



Minutes
Redondo Beach City Council
Tuesday, February 16, 2021
Closed Session - Adjourned Regular Meeting 4:30 p.m.
Open Session - Regular Meeting 6:00 p.m.

A. CALL MEETING TO ORDER

Via teleconference, an Adjourned Regular Meeting of the Redondo Beach City Council was called to order by Mayor Brand at 4:30 p.m. in the City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Councilmembers Present:	Nehrenheim, Loewenstein, Horvath, Gran, Emdee, Mayor Brand
Councilmembers Absent:	None
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. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS – NONE

E. PUBLIC COMMUNICATIONS ON CLOSED SESSION ITEMS AND NON-AGENDA ITEMS

Mayor Brand called for public comment via Zoom and eComment. There being no comments, Mayor Brand closed the public comment period.

F. RECESS TO CLOSED SESSION: 4:31 p.m.

F.1. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED POTENTIAL LITIGATION -

The Closed Session is authorized by the attorney-client privilege, Government Code Section 54956.9(d)(4).

Name of case:

One potential case

F.2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR -The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:

Joe Hoefgen, City Manager
Mike Witzansky, Assistant City Manager
Stephen Proud, Waterfront & Economic Development Director

PROPERTY:

160 International Boardwalk, Redondo Beach, CA 90277
(a portion of APN: 7505-029-902)

NEGOTIATING PARTY:

Rashel Mereness, - Boardwalk Worldwide, LLC dba The Dinghy Deli

UNDER NEGOTIATION:

Both Price and Terms

- F.3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR** - The Closed Session is authorized by the Government Code Section 54956.8.

AGENCY NEGOTIATOR:

Joe Hoefgen, City Manager

Mike Witzansky, Assistant City Manager

Stephen Proud, Waterfront & Economic Development Director

PROPERTY:

109 W. Torrance Blvd. Suite 101 & 102B, Redondo Beach, CA 90277

105 W. Torrance Blvd Suite 200, Redondo Beach, CA 90277

(a portion of APN: 7505-002-908)

NEGOTIATING PARTY:

Gregory S. Harris, - FirstSteps For Kids, Inc.

UNDER NEGOTIATION:

Both Price and Terms

G. RECONVENE TO OPEN SESSION

Motion by Councilmember Horvath, seconded by Councilmember Emdee, to recess at 4:32 p.m. to conduct Closed Sessions attended by City Manager Joe Hoefgen, City Attorney Mike Webb, Assistant City Manager Witzansky, Assistant City Attorney Cheryl Park, Public Works Director Ted Semaan, City Engineer Andy Winje, Outside Legal Counsel Gina Danner, and Outside Leasing Agent Steven Campbell. Motion carried unanimously with the following roll call vote:

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

G. RECONVENE TO OPEN SESSION: 6:00 p.m.

H. ROLL CALL

Councilmembers Present:	Nehrenheim, Loewenstein, Horvath, Gran, Emdee, Mayor Brand
Councilmembers Absent:	None
Officials Present:	Eleanor Manzano, City Clerk Michael Webb, City Attorney Joe Hoefgen, City Manager Vickie Kroneberger, Chief Deputy City Clerk

I. ANNOUNCEMENT OF CLOSED SESSION ACTIONS – NONE

J. ADJOURN TO REGULAR MEETING

Motion by Councilmember Emdee, seconded by Councilmember Horvath, to adjourn at 6:00 p.m. to a regular meeting. Motion carried unanimously with no objections.

A. CALL TO ORDER

Via Teleconference, a Regular Meeting of the Redondo Beach City Council was called to order by Mayor Brand at 6:00 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Councilmembers Present:	Nehrenheim, Loewenstein, Horvath, Gran, Emdee, Mayor Brand
Councilmembers Absent:	None
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

At the request of Mayor Brand, the audience and Councilmembers rose to salute the flag followed by a moment of silence.

D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS

Councilmember Nehrenheim announced his Community Meeting last weekend discussing vaccine updates, programs opening back up, and thanked everyone for attending. He also thanked Public Works and Athens for taking care of the parking lot at the dog park.

Councilmember Loewenstein announced his District 2 Community meeting taking place on February 23 at 6 to 7:30 p.m. with the theme being Beryl west of PCH and joined by Public Works for solutions and input from residents.

Councilmember Horvath announced his Community Meeting taking place on February 18 from 6 to 7:30 p.m. discussing vaccinations and Home Share South Bay. He also announced the virtual event from the SBCCOG General Assembly taking place on March 18 from 9 a.m. to 4 p.m.

Councilmember Gran informed that Pico Rivera won their appeal with numbers reduced by 3,000 and have been redistributed with Redondo Beach having even more RHNA.

Mayor Brand announced that Assembly Member Al Muratsuchi will be floating a bill that mimics the initiatives that Mayor Brand wrote regarding an amendment to the Constitution that makes zoning and land use municipal affairs. He also shared a COVID update from the Little Company of Mary Hospital noting the volumes have declined dramatically, now down to under 50 patients from both their facilities and have resumed nonemergency surgeries. He also said things are now safe at the emergency room as well.

E. APPROVAL OF ORDER OF AGENDA

Motion by Councilmember Emdee, seconded by Councilmember Horvath, to move Item N.1 between Item I and Item J. Motion carried unanimously, with the following roll call vote:

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

F. AGENCY RECESS: NONE

G. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

Motion by Councilmember Horvath, seconded by Councilmember Loewenstein, to receive and file additional materials for Items J.1, L.1, N.1, N.2, and N.3. Motion carried unanimously, with no objection.

H. CONSENT CALENDAR

- H.1. APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL ADJOURNED REGULAR MEETING AND REGULAR MEETING OF FEBRUARY 16, 2021**
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
- H.3. PAYROLL DEMANDS**
CHECKS 27152-27177 IN THE AMOUNT OF \$41,550.40, PD. 02/05/2021
DIRECT DEPOSIT 231587-232039 IN THE AMOUNT OF \$1,840,454.35, PD. 02/05/2021
CHECKS 27178-27181 IN THE AMOUNT OF \$992.30, PD. 02/05/2021
DIRECT DEPOSIT 232040-232040 IN THE AMOUNT OF \$22.94, PD. 02/05/2021
EFT/ACH \$3,878.42, PD. 02/08/21 (PP2103)
EFT/ACH \$6,852.59, PD. 02/05/21 (PP2103)
EFT/ACH \$346,564.30, PD. 02/08/21 (PP2103)
- ACCOUNTS PAYABLE DEMANDS**
CHECKS 97715-97898 IN THE AMOUNT OF \$1,742,389.59
CONTACT: MARNI RUHLAND, FINANCE DIRECTOR
- H.4. APPROVE CONTRACTS UNDER \$35,000:**
- 1. APPROVE AMENDMENT TO THE AGREEMENT WITH SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT FOR ELECTRIC CHARGING INFRASTRUCTURE TO EXTEND TERM TO MARCH 31, 2025.**
- PULLED BY COUNCILMEMBER NEHRENHEIM (ITEMS 2 THROUGH 8) FOR FURTHER DISCUSSION.**
- H.5. APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH PACIFIC ARCHITECTURE AND ENGINEERING FOR ARCHITECTURAL CONSTRUCTION SUPPORT SERVICES FOR THE REDONDO BEACH TRANSIT CENTER PROJECT, JOB NO. 20120 FOR AN ADDITIONAL AMOUNT OF \$50,000 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$65,000 FOR THE EXISTING TERM**
CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR
- H.6. APPROVE AMENDMENT NO. 5 TO FUNDING AGREEMENT #MOU.MR312.06 BETWEEN THE CITY OF REDONDO BEACH AND LACMTA FOR PACIFIC COAST HIGHWAY ARTERIAL IMPROVEMENTS FROM ANITA STREET TO PALOS VERDES BOULEVARD PROJECT, JOB NO. 40800, TO EXTEND THE LAPSING DATE OF THE PROJECT FUNDS TO JUNE 30, 2021; AND**
- APPROVE AMENDMENT NO. 4 TO FUNDING AGREEMENT # MOU.MR312.07 BETWEEN THE CITY OF REDONDO BEACH AND LACMTA FOR PACIFIC COAST HIGHWAY AT TORRANCE BOULEVARD INTERSECTION IMPROVEMENTS PROJECT, JOB NO. 40810, TO EXTEND THE LAPSING DATE OF THE PROJECT FUNDS TO JUNE 30, 2021; AND**
- APPROVE AMENDMENT NO. 5 TO FUNDING AGREEMENT # MOU.MR312.20 BETWEEN THE CITY OF REDONDO BEACH AND LACMTA FOR AVIATION BOULEVARD AT ARTESIA BOULEVARD INTERSECTION IMPROVEMENTS PROJECT, JOB NO. 40780, TO EXTEND THE LAPSING DATE OF THE PROJECT FUNDS TO JUNE 30, 2021; AND**

APPROVE AMENDMENT NO. 2 TO FUNDING AGREEMENT # MOU.MR312.42 BETWEEN THE CITY OF REDONDO BEACH AND LACMTA FOR INGLEWOOD AVENUE SOUTHBOUND RIGHT TURN LANE AT MANHATTAN BEACH BOULEVARD AND INTERSECTION IMPROVEMENTS PROJECT, JOB NO. 40960, TO EXTEND THE LAPSING DATE OF THE PROJECT FUNDS TO JUNE 30, 2021

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.7. PULLED BY STAFF.

H.8. ADOPT BY 4/5 VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2102-015, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AUTHORIZING A 2020-2021 FISCAL YEAR BUDGET MODIFICATION APPROPRIATING \$130,403.00 IN 2019 STATE HOMELAND SECURITY PROGRAM GRANT FUNDS.

APPROVE SUB-RECIPIENT AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR SHSP 2019 GRANT FUNDING.

CONTACT: KEITH KAUFFMAN, CHIEF OF POLICE

H.9. PULLED BY STAFF.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

Motion by Councilmember Horvath, seconded by Councilmember Nehrenheim, to approve Consent Calendar items H.1 through H.9, with the exclusion of Items H.4 2-8, H.7 and H.9 Motion carried unanimously, with the following roll call vote:

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

City Clerk Eleanor Manzano read all Ordinances and Resolutions by title only which were included on the Consent Calendar.

I. EXCLUDED CONSENT CALENDAR ITEMS

H.4. APPROVE CONTRACTS UNDER \$35,000:

2. APPROVE GRANT AGREEMENT WITH GABI JAMES, INC. FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

3. APPROVE GRANT AGREEMENT WITH NATURAL WORLD GOODS, INC. DBA NATURAL WORLD MARKET & CAFÉ FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,500 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

4. APPROVE GRANT AGREEMENT WITH HENNESSEY'S TAVERN, INC. FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

5. APPROVE GRANT AGREEMENT WITH BEACH CITIES ROVER LLC FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

6. APPROVE GRANT AGREEMENT WITH SAVOIR FAIRE LANGUAGE INSTITUTE, INC. FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

7. APPROVE GRANT AGREEMENT WITH CRITIC'S CHOICE CATERING AND EVENT PRODUCTION, INC. FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID-19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$668.95 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

8. APPROVE GRANT AGREEMENT WITH A BASQ KITCHEN LLC DBA A FISH & FRIENDS FOR REIMBURSEMENT OF EXPENDITURES RELATED TO THE COVID- 19 PUBLIC HEALTH EMERGENCY IN AN AMOUNT NOT TO EXCEED \$2,000 FOR THE TERM FEBRUARY 16, 2021 TO FEBRUARY 15, 2022.

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

Councilmember Nehrenheim asked about requirements as per the grants and asked if they are verified and qualify for the requirements. Finance Director Ruhland explained that they are verified by the consultant Michael Baker International doing all the followup to make sure the required documentation is in place before the grants are approved.

Consultant Joyce Lee, Michael Baker International, explained citywide there is currently an application for \$56,000 and recommended a total of 13 applications which should be coming to Council for approval. She also said there is approximately \$33,548.72 reliant on the current pending application and recommending the full \$2,000 grant amount.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

Motion by Councilmember Nehrenheim, seconded by Councilmember Horvath, to approve Item H.4 Items 2 through 8. Motion carried unanimously, with the following roll call vote:

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

N.1. DISCUSSION AND CONSIDERATION OF PRESENTATION FROM REPRESENTATIVES OF THE U.S. POSTAL SERVICE RELATED TO MAIL DELIVERY IN REDONDO BEACH
CONTACT: JOE HOEFGEN, CITY MANAGER

Janet Turner from Congressman Lieu's office gave a report and recommended residents contact their office to send a privacy release form. She requested an update from the Washington DC office and Congress is working on a new bill to provide help to USPS which is in a negotiation process. She said that the Congressman supports more funding, faster delivery, better health care and benefits for postal workers and greater accountability to the Board of Governors of USPS. She also said she can be contacted at janet.turner@mail.house.gov or 323-651-1040.

Ernesto Rodriguez, Manager of Postal Operations, stated he oversees the Redondo Beach Post Office, and noted issues and remedies to include retail staffing, obtaining a lobby director, reducing the wait time in line, self audits, delivery not being delivered everyday using a site rep, no longer short staffed, missed delivery, and suggested calling 1-800-275-8777 regarding missed deliveries. He also provided an email as a contact at evelina.b.ramirez@usts.gov.

Councilmember Emdee stated she received emails of concern noting there is not enough carriers, problems with the rules and not having long-term subs, noted complaints of trash in the lobby, carriers working late at night, and stated more carriers are needed.

Mr. Rodriguez stated he cannot hire more employees which would go through Congress following a different process. He said the lobby director will be ensuring the lobbies are clean and said parcels have increased which require more time. He also said a parcel runner will now come in earlier to help alleviate the workload.

Councilmember Emdee suggested filling out the forms and getting them to Ms. Turner.

Ms. Turner reminded that Congress did give USPS \$10 billion as a loan and then in the last relief package it was forgiven and USPS has been able to hire some more employees.

Councilmember Emdee pointed out that there are a lot of important documents that have to be mailed and noted frustration with the post office.

Mr. Rodriguez supported consistency, a timeline process and forms to be filled out in order to get a vacancy filled timely.

Councilmember Nehrenheim noted complaints about overgrown landscaping and blight and lack of maintenance. Mr. Rodriguez said he thought this was taken care of and will address it.

Councilmember Nehrenheim stated people like consistency with their mail to include the carrier and delivery time. He also informed that residents expressed concern with a street being remained from Avenue E to Avenue P automatically by itself, making it difficult to find an address.

Ms. Turner said they have started a research on a MFA list and addressing controlling issues taking place.

Councilmember Nehrenheim also expressed concern with Avenue E noted as Avenue East and asked that this be corrected and changed.

In response to Councilmember Loewenstein, Mr. Rodriguez stated he has been the Manager of Postal Operations for five months.

Councilmember Loewenstein expressed concern with having to start over with new employees, and also expressed concern with the debris on the stairs and safety for the residents. He also said slow delivery has been an issue for several years and bulk mail sitting in the post office, and items arriving after the election.

Mr. Rodriguez stated they do peer to peer audits to ensure that political mail is being delivered on time.

Councilmember Loewenstein expressed concern with the safety of his mail along with theft.

Councilmember Emdee asked about a sign at the North Redondo Beach Post Office stating they are not accepting large parcels. Mr. Rodriguez stated this sign was immediately taken down.

Mayor Brand called for public comment via eComment and Zoom.

In response to Stephen Treisman, Councilmember Emdee stated she sent out a copy of his letter to Mr. Rodriguez and others. Mr. Treisman also expressed concern with taking a long-term employee off of Route 845, and requested Kisha Patterson to be their regular carrier. Mr. Rodriguez said this can't be done.

Chief Deputy City Clerk Vickie Kroneberger read the following e-Comments:

Ellen Margitish expressed concern with a street name change from Avenue E to Avenue P which is causing problems on the street.

Lezlie Campeggi expressed concern with missing mail, noted timely reliable mail is important such as medication by mail, and USPS phone numbers are not helpful.

Ms. Turner said it is important to contact their office with any mail theft issues.

There being no further comments, Mayor Brand closed the public comment period.

J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Mayor Brand called for public comment via eComment and Zoom.

Wayne Craig noted negativity and divisiveness in City Council and reviewed the issues of the running officers and reviewed those he supported.

Chief Deputy City Clerk Vickie Kroneberger read the following comments via eComment:

Kat Everdeen expressed concern with Brad Waller copying Councilmember Horvath's ballot statement.

Maggie Healey asked that the City Clerk be directed to find a way to prevent fake people commenting on the City Agenda.

Eugene Solomon expressed concern with a possible campaign finance violation of local ordinance(s) for Councilmember Gran which was submitted several weeks ago but nothing has been heard on any details of timeline of process from the City Clerk or City Attorney.

Pat Healey supported restoring the 2nd Annual Martin Luther King Jr. Celebration video to the City of Redondo Beach Website. He also supported the Redondo Beach Police Department efforts in public outreach to the black community.

Jacob Varvarigos supported staff and keeping the parks open, clean and functioning during this time of pandemic. He also supported SBPC and community gardens.

Lepsa Smith expressed concern with shills, and supported Mayor Brand, Councilmember Loewenstein and Councilmember Nehrenheim.

Lezlie Campeggi supported challenging state-imposed new housing RHNA numbers and fighting Sacramento control over our local land use. She also supported re-electing Mayor Brand, Councilmember Nehrenheim, Councilmember Loewenstein and Mr. Zein Obagi, Jr. for District 4.

There being no further comments, Mayor Brand closed the public comment period.

K. EX PARTE COMMUNICATIONS – NONE

L. PUBLIC HEARINGS

L.1. PUBLIC HEARING TO CONSIDER AMENDING TITLE 9, CHAPTER 12 OF THE MUNICIPAL CODE PERTAINING TO THE FLOOD DAMAGE PREVENTION REGULATIONS

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3212-21, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING FLOOD DAMAGE PREVENTION REGULATIONS IN TITLE 9, CHAPTER 12, SECTIONS 9-12.201, 9-12.501, AND 9-12.507, FOR INTRODUCTION AND FIRST READING

PROCEDURES:

- a. Open Public Hearing, take testimony; and**
- b. Close Public Hearing; and**
- c. Introduce Ordinance 3212-21 by title only**

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR & TED SEMAAN, PUBLIC WORKS DIRECTOR

Motion by Councilmember Loewenstein, seconded by Councilmember Emdee to open the Public Hearing. Motion carried unanimously with no objections.

Community Development Director Brandy Forbes gave a report and discussed the flood damage prevention regulations and recommended code changes.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

Motion by Councilmember Horvath, seconded by Councilmember Emdee, to include Community Development Director Forbes' presentation prior to opening the Public Hearing as part of the Public Hearing. Motion carried unanimously with no objections.

Motion by Councilmember Gran, seconded by Councilmember Emdee, to close the Public Hearing. Motion carried unanimously with no objections.

Motion by Councilmember Gran, seconded by Councilmember Emdee, to introduce by title only Ordinance No. 3212-21. Motion carried unanimously, with the following roll call vote:

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

City Clerk Eleanor Manzano read by title only Ordinance No. 3212-21.

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS – NONE

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

N.2. DISCUSSION AND POSSIBLE ACTION REGARDING THE STATUS OF TRANSIENT VESSEL MOORINGS IN KING HARBOR AND APPROVAL OF MODIFICATIONS TO THE MOORING SERVICE SCHEDULE TO REDUCE ANNUAL MAINTENANCE COSTS BY APPROXIMATELY \$30,000

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

Senior Management Analyst Rob Osborne gave a presentation and discussed the following:

- Discussion and possible action regarding the status of transient vessel moorings in King Harbor

- **Background**
 - 25 moorings installed in 2014
 - \$188,000 grant from Department of Boating & Waterways
 - Utilization very low
 - Annual maintenance costs: \$60,000
 - Annual rental revenue:
 - 2018 \$9,036
 - 2019 \$17,556
 - 2020 \$18,618
- **Department of Boating and Waterways**
 - Will allow removal subject to refund of grant funds
 - Refund based on prorated cost:
 - Initial mooring value \$7,520
 - Current value \$5,170
 - Remove 15 moorings = \$77,550 refund
- **Reduced Maintenance Option**
 - Maintenance program follows manufacturer's specs
 - More elaborate than necessary
 - Can be reduced 50% while remaining in compliance
 - Potential annual savings: \$30,000
- **Harbor Commission Review**
 - January 11, 2021 meeting
 - Findings:
 - Do not permanently remove moorings
 - Do not refund grant funds
 - Adjust maintenance service to reduce costs
- **Recommendation**
 - Receive and file report
 - Do not remove moorings
 - Approve modification of mooring service schedule
To reduce annual maintenance costs by approximately \$30,000

In response to Mayor Brand regarding the status of the hand launch, Building Maintenance Manager Mike Klein explained the City has just received a delivery of floats for the hand launch to put it back together.

Councilmember Nehrenheim questioned maintenance being so expensive on the moorings. Senior Manager Analyst Osborne said they went by the manufacturer's specifications when originally bided out and the price paid is what the market would bear.

Councilmember Nehrenheim stated Avalon has a different mooring system and is less expensive.

Mayor Brand pointed out a grant will not cover the maintenance and operational expenses with very little use and supported the Department of Boating and Waterways having more flexibility.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

Motion by Councilmember Emdee, seconded by Councilmember Nehrenheim, to receive and file the report and approve the modifications to the mooring service schedule to reduce annual maintenance costs by approximately \$30,000. Motion carried unanimously, with the following roll call vote:

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

ABSENT: None

N.3. DISCUSSION AND POSSIBLE ACTION REGARDING FY 2020-21 MIDYEAR BUDGET REPORT

RECEIVE AND FILE THE FY 2020-21 MIDYEAR BUDGET REPORT AND THE PRESENTATION OF THE FY 2020-21 CAPITAL IMPROVEMENT BUDGET AND FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM

ADOPT BY 4/5 VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2102-017, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, MODIFYING THE BUDGET FOR FISCAL YEAR 2020-21

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

Finance Director Marni Ruhland gave a report and discussed the following:

- Internal and external factors addressed in FY 2020-21 budget
 - Significant revenue reductions
 - Permanently deauthorized positions
 - FY 2020-21 defunded positions
 - Facility and program closures
 - Review of revenues and expenditures at midyear
 - Pandemic-related financial challenges
 - \$1.4 Million General Fund shortfall
 - General Fund Revenue Adjustments
 - General Fund Revenue Summary – Total Revenue Adjustment -2,802,901
 - Appropriations Adjustments and Decision Packages
 - DP #1 through #8
 - General Fund FY 2020-21 estimated fund balance

Assistant City Manager Mike Witzansky gave a report on the Capital Improvement Program Update and discussed the following:

- 82 projects approved, \$58 Million
- FY2020-21 CIP completed projects
- FY 2020-21 CIP current projects
- FY 2020-21 CIP projects in design
- Active traffic mitigation projects
- Other CIP projects
- Recommendation

In response to Mayor Brand regarding the location of the sand from the harbor dredging project, Assistant City Manager Witzansky stated staff is waiting to hear from the Army Corps on their preferences but two choices could include storing the material inside the harbor or further south of the King Harbor entry area which can be accessed later.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

Motion by Councilmember Gran, seconded by Councilmember Loewenstein, to receive and file the report and adopt by 4/5 vote and by title only Resolution No. CC-2102-017. Motion carried unanimously, with the following roll call vote:

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

City Clerk Eleanor Manzano read by title only Resolution No. CC-2102-017.

N.4. DISCUSSION AND POSSIBLE ACTION REGARDING REFINANCING OPTIONS AVAILABLE TO THE CITY TO REDUCE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS) UNFUNDED ACCRUED LIABILITY (UAL) PENSION COSTS

DISCUSSION AND POSSIBLE ACTION ON THE PRESENTATION PROVIDED BY KOSMONT TRANSACTIONS SERVICES, INC. (KTS) ON CALPERS UAL REFINANCING

DISCUSSION AND POSSIBLE ACTION REGARDING THE PROCESS TO OBTAIN ALL PROFESSIONAL SERVICES NEEDED TO ASSIST THE CITY WITH EXECUTION OF CALPERS UAL REFINANCING, IF PURSUED

DISCUSSION AND POSSIBLE ACTION RELATED TO THE CONTRACT WITH KTS FOR MUNICIPAL ADVISORY ACTIVITIES ASSOCIATED WITH ANALYZING AND SECURING CALPERS UAL REFINANCING

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

Larry Kosmont, President Kosmont Transaction Services, and Dan Massiello, Senior VP and Chief Compliance Officer Kosmont Transactions Services, gave a report and discussed the following:

- Introduction
- Opportunity to reduce pension debt repayment refinance CalPERS UAL by issuing bonds
- Pension bond refinancing by other agencies
- Types of securities that can be issued by City
- Pension obligation bonds
- Lease revenue bonds
- City's unfunded accrued liability ("UAL")
- Potential budgetary savings by refinancing UAL
- UAL/bond repayment comparison, level debt service basic structure
- UAL/bond repayment comparison, "level savings" basic structure
- UAL/bond repayment comparison, "hybrid savings" basic structure
- Options for refinancing approach
- Refinancing the UAL creates fiscal flexibility
- Considerations to refinancing UAL with bonds
- Conclusions
- Next steps

In response to Councilmember Nehrenheim, Mr. Massiello believed that a lease revenue bond could be priced and funded by June 30, but the pension obligation bonds would require legal counsel and would require more time.

In response to Councilmember Gran, Mr. Massiello stated the difference in an AA and AA+ could be 2 to 4 bases points but they are not equal security vehicles.

In response to Mayor Brand, Mr. Massiello stated the UAL payment is what CalPERS sends over to the City and next year, the City will get a new schedule and all of the payments will change depending on the assumption changes, etc.

Mayor Brand said it is important to understand assumptions that are being made.

In response to Councilmember Loewenstein, Mr. Massiello said the analysis presented is money being repaid and amortized and suggested changing the mode of the debt from pension debt to municipal market

bond debt and all money would go to CalPERS. He also said the \$211 million is a pension debt out of CalPERS hands and would have a new UAL.

In response to Councilmember Loewenstein, Mr. Kosmont reviewed obtaining the best interest rates which is driven by the market and a spread to treasury. Mr. Massiello also reviewed the bonding capacity as a City.

Councilmember Loewenstein asked about the City's rating being changed. Mr. Massiello said the rating agency would look at numerous factors including the ability to make the payment.

In response to Councilmember Loewenstein, Mr. Kosmont reviewed any state involvement.

In response to Mayor Brand, Mr. Massiello explained ground leases and leasebacks.

In response to Councilmember Gran, Mr. Massiello explained the correction of the UAL as it occurs. Mr. Kosmont also reviewed Slide 17, refinancing the UAL creating fiscal flexibility.

Mayor Brand asked if these are callable. Mr. Massiello stated they are being sold like regular tax exempt municipal bonds with the standard being a 10 year call.

Councilmember Nehrenheim stated the \$211 million number is the City's current liability and asked about the future employees and future debt. Mr. Massiello stated CalPERS sends a bill based on the payroll with an assumption they will earn 7% and with less employees, the normal payment will go down with the same formula. He also said the UAL payment is a separate part of the overall pension costs every year.

In response to Councilmember Nehrenheim, Mr. Massiello stated the present value is consistent in anyone of the given structures. Mr. Kosmont reviewed states that are now doing pension obligation bonds and lease revenue bonds and recommended the lease revenue bond program. He further reviewed steps to protect the City to include timing, coming up with an assessed value and interviewing a number of underwriting firms. Mr. Massiello also said he is familiar with the underwriter, supported having a good legal team and said distribution and ability to access market timely for proper coverage is important.

Councilmember Nehrenheim asked about a park having a revenue generated structure on it. Mr. Kosmont said the first step is to underwrite that value.

Councilmember Emdee asked about the debt continuing to increase and said because of PEPRAs employees being much cheaper and would be covered, liabilities go down as the classic employees leave. Mr. Kosmont said that PEPRAs will start to balance out the incremental increase. Mr. Massiello said in 28 years looking back and if CalPERS earning only 3% and the City was paying 3.5%, it would have been better not to have done this, but this wouldn't apply to any one year.

Councilmember Emdee supported taking advantage of the low interest rates which can change in the future. Mr. Massiello stated there would be maximums in the resolution including parameters.

City Manager Hoefgen stated staff supports the proposal and suggested further discussions and bringing back further scenarios.

Councilmember Horvath believed this is a prudent step to take, creating a certain amount of stability, and supported moving forward.

Councilmember Horvath asked about the consultant fees. Mr. Kosmont stated they have a sliding scale and cap their fees.

Mayor Brand called for public comment via eComment and Zoom.

Zein Obagi, Jr. asked if the City undertakes this bond obligation, what would be left as far as assets leverage for other infrastructure improvements. He said if revenue increases and asked if there is a prepayment penalty for paying off debt early to reduce interest accrual. Mr. Massiello said there is no prepayment for the first ten years and reviewed a 115 trust.

Chief Deputy City Clerk Vickie Kroneberger read the following comments via eComment:

Eugene Solomon supported and reviewed benefits of refinancing CalPERS UAL with bonds.

There being no further comments, Mayor Brand closed the public comment period.

Motion by Councilmember Emdee, seconded by Councilmember Gran, to take possible action regarding the financing options, presentation, services with Kosmont, possible actions to obtain all professional services as needed and action with contracting with Kosmont for municipal advisory activity associated with analyzing security and CalPERS, and to move forward with all these possible actions. Motion carried unanimously, with the following roll call vote:

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

O. CITY MANAGER ITEMS

O.1. DISCUSSION AND POSSIBLE ACTION REGARDING THE CITY'S LOCAL EMERGENCY PERTAINING TO COVID-19

CONTACT: JOE HOEFGEN, CITY MANAGER

City Manager Hoefgen gave a report and thanked the Beach Cities Health District for all of their help.

Tom Bakaly, CEO, Beach Cities Health District, gave a report and gave an update as follows:

- Cases are drastically improving
- Moving through stages of reopening
- March 1 – move to next tier of 1B to include education, emergency and food workers
- Formal proposal to the county – vaccinate educators when becomes eligible
- Reaching older adults who cannot go to larger sites
- Provide social work services
- Continue to be large demand for vaccines
- Administer vaccines in the next one to two weeks

Councilmember Horvath asked about a single dose approach for awhile to allow more people to get vaccinated. Mr. Bakaly stated he has not heard of this as of yet, and the county is pushing for a second vaccine for both.

Councilmember Nehrenheim asked about opening City Hall. City Manager Hoefgen reviewed measures to protect City Hall and said a report will be brought back outlining the return to work.

Mayor Brand called for public comment via eComment and Zoom. There being no comments, Mayor Brand closed the public comment period.

P. MAYOR AND COUNCIL ITEMS

Q. MAYOR AND COUNCIL REFERRALS TO STAFF

Councilmember Nehrenheim suggested including SCE with the community gardens discussions.

Councilmember Nehrenheim suggested bringing back a resolution to support the school opening process and teachers getting vaccinated.

Mayor Brand asked staff to look at comments submitted to Metro for preparation of the EIR. Councilmember Horvath also stated comments and letters will be resubmitted from the City and announced two scoping meetings taking place on February 24 and 27.

R. CLOSED SESSION – NONE

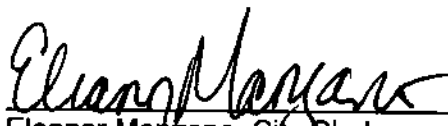
S. RECONVENE TO OPEN SESSION – NONE

T. ADJOURNMENT: 10:32 P.M.

There being no further business to come before the City Council, Motion by Councilmember Loewenstein, seconded by Councilmember Horvath, to adjourn the meeting at 10:32 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, March 9, 2021, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California, via teleconference. Motion carried unanimously, with the following roll call vote:

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eleanor Manzano", written over a horizontal line.

Eleanor Manzano, City Clerk