a visitor business map. It is the online visitor resource, L.A.X. Hotel outreach and hospitality committee. I could go over all of those in questions or just go over it briefly now. And the second group of items are principally targeted towards business education and engagement. And those three items involve the small business education seminars, the collaborative town hall forum and the sponsorship of the young entrepreneurs academy. And just to note, that one has quite a range

of sponsorship levels. There is an event level of \$500 and you can go up to title sponsor of \$8,000. Those are all funding options tort council. Tonight staff is asking the council to review the proposed work plan and decide which items it would like to provide funding for and provide any additional direction. And finally we are resubmitting resolution 17-0115 that would authorize the agreement between the chamber and the city. It had a typo. We switched out one word and have resubmitted it for your review. And of course, the chamber president and CEO Mark Lipps is in the audience if you have any specific questions. I can answer questions as well.

>> Mayor D. Lesser: Council, any questions at this point?

Council Member Montgomery.

>> R. Montgomery: Just a question on the visitor business map, \$12,750. That is an actual handout map not to be found online on the chamber website?

>> There will be a link like a PDF. You can go click on it and download it. The idea behind is if you are at a hotel and you don't know where to go in Manhattan Beach, you are handed this and it shows you where to go all around town.

>> Mayor D. Lesser: Council Member Hersman.

>> N. Hersman: Scratching my head.

>> Mayor D. Lesser: My question is, I have struggled with this with other initiatives by the chamber and our city, for that matter, and that is the question of how do you measure the success of those proposed items? It is all well and good to initiate them, spend public money on them, but how do we determine whether or not they even work, or what is

their goal, for that matter? Week well, we have a list of deliverables, and I think what we can do is perhaps set a benchmark. If we did the online visitor resource, we could look at the web traffic for precontract and postcontract. We can do follow-ups with the hotels about the maps, how much they were distributed. Perhaps there can be a survey that is circulated. And that way -- I think a lot of these are qualitative, like the hotel outreach. It would be with the ocean express ending service really soon, this is something that could be a long strategy. But these are all things that we can reach out to those partners and see how happy they are with it. I think the hospitality committee will be quarterly reports. So a lot of this is just about the satisfaction that these groups have with the service.

>> M. Danaj: I would underscore that the chart that was developed is identified deliverables and I would encourage you to use those at least for your first round of -- I'm sorry, I can't think of the word -- the measurements, excuse me. The deliverables are essentially the measurements for this one-year contract, and then you can reassess it after that.

>> Mayor D. Lesser: Thank you. Council Member Napolitano.

>> S. Napolitano: Thank you, your Honor. I'm torn on this as well. And I have spoken to the director several times on this and encouraged, I think, reaching out beyond things that the chamber would normally do or should do for its membership. And I look at some of these things, and they are good things, but it seems like they are things you should be doing anyway with your membership without the need for the city to sponsor it, because it should be part of the membership dues. I

understand we want to help the chamber here. They are not asking for a handout, and yet this is not an insignificant amount of money that is being discussed. Because so far that I am good for one year on several of these. I don't want to go down the road too much of things like sponsorship of young entrepreneurs. It is a great program, but it is very narrowly focused for a handful of students. And frankly for return on investment what I'm looking at these other things for is economic enhancement to the community, a payback in sales tax dollars, in visitors coming. Where students have the ability to come up with business ideas, I think that is great, but really that is something that should be sponsored by other business, I would think. And I guess I would also like to see what the plan is for the chamber to expand upon its membership base. And also if the dues aren't covering these things that should be part of the normal membership, are the dues too low? Are they too high? I don't know. But that is something that should be considered. I'm good with most of these things on a one-year basis to take a look at because there are some new things here like the L.A.X. hotel outreach, etc., hospitality committee. The clever town hall forum I would like to flesh out more. I would like to have that engagement. We attended before a business group get-together with businesses and council but council wasn't engaged at that event. And really I want feedback. I want actual feedback from businesses to know how we can improve city processes to help them along and get them up and going and keep thing going once they are. So many of these things, I would rather take some of the things off the table, but I am good for the one year to see what we get back.

>> Mayor D. Lesser: I haven't opened this up for public comment. There are not many people in the chamber necessarily who may want to make comment, but in terms of offering direction and making a motion I should probably open it up for public comment. Does anyone have a question, and I will open it up for public comment if. Why don't I open it up for public comment. Would any member of the public like to address this? Mr. Victor, and then we can get back to suggestions.

>> Phil Victor, quickly. Before we just had the chamber of commerce and we were paying a fee every year for that. And that fella went on and did something else. And then we had this economic advisor, Mr. Sywak. And I guess he had a specific. It is really not clear to a lot of people that I talk with what the two respective roles they have are and what the cost to the city is. And deliverables, I couldn't find it identified in the staff report, so I don't know where that is. You are talking about deliverables. I didn't see it in the staff report.

I would love to know where that is. I think it would be helpful to people who are still awake and listening to have an understanding. We still do donate the rent to the chamber of commerce next to the post office. And that, I guess, is included in our donation or cost for the chamber of commerce? And I haven't any idea what Mr. SYWICK's cost is. I think it would be great for us to know what those costs are respectfully, as long as you are doing in and spending your time on it tonight. It would be helpful to a lot of people who are listening. Thank you.

>> Thank you. Deliverables are on page 480 through 483 of the staff report.

>> Mayor D. Lesser: Would any other member of the public like to address council? Mr. Lipps? Or not at this time?

>> I didn't see the word deliverables.

>> Council, city, Honorable Mayor, Mark Lipps, Chamber of Commerce. As far as deliverables, I think a lot of these things you have to ask yourself what is it a as a city do we need from our chamber? So if you need a hospitality committee, if you need a relationship with hotels on century boulevard, if you need a place for visitors to go, then your deliverable becomes how we make that happen for you. And that will either happen or it won't happen. And I'm proposing that it will happen. The costs you see are what I think we need to make that happen. And as far as the others, the Y.E.A., I agree with Steve. It would be great -- the reason I add the Y.E.A. in there is because I think that is a part of no more than -- on the same level as leadership, on the same level as mayor's youth council, only this is from a business perspective. This is something that the city has to offer those kids who want to learn how to put together a business plan, who want to learn how to stand up in front of someone and make a presentation, who want to sell themselves. That is something they are going to take with them going forward in whatever they do, where they continue to establish a business or not. So it is just another program that I think the city has that makes it special from another city. Nobody else has that. And that would be something we would have. And I just would think the city would want to be a part of it. That is why I put that in there. As far as the town halls are concerned, that is the problem. The problem is you are right, Steve. These businesses need to be engaged and brought to the table to respond back to you guys on what



they think we need. We got a lot of development, we have a lot of things. We have September 19th coming up with Sepulveda and all of that. I think I could have a good -- I think I can have a great impact on getting those businesses to speak up and speak to you where you are listening, doing more listening than you are talking by having them reach out to you. So I think I have a good handle on making that happen.

>> Mayor D. Lesser: Thank you. Any other members of the public care to address council? Close public comment. And I will simply mention in response to what the speaker, Mr. Victor, said. My understanding -- turn to the city attorney -- the chamber of commerce is able to occupy its office subject to a lease which is in place with the city and it does allow them a nominal rent per year to maintain that office, correct?

>> Q. Barrow: That is my understanding.

>> Mayor D. Lesser: Do you recall off the top of your head when that started Mr. Seek.

>> It is a dollar a year and it expires in 2022. It started in 2012.

>> Mayor D. Lesser: Any other questions? We will go back to the order in which council members requested to speak. Council Member Hersman.

>> N. Hersman: Thank you. As far as all of these, the L.A.X. hotel outreach, now that the ocean express is gone, and this is a question for you, Andy, we had the program with the downtown association having students meet the ocean express and providing that kind of hospitality, down there talking to them, are you eating here? Are you going to the stores. And that was important information for the downtown businesses, at

least, and that is the hotel outreach. Now that the ocean express is gone, do you know whether -- we can't obviously have that program anymore because they are not needing the bus. Is that something that can be put on there?

>> A. Sywak: I think what that did, talked to the people on the bus. From Australia, you should go here for and there. And the hotel outreach is working with the hotels themselves. The largest hotels in L.A. county are all on century boulevard. There are 14 hotels, thousands of hotel rooms. It is a huge, huge area and the occupancy is really high. So I think the idea was this would be outreach to the concierges, to the outreach people, the L.A. gateway, the coastal chamber and how can we get the visitors who are there to come to Manhattan Beach during their stay. They want the beach and we have the beach. And how we arrange that. And the ocean express was the conduit for that and now it is going away. So the idea is how to capitalize on that. It is really about outreach and marketing materials and getting things in the rooms and the TVs there and the little maps. That is the idea behind it.

>> N. Hersman: This is a little bit off track, and I apologize. So the downtown association hasn't really talked about replacing that program in some way with the students? That would be nice to think about a way to continue the program.

>> A. Sywak: Yeah, I will talk to the executive director soon. As I understand it, it was more of an outreach to the people on the bus.

>> N. Hersman: They were coming from the hotels, is my point.

>> A. Sywak: Yeah.

>> N. Hersman: They were coming from the hotels, so that is where it tied in to this.

>> A. Sywak: Yes.

>> N. Hersman: I'm wondering if the chamber can do something to keep it going with the students in the summertime.

>> Mayor D. Lesser: I see Mr. Lipps wanting to respond to the question. Is there any objection to allowing them to respond?

>> To your point, we have reached out to L.M.U. as much as we can. And we want that same research. Not just for downtown, but for all of Manhattan Beach. We haven't taken it further than just to talk to a couple people, but we would like to utilize LMU and some of the research areas they have there and the students they have in creating a program where they actually do it through telemarketing through a number of ways they do that, gathering information that is specific to Manhattan Beach.

>> N. Hersman: It was important to know for the businesses to know who was coming in.

>> It ran off a bus and there is no longer a bus and they are not going to fund it.

>> N. Hersman: Right. That is why I'm wondering is there something we can do to replace that? Not the bus itself, but to replace that marketing information that we are getting.

>> Many people will do a visitor impact study. Venice did a visitor impact study. It is actually fascinating. They walk around the boardwalk saying hi, sir, war you doing, what do you like the best? It costs \$20,000, \$25,000, but that is a possibility.

>> Use high school kids.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: Thank you, your Honor. No questions for me. Just more just thinking to myself. You said buy in Manhattan Beach program, buy MB. When you buy here and the 1% stays here.

You can bring that back.

And, Mark, you have done a good job with what you have got. I know you have been trying to fight uphill battles so far. I'm disappointed that no board members showed up from the chamber. You would think like tonight, if you are a chamber board member, what the hell, what the hell?

One of your guys should show up here.

At least one of them.

That's just me.

>> How about the fact that you are from Texas.

>> R. Montgomery: Well, that too.

But someone should show up and say "I support my director. I am a chamber member."

They have 14, 15, 22 directors and not one of them showed up. So I'm not blaming Mark.

It's not his fault.

And I think he is thing to get it out there.

Secondarily, I would say no more meetings, no more functions outside Manhattan Beach. In the old days, I'm not a fan of going to Redondo and supporting their hotels or their businesses. You know what, you are a chamber here, buy here, spend here, stay here. That should be your slogan. And stay here. Any event you have should stay in my opinion, and keep the money in the city you belong to, with. But other than that,

the range, I had a question about. Are you talking about the range here? Because they range from \$45,000 to \$52,000 to \$57,000, \$69,000. I don't see a number.

Are we looking at --

>> S. Napolitano: I did my addition here.

>> Oh, that's adorable.

>> S. Napolitano: We had \$40,000 and \$60,000, but really we are talking about buying certain services. And with that, I would do all of the top line, the local marketing programs.

>> Are we on page 480?

>> S. Napolitano: Yeah.

No, 478.

>> 480 it is there too.

>> It breaks it down.

>> S. Napolitano: 478 has them condensed.

>> S. Napolitano: So local marketing program, I would go with all that, and I would also go with the small business education seminars and the collaborative town hall format. I wouldn't go with the young entrepreneurs. I appreciate it. It is a program unique to Manhattan Beach, but frankly there are a lot of great programs for students we could be funding, but I don't want to be here picking and choosing this one is better than the other one just because they happen to say so. Again, for bang for the buck, this is the public's money. I don't think supporting six, seven, eight, 10, 12 students is -- when this is for economic vitality. We are taking this from the pot for economic vitality. To spend it on something for, again, students who present a nice idea but aren't

going to be forming a business immediately because of it, it is a nice notion but it is something that should be funded by other entrepreneurs.

>> R. Montgomery: I just want to question. If you look at the local marketing programs, online visitor resource, \$25,000 to \$30,000, are we picking a number or saying a la carte, he can spend up to \$30,000? Are we defining what we are spending or giving a range?

>> S. Napolitano: I'm to what was proposed. If we can do it for less, let's do it for less.

>> R. Montgomery: I'm trying to find a number to get to.

>> S. Napolitano: That is something that I am assuming you priced out based on what the best guesstimate is, but he hasn't got a final price versus someone who can do it. He is nodding his head.

>> R. Montgomery: Those are all my questions.

>> Mayor D. Lesser: Paper Howorth.

>> A. Howorth: I'm definitely a fan of the young entrepreneurs.

>> S. Napolitano: I wasn't saying I'm not.

>> A. Howorth: Let me finish.

>> S. Napolitano: I know where this is going.

>> A. Howorth: And the last time you were here, Mac, I said that is a great program and the chamber should support that. But maybe what I'm hearing is to narrow the focus a bit. Because it is coming out of the marketing dollars and all of that, and it doesn't make a lot of sense in that framework. I would like to suggest that perhaps we bring it back to council to direct some city dollars from something else towards the program, or maybe we seek an entrepreneurial business person to support it to get sponsorship for it because I want to try and support that kind of

program, not because I think it is special to Manhattan Beach but I think it matters to some kids who get something out of that who don't get something out of team sports. I'm always about trying to find different stuff for different kids. I don't mind pulling it out. I will saying is having a range of \$500 to \$8,000 is a tough budget to get behind. So I would be supportive of that, of what you are proposing.

>> Mayor D. Lesser: Council Member Hersman and maybe we can have a motion.

>> N. Hersman: Okay. Maybe. I mean, I would suggest that we at least put in \$500 to the young entrepreneurs. And it is not for the kids. Again, it is about the city and the city supporting programs like this. \$500 is not a lot of money to support the chamber's program. Because the chamber could take the position that I know it is an expensive program, they are paying for a teacher, they are paying for a whole lot.

>> That is true.

>> N. Hersman: And it is an expensive program. But it is also a benefit, I think, to the community as well as the kids that are participating in it. And I agree with Council Member Howorth that there are different programs for different kids. And the more I have now worked with high school kids, some kids are the top performers and they are out there doing amazing things in council and doing leadership in Manhattan Beach. This is a program -- because I have worked in the program and it has got kids in there that are not doing L.M.B. they are not the top students necessarily but they have a passion for something, and I just think we can support that.

>> Mayor D. Lesser: There has been a motion made. I want to entertain what that motion is and I see Council Member Napolitano wants to speak and I would like to speak as well. Council Member Montgomery what is your motion.

>> R. Montgomery: My motion, your Honor, would be to approve up to not to exceed \$60,000 of the \$500,000 dedicated to the Y.E.A. program and let's see how good a job Mark can do for the chamber in one year.

>> Mayor D. Lesser: Not the \$60,000?

>> R. Montgomery: Take commit to not exceed \$60,000 for all the items above.

>> I think those two numbers, if I just may, the differences are the \$25,000 to \$30,000 on the online resource and the Y.E.A. so if you just go straight down with the \$25,000 and the \$500 you get to the \$57,250.

>> R. Montgomery: If you want to make a friendly amendment for the \$57,250 I'm fine with that.

>> N. Hersman: Sure.

>> Mayor D. Lesser: And I see that motion has been seconded by Council Member Hersman. Council Member Napolitano.

>> S. Napolitano: I want to point out that the L.M.B. program and youth council are related to government and kids learning about government and participating in it and how to participate in it, whereas this is a business entrepreneur. So far it has existed without city help. And there has been nothing to show that it can't exist without city help. But it was put in here -- you guys go ahead and talk. I'll be quiet.

>> I'm sorry. Okay.



>> S. Napolitano: Other people were talking over me so I wanted to let them have the opportunity to finish. It goes back to we can't fund everything, and just because youth is involved doesn't mean that we can afford to do that. It is a great program. Doesn't mean the city should be funding it. Some of these other things, the online visitor resource, I guess I would like more information back on that. I don't want to sit there and say not to exceed \$60,000 and then figure out the rest of it. I would rather have something more concrete than that.

>> R. Montgomery: Your Honor I believe that council member herself's second was to follow the line item down the list and the 57250 and Y.E.A. gets the funding. Everything else is per the list on the left-hand side.

>> Yes.

>> Mayor D. Lesser: My comment is my own son was in the Y.E.A. program sponsored we the Palos Verdes chamber. I don't recall whether the city paid for it. I think they just simply had contributors and sponsors. And it was factored into the tuition cost for the program, and it was packed. And it included a whole range of students, many very capable.

>> I'm not saying they are not.

>> Mayor D. Lesser: Of course. That is not what I was suggesting. But a full range of students who were actively engaged. And I think it was privately sponsored, is all I'm suggesting.

>> A. Howorth: And our kids don't pay for it, right?

>> I think there is a cost.

>> There is a cost.

>> A. Howorth: Okay. Sorry.

>> Mayor D. Lesser: But I'm willing to accept a nominal sponsorship, but really my focus is more on the other items, and I guess I wanted to confirm with Council Member Napolitano. You had come up with a lower number than the \$57,250, and at a certain point we will call for the question but I'm just wanting to better understand the number you came up with.

>> S. Napolitano: I came up with closer to \$31,000 pause I took out the online visitor resource optimize web resources. Again, it goes back to if I was a chamber member I would expect that anyway.

>> Mayor D. Lesser: I would like to ask Mr. Lipps why that isn't just a chamber service. It is important for me because I struggle with the same issue. I'm having a problem wit. Why is this not something that you are providing your membership or your membership is demanding as opposed to segregating that from what is going to benefit the city as a whole, the taxpayers, whose money we are talking about potentially using to sponsor the chamber. That is why I'm struggling with this.

>> Okay. We have something for our members. We have a website that is for our members. This was created more to create a forum, a destination for people visiting Manhattan Beach. If that was something we wanted to promote, if that was something we wanted to get in more detail with our small businesses, our restaurants, our hotels, and all of everything else, the events that are happening, what is going on in Manhattan Beach on a regular basis and keep that updated regularly. That comes with a cost. And some of that cost we can bring down because we can sell banner ads, do things like that. Currently in addition to the website, for instance, Beverly Hills spends \$60,000 on their destination

Beverly Hills website. I'm sure the city manager can talk about websites that was done specifically for visitors, not your member website. So we have to address it and pay for that. That is on a scale on the high end, \$60,000, which is what Beverly Hills spends, to maybe with a basic website we are only spending \$10,000, \$15,000. That is where the oversight comes in with the city manager, with Andy, all of you, as to what we think we really need with that website. So I have had those conversations and those prices go up and down.

>> Mayor D. Lesser: Okay. Thank you. Council Member Hersman did you have a follow-up question?

>> N. Hersman: A follow-up comment. I don't know what the number is, but we do put a lot of money into mayor's youth council for a small number of students every year. And it is not all about government. There is a whole lot -- that is actually a small part of it. So just putting that out there.

>> A. Howorth: I agree.

>> N. Hersman: Number one. And number two, the Y.A.A., I think we have somebody, whether it is one of our council that goes to the shark tank, helps judge it, actually be a part of it. Kids are learning about business licenses, because I have talked to them about it. I bring them the forms and say if you want to be a business in Manhattan Beach you have to pay. They learn about the rules to form a business. So there is more than just the way it may look. That's all.

>> Mayor D. Lesser: Council Member Napolitano.

>> S. Napolitano: I could also learn that by going to the small business education seminars we are going to pay for right there.

>> N. Hersman: They can. And I would suggest they do.

>> S. Napolitano: For what the purpose of it is and what the city gets back for it, if anything, just giving \$500, what's the point? Hospitality committee, again, I don't know what the real payback on that is. I would eliminate that. Just having quarterly meetings doesn't interest me nearly as much as what you described, which is the online visitor resource, which to me would be a virtual visitor center. So I'm much more interested in that than having the hospitality committee give updates on what happened in the last quarter. But with that, again, to sponsor the young entrepreneurs or not, I just don't see it.

>> Your Honor.

>> Mayor D. Lesser: Council Member Montgomery, you have requested to speak, but you actually have a motion on the floor which has been seconded by Council Member Hersman. My question is do you want to make some comments? Do you want to consider making any amendments to your motion consistent with what Council Member Napolitano has suggested with the revisions?

>> R. Montgomery: Both. The first thing comment-wise I'm trying to find a way to balance. I know what I envision the chamber to be, what I want it to be. For years I have asked for more VCB information on hotels and motels. And Mark is the first one that is making that happen or trying to get it to happen. The map to me Steve is more of a chamber function. If you go to a chamber all over the country the first thing they give you is a free freakin' map. A lot of them do it online. They give you a map.

>> That is what we are thinking about naming it, free freakin' map.

>> R. Montgomery: If you talk about what chambers do? What is the first thing to impact the chamber? Where do I go to eat and stay. You want to say chamber function? That is one. I'm not sure about the online visitor resource but I want people to explain all the hotels and motels we have in the city and the restaurants. So I'm willing to see what the chamber does in the first year and with that put \$500 in there or dedicate \$1,000. Mark, dedicate \$1,000 to the Y.E.A. program. We want to see what that does. We were there when the mayor founded the mayor's youth council. I'm not saying Steve is against it. He is not against it. We are trying to find a happy medium where we can agree what the total number is and what do I get for the bang for the buck.

>> Mayor D. Lesser: I want to try help move this forward. I see Council Member Napolitano would like to speak and let's see if we can't come up with calling the question.

>> S. Napolitano: I don't understand what we expect to get back from it? The kids will have a good experience. We won't get a new business created in Manhattan Beach because of it.

>> You didn't eat the nuts that kid came with. That was good. And he sold it at the farmers market.

>> S. Napolitano: One of us sitting on the shark tank committee doesn't get the people of Manhattan Beach any more either.

>> And nothing that mayor's youth council does either. Just FYI.

>> Mayor D. Lesser: Looking at that again.

>> I'm just saying.

>> Don't go down that road.

>> Mayor D. Lesser: Council Member Montgomery, any revision to your motion or does it still stand? I heard \$57,250. Sounds like we are selling a car or something.

>> S. Napolitano: I would say the message here from council, or at least to me, I don't want to backfill what others weren't able to provide for.

>> I understand.

>> S. Napolitano: And we want to see some real impact on Manhattan Beach that goes above and beyond who normal deliverables would be from your membership.

>> Mayor D. Lesser: And I would reiterate that before I call for the question. You can sit down. We want to see some growth in your membership and your membership really taking ownership and your board really getting more involved in growing in organization and not coming back to the city for funds to backfill, as was just stated. No further questions or comments? Call for the question. Thank you.

>> Clerk: Honorable Mayor, all votes have been recorded. Motion passes 5-0.

>> Just to get clarity, not to exceed \$57,250.

>> Q. Barrow: We will amend the contract to reflect that number and you have directed the city manager to sign that contract.

>> Mayor D. Lesser: Correct. So ordered.

>> Do we need to approve the resolution?

>> Q. Barrow: Yes. That is part of it. So make the motion.

>> I move to approve resolution number 17-011 phi as amended.

>> Mayor D. Lesser: I see it has been seconded by Council Member Montgomery. Any further discussion? Seeing none, call for the question.

>> Clerk: Honorable Mayor, all votes being recorded, motion passes 5-0.

>> Mayor D. Lesser: Item a number nine has been acted upon and received and filed. We move to item number ten unless we call for a break.

>> I can't think of a worse item to discuss at 10:00.

>> Do we have to worry about 11:00?

>> I would say we have to approach this with energy, otherwise I'll be snarky. And I don't want to be snarky.

>> Are you asking to continue this item?

>> Mayor D. Lesser: Why don't we just take 11 right now.

>> In which case is there a desire to continue the item?

>> Yes.

>> Do we need to make a motion?

>> Motion to continue by Council Member Montgomery to continue the item. Seconded by Council Member Hersman. Any discussion? Seeing none, we will call for the question.

>> We should have just gone with mine.

>> I'm still with you.

>> Clerk: Honorable Mayor, all votes have been recorded. Motion passes 5-0.

>> It is about you.

>> It is not about me.

>> Mayor D. Lesser: Moving on to 11, discussion city support for Manhattan Beach inclusion pledge. Assistant manager.

>> The assistant city manager is here to introduce the item and take questions.

>> Who would be more upset if we continued both items?

>> Except she has been here all day.

>> And I was going to say who is the hardest working person?

>> Mayor D. Lesser: Just making a comment for the public, Ms. Davis has been here since first thing in the morning. She has overseen the disaster relief fund collection drive. She was out there personally all day collecting items, boxing them up and really he has a done an extraordinary job and here we are, here she is at 10:30 at night prepared to give a staff report. Well-deserved.

>> Very collective effort. Very collective. But I'm happy to give you an introduction if you do want to discuss.

>> Mayor D. Lesser: Why don't you give a brief introduction.

>> Just as a brief introduction, the city presents for you review and discussion the inclusion pledge, which was brought to the city council to the mayor and mayor pro tem from leaders in the school district. The school district will be discussing this item at their meeting tomorrow so it was given to us for review as well and asking for city support.

>> Mayor D. Lesser: Any council questions at this time?

>> S. Napolitano: Do they have any idea we are approving it first?

>> A. Howorth: They brought it to us and our meeting happens to be on Tuesday and theirs happens to be on Wednesday. So I have comments.

>> Mayor D. Lesser: Seeing none.



>> A. Howorth: I pushed my button.

>> Mayor D. Lesser: Sorry. Mayor Pro Tem Howorth.

>> A. Howorth: I mushed my button, don't get snarky. I guess we have a motion and second. I was going to put some pressure on that I hope we do this, but it appears that we might be doing it.

>> Mayor D. Lesser: I want to open it up for public comment.

>> A. Howorth: Okay. Go for it. There's no one from the public here. Oh my God, sorry.

>> Mayor D. Lesser: We will open this up for public comment.

>> I really wanted to suggest an alternate proposal.

>> A. Howorth: Sorry, Mr. Victor. I really am.

>> Mayor D. Lesser: He was difficult to see because he was sitting in the back.

>> I suggest that you have a different pledge from the council they never bring such an item before us and the council ever again. I think it is really unnecessary. It is like asking people to pledge that they will promise not to shoot somebody before noon tomorrow. You owe, it is just ridiculous. It is a ridiculous pledge. And there is no identity of these secret people, E.M.P.A.C., whatever they are. A lot of people were offended by this and they called me to see if there was something legal or non-legal about it. I said that was strange. And I called Nadine. Because the Anti-Defamation League was brought into this, and I don't think they know anything about it. I don't understand it. There are people who have hate and this will not make it less. And I think it is foolish for an intelligent city like this to have such a thing, inclusiveness. So I

suggest that you make a pledge in the council that such things just don't get on the agenda. Thank you.

>> Mayor D. Lesser: Thank you. Any other public comment on this item? Seeing none, we will close the public comment. Mayor Pro Tem Howorth.

>> A. Howorth: Again, we have a motion and a second. And I do think it is strange that you would think that we need this, and yet we absolutely do. So I want to stand together as a community and support this.

>> Mayor D. Lesser: I would like to speak but I do see there is a motion on the floor. The motion is by Council Member Hersman. And the motion is --

>> N. Hersman: To accept the pledge as provided.

>> Mayor D. Lesser: Great. And that has been seconded by Council Member Napolitano. My comment would be this. Superintendent of the school district reached out to Mayor Pro Tem Howorth and me following the events in Charlottesville that many of us can hardly believe that in this era we have had to experience. The superintendent and staff of the school district are looking for ways to try and change the conversation, make it more inclusive and take proactive steps to try and provide a more positive message and make this a teaching moment throughout our community and to partner with the city in doing so. And I very much am grateful for his reaching out to the city in seeking a collaborative effort. We live in incredibly hateful, corrosive times and I'm proud to be of a city that is seeking to take proactive steps to address the increasing sense of hate in our dialogue. So I'm very much in favor of adopting it. It leaves

certainly some further definition to follow, but I think it is certainly heading in the right track. Council Member Napolitano.

>> S. Napolitano: Thank you, your Honor. I don't know if we have more hate, we just hear it more and see it more. Sadly, it very well could have always been there. But I very much do appreciate -- and Mr. Victor, honestly, I would agree with you 99 out of 100 times on such an item, except in this case with the school district has reached out to us and when we are a city that is inclusive and is tolerant and appreciates and celebrates diversity, I think this is a moment to lead by example. If it is only words --

>> [ OFF MIC ].

>> S. Napolitano: It is an opportunity to lead by example. And if only in words, hopefully in deeds as well, I think this measures up.

>> Mayor D. Lesser: Council Member Montgomery.

>> R. Montgomery: I'm not much of a pledge fan. I think tomorrow the fact that we are doing -- the school district and city are taking their action to Texas or for Katrina and hurricanes, you show more by what your actions are than your words. I am not much of a pledge man but if it makes somebody feel better to also back it up with action, I am for it.

>> Mayor D. Lesser: In which case if there is no further discussion, I would call for the question.

>> Clerk: Honorable Mayor, all votes have been recorded. Motion passes 5-0.

>> Mayor D. Lesser: Okay. We will move on the agenda. I see item L, future agenda items. Council members may request in a items be placed

on a future agenda with the concurrence of one other council member. Is there any request for future discussion item? Council Member Montgomery.

>> R. Montgomery: I have one your Honor. I don't know if we have talked about it in the past. The city before and Hometown Fair, that is the address, the board request about a fee waiver for the Hometown Fair.

>> Mayor D. Lesser: Is there a second on that request to bring that back?

>> S. Napolitano: What was the request?

>> R. Montgomery: The board of the Hometown Fair is requesting a change in the fee waiver. I talked to finance director about it and they are looking for \$212,000 fee waiver of what they have. In the prior days before our council --

>> S. Napolitano: I'm sorry.

>> R. Montgomery: They asked for a \$12,000 increase in the fee waiver. Prior to the recession they would get a 100% fee waiver. It cut everyone back except the learner. And the oldest is the city's Hometown Fair. They are asking why aren't they treated fairly. They are asking for a minimal increase to cover things that weren't there like security. The city used to pay for it and now they are paying for it themselves. It was asked to bring to the council before the fair in October.

>> I have no problem bringing it back.

>> R. Montgomery: I thought I made a motion.

>> Mayor D. Lesser: It just requires two votes.

>> R. Montgomery: If there is another council member that agrees it will be placed on a future agenda before October 4th.

>> Next agenda.

>> Q. Barrow: Next agenda.

>> Mayor D. Lesser: Any other items?

>> S. Napolitano: Let's bring back item ten, let's just do it now.

>> A. Howorth: Make the statement now? Right now?

>> Too tired.

>> It is too late for that because we had a member of the audience who just left who probably wanted to talk about it.

>> S. Napolitano: What?

>> I respect the public.

>> We are not laughing at that.

>> Mayor D. Lesser: In which case we move on to M, the city manager report. Mr. City manager, is there a report tonight?

>> M. Danaj: Just one item. I'll invite our Community Development Director Anne McIntosh to come up and give an updated.

>> Who also has been here all day.

>> M. Danaj: Apparently first to entertain and then to give an update. Thank you.

>> A. McIntosh: Just a brief update. I believe the mayor had asked for an update for us to update the council on the status of the Gelson's project and I'm going to just can just in a sentence about the building permits and I think Quentin will mention some information about the legal issues. So the applicant's been active putting together their civil drawings and their construction drawings and they submitted to plan check. The 14th and that process is underway. We are expecting them to

pull the building permits as soon as they come out of plan check and get the demolition permit approved as well.

>> So there is really nothing I have to add to think last statement. This was at a closed session in the afternoon. As the council is aware and for the members of the public, there was a lawsuit that was filed by some of the residents against Gelson's, but then there was a settlement between paragon, who is the developer, and the residents. It was a confidential settlement agreement. The city was not a party to it. We do not know the terms of the settlement. But once again it will not interfere with our processing of the application. And there will be no changes to any conditions.

>> Mayor D. Lesser: Okay. So this is now the city attorney report, I presume, but I just wanted to follow up. The request was made because at a closed session, the open portion of the closed session last month there was a member of the public that wondered why the city had not advertised this information about this settlement, and I believe you indicated, and you just stated again, that this was a settlement between the principal parties, the plaintiffs because principals behind the Gelson's project, and the city was not a party to it, is that correct?

>> Q. Barrow: Exactly.

>> Mayor D. Lesser: All right. Thank you. In which case there are informational items on item O, which do not require city council action. And I believe the proper course moving through -- there is no closed session. We move on to adjournment. And the proper closing statement is that the meeting is adjourned, because it is so ordered. We are adjourned.