



City of Palos Verdes Estates City Council Agenda & Staff Reports

DISCLAIMER

The following City Council agenda includes text only version of the - reports associated with the business matters to be brought before for the City Council at its Regular Meeting of this date. Changes to the - reports may be necessary prior to the actual City Council meeting. The City Council may elect to delete or continue business matters at the beginning of the City Council Meeting. Additionally, - reports attachments, including but not limited to, pictures, plans, drawings, spreadsheet presentations, financial statements and correspondences are not included. The attachments are available for review with the official agenda package at the Reception area at City Hall as well as the Malaga Cove Public Library.

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****CLICK HERE FOR CITY COUNCIL AGENDA & REPORTS**

September 9, 2008
7:30 P.M.
City Hall
Council Chambers

**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. R08-27
NEXT ORDINANCE NO. 08-687**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL MATTERS

CITY COUNCIL AGENDA
SEPTEMBER 9, 2008

- Recognition of Retiring Traffic Safety Committee Member Robert Kennedy
- Swearing-In of Sergeant Tony Gonzalez (Chief Dreiling)

MAYOR'S REPORT – Matters of Community Interest

CONSENT AGENDA (Items 1 - 5)

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, with the exception of Planning Commission Actions – Item #5a-e. An applicant or interested citizen who wishes to appeal any Planning Commission decision 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.

1. Minutes of City Council Meeting of July 22, 2008

Recommendation: Review and File.

2. City Treasurer's Report – July 2008

Recommendation: Receive and File.

3. Police Towing Services

Recommendation: It is recommended that the City Council approve an amendment to extend the contract with Van Lingen Towing Inc., to provide exclusive police towing services to the City of Palos Verdes Estates through December 31, 2011, pursuant to the terms and conditions of the existing contract.

4. Special Event Application by the Peninsula Committee Los Angeles Philharmonic Orchestra to Host the 36th Annual "Peninsula Music Fair" at Palos Verdes High School on Sunday, October 5, 2008, from 11:00 a.m. to 4:30 p.m.

Recommendation: It is recommended that the City Council approve the request by the Peninsula Committee Los Angeles Philharmonic Orchestra to hold its annual Peninsula Music Fair on October 5, 2008 from 11:00 a.m. to 4:30 p.m.

5. Planning Commission Actions of August 19, 2008

Recommendation: Receive and File.

- a. **NC-1324/GA-1432-08**; Consideration of Neighborhood Compatibility and Grading Applications for a new single family residence located at 3641 Via Palomino. Lot 11, Block 6215, Tract 6887.

Applicant: Lane Building Designs
101 N. Pacific Coast Hwy., Suite 100
Redondo Beach, CA 90277
Owner: Rich Ricci

Action: Approved (3-0) with standard conditions and the following additional conditions: 1) All of the mature trees outside of the building footprint are to be maintained; 2) City standard curb and gutter or rolled berm shall be installed per construction plans prepared by a registered Civil Engineer and approved by the City Engineer; 3) A licensed survey of the floor area and building lot coverage shall be completed and submitted to the City to verify compliance with the approved quantities for the subject lot; 4) All non-standard encroachments shall be removed including, but not limited to, the existing brick side walk.

- b. **NC-1226RII-08**; Consideration of a revised Neighborhood Compatibility Application for revisions to the single family residence located at 4101 Via Picaposte. Lot 9 & portions of Lot 10, Block 6314, Tract 7143.

Applicant: Russell E. Barto
3 Malaga Cove Plaza, Suite 202
Palos Verdes Estates, CA 90274
Owner: Mr. and Mrs. David Semmer

Action: Approved (3-0) with standard conditions and the following additional condition: 1) All previous conditions still apply.

- c. **NC-1090RII-08**; Consideration of a revised Neighborhood Compatibility Application for revisions to the single family residence located at 2005 Via Acalones. Lot 13, Block 1551, Tract 7333.

Applicant: Ashai Design
21515 Hawthorne Blvd., Suite 975
Torrance, CA 90503
Owner: Jackson and Julie Yang

Action: Approved (3-0) with standard conditions and the following additional conditions: 1) No approval is given regarding the gate, pilasters, and gatehouse; 2) All previous conditions still apply.

- d. **M-679-08**; Consideration of a Miscellaneous Application for a new detached structure at the single family residence located at 2108 Chelsea Road. Lot 3, Block 2200, Tract 7331.

Applicant: Michael Russell
5410 Bayridge Road
Rancho Palos Verdes, CA 90275
Owner: Clark Kasunich

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

- e. **M-680-08**; Consideration of a Miscellaneous Application for structures exceeding the maximum allowable height at the single family residence located at 1429 Via Zumaya. Lot 66, Tract 27438.

Applicant: Unique Environments
800 S. Pacific Coast Hwy., Suite 2-281
Redondo Beach, CA 90277
Owner: Edward and Mary Fletcher

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.

PUBLIC HEARINGS – 7:30 p.m.

Appellants and/or applicants shall be provided five (5) minutes for presentation and rebuttal. All other persons addressing the City Council during public hearing shall be limited to three (3) minutes for comment.

6. Request to Appeal Planning Commission Denial of NC-1327/GA-1433-08; Consideration of Neighborhood Compatibility and Grading Applications for a new single family residence located at 2116 Via Rivera. Lot 5, Block 2204, Tract 7141

Appellant/Owner: Ray Holdsworth
2116 Via Rivera
Palos Verdes Estates

Applicant: Jeffrey A. Dahl
18681 Amalia Lane
Huntington Beach, CA 90277

Recommendation: It is recommended that the City Council open the public hearing, receive public input, close the public hearing, and make a decision on the application.

7. Resolution R08-25: Adopting Fees for Vending from Vehicle Permits

Recommendation: It is recommended that the City Council open the public hearing, receive public input, close the public hearing, and adopt Resolution R08-25 to implement a fee of \$266 for an Operator's Permit application, \$173 for a Vendor's Permit application, and \$250 for the appeal of a permit denial or revocation.

OLD BUSINESS

8. Award of Professional Services Agreement to GMU Geotechnical, Inc. & Huitt-Zollars, Inc. for Design of Soldier Pile Wall to Support 900 Block of Palos Verdes Drive West and Adoption of Resolution R08-26, Adjusting the Fiscal Year 2008-09 Budget

Recommendation: It is recommended that the City Council award a professional services agreement to GMU Geotechnical, Inc. & Huitt-Zollars, Inc. in the amount of \$113,250 for the design of a soldier pile wall to support Palos Verdes Drive West, and adopt Resolution R08-26, adjusting the FY08-09 budget.

NEW BUSINESS

9. Request to Approve a Revised and Restated Concession Agreement with the Palos Verdes Beach and Athletic Club to Provide an Increase in the Percentage of Resalable Memberships and Approve an Amendment to the PVBAC FY 2008-09 Capital Budget to Provide for the Construction of a Second Jacuzzi

Recommendation: It is recommended that the City Council approve the proposed revised and restated concession agreement between the City of Palos Verdes Estates and the Palos Verdes Beach and Athletic Club to amend that agreement to provide an increase in the percentage of resalable memberships from 60% to 65% of total membership, and approve an amendment to the PVBAC FY08-09 Capital Budget in the amount of \$300,000 for construction of a second Jacuzzi.

STAFF REPORTS

10. **City Manager's Report**

DEMANDS

11.
 - a. Authorize Payment of Motion #1 - Payroll Warrant of July 25, 2008
 - b. Authorize Payment of Motion #1a - Payroll Warrant of August 8, 2008
 - c. Authorize Payment of Motion #1b - Payroll Warrant of August 22, 2008

CITY COUNCIL AGENDA
SEPTEMBER 9, 2008

- d. Authorize Payment of Motion #1c - Payroll Warrant of September 5, 2008
- e. Authorize Payment of Motion #2 - Warrant Register of August 12, 2008
- f. Authorize Payment of Motion #2a - Warrant Register of August 26, 2008
- g. Authorize Payment of Motion #2b - Warrant Register of September 9, 2008

MAYOR & CITY COUNCILMEMBERS' REPORTS

ADJOURNMENT TO TUESDAY, SEPTEMBER 23, 2008, AT 7:30 P.M. IN COUNCIL CHAMBERS OF CITY HALL.

- *This City Council meeting can be viewed on Cox Cable, Channel 35, Wednesday, September 10, 2008 at 7:30 p.m., and Wednesday, September 17, 2008, at 7:30 p.m.*

TO: JOE HOEFGEN, CITY MANAGER
FROM: DANIEL DREILING, POLICE CHIEF
SUBJECT: POLICE TOWING SERVICES
DATE: SEPTEMBER 9, 2008

Issue:

Should the City Council agree to amend the existing police towing services contract with Van Lingen Towing, Inc., for an additional 3 years?

Background and Analysis:

Currently, the City of Palos Verdes Estates is under a formal contract with Van Lingen Towing, Inc., to provide public safety vehicle impound services. Prior to 2005, the police department operated under what amounted to a verbal agreement with Redondo Towing and later Van Lingen Towing company. However, taking advantage of the competitive market while promoting fairness, we initiated a formal request for proposals (RFP) process to select a vendor in late 2004. Following that process, the City entered into a (4) four year contract with Van Lingen Towing, Inc., commencing on January 1, 2005 with an expiration date of December 31, 2008. The contract allows for a one-time 3-year extension upon a mutual agreement of the parties.

The police department has been well satisfied with the service of Van Lingen Towing. Not only have they been responsive to our needs over the last 4 years (24 hours-a-day, 7 days-a-week), but they maintain an elite fleet of trucks capable of retrieving vehicles that were driven over a cliff. This is a service not all towing company can offer. Moreover, Van Lingen provides the added benefit of auctioning our surplus City vehicles. The company's owner, Robert Van Lingen, desires to extend the contract an additional 3 years; and the police department believes such an extension would be in the best interest of the City. Finally, although this is not intended as an enterprise, the City realizes an approximately \$20,000 annual revenue generated from storage and impound fees.

Alternatives Available To Council:

- Extend the current contract with Van Lingen Towing Inc., for 3 additional years to provide exclusive police towing services to the City of Palos Verdes Estates pursuant to the terms and conditions of the contract.
- Defer any action at this time
- Direct staff to initiate a new RFP process

Recommendations:

It is recommended the City Council approve an amendment to extend the contract with Van Lingen Towing Inc., to provide exclusive police towing services to the City of Palos Verdes Estates through December 31, 2011, pursuant to the terms and conditions of that existing contract.

Budget Impact:

None

CITY COUNCIL AGENDA
SEPTEMBER 9, 2008

TO: JOSEPH M. HOEFGEN, CITY MANAGER
FROM: ALEXA D. DAVIS, ADMINISTRATIVE ANALYST
SUBJECT: SPECIAL EVENT APPLICATION FOR THE PENINSULA MUSIC FAIR
DATE: SEPTEMBER 9, 2008

ISSUE

Shall the City grant permission to the Peninsula Committee Los Angeles Philharmonic Orchestra to host the 36th Annual “Peninsula Music Fair” at Palos Verdes High School on Sunday, October 5, 2008 between the hours of 11:00 a.m. – 4:30 p.m.?

BACKGROUND AND ANALYSIS

The Peninsula Committee Los Angeles Philharmonic Orchestra raises funds for the L.A. Philharmonic Orchestra and actively supports youth activities to promote music education in the elementary, middle school, and high school levels. One of the Committee’s largest fundraising events is the “Peninsula Music Fair.”

Each year for the past 36 years, the Peninsula Committee Los Angeles Philharmonic Orchestra has hosted the “Peninsula Music Fair.” Permission was granted by the Palos Verdes Peninsula Unified School District (PVUSD) to hold the event on the Palos Verdes High School Campus; it was previously held at Chadwick School.

The “Peninsula Music Fair” will be held on Sunday, October 5, 2008 from 11:00 a.m. – 4:30 p.m. Musical performers include exceptional groups representing a variety of styles appreciated by all ages. This year, the Fair features Dr. Bobby Rodriguez, Jazz Adventure, Los Angeles Children’s Chorus with Anne Tomlinson, Artistic Director, UCLA Philharmonic with Neal Stulberg, conductor. Additionally, young children can enjoy fun activities. Over the course of the day, an estimated 2,500 – 3,000 people are expected to attend.

There are several issues for the City to consider when hosting the “Peninsula Music Fair.” The most important include:

Parking

As in previous years, it is recommended that parking be managed with more adequate parking available along Paseo del Mar and some ancillary streets. To accommodate parking for such a large number of people, the Committee works closely with the Police Department and Streets and Parks Department to make every effort to minimize the impact parking and traffic will have on the residents living around the perimeter of the high school campus as well as in adjacent neighborhoods. There are approximately 410 regular parking spaces on campus, and an additional 100 spaces distributed throughout the campus, which will be used by musicians and special guests. Other parking will be available along the length of Paseo del Mar and Palos Verdes Drive West. Additional streets available for parking on a restricted basis are:

Addison Road (one side of street)
Chelsea Road (one side of street, on south side)
Dalton Road (one side of street north of the campus)
Via Pacheco (one side of street north of the campus)
Thorley Road (one side of street, on south side)

Shuttle Buses

The Committee again anticipates using shuttle buses this year. These buses will stop at designated areas near the event. Shuttle signs will be highly visible to direct people get to the event. The shuttles will provide continuous service from 10 a.m. to 5 p.m.

Signage

Directional signs will be posted in the Triangle area, along Palos Verdes Drive West, and at the intersection of Palos Verdes Drive West and Cloyd Road as well as in the vicinity of the event. A directional sign will also be placed at the intersection of Palos Verdes Drive West and Hawthorne Blvd. The City will post "NO PARKING" signs for specific hours (9:00 a.m. – 5:30 p.m.) on streets where parking is restricted to one side. Streets and Parks personnel will post the signs the day before the event. The Streets and Parks Department will pick up signs on the Monday morning following the event.

Security

It is recommended that 3 reserve police officers and one regular officer provide security and traffic control during the hours of the event. The Committee understands that they will pay for the expenses associated with hiring the 3 reserve police officers and one regular officer. The police officers will work with other hired security personnel in handling money and protecting funds over the course of the day, as well as assisting in traffic management. To communicate better with event staff, officers will use walkie-talkie radios. The Committee understands the need to maintain a safe and secure environment for event attendees.

ALTERNATIVES AVAILABLE TO COUNCIL

1. The Council may choose to approve the Special Event Application for the Peninsula Committee Los Angeles Philharmonic to host the annual Peninsula Music Fair.
2. The Council may modify or impose further requirements on the Peninsula Committee hosting the Peninsula Music Fair.
3. The Council may decline to approve the Special Event Application as presented.

CONCLUSION AND RECOMMENDATION

This is the seventh year the Peninsula Music Fair has been in the City of Palos Verdes Estates. Significant effort will again be made to minimize negative impacts that an event of this size could have on residents residing near the event's location, Palos Verdes High School. The Committee has cooperated with the PVPUSD to help ensure a successful event. Committee members are willing to comply with restrictions or recommendations from the City that would assist in guaranteeing the success of this traditional Peninsula activity. The Peninsula Music Fair is well known as a day of musical culture and enjoyment for all those who attend. Based on previous years' success, it is anticipated that this event will proceed with minimum inconvenience to the community.

It is recommended that the City approve the request by the Peninsula Committee Los Angeles Philharmonic Orchestra to hold its annual Peninsula Music Fair on Sunday, October 5, 2008, subject to the parking arrangements, shuttle bus service, signage provisions and security requirements outlined in this report. The Peninsula Committee will continue to work with City staff to refine and improve the conditions stated above as necessary.

BUDGET IMPACT

None

TO: JOSEPH HOEFGEN, CITY MANAGER
FROM: ALLAN RIGG, PLANNING DIRECTOR
DATE: SEPTEMBER 9, 2008
SUBJECT: PLANNING COMMISSION ACTIONS OF AUGUST 19, 2008

The items attached were acted upon by the Planning Commission on August 19, 2008.

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: JOE HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PLANNING DIRECTOR

SUBJECT: REQUEST TO APPEAL PLANNING COMMISSION DENIAL OF NC-1327/GA-1433-08; NEIGHBORHOOD COMPATIBILITY AND GRADING APPLICATIONS FOR A NEW SINGLE FAMILY RESIDENCE LOCATED AT 2116 VIA RIVERA. LOT 5, BLOCK 2204, TRACT 7141.

**APPELLANT/
OWNER: RAYMOND & BARBARA HOLDSWORTH
2116 VIA RIVERA
PALOS VERDES ESTATES, CA 90274**

**APPLICANT: JEFFREY A. DAHL
18681 AMALIA LANE
HUNTINGTON BEACH, CA 92648**

DATE: SEPTEMBER 9, 2008

The Issue

Should the City Council confirm the Planning Commission's decision to deny NC-1327/GA-1433-08; Neighborhood Compatibility and Grading applications for a new single-family residence located at 2116 Via Rivera?

Background and Analysis

This project consists of Neighborhood Compatibility and Grading applications for a new single family residence located at 2116 Via Rivera. The application proposes a 2663 sq. ft. first floor, a 1400 sq. ft. second floor, an 845 sq. ft. basement, and a 726 sq. ft. garage. The project also includes site improvements such as a new driveway, walkways, patios, a pool, and a spa. Total proposed floor area proposed is 5,634 sq. ft. Maximum allowed floor area is 6,457 sq. ft. on this 15,690 sq. ft. lot. The total Gross floor area proposed is 6,322.6 sq. ft. including the two-story volume area at the foyer (121 sq. ft.), the covered entry porch (96.6 sq. ft.), the elevator at each level (44 sq. ft.), the stairs at each level (193 sq. ft.), and the covered loggia (234 sq. ft.). Total grading proposed is 875 cu. yds. with a maximum cut depth of 20 ft. Building coverage and lot coverage proposed are 20 % (30% maximum allowed) and 63.7 % (65% maximum allowed), respectively. Maximum building height proposed is 28.5 ft., which is within the maximum allowed height of 30 ft.

History

The project was originally reviewed by the Planning Commission on July 15, 2008. Concerns were raised regarding the appearance of a 3-story element at the front elevation, the massing, the height, and the overall size of the proposed structure. Suggestions were made to reduce the height and size of the project. One commissioner suggested a minimum 24" height reduction. Another commissioner expressed concern with the removal of the large Magnolia tree at the front of the property. It was noted that removal of this tree would make the proposed structure appear more massive from the street. The project was ultimately continued.

The project was once again reviewed by the Planning Commission on August 19, 2008. Since the July review, two main changes were made to the plans: the grading increased by 145 cu. yds. and the building decreased in height by 18 inches. The Planning Commission still expressed concerns with the size and massing. One commissioner noted that the project would ultimately dominate that corner of the street and the removal of the Magnolia tree would only exacerbate this issue. The project was denied by a unanimous vote (3-0, Commissioner Chang and Chair Coffey absent).

Appeal

The Planning Commission's decision has now been appealed by owners, Raymond and Barbara Holdsworth. The appeal purports that the proposed project not only meets the guidelines set forth by Neighborhood Compatibility, but also has the support of the neighborhood. The appellants indicate this project is similar to their project at 2120 Via Rivera which was approved by the Planning Commission in July 2008 with a two foot height reduction. The appeal documents also include a letter from the applicant, architect Jeffrey Dahl. Mr. Dahl describes the various design elements utilized to minimize the massing while giving consideration to the shape of the lot and the existing grade contours. Mr. Dahl further notes that the structure will not appear as large as it represented on the plans and the Planning Commission did not give enough consideration to the design of the residence in relationship to the existing conditions of the site.

The appeal includes the appeal documents, the staff report with all supporting documents as presented to Planning Commission, and minutes from the August 19, 2008 Planning Commission meeting.

Correspondence Received

Letters of concern received prior to the August 19, 2008 Planning Commission meeting are included for your review.

Findings Required to Approve

PVEMC Section 18.36.045 states that in order to approve a Neighborhood Compatibility application, the following findings must be made by the City Council:

- A. That the proposed development is designed and will be developed to preserve the greatest extent practicable the natural features of the land, including the existing topography and landscaping;
- B. That the proposed development is designed and will be developed in a manner which will be reasonably compatible with the existing neighborhood character in terms of scale of development in relation to surrounding residences and other structures;
- C. That the proposed development is designed and will be developed in a manner which will preserve to the greatest extent practicable the privacy of persons residing on adjacent properties; and
- D. That the proposed development is designed and will be developed in a manner to the extent reasonably practicable so that it does not unreasonably interfere with neighbor's existing views.

PVEMC Section 18.24.065 states that a grading permit application shall not be approved if the Commission or Council finds:

- 1. The proposed grading will unreasonably change the natural contours of the land;
- 2. The proposed grading will create a hazard to the immediate or adjacent property; or
- 3. The proposed grading will unreasonably interfere with the use and enjoyment of property by other persons in the city.

CEQA Status

This project is exempt from the California Environmental Quality Act (CEQA) pursuant to California Administrative Code Title 14, Chapter 3, Section 15303.

Alternatives Available to Council

The following alternatives are available to the City Council:

- 1. Confirm the Planning Commission's decision to deny NC-1327/GA-1433-08; Neighborhood Compatibility and Grading applications for a new single-family residence located at 2116 Via Rivera.
- 2. Overturn the Planning Commission's decision and approve NC-1327/GA-1433-08; Neighborhood Compatibility and Grading applications for a new single-family residence located at 2116 Via Rivera, as presented.
- 3. Overturn the Planning Commission's decision and approve NC-1327/GA-1433-08; Neighborhood Compatibility and Grading applications for a new single-family residence located at 2116 Via Rivera, with modifications.

Recommendation from Staff

Staff recommends that the City Council confirm the Planning Commission's decision to deny NC-1327/GA-1433-08; Neighborhood Compatibility and Grading applications for a new single-family residence located at 2116 Via Rivera.

Staff report prepared by:
Stacey Kinsella
Planning Department

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, BUILDING/PLANNING DIRECTOR

SUBJECT: RESOLUTION R08-25: ADOPTING FEES FOR VENDING FROM VEHICLE PERMITS

DATE: SEPTEMBER 9, 2008

The Issue

Shall the City Council adopt Resolution R08-25 to adopt fees for vending from vehicle permits?

Background

The City Council recently adopted an ordinance requiring permits for persons vending from vehicles within the City. An Operator's Permit is required for the operator of each vehicle. A Vendor's Permit is required for each person working in the vehicle under the direction of a person holding an Operator's Permit. Under state law, the City is permitted to recover the reasonable cost of providing certain services. This is to ensure that the party requesting the service, which is provided at their request and for their sole benefit, pays for the service. In this sense, the City is recovering its cost for processing and administering operator and vendor permits and is neither subsidizing or profiting from this activity through the exaction of fees.

As staff will spend time processing each of these permit applications, the Code includes the requirement for an application fee that needs to be established. The following includes the analysis for the Operator's Permit fee, the Vendor's Permit fee, and the appeal for either the denial of a permit application or the revocation of a permit.

Analysis and Findings

As this is a new program, the City does not have experience with these types of applications and the amount of time each will entail. As such, we propose using fees developed by our City and other cities for similar applications. We will also track the hours staff spends on the applications received, and then adjust the fees if necessary.

The City of Lawndale has a similar process, which in fact we used as a template for our process. In Lawndale the total application/sticker cost for the Operator's Permit is \$139. However, this is the same fee used for a variety of businesses from vehicles which do not have the same requirements and background investigation as are within our process. There is no fee for an application for a Vendor's Permit or for an appeal of either the denial of a permit application or the revocation of a

permit. A representative of Lawndale indicated that they knew their fees were low and were working with a consultant to review if they needed fee increases. We do not see much value in Lawndale's fees.

The city of Torrance has a trailer fee which is applied to any type of vehicle which is set up for business. Their fee is \$223.

The cities of Redondo Beach and Manhattan Beach have fees for the owners and workers within massage parlors. They require an extensive investigation of the persons involved in these businesses, similar to what we require for the Operator's and Vendor's permits. The fee for the operator of a massage parlor in Manhattan Beach is \$377 and in Redondo Beach it is \$156. The fee for a technician within a massage parlor in Manhattan Beach is \$222 and in Redondo Beach it is \$125. If we take the average of each category, the average fee for an operator is \$266.5 and the average fee for a worker is \$173.5.

The average fee for an operator of \$266.5 is very close to the Torrance trailer fee of \$223. We would thus propose to use a fee of \$266 for an application fee for an Operator's permit. We also propose that we use the fee \$173 for an application for a Vendor's permit.

We can also back-check to determine if the fees would cover our estimated costs for staff time and for the background investigation. The cost for the background investigation to be done by the Police Department is \$50. Once this cost is taken from the proposed fees, \$216 would remain out of the Operator's permit fee and \$123 out of the Vendor's permit fee. If we use an average cost to the City of \$60 per hour for staff time, the remaining Operator's permit fee would cover 3.6 hours of staff time and the remaining Vendor's permit fee would cover 2.1 hours of staff time. These times seem to be reasonable, and we will monitor the time to process the applications so we can adjust the fees based on our actual time spent.

In regards to the appeal fee, we know there will be staff time devoted to working with the appellant and the hearing with the City Manager, and would not suggest using the no-fee approach used by Lawndale. We would propose that the fee be the same as the fee for a Minor Appeal to the City Council, as it would seem to involve the same level of effort. The current fee for a Minor Appeal is \$250.

In summary, we would propose the following fees:

Application for an Operator's Permit -	\$266
Application for a Vendor's Permit -	\$173
Appeal of a Permit denial or revocation -	\$250

Alternatives Available to the City Council

1. Open the public hearing, consider public input and adopt R08-25 to implement a fee of \$266 for an Operator's Permit application, \$173 for a Vendor's Permit application, and \$250 for the appeal of a Permit denial or revocation.
2. Open the public hearing, consider public input and adopt R08-25 with modified fees.
3. Decline to act.

Recommendation

It is recommended that the City Council open the public hearing, consider public input and adopt R08-25 to implement a fee of \$266 for an Operator's Permit application, \$173 for a Vendor's Permit application, and \$250 for the appeal of a Permit denial or revocation.

Agenda Item #: 8
Meeting Date: 9/9/08

TO: JOSEPH M. HOEFGEN, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: AWARD OF PROFESSIONAL SERVICES AGREEMENT TO GMU GEOTECHNICAL INC. AND HUITT-ZOLLARS, INC. FOR THE DESIGN OF A SOLDIER PILE WALL TO SUPPORT THE 900 BLOCK OF PALOS VERDES DRIVE WEST AND ADOPTION OF RESOLUTION R08-26, ADJUSTING THE FISCAL YEAR 2008-09 BUDGET

DATE: SEPTEMBER 9, 2008

The Issue

Should the City Council award a Professional Services Agreement to GMU Geotechnical Inc. & Huitt-Zollars, Inc. in the amount of \$113,250 for the design of a soldier pile wall to support Palos Verdes Drive West, and adopt Resolution R08-26, adjusting the Fiscal Year 2008-09 Budget?

History

Towards the north end of Bluff Cove near Via Montemar, a landslide in the 1980s destroyed two homes and led to the ongoing maintenance activities where the City continually patches the street due to subsidence. The easterly edge of the landslide has slowly moved towards the east, and now extends into the southerly travel lane of Palos Verdes Drive West. In the early 1990s, the striping for Palos Verdes Drive West was moved easterly as the top of the landslide was causing subsidence across the entire southbound lane. Based on field observations and a review of core samples and geology reports, it is likely that the top of the landslide will continue to move easterly across the travel lanes unless corrective actions are taken. Additional movement/erosion could eventually cause the closure of Palos Verdes Drive West, which would be a tremendous disruption to traffic and utilities, including water, electrical, and sewer lines. There is no easy way to reroute the road or the utilities in either location due to the topography in the area.

In order to better understand the existence of landslides within Bluff Cove, the City has been monitoring survey points throughout Bluff Cove beginning in November of 2003. Approximately 24 survey monuments were placed per the direction of the City Geologist and then monitored by a

CITY COUNCIL AGENDA
SEPTEMBER 9, 2008

consulting surveyor, Dalcin Cummins Associates. The monuments were monitored on a monthly basis using GPS, and the exercise was completed in June of 2006 at the recommendation of the City Geologist. In general, the results show no significant movement, except in the north area below the street in the active landslide.

The City Council authorized further investigation of the landslide by a collaborative effort between a coastal engineering firm, Moffatt & Nichol, and the City Geologist Zeiser Kling. A report titled "Palos Verdes Drive West Coastal Engineering Assessment" was completed and presented to the City Council on September 25, 2007. This previous report presented a variety of options for additional investigation and remediation in the landslide area including:

- 1. Perform additional geotechnical investigations of the depth of the slide and trend of movement in two phases to identify the feasibility of a possible caisson alternative to preserve the road. Phase 1 consists of borings at the road edge to identify the feasibility of the caisson approach (how deep to drill caissons and how deep the slip surface is) and Phase 2 includes borings farther down the slope to provide a more focused three-dimensional geotechnical model of subsurface structure and movement. This action should occur as the top priority.*
- 2. Design and install a partial caisson-supported road along the top of the bluff, depending on results from additional geotechnical investigations, and widen the road 15 feet to the east. This concept would consist of a caisson-supported reach of road along the west edge only to allow slope movement under that portion of the road. As this delves into issues beyond this coastal assessment, concept design of this option is not included but should be undertaken in conjunction with action number 1 above.*

The City Council approved the investigation per recommendation #1 above. Both phases within item #1 have been completed, and the final report titled "Geotechnical Review of Landslide Distress and Repair Alternatives for Northern Portion of the Bluff Cove Area" was presented on June 10, 2008 to the City Council for their review. The following is an excerpt from the report:

Based on our evaluation of the site conditions and our analyses, the following conclusions can be made with respect to the area of PVDW above and adjacent to the Bluff Cove Landslide.

- Distress to the roadway surface within the crescent shaped repair area is attributed to movement of the Bluff Cove Landslide.
- Movement on the order of 3 to 8 inches per year horizontally and vertically will continue to have an affect on the road way adjacent the landslide.
- Over time the movement of the landslide will affect more and more of the pavement area and the crescent area currently affected will grow in size.
- Increases in rainfall or irrigation could cause increases in the rate of movement of the landslide and would in turn cause increases in distress to the PVDW.
- The Bluff Cove Landslide could potentially fail catastrophically at some time in the future. If so it could have a serious impact on the existing roadway.
- Grading to mitigate the landslide does not appear to be a viable option due construction impacts on the surrounding area and lengthy road closures.
- An eastern retaining wall to allow for roadway relocation is feasible.

- A soldier pile wall along the western portion of PVDW at the crescent asphalt repair area is feasible from a geologic and geotechnical perspective.

The results were good news for two particular reasons. First, the top of the landslide is the easterly edge where we have been patching over the years. It was feared that the landslide could have extended underground much further to the east, potentially threatening the homes on Via Montemar and making stabilization very difficult. Second, the depth of the landslide is such that conventional means such as a soldier pile could be used to protect the roadway.

Based on these findings, the City Council authorized staff to solicit proposals from structural engineering firms to more fully define the design options, create preliminary cost estimates and preliminary design(s), present the results to the Council, then proceed to create construction documents based on the option the Council chooses.

Staff issued a request for proposal on June 12th, 2008. A job walk was held on July 8th, 2008 at both City Hall and the landslide. A total of seven firms attended the job walk.

Proposals were due by July 25, 2008. A total of three proposals were received from GMU Geotechnical Inc. & Huitt-Zollars, Inc., Wheeler and Gray Inc., and Sanders & Associates Geostructural Engineering. The proposals were each submitted in two separate sealed envelopes – one containing the firm’s qualifications/approach and the other containing the firm’s cost proposal.

Each of the firm’s proposal regarding their qualifications/approach was independently reviewed by the City Engineer Allan Rigg, the Public Works Engineer Floriza Rivera, and the City Geologist Jim Lancaster. Each ranked the firms in the same order from best qualified to least qualified:

1. GMU Geotechnical Inc. & Huitt-Zollars, Inc.
2. Sanders & Associates Geostructural Engineering
3. Wheeler and Gray Inc.

Based on these rankings, staff concluded that GMU Geotechnical Inc. & Huitt-Zollars, Inc. (GMU) is the best-qualified firm to perform the work. They have performed similar services recently on a variety of projects and have a highly-qualified, long-term staff that has worked on these similar projects together. We have checked several of their references and each has reported very positive experiences with the firm.

The schedule submitted by GMU provides 8 weeks to create the preliminary design report and 8-12 weeks for final engineering. This schedule does seem a bit optimistic, but based on it the Council would review the preliminary design report in December, and construction documents could be completed in March. Construction could potentially begin as early as July, 2009.

We are able to award contracts of this type for professional services to the best-qualified firm, so long as the price is reasonable for their services. After finding GMU to be the best qualified firm, we opened the cost proposals. The results are as follows:

1. GMU Geotechnical Inc. & Huitt-Zollars, Inc. - \$113,250
2. Sanders & Associates Geostructural Engineering - \$119,864.50

3. Wheeler and Gray Inc. - \$129,915

As GMU presented the least expensive of the three cost proposals, we believe their cost proposal is reasonable for the services.

Fiscal Impact

The City has \$400,000 of Proposition 1B funds that the City Council has designated for the design and construction of measures to protect PVDW. The City Council previously adopted Resolution R08-11 designating these funds for the design and construction of remedial measures adjacent to the Bluff Cove landslide.

As the cost for the design was not known during the creation of the FY 2008/09 budget, there are currently no funds budgeted specifically for the design. Budget Resolution R08-26 is attached to this report designating Proposition 1B funds for the design costs.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Award a Professional Services Agreement to GMU Geotechnical Inc. & Huitt-Zollars, Inc. in the amount of \$113,250 for the design of a soldier pile wall to support Palos Verdes Drive West, and adopt Resolution R08-26, adjusting the Fiscal Year 2008-09 Budget.
2. Decline to Act.

Recommendation from Staff

Staff recommends that the Council award a Professional Services Agreement to GMU Geotechnical Inc. & Huitt-Zollars, Inc. in the amount of \$113,250 for the design of a soldier pile wall to support Palos Verdes Drive West and adopt Resolution R08-26, adjusting the Fiscal Year 2008-09 Budget.

Staff report prepared by
Allan Rigg
Public Works Department

TO: JOSEPH HOEFGEN, CITY MANAGER

FROM: JUDY SMITH, ASSISTANT CITY MANAGER

SUBJECT: REQUEST TO APPROVE A REVISED AND RESTATED CONCESSION AGREEMENT WITH THE PALOS VERDES BEACH AND ATHLETIC CLUB TO PROVIDE AN INCREASE IN THE PERCENTAGE OF RESALABLE MEMBERSHIPS AND APPROVE AN AMENDMENT TO THE PVBAC FY 2008-09 CAPITAL BUDGET FOR CONSTRUCTION OF A SECOND JACUZZI

The Issue

Shall the City Council approve a request from the Palos Verdes Beach and Athletic Club (PVBAC) to approve a revised and restated concession agreement to permit an increase in resalable memberships from 60% to 65% of total memberships and approve an amendment to their FY 2008-09 capital budget in the amount of \$300,000 for construction of a second Jacuzzi?

Background

This Club is unique among the City’s concessions in that an option for a resalable membership has been in place since before the Club reopened in 1992. Initially offered as a marketing device to generate interest in the facility and sufficient funds to finance the renovation, since 2003, the concession agreement has limited resalable memberships to 60% of total membership. The current breakdown and cost of membership is shown below:

	Total	Resident	Initiation Fee	Non-Resident	Initiation Fee
Resalable (60%)	366	323	\$16,000	43	\$18,000
Regular (40%)	244	212	\$ 8,000	32	\$ 9,000
Total	610	535		75	

Although the Club maintains a non-resident member category and non-residents currently hold 75 memberships, upon surrender, these convert to resident memberships when purchased by Palos Verdes Estates residents.

Analysis and Findings

The Club is requesting an amendment to the concession agreement to permit an increase in the percentage of resalable members from 60% to 65% in order to assist with financing the construction of a second Jacuzzi. If the request were approved, then it would result in 30 additional resalable memberships, but not an overall increase in the maximum number of memberships, which would remain at 610. The 610 memberships would consist of 396 resalable and 214 regular memberships.

According to the Club, the current Jacuzzi, located on the pool deck, is heavily used, mostly by teenagers and children. An additional Jacuzzi has consistently ranked among the most desired amenities in surveys of Club members. The FY 2007-08 Club capital budget included \$200,000 for construction of a second Jacuzzi, which would be restricted to adult use and located on the sloped area between the pool deck and grill. Formal bids were received, which exceeded the adopted budget. The Club decided to delay the project to examine financing options and the approved FY 08-09 capital budget (\$75,990) does not include the Jacuzzi project. Total funding required is \$300,000, including construction and contingency.

On July 29, 2008, Council liaisons Mayor Sherwood and Councilmember Rea, as well as City Manager Hoefgen and Assistant City Manager Smith met with Club representatives, President Julie Taylor and Financial Advisor Richard Govenar, to discuss the requested amendments.

Membership initiation fees are the sole source of Club capital funds. The PVBAC capital fund balance totals just over \$900,000. Consistent with the original project budget, the Club is willing to commit up to \$200,000 of the available capital balance for the Jacuzzi project and thus, faces a funding shortfall of \$100,000. Options discussed and rejected by the PVBAC board and reviewed by the liaisons included:

- Fund the full project cost from the capital balance – This option was deemed too drastic of a reduction in the balance (1/3), given on-going capital needs, as evidenced by a recently completed reserve study, and because membership turnover has slowed. In FY 07-08, the Club had 11 membership turnovers, down from the historic level of 20-25. In FY 06-07, the Club generated more than \$97,000 from membership turnover. In FY 07-08, \$52,500 was generated (-46%), which includes funds from a \$4,000 (+25%) increase in the cost of resalable memberships approved by the City Council in September 2007.
- Levy a special assessment – A one-time special assessment of the membership to generate the additional \$100,000 would cost each member \$164. The Board must approve an assessment by 2/3 vote and the membership by a simple majority. An argument could be made that if the Jacuzzi is a priority, members should be willing to pay for it; however, the Board believes that it cannot justify proposing a special assessment given the current capital balance.
- Request an increase in total memberships - An increase of 10 memberships to 620, at the current 60% – 40% split between resalable and regular, would generate \$128,000 for the capital fund

from initiation fees, as well as \$1,300 per month in additional dues. The Board endorsed this as a less desirable option and it is reluctant to set a precedent of increasing membership to generate capital income, especially when the Club has not previously endorsed increasing the membership in spite of the extensive waiting list. An increase in total membership could also have negative effects associated with greater use and demand on the facilities.

The preferred option of the PVBAC board is to request an increase in the percentage of resalable memberships. A five (5) percent increase will add 30 resalable memberships and reduce the number of regular memberships by the same amount. This would generate \$240,000 in one-time revenue (\$8,000 differential between regular/resalable), which is more than double the amount needed to finance the project shortfall. The only revision to the concession agreement (attached) needed to implement such a change is Section 14 (f) – Membership (page 8).

The Council liaisons understand the desire for a second Jacuzzi and are generally supportive of the Club's request to increase the percentage of resalable memberships.

Although the subject was not explored, since the PVBAC Board requested a 5% change in the membership categories, a much lower percentage increase would cover the funding shortfall. A 2% increase in resalable (12 memberships) would generate \$96,000; however, it might generate other difficulties, as noted below.

In 2003, when Council took steps to cap the number of resalable memberships at 50%, the demand for conversion was so large the Club returned to the City and requested an increase to 60%, which was approved. Council may wish to consider whether allowing a further increase in resalables makes regular memberships even less desirable, especially when in the past, Club management has expressed the opinion to City staff that all memberships should be resalable.

If approved, then staff recommends that the effective date of the change to increase the percentage of resalable memberships be at least 45 days after the date of Council action. This will allow the Club time to notify all regular members of the upgrade option and to establish a process that ensures only the available number of upgraded memberships is processed. Council may also want to specify that residents be given priority in this process, as there are currently 32 non-resident regular memberships. There is no benefit to City residents by permitting an increase in the number of non-resident resalable memberships.

Alternatives Available to the City Council

1. Approve the proposed revised and restated concession agreement to increase the percentage of resalable memberships from 60% to 65% and approve the amendment (\$300,000) to the Club's FY 2008-09 capital budget.
2. Approve a revised and restated concession agreement to provide a lower percentage increase in the number of resalable memberships than the 5% increase the Club has requested and approve the budget amendment.

3. Decline to act at this time and request additional information from the Club.
4. Deny the request for a revised and restated concession agreement and the request to amend the capital budget.

Recommendation

It is recommended that the City Council:

- 1.) Approve the proposed revised and restated concession agreement between the City and the Palos Verdes Beach and Athletic Club to amend that agreement to provide an increase in the percentage of resalable memberships from 60% to 65% of total membership, and
- 2.) Approve an amendment to the PVBAC FY 08-09 Capital Budget in the amount of \$300,000 for construction of a second Jacuzzi.