



A. CALL TO ORDER

Via Teleconference, an Adjourned Regular Meeting of the Redondo Beach City Council was called to order by Mayor Pro Tem Loewenstein at 3:00 p.m. in the City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Councilmembers Present:	Nehrenheim, Horvath, Gran, Mayor Pro Tem Loewenstein
Councilmembers Absent:	Emdee, Mayor Brand
Officials Present:	Eleanor Manzano, City Clerk Michael Webb, City Attorney Joe Hoefgen, City Manager Vickie Kroneberger, Chief Deputy City Clerk

C. SALUTE TO THE FLAG AND INVOCATION – NONE

D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS – NONE

APPROVAL OF ORDER OF AGENDA

Motion by Councilmember Horvath, seconded by Councilmember Nehrenheim, to approve the Order of the Agenda as presented. Motion carried unanimously, with the following roll call vote:

AYES:	Nehrenheim, Horvath, Gran, Mayor Pro Tem Loewenstein
NOES:	None
ABSENT:	Emdee

E. AGENCY RECESS – NONE

F. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

Motion by Councilmember Horvath, seconded by Councilmember Nehrenheim, to receive and file additional materials for Items J and L.1. Motion carried unanimously, with the following roll call vote:

AYES:	Nehrenheim, Horvath, Gran, Mayor Pro Tem Loewenstein
NOES:	None
ABSENT:	Emdee

G. CONSENT CALENDAR

H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED REGULAR MEETING OF MAY 26, 2020.

CONTACT: ELEANOR MANZANO, CITY CLERK

H.2. APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA.

CONTACT: ELEANOR MANZANO, CITY CLERK

Mayor Pro Tem Loewenstein called for public comment via eComment. There being no eComments, Mayor Pro Tem Loewenstein closed the public comment period.

Motion by Councilmember Gran, seconded by Councilmember Horvath, to approve Consent Calendar Items H.1 and H.2. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Horvath, Gran, Mayor Pro Tem Loewenstein
NOES: None
ABSENT: Emdee

H. EXCLUDED CONSENT CALENDAR ITEMS – NONE
I. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Mayor Pro Tem Loewenstein called for public comment via eComment.

Motion by Councilmember Horvath, seconded by Councilmember Nehrenheim, to read the eComments.

Motion carried with the following roll call vote:

AYES: Nehrenheim, Horvath, Gran, Mayor Pro Tem Loewenstein
NOES: None
ABSENT: Emdee

Chief Deputy City Clerk Kroneberger read the following eComments:

Matthew Hinsley – commented on a lack of City revenue, potential tax increase or assessment and the lack of compromise by this Council. He spoke on the March 2020 elections showing a growing weariness to approve tax increases, COVID19 impacts, a sales and use tax consideration, completion of the LA County Fire Study, voting for the good of the people, the March 2021 election and tax increases and starting the conversation now.

There being no further eComments, Mayor Pro Tem Loewenstein closed the public comment period.

Councilmember Emdee arrived at 6:07 p.m.

K. EX PARTE COMMUNICATIONS

Councilmember Nehrenheim disclosed communications with Mayor Pro Tem Loewenstein, Mayor Brand and the public.

Councilmember Horvath disclosed communications with Councilmember Emdee and staff.

Councilmember Gran disclosed communications with staff and the public.

Councilmember Emdee disclosed communications with Councilmember Horvath, staff and the public.

Mayor Pro Tem Loewenstein disclosed communications with Councilmember Nehrenheim, Mayor Brand and staff.

L. PUBLIC HEARING

L1. PUBLIC HEARING TO CONSIDER FISCAL YEAR 2020-2021 CITY MANAGER'S PROPOSED BUDGET, FISCAL YEAR 2020-2025 CITY MANAGER'S PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM, AND BUDGET RESPONSE REPORTS.

PROCEDURES:

- a. Open Public Hearing, take testimony; and**
- b. Continue Public Hearing to June 2, 2020; and**
- c. Receive and file Budget Response Reports.**

CONTACT: JOE HOEFGEN, CITY MANAGER

Motion by Councilmember Nehrenheim, seconded by Councilmember Horvath, to open the Public Hearing.
Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Horvath, Gran, Emdee, Mayor Pro Tem Loewenstein
NOES: None
ABSENT: None

City Manager Hoefgen gave a report and discussed the following:

- Budget schedule
- Operating budget
- Budget response reports
- Core values
- \$96.7M core General Fund budget
- \$58M CIP budget
- \$8.1M General Fund reserve
- 432 full-time employees
- 34 less positions
- \$8.9M deficit
- Reduced number of employees out on paid leave
- New risk pool for insurance services
- Organization change to CalPERS health
- Change to street sweeping services with Athens
- \$100K received from RBUSD for a school resource officer
- Moss Adams look at internal controls and financial management practices
- Slowed hiring process down
- Only most essential full-time recruitments taking place
- Decision Packages

Finance Director Marni Ruhland and Assistant City Manager Mike Witzansky discussed the following:

- Only 0.7% increase in property taxes rather than 4% - anticipated delinquencies and fewer supplemental payments
- Sales tax 11.9% decrease projected
- TOT hit hardest – hotels closed and low occupancy
- Hotels on Marine Avenue
- UUT changed – people working at home, businesses shut down
- General Fund revenues down 8.4%
- Calculation of estimated projections
- Expenditures – 1.4% personnel cost increase
- Maintenance and Operations expenditures – built into budget as core and changed with decision packages
- Internal Service Fund allocations remain the same
- First year of Five-Year CIP included in proposed budget
- Flat on General Fund expenditures

City Manager Hoefgen discussed the following:

- 46 Decision Packages
- Summary Chart
- Non-safety departments – 15% reduction
- Safety departments – 5% reduction
- Deauthorizations, reorganizations, fee increases
- Use of transfers and grants
- Three budget response reports
- Budget calendar

In response to Mayor Pro Tem Loewenstein, Assistant City Manager Witzansky stated the TOT should aggregate out to about 50%.

In response to Councilmember Gran, Finance Director Ruhland stated the 1.4% personnel cost increase is the core budget before decision packages.

IT Director Chris Benson discussed the following:

- Decision Package 36 Information Technology Department Reorganization
 - Focusing more on software support
 - Eliminate tech position and create another support specialist position
- Decision Package 40 Information Technology and Equipment Replacement
 - Large program this year – accelerated network equipment replacement by one year
 - Reaching end of life span
 - \$1.1M for replacement – money is funded
- Decision Package 11 Replacement Fund Lifecycle
 - Charges building up the accrued funds in the Replacement Fund
 - Suspend charges this year – move entire replacement schedule out one year
 - \$454K to the General Fund, \$94K to other funds, 19% reduction in revenue to IT Department
 - Internal Service Fund charge goes to zero

In response to Councilmember Emdee regarding the ISF, IT Director Benson stated the ISF charge goes to zero, stated there is risk in pushing equipment out one additional year but believed one year is manageable.

In response to Mayor Pro Tem Loewenstein regarding the percentage of items done in the cloud, IT Director Benson stated most of the online transactions are taking place in front of Tyler Technologies Financial System although the hardware is virtual.

Finance Director Marni Ruhland discussed the following:

- Decision Package 37 outsource animal licensing function
- County or Pet Data
- Savings from reduced staffing and increased compliance with the company being paid based on the number of licenses
- Costs reduced in postage and supplies
- Savings of \$45K for coming fiscal year and \$90K in following fiscal year

In response to Mayor Pro Tem Loewenstein, Finance Director Ruhland did believe the company outsourced would use the data from the licensing for marketing purposes, but this will be verified. She also said the Community Development Department would be impacted if the company outsourced was used for business licenses.

In response to Councilmember Nehrenheim, Finance Director Ruhland stated the data would be on the company's site.

Councilmember Nehrenheim said it's important to make sure the data is secure and that the City has full access. Finance Director Ruhland stated the data currently being used in house is subject to public records requests and are being used for marketing. She also said the ticketing would remain with animal control, doing notifications and said they have increased compliance.

City Manager Hoefgen also stated the private firms would make contact with the veterinarian offices, encouraging people to get their licenses.

In response to Councilmember Nehrenheim, Finance Director Ruhland stated the City of Torrance also uses Pet Data.

Councilmember Nehrenheim suggested a more aggressive approach regarding compliance and to be proactive.

In response to Councilmember Horvath, Finance Director Ruhland stated the county and Pet Data are both incentivized to canvas and find new pet owners to license.

Councilmember Horvath asked about a scenario set up to look at how many businesses are listed in Redondo Beach using NICS codes and cross referencing with those that have a business license in the City. Finance Director Ruhland hoped this will increase with coordination with Community Development but noted there is not enough staff.

Chief of Police Kauffman discussed the following:

- Decision Package 38 Police Department Reorganization
 - Make permanent the reorganization – defunding a records manager position
 - Three captain organization
 - Promote a lieutenant to captain, sergeant to lieutenant but not a police officer to sergeant

Community Services Director John La Rock discussed the following:

- Decision Packages 1 and 2

In response to Councilmember Nehrenheim, Community Services Director John La Rock referred to Decision Package 1 which is the City's Transit Fund, with funds directly allocated to the City and from there are allocated to expenses.

In response to Councilmember Nehrenheim, Assistant City Manager Witzansky referred to Decision Packages 2 and said there is an appropriation of funds to begin the exploration of a relocation of that space which is a multiyear exercise and would need to start this year. He also said the exploration of money in the CIP would be used to explore places to house employees fully and relocate the services.

In response to Councilmember Nehrenheim, Community Services Director John La Rock stated there is 4 ½ years left on the length of the contract on the building; stated the total square feet is 22,000 which includes the parking lot; stated there are 18 full time Community Services employees, with 4 being operators, 10 to 30 part-time employees, 35 children plus instructors, and 2 officers from the Police Department.

Public Works Director Ted Semaan discussed the following:

- Decision Package 3 Annual Solid Waste Rate Adjustment
 - Public Hearing next Tuesday
 - Rate adjustment based on last year's City Council approval with first amendment to Athens' contract
 - Rate increase – 7% for residential, 14% for commercial
 - City pays Athens in advance – recover from Assessor's Office

In response to Councilmember Nehrenheim regarding the ultimate payer of the fees, Public Works Director Semaan stated this is the cost for the solid waste collection with costs recovered 100%.

Assistant City Manager Witzansky discussed the following:

- Decision Package 6
 - 15% reduction
 - Elimination of existing budget from P/T personnel
 - Reduces contracts/professional services budget
 - Cutting materials and supplies budget
 - Total in savings \$179K

In response to Mayor Pro Tem Loewenstein, Assistant City Manager Witzansky stated the \$179K is based off budget and portion controlled by the department, combination of salary, maintenance and operations.

In response to Councilmember Emdee, Assistant City Manager Witzansky stated this reduction is cutting the travel and training budgets by about 50%. City Manager Hoefgen stated this would be an outgoing reduction.

Mayor Pro Tem Loewenstein suggested still attending conferences and staying at a less expensive facility, noting attendance helps attendees reach out to mayors and council people. Assistant City Manager Witzansky stated conferencing will change due to COVID.

Councilmember Nehrenheim requested a breakdown of each of the cuts on a line item basis regarding Decision Packages 6 and 7 and a macro of the two.

Councilmember Horvath asked about having policy decisions in place regarding spending. Assistant City Manager Witzansky stated there is an APP on travel and training which is supervised by the City Manager and vetted through the department heads. He said every travel request is preapproved and discussed regarding costs, locations, travel, food, per diem, etc. He also said Council has discretion regarding certain trips at the last minute such as to Sacramento.

Assistant City Manager Witzansky discussed the following:

- City Clerk's Office - \$50K reduction – 15%
 - Part-time staffing reduction
 - Reduction in maintenance and operations

City Clerk Eleanor Manzano stated the City Clerk's Office has been extremely cut back and training has been brought down to 80% with only \$1K to spend.

Mayor Pro Tem Loewenstein asked why the City Treasurer's budget was up from actual a couple of years ago, the City Clerk's Office is down and the City Attorney's Office is down. Assistant City Manager Witzansky stated there may be items in the department for one-time expenses that were actually spent in 18-19 but are no longer in the core operating budget. He said historic spending could be provided in more detail if requested. He also said extra expenses included the contracts with the consultants.

Finance Director Ruhland explained that the budget started out 100% in the City Treasurer's budget for the internal audit contract and later spread to Financial Services and City Clerk.

Councilmember Nehrenheim asked about psychological insurance. Diane Strickfaden, Human Resources Director, explained that this is membership in the Employee Assistance Program at about 30 cents a month per person and only full-time employees are participants.

In response to Councilmember Nehrenheim regarding full-time salaries and a \$19K raise being enough, Assistant City Manager Witzansky explained that the change year over year may just be an adjustment in where the individual was in the range and timing of increases. City Manager Hoefgen stated it could be a reflection of when an employee was hired, with some of the actuals not having a full 12 months.

Councilmember Gran stated there was about four months of savings in salaries in 2018 when City Treasurer Diels was making changes.

Assistant City Manager Witzansky suggested staff followup.

Councilmember Nehrenheim referred to the total M&O contract professional services going up by \$30K between the actual and proposed.

Assistant City Manager Witzansky explained that actuals are helpful to guide traditional spending and raise questions and the proposed chart for 2021 does not reflect the decision packages as recommended by the City Manager.

Councilmember Nehrenheim believed that actuals over a five-year period should provide an actual view as to what is happening in each department. He said he would like to see the full history and what is actually happening with a comparison.

Assistant City Manager Witzansky explained that a historical trend of actuals is provided by the CAFR. He also supported having a digital action of the details.

Councilmember Gran stated suggested seeing the last five years of actuals in the City Treasurer's Department.

In response to Councilmember Gran, City Treasurer Diels stated that the budget increased when Chief Deputy City Treasurer Niles Mehta came on full time full salary.

Assistant City Manager Witzansky discussed the following:

- City Attorney's Office
 - Case tracking software
 - Supplies money
 - Support funding for outside counsel in prosecution area
 - Part-time staffing reductions of \$19K – affect hours of operation
 - Reduction of prelitigation funding for general legal administration matters and outside counsel at \$300K
 - \$67K remaining General Fund monies
 - Does not impact Uplands or Tidelands
 - Total departmental cut to the General Fund \$368K
 - No change to money in the budget for litigation matters

In response to Mayor Pro Tem Loewenstein regarding relying on outside legal, City Attorney Webb believed there should be a cut but expressed concern with it being permanent which isn't realistic, such as funding for SB14, opposing AES in front of the PUC and State Water Board, AQMD and other enforcement mechanisms, requiring particular legal skills and avoiding litigation (reviewed). He noted limitations while maintaining the everyday advice given, and recommended a straight 5% cut. He also expressed concern with the 82% reduction which will severely impacts their ability to carryout Council directions on an ongoing basis.

Assistant City Manager Witzansky explained the mechanics of the cut, noting the figure is dependent on a 5% reduction in the prosecution division and 15% reduction in the civil division.

In response to Mayor Pro Tem Loewenstein, Assistant City Manager Witzansky stated typically money would be pulled from the account and once it reaches litigation, it draws from the ISF in arrears at midyear.

City Attorney Webb also expressed concern with their ability to be effective in carrying out the will of the Council with 3-2 votes.

In response to Mayor Pro Tem Loewenstein regarding the large difference between the midyear budget last year and this proposed budget, City Attorney Webb noted \$100K of professional services is where part of the money goes toward the homeless pilot program which is not part of the core budget and was a one-time expense. He also said the pilot program would not continue under these financial restrictions. He further said the money would be split between professional services, prosecution, and full-time salaries.

Assistant City Manager Witzansky referred to Decision Package 34 which is the recommendation to appropriate the grant which would allow the continuation of the pilot program. He also said that Decision Package 35 would continue the AES initiative and provide support spent last year to push back on their request to continue to power. He said the \$175K is more of a mark for what was spent last year in the same efforts.

City Attorney Webb referred to Decision Package 35 and stated he stopped all work from outside counsel as soon as the letter was sent out, stated there would be additional work before the hearing date and if the City loses, the Council may direct him to oppose, and AES would need permission from the AQMD and RWQB. He said the Coastal Commission sent an enforcement letter to AES at the City's request, and it is very likely his office will have to be involved in taking enforcement action.

Human Resources Director Diane Strickfaden discussed the following:

- Decision Package 12 – HR Department's proposed 15% reduction
- Includes a full-time position
- Significant impact but manageable if supplemented by existing part-timer
- Reduction of position saves \$150K
- Reducing expenditures in the Employee Relations Division which includes reductions of \$27K
 - Reduction of outside labor negotiator
 - Reduction in recruitment-related services of \$15,800
 - Reduction to Citywide training funds of \$2500
- HR will recommend restoration of funding through new appropriation in the future

In response to Mayor Pro Tem Loewenstein regarding a large number under personnel adjustments of \$1.2M, Human Resources Director Diane Strickfaden stated this represents the Citywide MOU one-time payments processed through the HR budget.

City Manager Hoefgen noted a difficult situation, displacing an employee, but supported Human Resources Director Diane Strickfaden keeping the risk management function going and using resources needed.

Finance Director Ruhland discussed the following:

- Decision Package 13 Financial Services Department budget reductions
- 15% comes from the portion of the Decision Package, a portion of Moss Adams contract and new revenue
- Primary cut is a position
- Eliminating contract accounting services
- Proposing one-third cut to part-time staffing
- Small cut to training budget

Police Chief Kauffman discussed the following:

- Decision Package 14 – 5% cuts from the Police Department
- Police Department stressed from COVID19 responses
- \$516K cut from vacant police officer positions
- \$390K cost savings from back-hiring behind people leaving the organization at a high rate
- Administrative Coordinator and Police Service Specialist in the Records Bureau being eliminated at \$86K and \$75K respectively
- M&O cuts of \$113K – decreased amount of events, less training, equipment and supplies, travel, jail costs and contracts
- Total of \$1.181M out of General Fund
- In total cuts – 3 police officer positions and 5 civilian positions

In response to Mayor Pro Tem Loewenstein regarding the budget going up from midyear, Chief Kauffman explained close to a 2% increase in personnel costs year after year. Assistant City Manager Witzansky also noted fluctuation in payroll staffing in general and the line item details in the budget are pre-decision package.

In response to Councilmember Nehrenheim regarding over hires, Chief Kauffman explained savings incurred when hiring somebody at the lower rate when coming into the organization opposed to retiring someone at the higher rate. He said his goal would still be able to over hire on a cost neutral basis which is needed in this coming fiscal year, to avoid getting behind. Assistant City Manager Witzansky supported being smart and strategic about hiring the full complement.

In response to Councilmember Nehrenheim regarding the amount of people stepping down over the next year, Chief Kauffman explained there have been about six in the last two months which is uncommon, and there should be one to two more over the next fiscal year. He said he would have to hire about five to six to get back to the 92 number.

In response to Councilmember Nehrenheim regarding a success rate, Chief Kauffman said he would expect 80 to 85 percent, losing about one or two of ten, hiring for excellence.

Councilmember Gran asked about the statement at the bottom of the page that states “excludes carryover funding of \$1.185.” Finance Director Ruhland explained that this is the carryovers to include grants being one-time in nature, purchase orders, decision packages, contracts, etc., primarily what is seen in November requesting carryovers.

Mayor Pro Tem Loewenstein requested that the eComments be read.

Chief Deputy City Clerk Vickie Kroneberger read the following eComments:

Matthew Hinsley, District 3 – Asked about the City’s long-term financial plan and will the City rehire, suggested an early retirement package, one-time use of cash reserves, and did not support Decision Packages #16, #23, #21,(reviewed), and supported Decision Packages #4 and #24.

Joe Lodinsky – Opposed elimination of a supervisor position in the Parks Division (reviewed).

Sheila Lamb – Commented o DP #21 and suggested viewing the current policy regarding vehicle replacement, DP #23 and supported B&F Commission continue to be monthly, DP #25 continue Moss Adams services, DP #26 continue Harbor contract auditing services, DP #44 see greater transparency in vehicle replacement purchasing policies. Also asked how many of 34 positions eliminated were vacant or unfunded in the 2019/2020 FY.

Mark Hansen – did not support DP #29 reduction of Harbor Patrol staffing of 33%.

Fire Chief Metzger spoke on the following:

- Decision Package 15
- Eliminating 5½ firefighter positions on the truck
- Only six firefighters in the FD, 21 paramedics
- Short five firefighters and the sixth is currently off
- No firefighters in the City and staffing ladder truck with overtime paramedics
- Will have to bring in paramedics on overtime to staff the vacancies
- Bring savings down from \$611K to \$350K
- Reduce truck staffing and getting another concession related to minimal staffing on the truck
- Department will be losing nine positions

Assistant City Manager Witzansky stated this would be a one-time reduction with a meet and confer process that needs to occur with the Fire Association.

Councilmember Horvath suggested the positions be identified as either vacant or not when being discussed, and Chief Metzger confirmed that all of the paramedics are training firefighters.

Assistant City Manager Witzansky clarified there are no layoffs of fire personnel and only vacant positions are considered with the exception of Decision Package #21 with the potential transfer of two individuals.

In response to Councilmember Emdee regarding doing some or all of the cuts, Assistant City Manager Witzansky explained that the concessions needed are a change to constant staffing requirements in the MOU with the Firefighter Association. He also said there are other ways to save money to include part and parcel to general bargaining and are part of the Decision Package.

In response to Councilmember Nehrenheim regarding overtime, Chief Metzger explained if the negotiation in reduction of funding of the firefighter positions is successful, there will be a certain savings, but there will still be a requirement to reduce the staffing on the truck, to avoid filling both of the positions. He said he would not know the calculated cost of the overtime but it should go down. He also said he did not see fiscal impact from the side letter expiring at the end of June. He indicated they currently have one captain, two paramedics and five firefighter vacancies and a sixth firefighter is expected to retire at the end of the year. He said a second captain vacancy is anticipated before the end of the year and another one to two other personnel paramedic vacancies as well. He noted recruitment efforts taking place and the other vacancies are promoted from within and discussions are on the calendar with Human Resources.

In response to Councilmember Nehrenheim regarding the success rate with recruitment, Chief Metzger noted good success but stated it is dependent on where they fell and the key is to get people to apply with the City.

Councilmember Nehrenheim suggested a budget response report on recruitment. He also asked about Decision Package #29 and reduction of staffing. Chief Metzger explained there are six people assigned to fire station #3 located in the harbor and are funded by Uplands or Tidelands Funds. He reviewed their function and said there is only one administrative person being eliminated. The rest of the savings would include the elimination of two positions, with the operating presence in the harbor being reduced by a third. He also said there will be times the Harbor Patrol boat would not be available.

Assistant City Manager Witzansky also said there is not a specific 5 or 15 percent strategy for these departments which are treated differently, with only a handful of the departments charging to these resources. He said going into the fiscal year, the Harbor Tidelands Fund had just under a \$2M deficit as well as the Uplands Fund. He said Harbor Patrol, as it pertains to Tidelands, is the largest charger of resources to this fund. He said these cuts do not get into structural balance next fiscal year and deficit spending out of the fund will be needed in order to balance.

Councilmember Nehrenheim requested a BRR on the one-third of the elimination of the staffing of the Harbor Patrol Division and revised operating plan, and to focus in on the Tidelands and Uplands Funds regarding a deficit. Assistant City Manager Witzansky stated the deficit is a combination of mostly reduced revenues and the amounts to continue with core expenses.

In response to Councilmember Nehrenheim regarding the 2500 hours training, Chief Metzger stated the hours are ongoing training hours and occur across the board among all of the employees which includes fire and other training for employee groups. He also said there are crews that conduct training on a requested basis.

In response to Councilmember Nehrenheim regarding DSW qualified employees, Assistant City Manager Witzansky explained that all of the full-time employees are informed that they would be potential disaster workers and how trained they are in emergency circumstances varies across the board and is specific to job function.

Councilmember Nehrenheim stated it is important that employees be well trained in case of an emergency and the FEMA process would recover the funds. He suggested looking at the program to make sure the City is taking full advantage. Assistant City Manager Witzansky stated the City tracks hours under the FEMA guidelines similarly to the City of LA and LA County and pursue every dollar possible.

Finance Director Ruhland explained they are in the process for reimbursement but guidelines have not been released regarding supplies, testing, protective gear, to be reimbursable. She also said reimbursement is not very timely.

Assistant City Manager Witzansky also stated if Congress passes another stimulus bill, a direct allocation would change the reimbursement.

Councilmember Horvath stated Congressman Liu's Deputy Director indicated that the House of Representatives have passed a stimulus bill that would give money directly to smaller cities. He also suggested an historical perspective on Harbor Patrol could be included in Councilmember Nehrenheim's BRR request. He also asked about the police presence at the harbor as well.

Mayor Pro Tem Loewenstein suggested also adding to the BRR what will not be provided during the hours the Harbor Patrol is dark.

In response to Mayor Pro Tem Loewenstein regarding the ISF's, Assistant City Manager Witzansky stated the allocation depends on the category. He also said the ISF's will go down for Fire which are adjusted at midyear. He said a BRR will be provided.

Mayor Pro Tem Loewenstein noted the Mayor requested a BRR on the status of the RCC quote, the value of a one-year voluntary wage reduction for all workers at 1%, 2%, 3%, 5% and 10%, one-time charges being used for ongoing expenses, and information on the PERS Fund to include a BRR that includes a range of projections for future contributions based on the 20% drop of the stock market. Assistant City Manager Witzansky stated staff will provide this information at the next Council meeting including the BRR's.

Library Director Susan Anderson discussed the following:

- Two vacancies – clerk position and librarian position
- Library Commission presented a letter showing the RB Library had the least amount of full-time staff of all public library systems in the area and highest numbers of supervisees to supervisors due to so many part timers
- Operating now only with full-time staff

- Potential cost savings of \$162K if closing Main Library on Mondays and closing the Main Library and North Branch Library at 6 p.m. on week days
- Students would be impacted mostly with the Main Library being closed on Mondays
- Curbside pickup - \$60K savings

Mayor Pro Tem Loewenstein asked about the meeting rooms if the library closes at 6 p.m. Library Director Anderson stated the City can still use them after 6 p.m., noting there is a way to block off entrance into the libraries and keep the meeting rooms open. She also said the garage could remain open.

Mayor Pro Tem Loewenstein expressed concern with closing the library at 6 p.m. and kids still needing to use it.

In response to Councilmember Gran regarding curb side service, Library Director Anderson explained people can put items on hold and could pick them up without entering the library.

Councilmember Horvath asked about closing another day besides Mondays. Library Director Anderson said Fridays are not as busy but the North Branch would be closed on Fridays as well.

Councilmember Horvath referred to the 6 p.m. closure and suggested shifting opening times and closing times. Library Director Anderson stated staggered schedules are possible as well.

In response to Mayor Pro Tem Loewenstein regarding the savings achieved per hour, Library Director Anderson stated the Main Library closing at 6 p.m. Monday through Thursday would save about \$55K and closing at 7 p.m. would save about \$27K, and the North Branch closing at 6 p.m. saves about \$16K.

Mayor Pro Tem Loewenstein suggested a BRR and supported the Main Library closing at 7 p.m. rather than 6 p.m.

Councilmember Emdee noted she receives complaints regarding the North Branch closing on Fridays, noting a popular program for the children. She suggested a BRR regarding how many people are served on each one.

In response to Councilmember Horvath regarding the Library Commission and the comparison to other cities, Library Director Anderson stated the study was done per capita which showed Redondo Beach has the least amount of full-time staff and the highest numbers of supervisees to supervisors. She also gave a history of staffing and use of staff.

Community Services Director John La Rock discussed the following:

- Decision Package 17 - 15% reduction for General Fund reduction at around \$500K
- General Fund budget for Community Services is just over \$5.7M dollars each FY
- Combination of cuts go to operations and personnel
- 63% budget personnel
- Goal - balance making cuts not noticed by public and maintain services
- Internal maintenance operations budget \$105K
- Personnel cuts – maintenance worker
- Two positions recommended for deauthorization are currently occupied by staff – Community Services Analyst and Cultural Arts Manager position
- One-time savings – senior centers not being able to reactivate for at least the first two quarters of 2020
- Temporary closure of Teen Center

Councilmember Nehrenheim expressed concern with the closing of the Teen Center which may be needed to the community as a whole right now.

Community Services Director La Rock stated the goal is to reorient the Teen Center as a recreational center, teen programming and education in the third quarter, generating revenue as well.

In response to Councilmember Nehrenheim, Community Services Director La Rock stated there are no camps being operated on the beach currently but would receive 30% in revenue from the classes when they do start operating again. He explained that the revenue projections reflect the cessation of all summer programming but are ready for Stage 3 activation when it takes place.

Councilmember Emdee expressed concern with cuts and the employees. Community Services Director La Rock stated his staff does a lot of things with a limited amount of resources and staff has been consulted with the changes and cuts.

Mayor Pro Tem Loewenstein asked how much money is saved by not operating until after January 1 at the Performing Arts Center. Community Services Director La Rock stated it is an enterprise unit and what is spent is based on what is earned. He said the full-time staff is still on and working on other cultural programming but also working with the future clients. He said the savings of the part-time is reflected also in the revenue, and a BRR will be provided next Tuesday night regarding projected revenues and expenses for a subsidy between \$200K and \$300K.

Mayor Pro Tem Loewenstein asked about the Seaside Lagoon, Decision Package 31. Community Services Director La Rock explained this is a financial paperwork adjustment, and gate revenue is expected for the full summer season to be just under \$600K with expected closure through Labor Day and no gate revenue. He said the expenses that go against the revenue at the gate at \$268K is for staff and immediate supplies and Public Works, noting a deficit to the Tidelands cost, reflecting the imbalance between the expenses and revenues in the Tidelands. He said some of the \$268K is fixed based on running the summer season for the season but it is variable based on the support of special events and public events.

In response to Councilmember Gran regarding the water regulations, Community Services Director La Rock stated this is an Engineering Department function part of Public Works.

Community Services Director La Rock also reviewed Decision Package 24 regarding fee waivers, with a proposal of special events now taking care of themselves, with a savings of \$31K to the General Fund and savings to the Tidelands and Uplands Funds.

Councilmember Nehrenheim asked about building waivers and including groups/meetings held at City facilities for free. Community Services Director La Rock stated any fee waivers at facilities currently would not be included in the Decision Package.

In response to Councilmember Nehrenheim, City Manager Hoefgen stated the Roundtable meets at City Hall with staff and the Mayor, NRBBA uses the North Branch Library, the Chamber uses the Main Library, and said he could provide costs for usage.

Community Development Director Brandy Forbes discussed the following:

- Decision Packages 18, 5, 43
 - Budget reductions – cuts to the existing salaries in Planning by \$31K
 - Budget reductions – existing overtime and building by \$5K
 - Training reductions
 - Bulk - \$118K in reductions of M&O – contract budget
 - Contract for Housing Element and Residential Design Guidelines paid through SB2 Grant
 - Shift two of full-time positions to part-time positions without benefits
 - Total expenditure reduction \$85K

Mayor Pro Tem Loewenstein requested a BRR about enforcement of ordinances and outsourcing some of the citation writing toward a supplement. Community Development Director Forbes stated this would go towards the contracts line item but said she will check into revenues.

Waterfront and Economic Development Director Stephen Proud discussed the following:

- Decision Package 19 - \$22K represents 15% reduction against General Fund
- Decision Package 26 – Reduce deficits of Tidelands and Uplands Funds – bring funds into balance
- Decision Package 16 – Reduction in professional services and contracts
 - Reduction of real estate advisory services
 - Suspension of Harbor contract auditing services
 - Suspension of on-call marine engineering contract
 - Suspension of nuisance bird abatement
- Reduction to Harbor Enterprise of \$290K
- Decision Package 27 – Leasehold Property Management reduction
 - Adjust and reduce hours for third party security
 - Move some of the janitorial services to some in-house employees
 - Installing automated pay stations Redondo Beach Marina parking lot
- \$290K savings to Harbor Tidelands & Uplands Funds

In response to Mayor Pro Tem Loewenstein regarding funding for real estate advisor services, Waterfront and Economic Development Director Proud stated this would be for Kosmont services.

Mayor Pro Tem Loewenstein requested a BRR on the debt service regarding refinancing of the leasehold. Waterfront and Economic Development Director Proud stated debt was issued last year to refinance the three master leasehold acquisitions previously made, expanding the amortization period to 30 years, rather than facing a balloon payment. He also said the principal was increased to cover the buyout provisions for Fun Factory and Fun Fish Market. He noted the City would have a \$1M deficit in the Uplands Fund even if every Decision Package were accepted related to the Harbor Enterprise. He also said there is a revenue loss in both the Tidelands and Uplands accounts for any of the percentage rents that are not being realized for last quarter of FY 2020.

Mayor Pro Tem Loewenstein expressed concern with the Uplands Fund running dangerously low. Assistant City Manager Witzansky explained if no action was taken on the proposed recommended cuts, the City would be looking at \$600K at the end of the year and said it is important to address the structural deficits in both the Uplands and Tidelands.

Mayor Pro Tem Loewenstein stated Mayor Brand asked about reopening restaurants on the pier without approval from LA County Health.

City Manager Hoefgen stated the county has just given the go-ahead to open retail at a reduced capacity.

City Attorney Webb stated whatever the City does, it is still up to the County and State to separately make their rules and laws. He said the new rules that just came out will be reviewed.

Waterfront and Economic Development Director Proud expressed concern with small retailers beginning to reopen but the County not amending the Safer At Home Order for the allowance of the public pier to open, which may create some friction among the retailers and businesses at the pier.

Mayor Pro Tem Loewenstein noted that a lot of the pier is ingress and egress to the commercial places and areas could be shut off and used just for recreation such as where people fish.

City Attorney Webb advised focusing on removing any obstacle that would prevent the businesses from getting up and running and to try to persuade the Governor and County Health to remove their obstacles as soon as possible.

Councilmember Horvath suggested keeping the outer pier closed but just allow ingress to the area where the commercial is located. He also said that International Boardwalk is not a pier. He suggested being creative and lobbying to consider apportioning portions of the pier that are clearly commercialized versus just recreational.

City Attorney Webb suggested a referral to staff to have temporary modifications to the definition of pier to the extent to find a creative way to both comply with the orders closing the pier and exclude temporarily certain areas.

In response to Councilmember Horvath regarding Decision Package 27 and if enforcement is needed if the gates are kept, Waterfront and Economic Development Director Proud said the model being considered would completely eliminate the gates themselves.

Councilmember Emdee stated things are beginning to loosen up and suggested the pier could allow outside dining, and definition of a pier should be reviewed. She also asked about having in staff doing the maintenance and security. Waterfront and Economic Development Director Proud explained that security was just limiting hours, modifying the hours providing **third party's** security, being a modification to the contract. There would not be in-house people doing security work.

Councilmember Emdee also asked about the maintenance. Waterfront and Economic Development Director Proud stated both of the contracts are entered in with third party service providers. He said staff would be doing some of the janitorial work at some of the buildings but is a limited scope of work. He said staff are employed by Leonardo Property Management and not staff from Public Works.

Public Works Director Ted Semaan discussed the following:

- Decision Package 20
- Reduction of staffing – retiring or in the process of retiring
- Reduction in Edison payments – Lighting and Landscaping Assessment District
- Reduction of professional services contracts
- \$332K in reductions, \$242K applicable to the Lighting and Landscaping Assessment District

In response to Mayor Pro Tem Loewenstein, Public Works Director Semaan noted the infiltration project would be eligible for regional Measure W funding. Assistant City Manager Witzansky stated a lot is changing regarding the project and the City is currently choosing to operate within dedicated funding sources rather than spending as much General Fund money. He also said a BRR will be provided regarding the Lighting and Landscaping Assessment District with additional cut alternatives or options regarding cutting power, tree trimming, etc.

Public Works Director Semaan discussed the following:

- Extension of vehicle replacement
- Proposing purchase vehicles extended from last year
- Vehicles slated to be replaced FY2021 are being postponed or extended an additional year
- Proposed reductions in the ISF
- All funds reduced – 50% reduction for this FY year and next FY – total \$790K
- Zero or low emission vehicles

Mayor Pro Tem Loewenstein noted savings with fuel costs, maintenance and brakes when using electric vehicles, making more environmental and economic sense.

Assistant City Manager Witzansky stated Council will receive a BRR on both the changes in the life cycle extension as well as the vehicles still recommended for replacement this FY.

Mayor Pro Tem Loewenstein asked about a balance at the end of next year of \$9.3M. Assistant City Manager Witzansky stated this is before the appropriations for the purchases and changes in the amount allocated in the fund based on the Decision Packages.

Councilmember Horvath asked about the receipt of any federal or state credits. Public Works Director Semaan believed these are incorporated into the sales price.

Councilmember Horvath noted an eComment request for greater transparency in purchasing policies for vehicle replacement. He also asked about reevaluating extension on a one-time basis or permanent basis. Assistant City Manager Witzansky stated the life expectancies have been adjusted recently and extended, and said a status is brought back to Council every year regarding which vehicles to be purchased which is very transparent. He said the accruals have really slowed down over the last few years which is proposed again for this FY.

Mayor Pro Tem Loewenstein requested a BRR regarding the cost to have traffic calming, specifically radar fixed and radar indicating speed on Aviation at the curve.

Public Works Director Semaan discussed the following:

- Decision Package 28 – affects the Harbor Enterprise Fund
- Three positions

Mayor Pro Tem Loewenstein requested that the eComments be read.

Chief Deputy City Clerk Kroneberger read the following eComments:

Mel Samples – Asked about one-third of staffing at Station 3 being moved to other responsibilities and the platoon schedule at FS #3 and if it would be opened only 20 days per month.

Jeff Ginsberg – President of Riviera Village Association, supported replacing the old concrete sidewalks with new pavers, ADA compliance, sidewalk dining and rental income, return on investment, making the Village safer.

Motion by Councilmember Horvath, seconded by Councilmember Nehrenheim, to continue the Public Hearing to June 2, 2020. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Horvath, Gran, Emdee, Mayor Pro Tem Loewenstein
NOES: None
ABSENT: None

Motion by Councilmember Emdee, seconded by Councilmember Nehrenheim, to receive and file the Budget Response Reports. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Horvath, Gran, Emdee, Mayor Pro Tem Loewenstein
NOES: None
ABSENT: None

M. ITEMS CONTINUED FROM PERVIOUS AGENDAS – NONE

N. ITEMS FOR DISCUSSION PRIOR TO ACTION – NONE

City Attorney Webb addressed the comment regarding HT Grill and Rebel Republic which was false and inconsistent with the facts and reviewed the activities of staff and the Police Department.

Substitute Motion carried with the following roll call vote:

AYES: Horvath, Gran, Emdee
NOES: Nehrenheim, Loewenstein
ABSENT: None

P. MAYOR AND COUNCIL REFERRALS TO STAFF

Motion by Councilmember Nehrenheim, seconded by Councilmember Loewenstein, for staff to talk to the Riviera BID regarding the 4th of July show and what would be allowed along the coastline. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Loewenstein, Horvath, Gran, Emdee
NOES: None
ABSENT: None

Mayor Brand asked that the video/audio and lack of live public participation be addressed and corrected.

City Manager Hoefgen explained that the City has an old outdated City Hall audio video system and bad technology, and a major upgrade is scheduled.

Motion by Councilmember Nehrenheim, seconded by Councilmember Horvath, for staff to bring back a report on the Council upgrades, public comments and online usage. Motion carried with the following roll call vote:

AYES: Nehrenheim, Loewenstein, Horvath, Gran, Emdee
NOES: None
ABSENT: None

- R. RECESS TO CLOSED SESSION – NONE**
S. RECONVENE TO OPEN SESSION – NONE
T. ADJOURNMENT: 11:59 P.M.

There being no further business to come before the City Council, Motion by Councilmember Nehrenheim, seconded by Councilmember Horvath, to adjourn the meeting at 11:59 p.m. to an Adjourned Regular meeting to be held at 4:30 p.m. (Closed Session) and a Regular meeting to be held at 6:00 p.m. (Open Session) on Tuesday, May 26, 2020, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California. Motion carried unanimously, with the following roll call vote:

AYES: Nehrenheim, Loewenstein, Horvath, Gran, Emdee
NOES: None
ABSENT: None

Respectfully submitted,

DocuSigned by:

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Eleanor Manzano, City Clerk

Note: All written comments submitted via eComment are included in the record and available for public review on the City website.