

MINUTES
CITY COUNCIL MEETING
MAY 27, 2008

A regular meeting of the City Council of the City of Rolling Hills Estates was called to order at 6:40 p.m. in the City Council Chambers, 4045 Palos Verdes Drive North, by MAYOR ZERUNYAN.

At 6:40 p.m., the CITY COUNCIL convened into closed session.

14. CLOSED SESSION (Taken out of order)

B. DISCUSSION WITH RESPECT TO PERSONNEL MATTERS
(Pursuant to Government Code Section 54957)

1. QUARTERLY CITY MANAGER PERFORMANCE EVALUATION

NO ACTION WAS TAKEN

At 7:40 p.m., the COUNCIL reconvened with MAYOR ZERUNYAN, MAYOR PRO TEM MITCHELL, COUNCILMAN ADDLEMAN, COUNCILWOMAN SEAMANS and COUNCILMAN ZUCKERMAN present.

PLEDGE OF ALLEGIANCE

The Palos Verdes AYSO led the assembly in the Pledge of Allegiance to the Flag.

ROLL CALL

City Council Members Present: Addleman, Mitchell, Seamans, Zerunyan, Zuckerman

City Staff Present: City Manager Doug Prichard
City Attorney Kristin Pelletier
Assistant City Manager Sam Wise
Planning Director David Wahba
Community Services Director Andy Clark

Others Present: Sheri Clewis, Park and Activities Commission

4. CEREMONIAL ITEMS

NONE

5. ROUTINE MATTERS

A. CITY COUNCIL MINUTES OF MAY 13, 2008

COUNCILWOMAN SEAMANS moved, seconded by COUNCILMAN ADDLEMAN

TO APPROVE THE CITY COUNCIL MINUTES OF MAY 13, 2008 AS PRESENTED.

THERE BEING NO OBJECTION, MAYOR ZERUNYAN SO ORDERED.

B. DEMANDS AND WARRANTS – MAY

COUNCILMAN ADDLEMAN moved, seconded by COUNCILWOMAN SEAMANS

TO APPROVE WARRANTS 43902 THROUGH 43951 FOR A GRAND TOTAL AMOUNT OF \$249,756.97 WITH PROPER AUDIT.

AYES: Addleman, Mitchell, Seamans, Zerunyan, Zuckerman

6. CONSENT CALENDAR

COUNCILWOMAN SEAMANS moved, seconded by MAYOR PRO TEM MITCHELL

TO APPROVE ITEMS A AND B.

A. READING OF ORDINANCES AND RESOLUTIONS

Reading in full of all ordinances and resolutions presented for consideration to the City Council will be waived and all such ordinances and resolutions will be read by title only.

APPROVED.

B. APRIL 2008 SCHEDULE OF INVESTMENTS

Recommendation: That the City Council receive and file the Schedule of Investments report for the month.

RECEIVED AND FILED.

THERE BEING NO OBJECTION, MAYOR ZERUNYAN SO ORDERED.

7. AUDIENCE ITEMS NOT ON THE AGENDA/WRITTEN AND ORAL COMMUNICATIONS

A. Susan Johnson, Rolling Hills Covenant Church, noted she submitted a letter to the COUNCIL regarding their desire to be waived from the revised banner regulations. She stated that these banners provide continuous information for activities the Church offers throughout the year.

B. Melody Colbert, Citizens' Advisory Board (CAB), noted that they have formulated recommendations as a result of the work they have undertaken over the last few years for presentation to the COUNCIL and requested being placed on a future agenda.

- C. Joan Davidson, CAB Member, requested COUNCIL consideration to meet with their group without the Los Angeles County Sanitation Districts present.

Mrs. Davidson referred to an incident that took place at the PV Landfill where a peculiar smell was observed. She noted that she contacted the Air Quality Management District (AQMD) and they came out to investigate.

8. PUBLIC HEARINGS/MEETINGS

8:00 P.M.

NONE

9. NEW BUSINESS

- A. PARK AND ACTIVITIES COMMISSION MINUTES OF MAY 20, 2008

MAYOR PRO TEM MITCHELL moved, seconded by COUNCILMAN ADDLEMAN

TO RECEIVE AND FILE THE PARK AND ACTIVITIES COMMISSION MINUTES OF MAY 20, 2008.

THERE BEING NO OBJECTION, MAYOR ZERUNYAN SO ORDERED.

At 8:18 p.m., the CITY COUNCIL convened into closed session.

14. CLOSED SESSION (Taken out of order)

- A. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
(Pursuant to Government Code Section 54956.9(a)) update report on pending litigation: City of Rolling Hills Estates v. Linares status

NO ACTION WAS TAKEN

At 8:37 p.m., the COUNCIL reconvened with MAYOR ZERUNYAN, MAYOR PRO TEM MITCHELL, COUNCILMAN ADDLEMAN, COUNCILWOMAN SEAMANS and COUNCILMAN ZUCKERMAN present.

10. OLD BUSINESS

- A. PUBLIC FACILITIES IMPACT FEE STUDY FOR PENINSULA CENTER COMMERCIAL DISTRICT
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Recommendation: That the City Council direct staff to prepare the appropriate ordinance/resolutions authorizing the establishment of public impact fees and fee levels. Staff further recommends that fee levels be set as the maximum justifiable fee for parks and recreation,

traffic, library, and General Plan purposes as described in the May 16, 2008 Public Impact Facilities Fee Report prepared by MuniFinancial.

Planning Director Wahba provided a staff report (as per agenda material).

Bob Spencer, MuniFinancial, addressed the COUNCIL in response to a number of questions regarding the methodology.

COUNCILMAN ZUCKERMAN inquired if a surcharge could be factored into a traffic impact mitigation fee for construction related to street degradation. Mr. Spencer responded that it would be wise to speak to legal counsel on this item.

City Attorney Kristin noted that this item would need to be analyzed.

COUNCILMAN ZUCKERMAN stated that guidelines would be needed to determine the correct assessment on housing units regardless of whether or not they were developed.

Mr. Spencer noted that over the City's 10 year growth, it is unlikely that the City would over assess the traffic fee. Additionally, he noted that there is a risk of under funding and strongly recommended that the City update the study periodically.

COUNCILMAN ZUCKERMAN noted his concern with the "first" company paying the larger impact fee while other firms coming in after that would pay a lesser fee. He asked if there was a way to provide some relief in an effort to be fair to all firms.

City Attorney Pelletier noted that she has never seen this done because the practice is not to over assess in the first place.

MAYOR ZERUNYAN commented that this is not the first time a City Council has dealt with this issue. He inquired as to how this COUNCIL can move forward with some level of consistency for those who may want to engage in development and how the City is protected in making sure that problems with respect to traffic are not under funded.

Mr. Spencer reiterated that this is not an unusual situation. He stated the best way to move forward is with a funding plan. With regards to the uncertainty that may lead to changes, he stated that it should be reviewed approximately every two years as traffic is the only fee that would be affected by the amount of growth projected.

Erik Zandvliet, Traffic Engineer, noted that all of these items do not need to be done at once as the City has control over what to improve or not.

MAYOR ZERUNYAN commented that it is better to start generating revenue from approved projects and then reevaluate them at a later time.

COUNCILMAN ZUCKERMAN suggested recalibrating the study to move forward. Mr. Spencer recommended tying this in with the technical analysis.

Planning Director Wahba noted that the CEQA analysis will determine the negative impacts.

City Manager Prichard noted that if the COUNCIL wishes to replace the denominator to the point where it is defensible on the sensitivity analysis with the lower number being 450.

MAYOR PRO TEM MITCHELL recommended using this as a starting point and then reevaluate at a later date. She noted her belief that the 450 unit denomination is reasonable and defensible.

Mr. Zandvliet noted the 133 units already approved are included in the 459 units that were analyzed.

MAYOR PRO TEM MITCHELL moved, seconded by COUNCILWOMAN SEAMANS

TO DIRECT STAFF TO PREPARE THE APPROPRIATE ORDINANCE/RESOLUTIONS AUTHORIZING THE ESTABLISHMENT OF PUBLIC IMPACT FEES AND FEE LEVELS AND THAT FEE LEVELS BE SET AS THE MAXIMUM JUSTIFIABLE FEE FOR PARKS AND RECREATION, TRAFFIC, LIBRARY, AND GENERAL PLAN PURPOSES AS DESCRIBED IN THE MAY 16, 2008 PUBLIC IMPACT FACILITIES FEE REPORT PREPARED BY MUNIFINANCIAL AND REVISE THE TRAFFIC IMPACT FEE WITH THE SENSITIVITY ANALYSIS USING THE LOWEST LEVEL OF DEVELOPMENT ASSUMED IN THE REPORT.

AYES: Addleman, Mitchell, Seamans, Zerunyan, Zuckerman

City Manager Prichard noted that staff will be working with the City Attorney to bring back the appropriate documentation.

Alex Rose, Continental Development, inquired if an ordinance would be subject to a public hearing. City Attorney Pelletier noted she will investigate this further.

B. PLANNING APPLICATION NO. PA-16-07; APPLICANT: MR. TED WYNNE; LOCATION: 927 DEEP VALLEY DRIVE

Recommendation: That the City Council continue this item to the City Council meeting of June 10, 2008.

After brief discussion, COUNCILMAN ADDLEMAN moved, seconded by COUNCILMAN ZUCKERMAN

TO CONTINUE THIS ITEM TO THE COUNCIL MEETING OF JUNE 24, 2008.

AYES: Addleman, Mitchell, Zerunyan, Zuckerman

NOES: Seamans

COUNCILWOMAN SEAMANS noted her disappointment that this application is being postponed for another month.

11. CITY ATTORNEY ITEMS

NONE

12. CITY COUNCIL/REGIONAL COMMITTEE REPORTS: This item provides the opportunity for Members of the City Council to provide information and reports to other Members of the City Council and/or the public on any issues or activities of currently active Council Committees, ad hoc committees, regional or state-wide governmental associations, special districts and/or joint powers authorities and their various committees on which Members of the City Council might serve or have an interest, which are not otherwise agendized.

- A. MAYOR PRO TEM MITCHELL reported on her attendance at the Budget Action Days briefing in Sacramento.
- B. COUNCILMAN ADDLEMAN inquired about the mitigated negative declaration for 927 Deep Valley Drive (Wynne). City Manager Prichard noted that a presentation will be made to the COUNCIL on the technical aspects of the project at the meeting of June 24, 2008.

13. MAYOR AND COUNCIL ITEMS: This item provides the opportunity for Members of the City Council to request information on currently pending projects and/or issues of public concern, direct that an item be agendized for future consideration and/or make announcements of interest to the public.

- A. MAYOR PRO TEM MITCHELL announced that the Palos Verdes Street Fair will take place on May 30-June 1 with an “environmentally conscious theme.”

MAYOR ZERUNYAN encouraged everyone to attend and support the merchants.

- B. MAYOR ZERUNYAN noted that the California Contract Cities Association Municipal Seminar will take place over the weekend and thanked everyone for their support as well as the sponsors who contributed to the conference. Additionally, it was noted that MAYOR ZERUNYAN is poised to become President of the CCCA.

15. ADJOURNMENT TO BUDGET STUDY SESSION SCHEDULED FOR TUESDAY, JUNE 3, 2008 IN THE CITY HALL COUNCIL CHAMBERS

At 10:00 p.m., MAYOR ZERUNYAN formally adjourned the City Council meeting to the Budget Study Session scheduled for Tuesday, June 3, 2008 in the City Hall Council Chambers.

Submitted by,

Approved by,

Hope J. Nolan
Deputy City Clerk

Douglas R. Prichard
City Clerk