

Minutes

City Council/Public Financing Authority City of Huntington Beach

Monday, May 6, 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 (19-437), a PowerPoint communication received from Gilbert Garcia, Chief Financial Officer entitled *Fiscal Year 2019/20 Proposed Budget "Shaping the Future,"* dated 5/06/2019.

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>.

John Earl, a resident of Huntington Beach, was called to speak and asked Councilmember Carr to explain during Councilmember Comments why Ms. Shayna Lathus was removed from the Citizen Participation Advisory Board (CPAB). (00:00:57)

STUDY SESSION

1. 19-437 Fiscal Year 2019/20 Proposed Budget

Chief Financial Officer Gilbert Garcia, Human Resources Director Michelle Warren, and Finance Manager Carol Molina-Espinoza jointly presented a PowerPoint communication entitled *City of Huntington Beach Fiscal Year 2019/20 Proposed Budget "Shaping the Future" - May 6, 2019* 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; FY 2019/20 General Fund Revenue; General Fund Revenue Highlights; Enhance & Modernize Public Safety Service Delivery; Public Safety: Public Safety - Police; Public Safety - Fire; Strengthen Long-Term Financial and Economic Sustainability; General Fund Balance; Rising Pension Costs and What We Are Doing About It; Active Management of Long-Term Liabilities; Pension Costs and Unfunded Liabilities; CalPERS Discount Rate Change; Rising Pension Costs; Being Proactive Pays Off; Enhance and Maintain Infrastructure; Capital Improvement Program; CIP Budget Highlights; Infrastructure; Other Budget Matters; Enhance and Maintain High Quality City Services - Succession Planning (2); Navigation Center; Labor Agreements; FY 2019/20 Proposed Budget Recap; FY 2019/20 Proposed Budget Calendar and FY 2019/20 Proposed Budget.*

Councilmember Posey and CFO Garcia discussed details related to the source of Park Development Impact Fees; the number of full-time employees in the proposed budget vs. the number during the recession; Fines and Forfeitures generated by the City Attorney's Office; reasons for the Sales Tax decrease; Police Department Staffing and Reorganization; Pensions and CalPERS focus; Funds for Parks Rehab; and Navigation Center Fund Resources.

Councilmember Brenden and staff discussed Targeted Budget Reductions; Utility Tax; Capital Improvements for the Lake Street Fire Station; Unfunded Liabilities; and Police Department Staffing and Reorganization. Councilmember Brenden asked for, and CFO agreed to provide, more details on "net neutral" budget items by Department, as well as a detailed spreadsheet on the \$3M for the "pay as you go" specific projects.

Councilmember Delgleize and CFO Garcia discussed details related to the proposed Sales Tax decrease.

Councilmember Posey and CFO Garcia discussed details related to the net impact to the City regarding Discount Rate Reductions. Councilmember Posey and City Attorney Gates discussed details related to Succession Planning in the City Attorney's Office.

Councilmember Hardy stated her appreciation for line item that shows placing \$1M into the Section 15 Trust

Councilmember Carr and CFO Garcia discussed details related to the Staff Vacancy Rates.

Mayor Pro Tem Semeta and staff discussed details related to Unfunded Liabilities accounts, Succession Planning and Sales Tax.

Mayor Peterson and staff discussed details related to Succession Planning, Development Impact Fees and Unfunded Liabilities.

Councilmember Brenden and staff discussed details related to Succession Planning and the Park Development Impact Fund. CFO Garcia stated he would have to defer to Economic Development regarding development projects that may be in the pipeline.

Councilmember Delgleize and CFO Garcia further discussed details regarding Police Department Staffing and Reorganization.

Each Councilmember expressed appreciation to staff for the Proposed Budget.

RECESSED TO CLOSED SESSION – 4:52 PM

Motion by Posey, second Brenden, to recess into Closed Session for Items 3 — 5. With no objections, the motion carried.

CLOSED SESSION ANNOUNCEMENT(S)

2. 19-549 Mayor Peterson Announced: Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator, Fred Wilson, regarding labor negotiations with: Assistant City Manager, Chief Assistant City Attorney, Chief Financial Officer, Chief Information Officer, City Manager, Community Development Director, Community Services Director, Deputy Director of Community Development, Fire Chief, Human Resources Director, Library Services Director, Deputy Community Prosecutor, Police Chief, Assistant Police Chief, Public Works Director, as well as the elected City Attorney, City Clerk and City Treasurer

CLOSED SESSION

3. 19-532 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, three (3).
4. 19-550 Pursuant to Government Code § 54957.6, the City Council recessed into Closed Session to meet with its designated labor negotiator, Fred Wilson, regarding labor negotiations with: Assistant City Manager, Chief Assistant City Attorney, Chief Financial Officer, Chief Information Officer, City Manager, Community Development Director, Community Services Director, Deputy Director of Community Development, Fire Chief, Human Resources Director, Library Services Director, Deputy Community Prosecutor, Police Chief, Assistant Police Chief, Public Works Director, as well as the elected City Attorney, City Clerk and City Treasurer.
5. 19-557 Pursuant to Government Code § 54954.5(e), the City Council recessed into Closed Session to discuss the public employment of Interim City Manager.

6:00 PM - COUNCIL CHAMBERS

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

ROLL CALL

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

PLEDGE OF ALLEGIANCE — Led by Councilmember Hardy.

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.

6. 19-538 Charles Niederman of the Greater Huntington Beach Interfaith Council

CLOSED SESSION REPORT BY CITY ATTORNEY — None

AWARDS AND PRESENTATIONS

- 7. 19-333 Mayor Peterson called on Janice Frechette, Executive Director of Parentis Foundation, who presented commendations to Volunteer Tutors from the Experience Corps OC literacy intervention program operated at the Boys & Girls Clubs of Huntington Valley's Huntington Beach site for their efforts in helping first through fourth grade students improve their reading skills.**
- 8. 19-462 Mayor Peterson called on Councilmember Delgleize who presented a proclamation to Director Richard Sanchez of Orange County Health Care Agency to proclaim May as National Mental Health Month.**

Director Sanchez provided resources and encouraged discussions to reduce the stigma of mental health issues.

- 9. 19-534 Mayor Peterson presented a commendation to Huntington Beach High School student Ethan Hurst for his recent lifesaving effort on the south side of the Huntington Beach Pier.**

Mr. Hurst shared his experience of placing a drowning swimmer on his surfboard and pushing them to shore, following a procedure he had receiving training in through Surfers Awareness of Lifesaving Techniques (SALT), a program started by the Huntington Beach Marine Safety Division.

- 10. 19-536 Mayor Peterson called on Insurance Services Office (ISO) Western Regional Manager Stephanie Ruscansky who presented the Class 1 Public Protection Classification rating. This rating is based on their recent updated evaluation of our fire department, water division and emergency dispatch center.**

Ms. Ruscansky explained that less than one percent (1%) of the nation's fire departments receive the Class 1 rating. Ratings are done every 5 years, and this year the Huntington Beach Fire Department again received the Class 1 rating.

- 11. 19-535 Special recognition to outgoing Huntington Beach City Manager Fred A. Wilson.**

Mayor Peterson, on behalf of the City Council, presented City Manager Wilson with a surfing sculpture and a commendation signed by each Councilmember, to express the Council's appreciation for his leadership and years of service to the City.

Liz McNabb, District Director for Assemblywoman Cottie Petrie-Norris and Ryan Billings representing Assemblyman Tyler Diep, were called to speak and presented a resolution to recognize City Manager

Fred Wilson's 30 years of community service, exemplary leadership at Huntington Beach, and outstanding record of business and civic leadership. The resolution was also signed by Senators John M. W. Moorlach and Thomas J. Umberg.

Michelle Steele, Orange County Supervisor was called to speak and congratulated Mr. Wilson on surviving under seven elected "bosses" while City Manager for Huntington Beach and presented a proclamation. Supervisor Steele also expressed congratulations to Assistant City Manager Lori Ann Farrell Harrison who just accepted a position as City Manager at Costa Mesa.

City Manager Fred Wilson shared that he has attended 295 Huntington Beach City Council meetings, and recalled that the shortest Council meeting was the first one he ever attended. He also served under 20 different councilmembers. Mr. Wilson shared some of the highlights of his time as City Manager, and complimented the City's team effort which was so evident through the years. Mr. Wilson thanked his staff of Julie Toledo, Antonia Graham, Johanna Dombo, and Cathy Fikes who all helped him be successful.

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:

Consent Calendar

Item No. 15 (19-530)

- 1) Communication entitled *Historic Wintersburg* received from Mary Adams Urashima.
- 2) Two (2) communications received from Casandra Baeza and Chris Epting.

PUBLIC COMMENTS (3 Minute Time Limit) — 34 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>.

Gina Clayton Tarvin, Vice President, Ocean View School District Board of Trustees, and long-time Huntington Beach resident, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:31:38)

Chris Gandall, a resident of Huntington Beach for more than 30 years, was called to speak and described a recent incident where Public Works staff sprayed a pesticide in a tree in Wardlow Park to eliminate bees without posting any notices. Mayor Peterson asked Ms. Gandall to complete a blue card for staff follow-up. (01:35:36)

Bobbi Ashurst was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:38:41)

John Earl, a resident of Huntington Beach, was called to speak and stated his opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:41:52)

Nancy Buchoz, a resident of southeast Huntington Beach, was called to speak and shared her concerns regarding the Ascon Landfill and remediation project which she believes is causing neighborhood air pollution and harmful conditions for residents. (01:44:55)

Skye Wagner was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:48:05)

Lulu Hammad, an Orange County resident, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:51:07)

Sharon Messick was called to speak and stated her concerns regarding the Ascon Landfill and remediation project which she believes is causing neighborhood air pollution and harmful conditions for residents. (01:54:17)

Andy Lewandowski, an Orange County resident for 55 years, was called to speak and stated his opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (01:57:28)

Amory Hanson, member of the Historical Resources Board, and Candidate for City Council in 2020, was called to speak and thanked City Manager Wilson for his service. Mr. Hanson stated support for Ordinances for Introduction, Item 25 (19-541) regarding Ordinance No. 4180 relating to State Video Franchises, and opposition to the public suggestions that the Michael E. Rodgers Seniors' Center be made into a homeless center. (02:00:43)

Kim Sorgente, a long-time resident, was called to speak and shared his opinions related to public discourse at a recent local event at the Huntington Beach Pier. (02:02:26)

Chris Benzen, representing the businesses in the Springdale and McFadden area, was called to speak and shared information that in his opinion shows the area is unsuitable as a homeless center. (02:06:08)

John Redfelli, Bocce Courts 4 HB, was called to speak and stated his support for Consent Calendar Item 18 (19-479) regarding the Murdy Park Reconfiguration Project and planned bocce courts. (02:09:39)

Doug Hein, long-time Huntington Beach resident, was called to speak and stated his opposition to a Navigation Center at 15311 Pipeline Lane, and suggested that City Attorney Gates propose an Ordinance that prohibits the wearing of masks at public events in Huntington Beach. (02:12:33)

Debbi Parrott, a public high school teacher, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:15:37)

Anthony Bouse, a resident of Huntington Beach since 1973, was called to speak and stated his support for Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:17:25)

Jesse S. was called to speak and stated his support for Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:20:13)

Tim Geddes, 35-year resident of south east Huntington Beach, was called to speak and stated his support for Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:22:43)

Karen Hinks, resident of Huntington Beach since 2005, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:25:36)

Lisa Collins was called to speak and stated her support for Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:28:47)

Bethany Webb, a 40-year resident of Huntington Beach, was called to speak and stated her opinions regarding the situation of Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). She also urged the City Council to address racial tension that currently exists in Huntington Beach, and restore decency in our community. (02:32:03)

Ned Lazaro, a 15-year resident of Huntington Beach, was called to speak and stated his opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:34:41)

Sherri Loomer, owner of a business around the corner from the 15311 Pipeline Navigation Center, was called to speak and stated her concerns regarding what she considers as lack of adequate space for the potential number of people and animals to be served. (02:37:12)

Kathleen Rockney, long-time resident of Orange County, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:39:33)

Kristopher Martin was called to speak and stated opinions regarding the situation of Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:42:23)

Beverly Welch was called to speak and stated her opinions regarding the situation of Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:45:32)

Garry Troxell was called to speak and shared his opinions on what he believes was the negligent homicide of Dillan Tabares. (02:48:12)

Lorian Petry, a resident of Corona Del Mar, was called to speak and stated her support for Consent Calendar Item 21 (19-543), specifically related to Action F) Support for Alternative 3 - John Wayne Airport's General Aviation Improvement Program. (02:51:32)

Brian Vea, a 20-year resident of Huntington Beach, was called to speak and stated his opinion regarding public discourse at a recent local event at the Huntington Beach Pier that made him feel threatened, and thanked the Huntington Beach Police Department for their protection. (02:54:36)

Mary Kyle, resident of Huntington Beach, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (02:57:47)

Adrienne Low, a long-time resident of Huntington Beach, was called to speak and stated her opposition to Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (03:00:04)

Kathryn Levassiur, resident of Huntington Beach and founding member of the Huntington Beach Short-Term Rental Alliance, was called to speak and thanked Mr. Wilson for his years of service. Ms. Levassiur also stated her support for Consent Calendar Item 14 (19-439) to approve the March 2019 City of Huntington Beach Strategic Plan Update, specifically related to short-term rentals. (03:01:06)

Diane Dwyer, Marketing Communications Chairwoman, Huntington Beach Assistance League; Chrys Vollmer, President; and Doris Kennedy, President-Elect; in support with David Garafalo and the Huntington Beach Auto Dealers Association, were called to speak and expressed their appreciation to Councilmember Brenden for literally saving the life of a dear friend by properly applying the Heimlich maneuver at the recent Treasures By The Sea fundraising event. (03:03:11)

Joseph Chan was called to speak and stated his opinions regarding the situation of Shayna Lathus being recently relieved of her appointed duties as a member of the Citizen Participation Advisory Board (CPAB). (03:06:32)

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

Mayor Pro Tem Semeta announced her appointment of James (Jim) Michalski as a Public Works Commissioner. Mr. Michalski, a graduate of UCLA and Harvard Law School, is a practicing attorney with construction law experience and a good understanding of statutory and regulatory requirements regarding State Public Works law. Mayor Pro Tem Semeta reported on a recent meeting of the Public Cable Television Authority (PCTA) and that Huntington Beach is moving forward to ending its relationship with that joint powers authority, and providing our own local cable programming, including asking the public for their input.

Councilmember Brenden reported speaking with the Huntington Beach Police Officers' Association (HBPOA) representative regarding items that were unrelated to contract negotiations.

Councilmember Posey reported attending a South Orange County Economic Coalition Data and Market Analysis presentation; League of Cities Legislative Action Day, travelling to Sacramento with Councilmember Carr to meet with Assemblywoman Sharon Quirk-Silva, Senator Tom Umberg, Assemblyman Tyler Diep, and Assemblywoman Cottie Petrie-Norris to advocate for funding to replace safety railing along the bike trail on the State beach, and SB 2 funding for the Navigation Center, and watched live streaming of additional legislative meetings; Southern California Association of Government (SCAG) Regional Conference and General Assembly; and a Regional Housing Needs Assessment (RHNA) Subcommittee meeting.

Councilmember Carr reported attending the League of Cities Legislative Action Day, travelling to Sacramento and meeting with Assemblywoman Sharon Quirk-Silva, Senator Tom Umberg, Assemblyman Tyler Diep, and Assemblywoman Cottie Petrie-Norris as well as meeting with staff

members from Senator John Moorlach's office, Speaker Anthony Rendon, Mayor Darrell Steinberg and Assemblyman Miguel Santiago. She reported also attending the OC Tax lunch with a presentation describing where property taxes go, a presentation that is available online at www.ocauditor.com. Councilmember Carr also reported communications with the Huntington Beach Police Officers' Association (HBPOA) and the Huntington Beach Firefighters' Association (HBFA).

Councilmember Delgleize reported attending an Orange County Transit Authority (OCTA) Board meeting where it was reported that the Slater Bridge would open by the end of the year; attending the Association of California Cities - Orange County (ACC-OC) Conference; and meeting with the Huntington Beach Police Officers' Association (HBPOA) representative regarding the contract.

Councilmember Hardy reported traveling to Sacramento and attending a Coastal Cities Group Leadership Committee meeting to plan strategy for communicating with the Coastal Commission regarding short-term rentals and allowing cities to create their own regulations, and dealing with sea level rise.

Mayor Peterson appointed Councilmember Carr as liaison to the Specific Events Committee.

CITY MANAGER'S REPORT — Manager Wilson acknowledged the return of Community Services Director Marie Knight, and thanked Chris Slama for serving as Interim CS Director during Marie's absence.

CITY TREASURER'S REPORT

12. 19-526 Received and filed the City Treasurer's March 2019 Quarterly Investment Summary Report

City Treasurer Alicia Backstrom presented a PowerPoint communication entitled *City of Huntington Beach Quarterly Treasurer's Report for the Quarter Ending March 31, 2019*, with slides entitled: *Economic and Market Overview - At 3/31/19, Interest Rates — 2-year/5-year/10-year Treasury, Treasurer's Mission: Preservation and Return OF Investments, Portfolio Summary As of 3/31/19, Investments by Type As of March 31, 2019, Monthly Portfolio Earnings — April 2018 to March 2019, Portfolio Earnings - As of March 31, 2019, and Compliance.*

A motion was made by Posey, second Delgleize to receive and file the City Treasurer's Quarterly Investment Report for March 2019, pursuant to Section 17.0 of the Investment Policy of the City of Huntington Beach.

The motion carried by the following vote:

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

CONSENT CALENDAR

Councilmember Hardy stated her "No" vote for Item 15.

13. 19-505 Approved and Adopted Minutes

A motion was made by Posey, second Delgleize to approve and adopt the City Council/Public Financing Authority regular meeting minutes dated April 15, 2019, as written and on file in the office of the City Clerk.

The motion carried by the following vote:

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

14. 19-439 Approved the March 2019 City of Huntington Beach Strategic Plan Update

A motion was made by Posey, second Delgleize to approve the March 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

15. 19-530 Approved the Dissolution of the Ad Hoc Historic Wintersburg Committee

A motion was made by Posey, second Delgleize to dissolve the Ad Hoc Historic Wintersburg Committee.

The motion carried by the following vote:

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

16. 19-523 Adopted Resolution No. 2019-20 adopting an amended Uniform Bail Schedule for Parking Violations

A motion was made by Posey, second Delgleize to adopt Resolution No. 2019-20, "A Resolution of the City Council of the City of Huntington Beach Adopting an Amended Uniform Bail Schedule for Parking Violations."

The motion carried by the following vote:

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

17. 19-512 Accepted the lowest responsive and responsible bid and authorize execution of a construction contract with Sancon Engineering, Inc. in the amount of \$503,179 for the Fiscal Year 18/19 Sewer Lining Project, CC-1570

A motion was made by Posey, second Delgleize to accept the lowest responsive and responsible bid submitted by Sancon Engineering, Inc. in the amount of \$503,179; 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

18. 19-479 Accepted the lowest responsive and responsible bid and authorized execution of a construction contract with C.S. Legacy Construction, Inc. in the amount of \$1,205,095 for the Murdy Park Reconfiguration Project, CC-1587

A motion was made by Posey, second Delgleize to accept the lowest responsive and responsible base bid submitted by C.S. Legacy Construction, Inc. in the amount of \$1,205,095; 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

19. 19-430 Approved Final Tract Map No. 18147 and Subdivision Agreement for the Windbourne Residential Subdivision by TRI Pointe Homes, Inc. at 14422 Hammon Lane

A motion was made by Posey, second Delgleize to approve Final Tract Map No. 18147 and accept the dedication in fee of Lot E and accept the offer of easements on Lot A 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 TRI Pointe Homes, Inc. (Attachment No. 6); and, accept Faithful Performance Bond No. PB03010405878, Labor and Material Bond No. PB03010405878 and Monument Bond No. PB03010405837 as sureties for the installation of the subdivision's required public improvements and survey monumentation (Attachment No. 7); and, instruct the City Clerk to file the respective bonds with the City Treasurer and notify the Surety, Philadelphia Indemnity Insurance Company of this action.

The motion carried by the following vote:

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

20. 19-450 Approved and authorized execution of an Agreement with WeatherFlow, Inc. for a Weather Station located at Lifeguard Tower Zero

A motion was made by Posey, second Delgleize to approve and authorize the Fire Chief and City Attorney to execute the "Site Use Agreement" with WeatherFlow, Inc. for the installation of a Weather Station at Lifeguard Tower Zero.

The motion carried by the following vote:

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

Mayor Peterson opened the Public Hearing.

Public Speakers – None

City Clerk Robin Estanislau announced receipt of a Supplemental Communication following distribution of the Council agenda packet, a PowerPoint communication entitled *CDBG Annual Action Plan Amendment - May 6, 2019* received from Kellee Fritzel, Deputy Director of Economic Development.

There being no speakers, Mayor Peterson closed the Public Hearing.

A motion was made by Posey, second Brenden to approve Substantial Amendment No.2 to the City of Huntington Beach Fiscal Year 2018-19 Annual Action Plan for the Community Development Block Grant (CDBG) and HOME Investment Partnership Programs; and, authorize the City Manager to sign all necessary documents after review by the City Attorney.

The motion carried by the following vote:

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

NOES: Peterson

ADMINISTRATIVE ITEMS

24. 19-531 Received report on Refuse Collection Franchise Agreement to Rainbow Disposal Company Inc./Republic Services, and approved issuance of a Notice of Termination of Annual Extension letter converting the Franchise Agreement to a 15-year fixed term, with a 3-year notice period

City Manager Wilson introduced Director of Public Works, Travis Hopkins, who provided a *Status Summary of Negotiation Items* (2) and General Manager, Chris Kentopp from Republic Services who presented a PowerPoint communication with slides titled: *Market Trends - China National Sword Explained, Market Impacts of China Sword* (2), *Post China - Shift in Commodity Markets, Post China - Dramatic Shift in Values, and Economic Impact / Other Consideration*.

Councilmember Delgleize and Mr. Kentopp discussed changes needed in recycling, and Republic Services long-term plan to move to a model of service where there is an opportunity to share in the profit as well as the risk.

Mayor Pro Tem Semeta, staff and Mr. Kentopp discussed evergreen contracts, which appear to be more prevalent in California than other parts of the country. In Orange County, out of 34 cities, nine have evergreen contracts. Mayor Pro Tem Semeta and Mr. Kentopp discussed some of the factors that determine the rate that each city pays for refuse collection services.

Councilmember Posey and Director Hopkins discussed the number of refuse collection providers in Orange County and the fact that some of those providers also have evergreen contracts. Councilmember Posey and Mr. Kentopp discussed that the cost for the assets the vendor provides can be more reasonably priced for the residents through a long-term franchise agreement, and evergreen contracts offer price protection, price stability, and help to eliminate truck traffic, among other things.

Councilmember Delgleize asked if there could be an "apples to apples" comparison with other service providers and Mr. Kentopp replied that he could at best only produce a speculative response, as he is not privy to all of the necessary details for other providers.

Councilmember Brenden and Mr. Kentopp discussed how market conditions related to recyclables definitely affects rates, especially since in the current market refuse providers must rely more on rate revenue rather than recycle revenue. Mr. Kentopp explained that hopefully the future will include new technologies and better practices by the refuse industry which will create a product that sells here, creates jobs here and provides a local tax base.

Councilmember Posey asked about the negotiation process and Mr. Kentopp stated that this economy is entirely different than when the previous agreements were reached, and therefore it is not currently economically feasible to continue to do the same thing. Councilmember Posey and Mr. Kentopp discussed that if the City decides to issue a notice of termination, Rainbow/Republic Services would continue with discussions to reach an equitable agreement; and whether there is any relief mechanism for Rainbow/Republic Services to ask to be released from an evergreen agreement for an opportunity to start over from scratch given the changes in the recycling market; and increased costs related to upcoming regulations related to waste management.

Mayor Peterson stated he has no doubt that technology will change over the next 18 years, and clarified that no one has ever questioned the level of service provided by Rainbow/Republic Services, but having a contract that never ends, and where there is no competition, in his opinion, must be stopped.

A motion was made by Peterson, second Semeta to approve the issuance of the Notice of Termination of Annual Extension letter to Rainbow Disposal Company Inc./Republic Services, converting the franchise agreement to a 15-year fixed term with a 3-year notice period.

A substitute motion was made by Posey, second Brenden to approve the issuance of the Notice of Termination of Annual Extension letter to Rainbow Disposal Company Inc./Republic Services, converting the franchise agreement to a 15-year fixed term with a 3-year notice period, ***as amended to authorize the City Manager to sign the letter on behalf of the City.***

The substitute motion carried by the following vote:

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

ORDINANCES FOR INTRODUCTION

25. 19-541 Approved for Introduction Ordinance No. 4180 repealing Ordinance No. 4130 and adding Chapter 3.50 to the Huntington Beach Municipal Code relating to State Video Franchises

City Manager Wilson introduced this item by stating this is part of the Public Cable Television Authority (PCTA) dissolution process, and will allow providers to remit funds directly to the City rather than to the PCTA as of July 1, 2019.

A motion was made by Peterson, second Semeta to, after the City Clerk reads by title, approve for introduction Ordinance No.4180, "An Ordinance of the City Council of the City of Huntington Beach Repealing Ordinance No. 4130 and Adding Chapter 3.50 to the Huntington Beach Municipal Code Relating to State Video Franchises."

The motion carried by the following vote:

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

NOES: None

COUNCILMEMBER COMMENTS (Not Agendized)

Councilmember Brenden reported meeting with Congressman Harley Rouda to discuss jet noise issues; attending the Orange County Realtors Local Government Relations Committee meeting; the Association of California Cities - Orange County (ACC-OC) Board of Directors installation reception where Councilmember Delgleize was sworn in for another year of service; 29th Annual Easter Hunt event and Kiwanis Family Fun Day; speaking at the Huntington Harbour Republican Women's Federation lunch; holding the third meeting of a new co-ed Explorer Post in Huntington Beach which is focused on careers in aviation and aerospace; attending an ACC-OC Legislative and Regulatory Affairs Committee meeting where he was nominated for the Vice Chair position by Councilmember Delgleize; the Cow-A-Bunga Van Clan VW Bus Show on the Pier; Town Hall on Infrastructure hosted by Orange County Supervisor Michelle Steel, Assemblyman Tyler Diep, and Councilmember Posey; Eagle Court of Honor for Isaac Rocha, Trenton Carter, and Noah Rivers from Troop 319; the Taste of Huntington Beach in support of The Friends of the Library; Southern California Association of Government (SCAG) Regional Conference; participating in the blood drive organized by Community Services Director Marie Knight; Town Hall hosted by Congress members Harley Rouda and Katie Porter on immigration; helped at the Cars and Copters Event sponsored by the Huntington Beach Police and Community Foundation; he congratulated Assistant City Manager Lori Ann Farrell Harrison on her new position as City Manager, Costa Mesa; expressed gratitude and appreciation to City Manager Fred Wilson for his years of service to the City; and requested a moment of silence when adjourning this meeting in memory of the victims of the Poway Synagogue shooting that recently occurred in San Diego County.

Councilmember Hardy reported that her father retired after 48 years of service as a mail carrier in Orange County; thanked Assistant City Manager Lori Ann Farrell Harrison for her service and congratulated her on the new position as City Manager for Costa Mesa; and thanked City Manager Fred Wilson for his service and congratulated him on his retirement.

Councilmember Carr reported touring Radiant Health Center, Irvine, formerly known as Aids Research Foundation - Orange County, which provides resources for the LGBTQ community, and announced that this year's Aids Walk is in Huntington Beach on June 1, starting at 8:30 a.m.; attending the Taste of Huntington Beach; Cow-A-Bunga Van Clan VW Bus Show on the Pier; lunch with Congressman Harley Rouda as part of his OC Hot Spots Tour; and a Sierra Club event that featured speakers Congressional representatives Harley Rouda, Katie Porter and Mike Levin.

Councilmember Delgleize thanked Mr. Sanchez, Director of the Orange County Health Care Agency, for accepting the City's proclamation acknowledging May as National Mental Health Month; and expressed her condolences to the family of Orange County icon Mr. Bill Bowermaster, and stated that the Bowermaster family always improved any city they ever lived in.

Councilmember Posey reported meeting with Assemblywoman Cottie Petrie-Norris and other local elected officials to discuss homeless issues; attending the Taste of Huntington Beach event; Orange County Supervisor Michelle Steel's Town Hall Public Works Update where Antonia Graham provided an awesome presentation; Southern California Association of Government (SCAG) Regional Conference; participating in the Dunk Tank; attending the Cars and Copters Event; an APV Pro Volleyball event;

reminded everyone that May is Motorcycle Awareness month; and expressed his condolences to the family of surfing icon Mike Doyle.

Mayor Pro Tem Semeta reported speaking at the Rotary Club about the City's parks; attending the 29th Annual Easter Hunt and Kiwanis Family Fun Day; the Grand Opening for Starbucks at Springdale and Warner; a Harbor Commission meeting; Anderson Art Gallery signing; the Taste of Huntington Beach and congratulated Sophia Panter, who for the fourth consecutive year won the Children's Writing Contest; and shared her appreciation to Mr. Wilson for his service as City Manager.

Councilmember Posey thanked Assistant City Manager Lori Ann Farrell Harrison for her leadership and financial acumen; thanked Mr. Wilson for his inspiration and leadership as City Manager, and expressed his best wishes to both.

Mayor Peterson reported attending the 29th Annual Easter Hunt and Kiwanis Family Fun Day and participating in Dunk the Mayor; welcomed the newest class for the Citizens Academy provided by the Huntington Beach Police Department; attending the Annual Prayer Breakfast; and the Cars and Copters Event.

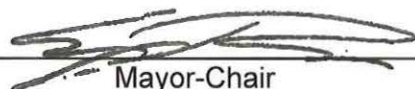
ADJOURNMENT — 9:32 PM, after a moment of silence, as requested by Councilmember Brenden, for victims of the Poway Synagogue Shooting that occurred in San Diego County, to the next regularly scheduled meeting of the Huntington Beach City Council/Public Financing Authority on Monday, May 20, 2019, at 4:00 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