

## **Post-Meeting Summary of the July 24, 2018, City Council Meeting:**

(Post Date: 7/25/18)

*The July 24, 2018 City Council meeting, as anticipated, was a long one! The meeting, inclusive of the study session (workshop) with the Finance Advisory Committee included several policy discussions and informative topics that upon reading the staff reports ([view agenda here for the 7:30 p.m. business meeting](#) and view [the 5:00 p.m. study session here](#)) and watching the webcast ([here for the 7:30 p.m. business meeting](#)), the community may find interesting. A variety of actions were made by the City Council in continuing support and direction of moving the City forward.*

*The meeting started with a historical overview of specific parts of the City's annual financial reports and the Finance Advisory Committee's proposed work plan through June 2019. In accepting the direction of the work plan, the City Council additionally shared guidance that the Committee, with staff, shall prioritize:*

- (1) the City's Reserve Policy,*
- (2) the City's asset inventory, valuation, and depreciation schedule, and*
- (3) the long-term, 10-year, fiscal needs of the City for infrastructure, facility and maintenance projects (Capital Improvement Projects, or CIPs).*

*Mindful that much City time and effort has been spent for more than the last year making over \$1 million in operating cost reductions, and cognizant that the Finance Advisory Committee will be reviewing City operations, the City Council also tasked the Ad Hoc Committee of Mayor Pro Tem Kao and Council Member Vandever to provide direct guidance, background and perspective to the Finance Advisory Committee's "Operations Ad Hoc Committee" (Vice Chair Young and Committee Member McGowan) about previous research and determinations, existing information and current Council positions.*

*The Finance Advisory Committee is aiming to complete its analysis and evaluation of the 2018-2019 budget and CIP, and needs to provide options for each to the Council in December 2018 and January 2019, respectively.*

*At the business meeting, the City was presented an economic analysis study by representatives of the non-profit organization of Lambda Alpha International (LAI) about potential opportunities to enhance and strengthen the community value of Malaga Cove Plaza. Mindful of maintaining the character of the plaza, serving just local clientele, and the public/private nature of the space, the study focused on tenancy, parking, pedestrian circulation, aesthetics, facilities, and lighting that could maximize the plaza's commercial viability and neighborhood vitality. As simply a presentation of the findings, the report was "received and filed."*

*As previously discussed by the City Council in June, a draft proposed ordinance was presented to tailor State requirements for Accessory Dwelling Units (ADUs) to properties in Palos Verdes Estates. Until PVE adopts its own ordinance (that is within the parameters of the State*

requirements), the City is implementing and is compelled to follow the State statute. Several additional questions were raised for refining ADU requirements and as such, the introduction of the ordinance was continued to a future meeting. Staff is aiming to introduce an updated ordinance at a City Council meeting in September.

The City of Palos Verdes Estates is fortunate to have four properties, operated by concessionaires, for recreational activities (Palos Verdes Golf Club, Palos Verdes Tennis Club, Palos Verdes Beach and Athletic Club, and Palos Verdes Stables). The agreement with the concessionaire for the PV Stables will be expiring and as such, the City Council was in consensus at the meeting to refine the concession agreement and determine if the existing concessionaire or other concessionaires would be interested in operating and maintaining the facility. Recognizing that the City would like to continue with a concessionaire who provides full operational and management control of stable services, and that residents desire enhanced facilities, ring time, and maintenance of the stables, the City Council further shared an openness to changes in fees, rates, and other terms to meet community interests and achieve the services desired by residents.

With limited sources of revenue available to the City, we are continually seeking outside funding sources. One that recently came to the City's attention was Southern California Edison (SCE) "Rule 20 A" credits. Based on very specific and narrow conditions, the credits can be used for undergrounding overhead utility lines. As described in the staff report, PVE has only five qualified projects. Not only are each very expensive for the removal of a few poles, the community-wide public benefit may not be significant by their removal. As such, the City Council considered the "exchange" of the credits with the City of Rolling Hills. PVE has just over \$1,125,000 accumulated credits for which Rolling Hills has offered \$0.60 per \$1.00 credit for up to \$1 million. In turn, the exchange would realize a one-time revenue of \$600,000 that could be used by PVE for a community wide project or benefit (such as an advance payment to the unfunded accrued liability for employee pensions). The City Council is interested in knowing if a better exchange rate can be negotiated and staff was directed to return with this item at a future City Council meeting.

Finally, if you have an interest in serving on the City's Investment Policy Advisory Committee, now is the time to apply. At the meeting, the City Council concluded to accept applications through August and schedule interviews thereafter. Information about the Committee can be read [here](#) and the application can be found [here](#).

If you have any questions about the meeting, the staff reports are on the City's website (please see links above). We also welcome you to attend Council meetings; they are held in the Council Chambers at 340 Palos Verdes Drive West. Please also don't hesitate to call City Hall.

The City Council will next be meeting in September. Hope you enjoy the summer.

Sincerely,

Tony