

Minutes

City Council/Public Financing Authority City of Huntington Beach

Tuesday, November 2, 2021
4:00 PM – Closed Session
6:00 PM – Regular Meeting
Council Chambers, 2000 Main Street
Huntington Beach, California 92648
or via Zoom Webinar

**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: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
Absent: None

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS PERTAINING TO CLOSED SESSION ITEMS (Received After Agenda Distribution) — None

PUBLIC COMMENTS PERTAINING TO CLOSED SESSION ITEMS (3 Minute Time Limit) — None

A motion was made by Posey, second Delgleize to recess to Closed Session for Items 3 – 10, and one New Item (21-8830). With no objections, the motion carried.

RECESSED TO CLOSED SESSION — 4:01 PM

CLOSED SESSION ANNOUNCEMENT(S)

- 1. 21-815 Mayor Carr Announced: Pursuant to Government Code § 54957.6, the City Council takes this opportunity to publicly introduce and identify designated labor negotiators: Oliver Chi, City Manager and Travis Hopkins, Assistant City Manager, who will be participating in today's Closed Session discussions regarding labor negotiations with: Huntington Beach Firefighters' Association (HBFA), Fire Management Association (FMA), Police Management Association (PMA), Marine Safety Management Association (MSMA), Management Employees' Organization (MEO) and Huntington Beach Municipal Teamster (HBMT)**
- 2. 21-825 Mayor Pro Tem Delgleize Announced: Pursuant to Government Code § 54957.6, the City Council takes this opportunity to designate Mayor Carr, as labor negotiator regarding Unrepresented Employee, Oliver Chi, City Manager**

CLOSED SESSION

3. 21-811 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Californians for Homeownership, Inc. v. City of Huntington Beach; OCSC Case No. 30-2019-01107760.
4. 21-812 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: California Renters Legal Advocacy and Education Fund/THDT Investment, Inc. v. City of Huntington Beach; OCSC Case No.: 30-2020-01140855.
5. 21-813 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: City of Huntington Beach v. State of California (SB35, et al.); OCSC Case No. 30-2019-01044945.
6. 21-814 CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code section 54957.6.) Agency designated representatives: Oliver Chi, City Manager and Travis Hopkins, Assistant City Manager. Employee Organizations: Huntington Beach Firefighters' Association (HBFA), Fire Management Association (FMA), Police Management Association (PMA), Marine Safety Management Association (MSMA), Management Employees' Organization (MEO) and Huntington Beach Municipal Teamsters (HBMT).
7. 21-818 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Sheibe (Donna Mae) v. City of Huntington Beach, et al.; OCSC Case No.: 30-2020-01143653.
8. 21-819 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION. (Paragraph (1) of subdivision (d) of Section 54956.9). Name of case: Jauregui (Roberto) v. City of Huntington Beach; OCSC Case No. 30-2020-01130558.
9. 21-820 PUBLIC EMPLOYMENT OF CITY MANAGER/EMPLOYEE PERFORMANCE EVALUATION. (Paragraph (1) of subdivision (b) of Section 54957.) Name/Title: Oliver Chi, City Manager.
10. 21-821 CONFERENCE WITH LABOR NEGOTIATORS (Unrepresented Employee) Government Code section 54957.6. Name/Title: Oliver Chi, City Manager, City Designated Representative: Carr, Mayor
- New 21-830 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: Number of cases, one (1).

6:00 PM — COUNCIL CHAMBERS

RECONVENED CITY COUNCIL/PUBLIC FINANCING AUTHORITY MEETING — 6:00 PM

ROLL CALL

Present: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
Absent: None

PLEDGE OF ALLEGIANCE — *Led by Councilmember Peterson*

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.

- 11. 21-789 Mr. Charles Niederman of Temple Beth David, Westminster and member of the Greater Huntington Beach Interfaith Council**

CLOSED SESSION REPORT BY CITY ATTORNEY — City Attorney Michael Gates reported that by a Closed Session vote of 7–0, the City Council authorized the City Attorney to file an Appeal to the State Court's Order in Californians for Homeownership, Inc. v. City of Huntington Beach, OCSC Case No. 30-2019-01107760; and California Renters Legal Advocacy and Education Fund/THDT Investment, Inc. v. City of Huntington Beach, OCSC Case No. 30-2020-01140855.

Also, by a Closed Session vote of 6-0-1 (Bolton – Abstain), the City Council authorized the City Attorney to file an Appeal to the State Court's Order awarding Attorney's fees to the intervener, Kennedy Commission, in City of Huntington Beach v. State of California, OCSC Case No. 30-2019-01044945.

CITY MANAGER'S REPORT

- New 21-829 ~~Withdrawn from Consideration Huntington Beach Corner Market Code Enforcement Update~~**

City Manager Oliver Chi announced that based on current discussions with Huntington Beach Corner Market owner and proprietor regarding Code Enforcement issues, it appears there is amicable resolution in process. Therefore, the item is being withdraw in anticipation of a report of a few weeks. City Manager Chi stated that the business owner agreed to working amicably to resolve the issues, rather than having a public debate tonight.

AWARDS AND PRESENTATIONS

- 12. 21-605 Mayor Carr presented certificates to the City of Huntington Beach Citizens Academy participants who completed the City's 4th Annual Academy**

Mayor Carr and Mayor Pro Tem Delgleize introduced the participants who completed the City's 4th Annual Citizen's Academy and handed them their Certificate of Completion.

Mayor Pro Tem Delgleize described her support for developing this program and encouraged residents to participate.

Mr. Nick Chambers, Citizen's Academy graduate, thanked City staff for their efforts to offer an excellent program, and renewing his love for Huntington Beach and its culture.

13. 21-808 Mayor Carr proclaimed November as National American Indian Heritage Month

Mayor Carr stated that in the early 1900's the Boy Scouts were instrumental in acknowledging the heritage of American Indians, and in 1994 November was designated as the month of recognition.

Mayor Carr announced that the Human Relations Committee has compiled short educational videos for Channel 3 TV and the City's You Tube channel in recognition of National American Indian Heritage Month.

14. 21-809 Mayor Carr proclaimed November 7 to 13 as National Nurse Practitioner Week and presented a proclamation to representatives from Huntington Beach Hospital

Mayor Carr introduced Mr. Rick Rowe, CEO of Huntington Beach Hospital, and Nurse Practitioners Huroku Moragutchi and Winnie Tran, to acknowledge National Nurse Practitioner Week. Mayor Carr explained that Nurse Practitioners expand the network of qualified professionals who can provide medical care.

Mr. Rowe acknowledged Ms. Moragutchi and Ms. Tran for representing the tremendous effort that they and their co-workers at Huntington Hospital provide in supporting the physicians.

15. 21-828 Mayor Carr accepted a donation, on behalf of the City, from Warriors with Hope to install a second Mobi Mat that improves beach access for individuals with disabilities

Mayor Carr introduced Jami & Bo Marseilles, who presented a check for \$10,000. Ms. Marseilles stated that this donation, to install a second Mobi Mat in Huntington Beach, is in memory of her father-in-law, Chris Marseilles, who surfed locally for the last 50 years until his recent passing.

Ms. Marseilles described some of the ways that Warriors with Hope support people with cancer and dealing with prosthetics through their annual golf tournament fundraisers at Huntington Club (formerly Seacliff Club).

ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS (Received After Agenda Distribution)

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

City Manager's Report

New (21-829) Four (4) email communications received regarding Huntington Beach Corner Market.

Consent Calendar

#17 (21-759) Memo submitted by the City Clerk identifying a revision to the City Council minutes dated October 19, 2021.

#27 (21-805) Email communication regarding adoption of Ordinance No. 4237 relating to speed limits on Atlanta Avenue between Huntington Street and Beach Boulevard.

Administrative Items

#29 (21-803) PowerPoint presentation entitled *Financial Update and FY 2020/21 Year End Budget Adjustments* submitted by Dahle Bulosan, Chief Financial Officer.

Councilmember Items

#30 (21-826) Thirty-five (35) email communications regarding developing a plan and cost analysis to move the City of Huntington Beach Municipal power consumption to 100% renewable energy.

#31 (21-827) Email communication regarding divesting corporate bond holdings of fossil fuel corporations received from Alisa Backstrom, City Treasurer.

Five (5) email communications regarding divesting corporate bond holdings of fossil fuel corporations.

PUBLIC COMMENTS (3 Minute Time Limit) — 18 In-Person and 3 Call-In Public 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>.

Leslie Gilson, 14-year Coordinator for Gibbs Butterfly Park, was called to speak, thanked City staff for their assistance in creating this wonderful park and expressed appreciation for the opportunity to serve. Ms. Gilson announced her resignation and stated that Betty Coeper is stepping into the Coordinator position. Ms. Gilson also announced that the Huntington Beach Tree Society is funding the enhancement of the four front pylons, and listed additional upgrades the City could provide for proper upkeep.

Devin Dwyer, former City Councilmember, was called to speak and shared his opinion on how disputes with local businesses should be handled by the City, with Code Enforcement being the arbitrator to help solve issues, rather than as a tool used by an unsubstantiated accuser. He further stated his support for this neighborhood business.

Barbara Howarth, a 37-year resident of Huntington Beach, was called to speak, stated her support for Huntington Beach Corner Market, and shared her concerns about the inconsistencies of Code Enforcement. She hopes a resolution is eminent as stated by City Manager Chi, and from her perspective believes that some of the fines should be dismissed.

Dianna Orr, a neighbor of Huntington Beach Corner Market, was called to speak and stated her opinion that this business has actually increased neighborhood property values. Ms. Orr encouraged an equitable solution to ensure continued operation for the Huntington Beach Corner Market.

Brenda Titus was called to speak, shared her personal history of growing up in "sleepy, hometown" Huntington Beach, stated her support for Huntington Beach Corner Market, and asked that Councilmembers stop what appears to be harassment of the owners.

Pano Frousiakis, Candidate for City Council in 2022, was called to speak and stated his support for all small businesses of Huntington Beach, and the need for a City Council that is pro small business.

Karen D'Abusco, a resident of Huntington Beach for 20 years, was called to speak and shared her support for Huntington Beach Corner Market and their efforts to support a variety of charities. She asked that the harassment of this neighborhood business stop.

Karen Kroeter was called to speak and shared her opinion that there should be more small business owners like the owners of Huntington Beach Corner Market, and this small business should be celebrated for the many ways they serve and unite the neighborhood.

Charles Niederman, Past President of Greater Huntington Beach Interfaith Council and Temple Beth David Board, was called to speak and stated he was only representing himself in expressing support for Councilmember Item No. 30 to develop a plan and cost analysis to consider using 100% renewable energy. Mr. Niederman also stated his personal support for Councilmember Item No. 31 regarding divesting corporate bond holdings of fossil fuel corporations.

Michelle Espinoza, a resident of Huntington Beach, was called to speak and stated her support for Huntington Beach Corner Market and asked why Councilmembers, Code Enforcement and City Development staff appear to be harassing this business, and listening to only one neighbor, rather than working to support a local small business.

Paul Liguori, a 30-year resident of Huntington Beach, was called to speak and shared personal neighborhood experiences at Huntington Beach Corner Market, and asked that Councilmembers get on board with supporting this small business.

Guest, who remained unidentified, was called to speak and echoed agreement with all of the reasons already stated to support Huntington Beach Corner Market, described as a true neighborhood sanctuary.

Shaun Land, a nearly 30-year resident of Huntington Beach who lives in the Huntington Beach Corner Market neighborhood, was called to speak and reviewed the history of businesses at that location, adding that the Corner Market serves the needs of the neighborhood by continuing to utilize the side patio and offering tables and chairs out front. Mr. Land asked that the harassment of this business stop.

Guest, who identified herself as the Mayor of Huntington Beach Corner Market, was called to speak and shared her observations of closed, boarded-up businesses throughout the City and asked why the Huntington Beach Corner Market is being harassed rather than supported by Councilmembers and staff.

Diana Zimmer, a recent graduate of the Citizen's Academy, was called to speak and shared her citizen's report on the performance of City departments, using the techniques she learned in her Academy training. She also shared her opinion that Councilmember Kalmick, acting on behalf of a political donor, is acting in tandem with Code Enforcement to harass the owners of the Huntington Beach Corner Market.

Guest, who remained anonymous and is a 30-year resident, was called to speak and shared his disappointment that "public servitude" has been lost along the way, and asked 1) for an independent investigation into the actions by any City employee or Councilmember against Huntington Beach Corner Market in the last several years, and 2) that Councilmembers remember they were elected to serve all of the citizens of Huntington Beach.

Galen Pickett was called to speak and shared Councilmember position of majority opposition related to SB 9 and SB 10 at the May 3, 2021, Council meeting. Mr. Pickett added his opinion that facing an illegitimate recall, Councilmembers voted to tell the State that Huntington Beach wants to retain local control over zoning for single-family housing.

Betty Flynn was called to speak and read a text message from Ashley, Owner of Huntington Beach Corner Market, which Betty received after City Manager Chi stated earlier in the meeting that the item was being withdrawn because it appears there is an amicable solution in process. Ashley asked Betty to share publicly that nothing has been signed, or agreed upon.

Jignesh Padhiar was called to speak and quoted the first sentence of the U. S. Constitution, and stated every Councilmember swore to uphold the Constitution. He added that if he remembers correctly, Mayor Carr announced October as anti-bullying month, yet Councilmember Kalmick appears to be pushing against the Corner Market. He shared his opinion that perhaps some Councilmembers are not for the people, nor by the people, and after the Council Recall, will only be able to represent themselves.

Caller Dan McDonald was invited to speak and stated he has not received a response to his email of several weeks ago. He asked what Councilmembers could or plan do to ensure local control for local land-use decisions, and to raise awareness of SB 9 and 10.

Caller Ayn Craciun, representing Climate Action Campaign, was invited to speak and thanked Councilmembers Kalmick and Moser for bringing forward Councilmember Items #30 for a cost analysis to move power consumption to 100% renewable energy, and Item #31 to divest corporate bond holdings of fossil fuel corporations. She further asked that Council place an item on their agenda as soon as possible to facilitate a discussion on making 100% renewable electricity the default product for Huntington Beach through the OC Power Authority.

Caller Mark Sheldon, a 30-year+ resident of Huntington Beach, was invited to speak and stated his support for Councilmember Item #30 regarding a cost analysis to move power consumption to 100% renewable energy.

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

Councilmember Kalmick reported having a conversation with the Huntington Beach Firefighter's Association (HBFA), and attending a special meeting of the Southern California Association of Government (SCAG) Emerging Technology Committee.

Councilmember Moser reported attending a session of the Citizen's Academy; meeting with the new Director of Mercy House; a Homeless Task Force meeting; the Mobi Mat installation; a Human Relations Task Force Ad Hoc Committee meeting; a Huntington Beach Central Park Collaborative meeting; and a Downtown Redesign stakeholder meeting.

CITY TREASURER'S REPORT

- 16. 21-781 Received and Filed the City Treasurer's September 2021 Quarterly Investment Summary Report**

City Treasurer Alisa Backstrom presented a PowerPoint communication titled *Quarterly Investment Report, Quarter Ended: September 30, 2021* with slides entitled: *Investment Portfolio - Summary, Investment Portfolio - Investments By Type, Investment Portfolio - Quarterly Activity, Investment Portfolio - Earnings, Interest Rates - US Treasury Rates, Selected Investment Policy Compliance Requirements, and Summary.*

Mayor Pro Tem Delgleize thanked City Treasurer Backstrom for detailing investment requirements of safety, liquidity, and market rate return, which does limit where the City's funds can be invested.

Mayor Carr thanked City Treasurer Backstrom for her detailed quarterly reports, and confirmed that the three Supra National Funds mentioned are the only ones approved by the California Government Code.

A motion was made by Kalmick, second Delgleize to receive and file the City Treasurer's Quarterly Investment Report for September 2021, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

CONSENT CALENDAR

Councilmember Peterson stated for the record a "No" vote for Consent Calendar Item No. 24.

17. 21-759 Approved and Adopted Minutes

A motion was made by Carr, second Delgleize to approve and adopt the City Council/Public Financing Authority special meeting minutes dated October 4, 2021, the regular meeting minutes dated October 5, 2021 and October 19, 2021, and the special meeting minutes of October 25, 2021, as written and on file in the office of the City Clerk.

The motion carried, ***as amended by Supplemental Communication for minutes dated October 19, 2021***, by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

18. 21-743 Received and filed the City Clerk's quarterly listing of professional services contracts filed in the City Clerk's Office between January 1, 2021 and June 30, 2021

A motion was made by Carr, second Delgleize to receive and file the "List of Professional Services Contracts Approved by Department Heads and Submitted to the Office of the City Clerk during the period of January 1, 2021 and March 31, 2021;" and, receive and file the "List of Professional Services Contracts Approved by Department Heads and Submitted to the Office of the City Clerk during the period of April 1, 2021 and June 30, 2021."

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

19. 21-801 Adopted Resolution No. 2021-62 finding that the proclaimed state of emergency continues to impact the ability to meet safely in person in compliance with new Brown Act provisions identified in Assembly Bill 361

A motion was made by Carr, second Delgleize to adopt Resolution 2021-62, "A Resolution of the City Council of the City of Huntington Beach Finding That the Proclaimed State of Emergency Continues to Impact the Ability to Meet Safely in Person."

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

20. 21-738 Approved and authorized the Police Department Technology Modernization Project to include the execution of a five-year contract with Intergraph Corporation (dba Hexagon) to upgrade the City's Computer Aided Dispatch / Records Management System (CAD/RMS); and, appropriated funds for the purchase of laptops, closed-circuit television cameras, mobile printers, public engagement software applications, and conference room upgrades

A motion was made by Carr, second Delgleize to approve and authorize the Mayor and City Clerk to take the following actions: execute an agreement between the City of Huntington Beach and Intergraph Corporation for the Integrated Policing System for Police Computer Aided Dispatch / Records Management System; and, appropriate American Rescue Plan Act funding for related Police Department Technology Modernization Project components described herein; and, authorize the City Manager to appropriate any project expenses determined to be ineligible under the American Rescue Plan Act guidelines to the Technology Fund in an amount not to exceed \$2 million.

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

21. 21-797 Approved the Sole Source Justification with Dooley Enterprises for the ongoing purchase of ammunition for the Huntington Beach Police Department (HBPD)

A motion was made by Carr, second Delgleize to approve the Sole Source Justification with Dooley Enterprises for the ongoing purchase of training and duty ammunition for HBPD personnel.

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

22. 21-773 Approved and authorized execution of a Reinstatement and Second Amendment to Site Access Agreement between the City and Chevron Environmental Management Company (EMC) to conduct environmental work for City-owned property located at 18477 Beach Boulevard

A motion was made by Carr, second Delgleize to approve and authorize the Mayor and City Clerk to execute the "Reinstatement and Second Amendment to Site Access Agreement" between the City of Huntington Beach and Chevron Environmental Management Company (EMC).

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

23. 21-786 Approved and authorized execution of Professional Services Contracts for On-Call Construction Management and Engineering Services with Arcadis, U.S., Inc., Ardurra, Inc., Berg & Associates, Inc., Dudek, Psomas, RMA Group, Inc., Totum Corp, and Wallace & Associates, Inc.

A motion was made by Carr, second Delgleize to approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Arcadis, U.S., Inc., for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Ardurra, Group, Inc., for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Berg & Associates, Inc., for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Dudek, for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Psomas, for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and RMA Group, Inc., for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Totum Corporation, for On-Call Construction Management and Engineering Services;" and, approve and authorize the Mayor and City Clerk to execute a \$2,000,000 "Professional Services Contract Between the City of Huntington Beach and Wallace & Associates Consulting, Inc., for On-Call Construction Management and Engineering Services."

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

24. 21-787 Approved and authorized execution of an Exclusive Negotiating Agreement (ENA) with Surf City Partners, LLC for 21 Main Street at the Huntington Beach Pier

A motion was made by Carr, second Delgleize to approve and authorize the Mayor and City Clerk to execute the "Exclusive Negotiating Agreement Between City of Huntington Beach and Surf City Partners, LLC" to negotiate the terms of a lease agreement for 21 Main Street.

The motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: Peterson

25. 21-793 Authorized execution of documents for permanent highway and temporary construction easements to Caltrans for Transportation Improvement Project State Route 1 – PCH and Main Street

A motion was made by Carr, second Delgleize to authorize the Mayor to execute "Easement Deed Highway" "Certificate of Occupancy and Receipt of Relocation Information" "Right of Way Contract" and "Right of Entry Form" for the transfer of property rights for the subject project easements.

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

**26. 21-804 Adopted Ordinance No. 4236 approving Zoning Map Amendment No. 20-002 (Gisler Residential – 21141 Strathmoor Lane)
Approved for introduction 10/19/2021, Vote: 6-0-1 (Peterson-Absent)**

A motion was made by Carr, second Delgleize to adopt Ordinance No. 4236, "An Ordinance of the City of Huntington Beach Amending the Huntington Beach Zoning and Subdivision Ordinance to Rezone the Real Property Located at 21141 Strathmoor Lane from Public-Semipublic (PS) to Residential Low Density (RL) (Zoning Map Amendment No. 20-002.)" (Attachment No. 3)

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

**27. 21-805 Adopt Ordinance No. 4237 amending Huntington Beach Municipal Code Chapter 10.12 relating to speed limits on Atlanta Avenue between Huntington Street and Beach Boulevard
Approved for introduction 10/19/2021, Vote: 6-0-1 (Peterson-Absent)**

A motion was made by Carr, second Delgleize to adopt Ordinance No. 4237, "An Ordinance of the City of Huntington Beach Amending Chapter 10.12.080 of the Huntington Beach Municipal Code Relating to Speed Limits."

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: None

**28. 21-806 Adopted Ordinance No. 4238 amending Chapter 5.120 of the Huntington Beach Municipal Code regulating Short-Term Rentals (STR)
Approved for introduction 10/19/2021, Vote: 6-0-1 (Peterson-Absent)**

A motion was made by Carr, second Delgleize to adopt Ordinance No. 4238, "An Ordinance of the City Council of the City of Huntington Beach Amending Chapter 5.120 of the Huntington Beach Municipal Code Regulating Short-Term Rentals." (Attachment No. 1)

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick

NOES: None

ADMINISTRATIVE ITEMS

29. 21-803 Approved Fiscal Year 2020/21 Year End Budget Adjustments, Inter-Fund Transfers, and Assignment

City Manager Chi introduced Chief Financial Officer (CFO) Dahle Bulosan who presented a PowerPoint communication titled *Financial Update & FY 2021/21 Year End Budget Adjustments* with slides entitled: *Overview, City Financial Update, Huntington Beach Is In A Terrific Financial Position, Current & Prior Year Surpluses Projected, FY 2020/21 Year End Budget Adjustments, Year End Budget Adjustment Requests, General Fund Adjustments, Community Development Appropriation, Fourth of July Fund, Infrastructure Fund, Equipment Replacement Fund, Litigation Reserve Funding, Current Year General Fund Surplus with Year End Adjustments, Other Fund Adjustments, What's on the Budget Horizon?, Recommended Action, and Questions?*

Councilmember Peterson confirmed with CFO Bulosan that the public could continue to make a tax-deductible donation to the 4th of July parade.

Councilmember Posey and CFO Bulosan discussed that 4th of July funding is typically funded by parking revenues. Director of Community and Library Services Chris Slama stated that the General Fund amount is expected to cover the two contracts that Council approved to help run the event.

Councilmember Posey and City Attorney Michael Gates discussed Litigation Reserves and City Attorney Gates stated appeals are in process hoping to reduce the Kennedy Commission and SB35 fees, and the budgeted \$3.65 million is adequate to cover both cases. Councilmember Posey read the title of a published article from Community Legal Aide, Southern California, which stated that the Kennedy Commission was awarded \$3.5M in attorney fees, and questioned if \$3.65M is enough to cover both cases. City Attorney Gates replied that was an inaccurate report and stated he would provide Councilmembers with correct information.

Councilmember Posey and City Manager Chi discussed how actual outside litigation costs can always impact the budget and City Manager Chi stated that the \$3.65M for this discussion is not the total litigation fund, but represents transfer of surplus funding from the past year to fund upcoming known adverse judgments. The total litigation budget, which is determined during the annual budget process, is usually around \$10M.

Councilmember Posey requested that litigation reserves and projections be part of all budget reviews in the future.

Mayor Carr confirmed with CFO Bulosan that the current Litigation Reserves budget has about \$10M, and these additional funds of \$3.65M will be added to that for a total of nearly \$14M.

Mayor Pro Tem Delgleize and CFO Bulosan discussed in general that current investments and stabilized fixed costs should provide sustained surpluses moving forward under normal circumstances.

Mayor Carr thanked staff and applauded fellow Councilmembers for making the tough decisions related to the pension obligation bond, and investing in infrastructure, which will pay long-term dividends.

A motion was made by Posey, second Delgleize to approve the year-end inter-fund transfers for the Fiscal Year 2020/21 Revised Budget in the Funds and by the amounts contained in Attachment 1; and, increase appropriations for the FY 2020/21 Revised Budget by \$13,225,591 in the Funds and amounts contained in Attachment 1 and associated carryovers to reconcile the budget with actual expenses incurred. Approve the assignment of \$3,650,000 in the General Fund for Litigation Reserves.

The motion carried by the following vote:

AYES: Peterson, Bolton, Delgleize, Carr, Posey, Moser, and Kalmick

NOES: None

COUNCILMEMBER ITEMS

30. 21-826 Item Submitted by Councilmember Kalmick Approved — Develop A Plan and Cost Analysis to Move the City of Huntington Beach Municipal Corporation's Power Consumption to 100% Renewable Energy

Councilmember Kalmick explained that some residents and community activists have asked about moving to 100% renewable energy, and added that there really isn't enough data to understand what that would look like. He stated that Southern California Edison (SCE) would be tasked to provide timing and cost for moving the City operations, not residential use, to 100% renewable energy. The Orange County Power Authority (OCPA) rate and timing would also be considered. He added that there currently isn't enough accurate information to determine whether such a move would be beneficial or prohibitive.

Mayor Pro Tem Delgleize confirmed with Councilmember Kalmick that information would be requested for only Huntington Beach Corporate (City) power usage, to evaluate if the idea is financially feasible, and this effort would not impact any choices for the residents.

Mayor Carr stated she would like to see this effort as part of the City's Sustainability Master Plan, and that the data be reviewed by the Environmental and Sustainability Board. Mayor Carr shared her concern whether the data collected in the next 60 to 90 days would remain accurate and timely for future projects, and stated her support for the effort as long as the information is reviewed by the appropriate boards and commissions for their input as well. Councilmember Kalmick stated his support for getting as many eyes as possible on the data as an important part of the process.

Councilmember Posey stated his support, and that he will share the OCPA Board data including future projections. He further stated that currently OCPA is still looking into resource adequacy, confirming where it will come from, if there is enough supply to meet the demand, and the cost. In addition, he noted that the City is currently using solar panels, selling energy back to the grid, and has battery storage. All of these factors should become part of the discussion.

Councilmember Bolton stated her support for this item, and her desire to see information related to length of contract, and whether a time commitment affects the cost.

Councilmember Moser stated her support for this item, and her need to see rate data related to percentage of renewable energy, fully understanding that 100% renewable energy may or may not be attainable.

Councilmember Posey stated that the OCPA offering will be predicated upon customer demand, and the OCPA's purpose is to offer residents and businesses energy choices, rather than only offering 100% renewable energy. He explained that customer demand will drive development and supply is determined by development, with the expectation that eventually everyone will demand 100% renewable energy.

Councilmember Moser stated her support for choices, which requires a full menu of options.

Councilmember Kalmick stated he would like for Huntington Beach to be the leader for other municipalities.

A motion was made by Kalmick, second Delgleize to recommend that the City Manager direct the Public Works Department to prepare a cost analysis for City Council consideration.

The motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: Peterson

31. 21-827 Item Submitted by Councilmembers Kalmick and Moser Approved — Divest Corporate Bond Holdings of Fossil Fuel Corporations

Councilmember Kalmick stated the bottom line is that there was a local oil spill, and the City holds Chevron bonds. In his mind that is hypocritical, and this item is one way to further enforce the decision made at the last Council meeting to declare support for ending off-shore drilling. He stated his support for what City Treasurer Backstrom described in her report earlier in the meeting, which is to hold the bond until it matures so money is not lost through premature action, and all things being equal in the future, do not buy fossil fuels companies.

Councilmember Moser thanked City Treasurer Backstrom for clarifying that investments must be safe, provide liquidity and provide a market rate of return. Councilmember Moser stated her support for the public comment of Charles Niederman that revenue neutral steps towards a sustainable future should be taken if that option is available, and recommends making investment choices in the future that do not support fossil fuels.

Councilmember Peterson stated his opposition to this item based on the reality that there are three oil wells on City property producing income, and his opinion that if oil is the best return on investment, it should not be taken off the table just because it doesn't support a green agenda.

Mayor Carr stated she is supportive of a green agenda, but she is also opposed to this item. She sees this item as an investment policy decision, rather than an environmental decision. Mayor Carr stated her substitute motion would be to direct the Investment Advisory Board to look at the rate of return for energy stocks and help to set investment priorities. In her opinion, as this item is presented it is effectively tying the hands of the City Treasurer, rather than allowing her to maximize investment returns.

Councilmember Posey stated his support for the substitute motion, and explained his opinion that when CalPERS decided to focus on Environmental, Social and Governance (ESG) investing, that decision was a big part of diminishing returns. He added that single digit investment returns can trigger a discount rate reduction, an increased employer contribution, and the need for pension obligation bonds, etc., etc. He stated his opinion that ESG policies are driven by boards and directors who dictate investing in everything that doesn't increase the carbon footprint, while in reality oil is the current fuel of the economy. He would change the original motion that states "fund in a manner that will not negatively affect the City's return on investment" to "fund in a manner that will meet or exceed the stock that is being replaced".

Councilmember Bolton stated her support for Mayor Carr's substitute motion to direct the Investment Advisory Board to be involved in setting investment policies.

Councilmember Moser stated her support for Mayor Carr's substitute motion, as she believes the Investment Advisory Board members have the best knowledge and experience, along with City Treasurer Backstrom, and it is appropriate for the Council to direct that discussion.

Councilmember Kalmick stated that the intent was to have the Investment Advisory Board involved in the process, and he fully supports the substitute motion.

Mayor Carr stated her intent is to direct the Investment Advisory Board to look at overall investment options, not just zero in on Chevron as stated in this item. City Treasurer Backstrom confirmed that the Investment Advisory Board meets quarterly, and historically reviews the investment policy for Council at the first meeting in February. Mayor Carr responded with her opinion this item does not require a special meeting, and following that timeline is acceptable.

A motion was made by Carr, second Delgleize to ~~direct the City Manager and City Treasurer to develop a plan to divest our holdings in Chevron Corporate Bonds and reinvest the funds in an alternate fund in a manner that will not negatively affect the City's return on investment.~~ direct the Investment Advisory Board in conjunction with the City Treasurer to examine whether there are comparable alternatives to invest in energy companies and to make recommendations as to whether the City's investment policy statement should be amended to reflect any findings.

The substitute motion carried by the following vote:

AYES: Bolton, Delgleize, Carr, Posey, Moser, and Kalmick
NOES: Peterson

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Kalmick reported attending a Middle Mile meeting where the State is investigating using their resources to provide right-of-ways and internet connectivity for residents. He also reported that in response to resident complaints regarding an unsafe school crossing on McFadden Avenue, Public Works staff took out a tree to increase visibility and installed a flashing sign.

Councilmember Moser reported participating in the Business Improvement District (BID) Downtown Halloween event, the Chamber of Commerce Ribbon Cutting for HB Propane and the unveiling of their new mural, and the Huntington Beach Fire Department Fire Recruit Academy Graduation and demonstrations. Councilmember Moser announced the Human Relations Task Force Native American Showcase will take place from Friday, November 19th through Sunday, November 21st, and on Monday, November 8th, 5 – 8 PM, a Small Business Clinic at City Hall, sponsored by Assemblywoman Cottie Petrie-Norris, Cal State Fullerton, and City of Huntington Beach, will provide an opportunity to explore resources for businesses impacted by the recent oil spill.

Councilmember Posey reported that the Thursday, November 4, meeting of the Southern California Association of Government (SCAG) will be discussing SB 9, and the effects of duplexing America. Further details can be found at www.scag.ga.gov. Councilmember Posey noted his interest in Native American history and the Wild West, and in light of the fact that November is National American Indian Heritage month, he highly recommends reading *Great Speeches by Native Americans* by Bob Blaisdell.

Councilmember Bolton reported attending the Huntington Beach Fire Department Fire Recruit Academy Graduation, and a virtual meeting of the Orange County Human Relations for their Annual State of Human Relations presentation, which was fascinating and encouraging. Details can be found on the OC Human Relations website. Councilmember Bolton encouraged people to take a look at the American Indian Heritage Month Showcase sponsored by the Huntington Beach Human Relations Committee, and reported a visit to Council Chambers by Cub Scout Troop 101 who came with some very perceptive questions.

Councilmember Moser stated it was heartening to see and hear the passionate community members who spoke during Public Comments, that Council recognizes the importance of small family-owned businesses, and it is important that businesses and the City work together to find resolutions.

Mayor Carr reported meeting with Boy Scout Troop 555, which has adopted a water channel in Huntington Beach; attending the Oak View Trunk or Treat Halloween event; and participating in the installation of the new flashing crosswalk sign on McFadden Avenue.

Mayor Carr applauded the Bolsa Chica Conservancy for donating \$10,000 to the Wetlands and Wildlife Care Center, and \$5,000 to Huntington Beach Wetlands in response to the oil spill.

Mayor Carr announced the Chamber of Commerce meeting on November 15, 8 AM at the Senior Center in the Park, for the State of the City report by herself, Mayor Pro Tem Delgleize and City Manager Oliver Chi. Attendees need to purchase tickets on the Chamber of Commerce website.

Mayor Pro Tem Delgleize announced that John Scandura, her appointee to the Huntington Beach Planning Commission, has been appointed by Governor Newsom to the Santa Ana Regional Water Quality Control Board. This Board serves an area that encompasses the Inland Empire and most of Orange County with 6 million people who rely on this water resource.

ADJOURNMENT — 8:46 PM to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Tuesday, November 16, 2021, 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