

**CITY OF REDONDO BEACH
HARBOR COMMISSION AGENDA
Wednesday, June 2, 2021**

**THIS VIRTUAL MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED
BY GOVERNOR NEWSOM ON MARCH 17, 2020.**



AGENDA AND SUPPORTING MATERIALS - An agenda packet is available 24 hours a day at the Redondo Beach Police Department and at www.redondo.org on the City Clerk page. Agenda packets are available during Library hours, at the reference desks at the Redondo Beach Main Library and Redondo Beach North Branch Library. During City Hall hours, agenda packets are available for review in the Office of the City Clerk, Door 1.

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PUBLIC COMMENT - The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on non-agenda items, you may do so during the **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** section on the agenda. Each person is allotted three (3) minutes to speak.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

AMERICANS WITH DISABILITIES ACT - It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

**CITY OF REDONDO BEACH
HARBOR COMMISSION AGENDA
Wednesday, June 2, 2021**

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GOVERNOR NEWSOM ON MARCH 17, 2020.**

REGULAR MEETING OF THE HARBOR COMMISSION - 6:30 PM

**ALL COMMISSION MEMBERS ARE PARTICIPATING BY VIRTUAL
MEETING. MEMBERS OF THE PUBLIC MAY ONLY PARTICIPATE BY
ZOOM, EMAIL OR eCOMMENT.**

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https://us02web.zoom.us/webinar/register/WN_uD4mktSCTFCsnJrT2-5iaw

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If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record. Comments may be read out loud during the meeting.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION WITH ATTACHED DOCUMENTS BEFORE 3PM DAY OF MEETING:

Written materials that include attachments pertaining to matters listed on the posted agenda

received after the agenda has been published will be added as supplemental materials under the relevant agenda item. waterfront@redondo.org

REGULAR MEETING OF THE HARBOR COMMISSION - 6:30 PM

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. SALUTE TO THE FLAG**
- D. APPROVE ORDER OF AGENDA**
- E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**
 - E.1. [For Blue Folder Documents Approved at the Harbor Commission Meeting](#)**
- F. CONSENT CALENDAR**
 - F.1. [APPROVAL OF AFFIDAVIT OF POSTING FOR THE HARBOR COMMISSION MEETING OF JUNE 2, 2021.](#)**
 - F.2. [APPROVAL OF THE FOLLOWING MINUTES: MAY 10, 2021](#)**
- G. EXCLUDED CONSENT CALENDAR ITEMS**
- H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**
 - H.1. [For eComments and Emails Received from the Public](#)**
- I. EX PARTE COMMUNICATION**
- J. PUBLIC HEARINGS**
- K. ITEMS CONTINUED FROM PREVIOUS AGENDAS**
- L. ITEMS FOR DISCUSSION PRIOR TO ACTION**
 - L.1. [QUARTERLY PUBLIC SAFETY REPORT](#)**
 - L.2. [DISCUSSION AND POSSIBLE ACTION REGARDING HARBOR COMMISSION INPUT RELATED TO THE CITY OF REDONDO BEACH PROPOSED FY 2021-2022 BUDGET AND FY 2021-2026 CAPITAL IMPROVEMENT PROGRAM](#)**
 - L.3. [DIRECTOR'S REPORT](#)**
- M. ITEMS FROM STAFF**
- N. COMMISSION ITEMS AND REFERRALS TO STAFF**
- O. ADJOURNMENT**



Administrative Report

E.1., File # HC21-2575

Meeting Date: 6/2/2021

TITLE

For Blue Folder Documents Approved at the Harbor Commission Meeting



Administrative Report

F.1., File # HC21-2577

Meeting Date: 6/2/2021

TO: HARBOR COMMISSION

FROM: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT
DIRECTOR

TITLE

APPROVAL OF AFFIDAVIT OF POSTING FOR THE HARBOR COMMISSION MEETING OF JUNE 2, 2021.

ATTACHMENTS

AFFIDAVIT OF POSTING FOR JUNE 2, 2021 HARBOR COMMISSION MEETING

Waterfront & Economic
Development Department

415 Diamond Street
Redondo Beach, CA 90277

tel 310-372-1171
fax 310-937-6621

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body Harbor Commission

Posting Type Regular Meeting Agenda

Posting Locations 415 Diamond Street, Redondo Beach, CA 90277
 ✓ City Hall Kiosk

Meeting Date & Time June 2, 2021, 6:30 pm

As the W.E.D. representative at the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.



Laurie Koike, Manager

Date: May 28, 2021



Administrative Report

F.2., File # HC21-2582

Meeting Date: 6/2/2021

TO: HARBOR COMMISSION

FROM: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT
DIRECTOR

TITLE

APPROVAL OF THE FOLLOWING MINUTES: MAY 10, 2021

ATTACHMENTS

MINUTES - MAY 10, 2021

**MINUTES OF THE
REDONDO BEACH HARBOR COMMISSION MEETING
MAY 10, 2021**

A. CALL MEETING TO ORDER

A Virtual regular meeting of the Harbor Commission was held pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and was called to order by Chair Light at 6:31 p.m.

B. ROLL CALL

Commissioners Present: Bauer, Callahan, Carlson, Chrzan, Light, Kilroy, Walters

Commissioners Absent: None

Officials Present: Stephen Proud, W.E.D. Director
Elizabeth Hause, W.E.D.

C. SALUTE TO THE FLAG

Commissioner Callahan led the assembly in the salute to the flag.

D. APPROVAL OF ORDER OF AGENDA

Motion by Commissioner Kilroy, seconded by Commissioner Callahan to approve the order of the agenda. Motion carried, without objection.

E. BLUE FOLDER ITEMS - None

E.1. For Blue Folder Documents Approved at the Harbor Commission Meeting

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE HARBOR COMMISSION MEETING OF MAY 10, 2021

F.2. APPROVAL OF THE FOLLOWING MINUTES: MARCH 8, 2021

W.E.D. Director Proud announced there were no public eComments or emails received from the public regarding the Consent Calendar.

Motion by Commissioner Bauer, seconded by Commissioner Callahan, to approve the Consent Calendar, as presented. Motion carried, without objection.

G. EXCLUDED CONSENT CALENDAR ITEMS - None

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS - None

H.1 For eComments and Emails Received from the Public

MINUTES – HARBOR COMMISSION
MONDAY,
MAY 10, 2021

Mark Hanson addressed the first regional regatta in the harbor and spoke positively about the event.

There were no other public comments.

I. EX PARTE COMMUNICATION - None

J. PUBLIC HEARINGS - None

K. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

L. ITEMS FOR DISCUSSION PRIOR TO ACTION

L.1. DISCUSSION AND POSSIBLE ACTION ON THE PERMIT PROCESS FOR MOBILE OPERATORS TO PROVIDE STAND-UP PADDLEBOARD INSTRUCTION AND/OR EQUIPMENT RENTAL IN KING HARBOR

W.E.D. Director Proud presented details of the Administrative Report; provided background of the matter; discussed the need for temporary use permits; noted there are still operators conducting business without a use permit; addressed enforcement; spoke about complaints by members of the public; pointed out challenges in having to close the hand launch facility for service and talked about prohibiting storage of equipment at the hand launch.

Chair Light spoke in support of the program and the two vendors and talked about the wear and tear on the handrails.

Commissioner Callahan spoke positively about Jeremy from Olympus; discussed the basis for permits and extensive requirements; commented on expected increased uses of facilities and spoke in support of extending the permit to Olympus.

Commissioner Kilroy discussed existing brick-and-mortar standup paddleboard vendors, cost of space on the International Boardwalk, smallest possible space, spaces available, opportunities for allowing operating out of trailers and the possibility of charging fees and spoke in support of continuing the program.

Discussion followed regarding possible safety issues with allowing storage on the access road.

W.E.D. Director Proud suggested continuing the program while considering adding storage facilities in connection with discussions regarding public amenities in the harbor.

Commissioner Carlson supported continuing the permit and agreed it should not be changed until consideration is given to Moonstone Park and public amenities in the harbor.

Commissioner Chrzan spoke in favor of extending the temporary permit for this year.

There were no public comments on this item.

Discussion followed regarding imposing safety requirements for those renting SUPs.

Motion by Commissioner Callahan, seconded by Commissioner Kilroy, to continue the equipment rental permit program and review it in one year. Motion carried, without objection.

L.2. DISCUSSION AND POSSIBLE ACTION REGARDING THE REQUEST FOR PROPOSALS FOR A PUBLIC AMENITIES PLAN FOR KING HARBOR AND SELECTION OF HARBOR COMMISSION REPRESENTATIVES FOR PLANNING COMMITTEE

W.E.D. Director Proud presented details of the Administrative Report; provided an update of the process; discussed development of a targeted list for distribution of the RFP; addressed distribution of the RFP and the submission deadline; reported there will be a selection committee and stated once a top candidate has been selected, it will be presented to the Harbor Commission prior to consideration by City Council.

Brief discussion followed regarding the skate park and possible vendor conflicts of interest.

Commissioner Callahan noted she and Chair Light are up for reappointment for 2022 and stated she would have to decline being on the subcommittee until she knows whether or not she will be reappointed.

In reply to Commissioner Chrzan's question, W.E.D. Director Proud discussed changes in plans for Moonstone Park and noted more work may be needed than initially thought, with the current leaseholder.

Discussion followed regarding having some of the leaseholders be part of the subcommittee, taking all applicable documentation and reports into consideration, the need to revisit each of the areas previously considered, the process schedule and coordinating the timing inside the budget process.

Commissioner Carlson suggested considering Commissioner Walters to be on the subcommittee because of his expertise.

Discussion followed regarding providing access to documents.

Mark Hanson spoke about the possibility of bringing the top three candidates before the Commission for review; discussed the Mole B Master Plan; reported he has reached out to the new owners of the King Harbor Marina and spoke in support of having one subcommittee versus two.

There were no other public comments.

Discussion followed regarding expected responsibilities and role of the subcommittee.

Motion by Commissioner Callahan, seconded by Commissioner Kilroy, to form one subcommittee comprised of Commissioners Walters, Carlson and Chrzan, with Commissioner Bauer as an alternate, in case someone is unable to serve. Motion carried, unanimously, by roll call vote.

L.3. DISCUSSION AND POSSIBLE ACTION REGARDING OUTDOOR DINING PROGRAM FOR KING HARBOR

W.E.D. Director Proud presented details of the Administrative Report; addressed impacts of COVID-19; spoke about the Temporary Use Permit process for restaurants; discussed complaints received regarding the International Boardwalk; mentioned the encroachment permit process for restaurants in the Riviera Village; talked about alcohol service, allocation of space, commercialization of public space, the quality of furniture on outdoor dining spaces and recommendations.

Chair Light suggested placing glass windscreens on top of the International Boardwalk; recommended concentrating on Pad 10; commented on what the Village is doing with respect to liquor and supported waiting until after summer to allow restaurants to make up some of the losses suffered under the pandemic.

Commissioner Callahan stated she is pleased the City is considering opening up outdoor dining; felt adjustments need to be made in Riviera Village especially because of the lack of parking and spoke in support of continuing outdoor dining.

Commissioner Bauer agreed with Commissioner Callahan in terms of waiting until after summer to review this issue and noted outdoor dining will work in some areas better than others.

Discussion followed regarding the possibility of implementing a license fee for the outdoor space, considering licensees pay a percentage rent as well and conducting outreach to businesses on the International Boardwalk.

Commissioner Kilroy voiced his support for the item.

Commissioner Carlson commended Director Proud for his report; spoke in favor of keeping outdoor dining on the pier, at least through the summer; requested the staff consider adding bicycle parking and discussed the City's long-term intentions.

Commissioner Chrzan spoke in support of continuing outdoor dining; agreed with the need to take a hard look at pricing; acknowledged challenges with maintaining access; spoke about discouraging awnings and suggested a generous timeline in terms of aesthetics, giving restaurants time to recover.

Commissioner Callahan noted outdoor dining may not be feasible in certain months and suggested it could be part of what the City phases in in the pricing for the outdoor area.

Mark Hanson spoke about equity; commented on the inappropriateness of the bullpen and noted the need to ensure that certain restaurants do not get advantages over others.

Motion by Chair Light, seconded by Commissioner Kilroy, to declare the Harbor Commission supports outdoor dining and not implementing a formal program or charging until after the summer season is over. Motion carried, without opposition.

L.4. DIRECTOR'S REPORT

Previous Council Items

- City Council reviewed the Public Amenities Plan
- City Council activated the leasing program and approved various leases
- City Council discussed mobile applications for paid parking

Upcoming Council Items

- City Council will be conducting budget hearings in June
- The Harbor budget will be presented to the Harbor Commission on June 2, 2021 for input

Miscellaneous Follow-up Items

MINUTES – HARBOR COMMISSION
MONDAY,
MAY 10, 2021

- L.A. County has moved into the Yellow Tier of COVID-19 restrictions
- City Council approved two fireworks shows in the City for the upcoming July 4th celebrations
- Reported Seaside Lagoon is scheduled to open June 12, 2021 and will close August 22, 2021
- Announced the Beach Life Festival will be held September 10 – 12, 2021
- Stated the hand launch is now operational
- Discussed bands on boats
- Mentioned fuel dock operating hours
- Provided an update on Harbor dredging
- Commented on the various websites related to the pier and King Harbor
- The Pier Association is working on restarting the Summer Concert Series and Movie Night

Discussion followed regarding the possibility of implementing an electronic directory tied to parking and the possibility of scheduling a special meeting to discuss the Public Amenities Plan.

Mark Hanson discussed prior plans for developing a tourism website and spoke in support of moving forward with one, providing links to all of the activities in the Harbor.

M. ITEMS FROM STAFF - None

N. COMMISSION ITEMS AND REFERRALS TO STAFF

Discussion followed regarding the status of the falconry program and the lineup for the Beach Life Festival.

Chair Light mentioned receiving an email regarding the King Harbor Sailing Club and asked that staff follow up with them and asked about the status of the Sea Bass grow-out facility.

O. ADJOURNMENT

Motion by Commissioner Kilroy, seconded by Commissioner Callahan, to adjourn the meeting. Motion carried, without objection.

At 9:12 p.m., Chair Light adjourned the meeting to a special meeting of the Harbor Commission on June 2, 2021 at 6:30 p.m.

Respectfully submitted,



Stephen Proud, Director
Waterfront & Economic Development



Administrative Report

H.1., **File #** HC21-2576

Meeting Date: 6/2/2021

TITLE

For eComments and Emails Received from the Public



Administrative Report

L.1., File # HC21-2579

Meeting Date: 6/2/2021

TO: HARBOR COMMISSION

FROM: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT
DIRECTOR

TITLE

QUARTERLY PUBLIC SAFETY REPORT

RECOMMENDATION

Receive and file quarterly reports provided by the Redondo Beach Harbor Patrol and Redondo Beach Marine Enforcement Unit

ATTACHMENTS

Q1 2021 PUBLIC SAFETY REPORTS

REDONDO BEACH HARBOR PATROL STATISTICS

2021 TOTALS	MONTH												TOTALS
CATEGORY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	
DISPATCHED													
VESSEL ACCIDENT	0	0	1	0									1
VESSEL IMPOUND	0	0	0	0									0
ESCORTING	4	2	3	5									14
SEA LIFE DISPOSAL	2	4	2	3									11
POLLUTION	2	0	2	2									6
MAYDAY	12	18	17	14									61
WATER RESCUE	2	1	2	1									6
ROCK RESCUE	0	0	1	0									1
VESSEL SINKING	0	2	0	1									3
FIRE RESPONSE	2	5	2	2									11
MEDICAL AID	9	9	6	19									43
PD ASSIST	0	0	1	1									2
AGENCY ASSIST	1	2	1	2									6
NON-DISPATCHED													
ANCHORAGE PERMIT	2	9	3	4									18
MOORING PERMIT	0	2	1	1									4
COMMERCIAL INSPECTION	0	0	0	0									0
OVERHANG INSPECTION	0	0	1	0									1
ILLEGAL MOORING	3	13	4	5									25
MARINE ENFORCEMENT ACTIVITY													
SUP - RULES OF THE ROAD	0	2	0	0									2
SUP - PFD	0	2	1	2									5
SUP - ILLEGAL LAUNCHING	0	0	0	0									0
SUP - SWIMMING	3	4	3	2									12
VESSEL - RULES OF THE ROAD	0	0	0	0									0
VESSEL - REGISTRATION	0	0	0	0									0
SPEEDING	1	3	1	1									6
ANCHORAGE- NO PERMIT	0	0	1	0									1
FISHING AREA	1	3	0	0									4
300 YARDS OFFSHORE	1	0	0	0									1
TERMINATION CRITERIA													
PFD'S	0	3	1	0									4
NAVIGATION LIGHTS	0	0	0	0									0
FISH AND WILDLIFE													
F&W LICENSE CHECK	0	0	0	0									0
HAZARD TO NAVIGATION	7	2	8	2									19
MISCELLANEOUS													
PUBLIC INFORMATION CONTACT	---	---	---	---									0
PUBLIC ASSIST	---	---	8	1									9
TOTALS	52	86	70	68	0	0	0	0	0	0	0	0	276

REDONDO BEACH													
	MONT												TOTALS
CATEGORY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
PIER/HARBOR ENFORCEMENT													
DISPATCHED CFS	141	127	138	129									535
SELF-INITIATED	54	61	69	40									224
FIELD INTERVIEW CARDS	8	3	2	7									20
REPORTS	30	21	27	23									101
CITATIONS	26	6	18	13									63
ARRESTS	12	9	11	8									40
ASSISTS	43	63	62	57									225

NOTEABLE INCIDENTS

REDONDO BEACH PIER/HARBOR UNIT STATISTICS													
CATEGORY	MONTH												TOTALS
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
DISPATCHED													
10851 STOLEN VEH RPT	3	0	1	2									6
20001 HIT/RUN INJ	0	0	0	0									0
20002 HIT/RUN NON-INJ	4	0	0	0									4
211*	2	2	0	1									5
23103 RECKLESS DRVR	3	4	2	1									10
23152 DRVR	2	0	1	0									3
242 BATTERY	2	2	3	1									8
245 ADW	0	1	1	0									2
314 INDECENT EXPOSURE	0	2	3	1									6
415 DISTURBANCE	7	22	17	11									57
415C CONSTRUCTION	0	0	0	2									2
415F FAMILY FIGHT	7	5	3	1									16
415J JUVENILE	11	2	7	4									24
415P LOUD PARTY	0	0	2	1									3
459R BURGLARY	4	4	2	3									13
459A AUDIBLE	7	3	5	2									17
470R FORGERY RPT	0	0	1	0									1
484 PETTY THEFT RPT	5	4	2	7									18
487 GRAND THEFT REPORT	2	1	1	0									4
5150 MENTAL ILL	10	7	5	9									31
594 VANDALISM	3	1	5	3									12
602 TRESSPASS	4	3	2	2									11
647F DRUNK/DRUGS	4	2	7	4									17
901T VEH ACCID-INJ	4	0	0	1									5
902T VEH ACCID-NO INJ	2	2	1	1									6
925 SUSPIC CIRCS	8	16	11	12									47
925A SUSP VEH	8	7	3	5									23
925S SUSP SUBJ	17	4	9	11									41
ASSIST-FD	13	3	11	9									36
CKWEL WELFARE CHK	6	2	3	4									15
DEAD BODY RPT	1	1	0	0									2
ELDER ABUSE	2	0	0	1									3
FLAG DOWN	4	2	3	2									11
FOUND PROPERTY RPT	5	4	5	2									16
GROUP FIGHT	0	1	1	0									2
LOST PROPERTY	1	0	1	2									4
MANDOWN	2	9	4	4									19
MISSING PERSON	0	0	0	0									0
NARC ACTIVITY	3	0	3	1									7
SCAR CHILD ABUSE	1	0	0	0									1
RBMC VIOLATION	5	1	2	3									11
TRANSIENT	45	10	11	16									82
SELF-INITIATED													
SSTOP SUBJ STOP	17	7	10	12									46
TSTOP TRFC-STOP	20	17	18	7									62
SECURITY CHECK	60	37	41	21									159
		61	69	40									
MARINE ENFORCEMENT													
MARINE INC PD	5	2	3	2									12
VSTOP VESSEL STOP	10	12	8	10									40
RESCUES	0	0	0	0									0
RULES OF THE ROAD	13	8	2	4									27
PFD	20	13	8	10									51
ILLEGAL LAUNCHING	0	0	0	0									0
SWIMMING	0	0	0	0									0
REGISTRATION	8	5	3	2									18
SPEEDING	3	5	1	2									11
ANCHORAGE	0	2	1	0									3
FISHING AREA	30	14	12	17									73
300 YRDS OFF SHORE	0	1	0	0									1
NAV LIGHTS	0	0	0	0									0
F&W LICENSE CHECK	9	4	1	2									16
PUBLIC ASSIST	43	63	62	57									225
ARRESTS	12	9	11	8									40
CITATIONS	12	6	18	13									49
FI CARDS	8	3	2	7									20
REPORTS	30	21	27	23									101



Administrative Report

L.2., File # HC21-2580

Meeting Date: 6/2/2021

TO: HARBOR COMMISSION

FROM: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT
DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING HARBOR COMMISSION INPUT RELATED TO THE CITY OF REDONDO BEACH PROPOSED FY 2021-2022 BUDGET AND FY 2021-2026 CAPITAL IMPROVEMENT PROGRAM

RECOMMENDATION

Receive and file staff presentation on Harbor Enterprise Budget and Five-Year Capital Improvement Plan and provide appropriate direction regarding input/comments to the Redondo Beach City Council.

BACKGROUND

On May 16, 2021, the City of Redondo Beach published the proposed Fiscal Year 2021-2022 Budget (the "Budget") and the proposed Fiscal Year 2021-2026 Five-Year Capital Improvement Plan (the "CIP"). The City Council has requested the Harbor Commission review the Budget and CIP for the Harbor Enterprise and provide input to the City Council.

As noted in the City Manager's message in the Budget, compared to last year our local economy is showing signs of recovery due to improving conditions related to COVID-19. During this past fiscal year (FY20-21), the City experienced significant revenue decline resulting in a General Fund budget shortfall of \$8.9 million. By contrast, the City is currently facing a projected FY21-22 budget shortfall of \$5.5 million - a result of relaxed Health Orders and projected increases in General Fund revenues. The proposed budget recommends addressing this shortfall using one-time COVID relief funds as well a planned pension debt refinancing reimbursement. For the Harbor Enterprise, the projected deficit is approximately \$2.67 million.

Attached as Exhibit A are the Financial Summaries for the Harbor Tidelands Fund and the Harbor Uplands Fund which collectively comprise the Harbor Enterprise. For the Tidelands Fund, the projected deficit is approximately \$1.58 million dollars and for the Uplands Fund the projected deficit is approximately \$1.09 million dollars. These deficits are largely due to the City still recovering from the COVID-19 crisis, though there is a year-over-year revenue increase anticipated. For the Tidelands Fund, the year-over-year projected increase in revenue is expected to be approximately \$205,000 and for the Uplands Fund the year-over-year revenue increase is projected to be approximately \$870,000. Although each of these funds currently face a structural deficit for FY 2021-

2022, the deficit has been significantly reduced from last year's projections.

To offset projected deficits, the City Manager has directed each department to identify expenditure reductions for the Harbor Enterprise. These expense reductions, as well as any new proposed expenses, are set forth in a series of Decision Packages within the proposed FY2021-2022 Budget. Attached as Exhibit B is a summary of the proposed Decision Packages. The Decision Packages that have a financial impact on the Harbor Enterprise are as follows:

- #21 - Police Dept Harbor Enterprise Budget Reduction
- #22 - Public Works Dept Harbor Enterprise Budget Reduction
- #23 - Reduction in Harbor Contracts
- #24 - DBAW Loan Elimination
- #32 - Fire Dept. Administrative Support Staff
- #53 - King Harbor Amenities Plan Preparation
- #54 - Concept Plan for Seaside Lagoon
- #56 - Use of COVID Recovery Funds

The City Council will review the Decision Packages and either approve or reject the recommendation for each. The Harbor Commission in its advisory role may make recommendations to the City Council regarding each Decision Package. It is important to note that if every Decision Package is approved by the City Council, there would still be a projected deficit in the Tidelands and Uplands Funds. These deficits are proposed to be covered by using COVID relief funds provided by the Federal Government and a planned pension debt refinancing reimbursement.

With regard to the Five-Year CIP, the proposed FY 2021-2026 CIP includes three new projects within the Harbor for the upcoming fiscal year: the replacement of the hand launch dock, the installation of parking lot pay stations at the Redondo Beach Marina, and the resurfacing of Turtle Park. The CIP for FY 2021-2022 also focuses on existing work efforts using carryover funding from previous allocations, including the replacement of the Harbor Patrol docks and harbor dredging. A summary of the CIP program (excerpted from the FY2021-2026 CIP) is attached as Exhibit C. The Harbor Commission should review the CIP program and provide recommendations/input to the City Council.

In closing, it is worth noting that the proposed Harbor Enterprise Budget is based on the continued re-opening of the local economy, and in particular the Pier and Waterfront areas. Also to consider is the rent repayment program the City has in place with its tenants; the City deferred rent for most of the tenants in the Harbor for several months in 2020, and this loss of revenue for FY 2020-2021 is expected to be recuperated throughout FY 2021-2022.

Finally, please find attached as Exhibit D a copy of the PowerPoint presentation that staff will discuss with you at the Harbor Commission meeting. It includes a high-level summary of the items discussed in this report. If you wish to review the budget in greater detail, you can access the full City budget, which includes the Harbor Enterprise, on the City's website using the following link:

https://www.redondo.org/services/city_docs/budget_and_capital_improvement_program.asp

The City Council will be discussing the Budget at each of its regularly scheduled meetings in June. If the Harbor Commission has recommendations/input that they would like to submit to the City Council, that can be done at the June 8 or the June 15, 2021 meeting. The City Council is scheduled to consider adoption of the Budget at their June 15, 2021 meeting.

ATTACHMENTS

Exhibit A - Financial Summaries for Harbor Uplands Fund and Harbor Tidelands Fund

Exhibit B - Proposed FY2021-2022 Decision Packages

Exhibit C - Summary of Five-Year CIP

Exhibit D - PowerPoint Presentation for Harbor Commission Meeting

HARBOR TIDELANDS FINANCIAL SUMMARY

FISCAL YEAR 2021-22

<i>Funding</i>		<i>Expenditures</i>	
Beginning Fund Balance ¹	5,044,001	Personnel	4,479,213
Rents and Percentages	5,230,189	Maintenance and Operations	1,687,327
Parking Structure Revenue	307,200	Internal Service Fund Allocations	941,888
Seaside Lagoon Entrance Fees	153,000	Overhead	498,795
Investment Earnings	290,000	Capital Improvement Projects ²	3,655,000
Fisherman's Wharf Sanitation	110,000	Property Tax In Lieu Fee ³	98,225
Other Revenue	29,000		
Total Funding	11,163,390	Total Expenditures	11,360,448

Excess (Deficit) = (\$197,058)

Operating Excess (Deficit)⁴ = (\$1,586,059)

¹Beginning fund balance as of 7/1/21 derived from FY 2020-21 mid-year presentation. Represents funds available for FY 2021-22 appropriation. Balance reflects noncurrent liabilities (e.g. pension funding) and carryover CIP.

²Reflects new capital project funding scheduled for FY 2021-22. Projects can be referenced and are reflected in the FY 2021-22 to FY 2025-26 Five-Year CIP Plan.

³Property tax in lieu fee includes the annual 2% increase.

⁴Excludes beginning fund balance, capital improvement projects, reserves, and City Manager recommended FY 2021-22 Decisions Packages, where applicable.

Policies

- All relevant departments shall operate in the City's Harbor Tidelands with complete adherence to the City's Municipal Code, Tidelands Trust Agreement with the State of California, and all other applicable laws.
- Harbor Tidelands Fund activities will adhere to the City's Statements of Financial Principles.
- Harbor Tidelands revenues will be utilized to benefit, repair and improve Tidelands property and facilities.
- Harbor Tidelands leaseholds will be audited as feasible.

HARBOR UPLANDS FINANCIAL SUMMARY
FISCAL YEAR 2021-22

<i>Funding</i>		<i>Expenditures</i>	
Beginning Fund Balance ¹	(3,717)	Personnel	2,127,308
Rents and Percentages	3,486,396	Maintenance and Operations	1,047,452
Parking Structure Revenue	1,515,300	Internal Service Fund Allocations	1,267,330
Parking Meter Fees	50,000	Overhead	309,669
Investment Earnings	110,000	Capital Improvement Projects ²	520,000
Storage Fees	35,000	Debt Service ³	1,651,413
Fisherman's Wharf Sanitation	110,000		
Other Revenue	6,000		
Total Funding	5,308,979	Total Expenditures	6,923,172
Excess (Deficit) = (\$1,614,193)			
Operating Excess (Deficit)⁴ = (\$1,090,476)			

¹Beginning fund balance as of 7/1/21 derived from FY 2020-21 mid-year presentation. Represents funds available for FY 2021-22 appropriation. Balance reflects noncurrent liabilities (e.g. pension funding) and carryover CIP.

²Reflects new capital project funding scheduled for FY 2021-22. Projects can be referenced and are reflected in the FY 2021-22 to FY 2025-26 Five-Year CIP Plan.

³Reflects the debt service payment associated with the refinancing/acquisition of harbor leaseholds.

⁴Excludes beginning fund balance, capital improvement projects, reserves and City Manager recommended FY 2021-22 Decision Packages, where applicable.

Policies

- All relevant departments shall operate in the City's Harbor Uplands with complete adherence to the City's Municipal Code, Tidelands Trust Agreement with the State of California, and all other applicable laws.
- Harbor Uplands Fund activities will adhere to the City's Statements of Financial Principles.
- Harbor Uplands revenues will be utilized to benefit, repair and improve Uplands property and facilities.
- Harbor Uplands leaseholds will be audited as feasible.

**City Manager Recommended
FY 2021-22 Decision Packages for City Council Approval**

Decision Packages that would be needed to comply with County-State -Federal mandates or fund unavoidable costs to maintain basic services:

Decision Package #1. City Clerk's Office Contract Services Cost Increase. An additional ongoing appropriation of funds is required to cover increased annual costs for regular City Clerk Department contract services. Specifically, the requested funding would cover increases to the contracts for the City's agenda management system (\$5,000), the Laserfiche records management system (\$3,000) and meeting minutes secretary services (\$3,000) for an annual total of \$11,000. Recommended is an ongoing appropriation of \$11,000 to the General Fund.

Decision Package #2. City Insurance (Risk Pool) Premium Increases. The City maintains coverage for various types of insurance through its JPA risk pool, including workers compensation, general liability, property, cyber liability, crime, pollution and other insurances. In July 2017, the City left the Independent Cities Risk Management Association (ICRMA) and joined the California State Association of Counties (CSAC, now known as PRISM) risk pool, after several straight years of large increases to annual premiums. Joining PRISM has resulted in close to \$4.0 million in premium savings since 2017. However, beginning in 2018, public entities and the insurance industry at large have witnessed dramatic increases in liability loss development. In addition, the property insurance markets have hardened due to similar factors and extensive wildfire activity. As a result, PRISM has increased premium costs to all of its members. Recommended is an ongoing appropriation to the Self-Insurance Program Fund of \$710,000 to cover the City's expected annual premium cost increase, bringing the total appropriation for insurance premiums to nearly \$2.7 million.

Decision Package #3. Banking Services Cost Increase. Banking services have seen both higher costs and increased usage. In this current low interest rate environment, the City's earnings credit rate has dropped thereby reducing the offset to our banking services costs. Additionally, credit card payments have increased dramatically during the pandemic-related closure of City Hall. It is anticipated that this trend will continue into the future as residents and other customers have become accustomed to the online services provided by the City. Recommended is an ongoing General Fund appropriation of \$75,000.

Decision Package #4. Animal Licensing Services. The City has outsourced its animal licensing function as of April 1, 2021. An increased appropriation is needed for the ongoing animal licensing services. It is anticipated that with the implementation of veterinarian vaccination reporting, revenue will also increase. Recommended is an ongoing \$4,000 General Fund appropriation with an offsetting \$4,000 General Fund increased revenue estimate.

Decision Package #5. Police Department Uniforms and Protective Equipment. The wide range of equipment needed to completely outfit an employee, both sworn and non-sworn, has increased as well as the pricing for everyday equipment. Additionally, the Department is struggling to find regular funds for the new and more extensive personal protective gear that has become normal police issue. Recommended is an ongoing appropriation of \$30,000 to the General Fund to pay for increases in uniform and protective equipment costs.

Decision Package #6. Reinstatement of Police Department Maintenance and Operations Budget Reductions. During the FY 20-21 budget process the Police Department identified cost savings in its Maintenance and Operations (M&O) budget. These savings were identified in specific Police Department operating areas that were severely impacted by COVID-19. Cuts during COVID-19 were made in training, community engagement activities, the K9 program, motor maintenance and inmate housing costs in the City jail. Police Department programs continue to open up and are expected to operate at full capacity, including the housing of inmates, during FY 2021-22. As a result, it is necessary to reinstate the M&O funding associated with these programs and activities. Recommended is an increased ongoing appropriation of \$59,000 to the General Fund.

Decision Package #7. Everbridge Multi-Jurisdictional Notification System. On March 19, 2019, the City Council authorized a FY2018-19 fiscal year budget modification to appropriate \$85,000 from the Emergency Communications Fund for a Multi-Jurisdictional Notification System with Everbridge Inc. The appropriation was to fund the three-year contract which will be due for renewal during FY 21-22. The system was acquired in response to the destructive 2017 California wildfires. Later, the California Legislature signed into law Senate Bill 833 (SB 833) and Senate Bill 821 (SB 821) to further address the safety of local communities and the use of emergency notification system. Recommended is an ongoing appropriation of \$29,140 to the Emergency Communications Fund to cover the annual contact expense.

Decision Package #8. Emergency Medical Supplies. Additional funding is required to maintain the Fire Department's inventory/stock of medical aid supplies used for an ever-increasing annual volume of emergency responses. Recommended is a one-time additional appropriation to the General Fund of \$30,000 bringing the total appropriation for medical aid supplies to \$65,000.

Decision Package #9. Fire Department Electronic Platforms Service Agreements. The Fire Department utilizes several electronic service platforms to maintain operational workflows. These platforms manage personnel scheduling, work code reconciliation for payroll, and function as Department activities schedulers and logs. This includes ongoing costs for Lexipol (Policy Manual) as well as Zen City community surveying tools. Electronic software services are also used to meet mandated reporting and record keeping requirements established by regulatory agencies in the following applications: ISO-mandated firefighting training, National Fire Incident Reporting response tracking, and electronic patient care reporting (ePCR) required by the Los Angeles Emergency Services Agency. Recommended is an ongoing appropriation to the General Fund of \$55,000 to pay for these service agreements.

Decision Package #10. Increased Water Costs. Ongoing increased appropriations to the General Fund (\$65,000) and Street Landscaping and Lighting Fund (\$35,000) are requested to cover California Water Service Company rate increases for irrigation. The Public Works Department's budget for irrigating parks, medians and green spaces has not been increased since FY 2012-13. Since that time, California Water Service Company has implemented a number of rate increases that total approximately 42%. The Public Works Department has scaled back irrigation operations by roughly 20% in recent years in order to comply with drought conditions and various requirements implemented by the State of California. However, as a result of the rate increases the Public Works budget is no longer sufficient to cover ongoing water expenses. Recommended is an ongoing appropriation to the General Fund of \$65,000 and Street Landscaping and Lighting Fund of \$35,000 funded by an increased subsidy from the General Fund.

Decision Package #11. Increased Southern California Edison Street Lighting Costs. An on-going increased appropriation to the Street Landscaping and Lighting Fund (\$100,000) is requested to cover increased street lighting costs resulting from rate increases implemented by Southern California Edison in February 2021. The rate increases of roughly 20% impact the cost for City-owned street lights as well as those owned by the utility. The Public Works Department's budget for street light energy expenses was reduced by \$100,000 for Fiscal Year 2020-21, as costs were reduced due to the City receiving a Distribution Pole Credit. However, with the recent rate increases the Public Works budget is no longer sufficient to cover street lighting costs. A portion of the cost increase (actual amount to be determined) could potentially be offset by the City participating in Edison's LS-1-Option E program, which staff plans to bring to the City Council for future consideration. Recommended is an ongoing appropriation to the Street Landscaping and Lighting Fund of \$100,000 funded by an increased subsidy from the General Fund.

Decision Package #12. Grid 3 Tree Trimming. One-time increased appropriations to the General Fund (\$65,705) and Street Landscaping and Lighting Fund (\$197,113) are requested to cover the gap between the Public Works Department's core budget for tree trimming services and the projected costs to complete Grid 3 during Fiscal Year 2021-22. The increased appropriations requested are based on pricing in the current trimming agreement and projected levels of service required. Recommended are one-time appropriations to the General Fund in the amount of \$65,705 and the Street Landscaping and Lighting Fund in the amount of \$197,113 (which is to be funded by an increased General Fund subsidy).

Decision Package #13. SCBA/Medical Oxygen Program. The Fire Department has two operational applications for compressed air and corresponding equipment: Self-Contained Breathing Apparatus (SCBA) and medical oxygen. SCBA are OSHA-mandated safety equipment that are donned by firefighters in all fire and oxygen deficient environments. Maintenance and repair of SCBA is required for proper function. Medical oxygen is administered to stabilize patients during emergency responses. The Los Angeles Emergency Medical Services Agency requires medical oxygen as a mandated inventory drug for medical response units. Recommended is an ongoing appropriation to the General Fund of \$20,000.

Decision Package #14. Fire Equipment Testing and Certification. The Fire Department ensures the operational readiness of all hose, ground ladders, and aerial ladders through testing on an annual basis. During pressure tests, firefighters monitor hoses for performance failures. Hoses that fail pressure tests are removed from service and replaced. Firefighters perform monthly maintenance on ladders, but ladder load testing and repairs are outsourced to testing contractors that are qualified and equipped with specialized equipment to certify fire service ladders. Recommended is an ongoing appropriation to the General Fund of \$10,000 to perform equipment testing and annual certification.

Decision Package #15. Refuse Rate Adjustment. The City Council will hold a public hearing on June 1, 2021 to consider proposed refuse rate adjustments. If approved, the Solid Waste Division revenues and expenditures will be increased by \$379,281 and an adjustment to Solid Waste Fund appropriations will be needed. Recommended is an ongoing increase in revenue to the Solid Waste Fund of \$379,281 and an ongoing appropriation to the Solid Waste Fund of \$379,281 to align the offsetting expense.

Decision Package #16. Fleet Maintenance and Operations. An increased appropriation in the amount of \$100,000 is requested to cover the increased maintenance agreement costs for the City's CNG station, increased repair costs to police and fire vehicles, and future telematics costs. The City is charged monthly for the maintenance of the CNG station based on the usage of the station and no adjustments were made to the core budget to account for these costs moving forward. Furthermore, the Fleet Division has seen an increase in major repairs to both police and fire vehicles over the last few years. Some of these incidents are a result of car accidents that result in a total loss of the vehicle or accidents that require significant repairs. Even though the City at times is able to recoup a portion of the costs, those monies are delayed and usually are not reflected in the current fiscal year. Additionally, the Department is looking to add telematics technology to better manage the City's fleet. The ongoing appropriation would allow for ongoing funding of the necessary software to incorporate a telematics element to fleet management. Approximately \$45,000 of these costs would be offset by increased revenues stemming from the sale of fuel, ongoing low fuel standards (LCFS) credits and renewable identification number (RIN) credits. Recommended is an ongoing appropriation of \$100,000 to the Vehicle Replacement Fund and an increase to the estimated revenues of \$45,000 in the Vehicle Replacement Fund.

Decision Package #17. Transit Center Facilities Services. The new Transit Center facility will require budget increases that are not in the core budget for daily and ongoing maintenance and professional services, estimated at \$217,000. Contracts will be awarded prior to the opening of the new location to ensure start-up readiness after construction is completed. Services will be funded using dedicated Local Return Transit Funds. Recommended is an ongoing Transit Fund appropriation of \$217,000.

Decision Package #18. Paramedic Specialized Training. Paramedics in California are required to participate in 48 hours of continuing education every two years in order to maintain their state paramedic licensure and LA County EMS Agency accreditation. In order to provide mandated paramedic continuing education as required by the Los Angeles County EMS agency, the Fire Department utilizes the UCLA Center for Prehospital Care to provide monthly Nurse Educator instruction of continuing education and quality improvement to all fire personnel. The cost of this essential training has increased in recent years. Recommended is an ongoing appropriation to the General Fund of \$15,000 to cover increased regular paramedic training costs.

Decision Packages that would sustain or improve revenue to the City:

Decision Package #19. Jail Services for the City of Palos Verdes Estates. The Police Department anticipates bringing an agreement to the City Council in the next two months to provide jail services for the City of Palos Verdes Estates (PVE). Revenues from the agreement, based on PVE projections, are anticipated to be \$29,000 in FY 2021-22. It is anticipated that the agreement will require few if any maintenance and operating expenses and no additional City personnel costs. Recommended is an ongoing General Fund revenue estimate increase of \$29,000.

Decision Package #20. Engineering Fee Increase. The Public Works Department is proposing fee adjustments and new fees to its Engineering Division Fee Schedule. The proposed fee adjustments would increase the investigation fee and update permit issuance to include the cost/fee for reissuing the permit. In addition, Engineering is proposing new fees including a site visit fee, storage unit fee, project evaluation Fee, permit reissuance fee, bond service fee, and scanning fee to better serve customers and to generate ongoing General Fund revenue of \$23,000. Recommended is direction to hold a public hearing on June 15, 2021 for consideration of the Public Works Department new fees and fee increases.

Decision Packages that would reduce departmental expenditures to align with available City funding sources:

Decision Package #21. Police Department Harbor Enterprise Budget Reduction. The Harbor Uplands Fund and Harbor Tidelands Fund budgets are still under duress due to the COVID pandemic. Until revenues have fully recovered, temporary staffing and service reductions in the waterfront are needed to help reduce the fund balance withdrawals needed to balance the FY 2021-22 Harbor Uplands Fund and Harbor Tidelands Fund budgets. Proposed is the continued freeze of one vacant Community Services Officer II (CSO II) position assigned to the Pier Unit. The position is allocated evenly between the Harbor Tidelands and Harbor Uplands Funds. Recommended are reduced one-time appropriations of \$45,891 to the Harbor Uplands Fund and \$45,891 to the Harbor Tidelands Fund.

Decision Package #22. Public Works Department Harbor Enterprise Budget Reduction. The proposed expenditure reduction would hold as vacant a Public Services Leadworker position (\$92,410), a Building Maintenance Worker position (\$81,105), and a vacant Maintenance Worker I position (\$73,199). Recommended are one-time reductions to the appropriations to the Harbor Tidelands Fund of \$127,309, Harbor Uplands Fund of \$96,302, and Wastewater Fund of \$23,103.

Decision Package #23. Waterfront and Economic Development Department Contract Services Reduction. Proposed is a one-time reduction in contracts and professional services expenses to reflect a temporary suspension of certain department activities. Specifically, the cut would suspend for the year lease auditing and appraisal services, on-call marine engineering support (specific work for capital improvement projects would continue), and parking ambassador services. Recommended is a one-time reduction to Harbor Uplands Fund appropriations of \$75,000 and Harbor Tidelands Fund appropriations of \$75,000.

Decision Package #24. Department of Boating and Waterways (DBAW) Loan Elimination. The Waterfront and Economic Development (WED) Department is proposing a reduction in principal and interest payment appropriations to reflect the elimination of a loan obligation. DBAW Loan Contract #89-21-147 was entered into in 1989; and proceeds were used to finance the City's cost-sharing obligations in connection with the Federal breakwater improvement program, storm repairs and hazard-mitigation projects. The final payment for this loan was remitted in 2020. Recommended is an ongoing decrease in appropriations to the Harbor Tidelands Fund of \$415,833.

Decision Packages that would be needed to protect the health and safety of the public, employees, or environment:

Decision Package #25. Enhanced Response to Homelessness. An ongoing appropriation of funds is required for continuation of the City's enhanced response to homelessness. The funding will be used to continue the upgrade of the two Deputy City Attorneys to the positions of Senior Deputy City Attorney, hire a full-time Homeless Housing Navigator and a part-time clerical employee who will assist with preparation for homeless court, purchase a vehicle for the Homeless Housing Navigator and a case management system, and contract for a backfill attorney, City Net services, security, the pallet shelter, use of the Department of Mental Health van, and various professional services. It is expected that much of the cost can be funded with grants with the remainder coming from the General Fund. Recommended is a one-time General appropriation of \$40,000 for the vehicle purchase and ongoing appropriations to the General Fund (\$421,426) and to the Intergovernmental Grants Fund (\$605,540) with an offsetting estimated revenue.

Decision Package #26. AutoPulse Resuscitation System. The Fire Department is an all risk response agency. The investment into three (3) Zoll AutoPulse Resuscitation Systems will improve lifesaving care in the form of uninterrupted, circumferential chest compressions for patients who experience sudden cardiac arrest. As an independent mechanical adjunct, the AutoPulse device will free first responders to assist in additional lifesaving activities that occur during the cardiac arrest treatment protocol. Recommended is a one-time General Fund appropriation of \$60,000.

Decision Package #27. Emergency Medical Dispatcher (EMD) Training. An Emergency Medical Dispatcher program will help to save lives by immediately providing citizens with appropriate medical care instructions. EMD is a systematic program that 911 dispatchers use to manage medical related calls. Trained dispatchers use guide-cards to determine the nature and priority of the call, dispatch the appropriate type and number of resources, then give the caller instructions to help treat the patient until responding units arrive on scene. An EMD program in Redondo Beach will provide an increased level of medical care to the community. Activating the Emergency Medical Services (EMS) system is the first step in the American Heart Association's "Chain of Survival". Recommended is a one-time appropriation to the Emergency Communications Fund of \$12,000 to initiate this training. The nominal ongoing training costs will be absorbed in the current core services budget.

Decision Packages that would improve organizational efficiency, economy or effectiveness:

Decision Package #28. Code Enforcement Personnel Transfer to the Police Department. Authorization is requested to transfer Code Enforcement functions from the Community Development Department to the Police Department. Specifically, one full time Sr. Code Enforcement Officer position and one full time Code Enforcement Officer position would be transferred to the Police Department's Special Operations Bureau. The Bureau, which houses the quality of life unit, was created with the addition of the Department's most recent captain position and has the supervisory capacity, support staff resources and applicable skill sets to increase Code Enforcement oversight and expand functionality and effectiveness. The transfer will also have the benefit of allowing the City's Chief Building Official and Community Development Director to increase their focus on building and planning matters. Recommended is an ongoing transfer of the two full-time code enforcement positions from the Community Development Department to the Police Department with no additional appropriation needed.

Decision Package #29. Community Services Department Senior Management Analyst Position. An ongoing appropriation is needed to restore critical administrative support capacity in the Community Services Department. The Department has lost several management and administrative analyst positions to budget cuts the past few years and now struggles to keep up with basic program, service and special event administrative demands. The proposed Senior Management Analyst Position would support the Director in soliciting, preparing and overseeing grant applications, facility concessionaire agreements, user pay contracts, special event agreements, rental/reservation policies and procedures, affordable and low-income housing covenants and agreements, budget documents, etc. Recommended is the authorization of one Senior Management Analyst position in the Community Services Department and an ongoing appropriation to the General Fund of \$79,000 and the Housing Successor Agency of \$79,000.

Decision Package #30. Information Technology Staffing and Resources Study. A study is needed to assess Information Technology staffing levels against the supported technological infrastructure with a specific focus on succession planning and long-term organizational structure. Recommended is a one-time appropriation to the Technology Fund of \$65,000.

Decision Package #31. Human Resources Analyst Position. The Human Resources Department provides citywide support in the full employment life cycle from hire to retirement for over 600 active employees, along with risk management services to City departments. The Department has lost two of its five full-time positions in the past two years and is struggling to keep up with work load. The Analyst position would provide needed support in assessing amounts/types of insurance coverage for City property, activities and contract services, workers' compensation claims and help oversee the various benefit programs provided to employees. Recommended is the addition of a Human Resources Analyst position and an ongoing appropriation of \$78,000 to the General Fund and \$78,000 to the Self-Insurance Program Fund.

Decision Package #32. Fire Department Administrative Support Staff. The administrative support staffing in the Fire Department is currently comprised of one full-time Administrative Analyst position and one part-time Office Assistant. This staffing is less than half of what the department utilized before the recession. As a result of the reduced administrative staffing, the Fire Chief and Fire Division Chiefs have been required to perform many administrative functions that were previously assigned to support staff, particularly contracts, purchasing, customer service, recruitment/staffing/training/EMS record keeping, and fire prevention community outreach/inspections. Proposed is a reorganization of administrative support functions that includes a transfer of the Administrative Specialist position currently assigned to Fire Station 3 (partially paid for by the Harbor Tidelands and Harbor Uplands Funds) to Fire Station 1 (general operations) and an increase in part-time personnel funding that would support general administrative duties and provide for lower cost fire inspection services. Specifically, this decision package would 1) reallocate the full-time Administrative Specialist position by finalizing the transfer of funding between the Harbor Tidelands Fund, Harbor Uplands Fund, and General Fund, 2) add one-time funding (\$100,000) for four part-time non-sworn fire inspectors to launch a pilot program that is expected to result in a reduction in inspection fees for residents and businesses and provide enhanced customer service, and 3) add ongoing funding of \$37,200 for increased part-time office assistance. Recommended is a one-time appropriation of \$100,000 to the General Fund, an ongoing appropriation of \$67,320 to the General Fund, an ongoing decreased appropriation of \$15,515 to the Harbor Tidelands Fund, and an ongoing decreased appropriation of \$14,605 to the Harbor Uplands Fund.

Decision Package #33. Irrigation Technician to Public Services Leadworker. An ongoing increased appropriation to the General Fund (\$6,000) is requested to cover the marginal cost of converting an existing Irrigation Technician position in the Public Works Parks Division to a Public Services Leadworker position. The Parks Division currently has two Leadworker positions and one Irrigation Technician position, which is currently vacant. The Leadworkers coordinate landscape services operations, one in the north side of the City and one in the south. The Irrigation Technician installs and repairs irrigation infrastructure throughout the City. Staff feels it would be more efficient to eliminate the position that focuses solely on irrigation activities and add a third Leadworker position. Leadworkers have sufficient knowledge of irrigation operations to perform services in their assigned areas as-needed. Having a third Leadworker would result in a more efficient distribution of staff resources. Recommended is the reclassification of the Irrigation Technician position to Public Services Leadworker and an ongoing appropriation to the General Fund of \$6,000 to cover the increased cost.

Decision Package #34. Storm Drain Catch Basin Maintenance Contract. An ongoing appropriation of \$50,000 of Measure W funds is requested to fund the cost for the outside contractor who was awarded the contract to clean/maintain the storm drain catch basins. During 2019, screens were installed on approximately 472 City-owned and County-owned catch basins to prevent leaves and debris from entering the storm drain system and ultimately reaching the ocean, which increased the number of catch basins to maintain to 784. The screens and cleaning efforts have proven effective, and, in fact, the City recently was found not liable in a claim due in large part to the catch basin maintenance program. However, the catch basins must be cleaned and maintained frequently in order to function properly. Contracting out this service allows the Public Works Department's sewer/storm drain maintenance crews to focus on other urgent activities, such as maintaining sewer pump stations, cleaning 116 miles of sewer, and responding to requests from residents. The contractor compliments the work done by City Staff and can allocate the needed resources during the wet season to conduct the required cleaning of all 784 catch basins three times per year. This expenditure is eligible for Measure W funds and would be available by shifting personnel costs from Measure W to the Wastewater Fund in order to better align with the duties of those employees. The Public Works Department will continue to clean the catch basins during the dry weather season. Recommended is approval of the personnel realignment with an ongoing appropriation of \$50,000 to the Wastewater Fund for the maintenance contract.

Decision Package #35. Cost Allocation Processing Services. An appropriation is needed for cost allocation processing services used in the preparation of the City's internal service fund / overhead charges. Recommended is an \$8,000 ongoing General Fund appropriation.

Decision Packages (with one-time requests) that would fill gaps in current services or meet new service needs:

Decision Package #36. Legal Services for Powerplant Property Matters. Recommended is a one-time appropriation of \$709,400 to provide funding for contract legal services to support various matters pertaining to the property formerly owned by AES including assistance with the 1) CEQA petition, 2) cross-complaint, 3) AES monitoring of the CPUC, the water board, SACCWIS, and the CDP application for a dewatering system, and 4) potential future CEQA petition to challenge any additional extension for the AES Redondo Beach generating station. Recommended is a \$709,400 one-time Open Space Acquisition Fund appropriation, leaving \$203,248 remaining in the fund.

Decision Package #37. Human Resources Department Consulting Services. A one-time appropriation is requested to provide funding for labor law and employment policy consulting services needed to assist Human Resources and Department Directors with the implementation of Department Operation Policy Manual updates. Recommended is a one-time appropriation to the General Fund of \$45,000.

Decision Package #38. Election Preparation Services. An appropriation of funds is required to fulfill election preparation duties. The funds will be used to support the cost of a part-time staff member needed to help 1) implement best management processes for future elections, 2) create a voter outreach plan, and 3) identify future equipment needs and possible election cost sharing options with other charter cities. Additionally, the funds will be used to pay for consultant subscriptions and services for election updates due to changes in the election code and FPPC rules. Recommend is a one-time appropriation of \$50,000 to the General Fund.

Decision Package #39. Information Technology Equipment Replacement. The Replacement Fund is used to upgrade or replace technological equipment that has reached the end-of-life or can no longer meet increasing software demands and to minimize failures and workplace disruption due to unreliable, outdated or failing computer hardware and software. The specific items identified for replacement in FY 2021-22 will be provided in a corresponding Budget Response Report. Recommended is a one-time appropriation to the Information Technology Fund of \$392,695.

Decision Package #40. Other Post-Employment Benefit (OPEB) Actuarial Valuation. Because the City provides health insurance benefits to certain retired employees as a post-employment benefit, Governmental Accounting Standards Board (GASB) Statement 75 requires a biennial actuarial determination of the City's liability and funding amounts. Therefore, an appropriation is needed in FY 2021-22 for an OPES actuarial valuation. Recommended is a one-time General Fund appropriation of \$30,000.

Decision Package #41. Outsourced Supplemental Crossing Guard Services. The Police Department has responsibility through its Traffic Division for the crossing guard program. The program is managed by the Traffic Sergeant, Lieutenant and a part-time Crossing Guard Coordinator. Crossing guards are hired through the crossing guard part-time budget for 22 identified locations throughout the City. However, the Police Department has great difficulty hiring, retaining and consistently filling these positions and is often forced to send sworn personnel to a crossing guard location. This reduces efficiencies in the Department, is a costly way to staff the crossing guard program and has the potential to leave some school crossing areas unmanned. Staff is recommending utilizing the services of an outside vendor on a trial basis to supplement the existing part-time staffing arrangements. Recommended is a one-time General Fund appropriation of \$57,823.

Decision Package #42. Police Technology Service Contracts. The Police Department has continued to consistently identify and address operational gaps through initiative and varied approaches, including the use of technology. Various technologies have undergone testing in pilot programs through grant or law-enforcement restricted funding sources. The Police Department has identified a number of these technologies that have proven invaluable to the Department's planning and operational objectives. The Department now views many of these programs (i.e. the Flying Lion drone system) contract, Vigilant (automated license plate reader annual maintenance), ZenCity (Police Department and Fire Department community surveying software) as integral and in the long run would like the ongoing costs to be built into the core budget. For now while ongoing costs are being vetted, recommended is a one-time General Fund appropriation of \$142,670 to continue these services.

Decision Package #43. Parking Meter Replacement/Installation. City Council recently funded and approved the third phase of smart parking meter installation in the City following a request for proposal process. The project was completed in August 2020 and has been well received by residents and visitors. This decision package would fund the removal of all remaining coin-only meters in the City by providing funds for the installation of a combination of single and double space smart meters and a few select pay stations in appropriate areas for cost of approximately \$100,000. Additionally, funding would be provided for the possible installation of an additional 96 metered spaces along the Herondo and Francesca west of PCH. Funding for annual connectivity fees is also required, however future increases in parking revenue collection attributed to the improved technology are more than expected to cover the annual cost. Additionally, funding is needed for credit card fees both for these final smart meters and increased costs for the existing meters. Recommended is a one-time appropriation to the General Fund of \$167,785 and an ongoing General Fund appropriation of \$53,144.

Decision Package #44. Fire Equipment. The Fire Department utilizes radios, tools, and personal protective equipment on a daily basis to mitigate emergencies and maintain responder safety. These tools are critical for Fire Department operations and require maintenance, repair, and replacement to ensure that firefighters are supplied with equipment to effectively resolve the community's calls for aid. Recommended is a one-time appropriation to the General Fund of \$70,000 to pay for equipment.

Decision Package #45. Fire Training Operations. Since 2008, when the Training Officer position was defunded, the Fire Department has worked to fill the training void created by the loss of this position. Currently, company officers are tasked with crew training and quarterly shift training is delivered by chief officers. Firefighters have been seeking supplemental training opportunities outside of the Department in the form of California State Fire Marshal classes and specialty skills hands-on-training courses. Participation in these deliveries maintains and builds on firefighting competencies. Recommended is one-time appropriation to the General Fund of \$59,000 to assist with these expenses.

Decision Package #46. AED/CPR Instructor Cadre. The Fire Department maintains a cadre of approximately 5-7 certified AED/CPR/First-Aid instructors. These instructors provide training at two communitywide CERT classes as well provide training to other community groups several times each year. The vision of the Fire Department is to expand the instructor cadre and increase the amount of annual AED/CPR training throughout the community, including RUHS, seniors, City employees, community groups and/or businesses within the City. In addition, AED/CPR instructors are required to renew their skills every two years. In 2021, the Fire Department transitioned from the American Heart Association to the American Red Cross as its certifying instructor agency. Recommended is a one-time appropriation to the General fund of \$5,000 to provide AED/CPR training.

Decision Package #47. Fire Specialized Training. The Fire Department has identified three specialty training needs resulting from staffing reductions (truck company operations), scope of work expansion (Wildland Urban Interface), and community SWOT analysis (hazardous materials). The need for firefighters to be trained in most contemporary, best response practices is essential for effective emergency mitigation and firefighter safety. Training in these categories requires subject matter expertise and specialty training props/supplies. Recommended is a one-time appropriation to the General Fund of \$30,000.

Decision Package #48. Library Materials. Restoring the cut in funding from Library Materials during FY 2020-21 would help to meet demands for Library print, audiovisual and digital materials by covering price increases and new formats. It would also fund the outsourcing of cataloging and processing initiated in FY 2015-16 as part of a reorganization of the Technical Services function and help replace aging subject areas of the adult book collection. Recommended is a one-time General Fund appropriation of \$50,000.

Decision Package #49. Transit Vehicle Purchase. Request for the purchase of five fixed route Beach Cities Transit vehicles for \$2,882,000. This is a one-time procurement paid with grant funding, Measure R Clean Fuel funding, and Proposition A Local Return Sales Tax. Recommended are one-time appropriations and offsetting revenue estimate increases to the Transit Fund of \$576,000 and the Intergovernmental Grants Fund of \$2,306,000.

Decision Package #50. Transit Infrastructure Study. Proposed, following a request for proposal process, is a transit consultant study on the future of transit operations facilities and infrastructure needed as part of the eventual transition to electric bus systems as required by California state regulations. Recommended is a one-time appropriation of \$100,000 to the Transit Fund to pay for the study.

Decision Package #51. Transit Zero Emission Bus Rollout Plan. Funds are needed for a consultant to prepare the Zero Emission Rollout Plan related to the future transition to electric transit bus systems required by California state regulations. Recommended is a one-time appropriation of \$100,000 to the Transit Fund to pay for the study.

Decision Package #52. Transit Planning Study – Operational Analysis. A consulting services agreement is needed to prepare transit studies related to Operational Analysis and future services. This study is a necessary step in planning for Beach Cities Transit service changes as a result of the LAX People Mover Project, the Metro Crenshaw Line and Metro Airport Connector Project, and the new Redondo Beach Transit Center. Recommended is a one-time appropriation of \$100,000 to the Transit Fund.

Decision Package #53. King Harbor Amenities Plan Preparation. City Council directed staff to prepare a Public Amenities Plan (the "Plan") for King Harbor. Past planning and design has primarily focused on individual facilities and there has not been an effort to plan for and understand how the various public amenities may be organized and implemented in the waterfront as a whole to maximize the recreational and visitor experience. With input from the Harbor Commission, staff prepared and distributed a Request for Proposals (RFP) and received proposals from qualified consultants and/or consultant teams. The cost to prepare the Plan requires a budget allocation of \$300,000 to the Harbor Enterprise Contracts and Professional Services account. The funding is a one-time expense that will be equally split between the Harbor Tidelands and Harbor Uplands Funds. An equivalent reduction will be made to the Harbor Enterprise Capital Improvement Program to offset the proposed expense. Recommended are one-time appropriations in the following amounts and funds: \$150,000 Harbor Tidelands Fund and \$150,000 Harbor Uplands Fund.

Decision Package #54. Concept Plan for Seaside Lagoon. The City Council directed staff to prepare a Public Amenities Plan (the "Plan") for King Harbor and a Decision Package to fund preparation of the Plan is pending. Once the Plan is complete, additional detailed design will be required for each of the proposed amenities. A budget allocation of \$50,000 will advance the design for Seaside Lagoon and allow for the evaluation of various facility concepts. Recommended is a one-time appropriation to the Harbor Tidelands Fund of \$50,000.

Decision Package #55. Vehicle Replacement Purchases. The City schedules and funds vehicle replacements as part of the Vehicle and Heavy Equipment Replacement Program. An appropriation is necessary for the regularly scheduled replacement of sixteen (16) Police Department, Fire Department, Community Development Department and Public Works Department vehicles used by City employees to carry out their work assignments. Of the 16 vehicles/equipment, seven (7) are Police Department vehicles for the patrol division. The one (1) vehicle for the Fire Department is for their operational rescue services. The two (2) vehicles for the Community Development Department are for both code enforcement and building inspection units respectively. The six (6) vehicles/equipment for the Public Works Department consists of one (1) truck for the harbor division and five (5) generators that service sewer pump stations or various city buildings. Per the City Council's direction staff will continue to look to purchase low emission or zero emission vehicles wherever operationally and financially feasible. FY 2021-22 consists of the vehicles that were deferred from being replaced in FY 2020-21 due to Decision Package #21 in the FY 2020-21 Budget that extended all vehicles an additional year. Recommended is a one-time appropriation to the Vehicle Replacement Fund of \$1,406,547 for FY 2021-22 to fund the requested vehicles.

Decision Package #56. Use of Federal COVID Recovery Funds. In early 2021 the Federal Government approved a Stimulus Bill that included Coronavirus State and Local Fiscal Recovery Funds that can be used to offset municipal government revenue losses as a result of the COVID pandemic and to pay for certain City services. The City of Redondo Beach is expected to receive \$6.8 million in recovery funds (\$3.4 million in FY 2020-21 and \$3.4 million in FY 2021-22). Authorization is requested to apply \$2.4 million of the funds to FY 2020-21 expenses in the General Fund, \$1.0 million to FY 2020-21 expenses in the Harbor Uplands Fund, and \$4.8 million to FY 2021-22 expenses in the General Fund to help offset lost City revenues. Recommended is a one-time acceptance of COVID Recovery Funds to the General Fund totaling \$5.8 million and \$1.0 million to the Harbor Uplands Fund.

Decision Package #57. Use of Bond Issue Proceeds for Reimbursement of 2021 CalPERS UAL Payment. The City is in the process of preparing a bond issue to refinance its CalPERS pension obligation debt. The refinancing is expected to save tens of millions of dollars in long-term pension costs and will significantly reduce the City's annual pension debt service payments. In FY 2021-22, the refinancing will also allow for the reimbursement of some, or all, of the City's roughly \$15.0 million Unfunded Accrued Liability (UAL) payment due to CalPERS in July. Staff is recommending that \$2.5 million (\$2,020,000 General Fund and \$450,000 other funds) of the 2021 UAL payment be reimbursed to the City as part of the bond issuance and that these proceeds be used to support FY 2021-22 expenditures. Recommended is a one-time receipt of \$2,020,000 in pension debt bond proceeds to the General Fund and \$450,000 to other funds.

**City Manager Recommended
FY 2020-21 Decision Packages for City Council Approval
Summary**

	<i>General Fund</i>		<i>Other Funds</i>
	<i>One-Time</i>	<i>Ongoing</i>	
1. City Clerk's Office Contract Services Cost Increase	-	11,000	-
2. City Insurance (Risk Pool) Premium Increases	-	-	710,000
3. Banking Services Cost Increase	-	75,000	-
4. Animal Licensing Services	-	-	-
5. Police Department Uniforms and Protective Equipment	-	30,000	-
6. Reinstatement of Police Department Maintenance and Operations Budget Reductions	-	59,000	-
7. Everbridge Multi-Jurisdictional Notification System	-	-	29,140
8. Emergency Medical Supplies	30,000	-	-
9. Fire Department Electronic Platforms Service Agreements	-	55,000	-
10. Increased Water Costs	-	100,000	-
11. Increased Southern California Edison Street Lighting Costs	-	100,000	-
12. Grid 3 Tree Trimming	262,818	-	-
13. SCBA/Medical Oxygen Program	-	20,000	-
14. Fire Equipment Testing and Certification	-	10,000	-
15. Refuse Rate Adjustment	-	-	-
16. Fleet Maintenance and Operations	-	-	55,000
17. Transit Center Facilities Services	-	-	217,000
18. Paramedic Specialized Training	-	15,000	-
19. Jail Services for the City of Palos Verdes Estates	-	(29,000)	-
20. Engineering Fee Increase	-	(23,000)	-
21. Police Department Harbor Enterprise Budget Reduction	-	-	(91,782)
22. Public Works Department Harbor Enterprise Budget Reduction	-	-	(246,714)
23. Waterfront and Economic Development Department Contract Services Reduction	-	-	(150,000)
24. Department of Boating and Waterways (DBAW) Loan Elimination	-	-	(415,833)
25. Enhanced Response to Homelessness	40,000	421,426	-
26. AutoPulse Resuscitation System	60,000	-	-
27. Emergency Medical Dispatcher (EMD) Training	12,000	-	-
28. Code Enforcement Personnel Transfer to the Police Department	-	-	-
29. Community Services Department Senior Management Analyst Position	-	79,000	79,000
30. Information Technology Staffing and Resources Study	-	-	65,000
31. Human Resources Analyst Position	-	78,000	78,000
32. Fire Department Administrative Support Staff	100,000	67,320	(30,120)
33. Irrigation Technician to Public Services Leadworker	-	6,000	-
34. Storm Drain Catch Basin Maintenance Contract	-	-	50,000
35. Cost Allocation Processing Services	-	8,000	-
36. Legal Services for Powerplant Property Matters	-	-	709,400
37. Human Resources Department Consulting Services	45,000	-	-
38. Election Preparation Services	50,000	-	-
39. Information Technology Equipment Replacement	-	-	392,695
40. Other Post-Employment Benefit (OPEB) Actuarial Valuation	30,000	-	-
41. Outsourced Supplemental Crossing Guard Services	57,823	-	-
42. Police Technology Service Contracts	142,670	-	-
43. Parking Meter Replacement/Installation	167,785	53,144	-
44. Fire Equipment	70,000	-	-
45. Fire Training Operations	59,000	-	-
46. AED/CPR Instructor Cadre	5,000	-	-
47. Fire Specialized Training	30,000	-	-
48. Library Materials	50,000	-	-
49. Transit Vehicle Purchase	-	-	537,000
50. Transit Infrastructure Study	-	-	100,000
51. Transit Zero Emission Bus Rollout Plan	-	-	100,000
52. Transit Planning Study - Operational Analysis	-	-	100,000
53. King Harbor Amenities Plan Preparation	-	-	300,000
54. Concept Plan for Seaside Lagoon	-	-	50,000
55. Vehicle Replacement Purchases	-	-	1,406,547
56. Use of Federal COVID Recovery Funds	(5,800,000)	-	(1,000,000)
57. Use of Bond Issue Proceeds for Reimbursement of 2021 CalPERS UAL Payment	(2,020,000)	-	(430,000)
Decision Package Totals	(6,607,904)	1,135,890	2,614,333
Deficit Ending Balance (After 8.33% "Minimum Contingency Reserve")	-	5,477,225	(32,419,829)
Revenues Under Expenditures if All Decision Packages Recommended/Adopted	(6,607,904)	6,613,115	(29,805,496)

Proposed Five Year CIP Funding - FY 21-22 to FY 25-26
with Projected FY 20-21 Carryover Funds
(Carryover Projects and Funds are shown in italics)

Fund Number/Name	Page Number	Projects	Est. 20-21 C/O	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
300-Capital Projects - PEG Fees	68	RBTB Broadcast Fac/City Council Chamber Upgr.	\$ 160,414	\$ 200,000				
		TOTAL	\$ 160,414	\$ 200,000	\$ -	\$ -	\$ -	\$ -
300-Capital Projects - Trash Hauler Impact	12	Annual Roadway Maintenance			\$ 302,678	\$ 302,678	\$ 302,678	\$ 302,678
	19	Citywide Slurry Seal Program	\$ 817,000	\$ 302,678				
		TOTAL	\$ 817,000	\$ 302,678	\$ 302,678	\$ 302,678	\$ 302,678	\$ 302,678
300-Capital Projects Assessment 92-1 District	23	<i>Manhattan Beach Boulevard Resurfacing</i>	<i>\$ 143,058</i>					
			\$ 143,058	\$ -	\$ -	\$ -	\$ -	\$ -
303-Open Space Acquisition	51	Dominguez Park Dog Park Improvements		\$ 186,500				
	48	<i>Powerplant Property Matters</i>	<i>\$ 59,751</i>					
			\$ 59,751	\$ 186,500	\$ -	\$ -	\$ -	\$ -
600-Tidelands	37	Boat Launch Design and Construction			\$ 4,500,000			
	38	Harbor Dredging - Construction		\$ 2,300,000				
	39	Harbor Railing Replacement	\$ 565,291	\$ 500,000				
	40	Pier Deck & Piling Structure Repair	\$ 1,178	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
	42	Pier Restroom Improvements	\$ 75,767	\$ 150,000				
	44	Replacement of Hand Launch Dock		\$ 45,000	\$ 300,000			
	45	Replacement of Harbor Patrol Docks	\$ 918,960	\$ 460,000				
	47	Sport Fishing Pier Demolition & Reconstruction					\$ 6,000,000	
	34	<i>Moonstone Park Area Design & Construction</i>	<i>\$ 2,435,783</i>					
	34	<i>Pier Decorative Sculpture Sails - Repainting</i>	<i>\$ 99,646</i>					
	41	<i>Pier Parking Structures Critical Repair</i>	<i>\$ 59,695</i>					
	34	<i>Pier Light Fixture Replacement</i>	<i>\$ 20,121</i>					
	34	<i>Relocation of Boat Launch - Assess/Design/Site</i>	<i>\$ 542,830</i>					
		TOTAL	\$ 4,719,271	\$ 3,655,000	\$ 5,000,000	\$ 200,000	\$ 6,200,000	\$ 200,000
601-Uplands	35	Basin 3 Seawall Improvements			\$ 950,000			
	36	Basin 3 Marina Boat Slip Improvements-Design		\$ 150,000	\$ 3,100,000			
	39	Harbor Railing Replacement	\$ 222,629	\$ 100,000	\$ 400,000			
	41	Pier Parking Structures Critical Repair	\$ 75,925	\$ 50,000	\$ 1,200,000		\$ 1,200,000	
	42	Pier Restroom Improvements	\$ 30,000		\$ 250,000	\$ 250,000	\$ 250,000	
	56	Play Surf Repl @Anderson,Aviation,Perry&Turtle		\$ 20,000				
	43	Redondo Beach Marina Parking Lot Pay Station		\$ 200,000				
	46	Sea Level Rise Improvements			\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
	34	<i>Relocation of Boat Launch - Assess/Design/Site</i>	<i>\$ 6,949</i>					
		TOTAL	\$ 335,503	\$ 520,000	\$ 6,400,000	\$ 750,000	\$ 1,950,000	\$ 500,000

Redondo Beach Harbor Enterprise Budget Update

Harbor Commission Meeting

June 2, 2021

Overview

- * Harbor Enterprise Comprised of Uplands and Tidelands Funds
- * Reflects Revenues and Expenditures Attributable to the Enterprise
- * Typical General Fund Revenue Sources Flow to the General Fund (e.g., Sales Tax, Property/Possessory Interest Tax, TOT, etc.)

Revenue Assumptions

- ❖ Used 2019 Calendar Year to Construct Revenue Model
- ❖ Sensitivity Testing for Various Scenarios
- ❖ Projected FY21-22 Revenue Based On Following Assumptions:
 - ▶ Retail and Restaurant – 35% Reduction in Sales
 - ▶ Parking - 35% Reduction in Revenue
 - ▶ Hotel Rooms and F&B – 50% Reduction in Sales
 - ▶ Residential and Office – 15% Reduction in Rental Income
 - ▶ Marina Slips – 15% Reduction in Slip Rental Income
- ❖ Rent Repayment Schedules established, no additional COVID-related deferrals

Operating Budget

Financial Summary		FY 21-22	FY 20-21		
		Tidelands	Tidelands		Variance
<i>Funding</i>					
	Rents and Percentages	\$ 5,230,189.00	\$ 4,521,511.00		\$ 708,678.00
	Parking Structure Revenue	\$ 307,200.00	\$ 307,200.00		\$ -
	Seaside Lagoon Entrance Fees	\$ 153,000.00	\$ 661,000.00		\$ (508,000.00)
	Investment Earnings	\$ 290,000.00	\$ 290,000.00		\$ -
	Fisherman's Wharf Sanitation District	\$ 110,000.00	\$ 110,000.00		\$ -
	Other Revenue	\$ 29,000.00	\$ 24,500.00		\$ 4,500.00
	Total	\$ 6,119,389.00	\$ 5,914,211.00		\$ 205,178.00
<i>Expenditures</i>					
	Personnel	\$ 4,479,213.00	\$ 4,303,241.00		\$ 175,972.00
	Maintenance and Operations	\$ 1,687,327.00	\$ 1,912,327.00		\$ (225,000.00)
	Internal Service Fund Allocations	\$ 941,888.00	\$ 1,003,200.00		\$ (61,312.00)
	Overhead	\$ 498,795.00	\$ 552,055.00		\$ (53,260.00)
	Property Tax In-Lieu Fee	\$ 98,225.00	\$ 96,299.00		\$ 1,926.00
	Total	\$ 7,705,448.00	\$ 7,867,122.00		\$ (161,674.00)
	Operating Income (Loss)	\$ (1,586,059.00)	\$ (1,952,911.00)		\$ 366,852.00
	Beginning Fund Balance	\$ 5,044,001.00	\$ 7,340,929.00		\$ (2,296,928.00) ⁴⁴

Operating Budget

Financial Summary		FY 21-22	FY 20-21		
		Uplands	Uplands		Variance
Funding					
	Rents and Percentages	\$ 3,486,396	\$ 2,600,000		\$ 886,396
	Parking Structure Revenue	\$ 1,515,300	\$ 1,515,300		\$ -
	Parking Meter Fees	\$ 50,000	\$ 45,000		\$ 5,000
	Investment Earnings	\$ 110,000	\$ 110,000		\$ -
	Storage Fees	\$ 35,000	\$ 40,000		\$ (5,000)
	Fisherman's Wharf Sanitation District	\$ 110,000	\$ 130,000		\$ (20,000)
	Other Revenue	\$ 6,000	\$ 2,000		\$ 4,000
	Total	\$ 5,312,696	\$ 4,442,300		\$ 870,396
Expenditures					
	Personnel	\$ 2,127,308	\$ 2,166,627		\$ (39,319)
	Maintenance and Operations	\$ 1,047,452	\$ 1,216,952		\$ (169,500)
	Internal Service Fund Allocations	\$ 1,267,330	\$ 1,069,190		\$ 198,140
	Overhead	\$ 309,669	\$ 325,975		\$ (16,306)
	Debt Service	\$ 1,651,413	\$ 1,650,982		\$ 431
	Total	\$ 6,403,172	\$ 6,429,726		\$ (26,554)
	Operating Income (Loss)	\$ (1,090,476)	\$ (1,987,426)		\$ 896,950
	Beginning Fund Balance	\$ (3,717.00)	\$ 2,602,023.00		\$ (2,605,740.00)

Decision Packages

	Tidelands	Uplands
Financial Summary Operating Loss	\$ (1,586,059.00)	\$ (1,090,476.00)
#21 - Police Dept Harbor Enterprise Budget Reduction	\$ 45,891.00	\$ 45,891.00
#22 - Public Works Dept Harbor Enterprise Budget Reduction	\$ 127,309.00	\$ 96,302.00
#23 - Reduction in Harbor Contracts	\$ 75,000.00	\$ 75,000.00
#24 - DBAW Loan Elimination	\$ 415,833.00	
#32 - Fire Dept. Administrative Support Staff	\$ 15,515.00	\$ 14,605.00
#53 - King Harbor Amenities Plan Preparation	\$ (150,000.00)	\$ (150,000.00)
#54 - Concept Plan for Seaside Lagoon	\$ (50,000.00)	\$ -
#56 - Use of COVID Recovery Funds	\$ -	\$ 1,000,000.00
Revised Operating Loss	\$ (1,106,511.00)	\$ (8,678.00)
Reduction in Costs	\$ (479,548.00)	\$ (1,081,798.00)

Capital Improvements

Five Year CIP Funding - FY 21-22 to FY 25-26							
Tidelands		Carryover	21-22	22-23	23-24	24-25	25-26
	Harbor Dredging	\$ -	\$ 2,300,000.00	\$ -	\$ -	\$ -	\$ -
	Harbor Railing Replacement	\$ 565,291.00	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -
	Pier Sails and Lighting	\$ 119,767.00	\$ -	\$ -	\$ -	\$ -	\$ -
	Pier Repairs	\$ 1,178.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00
	Pier Parking Structures	\$ 59,695.00	\$ -	\$ -	\$ -	\$ -	\$ -
	Restroom Improvements	\$ 75,767.00	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -
	Boat Ramp Design and Construct	\$ 542,830.00	\$ -	\$ 4,500,000.00	\$ -	\$ -	\$ -
	Sport Fishing Pier Repairs	\$ -	\$ -		\$ -	\$ 6,000,000.00	\$ -
	Moonstone Park	\$ 2,435,783.00	\$ -	\$ -	\$ -	\$ -	\$ -
	Habor Patrol Docks	\$ 918,960.00	\$ 460,000.00	\$ -	\$ -	\$ -	\$ -
	Replacement of Hand Launch Dock	\$ -	\$ 45,000	\$ 300,000	\$ -	\$ -	\$ -
	Totals	\$ 4,719,271	\$ 3,655,000	\$ 5,000,000	\$ 200,000	\$ 6,200,000	\$ 200,000
	5 Year Total	\$ 19,974,271					

Capital Improvements

Five Year CIP Funding - FY 21-22 to FY 25-26							
Uplands		Carryover	21-22	22-23	23-24	24-25	25-26
	Basin 3 Seawall	\$ -	\$ -	\$ 950,000	\$ -	\$ -	\$ -
	Basin 3 Slip Replacement	\$ -	\$ 150,000	\$ 3,100,000	\$ -	\$ -	\$ -
	Harbor Railing Replacement	\$ 222,629	\$ 100,000	\$ 400,000	\$ -	\$ -	\$ -
	Pier Parking Structures	\$ 75,925	\$ 50,000	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -
	Restroom Improvements	\$ 30,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
	Sea Level Rise Improvments	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
	Relocation of Boat Launch - Access/Design/Site	\$ 6,949	\$ -	\$ -	\$ -	\$ -	\$ -
	Redondo Beach Marina Parking Lot Pay Stations	\$ -	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -
	Play Surface Replacement at Parks	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -
	Totals	\$ 335,503	\$ 520,000	\$ 6,400,000	\$ 750,000	\$ 1,950,000	\$ 500,000
	5 Year Total	\$ 10,455,503					

Recommendation

- * Discussion and Possible Action to Provide Input/Recommendations to the Redondo Beach City Council on Proposed FY21-22 Budget and Proposed FY21-26 Capital Improvement Plan
- * Receive and File Staff Report on Proposed FY21-22 Budget and Proposed FY21-26 Capital Improvement Plan



Administrative Report

L.3., File # HC21-2578

Meeting Date: 6/2/2021

TO: HARBOR COMMISSION

FROM: STEPHEN PROUD, WATERFRONT & ECONOMIC DEVELOPMENT
DIRECTOR

TITLE
DIRECTOR'S REPORT

RECOMMENDATION
Receive and File