

Minutes

City Council/Public Financing Authority and Special Meeting of the Housing Authority City of Huntington Beach

Monday, June 3, 2019
4:00 PM - Council Chambers
6:00 PM - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

A video recording of the 4:00 PM and 6:00 PM portions of this meeting
is on file in the Office of the City Clerk, and archived at
www.surfcity-hb.org/government/agendas/

4:00 PM - COUNCIL CHAMBERS

CALLED TO ORDER — 4:00 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
Absent: None

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications received by her office following distribution of the Council Agenda packet:

Study Session

Item No. 1 (19-609) A PowerPoint communication submitted by Travis Hopkins, Interim Assistant City Manager, entitled *Public Works Department FY 2019/20 Capital Improvement Program (CIP)*.

PUBLIC COMMENTS PERTAINING TO STUDY SESSION / CLOSED SESSION ITEMS

(3 Minute Time Limit) — 1 Speaker

The number [hh:mm:ss] following the speakers' comments indicates their approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas>.

Steve Engel, a 30-year resident of Huntington Beach, Huntington Beach Tree Society and Central Park Subcommittee member, was called to speak and stated his appreciation for the City including funding in the budget for the parks, and their efforts to keep the parks safe and clean. (00:01:02)

STUDY SESSION

1. 19-609 The Public Works Department presented the FY 2019/20 proposed Capital Improvement Program (CIP)

A PowerPoint communication was presented by Interim Public Works Director Tom Herbel titled: *FY 2019/2020 Capital Improvement Program (CIP) with slides entitled: 18/19 Successes, National Public Works Week, 18/19 Accomplishments (3), Capital Improvement Program (CIP), FY 19/20 CIP Budget, CIP Funding Sources, Facilities and Fleet Infrastructure, Facilities \$22.8M, Neighborhood Infrastructure, Neighborhood \$4.2M, Parks and Beaches \$4.5M, Sewer Infrastructure, Sewer Improvements \$5.0M, Street Infrastructure, Streets & Transportation \$9.4M (2), Transportation Infrastructure, Roadway Infrastructure, Streets & Transportation (cont.), Water Infrastructure (2), Water Improvements \$4.0M, Unfunded/Deferred Projects Using General Funds, Public Works Commission, and Questions.*

Councilmember Posey and Interim Assistant City Manager Hopkins discussed the Sports Complex turf and the status of the non-toxic efforts project. A non-toxic project report will be coming to Council soon.

Interim Manager Hopkins confirmed that the bluff top railing replacement project is for the City Beach and Dog Park areas. Councilmember Posey and Interim Director Herbel discussed sources for the \$4.5M which includes Park Development Impact fees.

Regarding streetlights, Councilmember Posey and Assistant to the City Manager Antonia Graham discussed that by changing from incandescent to led bulbs, Southern California Edison (SCE) bills dropped from approximately \$152K per month to \$35K per month. Maintenance costs have also decreased.

Councilmember Carr, Interim Director Herbel and Interim Manager Hopkins discussed details new appropriations identified under CIP Funding Sources, specifically \$50M Grant/Other, a dip in funding projections for streets/transportation including gas tax funds, and the \$107M figure identified for facilities in Unfunded and Deferred Projects.

Mayor Peterson thanked the Public Works Department for the report, their successful recent Open House, and their daily behind-the-scenes efforts.

A motion was made by Posey, second by Semeta, to recess to Closed Session for Items 3 – 7. With no objections, the motion carried.

RECESSED TO CLOSED SESSION — 4:23 PM

CLOSED SESSION ANNOUNCEMENT(S)

- 2. 19-654 Mayor Peterson announced: Pursuant to Government Code § 54957.6, the City Council shall recess into Closed Session to meet with its designated labor negotiator: Lori Ann Farrell-Harrison, Interim City Manager; also in attendance: Robert Handy, Police Chief; and Michele Warren, Director of Human Resources regarding the following: Police Management Association (PMA).**

CLOSED SESSION

- 3. 19-649 Pursuant to Government Code § 54956.9(d)(2), the City Council recessed into Closed Session to confer with the City Attorney regarding potential litigation. Number of cases, one (1).**

4. **19-650** Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Benzen Properties, LLC, et al. v. City of Huntington Beach, et al.; OCSC Case No. 30-2019-01070544
5. **19-656** Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Moore (Neal), et al. v. City of Huntington Beach, et al.; OCSC Case No.: 30-2019-01071686.
6. **19-663** Pursuant to Government Code § 54956.9(d)(1), the City Council recessed into Closed Session to confer with the City Attorney regarding the following lawsuit: Bedel (Richard) v. City of Huntington Beach; OCSC Case No.: 30-2017-00958740.
7. **19-651** Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator: Lori Ann Farrell-Harrison, Interim City Manager; also in attendance: Robert Handy, Police Chief; and Michele Warren, Director of Human Resources regarding the following: Police Management Association (PMA).

6:00 PM - COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING, AND CALLED TO ORDER A SPECIAL MEETING OF THE HUNTINGTON BEACH HOUSING AUTHORITY — 6:00 PM

ROLL CALL

Present: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
Absent: None

PLEDGE OF ALLEGIANCE — Led by Councilmember Posey

INVOCATION

In permitting a nonsectarian invocation, the City does not intend to proselytize or advance any faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.

8. **19-638** Rev. Pattie Mercado of the Huntington Beach Center for Spiritual Living and member of the Greater Huntington Beach Interfaith Council

CLOSED SESSION REPORT BY CITY ATTORNEY — None

Chief Assistant City Attorney Mike Vigliotta announced that City Attorney Michael Gates requested permission to be absent to address a family matter.

AWARDS AND PRESENTATIONS

9. **19-558 Mayor Peterson called on American Heart Association (AHA) Regional Director of Quality & Systems Improvement, Jennifer Garrow, to present the "Mission: Lifeline EMS Silver Plus Award" for excellence in cardiac care for heart attack victims.**

Ms. Garrow congratulated the Huntington Beach Fire Department for receiving this award which acknowledges their successful implementation of an American Heart Association initiative to improve care for heart attack patients. Huntington Beach Fire Battalion Chief Jeff Lopez accepted the award on behalf of the Fire Department and introduced Fire Captain Justin Fleming and Firefighter Paramedic Tanner Hummel as representing members of the team that made this award possible.

10. **19-592 Mayor Peterson called on Debbie Killey who presented the winners of the 2019 Huntington Beach Environmental Board Art Contest for Middle and Senior High School Students.**

Ms. Killey announced the Environmental Board members who organized this event as Chair Mark Sheldon, Vice Chair Tony Soriano, and herself. This event was sponsored by Republic Services, The Surfrider Foundation, and City of Huntington Beach staff. *Ocean Debris* was the contest theme, and over 150 submissions were received. The ten winners received a goody bag with approximately \$200 worth of items. Ms. Killey invited everyone to the Environmental Board Reception at Central Park Library, 6 p.m., Thursday, June 6, for the public unveiling.

11. **19-593 Mayor Peterson proclaimed Sunday, June 9, as "Huntington Peach Day" as Miracles for Kids hopes to raise funds and awareness for the "Largest Gathering of People Dressed as a Fruit or Vegetable" at the Huntington Beach Pier.**

Details for this event are at www.huntingtonpeach.org

12. **19-617 Mayor Peterson acknowledged the Historic Wintersburg Preservation Task Force.**

Mayor Peterson acknowledged the Task Force members and briefly described their activities during the past seven years to preserve the history of the Wintersburg pioneers.

13. **19-664 Mayor Peterson called on Community Services Director Marie Knight to call on the Children's Needs Task Force Members, to present Certificates to Youth Character Award recipients.**

Dr. Phyllis Lembke, Chair, described the criteria used to identify Award recipients from the 150 community nominations. This year's 13 honorees will have their name placed on the Youth Character Award Wall of Fame at Bella Terra to acknowledge their efforts to strengthen the moral fabric of the community by demonstrating good character in their daily lives. Youth Character Award recipients included Aurora Valencich, Erik Andrews, Fidel Hernandez, Jed Overton, John Marx, Kaitlyn Kurth, Kyle Ledbetter, Lily Coler, Lucy Guard, Maitlyn Johnson, Matthew Taylor, Stella Grundstrom, and Vanessa Yuro.

14. 19-653 Special recognition was given to outgoing Huntington Beach Interim City Manager/Assistant City Manager Lori Ann Farrell Harrison.

Mayor Peterson thanked Ms. Farrell Harrison for her tenure at the City of Huntington Beach and presented her with a commendation, an award and a Certificate of Service.

Mr. Bruce Berman, Executive Director, Golden West College Foundation, presented Ms. Farrell Harrison with a Certificate of Appreciation.

Mr. John Partington, expressed gratitude for Lori Ann's service and a bit of sadness for the fact that she is leaving the City, and wished her the best for her future.

Mr. Barry Kielsmeier, Beach Cities Interfaith Services (BCIS), thanked Ms. Farrell Harrison for her support of their services for the homeless, and acknowledged her unflappable dignity, her ability to work with many different personalities, her patience, and ability to educate and bring people together.

Ms. Shirley Dettloff thanked Ms. Farrell Harrison for her professionalism and compassion, especially as related to the issues related to the homeless, and expressed appreciation for Ms. Farrell Harrison's efforts to encourage cooperation in providing solutions.

Ms. Kathryn Levassiur thanked Ms. Farrell Harrison for her part in making the Short-Term Vacation Rental Workshop a reality; her example of leadership, including inquisitiveness, eloquence, and depth of knowledge; and wished her continued success in her new position.

Ms. Farrell Harrison expressed her appreciation to Mayor Peterson and the City Council for their responsibility and courage in making the City financially sustainable; thanked the City's Executive Team for their hard work and managing difficult situations; thanked City employees for their dedication; and thanked the residents for engaging during her ten years at the City of Huntington Beach. She also thanked her husband for his support for her career.

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communications received by her office following distribution of the Council Agenda packet:

Awards and Presentations

Item No. 12 (19-617) Email communication submitted by Mary Urashima regarding Historic Wintersburg Preservation Taskforce Accomplishments.

Administrative Items

Item No. 30 (19-644)

- 1) Memorandum submitted by Lori Ann Farrell Harrison, Interim City Manager, dated May 31, 2019, requesting to pull Agenda Item #30 (Ordinance No. 4182) from the June 3, 2019, City Council Agenda, and
- 2) Three (3) email communications (Dardis, Quintana and Villar)

PUBLIC COMMENTS (3 Minute Time Limit) — 22 Speakers

The number [hh:mm:ss] following the speakers' comments indicates their approximate starting time in the archived video located at <http://www.surfcity-hb.org/government/agendas>.

Anna Vrska, resident of Costa Mesa and Costa Mesa Finance and Pension Advisory Committee Member, was called to speak and asked why Administrative Item No. 30, regarding amending Huntington Beach Municipal Code related to the Finance Commission, was pulled and stated her opposition to this item. (01:06:19)

Mary Spadoni, a resident of Costa Mesa, was called to speak and stated her opposition to Administrative Item No. 30 regarding amending Huntington Beach Municipal Code related to the Finance Commission. (01:08:28)

Dr. Joslin de Diego, a long-time resident, was called to speak and shared her concerns about the Ascon Remediation project and asked the City Council to advocate for the health and safety of City residents. (01:10:14)

Vanessa Martinez was called to speak and stated her opposition to Administrative Item No. 30 regarding amending Huntington Beach Municipal Code related to the Finance Commission. (01:12:17)

William Hennerty was called to speak and stated opposition to Administrative Item No. 30 regarding amending Huntington Beach Municipal Code related to the Finance Commission. (01:14:29)

Cari Swan was called to speak and stated her opposition to Administrative Item No. 30 regarding amending Huntington Beach Municipal Code related to the Finance Commission. (01:15:08)

Ceason Baker, a resident of Huntington Beach, was called to speak and shared her concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:18:11)

Tara Barton, resident of Huntington Beach and a biochemist expert in respiratory disease, was called to speak and shared the negative health reaction of a family member which she believes is related to the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:19:35)

Jami Boledovich was called to speak and shared her concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:22:51)

Amber was called to speak and shared her concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:26:09)

Sharon Messick was called to speak and shared her concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:29:25)

Ryan Messick was called to speak and shared concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:32:54)

Scott Barger, a resident near the intersection of Slater and Graham, was called to speak and described the street racing and burnouts happening in area residential neighborhoods which he believes are in violation of a number of the City's vehicle codes and ordinances, and in his opinion the patrol officer responses are not enough, nor are they effective. (01:36:07)

Debra Frahm, a 46-year resident and a homeowner in the south end of Huntington Beach, was called to speak and shared concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:39:25)

Kathryn Levassiur, resident of Huntington Beach and Founding Member of the Huntington Beach Short-Term Rental Alliance, was called to speak and stated support for Consent Calendar Item No. 16 (19-635) regarding approval of the May 2019 City of Huntington Beach Strategic Plan Update, specifically the goal to conduct a Study Session on the opportunities and challenges associated with short-term rentals. (01:42:40)

Pye Ian was called to speak and shared concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:44:13)

Steve Engel was called to speak and stated his support for the 2019/20 budget and especially for the funds allocated for maintenance and upkeep of the City's parks. (01:46:44)

Amory Hanson, a candidate for City Council in 2020 and Huntington Beach Historic Resources Board member, was called to speak and stated his opposition to Administrative Item No. 30 (19-644) regarding amending Huntington Beach Municipal Code Chapter 2.109 related to the Finance Commission. (01:47:43)

Tony Bisson, resident of Huntington Beach, was called to speak and shared personal experiences related to Consent Calendar Item No. 22 (19-589) regarding the LeBard Park Residential Subdivision on Craimer Lane and his efforts to save a tree that in his opinion was unnecessarily scheduled to be taken out. (01:49:26)

Bart P. McGrath, Co-Founder and President, Huntington Beach Concours d'Elegance, Inc., with his wife Diana, was called to speak and stated support for Consent Calendar Item No. 21 (19-627) regarding approval of the License Agreement for use of Central Library facilities for the Annual Concours Car Show, and thanked the Public Works staff for their support to help provide a safe space, and acknowledged several Councilmembers who attended the event. (01:52:43)

Ryan Farsai was called to speak and shared his opinions about world issues and conditions. (01:56:04)

Rich Fancher, 29-year resident of south Huntington Beach, Accredited Chemist, American Chemical Society, and Diplomat of Robert Clark Honors College, University of Oregon, was called to speak and shared personal experiences and concerns about the Ascon Remediation project, and asked the City Council to advocate for the health and safety of City residents. (01:59:12)

COUNCIL COMMITTEE — APPOINTMENTS — LIAISON REPORTS, AB 1234 REPORTING, AND OPENNESS IN NEGOTIATIONS DISCLOSURES

Councilmember Semeta reported attending meetings of the Orange County Council of Governments (OCCOG), the Southern California Association of Government (SCAG), and the Regional Housing Needs Assessment (RHNA) Subcommittee.

Councilmember Brenden reported attending a special meeting of the Public Cable Television Authority (PCTA), announced he has been appointed to the Orange County Senior Citizens Advisory Council as the 2nd District Representative, and appointed to the Orange County Transportation Authority (OCTA) Citizens Advisory Committee.

Councilmember Delgleize reported attending a Santa Ana River Flood Advisory Board meeting, and meeting with members of the Huntington Beach Police Officers' Association (HBPOA).

Councilmember Posey reported meeting with members of the Huntington Beach Police Officers' Association (HBPOA) and attending the Regional Housing Needs Assessment (RHNA) Subcommittee meeting.

Councilmember Carr reported attending an Association of California Cities — Orange County (ACC-OC) workshop on marijuana dispensaries, and communicated with members of the Huntington Beach Police Officers' Association (HBPOA).

CITY MANAGER'S REPORT — None

CONSENT CALENDAR

Councilmember Posey pulled Consent Calendar Item Nos. 18 (19-660), 20 (19-564), and 23 (19-622) for further discussion.

Councilmember Carr stated her "No" vote for Consent Calendar Item No. 25 (19-643) regarding adding the classification of Assistant Chief Financial Officer.

Councilmember Hardy stated her "No" vote for Consent Calendar Item No. 25 (19-643) regarding adding the classification of Assistant Chief Financial Officer.

15. 19-585 Approved and Adopted Minutes

A motion was made by Delgleize, second Posey to approve and adopt the City Council/Public Financing Authority special meeting minutes dated April 18, 2019; and, approve and adopt the City Council/Public Financing Authority regular meeting minutes dated May 6, 2019.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

16. 19-635 Approved the May 2019 City of Huntington Beach Strategic Plan Update

A motion was made by Delgleize, second Posey to approve the May 2019 Strategic Objectives Update as contained within Attachment 1.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

17. 19-578 Received and Filed Residential and Commercial Refuse Collection Rates Effective July 1, 2019 and Appropriated \$175,000 from FY18/19 Refuse Fund revenue for FY18/19 Operating Expenditures

A motion was made by Delgleize, second Posey to receive and file the Residential and Commercial Refuse Rates effective July 1, 2019; and, authorize an appropriation of \$175,000 for operating costs for Refuse Collection Contract Services.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

18. 19-660 Took Positions on Legislation Pending Before the State Legislature as Recommended by the City Council Intergovernmental Relations Committee (IRC)

Councilmember Posey pulled this item to request that the recommended position regarding Assembly Bill 1356 (Ting) be removed because the bill was just ordered inactive by its author. Mayor Peterson agreed.

Councilmember Posey stated his "No" vote for the recommended position regarding Assembly Bill 1718 (Levine).

Mayor Pro Tem Semeta clarified that the recommended position regarding Assembly Bill 552 (Stone) will be supported IF the State Legislature amends it.

A motion was made by Posey, second Peterson to approve a City position of Support if Amended on Assembly Bill 552 (Stone): Coastal Adaptation, Access and Resilience Program; and, approve a City position of Oppose on Assembly Bill 1184 (Garcia): Public Records: Writing Transmitted by Electronic Mail: Retention; and, approve a City position of Oppose on Assembly Bill 516 (Chiu): Authority to Remove Vehicles

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

A motion was made by Hardy, second Posey to approve a City position of Support on Assembly Bill 1718 (Levine): State Coastal Beaches Smoking Ban and Senate Bill 8 (Glazer): State Parks: State Coastal Beaches: Smoking Ban.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Delgleize, and Hardy
NOES: Posey

19. 19-619 Accepted the lowest responsive and responsible bid and authorized execution of a construction contract with RT Contractor Inc. in the amount of \$535,000 for the Central Park Restrooms Project, CC1591

A motion was made by Delgleize, second Posey to accept the lowest responsive and responsible bid submitted by RT Contractor, Inc. in the amount of \$535,000; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

20. 19-564 Awarded and authorized execution of a construction contract in the amount of \$490,050.00 to Aid Builders, Inc. for the Alley Rehabilitation Project, CC-1569

Councilmember Posey pulled this item to discuss details with City Engineer Tom Herbel who explained there are 33 miles of alleys that are segmented into 519 distinct alleys, and this alley is at the top of the list as being in the worst condition.

A motion was made by Posey, second Delgleize to accept the lowest responsive and responsible bid submitted by Aid Builders, Inc., in the amount of \$490,050.00; and, authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

21. 19-627 Approved and Authorized the Execution of a License Agreement between the City of Huntington Beach and Concours D'Elegance Group for use of Central Library facilities for the Annual Concours Car Show

A motion was made by Delgleize, second Posey to approve and authorize the Mayor and City Clerk to execute the "First Restated and Amended License Agreement between the City of Huntington Beach and Concours D'Elegance Group for use of Public Library Facilities for an annual Concours Car Show."

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

22. 19-589 Approved Final Tract Map No. 17801 and Subdivision Agreement for the LeBard Park Residential Subdivision (Seabreeze Homes) by HB Homes Management, LLC at 20461 Craimer Lane

A motion was made by Delgleize, second Posey to approve Final Tract Map No. 17801 and accept the offer of easement dedications for street, public utility purposes and drainage purposes on Cynthia Drive and Lightbreeze Circle pursuant to findings and requirements (Attachment No. 1); and, approve and authorize the Mayor and City Clerk to execute the Subdivision Agreement by and between the City of Huntington Beach and HB Homes Management, LLC (Attachment No. 6); and, accept Faithful Performance Bond No. 379919S, Labor and Material Bond No. 379919S and Monument Bond No. 379922S as sureties for the installation of the subdivision's required public improvements and survey monumentation (Attachment No. 7); and, authorize the Mayor and City Clerk to sign Final Tract Map No. 17801 on behalf of the City of Huntington Beach; and, instruct the City Clerk to file the respective bonds with the City Treasurer and notify the Surety, Indemnity Insurance Company of this action.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

23. 19-622 Approved Affordable Housing Agreement for Tract No. 18147 Windbourne Residential Development (Franklin School Site) located at 14422 Hammon Lane and authorized City Manager to sign documents to effectuate the Agreement

Councilmember Posey pulled this item to confirm with Deputy Director of Economic Development Kellee Fritzal that these homes will become part of the City's Regional Housing Needs Assessment (RHNA) numbers.

A CITY COUNCIL/HOUSING AUTHORITY MOTION was made by Posey, second Delgleize to approve and authorize the Mayor/Chairperson and City Clerk/Secretary to sign the Affordable Housing Agreement for Tract No. 18147 Windbourne Residential Development; and, authorize the City Manager to sign any and all related documents to effectuate the Agreement.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy
NOES: None

24. 19-659 Approved and Authorized Execution of Agreement with Tripepi Smith for Cablecasting Services

A motion was made by Delgleize, second Posey to approve and authorize the Mayor and City Clerk to execute a two-year contract with Tripepi Smith for Cablecasting Services in an amount not to exceed \$150,000.

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey, Delgleize, and Hardy

NOES: None

- 25. 19-643 Adopted Ordinance No. 4181 amending Section 2.76.010 of the Huntington Beach Municipal Code (HBMC) related to exclusions from competitive service by adding the classification of Assistant Chief Financial Officer
Approved for Introduction May 20, 2019 - Vote: 4-2-1
(Carr, Hardy—No; Peterson—Absent)**

A motion was made by Delgleize, second Posey to adopt Ordinance No. 4181, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Municipal Code by Amending Section 2.76.010 Thereof Related to Exclusions from the Competitive Service" by adding the Assistant Chief Financial Officer.

The motion carried by the following vote:

AYES: Brenden, Semeta, Peterson, Posey, and Delgleize
NOES: Carr, and Hardy

PUBLIC HEARING

- 26. 19-606 Public Hearing held; Adopted Resolution No. 2019-28 to Adopt a Budget for the City for Fiscal Year 2019/2020**

Interim City Manager Lori Ann Farrell Harrison introduced Budget Manager Carol Molina Espinosa who presented a PowerPoint communication titled: *Fiscal Year 2019/2020 Proposed Budget* with slides entitled: *FY 2019/20 Proposed Budget Overview, Shaping the Future, FY 2019/20 Proposed Budget, FY 2019/20 General Fund Highlights, FY 2019/20 General Fund Overview, General Fund Revenue Highlights, Strengthen Long Term Financial and Economic Sustainability, Being Proactive Pays Off, Active Management of Long-Term Liabilities, Enhance and Maintain Infrastructure, CIP Budget Highlights, FY 2019/20 Proposed Budget Recap, FY 2019/20 Proposed Budget.*(02:17:22)

Councilmember Posey and Police Chief Handy discussed some details of the Police Management Association (PMA) agreement regarding adding unfunded positions and attrition. (02:24:14)

Councilmember Delgleize and Budget Manager Molina-Espinoza discussed details on the Charter 15% Infrastructure Fund requirement. (02:26:42)

Mayor Peterson opened the Public Hearing.

City Clerk Robin Estanislau announced there were no speakers, and receipt of the following Supplemental Communication for the item:

A PowerPoint communication submitted by Gilbert Garcia, Chief Financial Officer (CFO), entitled *Fiscal Year 2019/20 Proposed Budget — Shaping the Future.*

There being no speakers, Mayor Peterson closed the Public Hearing. (02:27:43)

A motion was made by Hardy, second Delgleize to open the Public Hearing on the Proposed FY 2019/20 City budget appropriation of \$381,229,021 as outline in the Proposed Budget document; adopt Resolution Number 2019-28, "A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for FY 2019/20" as shown on Attachment 2; approve the FY 2019/20 Proposed Budget Table of Organization as shown on Attachment 2, Exhibit D; and, authorize the Professional Services included in the FY 2019/20 budget to be representative of the services projected to be utilized by departments in FY 2019/20, as shown in Attachment 3.

A substitute motion was made by Posey, second Brenden to open the Public Hearing on the Proposed FY 2019/20 City budget appropriation of \$381,229,021 as outline in the Proposed Budget document; adopt Resolution Number 2019-28, "A Resolution of the City Council of the City of Huntington Beach Adopting a Budget for the City for FY 2019/20" as shown on Attachment 2; approve the FY 2019/20 Proposed Budget Table of Organization as shown on Attachment 2, Exhibit D; and, authorize the Professional Services included in the FY 2019/20 budget to be representative of the services projected to be utilized by departments in FY 2019/20, as shown in Attachment 3, ***as amended to defund one Lieutenant position.***

Mayor Pro Tem Semeta expressed her surprise at Councilmember Posey's substitute motion to defund one Lieutenant Position.

Councilmember Delgleize recalled her understanding of past discussions on Police Department staffing.

Mayor Pro Tem Semeta asked Police Chief Handy to review the Police Department staffing history, including the commitment to the Police Management Association (PMA) to make best efforts during the budget process to refill the Lieutenant vacancy created when the new Assistant Chief position was filled. Chief Handy further stated that it is important for the police officers to have adequate management oversight, training and leadership, and as shown by the Finance Department in a recent discussion, the Huntington Beach Police Department is understaffed at the management level when compared to other like-sized municipalities.

Councilmember Posey explained that he cannot support the process used to reinstate the Lieutenant position (before the budget process), therefore he is making the substitute motion to now remove the Lieutenant position.

Councilmember Carr explained her opinion that adding to management positions at a time when all departments were asked to reduce their budgets by one percent (1%), and not make any increases for the rank and file, is her reason for supporting the substitute motion.

Mayor Peterson stated his opposition to the substitute motion, especially since during the entire process to create and fill the Assistant Chief position it was made clear that rank and file positions cannot be expanded until a Lieutenant position is refilled, and both rank and file and management are currently understaffed.

Councilmember Hardy explained her opinion that when the current ceiling for police officers is met, then it would be appropriate to propose another Lieutenant position with additional police officers.

The substitute motion by Posey, seconded by Brenden, carried by the following vote:

AYES: Brenden, Carr, Posey, Delgleize, and Hardy
NOES: Semeta, and Peterson

27. 19-623 Conducted a Tax and Equity Fiscal Responsibility Act ("TEFRA") public hearing and adopted Resolution No. 2019-41 approving the financing of the construction of improvements to the Pegasus School, located at 19692 Lexington Lane, with no City obligations

Economic Development Deputy Director Kellee Fritzal presented a PowerPoint communication entitled *TEFRA Public Hearings - Pegasus School, Huntington Pointe Apartments, Hermosa Vista Apartments* with slides entitled: *Tax and Equity Fiscal Responsibility Act (TEFRA), Projects, Public Hearing, and Questions*. She indicated that the presentation material would also include information related to TEFRA Public Hearing item nos. 28 (Huntington Pointe Apartments), and 29 (Hermosa Vista Apartments). (02:42:10)

Mayor Peterson opened the Public Hearing for Item 27. (19-623) regarding the construction of improvements to the Pegasus School, with no City obligations.

Pursuant to the Brown "Open Meetings" Act, City Clerk Robin Estanislau announced supplemental communication that was received by her office following distribution of the Council Agenda packet:

A PowerPoint communication submitted by Travis Hopkins, Interim Assistant City Manager, titled *TEFRA Public Hearings - Pegasus School, Huntington Pointe Apartments, Hermosa Vista Apartments* with slides entitled: *Tax and Equity Fiscal Responsibility Act (TEFRA), Projects, Public Hearing, and Questions*.

City Clerk Robin Estanislau announced there were no speakers.

With no one present to speak on the item, Mayor Peterson closed the Public Hearing. (02:44:38)

A motion was made by Posey, second Semeta to conduct the public hearing under the requirements of TEFRA and the Internal Revenue Code of 1986, as amended (the "IRS Code"); and, adopt Resolution No. 2019-41, "A Resolution of the City Council of the City of Huntington Beach approving the making of the one or more loans by First Republic Bank to the California Municipal Finance Authority in a Principal Amount not to Exceed \$13,000,000, for the Purpose of Financing the Costs of Certain Improvements to a School Commonly Known as the Pegasus School and Certain Other Matters relating thereto."

The motion carried by the following vote:

AYES: Brenden, Carr, Semeta, Peterson, Posey and Hardy
NOES: None
OUT OF ROOM: Delgleize

28. 19-624 Conducted a Tax and Equity Fiscal Responsibility Act ("TEFRA") public hearing and adopted Resolution No. 2019-40 approving the issuance by the California Statewide Communities Development Authority ("CSCDA") of Multifamily Housing Revenue Bonds in an amount not to exceed \$30,000,000 for Huntington Pointe Apartments, located at 18992 Florida St., with no City obligations

Mayor Peterson opened the Public Hearing for Item 28. (19-624) regarding Revenue Bonds for Huntington Pointe Apartments, with no City obligations.

City Clerk Robin Estanislau announced there were no speakers.

With no one present to speak on the item, Mayor Peterson closed the Public Hearing.

A motion was made by Hardy, second Semeta to conduct a public hearing under the requirements of TEFRA and the Internal Revenue Code of 1986, as amended ("IRS Code"), in consideration of the issuance of tax-exempt bond financing by the California Statewide Communities Development Authority for the benefit of Huntington Pointe 2019 LP, to provide re-financing for the acquisition, rehabilitation, improvement, and equipping of an existing 104-unit multifamily rental housing project generally known as Huntington Pointe Apartments, and; adopt Resolution No. 2019-40 "A Resolution of the City Council of the City of Huntington Beach approving the issuance by the California Statewide Communities Development Authority of Multifamily Housing Revenue Bonds for Huntington Pointe Apartments."

The motion carried by the following vote:

AYES:	Brenden, Carr, Semeta, Peterson, Posey, and Hardy
NOES:	None
ABSENT/OUT OF ROOM:	Delgleize

29. 19-625 Conducted a Tax and Equity Fiscal Responsibility Act ("TEFRA") public hearing and adopted Resolution No. 2019-39 approving the issuance by the California Statewide Communities Development Authority ("CDCDA") of Multifamily Housing Revenue Bonds in an amount not to exceed \$28,000,000 for Hermosa Vista Apartments, located at 15363 & 15425 Goldenwest St., with no City obligations

Mayor Peterson opened the Public Hearing for Item 29. (19-625) regarding Hermosa Vista Apartments, with no City obligations.

City Clerk Robin Estanislau announced there were no speakers.

With no one present to speak on the item, Mayor Peterson closed the Public Hearing. (02:46:21)

A motion was made by Hardy, second Posey to conduct a public hearing under the requirements of TEFRA and the Internal Revenue Code of 1986, as amended ("IRS Code"), in consideration of the issuance of tax-exempt bond financing by the California Statewide Communities Development Authority for the benefit of Hermosa 2019 LP, to provide financing for the acquisition, rehabilitation, improvement, and equipping of an 88-unit multifamily rental housing project generally known as Hermosa Vista Apartments, and; adopt Resolution No. 2019-39 "A Resolution of the City Council of the City of Huntington Beach Approving the Issuance by the California Statewide Communities Development Authority of Multifamily Housing Revenue Bonds for Hermosa Vista Apartments."

The motion carried by the following vote:

AYES:	Brenden, Carr, Semeta, Peterson, Posey, and Hardy
NOES:	None

OUT OF ROOM: Delgleize

ADMINISTRATIVE ITEMS

30. 19-644 ITEM WITHDRAWN FROM CONSIDERATION — ~~Approve for Introduction Ordinance No. 4182 Amending Huntington Beach Municipal Code Chapter 2.109 Related to the Finance Commission~~

COUNCILMEMBER COMMENTS (Not Agendized)

Mayor Peterson reported attending the Public Works Department Open House and the Surf City 10 Sundown Media Launch/Press Event announcing their September race. He was the speaker for the Golden West College Commencement Ceremony, attended Troop 567 Eagle Scout Court of Honor for Lukas Westrup and Troop 892 Eagle Scout Court of Honor for Diego Cowa. He attended the Mayor's Welcome and Emcee for Post 133 Memorial Day Ceremony at Pier Plaza, Miss HB Rose Dedication Ceremony at City Hall, City Selection Committee meeting, and Coordinating Council meeting for the swearing-in of New Board Members. At the conclusion of his comments, he left the meeting.

Councilmember Hardy thanked Mayor Peterson for how he led the Memorial Day Ceremony, and wished all High School Seniors in the City good luck with their finals this week, and expressed congratulations on their graduation next week.

Councilmember Brenden thanked outgoing Interim City Manager Lori Ann Farrell Harrison for her leadership and wished her the best as City Manager for Costa Mesa, reported attending an Association of California Cities - Orange County (ACC-OC) Update on Cannabis Policy and Legislation, and Legislative and Regulatory Affairs Committee meetings, and a Patriotism Award was presented to Gustafson Brothers Automotive by the American Veterans Organization for displaying the American Flag at their business continuously since 9/11. He participated in the Troop 1 Boy Scout Eagle Court of Honor for David "Trey" Richard Burr, III, Memorial Day Ceremony at Pier Plaza, visited Second Chance OC, a business in Costa Mesa that assists homeless individuals with a criminal background, attended the Miss HB Rose Dedication Ceremony, the Service Academy Nomination Information Night hosted by Congressman Rouda, the HBPD Fallen Officer Front Desk Memorial Ceremony, a Homeless United meeting, spoke at the Huntington Beach Coordinating Council regarding the Navigation Center, attended the Aids Walk 2019 Orange County, and announced that June 30, Old World will host a free concert a 2 PM featuring the local band Forever Young.

Councilmember Carr thanked Councilmembers Brenden and Delgleize for participating in the Aids Walk 2019 Orange County, and the Public Works staff for setting up. Councilmember Carr reported attending Huntington Beach Public Works Open House, Golden West College Commencement Ceremony, Surfin' Sunday Celebrating the Life of Dick Dale, Memorial Day Ceremony, visiting three non-profits which serve the homeless: Second Chance in Costa Mesa, Homeless United, and Off The Streets, attended the HBPD Fallen Officer Front Desk Memorial Ceremony, touring Golden West College to see their new offerings including their state-of-the-art Police Instruction building, and acknowledged Dwyer Middle School for receiving \$25,000 from ScholarShare for their STEM Program, attending Girls, Inc. Gala. She thanked outgoing Interim City Manager Lori Ann Farrell Harrison for her leadership, and announced an Ascon Public Workshop on Thursday, June 6, 6 PM at Edison High School.

Councilmember Posey commended outgoing Interim City Manager Lori Ann Farrell Harrison for her training and leadership, which made him a more effective Councilmember as well as Vector Control Liaison. Councilmember Posey reported attending Surfin' Sunday to celebrate the life of Dick Dale, Memorial Day Ceremony, Duck-A-Thon events, and the Concours d'Elegance Salute to Pony Cars, all "Z" cars, Datsun and Nissan, and BMW as well as saluting Honda 750 Four Motorcycles and BMW /2 Motorcycles.

Councilmember Delgleize reported attending the Miss HB Rose Dedication Ceremony, the HBPD Fallen Officer Front Desk Memorial Ceremony, the Orange County Water Summit, and thanked outgoing Interim City Manager Lori Ann Farrell Harrison for making her a better Councilmember.

Mayor Pro Tem Semeta expressed her appreciation to outgoing Interim City Manager Lori Ann Farrell Harrison for her financial acumen and her ability to educate others, especially regarding unfunded pension liabilities, in a diplomatic and graceful manner. Mayor Pro Tem Semeta reported attending the Troop 1 Boy Scout Eagle Court of Honor for David "Trey" Richard Burr, III, Harbor Commission meeting, Concours d'Elegance Salute, Surfin' Sunday Paddle-Out to celebrate the life of Dick Dale, and a judge for the 5th and PCH Plein Air Painting event.

Mayor Pro Tem Semeta expressed condolences to the family of Dale Skerik, a community member very involved in the Allied Arts Board, Coordinating Council, Past Grand Marshall of the Philharmonic Boat Parade, Past President of the Huntington Harbour Cancer League, and Judge Advocate of the Harbour Yacht Club.

ADJOURNMENT — at 8:45 PM in memory of Dale Skerik to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority is Monday, June 17, 2019, at 4:00 PM in the Civic Center Council Chambers, 2000 Main Street, Huntington Beach, California.

INTERNET ACCESS TO CITY COUNCIL/PUBLIC FINANCING AUTHORITY AGENDA AND
STAFF REPORT MATERIAL IS AVAILABLE PRIOR TO CITY COUNCIL MEETINGS AT
<http://www.huntingtonbeachca.gov>

City Clerk and ex-officio Clerk of the City
Council of the City of Huntington Beach
and Secretary of the Public Financing Authority
of the City of Huntington Beach, California

ATTEST:

City Clerk-Secretary

Mayor-Chair