

September 14, 2010
6:30 P.M.
Council Chambers of City Hall
340 Palos Verdes Dr. West
Palos Verdes Estates

**AGENDA
OF A REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
PALOS VERDES ESTATES, CALIFORNIA**

Copies of the staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the office of the City Clerk and are available for public inspection. If applicable, materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's office during normal business hours. Any person having any question concerning any agenda item may call the City Clerk to make inquiry concerning the item. Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk at 310-378-0383, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

The City Council welcomes and encourages public participation at the Council meetings; however, to allow for the orderly progression of business, each person wishing to comment or make a presentation shall be limited to three (3) minutes. Anyone wishing to address the City Council must fill out a green speaker's card available at the end of each row in the Chambers. The card permits the City to identify persons for purposes of City Council minute preparation. Please see specific agenda sections below for any other requirements related to meeting participation. The City Council, at the direction of the Mayor with concurrence of the Council, may modify the order of items shown on the agenda.

**NEXT RESOLUTION NO. R10-18
NEXT ORDINANCE NO. 10-698**

CALL TO ORDER

PUBLIC COMMENT ON CLOSED SESSION ITEM

CLOSED SESSION (6:30 p.m. – 7:30 p.m.)

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

This time has been set aside for the City Council to meet in a closed session to discuss the matter listed below pursuant to Government Code Section 54957.6. The Mayor or City Attorney will give an additional oral report regarding the closed session at the beginning of the regular City Council meeting.

• CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6

Agency designated representatives: City Manager Hoefgen, Assistant City Manager Smith, Administrative Analyst Davis, Attorney Tiedemann

Employee Organization: Palos Verdes Estates Police Officers Association

At the conclusion of the Closed Session, the Council may continue any item listed on the closed session to the Open Session agenda for discussion or to take formal action as it may deem appropriate.

PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR'S REPORT – Matters of Community Interest

CEREMONIAL MATTERS

- Swearing-In of Police Captain John Eberhard (Chief Dreiling)
- Certificate of Recognition presented to Mr. Arlo Sorensen, Chairman, Whittier Trust Company, for the Confidence Foundation's financial contribution supporting the City's Police Department K-9 Program. (Mayor Humphrey)

CONSENT AGENDA (Items 1-6 a-g)

All items under this heading are considered to be routine and will be enacted by one motion, unless a Councilmember, staff, or member of the public requests that an item be removed for separate discussion. An applicant or interested citizen who wishes to appeal any Planning Commission decision (Item #6a-g) may file an appeal with the City Clerk's office within 15 days after the date of the Planning Commission's decision.

Any item removed from the Consent Agenda will be considered immediately following the motion to approve the Consent Agenda.

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

1. City Council Minutes of July 27, 2010

Recommendation: Review and File.

2. Treasurer's Monthly Report – July 2010

Recommendation: Receive and File.

3. Resolution R10-16; Approving a Fund Transfer and Re-Designating the Balance of Proposition 1B Funds for Use on the FY 2010-11 Overlay Project

Recommendation: It is recommended that the City Council adopt Resolution R10-16 approving a transfer of Proposition 1B funds in the amount of \$243,457 from Gas Tax fund to the Capital Fund for eligible costs related to the PVDW Remediation Project and re-designate the balance of available Proposition 1B funds in the amount \$83,256 for use on the City's FY 2010-11 Overlay Project.

4. Approval of Amendment to FY 2010-11 Capital Budget of the Palos Verdes Beach and Athletic Club

Recommendation: It is recommended that the City Council approve an amendment to the PVBAC FY 10-11 Capital Budget in the amount of \$6,000 for emergency repairs to the sewer lift system.

5. Special Event Application for the Lunada Bay Homeowners Association to Host a "Meet & Greet" at Lunada Bay Park

Recommendation: It is recommended that the City Council approve the request to allow the Lunada Bay Homeowners Association to host a "Meet & Greet" at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.

6. Planning Commission Actions of August 17, 2010

Recommendation: Receive and file.

- a. **NC-1392-10;** Consideration of a Neighborhood Compatibility Application for additions to the single family residence located at 2713 Via Elevado. Lot 4, Block 1730, Tract 7540.

Applicant: Bruce Krause
777 Silver Spur Rd., #135
Rolling Hills Estates, CA 90274
Owner: Ted & Margaret Chen

Action: Approved (3-0; Chang and Thomas absent) with standard conditions.

- b. **M-781-10;** Consideration of a Miscellaneous Application for a structure exceeding the maximum allowable height at the single family residence located at 2240 Via Acalones. Lot 9, Block 1635, Tract 7330.

Applicant/Owner: Anton & Eva Wijenayake

Action: Approved (3-0) with standard conditions.

- c. **CDP-78/NC-1375/GA-1463/M-744-09;** Consideration of Coastal Development Permit, Neighborhood Compatibility, Grading and Miscellaneous Applications for a new single family residence located at 2717 Paseo Del Mar. Lot 6, Tract 19787.

Applicant: Ashai Design Corp.
21515 Hawthorne Blvd., #975
Torrance, CA 90503
Owner: Masih Hakimpour & Marzieh Daneshvar
1624 Via Lazo
Palos Verdes Estates, CA 90274

Action: Approved (3-0) with standard conditions and the following additional conditions: 1) All structures, including the deck and walls lining the walkway, in the adjacent parklands need to be removed to the City's satisfaction prior to the issuance of any building permits on the property; 2) The open fence and planting along the south property line are not to exceed 4 ft. in height; 3) Miscellaneous application M-744-09 is denied.

- d. **M-776-10;** Consideration of a Miscellaneous Application for a structure exceeding the maximum allowable height at the single family residence located at 2508 Via Pinale. Lot 20, Block 1713, Tract 6885.

Applicant: Bizhan Khaleeli
27823 Montereina Dr.
Rancho Palos Verdes, CA 90275
Owner: John & Daphnie DeLangre

Action: Approved (3-0) with standard conditions.

- e. **M-767-10;** Consideration of a Miscellaneous Application for structures exceeding the maximum allowable height at the single family residence located at 1549 Via Lopez. Lot 5, Block 8, Tract 7334.

Applicant: Ashai Design Corp.
21515 Hawthorne Blvd., #975
Torrance, CA 90503
Owner: Vinod & Jaya Jivrajka

Action: Approved (3-0) with standard conditions and the following additional conditions: 1) The new entry gate is not to exceed 9 ft. in height; 2) The new solid walls within the setback adjacent to the street are not to exceed 42 inches in height; 3) The new 5 ft. high fountain is approved.

f. **M-778-10;** Consideration of a Miscellaneous Application for structure exceeding the maximum allowable height at the single family residence located at 1509 Granvia Altamira. Lot 8, Block 11, Tract 7538.

Applicant/Owner: Albert Solbes

Action: Approved (3-0) with standard conditions.

g. **M-779-10;** Consideration of a Miscellaneous Application for structures exceeding the maximum allowable height at the single family residence located at 1324 Palos Verdes Drive West. Lot 7, Block 1353, Tract 7536.

Applicant: Don W. Thursby
777 Silver Spur Road, #232
Rolling Hills Estates, CA 90274
Owner: Michele & Dennis Dalhausen

Action: Approved (3-0) with standard conditions.

COMMUNICATIONS FROM THE PUBLIC

This portion of the agenda is reserved for comments from the public on items which are NOT on the agenda. Due to state law, no action can be taken by the Council this evening on matters presented under this section. If the Council determines action is warranted, the item may be referred to staff or placed on a future Council agenda.

ORDINANCE

Actions to introduce or adopt an ordinance shall be deemed to have the title read and further reading waived.

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

7. Introduction of Ordinance 10-697; an Ordinance of the City Council of the City of Palos Verdes Estates amending Chapter 12.32 of the Palos Verdes Estates Municipal Code Governing the Provision of Video Services in the City

Recommendation: It is recommended that the City Council introduce Ordinance 10-697; an Ordinance of the City Council of the City of Palos Verdes Estates amending Chapter 12.32 of the Palos Verdes Estates Municipal Code governing the provision of video services in the City.

PUBLIC HEARING

Persons addressing the City Council during public hearings shall be limited to three (3) minutes for comment.

8. Resolution R10-17; Consideration of the Revised Update to the Housing Element of the General Plan

Recommendation: It is recommended that the City Council open the public hearing, receive public input, close the public hearing adopt Resolution R10-17; adopting the revised update to the Housing Element of the General Plan, responding to comments received from the State of California Department of Housing & Community Development.

OLD BUSINESS

9. PW-567B-09; Award of Contract for Construction of the Paseo Del Mar Sewer Pump Station Project in the Amount of \$1,388,880 to Tamang Electric, Inc.

Recommendation: It is recommended that the City Council award a construction contract for the completion of the Paseo Del Mar Sewer Pump Station Project in the amount of \$1,388,880 to Tamang Electric, Inc.

NEW BUSINESS

10. Status Report on Proposed Changes to the FAA Regulations Affecting the Air Space Surrounding Long Beach Airport and the Potential Impact on the Palos Verdes Peninsula

Recommendation: It is recommended that the City Council send the attached letter to the Federal Aviation Administration opposing the implementation of more restrictive airspace regulations at the Long Beach Airport.

STAFF REPORTS

11. City Manager's Report

DEMANDS

12.
 - a. Authorize Payment of Motion #1 – Payroll Warrant of August 6, 2010
 - b. Authorize Payment of Motion #1a – Payroll Warrant of August 20, 2010
 - c. Authorize Payment of Motion #1b – Payroll Warrant of September 3, 2010
 - d. Authorize Payment of Motion #2 – Warrant Register of August 10, 2010 (FY09-10)
 - e. Authorize Payment of Motion #2a – Warrant Register of August 10, 2010 (FY10-11)
 - f. Authorize Payment of Motion #2b – Warrant Register of August 24, 2010 (FY09-10)
 - g. Authorize Payment of Motion #2c – Warrant Register of August 24, 2010 (FY10-11)
 - h. Authorize Payment of Motion #2d – Warrant Register of September 14, 2010 (FY10-11)

Recommendation: Authorize Payment of Motions #1 - #1b, and #2 - #2d.

MAYOR & CITY COUNCILMEMBERS' REPORTS

ADJOURNMENT TO TUESDAY, SEPTEMBER 28, 2010, IN COUNCIL CHAMBERS OF CITY HALL FOR THE PURPOSE OF A REGULAR MEETING.

- *This City Council meeting can be viewed on Cox Cable, Channel 35, Wednesday, September 15, 2010 at 7:30 p.m., and Wednesday, September 22, 2010, at 7:30 p.m.*

Agenda Item #: 3
Meeting Date: 9/14/10

TO: JOSEPH M. HOEFGEN, CITY MANAGER
FROM: JUDY SMITH, ASSISTANT CITY MANAGER
SUBJECT: RESOLUTION R10-16; APPROVING A FUND TRANSFER AND RE-DESIGNATING THE BALANCE OF PROPOSITION 1B FUNDS FOR USE ON THE FY 2010-11 OVERLAY PROJECT

The Issue

Shall the City Council adopt Resolution R10-16 approving a transfer of Proposition 1B funds to reimburse the capital fund for eligible costs related to the PVDW remediation/stabilization project and re-designate the balance of available Proposition 1B funds for use on the City's FY 2010-11 overlay project?

Background

The State of California, after approval by the state's voters in 2006, issued a series of bonds to finance infrastructure improvements. Proposition 1B included funds for local projects and each City was allotted a minimum allocation of \$400,000. After the initial application and distribution, a subsequent pool of funds became available to local government in late 2008. During 2008, the City Council adopted two resolutions designating its Proposition 1B funds for use on the Palos Verdes Drive West (900 block) remediation/stabilization project. The City received two allocations of Proposition 1B funds totaling of \$439,963. The City immediately used \$113,250 of Proposition 1B funds for a contract with GMU Geotechnical Inc. & Huitt-Zollars, Inc. for preparation of design options for the roadway, which were presented to the Council in December 2008.

Subsequent to the receipt of the state bonds funds, but prior to contract award for the construction of the remediation/stabilization project, the federal government, under the American Recovery and Reinvestment Act of 2009 (ARRA), made available a minimum allocation of \$500,000 for local eligible projects. Through a federal master agreement with the California Department of Transportation, the City was able to receive \$500,000 in federal stimulus funds to assist with the construction of the Palos Verdes Drive West roadway improvements. In September 2009, the City Council awarded a construction contract to Calnex Engineering Company and in June 2010, the City Council accepted the project in the amount of \$593,225.58 as complete.

Analysis and Findings

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

Costs for the PVDW remediation/stabilization project, including design, administration, inspection and construction over the three year period totaled \$856,707. Available funding (ARRA and Proposition 1B) totaled \$939,963. After applying the federal funds, there are costs financed by the capital fund which are eligible for reimbursement from the Proposition 1B balance. The resolution attached approves the transfer of \$243,457 from Gas Tax to Capital to reimburse the capital fund for these FY 2009-10 costs.

After the transfer, there is a balance of Proposition 1B funds totaling \$83,256. Proposition 1B fund regulations require adoption of a resolution by the City Council to establish its intent for the use of the funds. Since the funds were initially designated for the PVDW project, but were not needed, the attached resolution designates the balance of funds for use on the City's FY 2010-11 overlay project. A construction project in the amount of \$638,930 was awarded to Hardy & Harper, Inc. at the July 13, 2010 City Council meeting. The Proposition 1B funds will reduce the required financing from the capital fund.

Alternatives Available to the City Council

Adopt Resolution R10-16.

Decline to adopt the Resolution. Without the resolution, the City is unable to use the balance of Proposition 1B funds. Without the resolution, the City is unable to reimburse the capital fund (30) for the \$243,457 in Proposition 1B eligible expenses.

Recommendation

It is recommended the City Council adopt Resolution R10-16 approving a transfer of Proposition 1B funds in the amount of \$243,457 from Gas Tax fund to the Capital Fund for eligible costs related to the PVDW Remediation Project and re-designate the balance of available Proposition 1B funds in the amount of \$83,256 for use on the City's FY 2010-11 overlay project.

TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: JUDY SMITH, ASSISTANT CITY MANAGER
SUBJECT: APPROVAL OF AMENDMENT TO FY 2010-11 CAPITAL
BUDGET OF THE PALOS VERDES BEACH AND ATHLETIC CLUB

The Issue

Shall the City Council approve an amendment to the FY 2010-11 Capital Budget of the Palos Verdes Beach and Athletic Club (PVBAC) in the amount of \$6,000 for an emergency repair to the Club's sewer lift system?

Analysis and Findings

On June 8, 2010, the City Council approved the PVBAC's FY 2010-11 Operating and Capital budgets. The approved capital budget totaled \$129,460, including a \$6,000 contingency line item for "unforeseen projects". The projected ending capital fund balance (6-30-11) totaled ~\$709,000.

Because of the Club's location, a sewer lift, consisting of two pumps, ejects the Club's waste water to street level where it enters the City's sanitary sewer system. The week of August 16th the Club became aware that one of the system's two pumps had failed. The pump that failed is from the original installation in 1992 when the Club was renovated. In 2005, the second pump underwent a major rebuild (seals and bearings) that was performed on-site with assistance from a City backhoe which lifted the pump from the holding well. The vendor who performed the initial installation provides maintenance services for the pumps and is most familiar with the Club sewage system. A no fee plumbing permit was issued and the work was inspected by the City's building department.

The Club contacted City staff and requested authorization to proceed with repairs, even though the \$12,000 cost for a new pump exceeded the capital contingency line item of \$6,000. The Council liaisons, Bird and Rea, agreed the Club should proceed with the repair. Although it is possible that at fiscal year-end (6-30-11) the sewer pump repair could have been accommodated without exceeding the original approved capital budget, staff felt it prudent to bring the subject before the Council and adjust the capital budget for the \$6,000 balance of the project cost. If approved the revised capital budget will total \$135,460.

Alternatives Available to the City Council

1. Approve the \$6,000 amendment to the FY 10-11 capital budget.
2. Do not approve the amendment at this time.

Recommendation

It is recommended that the City Council approve an amendment to the PVBAC FY 2010-11 Capital Budget in the amount of \$6,000 for emergency repairs to the sewer lift system.

Agenda Item #: 5
Meeting Date: 9/14/10

TO: JOSEPH M. HOEFGEN, CITY MANAGER
FROM: ALEXA D. DAVIS, ADMINISTRATIVE ANALYST
SUBJECT: SPECIAL EVENT APPLICATION FOR THE LUNADA BAY HOMEOWNERS ASSOCIATION TO HOST A “MEET & GREET” AT LUNADA BAY PARK
DATE: SEPTEMBER 14, 2010

ISSUE

Shall the City approve a Special Event Application by the Lunada Bay Homeowners Association to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.?

BACKGROUND

The Lunada Bay Homeowners Association (LBHOA) has submitted a Special Event Application to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.. The “Meet and Greet” is to be an informative gathering for Lunada Bay business and property owners to review the proposed plans for the revitalization of the Lunada Bay Commercial Center. The format will include a presentation and the opportunity for participants to ask questions about revitalization efforts.

The event organizers are aware of the necessity to have a safe event with proper clean-up afterward. Although the LBHOA has not held this event in the past, they have sponsored other comparable events at the park successfully.

The Special Event Application has been reviewed and preliminarily approved by all municipal departments. All fees will be paid prior to the date of the event and the Certificate of Insurance and Indemnity Agreement have been received.

RECOMMENDATION

It is recommended that the City Council approve the request to allow the Lunada Bay Homeowners Association to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

ALTERNATIVES

1. Council may approve the request to allow the Lunada Bay Homeowners Association to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.
2. Council may the request to allow the Lunada Bay Homeowners Association to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m. with additional conditions.
3. Council may choose not to approve the request to allow the Lunada Bay Homeowners Association to host a “Meet & Greet” at Lunada Bay Park on Monday, September 27, 2010 from 6:00 p.m. to 7:30 p.m.

Cc: John Eberhard, Police Captain
 Mark Hart, Maintenance Foreman
 LAC Fire Department
 Robin DeBaal, President, LBHOA

Attachments

Agenda Item #: 6a-g
Meeting Date: 9/14/10

TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: ALLAN RIGG, PLANNING DIRECTOR
DATE: SEPTEMBER 14, 2010
SUBJECT: PLANNING COMMISSION ACTIONS OF AUGUST 17, 2010

The items attached were acted upon by the Planning Commission on August 17, 2010.

The Council may, within fifteen days after the date of the decision on or before the first day following the first Council meeting after the date of the Planning Commission decision, whichever occurs last:

1. Confirm the action of the Planning Commission and grant or deny the application;
2. Set the matter for public hearing and dispose of it in the same manner as on an appeal; or
3. Amend, modify, delete, or add any condition of approval which the Council finds is not substantial under the circumstances relative to or affecting the property subject to the application for a development entitlement. Any determination of the Council pursuant to this paragraph shall be conclusive and final.

In the event the Council does not take one of the actions specified above within the period of time required, the decision of the Planning Commission shall be final.

Recommendation:

Receive and file.

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: JUDY SMITH, ASSISTANT CITY MANAGER

SUBJECT: ORDINANCE 10-697; AMENDING CHAPTER 12.32 OF THE PALOS VERDES ESTATES MUNICIPAL CODE GOVERNING THE PROVISION OF VIDEO SERVICES IN THE CITY

The Issue

Shall the City Council introduce Ordinance 10-697 which amends Chapter 12.32 of the Palos Verdes Estates Municipal Code (PVEMC) governing the provision of video services in the City?

Background

In 2006, the State of California enacted AB 2987, known as the Digital Infrastructure and Video Competition Act (“DIVCA”). Prior to DIVCA, cities were the franchise authority for cable television services. DIVCA replaced local authority with a State video franchise process administered by the California Public Utilities Commission. The purpose of the Act was to standardize and speed franchise issuance. The Act also recognized the entrance of new providers (telephone companies) to the video services market. Since DIVCA’s effective date, no company has applied for a State video franchise within Palos Verdes Estates.

The history of the City’s current cable television franchise is as follows:

- June 1989 – issued cable television franchise to Times Mirror Cable Television (15 year term, expiration July 2004)
- September 1994 – approved transfer of Times Mirror franchise to Cox Communications
- July 2004 – extended original franchise expiration to October 2004 to allow City and Cox to continue negotiations on new franchise
- October 2004 – failing to agree on a new franchise, extended the existing Cox Communication franchise agreement for six years to October 31, 2010.

DIVCA now precludes cities from entering into new or extending existing local franchise agreements. As local cable franchises expire, they are replaced by the state process. Cox will apply for a state video franchise for Palos Verdes Estates. Cox’s cable franchise agreement with Rolling Hills Estates also expires during October, 2010 and Cox will apply for a state franchise for that service area as well. A state-issued franchise is valid for ten (10) years.

Analysis and Findings

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

Ordinance 10-697 amends PVEMC Chapter 12.32 “Cable, Video and Telecommunication Service Providers” and establishes the City’s authority in these limited areas as permitted under DIVCA:

- **Franchise Fee** - establishes a 5% franchise fee for any state-issued franchise, which is the same rate as the existing cable television franchise rate. Annual franchise revenues total ~\$214,000. The franchise fee is paid by the subscriber and appears as a separate component of the cable/video service bill. This is unrestricted general fund money which compensates the City for use of public rights-of-way for cable facilities.
- **Customer Service Standards** - provides the City the right to enforce compliance with customer service and protection standards of Section 5900 of the Public Utilities Code with respect to complaints from City residents.
- **PEG Programming Fee** – The new State franchising process provides an opportunity for cities to collect fees to defray costs associated with the production and broadcast of locally-originated, non-commercial video programming. These PEG programs can take the form of (1) Public Access Programs (video programs from local producers on a variety of subjects with limited controls on content), (2) Educational Programming (lectures, instructional videos, etc. typically generated by colleges and universities) and (3) Government Programming (e.g. cablecast of local government meetings).

Cities that have placed a high priority on the production of locally generated programming have imposed separate PEG fees in the past. The City does not have a PEG fee and it is a policy decision of the Council whether to implement the fee and if so, at what rate (maximum 1%). If implemented, the City’s residents will pay the PEG fee as franchisees are permitted to pass the cost to their subscribers.

Revenue from PEG fees is restricted and must be used to support PEG programming, capital equipment or other on-going costs. A 1% PEG fee would generate approximately \$42,000 annually. The City’s current PEG programming and costs are minimal, as the City shares time on Channel 35 (government access) with the other peninsula cities.

Although not obligated under the local franchise, Cox provides in-kind services of equipment and personnel to tape the City Council meetings for broadcast on Channel 35. Cox has offered to continue these services through the end of December 2010 and to provide the City with its used equipment at that time. For several years, the City has budgeted for and paid an independent contractor \$300/meeting (\$3,600 annual) to tape the Planning Commission for broadcast on Channel 35. Beginning in January, the City will need to contract to have the Council meetings taped for broadcast, which would cost approximately \$6,300/year (\$300 x 21 meetings). The total cost for Council and Planning Commission services would run ~\$9,900 / year and possibly less, if the contractor were to use City provided equipment. The FY 10-11 adopted budget includes \$4,500 within the City Clerk’s Department for the cost of taping City Council meetings.

Staff does not anticipate a change in the nature or amount of the City's PEG needs. As a result, the ordinance as drafted does not include provisions for a PEG fee. A PEG fee may be implemented at any time by ordinance and is not tied to the expiration of the local cable television franchise. If Council wishes to implement a PEG Fee, the following language would need to be added to the ordinance:

"In accordance with Public Utilities Code section 5870(n), any State Franchisee, must pay to the City a fee for support of PEG access facilities."

"The amount of the PEG Fee established by this section is ____ percent (___%) (Council to specify the rate) of Gross Revenues, as defined in Public Utilities Code section 5860(d)."

A list of the current sections of PVEMC Chapter 12.32 and the revised section headings under the proposed ordinance is attached. Chapter 12.32 is currently 25 pages in length. The successor Chapter, upon approval of the ordinance, will be approximately four pages. Rather than duplicate a redline version of the ordinance with the staff report, a copy is available for review in the City Clerk's Office.

Alternatives Available to the City Council

1. Introduce the Ordinance as presented.
2. Modify the Ordinance regarding the PEG fee and/or any other section(s) and introduce.
3. Decline to act at this time. Because, at a minimum, Cox Communications will soon be providing video service to City residents under a state franchise it is recommended that an Ordinance be in place as soon as possible to protect the City's rights under DIVCA.

Recommendation

It is recommended that the City Council introduce Ordinance 10-697 amending Chapter 12.32 of the Palos Verdes Estates Municipal Code governing the provision of video services in the City.

Budgetary Impact

If included in the ordinance, the PEG fee would represent new income for the City; however, the proceeds are restricted and must be used for PEG-eligible expenses (capital equipment, programming, etc.). The ordinance is revenue neutral with respect to franchise fees. The City's current cable franchise rate is 5% and the state imposed franchise fee for video services operators is 5%.

Agenda Item #: 8
Meeting Date: 9/14/10

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PLANNING DIRECTOR

SUBJECT: RESOLUTION NO. 10-17; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES ADOPTING THE REVISED UPDATED HOUSING ELEMENT OF THE GENERAL PLAN

DATE: SEPTEMBER 14, 2010

The Issue

Should the City Council adopt Resolution No. 10-17, a resolution of the City Council of the City of Palos Verdes Estates adopting the revised updated Housing Element of the General Plan?

Background and Analysis

The State of California government code section 65300 requires every local jurisdiction to maintain a comprehensive, long-term general plan for physical development. The plan is required to include, at a minimum, the following elements: land use, circulation, housing, conservation, open space, noise, and safety. The Government Code further requires every local government to regularly review its housing element and make updates. The City of Palos Verdes Estates has employed the consulting services of Sandra Genis, Planning Resources, to prepare an update to the City's existing Housing Element.

The Southern California Association of Governments (SCAG) has prepared a Regional Housing Needs Assessment (RHNA), assigning housing need quantities to each municipality within their jurisdiction. The City of Palos Verdes Estates has been assigned a housing needs assessment value of 72.

Section six of the housing element update report states goals established by the City and summarizes policies and programs proposed to implement the desired goals. Many policies and programs are consistent with current policies and practices in the City. The revised element suggests that current practices continue to be implemented such as enforcing the general provisions of the code and enforcing those requirements set forth by the Neighborhood Compatibility Ordinance. In this way, Palos Verdes Estates will continue to preserve the scale of development and encourage maintenance of existing structures. There are also new provisions suggested within the revised housing element and these include the following:

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

- Provide for mixed commercial and residential use in commercial areas, specifically Lunada Bay. New standards would need to be outlined and adopted by the City for this type of development, however, this would provide for additional housing opportunities without impacting the existing single family zones.
- Develop an ordinance that implements a density bonus for projects that designate a percentage of units for lower incomes or senior housing.
- Encourage shared housing by posting flyers at City Hall.
- Provide a means of addressing housing discrimination by posting state regulations at City Hall.
- Encourage energy conservation by posting informational pamphlets at City Hall.
- Waive fees for installation of energy facilities such as solar panels.

The Housing Element update demonstrates that the City of Palos Verdes Estates will be able to meet the housing need assessed by SCAG with the capacity of approximately 74 more dwelling units.

The updated Housing Element was originally reviewed and approved by the Planning Commission on October 21, 2008. The Housing Element was then formally adopted by the City Council on November 11, 2008. Following the required approvals, the Housing Element was sent to the Department of Housing and Community Development for review. Comments were received from the state on January 20, 2009. The Planning Department has been working with the original consultant, Sandra Genis, to review and ultimately revise the element once again. On July 20, 2010, the Planning Commission reviewed and adopted the revised Housing Element update.

Attached are the comments from the Department of Housing and Community Development, the responses prepared by staff, and the newly revised Housing Element. The original environmental documents are included as well. Please note that these documents remain unchanged.

Alternatives Available to the City Council

1. Open the public hearing, receive public input, close the public hearing and adopt Resolution 10-17, a resolution of the City Council of the City of Palos Verdes Estates adopting the revised updated Housing Element of the General Plan.
2. Direct staff to modify Resolution 10-17 and bring the Resolution back to the City Council for review.
3. Decline to act.

Recommendation from Staff

Staff recommends that the City Council open the public hearing, received public input, close the public hearing and adopt Resolution 10-17, a resolution of the City Council of the City of Palos Verdes Estates adopting the revised updated Housing Element of the General Plan.

Staff report prepared by:

Stacey Kinsella
Planning Department

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: PW 567B-09; AWARD OF CONTRACT FOR CONSTRUCTION OF THE PASEO DEL MAR SEWER PUMP STATION PROJECT IN THE AMOUNT OF \$1,388,880 TO TAMANG ELECTRIC, INC.

DATE: SEPTEMBER 14, 2010

The Issue

Should the City Council award a construction contract for the completion of the Paseo Del Mar Sewer Pump Station Project in the amount of \$1,388,880 to Tamang Electric, Inc.?

Background and Analysis

In accordance with the Sewer Master Plan, the City retained AKM Consulting Engineers to design the necessary improvements and upgrades for the City's two sewer pump stations, one at the Paseo Del Mar/Via Barri intersection, and a second at 225 Rocky Point Road.

The Paseo Del Mar Pump Station was constructed in 1962 and suffers from inadequate storage capacity, poor dry well access, lack of an emergency power source, and pump station components which do not meet current safety standards. AKM recommended that a new submersible pump station be constructed and that the existing pump station dry well be converted to an emergency wet well. Other deficiencies were also addressed in their plans and specifications for the upgrade of the pump station.

A previous bid was held for this project in May, 2010. Due to the relative inexperience of the apparent low bidder with sewer pump station projects, it was in the City's best interest to reject all bids and then re-bid with a required minimum experience for similar projects, to ensure that the contractor hired for this project had enough experience with sewer pump station construction and the potential challenges related to it. Council rejected all previous bids at their June 8 meeting. As a matter of information, the apparent low bid in May was \$1,479,641.

Staff advertised with Bid America, F. W. Dodge, and Reed Construction Data. Construction bids were opened August 5, 2010, at 2:00 p.m. The results were as follows:

Tamang Electric, Inc.	\$1,388,880.00
HPS Mechanical, Inc.	\$1,579,978.00
Los Angeles Engineering	\$1,598,598.00
Fleming Environmental	\$1,633,477.00
Blois Environmental	\$1,686,991.00
Schuler Engineering	\$1,712,177.00
Clarke Contracting Corp.	\$1,730,132.00

Tamang Electric, Inc. submitted the apparent low bid for the project. Staff checked their bid documents and references. The low bidder has completed nine pump station projects in the last three years, with three close to completion this year. Favorable references were received from the Cities of Glendale, Irwindale, Rialto, and Chula Vista; the Los Angeles County Department of Public Works, the Los Angeles County Sanitation District, and the Inland Empire Utility Agency.

The following schedule is anticipated:

- September 14 Contract awarded.
- October 15 Contract, insurance certificates signed by contractor & City.
- October 25 Work expected to begin.
- April 30 Work expected to be complete.

As this is a complex project involving excavation, concrete construction, well retrofit, pump installation, utility re-routing, electrical pump equipment installation, and sewer bypass pumping, all done to current Building Code and Los Angeles County Dept. of Public Works' standards, it will require specialized construction inspection services. Staff has sent out a Request for Proposal (RFP) for inspection services through Integrated Marking Systems, a San Diego-based firm that provides RFP's and other project information to consultants of various disciplines. Proposals are due at 3:00 pm on Friday, September 17.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Award a construction contract for the completion of the Paseo Del Mar Sewer Pump Station Project in the amount of \$1,388,880 to Tamang Electric, Inc.
2. Decline to Act.

Recommendation from Staff

Staff recommends that the Council award a construction contract for the completion of the Paseo Del Mar Sewer Pump Station Project in the amount of \$1,388,880 to Tamang Electric, Inc.

Fiscal Impact

The FY 10/11 Budget contains \$2,200,000 for capital improvement work on the sewer system. Staff estimates the project costs as follows:

Construction Costs	\$1,388,880
10% Contingency Costs	\$138,888
Construction Inspection Costs (TBD)	\$100,000
Administration Costs	\$30,000
	<hr/>
	\$1,657,768

Construction inspection proposals will not be received until 3:00 pm on Friday, September 17. Staff estimates that inspection costs for this project may be about \$100,000. Therefore, sufficient funds are available to construct this project.

Staff report prepared by

Floriza Rivera
Public Works Department

TO: HONORABLE MAYOR AND CITY COUNCILMEMBERS

FROM: JOSEPH HOEFGEN, CITY MANAGER

SUBJECT: STATUS REPORT ON PROPOSED CHANGES TO THE FAA REGULATIONS AFFECTING THE AIRSPACE SURROUNDING LONG BEACH AIRPORT AND THE POTENTIAL IMPACT ON THE PALOS VERDES PENINSULA

The Issue

Should the City Council send a letter to the Federal Aviation Administration opposing the implementation of more restrictive airspace regulations at the Long Beach Airport (LGB)?

Background and Analysis

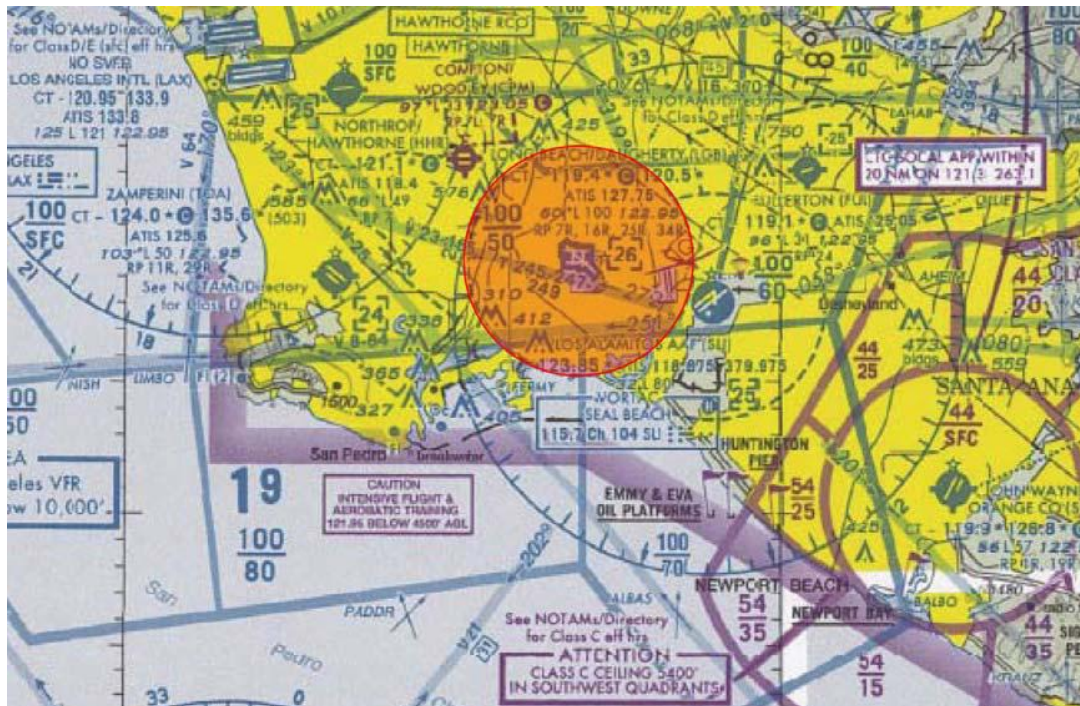
City staff recently became aware that the Federal Aviation Administration (FAA) is considering establishing significantly more restrictive airspace regulations surrounding the Long Beach Airport (LGB). It has been widely circulated that the impetus for this proposed airspace change was a request from Jet Blue Airlines as a result of traffic collision avoidance alerts Jet Blue has experienced with the current FAA regulations at Long Beach Airport. However, it is important to note that the number and severity of these alerts are unknown. Neither the FAA, nor Jet Blue, has provided any data which would substantiate the need for this change.

Jet Blue operates the most commercial airline flights from/to Long Beach Airport. Total daily airline flights (all airlines) are capped by Long Beach city ordinance (Chapter 16.43 Airport Noise Compatibility) at 41 per day. No increases in airline traffic at LGB can occur without an ordinance change. FAA statistics for LGB airport operations show a slow yearly growth from 430,000 to 500,000 between 1991 and 1999 and a decline to 300,000 operations by 2009. Based on 2009 data, the commercial aircraft traffic makes up only 10-12% of all daily LGB traffic with general aviation movements being the majority of air traffic.

Existing Class D Restrictions

The current FAA regulations designate the airspace at the Long Beach Airport within a five mile radius as Class D restricted. As shown on the following page, the arc of the radius of the FAA's

current Class D airspace (shaded circle) barely extends past the 710 freeway to the west, barely past the 91 freeway to the north and just past the shoreline near the LA/Long Beach harbor area:



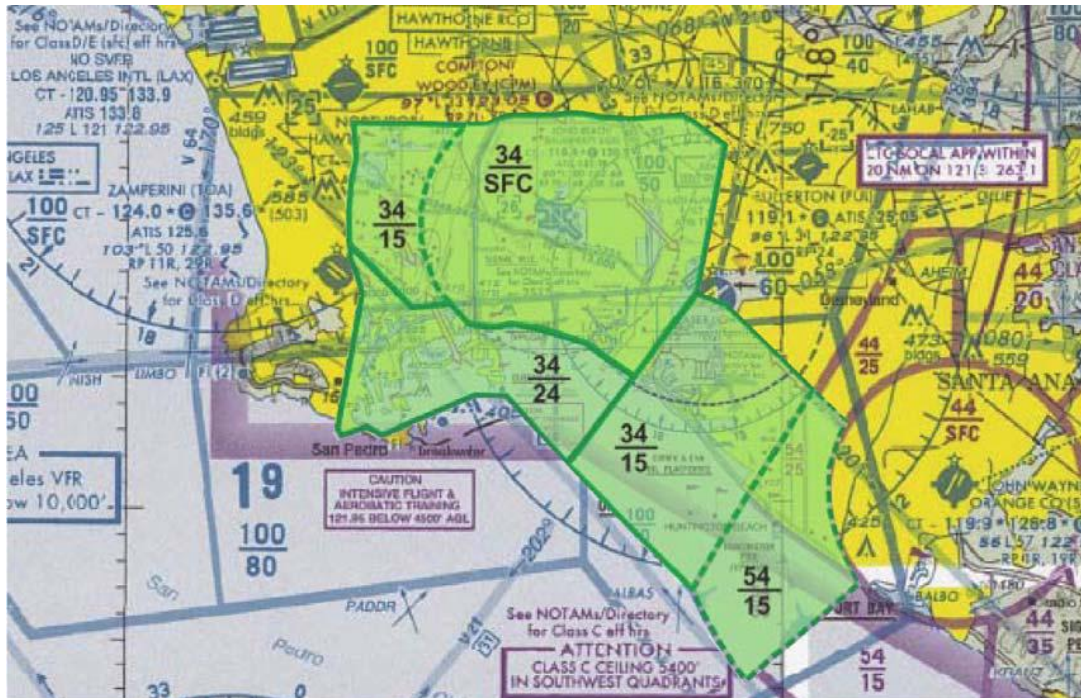
Map One -- Existing Class D Airspace Designation at Long Beach Airport

The existing Class D airspace designation requires aircraft, including (non-commercial) general aviation aircraft, to request permission from the LGB control tower to enter Class D airspace. The LGB tower establishes radar contact/tracking of the aircraft and grants entry permission. Generally, LGB control tower refuses entry into the LGB airspace only when it would be unsafe (i.e. unsafe proximity with a passenger flight, an unsafe number of aircraft in the airspace, etc.). All aircraft within the LGB Class D airspace are under radar tracking and control by the LGB control tower. Additionally, the current FAA restrictions enable pilots to fly over Long Beach's existing Class D airspace without radio contact if flying above 2,600 but below 5,000 feet.

Proposed Class C Restrictions

As shown in the map on the following page, the FAA's proposed LGB Class C airspace would be about 3 times larger than the existing Class D airspace at Long Beach Airport.

The FAA's proposed Class C airspace would extend west to the 110 freeway (its western edge), north to the 91 freeway (its northern edge) and south over the ocean three to five miles nearly engulfing the entire LA/Long Beach harbor area.



Map Two – Proposed Class C Airspace at Long Beach Airport

There are a number of changes which would result from the Class C airspace designation which would likely result in additional general aviation aircraft flying over the Palos Verdes Peninsula or along its coastline. As an example, instead of the existing altitude restriction, aircraft would be required to fly above 3,400 feet (but below 5,000 feet) to fly over Long Beach Airport without radio contact. It is believed that many aircraft will likely take alternate routes in lieu of climbing the additional altitude to fly over Long Beach Airport.

Additionally, if the LGB airspace is changed to Class C, an additional air traffic control responsibility will be established for SCT (Southern California TRACON) located in San Diego. SCT is responsible for managing all air traffic in Southern California, including passenger and freight aircraft being served by the following airports: LAX, San Diego, John Wayne Airport, Ontario and Burbank. Any aircraft wishing to enter the LGB airspace must first establish radio and radar contact with SCT for authorization prior to entering Class C airspace. As aircraft near LGB airport SCT controllers hand off radio and radar control to the LGB control tower. Concerns have been raised that because SCT is not increasing staffing to manage the additional aircraft entering the LGB airspace, aircraft may be directed to hold (not enter the LGB airspace) while SCT controllers manage passenger flights, especially during peak passenger and freight traffic periods. This also is

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

envisioned to result in aircraft taking alternative routes over or along the coast of the Palos Verdes Peninsula.

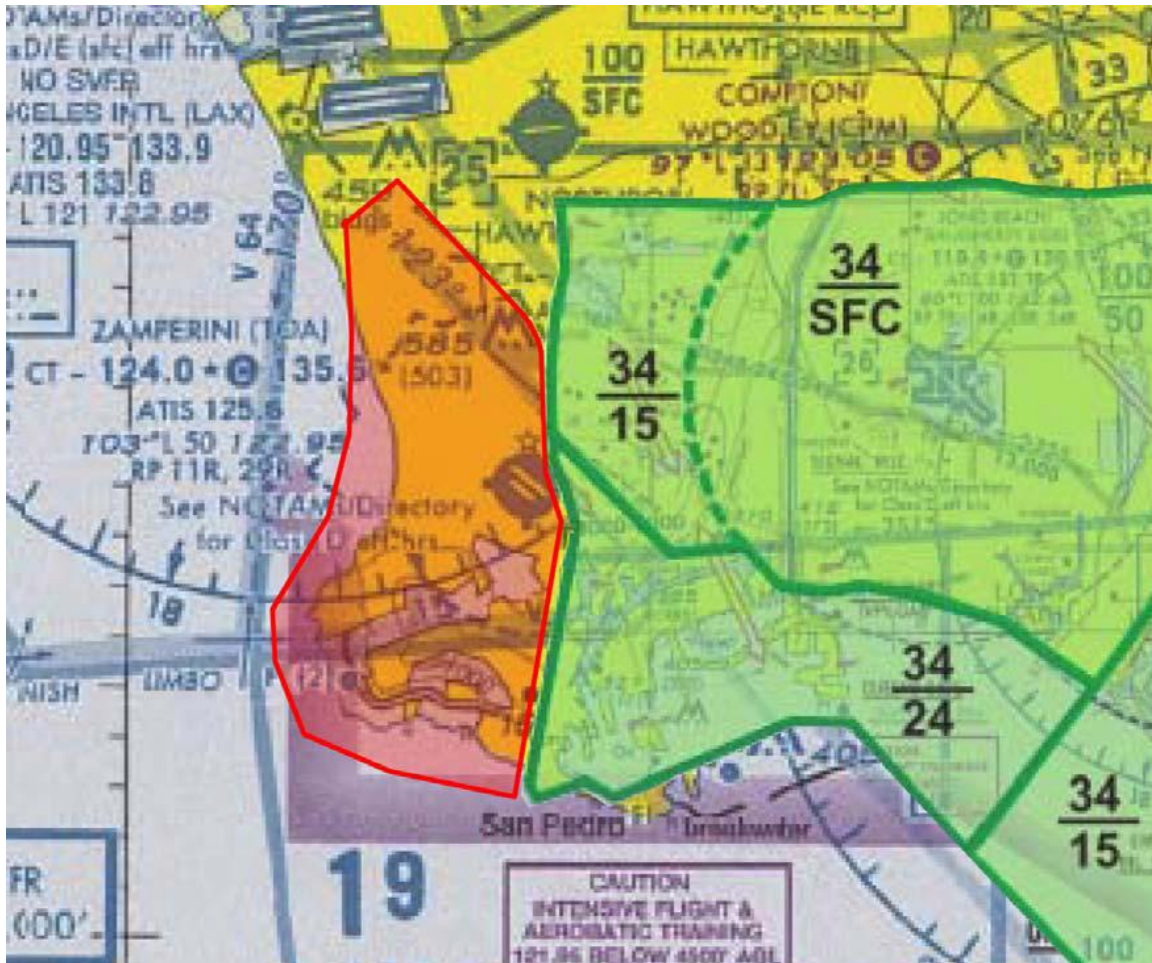
Increased PVE Overflights as a Result of the Proposed Change

As a result of the proposed change, aircraft, particularly flight instructional aircraft, based at Hawthorne, Compton, Torrance and Long Beach airports would likely move from the LA/Long Beach harbor “practice and instructional area” (a major portion of which would become restrictive Class C airspace) to overfly the entire Palos Verdes coastline for practice and instruction.

Additionally, a great number of all general aviation aircraft departing from Torrance airport will avoid the Class C airspace by:

- a. Departing west, turning south along the entire Palos Verdes coastline, over neighborhoods in Redondo Beach, Torrance (Torrance Beach), Palos Verdes Estates and Rancho Palos Verdes; or
- b. flying across the Palos Verdes Peninsula.

The area of increased overflight which can be anticipated by the implementation of Class C airspace at LGB is depicted in red on Map Three. This graphic reflects the maximum potential area within which significantly increased general aviation flight activity would occur.



Map Three – Impact Area Depicted in Red.

Research to Date

The City of Rancho Palos Verdes has been the lead local agency monitoring the proposed change in airspace regulations and has spent considerable staff time and resources evaluating the potential impact of the proposed changes. On August 11, 2010, staff from the four Peninsula cities participated in a conference call initiated by Rancho Palos Verdes to discuss the pending FAA proposal and the potential impact on our respective cities. There is common concern among the City Managers of the four Peninsula cities and other South Bay cities (Torrance and Redondo Beach) have expressed interest in this subject as well.

The City of Rancho Palos Verdes has retained a consulting firm to analyze the potential impacts resulting from a change in LGB airspace regulations. The firm, Williams Aviation Consultants, prepared a preliminary analysis of the impact of the proposed Class C airspace regulations. The fiscal impact statement at the end of the report discusses a potential cost sharing arrangement amongst impacted cities to utilize the expertise of Williams Aviation Consultants throughout the FAA rulemaking process.

**CITY COUNCIL AGENDA
SEPTEMBER 14, 2010**

A copy of the preliminary analysis completed by Williams Aviation Consultants is included as Attachment A to this report. The impact analysis is quite detailed and highlights a number of potential “unintended consequences” of the proposed Class C restrictions including, but not limited to:

Increased Safety Risks -- resulting from a greater number of general aviation aircraft flights compressed in flight areas;

Environmental Impacts -- especially increased aircraft noise and air pollution from piston-powered and turboprop aircraft. It does not appear as though the FAA has conducted an environmental review – a first step to consider whether an environmental impact study is necessary prior to implementing the proposed airspace change.

Increased Workload of FAA Traffic Controllers -- possibly impairing passenger flight safety. Today, general aviation pilots merely advise the LGB tower when entering its Class D airspace. With the change, pilots would be required to obtain authorization from air traffic controllers prior to entering the FAA’s proposed Class C airspace.

Because controllers must manage passenger traffic as a priority during peak periods, general aviation pilots may not obtain authorization in a timely manner and may divert their flight around or over the PV Peninsula, as well as neighboring communities. Additionally, the same controllers who manage passenger flights for the entire southern California region, including LAX, San Diego’s Lindbergh Field, John Wayne Airport and Burbank Airport, would now take on responsibility for tracking general aviation aircraft flying within the FAA’s extended LGB Class C airspace.

As noted earlier, the process for the FAA’s Proposed LGB Airspace Change to Class C appears to lack any published reports and other information supporting the basis for the change. After an exhaustive search by both Rancho Palos Verdes staff and Williams Aviation Consultants, the only evidence found was a brief PowerPoint presentation that was used during the public meetings in June 2010 and the posting for the public meetings in the Federal Register.

FAA Rulemaking Process - Public and Technical Comments

The FAA is now receiving both public and technical comments with an upcoming deadline of September 21, 2010. Following the close of the comment period, the FAA will make a decision whether to move forward with the proposed LGB airspace change. If the FAA decides to move forward, the process will include the issuance of a Notice of Proposed Rulemaking, followed by a public comment process prior to a final decision to change the LGB airspace.

Williams Aviation Consultants has advised that a “technical comments” letter should be separately filed with the FAA prior to September 21, 2010. The technical comments would provide the legal basis for cities to challenge the appropriateness of the airspace change, if the FAA elects to proceed with rulemaking.

Attachment B to this report includes some Frequently Asked Questions concerning the proposed airspace regulation modifications at Long Beach Airport. These FAQs outline the opportunity for the public to provide comments as part of the FAA rulemaking process. This information was recently placed on the City’s web page.

Given the potential for significant impacts on the cities of the Peninsula and other neighboring South Bay cities, it is appropriate for the City of Palos Verdes Estates to express its position opposing the proposed air space regulations to the Federal Aviation Administration. Attachment C to this report is a draft letter for City Council consideration in this regard.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Send a letter to the Federal Aviation Administration opposing the implementation of more restrictive air space regulations at the Long Beach Airport.
2. Send a modified letter.
3. Decline to send a letter.

Recommendation from Staff

It is recommended that the City Council send the attached letter to the Federal Aviation Administration opposing the implementation of more restrictive air space regulations at the Long Beach Airport.

Attachments (3)

- A Potential Impact Statement Prepared by Williams Aviation Consultants
- B Frequently Asked Questions – Proposed Change to Long Beach Airspace
- C Proposed Letter from Palos Verdes Estates

Fiscal Impact:

Given the common concern about the impact of the proposed airspace modifications at the Long Beach Airport, and the impending September 21, 2010 deadline for comments to the FAA, there appears to be a growing consensus among impacted cities (Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Torrance, and Redondo Beach) to share in the cost (based on population) of retaining Williams Aviation for this initial impact analysis. Should Palos Verdes Estates choose to participate in this cost sharing arrangement, PVE's share of the consultant's work through September 21, 2010 is estimated at \$750.00.

In the event further opposition action is required beyond the September 21, 2010 comment deadline, the impacted cities may wish to enter into a formal agreement for a coordinated approach which protects the interests of all participating cities.

In the event the FAA decides to work with the impacted cities to develop an alternative solution or if the FAA proceeds with the change of the LGB airspace, staff will review with the City Council options for PVE's involvement.