

December 13, 2011
7:30 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 shall 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. R11-38
NEXT ORDINANCE NO. 12-701**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL (7:30 p.m.)

MAYOR'S REPORT – Matters of Community Interest

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

- Presentation by Southern California Edison – State of the Utility System on the Palos Verdes Peninsula and Palos Verdes Estates

CONSENT AGENDA (Items #1 - 10)

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 #10a-d) 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. City Council Minutes of November 8, 2011

Recommendation: Review and Approve.

2. City Treasurer’s Reports
 - a. October 2011
 - b. November 2011

Recommendation: Receive and File.

3. Monthly Financial Report – November 2011

Recommendation: Receive and File.

4. Award of Contract to Van Lingen Towing Inc. to Provide the City of Palos Verdes Estates with Exclusive Police Towing Services

Recommendation: It is recommended that the City Council award a contract to Van Lingen Towing Inc. to provide exclusive police towing services to the City of Palos Verdes Estates pursuant to the terms and conditions stated in the City’s Request for Proposal.

5. One-Year Contract Extension with the City of Inglewood (ICMS) for Parking Citation Processing Services

Recommendation: It is recommended that the City Council approve the one-year extension to the current contract with the City of Inglewood (ICMS) for parking citation processing services and authorize the City Manager to sign the contract.

6. PW-580-11; Completion of Contract for the FY 11-12 Overlay Project

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

Recommendation: It is recommended that the City Council accept as complete the construction contract PW-580-11; FY 11-12 City Overlay Project in the amount of \$683,458; direct the City Clerk to file the Notice of Completion, and release the 10% retention 30 days after the County Recorder's office records the Notice of Completion, if no stop notices are filed.

7. Waive Further Reading

Recommendation: After the City Attorney has read the title, waive full reading of ordinances considered on this agenda for introduction on first reading or adoption on second reading.

8. Traffic Safety Committee Meeting Item of November 9, 2011

Recommendation: Review and Approve.

- a. Review of Pedestrian Related Signage Adjacent to George Allen Field

Action: Recommended that staff install six W11-2 Pedestrian Crossing signs around the George Allen Field. (Approved 4-0, Friedman absent.)

9. Parklands Committee Meeting Items of November 14, 2011

Recommendation: Review and Approve.

- a. PC-335-11; Application to remove 1 California pepper tree located in the city parkway adjacent to 3932 Via Valmonte

Applicant: Patricia Hourigan
3932 Via Valmonte
Palos Verdes Estates, CA 90274

Action: Approved (3-0, Peterson and Schoenheider absent) to remove 1 California pepper tree located in the parkway adjacent to 3932 Via Valmonte according to the 'Standard Conditions for Tree Removal Approvals'. A \$500 donation to the 'Tree Bank' is required.

- b. PC-336-11; Application to remove 1 Silver Dollar Eucalyptus tree located in the city parkway adjacent to 1909 Via Estudillo

Applicant: KBMS Properties/LLC Sara Skousen
1232 Via Coronel
Palos Verdes Estates, CA 90274

Action: Approved with modification (3-0) to allow the applicant to request an annual no-fee permit to trim the tree to improve the view at the City Forester's direction.

- c. Conceptual Design for the triangle median at the intersection of Via Campesina and Paseo Del Campo

Action: Approved (3-0). Staff is directed to proceed with the plan to landscape the center median at Paseo Del Campo and Via Campesina.

10. Planning Commission Actions of November 15, 2011

Recommendation: Receive and File.

- a. **CDP-84/NC-1428-11;** Consideration of Coastal Development Permit and Neighborhood Compatibility Applications for a new single family residence located at 317 Rocky Point Road. Lot 4, Tract 17606.

Applicant: Evan Braun Design, Inc.
P.O. Box 144
Venice, CA 90294
Owner: John & Delores Kusmiersky
1420 Via Arco
Palos Verdes Estates, CA 90274

Action: Approved (4-0, Thomas absent) with standard conditions and the following additional conditions: 1) The master bedroom chimney is to be reduced by 2.5 ft. than what is currently shown on the plans; 2) City standard curb and gutter shall be installed per construction plans prepared by a registered Civil Engineer and approved by the City Engineer; 3) A licensed survey of the building coverage shall be completed and submitted to the City to verify compliance with the approved coverage for the subject lot; 4) The existing block wall at the rear of the site is to be removed from Parkland; 5) A standard urban stormwater mitigation plan, approved by the City Engineer shall be prepared and implemented for the project.

- b. **NC-1433-11;** Consideration of a Neighborhood Compatibility Application for a new single family residence located at 3820 Via La Selva. Lot 6, Block 6213, Tract 6887.

Applicant: Tomaro Architecture, Inc.
2617 N. Sepulveda Blvd., #100
Manhattan Beach, CA 90266
Owner: Rick & Jill Tomaro
27907 Centuria Dr.
Rancho Palos Verdes, CA 90275

Action: Approved (4-0) with standard conditions and the following additional condition: 1) A licensed survey of the building coverage shall be completed and submitted to the City to verify compliance with the approved coverage for the subject lot.

- c. **NC-1423R-11**; Revised Neighborhood Compatibility Application for a new detached structure at the single family residence located at 4040 Via Valmonte. Lot 11, Block 6321, Tract 7143.

Applicant: Russell E. Barto, AIA
3 Malaga Cove Plaza, Suite 202
Palos Verdes Estates, CA 90274
Owner: Mr. & Mrs. CD Wilson

Action: Approved (4-0) with standard conditions.

- d. **GA-1296R-11**; Revised Grading Application for the new single family residence located at 1815 Via Visalia. Lot 3 & portion of Lot 4, Block 1550, Tract 7333.

Applicant: George Sweeney
3 Malaga Cove Plaza, Suite 201
Palos Verdes Estates, CA 90274
Owner: Mr. & Mrs. Davis Moore
2825 Via La Selva
Palos Verdes Estates, CA 90274

Action: Approved (4-0) 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 HEARING/ORDINANCE (7:30 p.m.)

11. Introduction of Ordinance 12-700; an Ordinance of the City Council of the City of Palos Verdes Estates, California, Amending Titles 16, 17, and 18 of the Palos Verdes Estates Municipal Code

Recommendation: It is recommended that the City Council open the public hearing, receive public input, close the public hearing and, after the City Attorney reads the title, introduce Ordinance 12-700; amending Titles 16, 17, and 18 of the Palos Verdes Estates Municipal Code.

OLD BUSINESS

12. Review of Potential Additional Traffic Calming Measures on Via Del Monte (Traffic Safety Committee Meeting Item of November 9, 2011)

Action: Staff recommends that the City Council concur with the Traffic Safety Committee and direct staff to: 1) implement Item 1, the installation of Speed Feedback signs at two locations between Rincon Place and Paseo Del Sol and 2) implement Item 2, the installation of Dip, Speed Limit, and Curve-Ahead signage. (Traffic Safety Committee Approved 3-1, Kao dissenting, Friedman absent)

NEW BUSINESS

13. Palos Verdes Golf Club FY 2012 Operating and Capital Budgets

Recommendation: It is recommended that the City Council approve the FY 2012 Palos Verdes Golf Club operating and capital budgets; approve a 3% increase in monthly dues and approve changes in other fees as specified in the proposed budget.

14. PW-578B-11; Award of Construction Contract for the Completion of the Mexico Place Storm Drain in the Amount of \$108,640 to FS Construction and Adoption of Resolution R11-37, Adjusting the FY 11-12 Budget

Recommendation: It is recommended that the City Council award a construction contract for the completion of the Mexico Place Storm Drain Project in the amount of \$108,640 to FS Construction, and adopt Resolution R11-37, adjusting the FY 11-12 budget.

15. Review of Request for Proposals for the Residential Refuse Collection Contract

Recommendation: It is recommended that the City Council approve the 2012 Residential Refuse Collection Request for Proposals and direct staff to proceed with advertising for proposals.

STAFF REPORTS

16. City Manager's Report

DEMANDS

17. a. Authorize Payment of Motion #1 – Payroll Warrant of November 10, 2011
b. Authorize Payment of Motion #1a – Payroll Warrant of November 25, 2011

CITY COUNCIL AGENDA DECEMBER 13, 2011

- c. Authorize Payment of Motion #1b – Payroll Warrant of December 9, 2011
- d. Authorize Payment of Motion #2 – Warrant Register of November 22, 2011
- e. Authorize Payment of Motion #2a – Warrant Register of December 13, 2011

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

MAYOR & CITY COUNCILMEMBERS' REPORTS

ADJOURNMENT TO WEDNESDAY, JANUARY 11, 2012, 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, December 14, 2011 at 7:30 p.m., and Wednesday, December 21, 2011, at 7:30 p.m.*

TO: MAYOR AND CITY COUNCIL
FROM: JUDY SMITH, CITY MANAGER
SUBJECT: MONTHLY FINANCIAL REPORT – NOVEMBER 2011

The Issue

What is the status of the FY 2011-12 City budget after five months?

Analysis of Graphs

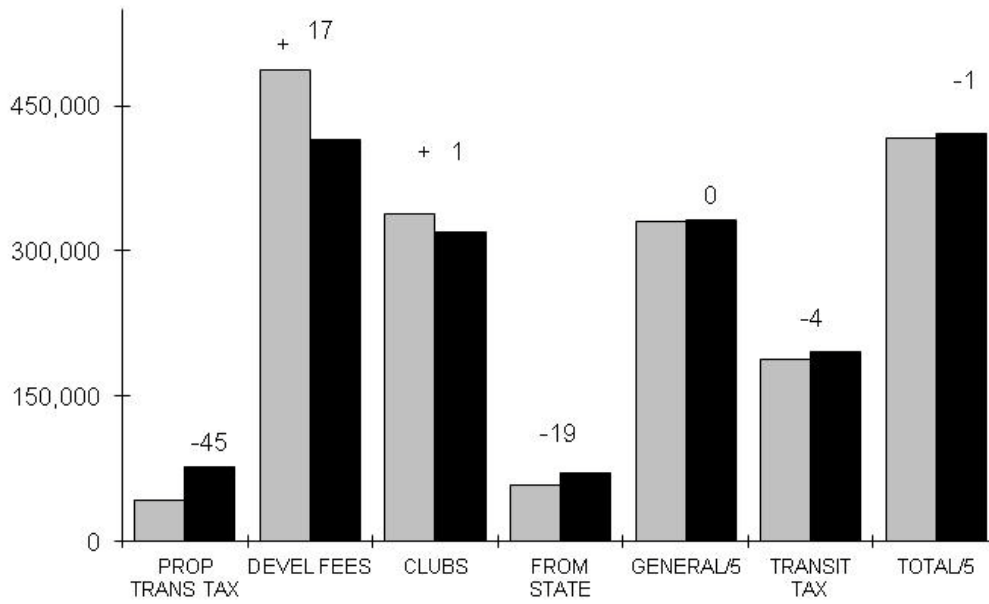
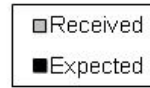
Through five months of the fiscal year, total operating revenues are 1% below expected, while general fund revenues are at expected, 0% deviation. As part of total budget, the revenue activity for the year to date is minimal. Property taxes and the fire parcel tax together represent 63% of total operating revenue and we do not receive the first allocation of these monies from the County until December. I will highlight results from those sources as part of the December memo in a Spot Report.

Total operating expenditures are 2% below expected with most departments, except Public Works and Insurance, at less than expected. The Insurance/Attorney item will remain in excess of budget until late in the fiscal year because of the cost for insurance deposits paid to the CJPIA in July. None of the budget deviation for this factor is associated with the City Attorney's services. The Public Works budget reflects an aggressive tree trimming schedule during the first four months of the year, including other warm weather activities and the costs for the annual fire clearance/weed abatement contract.

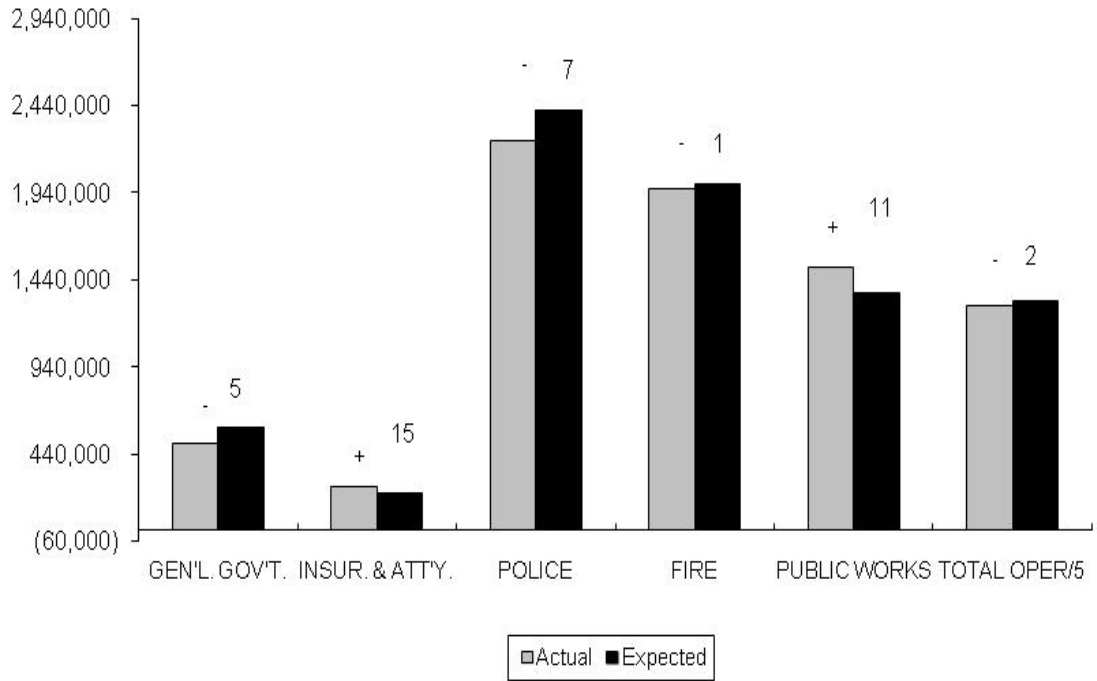
Spot Reports

None.

**OPERATING REVENUES
Actual vs Expected, November, 2011**



OPERATING EXPENDITURES
Actual vs Expected, November 2011



TO: JUDY SMITH, CITY MANAGER
FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR
SUBJECT: PW 580-11; COMPLETION OF CONTRACT FOR THE FY 11/12 OVERLAY PROJECT
DATE: DECEMBER 13, 2011

The Issue

Should the City Council:

- 1) Accept as complete the construction contract PW 580-11; FY 11/12 City Overlay Project in the amount of \$683,458; and
- 2) Direct the City Clerk to file the Notice of Completion, and release the 10% retention 30 days after the County Recorder's office records the Notice of Completion, if no stop notices are filed?

Background and Analysis

On May 24, 2011, City Council awarded a Contract in the amount of \$662,058 to Hardy and Harper, Inc. for the completion of the FY 11/12 City Overlay Project. The project consisted of removing and replacing deteriorated asphalt, edge grinding, and overlaying the street surface with new asphalt. The following streets were overlaid:

Street Name	From	To
Paseo Lunado (S)	PVDW	Via Rivera
Paseo Lunado (S)	Via Anacapa	Via Alvarado
PVDW (NB)	Yarmouth Rd	Avenida Mirola
PVDW (SB)	Yarmouth Rd	Avenida Mirola
Tyburn Rd	Via Anacapa	Via Pacheco
Via Anacapa	Paseo Lunado (S)	PVDW

Street Name	From	To
Via Borica	Via Victoria	Via Buena
Via Buena	Via Borica	Via Victoria
Via Buena	Via Victoria	End (N)
Via Carrillo	Via Mirola	Via Zumaya
Via Mirola	Via Carrillo	Via Rivera
Via Rivera	Via Carrillo	Paseo Lunado (S)
Via Rivera	Via Amador (N)	Via Mirola
Via Ventana	Via Carrillo	End
Via Victoria	End	Via Miguel
Via Zumaya	PVDW	Via Carrillo
Yarmouth fountain crossing	Yarmouth	PVDW(NB)
Yarmouth crossing NB	PVDW(NB)	Yarmouth Rd
Via Carrillo crossing	PVDW(SB)	Via Carrillo
Paseo Lunado (S)	PVDW	Via Anacapa
Via Carrillo	2641 Via Carrillo	Via Rivera
Via De La Guerra	Palos Verdes Drive West	Tyburn Rd

The project has now been satisfactorily completed in the amount of \$683,458. An alternate bid for berm repair on Avenida Mirola was awarded with the base bid on this project, for a total original construction cost of \$662,058.

One change order was issued for \$21,400 for additional paving fabric and asphalt overlay on project streets, and for the deletion of several manhole adjustments from the project. This change order increased the total construction cost to \$683,458 (+3.23%).

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Accept as complete the construction contract PW 580-11; FY 11/12 City Overlay Project in the amount of \$683,458, direct the City Clerk to file the Notice of Completion, and release the 10% retention 30 days after the County Recorder's office records the Notice of Completion, if no stop notices are filed.
2. Decline to accept the project as complete.

Recommendation from Staff

Staff recommends that the Council:

- 1) Accept as complete the construction contract PW 580-11; FY 11/12 City Overlay Project in the amount of \$683,458; and
- 2) Direct the City Clerk to file the Notice of Completion, and release the 10% retention 30 days after the County Recorder's office records the Notice of Completion, if no stop notices are filed.

Fiscal Impact

The project budget allotted \$725,161 for the overlay of these streets. These are the project costs:

Construction Costs	\$683,458
Inspection/Administration	\$28,951
<hr/> Total	<hr/> \$712,409

The project budget is therefore sufficient to cover the total construction cost of \$712,409 shown above.

Staff report prepared by:
Floriza Rivera
Public Works Department

Agenda Item #: 10a-d
Meeting Date: 12/13/11

TO: JUDY SMITH, CITY MANAGER
FROM: ALLAN RIGG, PLANNING DIRECTOR
DATE: DECEMBER 13, 2011
SUBJECT: PLANNING COMMISSION ACTIONS OF NOVEMBER 15, 2011

The items attached were acted upon by the Planning Commission on November 15, 2011.

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: JUDY SMITH, CITY MANAGER

FROM: ALLAN RIGG, PLANNING DIRECTOR

SUBJECT: INTRODUCTION OF ORDINANCE NO. 12-700, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALOS VERDES ESTATES, CALIFORNIA, AMENDING TITLES 16, 17, AND 18 OF THE PALOS VERDES ESTATES MUNICIPAL CODE

DATE: DECEMBER 13, 2011

The Issue

Should the City Council Introduce Ordinance No. 12-700, an Ordinance of the City Council of the City of Palos Verdes Estates, California, Amending Titles 16, 17 and 18 of the Palos Verdes Estates Municipal Code?

Background and Analysis

The City of Palos Verdes Estates is performing a comprehensive update of its Municipal Code, including the titles related to subdivisions (Title 16), zoning procedures (Title 17), and zoning regulations (Title 18). The intent of the process is to update City regulations to comply with changes in state law and to eliminate confusing or contradictory language. The proposed changes include the following:

- Updating the findings and procedures related to approval of a parcel map or tract map to be consistent with the Subdivision Map Act, including new procedures for lot line adjustments and merger of parcels;
- Including definitions for bed and breakfast inns and communal housing which would be permitted uses in R-1 zones upon approval of a conditional use permit;
- Including new regulations for mobilehome parks and mobilehomes which would be permitted uses in R-M zones upon approval of a conditional use permit;
- Permitting movie theatre uses in commercial zones upon approval of a conditional use permit;
- Updating regulations related to commercial and noncommercial antennas;
- Including density bonus regulations in compliance with Government Code Section 65915; and
- Other updates needed to comply with state law or make the Municipal Code consistent and more accessible.

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

In addition to drafting the proposed revisions, staff also analyzed any potential environmental impacts that may result from the changes. A negative declaration was prepared pursuant to the California Environmental Quality Act (“CEQA”). The negative declaration was sent to relevant public agencies and notice was provided pursuant to CEQA. No comments were received during the comment period. The proposed changes were presented to the Planning Commission at its regular public hearings on September 20, 2011 and October 18, 2011. At its October 18th hearing, the Planning Commission recommended approval of the negative declaration with no modifications.

History

Revisions to Titles 16, 17, and 18 were originally reviewed by the Planning Commission on September 20, 2011. Clarifications were requested regarding the minor modification process and the definition of movie theaters. The following were proposed for revision:

- A definition for movie theaters is to be included.
- Section 17.40.020(B), regulating minor modifications, is to state what “10%” refers to in a list of changes that may be considered minor modifications.
- The notice requirement for minor modifications is to be reduced from the proposed 300 foot radius to a smaller radius that includes only neighbors, such as abutting/adjacent.

The revised titles were presented to the Planning Commission on October 18, 2011. The Planning Commission unanimously approved the amendments.

The City Council reviewed the proposed Titles 16, 17, and 18 during a study session on November 8, 2011. The following were proposed for revision:

- Eliminate fees for “planned construction or reconstruction of railways [or] freeways” for subdivision applications.
- Revise Section 17.04.100.C to provide that, should the vote of the Planning Commission result in a tie, the application will be scheduled for the first available regular city council meeting.
- Revise the definition of “kitchen” to mean any room “equipped with permanent cooking facilities including, but not limited to, a stove, an oven, or other permanent electrical equipment for cooking.”
- Include “code enforcement officer” in the list of persons responsible for enforcement of the zoning code.
- Apply the regulations in Chapter 17.40 to all minor modifications, including modifications to neighborhood compatibility approvals.
- Prohibit commercial special events in R-1 and R-M zones.
- Eliminate prohibition on tattoo parlors in Commercial zones.
- Eliminate the specific exception under Chapter 18.20 for certain lots in blocks 2205 and 2214 of tract 6888.
- Rename the Neighborhood Compatibility “Meet and Confer” meeting to be named the “Neighborhood Meeting”.

All of the above revisions have been incorporated into the amended titles. Attached are the draft ordinance, the Negative Declaration and Initial Study, draft amendments to Titles 16, 17 and 18 with comments noted, and draft amendments without comments.

Alternatives Available to the City Council

The following are alternatives available to the City Council:

1. Open the public hearing, receive public input, close the public hearing and introduce Ordinance No. 12-700, an Ordinance of the City Council of the City of Palos Verdes Estates, California, Amending Titles 16, 17 and 18 of the Palos Verdes Estates Municipal Code.
2. Open the public hearing, receive public input, close the public hearing and introduce Ordinance No. 12-700, an Ordinance of the City Council of the City of Palos Verdes Estates, California, Amending Titles 16, 17 and 18 of the Palos Verdes Estates Municipal Code, with modifications.
3. Decline to act.

Recommendation from Staff

Staff recommends that the City Council open the public hearing, receive public input, close the public hearing and, after the City Attorney reads the title, introduce Ordinance 12-700, an Ordinance of the City Council of the City of Palos Verdes Estates, California, Amending Titles 16, 17 and 18 of the Palos Verdes Estates Municipal Code.

Attachments:

Attachment A – Draft Ordinance No.12-700

Attachment B – Negative Declaration & Initial Study

Attachment C – Draft Amendments with Comments

Attachment D – Exhibit 1 of Ordinance No.12-700: Draft Amendments without Comments

Staff report prepared by:

Stacey Kinsella

Planning Department

TO: JUDY SMITH, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: REVIEW OF POTENTIAL ADDITIONAL TRAFFIC CALMING MEASURES ON VIA DEL MONTE

DATE: DECEMBER 13, 2011

Background

Traffic concerns on Via del Monte have been raised by residents of the street many times over the years. Based on a significant number of concerns raised in June of 2004, the City retained an outside consultant, KOA, to complete a traffic calming study on Via Del Monte. The completed study proposed a “toolbox” of potential traffic calming measures that a group of residents could choose from for their portion of the street.

Last year a traffic calming application was reviewed by the Committee and various traffic calming measures including speed cushions were approved and subsequently installed. The measures were reviewed for their effectiveness in May of this year by the City Council and were approved to remain. The City Council directed staff to engage KOA for an additional review of Via Del Monte to determine if additional traffic calming measures could be installed. The review area was extended to include the section of Via Del Monte from Rincon Lane to Granvia Altamira.

Separate from the traffic calming measures on the street, Stop Signs were installed earlier this year on Via Del Monte at Gatos Place. These signs were reviewed by the Committee per the State’s warrant procedures and approved for installation due to the significant visibility concerns at the intersection.

Analysis

On November 9, 2011 the Traffic Safety Committee reviewed the report from KOA as well as updated data regarding speeds on Via Del Monte. A table showing the most recent and past speed surveys is shown on the following page.

Location	85th % Speeds 2004 (mph)	85th % Speeds April 2011 (mph)	85th % Speeds October 2011 (mph)
556/557 Via Del Monte	37	35	33
653 Via Del Monte	32	32	33
740 Via Del Monte	39	34	34
769 Via Del Monte	39	33	35
801 Via Del Monte	34	28	25
852 Via Del Monte	37	40	28
500' E/O Paseo Del Sol	45	34	40
917 Via Del Monte			31
949 Via Del Monte			35

The 2011 speeds indicate the street qualifies for further traffic calming. It is interesting to note the significant decrease in speeds at 852 and 801 Via Del Monte, which are near the new stop sign that was installed between April and October of this year. Speeds have also continued to decline at 556/557 Via Del Monte near the speed cushions.

The KOA Traffic Calming Plan is attached to this report. The new elements of the plan are as follows:

- 1) Installation of Speed Feedback signs at two locations between Rincon Place and Paseo Del Sol.
- 2) Installation of signage indicating dip, speed limit, and curve-ahead signage – six total signs.
- 3) Installation of raised pavement markers at three curved areas of the roadway to keep cars from cutting through the edgeline striping along the curves.

The Speed Feedback signs are shown to be solar-powered in the KOA report, but we have reviewed these in the past and would prefer to use ones that are battery-operated due to performance issues. We could also move one of these signs to various locations on Via Del Monte on a rotating basis. This would maximize its effectiveness as drivers would not always expect to see it at a certain location. Please note that although many local cities have installed this type of sign, this would be the first installation in our City. We expect the cost of these to be approximately \$2,500 per sign.

The proposal of raised pavement markers is in response to observations by residents and staff that cars will cut across the edgeline striping in order to avoid slowing around curves. By installing the pavement markers vehicles would stay within the designated travel lane and would move slower. Staff expressed concern with the potential noise that would occur when a vehicle does cross the markers, as well as the potential impact to bicycle riders.

The Committee took testimony from 14 people from the audience. Several of the speakers expressed their concern over the potential impact to bicyclists by the raised pavement markers. Several speakers also expressed their desire to discuss the existing speed cushions on Via Del Monte, although staff had indicated at the beginning of the meeting that the speed cushions had already been reviewed by the Council and the discussion was limited to the new potential measures.

After discussion the Traffic Safety Committee recommended that staff 1) implement Item 1, the installation of Speed Feedback signs at two locations between Rincon Place and Paseo Del Sol and 2) implement Item 2, the installation of Dip, Speed Limit, and Curve-Ahead signage.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Concur with the Traffic Safety Committee and direct staff to 1) implement Item 1, the installation of Speed Feedback signs at two locations between Rincon Place and Paseo Del Sol and 2) implement Item 2, the installation of Dip, Speed Limit, and Curve-Ahead signage.
2. Direct staff to implement a modification of the measures approved by the Traffic Safety Committee.
3. Direct staff to return to the Traffic Safety Committee and re-review potential traffic calming measures.

Recommendation from Staff

Staff recommends that the City Council concur with the Traffic Safety Committee and direct staff to 1) implement Item 1, the installation of Speed Feedback signs at two locations between Rincon Place and Paseo Del Sol and 2) implement Item 2, the installation of Dip, Speed Limit, and Curve-Ahead signage.

Staff report prepared by:
Allan Rigg
Public Works Director

TO: MAYOR AND CITY COUNCIL
FROM: JUDY SMITH, CITY MANAGER
SUBJECT: PALOS VERDES GOLF CLUB FY 2012
OPERATING AND CAPITAL BUDGETS

The Issue

Shall the City Council approve the FY 2012 Operating and Capital Improvement budgets of the Palos Verdes Golf Club, including an increase in monthly dues and other minor fees as proposed by the Club to be effective January 1, 2012?

Background

The Concession Agreement between the City and the Palos Verdes Golf Club (PVGC) requires that the City review and approve the Club's operating and capital budgets, including approval of any proposed change in dues and fees. The Club observes a fiscal year that runs concurrent with the calendar year (January – December). On November 9th, the City received the Club's proposed FY 2012 operating and capital budgets, as approved by its Board of Directors and on Tuesday, December 6th, Council liaisons Rea, Goodhart and City Manager Smith met with representatives of the Board and Club management to review the proposed budget.

Operating Budget

FY 2011 Projection – Results for the year show a projected operating loss of \$101,059. Revenues are ~\$372,500 less than budget (-4%) and expenses (excluding depreciation) ~\$215,200 less than budget (-2.6%). Food & Beverage revenues are projected to fall short of budget by more than \$435,000, mostly attributable to lower private party/banquet business. This loss is offset somewhat by higher “other revenue” (+\$151,000), a significant portion of which represents forfeited AGM deposits. In summary, projected 2011 operating revenue totals \$8.255 million with expenses of \$7.911 million. Revenues are 1.1% lower than 2010 actual and expenditures are 0.6% higher compared to 2010 actual. After the required 10% operating contribution to the capital improvement fund (CIF) of ~\$445,000, the net impact on the operating fund for 2011 is the loss, \$101,059, noted above.

FY 2012 Budget - The budget is based on 600 regular members, which is the maximum number allowed. The Club currently has a waiting list for membership. In addition to 14 remaining Associate Golf Members (AGMs), all Palos Verdes Estates property owners, there are 3 additional Palos Verdes Estates property owners and 32 non-PVE property owners waiting for membership. In 2010, the City approved an increase in regular members from 560 to 600. As a result, the remaining AGM list members will be offered membership within the next several months and the

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

Club expects by the end of March, the AGM category will cease to exist. Non-resident membership is capped at 20% (120). Non-residents currently comprise 15% of the membership. Palos Verdes Estates property owners have priority for membership at all times

The 2012 budget reflects total income of \$8.830 million. A detail of the major revenue categories: golf, food/beverage and dues is shown on page 1 (Attachment 1). The Club prepares the budget reflecting depreciation within the operating costs and because that is a non-cash transaction, adds back the value of the depreciation to determine the net effect on the operating fund cash. For purposes of our analysis, staff has removed depreciation from the operating totals and provided a year-to-year budget comparison for costs and net income, as follows:

	Budget 2011		Budget 2012	
Revenue	\$8,627,648		\$8,830,447	+2.35%
Total costs	\$8,810,378		\$8,900,204	
Less depreciation	<u>- \$684,000</u>		<u>- \$708,000</u>	
Total expenses	\$8,126,378		\$8,192,204	+0.8%
Net Income	\$501,270		\$638,243	
10% Contrib. CIF	<u>-\$454,460</u>		<u>-\$475,051</u>	
Net to Operating Fd	\$ 46,810		\$163,192	

Expenditures for 2012 include 3.13% increase in payroll related costs, including salary and various insurance, costs compared to FY 2011. Water represents almost 50% (\$270,000) of total golf course costs. The concession agreement requires that the Club contribute 10% of operating revenue, excluding cost of sales and other miscellaneous operating revenue, to the Club Improvement Fund (CIF) to assist with future capital project needs. The net effect to the Club operating fund is reflected after the transfer to the CIF. The net effect for 2012 is projected net operating income of \$163,192.

Dues and Other Fee Increases

The budget includes a 3% increase in all categories of monthly dues effective January 1, 2012 (Page 3 of Attachment #1). For regular members, the increase is \$16 and results in monthly dues of \$525 for resident members and \$550 for non-resident. A history of past dues increases is provided as Attachment #2 and indicates the Club has been diligent in raising dues as required to meet operating needs. Monthly dues at the PVGC are still much lower than comparable private Clubs within Los Angeles County and membership in the PVGC, both initiation fees and dues/Clubhouse minimum, are still considered a very good value for the quality of the amenities, both golf course and Clubhouse.

There are other minor fee adjustments proposed (page 3 of Attachment #1), none of which individually has a material effect on the budget. There is no change proposed in greens fees.

Members do not pay greens fees and other than guests of members, the Club receives little walk-in requests for play.

2012 Capital Improvement Fund and Capital Budget

The proposed 2012 capital budget is characterized as a “catch-up” budget after several years of minimal capital activity due to the Club’s need to focus CIF funds for the repayment of member assessments, which helped finance the clubhouse improvement project completed in 2007. The Club had previously agreed to a capital budget (~\$150,000 + 3% annual increase) for all course and Clubhouse improvements (2005-2017); however, with the influx of member initiation fees to the CIF, the Club proposes to catch-up on several deferred items, including capital equipment needs. The proposed budget totals \$570,000 and includes both equipment (golf related and clubhouse related) as well as items classified as “value engineering” to correct noted deficiencies from the clubhouse project – as an example, clubhouse/ballroom acoustics and AV systems. The projected 2012 ending capital balance totals \$2.26 million with income from new member initiation fees of \$740,000 and the operating fund contribution of \$475,051.

The Club is in the process of completing a capital needs study that will provide a guide for budget purposes over the next five years. A copy of the study will be provided to the City once reviewed by the Board of Directors.

Alternatives Available to the City Council

1. Approve the 2012 Operating and Capital Budgets as presented, including the proposed dues and fees increase.
2. Decline to approve the 2012 Operating and Capital Budgets. This would require the Board of Directors to modify the budget(s) to address concerns as raised by the Council.
3. Approve the 2012 budget(s) subject to specific modifications as requested by the Council.

Recommendation

It is recommended that the City Council approve the FY 2012 Palos Verdes Golf Club operating and capital budgets; approve a 3% increase in monthly dues and approve changes in other fees as specified in the proposed budget.

Fiscal Impact

The PVGC is a non-profit entity whose budget exists separate from the City. The Club pays a 10% concession fee to the City, which is projected in the Club budget to total ~\$833,200 over the course of their next fiscal year. The Club’s concession fee is the City’s third single largest general revenue source, behind secured property tax (\$5.45 million) and the VLF/ERAF return (\$1.086 million).

TO: JUDY SMITH, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: PW 578B-11; AWARD OF CONSTRUCTION CONTRACT FOR THE COMPLETION OF THE MEXICO PLACE STORM DRAIN IN THE AMOUNT OF \$108,640 TO FS CONSTRUCTION AND ADOPTION OF RESOLUTION R11-37, ADJUSTING THE FY 11/12 BUDGET

DATE: DECEMBER 13, 2011

Introduction

Should the City Council award a construction contract for the completion of the Mexico Place Storm Drain Project in the amount of \$108,640 to FS Construction, and adopt Resolution R11-37, adjusting the FY 11/12 Budget?

Background and Analysis

Drainage from the Mexico Place cul-de-sac is currently conveyed to Palos Verdes Drive West via a concrete swale between 700 and 704 Mexico Place. Erosion has occurred because this swale is not able to handle the recent stormwater quantities that have fallen in the area.

In July, 2010, the City retained KFM Engineering to perform a study and design drainage improvements for Mexico Place. KFM proposed three alternatives:

1. Reconstruct the concrete swale between 700 and 704 Mexico Place, including a better upstream collection system than the driveway currently being used. The reconstructed swale would be extended to outlet to the existing catch basin on Palos Verdes Drive West. Estimated cost: \$41,875.
2. Construct a 12-inch-diameter PVC pipe between 700 and 704 Mexico Place to replace the existing swale, which would be removed. The pipe would continue into the sloped parkland behind the homes and down the slope to join to the existing catch basin on Palos Verdes Drive West. A catch basin would be constructed at 704 Mexico Place to collect the runoff. Estimated cost: \$48,500.
3. Construct a 12-inch-diameter PVC pipe in the right-of-way north of 1617 Via Arriba, through parklands to Palos Verdes Drive West. The pipe would be extended to outlet to an existing catch basin on Paseo Del Mar. Two catch basins would be constructed on Mexico Place to collect the runoff. Estimated cost: \$56,375.

Alternative 2 was selected as the proposed work on this project. The purpose of the work is to prevent any further deterioration of the parklands area or private property due to cul-de-sac runoff.

This project was originally bid in May, 2011. Five construction bids were received on May 13, with the lowest apparent bidder at the time being Atlas Underground, Inc. at \$112,212. This amount was \$63,712 above the design consultant's project cost estimate of \$48,500. This estimated cost had been also used to create the construction budget for the project. In light of that, staff decided to re-bid the project at a later date so that the design consultant could determine the reason for the discrepancy and determine any methods to reduce the construction cost during a rebid.

Because the storm drain installation is relatively straightforward, the cost discrepancy owes primarily to the project area presenting a difficult construction site for many contractors. The project area locations are on steeply sloped parkland next to Palos Verdes Drive West with an abundance of natural growth, within a narrow sloped and landscaped easement between two homes, and in the parkway area in front of one home. Much of the work may involve digging manually if heavy equipment cannot be safely used on the slope. Unfortunately a less expensive method of construction was not found. When the decision to re-bid the project was made, the Streets and Parks Department cleared the slope in the area of the construction in order to reduce any costs that bidders would apply because of vegetation clearance.

Please note that after two bid attempts, the actual costs for the lowest responsible bidders of the first bid period, \$112,212, and the second bid period, \$108,640, are very close, despite being greater than the original cost estimate of \$48,500.

	Base Bid	Designer's Cost Estimate	Difference between Cost Estimate and Bid
Atlas Underground, from 1 st bid	\$112,212	\$48,500	\$63,712
FS Construction, from re-bid	\$108,640	\$48,500	\$60,140
Difference between lowest responsible bids	\$3,572		

For the re-bid staff advertised again with Bid America, F. W. Dodge, and Reed Construction Data. Thirteen bids were received on November 1, 2011 at 10:30 a.m. The base bid results are shown in the following table, and a bid table comparing the three lowest bids is attached.

	Base Bid
Waters Edge Construction	\$74,528
FS Construction	\$108,640
Clarke Contracting Corp.	\$109,673
Bali Construction, Inc.	\$117,018
Garcia Juarez Construction	\$124,990
Palp DBA Excel Paving	\$129,878
Atlas Underground, Inc.	\$142,834
Pacific Construction Co.	\$159,980
Atlas Allied, Inc.	\$161,275
Colich and Sons	\$164,000
Charles King Co.	\$260,223
STL Landscape, Inc.	\$286,000
Hardy and Harper, Inc.	\$456,789

Staff checked Waters Edge Construction’s references and found that although the company is responsive and the apparent lowest bidder, it does not have enough prior experience to construct the project. This construction would be the first project for Waters Edge Construction, and there are no references available to attest to the quality of the company’s work.

Staff recommends this project be awarded instead to the second lowest bidder, FS Construction, for \$108,640. FS Construction has completed a variety of drainage and concrete construction projects, including some storm drain pipe installation for the Cities of West Hollywood, Pasadena, Santa Clarita, and Palmdale. References speak highly of the contractor regarding work on projects. Staff believes they are well equipped to satisfactorily complete the City’s project.

The following schedule is anticipated:

- December 13 Contract awarded.
- January 13 Contract, insurance certificates signed by contractor & City.
- February 6 Work expected to begin, weather permitting.
- March 6 Work expected to be complete.

Alternatives Available to Council

The following alternatives are available to Council:

1. Award a construction contract for completion of the Mexico Place Storm Drain Project in the amount of \$108,640 to FS Construction, and adopt Resolution R11-37, adjusting the FY 11/12 Budget.
2. Decline to Act.

Conclusions and Recommendations

Staff recommends that the City Council award a construction contract for completion of the Mexico Place Storm Drain Project in the amount of \$108,640 to FS Construction, and adopt Resolution R11-37, adjusting the FY 11/12 Budget.

Fiscal Impact

The FY 11/12 budget contains \$60,025 for construction of the Mexico Place Storm Drain Improvements. Staff estimates the following costs for the project:

Construction Subtotal	\$108,640
Contingency cost (10% of construction cost)	\$10,864
Inspection and Administration	\$9,500
<hr/> Total	<hr/> \$129,004

As a result, an additional \$68,979 is needed to cover the total project budget. Resolution R11-37, which provides for the transfer of \$69,000 from the Unobligated Capital Fund Balance, is attached.

Staff report prepared by:
Floriza Rivera
Public Works Department

TO: JUDY SMITH, CITY MANAGER

FROM: ALLAN RIGG, PUBLIC WORKS DIRECTOR

SUBJECT: REVIEW OF REQUEST FOR PROPOSALS FOR THE RESIDENTIAL REFUSE COLLECTION CONTRACT

DATE: DECEMBER 13, 2011

The Issue

Should the City Council approve the 2012 Residential Refuse Collection Request for Proposals and direct staff to proceed with advertising for proposals?

Background

The City's current contract with Athens Services for single-family refuse and recycling services is scheduled to expire on June 30, 2012. In order to ensure maximum efficiency and minimal interruptions to service, the preparation for the new Agreement for these services is now underway.

On September 13, 2011 the Council reviewed seven areas in which staff thought that modifications to the contract might be warranted and which needed Council input. A summary of those items and the Council direction is as follows:

- 1) Should recyclables be collected every week? Staff was directed to have the option of every week recycling as an add-alternate.
- 2) Should the collection system be bid as a two-barrel system or a three-barrel system (in a two-barrel system, refuse and recyclables are combined at the residence and in the trucks and are separated at a recycling facility). Staff was directed to bid the contract both ways.
- 3) Should Street Sweeping be included as a service provided by the waste hauler? The Council directed that Street Sweeping not be included as a service in this contract.
- 4) How long should the contract be? Staff was directed to make the initial contract for seven years, with an option to extend up to three years at the sole discretion of the Council.
- 5) What should be the minimum diversion mandated by the contract? The Council directed that the minimum diversion required be 60%.
- 6) On what basis should the contract be awarded: low bid or value? The Council directed that the contract should be based on value.

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

- 7) Should a franchise fee be added to the contract? The Council directed that a franchise fee should not be added to the contract.

Discussion

The Request for Proposals has been modified per the Council's direction and is attached to this report. Nearly all changes are within the Special Provisions sections of the Request for Proposals. We have included a version of the Special Provisions showing the changes, and will eliminate this tracking of changes in the final version.

The substantive changes to the Special Provisions other than those previously directed by the Council are summarized as follows:

- 1) Page SP-4: Adds definition for Universal Waste, which includes batteries and fluorescent tubes.
- 2) Page SP-6: Changes the number of complaints needed for the Contractor to involve a supervisor from 3 to 2. We have found that allowing 3 complaints before the involvement of a supervisor is too long.
- 3) Page SP-7: Adds a \$50 fine for not leaving written notice when refuse or recyclables are not picked up by the Contractor for any reason. We have found that a written notice greatly helps the resident understand why items are not collected and reduces their frustration.
- 4) Page SP-8: Requires all vehicles to be fueled by either liquefied or compressed natural gas.
- 5) Page SP-12: Modifies list of items to be recycled to be consistent with current recycling practices.
- 6) Page SP-14: Clarifies existing locations and adds additional City refuse containers for collection three times a week.
- 7) Page SP-15: Modifies requirements for the removal of electronic, universal, and hazardous waste collected at the City Hall. Our electronic waste drop off program has become very successful and we have limited space for the materials and need more frequent pickup. Universal and hazardous wastes are also dropped off at City Hall or picked up by our crews along the roadways and within parklands.
- 8) Page Sp-16: Requires the Contractor to provide for electronic billing and payment of invoices.
- 9) Page Sp-17: Modifies terms for rate "increases" to rate "adjustments" to accommodate potential rate decreases.
- 10) Page SP-18/SP-27: Increases the minimum insurance required to be maintained from one million dollars to five million dollars.
- 11) Page Sp-27: Adds a requirement for an Excess or Umbrella Liability Insurance policy.

We would also like to explain the reason for the \$2,500 non-refundable payment to the City within the Request for Proposals. This payment is to compensate the City for the costs incurred during the extensive evaluation of each proposal. This has been required in the last two Requests for Proposals that the City has prepared for these services.

Tentative Schedule

**CITY COUNCIL AGENDA
DECEMBER 13, 2011**

The following is our tentative schedule:

- January 16, 2012 – Beginning of the advertisement of The Request for Proposals.
- February 15, 2012 – Pre-proposal conference at City Hall.
- March 9, 2012 – Proposals due and opened.
- April 10, 2012 – Report to City Council and award of contract.

Basis For Award

Within the Request for Proposals section of the document, staff has included language that the contract will be awarded based on value. The concept of a value basis for award for these services has become more common among municipalities. The exact language, without further elaboration or definition, was recently included as part of the proposals/refuse specifications issued by the cities of Rancho Palos Verdes and Manhattan Beach. It is to the City's benefit to determine what represents value and to note that it may not necessarily be the lowest cost.

Alternatives Available to Council

The following alternatives are available to the City Council:

1. Approve the 2012 Residential Refuse Collection Request for Proposals and direct staff to proceed with advertising for proposals.
2. Approve the 2012 Residential Refuse Collection Request for Proposals, with modifications, and direct staff to proceed with advertising for proposals.
3. Decline to act.

Recommendation from Staff

Staff recommends that the City Council approve the 2012 Residential Refuse Collection Request for Proposals and direct staff to proceed with advertising for proposals.

Staff report prepared by:
Allan Rigg
Public Works Director