Torrance, California
January 26, 1960

PRE-COUNCIL MEETING

At a pre-Council meeting with the Civic Center Promotion Committee, held in the Council Chamber, City Hall, Torrance, California at 6:30 p.m., Tuesday, January 26, 1960, the Council, with all Councilmen present, considered the recommendations submitted by Mr. James Becker, Chairman of the Civic Center Promotion Committee, in his letter of January 13, 1960.

The Council considered each item and, since they were not in formal session, all decisions were made as a matter of policy only.

"I. SELECT AND ENGAGE THE SERVICES OF AN ARCHITECT TO START AT ONCE ON A MASTER PLAN. 1061

A. We feel that we have progressed as far as possible on our own and that we now need the counsel of an architect.

B. We recommend that if possible, a qualified architect in the local area be selected, one who is reputable, acquainted with Torrance, active in the community, and one who will give personal attention to the project. The Committee recommends that the following firms be given consideration:

1. Adams, Morgan, Lathman, Kripp and Wright of Long Beach.
2. Killingsworth, Brady and Smith of Long Beach.
3. Robert G. Muncaster, A.I.A., of Palos Verdes.
4. Quinton Engineering, Ltd., of Los Angeles.
5. Quigley and Clark of Palos Verdes.
6. Carrington and Lewis of Palos Verdes."

Councilman Drale moved to concur with the recommendation of Mr. Becker that four architects be selected and negotiations carried on with them by Mr. Stevens, Director of Public Works Peebles, and City Engineer Nollac, with the recommendation of one architect to come back to the Council. It was understood as part of the motion that in the selection of architects, Mr. Stevens would not be limited to selecting an architect from the list compiled by Mr. Becker but should consider a wide selection of architects.

Motion was seconded by Councilman Bradford and carried unanimously by roll call vote.

"II. APPROVE THE LEASING OF CIVIC CENTER BUILDING SITES FOR TWO COMMUNITY SERVICE ORGANIZATIONS. 1061

A. Community Chest Service Center (150' x 150' site, 8000 square feet for the building). Post & xref

The Los Angeles Welfare Council is prepared to start building immediately at no cost to the City government. (Letter attached.)

B. Torrance Y.M.C.A. (2½ acres including parking, or 2 acres using available parking).

The 'Y' is also prepared to build at no cost to the City Government. (Minutes of November 23, 1959)."

This recommendation was disapproved as a matter of policy by a unanimous roll call vote.

"III. PRIORITY BE GIVEN TO THE BUILDING OF A MULTI-PURPOSE CIVIC AUDITORIUM WHICH WILL SERVE THE CULTURAL AND RECREATIONAL NEEDS OF THE CITIZENS OF TORRANCE.

Councilman Drale moved to concur with this recommendation. Motion was seconded by Councilman Beasley, and there were no objections.

"IV. APPROVE THE INCLUDING ON THE MASTER PLAN, A SITE FOR THE LIBRARY, COURT HOUSE, AND THOSE RECREATIONAL AND CULTURAL FACILITIES AS SET FORTH IN THE ATTACHED LETTER FROM MR. HARRY VAN BELLEHEM, DIRECTOR OF RECREATION.

Councilman Beasley moved to approve Item IV in principle, with the amount of recreational facilities to be determined after the Master Plan has been confirmed.
Motion was seconded by Mayor Isen, and there were no objections.

"V. CONSIDER FINANCING OF THE CIVIC CENTER PROJECT AND BUILDING ON A LEASE-PURCHASE PLAN.

We feel that with the proper public education, this plan would be accepted by the citizens of Torrance. This method of financing public buildings has been successful in nearby communities."

Councilman Beasley moved that we consider and inquire into, and information be obtained on, the financing of the Civic Center project through a lease-purchase plan and/or by a bond issue.
Motion was seconded by Mayor Isen, and there were no objections.

INDEX

MINUTES OF TORRANCE CITY COUNCIL MEETING, JANUARY 26, 1960

ADJOURNMENT - 11:05 p.m.

Ruth T. Perotti
Secretary

Torrance, California
January 26, 1960

MINUTES OF A REGULAR MEETING
OF THE TORRANCE CITY COUNCIL.

The City Council of the City of Torrance convened in a regular meeting at 8:00 p.m., Tuesday, January 26, 1960 in the Council Chamber, City Hall, Torrance, California.

Those responding to roll call by City Clerk Bartlett were: COUNCILMEN: Beasley, Benstead, Blount, Bradford, Drale, Jahn and Isen. ABSENT: COUNCILMEN: None. City Manager Stevens and City Attorney Remelmeyer were also present.

At the request of Mayor Isen, Mr. Joe Wilcox, Secretary of the Torrance YMCA, led the salute to our Flag.

The Reverend Milton Sippel, Pastor of the First Christian Church, opened the meeting with an invocation.

Councilman Jahn moved to approve the minutes of the regular meeting of January 19, 1960, as corrected.
Motion seconded by Mayor Isen, there were no objections, and it was so ordered.

Mayor Isen gave a brief explanation of Council procedure for the benefit of the audience.

BIDS:

1. Mayor Isen announced that bids on Comprehensive Liability and Property Damage Insurance will be received until 5:00 p.m. Friday, January 29, 1960. 1117
Affidavit of Publication was presented by City Clerk Bartlett, and it was ordered received and filed.

PLANNING MATTERS:

1. CASE NO. 599 - VARIANCE - SANTA FE RAILWAY COMPANY. Transmittal form from the Planning Commission recommended approval of the request of the Santa Fe Railway Company for a Variance to construct a garage for section crew use, to be located on the northwest corner of Lot S-4, Torrance Tract, near 2730 Plaza del Amo. Attached were location sketch; plot plans; and excerpts from Planning Commission Minutes of November 4, 1959. 1031

Councilman Jahn moved to concur with the recommendation of the Planning Commission.
Motion seconded by Councilman Bradford.
Mayor Isen asked if the Railway could do some planting in order to beautify this location. Xref + post
Mr. Conroy, Division Engineer of the Santa Fe Railway, came forward. He said he presumed Mayor Isen was referring to shrubs, trees, etc. Mr. Conroy said the Railway had tried to cultivate ice plant between Carson and Torrance with little success, but he said they do have a gardener and he was sure that something could be arranged.
Mayor Isen thanked Mr. Conroy, saying he was sure that the Council and the people of Torrance would appreciate it.

The motion carried by the following roll call vote:
AYES: COUNCILMEN: Beasley, Blount, Bradford, Drale, Jahn, Isen.
NOES: COUNCILMEN: Benstead.
ABSENT: COUNCILMEN: None.

1033 2. CASE No. 598 - VARIANCE- Leo Funk, 3860½ W. 242nd Street. Transmittal form from the Planning Commission recommended approval of the request of Leo Funk for a Variance on Lots 19 and 20, Block E, Tract 7506, between Los Codona and Ocean Avenue, to construct a one-bedroom apartment over an existing garage, in Zone R-2. Attached were a location sketch; plot plan; and excerpts from the Planning Commission Minutes of January 6, 1960.

Councilman Jahn moved to concur with the recommendation of the Planning Commission.
Motion seconded by Councilman Beasley, carried unanimously by roll call vote.

1033 3. CASE No. 612 - Walter Zawitkoski, 12300 Halldale, L. A. 47. A letter dated January 21, 1960 from Planning Director Powell, approved by Director of Public Works Peebles, recommended the refund of filing fee (80%). Applicant requested cancellation of his application, and no labor, material or time charges were incurred by the City.

Councilman Beasley moved to concur with the recommendation of the Planning Commission.
Motion seconded by Mayor Isen, carried unanimously by roll call vote.

1033 4. CASES 572 and 582 - VARIANCES. Extension of Time. In a letter dated January 19, 1960 from Planning Director Powell, approved by Director of Public Works Peebles, Mr. Powell submitted the recommendations of the Planning Commission for approval of an extension of time on Case No. 572, Curtis Pearsey and Eugene Montisi, Petitioners, and Case No. 582, Gerald A. Herfurth, Petitioner.

Councilman Jahn moved to concur with the recommendation of the Planning Commission on Case No. 572.
Motion seconded by Councilman Beasley, carried unanimously by roll call vote.
Councilman Blount questioned the extension of time on Case No. 1033 582. Planning Director Powell read a letter from Mr. Herfurth in which he stated that because of certain title problems at this time, it does not appear practicable for him to commence construction within the time specified. He therefore requested a 6-months extension of the time within which to commence the proposed construction.
Councilman Blount asked what the particular title problem was, and Mr. Herfurth replied that it was a deed restriction.
Councilman Beasley asked Mr. Herfurth if he was attempting to have the deed restriction lifted; Mr. Herfurth replied that he was trying to get a modification of it.
Councilman Jahn moved to concur with the recommendation of the Planning Commission on Case No. 582.
Motion seconded by Councilman Beasley, carried by the following roll call vote:
AYES: COUNCILMEN: Beasley, Benstead, Bradford, Jahn, Isen.
NOES: COUNCILMEN: Blount, Drale.
ABSENT: COUNCILMEN: None.

5. WAIVERS. A letter dated January 21, 1960, from Planning Director Powell, approved by Director of Public Works Peebles, submitted the recommendations of the Planning Commission for approval of the following Waivers: 1036

a. W-135. David Wilkins, 25241 Denny Road. Request for waiver of required fence height along the exterior side yard.

b. W-136. Walnut Enterprises (Maine Bros.), 1936 Lomita Blvd. Request for waiver of rear yard requirements on Lots 39 and 40, Tract 21517, situated at 2165 230th Street.

c. W-137. Edgcomb & Mitchell, 4113 Via Larga Vista. Request for permission to place ornamental wall within required front yard setback.

Councilman Blount again stressed the fact that when approval is recommended per Exhibit "A", then it should be available to the Council. He asked to see Exhibit "A" on all three of these cases.

Planning Director Powell said it has been their practice to attach Exhibit "A" to changes of zone and variances but not to waivers.

Councilman Blount pointed out that nothing in the letter indicates just what the waiver is for; therefore the Council must either have the Exhibit "A" or the letter must indicate just what is being permitted.

In Case W-135, Mr. Powell brought to the Council an exhibit indicating that Mr. Wilkins had requested permission to build a masonry wall two feet higher than the limit, or eight feet above the ground level so that it would be six feet above the sidewalk. The wall is to protect the swimming pool in his yard. 1036

Mayor Isen stated that this could have been stated in the letter and he thought Council criticism was justified. He requested that where an Exhibit "A" is referred to in the abstract, the exact situation must be stated in the letter.

Councilman Blount moved to approve the recommendation on W-135, and to have W-136 and W-137 returned to the agenda in one or two weeks with clarification. Post

Motion seconded by Mayor Isen, carried unanimously by roll call vote.

6. A letter dated January 21, 1960 from Planning Director Powell, approved by Director of Public Works Peebles, reported the creation of a street along the south side of the R. C. Mahon property, for which the street name of "Toledo" has been recommended. Mr. Powell asked for the concurrence of the Council.

Councilman Jahn moved to concur with the recommendation.

Motion seconded by Mayor Isen, carried unanimously by roll call vote.

7. A letter dated January 21, 1960 from Planning Director Powell, approved by Director of Public Works Peebles, reported that the Planning Commission at its meeting of December 16, 1960 recommended the following items be referred to the City Engineer for his consideration:

(1) That the proposed realignment of Newton Street be expedited in that commercial development is now planned for the north side of this street. (prints available.) 1093

(2) That the future street shown in Tract 23988 as the prolongation of Vista Largo be vacated, reserving therein the necessary drainage easements required by the City. (Sketch attached.) 1094

1095

(3) That a public way be established west of Hawthorne, which would in effect be a continuation of 240th Street. The Planning Commission has found this roadway has been used as a public way for many years, and they therefore believe this should be protected to facilitate the development of property adjacent thereto. (Sketch attached.)

On Item (1), the realignment of Newton Street, Planning Director Powell presented a sketch to the Council showing what is being done by the Engineering Department.

Mayor Isen asked if concurrence was requested at this time as a matter of policy only. Planning Director Powell replied that he simply wanted to advise the Council that the staff is working on this and it is a matter of priority in the Engineer's office. He said that the property owners are happy with the proposed realignment.

Councilman Benstead moved to concur with the recommendation of the Planning Commission as a matter of policy.

Motion was seconded by Mayor Isen.

Councilman Drale asked if the costs of the relocation were to be borne by the City.

Planning Director Powell replied that when the plans are approved and the costs of the relocation determined, it will be brought back to the Council for consideration.

The motion carried unanimously by roll call vote.

In connection with Item (2), the vacation of the future street shown in Tract 23988 as the prolongation of Vista Largo, Planning Director Powell explained that when the tract was originally laid out, it was proposed that a street parallel Newton along the side of the hill. The Staff and the Planning Commission agreed that this type of development on the side of the hill is out of the question.

Councilman Jahn moved to concur with the recommendation of the Planning Commission, with the usual charges to be made.

Motion seconded by Councilman Beasley, carried unanimously by roll call vote.

Mayor Isen asked City Attorney Remelmeyer if a public hearing must be held on this matter. Mr. Remelmeyer stated a resolution would be prepared and the hearing will then be ordered.

On Item (3), the establishment of a public way west of Hawthorne which would be a continuation of 240th Street, Planning Director Powell explained that there has been a public way there for about 15 years, and at the request of the City Attorney the Planning Commission determined it would be good to maintain it either as a street or an alley to serve as a link between Hawthorne Avenue and Neece Avenue to the west.

Councilman Jahn asked if the property must be purchased or condemned.

Planning Director Powell said the City Attorney will pursue the matter further if the Council agrees in principle.

Councilman Benstead moved to agree in principle with the recommendation.

Motion seconded by Councilman Beasley, carried unanimously by roll call vote.

1033

Planning Director Powell called attention to the fact that 2 weeks ago, Councilman Blount had asked that Case No. 603, Change of Zone, Eleanor Z. Drale, be returned to the agenda tonight but it had not been placed on the agenda. Councilman Blount had asked that a new exhibit be prepared, and one of the Councilmen had expressed a desire to look the property over.

Mayor Isen asked that it be placed on the agenda for next week.

Councilman Beasley complained of feeling ill and asked to be excused. He left the Council Chamber at 8:25 p.m.

WRITTEN COMMUNICATIONS:

1. A letter from Mr. John J. Barton, Chairman of the Torrance-Konya City to City Committee, extended a formal invitation to the Council to attend the two-day Konya celebration in Torrance to be held on February 26th and 27th and culminating in a banquet at the Jumpin' Jack Restaurant on February 27th. 1056 & 1096

Mr. Barton made a brief report on what the City to City Committee has accomplished and the schedule of events for the two-day affair. He advised that the Mayor of Konya, Mr. M. Sitki Bilgin, has accepted the invitation to come to Torrance for the event. Invitations have been extended to various dignitaries, among them Senator Clair Engle, the Turkish Ambassador to the United States, and the Turkish Information Officer in San Francisco.

Mr. Barton showed to the Council a model of a plaque designed by Adams, Morgan, Latham, Kripp and Wright which will be presented to the Mayor of Konya to be placed on their auditorium, which they have named Torrance Auditorium in honor of their sister city.

City Manager Stevens said that the State Department is bringing the Mayor of Konya and his wife to Washington, D. C. and return, and they have asked the City of Torrance to bring them from Washington, D.C. to Torrance and return. He said Dick Fitzgerald is attempting to make arrangements for their transportation through the Air Force, but he believed the Council should authorize the expenditure of the money involved to provide transportation if it becomes necessary.

Councilman Drale moved that the necessary expenses for traveling for the Mayor of Konya and his wife from Washington, D. C. to Torrance and return be borne by the City of Torrance. 1056 post

The motion was seconded by Councilman Blount, but he questioned what other expenses might be involved.

Mr. Stevens said we should provide for the cost of the plaque. Mr. Barton stated that the architectural work in designing the plaque was donated, but that they had a firm bid of not more than $250.00 for the plaque, which will be twice the size of the model shown to the Council. 1056 post

Councilman Bradford recommended that the motion include authorizing Mr. Stevens to provide for transportation and housing during their stay.

Councilman Drale amended his motion to include Councilman Bradford's recommendation and to include the cost of the plaque.

Amended motion was seconded by Councilman Jahn, and carried unanimously by roll call vote of those present. (Beasley absent.)

At 8:35 p.m., Mayor Isen declared a recess, with the Council reconvening at 8:45 p.m.

Mayor Isen told Director of Public Works Peebles he understood Mr. Peebles had obtained a surplus Caterpillar tractor. Mr. Peebles said they have obtained tentative approval to purchase one for $500.00. He said also that one-half of the cost of any repairs to the Cat. would be borne by the government on a year-to-year basis, and that it would be delivered to Torrance by the State. 1041 Tractors

2. A letter dated January 13, 1960 from Tidewater Oil Company, signed by L. A. Dixon, Construction Engineer, requested the City to extend 226th Street from Hawthorne Avenue to Ocean Avenue and to install two 12' driving lanes complete on the subject street. 1097

Councilman Blount asked if this was the same request that had been before the Council before and which had been denied, and was told that it was not.

Director of Public Works Peebles handed a map to the Council indicating the location.

Councilman Drale commented that this is a dedicated street now and it is needed for the commercial development which will go in at this location. He moved that the request be granted.

Motion was seconded by Councilman Benstead.

City Manager Stevens, in clarification, stated that we had a similar request from the people on the north side of the street, that the City had developed a cost to the City of $20,000, and the Council had postponed action, turning it over to him to bring back at a later date. He reported we now have people to pay on all the property except for the 375' owned by the City Water Department. He recommended that the Council approve the request since it will bring in commercial development which will benefit the City.

The motion carried unanimously by roll call vote of those present. (Beasley absent.)

1098 3. A letter dated December 30, 1959 from Milton Breivogal, Director of Planning of the County of Los Angeles Regional Planning Commission, transmitted a map showing the Regional Recreation Areas Plan.

Mayor Isen asked that the map be referred to the Parks and Recreation Commission for their opinion and report. There were no objections, and it was so ordered.

4. A letter dated January 15, 1960 from the Hollywood Riviera Homeowners Association, advised that at their December meeting 180 people voted unanimously to suggest that every lot in Sewer District No. 3 be assessed equally.

Councilman Jahn moved to concur with the request.

Motion was seconded by Mayor Isen.

Councilman Bradford asked if the 180 people represented all of the people in the District.

City Manager Stevens estimated that there were probably 600 people in this District.

City Attorney Remelmeyer was of the opinion that the matter should be referred for a report.

Mayor Isen withdrew his second, and Councilman Jahn withdrew the motion.

Mayor Isen referred the request to the Director of Public Works for clarification and a report. There were no objections, and it was so ordered.

5. A letter dated January 12, 1960 from the Inter-City Highway Committee, signed by Margaret Bauer, Secretary, requested payment in 1100 the amount of $150.00 for dues for membership in the Inter-City Highway Committee for the fiscal year October 1, 1959 to and including September 30, 1960.

Councilman Jahn moved that payment be made.

Motion seconded by Councilman Drale, carried unanimously by roll call vote of those present. (Beasley absent.)

COMMUNICATIONS FROM CITY MANAGER:

1. In his letter dated January 22, 1960, City Manager Stevens submitted the following recommendation:

EXPENDITURES:

1042 & 1041 1. To State Educational Agency for Surplus Property for one Hyster, Model KD, Ser. #40297, 4000-lb. capacity, Portable Crane Hinge Boom, the sum of $330.00.

Councilman Benstead moved to concur with the recommendation.
Motion seconded by Mayor Isen, carried unanimously by roll call vote of those present. (Beasley absent.)

COMMUNICATIONS FROM CITY CLERK:

1. In his letter of January 21, 1960, City Clerk Bartlett requested the Council to approve the release of Bond No. 993508, obligating Torrance Vista (Lens Construction Company) as principal, and the St. Paul Mercury Indemnity Company, as surety, for the payment of use tax in the amount of $3,500 on Tract No. 15570. The letter was approved by City Attorney Remelmeyer. 1101
Councilman Jahn noted the letter stated the use tax "had not been paid" and asked City Attorney Remelmeyer if it had now been paid.
City Attorney Remelmeyer said we won the case and the use tax was collected, but the bond had been overlooked until its release was requested.
Councilman Jahn moved to concur with the request, with the remarks of the City Attorney included.
Motion seconded by Councilman Blount.
Mayor Isen believed we should make sure the use tax has been paid.
City Attorney Remelmeyer said the matter could be held until next week and he would photostat the check.
Councilman Jahn withdrew his motion.

AIRPORT MATTERS:

1. A letter dated January 20, 1960 from George L. Graziadio, Jr., representing Airport Plaza, Inc., proposed that they put the service road in simultaneously with their development providing the City will share the cost with them on a 50-50 basis, said total cost of that portion adjoining their property not to exceed $7,000.00. 1012
In reply to a question from Councilman Drale, Director of Public Works Peebles said that the estimate of $7,000 had been made by the City, with the cost to the City to be $3,500.
Councilman Blount moved to concur with the proposal.
Motion seconded by Councilman Jahn, carried unanimously by roll call vote of those present. (Beasley absent.)

2. Resubmitted was a request from President Abrams of the Airport Commission for clarification of the Council's denial of Mr. Collin's request for permission to enclose two corners of his "T" hangars. 1102
Councilman Blount said that these hangars are actually in the way of a road on the Master Plan, as stated by Commissioner Floyd. He also objected to anybody on the airport speculating, when the rent the City receives never varies. If we give permission to Mr. Collin to widen the hangars, Councilman Blount said, he will charge more rent. He suggested, particularly in view of the fact that many requests for hangars are forthcoming, that the Airport Commission be authorized to negotiate some type of schedule, working with the Airport Manager, whereby if certain widths or weights of airplanes are housed in the hangars, the lease price changes. In Mr. Collin's case, he would be making an additional $20.00 a month; Councilman Blount thought the ground was worth more and that we should set up a policy now.
Councilman Benstead stated that Mr. Collin had said he will pay $4.00 a month more, and he did not think it was enough.
Councilman Blount said that Commissioner Floyd had made that statement, and he did not think it was enough, either. He stated that Mr. Collin had been getting these hangars for $15.00 per month for years.

Mayor Isen said he believed Councilman Blount's remarks clarified the feeling of the Council.

Councilman Blount asked Mr. Collin if he did not think revenue to the City should be increased if he increased his own revenue.

Mr. Collin replied in the affirmative. He said his letter of December 1 stated he felt the City was entitled to an increased revenue. He said he had used a ratio between the existing covered area and the additional covered area requested, and had come up with a 10% increase. If the Council felt this amount was not adequate, Mr. Collin said he would be interested in knowing what they considered adequate. In reply to a question from Councilman Blount, Mr. Collin said it was possible he would increase his income more than 10%.

Mayor Isen asked Airport Manager Egan what the customary formula was on other airports.

Airport Manager Egan said he did not know; he felt they would have to work on whatever is the custom and practice in hangar rental. He did say that there is a wing spread formula which applies generally rather than one based on weight.

Councilman Drale agreed with Councilman Blount, saying that if people are speculating on the airport they are competing against the City and there should be some sort of escalator clause providing for an increase in revenue to the City.

In reply to questions from Councilman Jahn, Mr. Collin indicated that his average income per hangar is $36.00 per month. He said he is getting $40.00 per month from the center, and the additional space requested will bring about $40.00 to $45.00 per month, possibly $45.00. Councilman Jahn asked Mr. Collin if he would be willing to increase his rent $8.00 a month and would agree that the additional improvements he would put on the hangars, if he has to move, would not be charged to the City in the calculation of moving costs.

Mr. Collin agreed.

Councilman Jahn moved to concur with the request on the basis of his proposal to Mr. Collin and Mr. Collin's acceptance of the proposal.

The motion was declared lost for lack of a second.

Councilman Blount pointed out that on the average amount received from each hangar over the period of 6 years, Mr. Collin's income has been from $150 to $180 per month.

Mayor Isen commented that evidently the denial of the request is the only wedge the City has to bring about some sort of fair rental for these particular hangars. With the conversation of the Councilmen as shown in the record as clarification, Mayor Isen moved that the request go back to the Airport Commission with the recommendation, as indicated in the record, that the Airport Commission and Mr. Egan attempt to set up a schedule which would be applicable, depending upon the size of the airplanes.

Motion was seconded by Councilman Benstead, and carried unanimously by roll call vote of those present. (Beasley absent.)

COMMUNICATIONS FROM CITY ATTORNEY:

1. A letter dated January 20, 1960 from City Attorney Remelmeyer attached a proposed memorandum from the City Manager to the Director of Public Works regarding the placing and removal of advertising material on city-owned or public utility property. Mr. Remelmeyer requested that the Council review the memorandum and indicate their approval.

1063

Councilman Jahn objected to the memorandum if it included signs such as "Open House" signs posted and taken down by realtors.

City Attorney Remelmeyer said they were not thinking in those terms.

Councilman Benstead objected to City employees taking advertising from utility poles. He suggested that the Edison Company remove such

advertising from their own poles as the telephone company does.

Mayor Isen moved to concur with the memorandum presented by City Attorney Remelmeyer.

The motion was seconded by Councilman Blount.

Councilman Jahn asked if the motion was intended to include realtor signs.

Mayor Isen answered in the affirmative, saying he did not believe we could discriminate.

Councilman Drale agreed with Councilman Benstead and asked that the Edison Company remove advertising from their own poles.

City Attorney Remelmeyer stated that the Edison Company is willing to do so.

Mayor Isen amended his motion to include that the Telephone Company and the Edison Company both remove advertising which has been posted on their utility poles.

The amendment was accepted by the second, and the motion carried by the following roll call vote:

AYES: COUNCILMEN: Benstead, Blount, Bradford, Drale, Isen.
NOES: COUNCILMEN: Jahn.
ABSENT: COUNCILMEN: Beasley.

COMMUNICATIONS FROM DEPARTMENT OF PUBLIC WORKS:

ENGINEERING DIVISION:

1. A letter dated January 20, 1960 from City Engineer Nollac, approved by Director of Public Works Peebles, advised of the completion by the contractor, Norwalk Asphaltic Concrete, Inc., of the improvement of Sepulveda Boulevard from Arlington Avenue to Hawthorne Avenue. Mr. Nollac recommended that the project be accepted and that contract bonds be released 90 days from the date of final acceptance by the City Council. 1103

Councilman Jahn moved to concur with the recommendation.

Motion seconded by Councilman Benstead, carried unanimously by roll call vote of those present. (Beasley absent.)

RECREATION MATTERS:

Communications from Director of Recreation:

1. With his letter of January 8, 1960, Recreation Director Van Bellehem transmitted a letter from Father Joseph K. McArdle of the Nativity Catholic Church expressing a desire to donate one six-swing set and one ten-foot stainless steel slide to the City. Mr. Van Bellehem recommended the City accept this offer from the Nativity Parish and permit the installation of the equipment at Sea-Aire Park. 1104

Councilman Drale moved that the offer be accepted and a letter of thanks be sent to the Nativity Catholic Church.

Motion seconded by Councilman Benstead, there were no objections, and it was so ordered.

Mayor Isen requested that City Manager Stevens write an appropriate letter of thanks.

2. A letter dated January 7, 1960 from Recreation Director Van Bellehem requested permission to send Recreation Supervisors Edith Simpelaar and Elmer Moon to the California and Pacific Southwest Recreation Conference at San Jose, from February 14 to February 17, with expenses paid by the City not to exceed $100.00 each. 1039

Councilman Drale moved to concur with the request.

Motion seconded by Councilman Benstead.

Councilman Jahn pointed out that permission had previously been given for one employee of the Recreation Department to attend a con-

ference this year, and it was his understanding the policy was that either the Department Head, or one of his assistants, if he was unable to go, could attend one conference a year.

Councilman Benstead withdrew his second.

Councilman Jahn moved that the request be denied.

Motion seconded by Councilman Blount, carried unanimously by roll call vote of those present. (Beasley absent.)

Communications from Park and Recreation Commission:

1039

1. A letter dated January 21, 1960 from Bernard M. Dougan, Chairman of the Park and Recreation Commission, requested permission to send two members of the Commission to the California and Pacific Southwest Recreation Conference to be held in San Jose, February 14-17, 1960.

Councilman Drale moved that two members of the Recreation Commission be authorized to attend the Recreation Conference in San Jose

Motion seconded by Councilman Benstead, carried unanimously by roll call vote of those present. (Beasley absent.)

1105

2. A letter dated January 21, 1960 from Bernard M. Dougan, Chairman of the Park and Recreation Commission, recommended approval of the renewal of the lease of the Babe Ruth League on the ball field at Plaza Del Amo and Western, for a 5-year period with a thirty-day cancellation clause.

Councilman Jahn moved to concur with the recommendation of the Park and Recreation Commission tentatively, subject to a resolution being drawn at a future date.

Motion was seconded by Mayor Isen.

post →

Councilman Bradford objected, saying that some time ago this property was discussed and referred to the Park and Recreation Commission to see if the City could not use the property from August until May, with the City to maintain the property. To date no answer has been received, Councilman Bradford said, and he would like to have an answer to his question.

The motion carried unanimously by roll call vote of those present. (Beasley absent.)

Councilman Drale moved that Councilman Bradford's request that the City use the park when it is not being used by the League be re-submitted to the Park and Recreation Commission, their recommendation to come back to the Council in 2 weeks.

Motion seconded by Mayor Isen, there were no objections, and it was so ordered.

3. In a letter dated January 21, 1960, Bernard M. Dougan, Chairman of the Park and Recreation Commission, advised of the offer of Father Joseph K. McArdle, of the Nativity Catholic Church, to donate to the City a six-swing set and one 10-foot stainless steel slide.

This matter was disposed of previously. (See Item 1, Communications from Director of Recreation, Page 9 of these Minutes.)

4. In a letter dated January 21, 1960, Bernard Dougan, Chairman of the Park and Recreation Commission, summarized the action taken by the Commission at its meeting of January 13, 1960.

Since the communication was for information only, it was ordered filed.

COMMUNICATIONS FROM WATER DEPARTMENT:

1. In his letter of January 21, 1960, Water Superintendent A. E. McVicar requested permission to purchase the following Hersey Detector Check and Compound meters:

1041 meters (water)

1 - 2" Hersey Model C.T.	@ $317.99	$ 317.99
2 - 4" " " " "	@ 794.98	1,589.96
1 - 8" " " D.C.	@ 678.08	678.98

Mr. McVicar noted that in each case the cost of the installation is obtained from the consumer prior to purchase of the meter, and they are purchased as required.

Councilman Jahn moved to concur with the request of Mr. McVicar.

Motion seconded by Mayor Isen, carried unanimously by roll call vote of those present. (Beasley absent.)

Councilman Jahn moved that after the Clerk has given a number and read the title to any resolution or ordinance on tonight's agenda, the further reading thereof be waived; reserving and guaranteeing to each Councilman the right to demand the reading of any such resolution or ordinance in regular order.

Motion seconded by Councilman Drale, carried unanimously by roll call vote of those present. (Beasley absent.)

RESOLUTIONS:

1. Resubmitted by City Attorney Remelmeyer was a Resolution fixing the time and meetings of the City Council.

City Clerk Bartlett assigned a number and read title to:

RESOLUTION NO. 3866

1053

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE FIXING THE TIME AND MEETINGS OF SAID CITY COUNCIL AND REPEALING RESOLUTION NO. 2883.

Councilman Benstead moved to adopt Resolution No. 3866.

Motion seconded by Councilman Jahn, carried unanimously by roll call vote of those present. (Beasley absent.)

2. City Clerk Bartlett assigned a number and read title to:

RESOLUTION NO. 3867

1057

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE CONGRATULATING THE BOY SCOUTS OF AMERICA ON THEIR FIFTIETH ANNIVERSARY AND PROCLAIMING THE WEEK OF FEBRUARY 7 TO 13 AS BOY SCOUT WEEK.

Councilman Benstead moved to adopt Resolution No. 3867.

Motion seconded by Councilman Jahn, carried unanimously by roll call vote of those present. (Beasley absent.)

Mayor Isen requested that City Attorney Remelmeyer send certified copies of this Resolution to the gentleman who had appeared before the Council and to the appropriate Boy Scout leaders in Torrance.

ORDINANCES:

1. With his letter of January 20, 1960, City Clerk Bartlett presented for its second reading:

ORDINANCE NO. 1150

1026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TORRANCE REPEALING ARTICLE II OF CHAPTER 2 OF "THE CODE OF THE CITY OF TORRANCE, 1954" GOVERN-

1026

ING THE POWERS AND DUTIES OF THE PLANNING COMMISSION AND SUBSTITUTING THEREFOR A NEW ARTICLE II RELATING TO THE SAME SUBJECT MATTER.

Councilman Jahn moved to adopt Ordinance No. 1150 at its Second Reading.

Motion seconded by Councilman Drale, carried unanimously by roll call vote of those present. (Beasley absent.)

REPORTS:

1. City Clerk Bartlett reported that the reports of the Metropolitan Water District General Manager and Chief Engineer, and of the Controller, for December, 1959, are on file in his office.

PROCLAMATIONS:

1057 1. Mayor Isen proclaimed the week of February 1-8, 1960 as "Nursery Education Week" in the City of Torrance.

1057 2. Mayor Isen proclaimed the month of February, 1960, as "Heart Month" in the City of Torrance and urged all citizens, schools, churches, business establishments, and scientific, social, civic and fraternal organizations to give the Heart Fund drive their support and cooperation.

ORAL COMMUNICATIONS:

1. City Manager Stevens handed to each Councilman a copy of a letter from Airport Manager Jack Egan, and asked that they be authorized to 1052 go to bid on Airport Liability Insurance.

Councilman Jahn moved that such authorization be given.

Motion seconded by Councilman Bradford, carried unanimously by roll call vote of those present. (Beasley absent.)

2. Mr. Stevens reminded the Council that some time ago they had authorized him to negotiate with the owner of the approximately 4.5 acre tract in the Victor Precinct for a park. He said the property was in escrow when we started condemnation, that the escrow was closed 1108 subsequent to our filing, and the property now belongs to Ray Watt. Mr. Stevens said he had made an offer of $75,000 for the tract based on property in the area and appraisals received by the School District. He received a reply from Mr. Watts' attorney, a Mr. Leavitt, saying they would want $85,500 for the parcel, and Mr. Stevens recommended that we continue with the condemnation.

Mayor Isen moved to concur with Mr. Stevens' recommendation.

Motion was seconded by Councilman Blount.

Councilman Jahn expressed the fear that we might end up paying more than we had bargained for if we continued the condemnation.

Mr. Stevens said that the property went to escrow in February, 1959, and City Attorney Remelmeyer stated that if he remembered correctly, the purchase price in the escrow was $68,000.

The motion carried unanimously by roll call vote of those present. (Beasley absent.)

Mayor Isen suggested a meeting between Mr. Watt and his attorney, City Manager Stevens, City Attorney Remelmeyer, and a committee from the Council consisting of Councilmen Blount and Drale, and Mayor Isen. He asked that Mr. Stevens arrange such a meeting.

1005 3. Mr. Stevens made a report to the Council on the Walteria Lake Sump. We had submitted Site "A" as our first choice, this being in the flight pattern, and Site "B" as an alternate, which site left a 300-foot strip of commercial frontage on Hawthorne but in general is

under the flight pattern of the airport. After consideration by the Flood Control District, they have informed us it appears that Site "A" would result in a more costly basin than alternate Site "B". It is their opinion that the development of a sump entirely west of Ocean Avenue would result in a lower cost than either Site "A" or Site "B". They have pointed out it is their duty to build the sump at the most economical price, but that they would entertain an agreement with us in which we would make up the difference between the cost of the District based on the most economical location, which they feel is west of Ocean Avenue; we would make up the difference between such a site and the site with the commercial frontage. If we would choose to do this, they will work with us. They believe an early decision should be made, and should the City approve a site west of Ocean Avenue, they indicate the appraisals for acquisition and the preparation of contract plans can proceed at once, thus clearing the way for early construction of the project. Mr. Stevens thought their appraiser came to the conclusion that the property fronting on Hawthorne Avenue would be very expensive, that the purchase price of that property would be about $40,000 per acre. Mr. Stevens said we would have to make up the difference, which would amount to several hundred thousand dollars, and he did not believe we could.

Mr. Don Wilson, whose property is affected by the location of the sump, said he believed it is a matter of whether the Council is concerned. He said he got the definite impression that the Flood Control District wants the sump on the west side of Ocean Avenue. The property west of Ocean Avenue belongs to Mr. Wilson, and he said that instead of his subdividing it, the Flood Control District would acquire it. Mr. Wilson thought it was a shame for the sump to go on the west side of Ocean since the City would lose about 28 acres of property, involving about 140 homes, which would be on property not in any manner imperiled by the flight pattern of the extended runway. Mr. Wilson stated it was inconceivable to him that this was good planning on the part of the Flood Control District, but if the City is not concerned, and the Flood Control District is not concerned, then he did not feel he should be concerned.

Councilman Jahn indicated that we are concerned, but not for several hundred thousand dollars' difference.

Mr. Wilson said he believed Mr. Hanneman, the Chief Appraiser for the District, was not aware of the price of land in the City of Torrance. It was inconceivable to him that property on the east side of Ocean was worth several hundred thousand dollars more than the property on the west side. He believed that every effort should be made to establish the sump on the east side of Ocean, and he wanted to get an expression from the Council on the matter.

Councilman Jahn moved that Mr. Stevens continue to negotiate with the County Flood Control District, and that the Council express its desire that the sump site remain on the east side of Ocean Avenue but that it should not cost the City any more to place it there.

The motion was seconded by Mayor Isen.

Councilman Jahn was of the opinion that the Flood Control District believed the City of Torrance had chosen Site "A" in order to gain clear zone space, when in reality we are trying to keep houses from being built in the flight pattern and to locate the sump in the right place.

Mayor Isen suggested a meeting with Supervisor Chace, his Deputy, and Ernie Winters, together with all the members of the Council, Mr. Stevens and Director of Public Works Peebles.

Mr. Wilson suggested including in the meeting Mr. Salsbury and Mr. Hanneman of the Flood Control District, and Koebig and Koebig. He said he would be glad to attend and to assist the City of Torrance, and by so doing assist himself, since there would be more property available for him to subdivide. He said he would be glad to in some manner contribute a reasonable amount to see that the sump is placed

on the east side of Ocean.

Mayor Isen requested that Mr. Stevens arrange a daytime meeting, possibly a luncheon meeting, to include the parties mentioned by him and by Mr. Wilson, and to advise the Council of the arrangements.

1096 4. Airport Manager Egan advised the Council that 20th Century Fox would be filming sequences of "From The Terrace" at the Airport tomorrow, and he invited the Council to attend.

5. Councilman Benstead indicated that quite a few people were dissatisfied with having to pay rubbish bills at the City Hall and water 1155 bills downtown, and he asked Mr. Stevens if it were possible to pay them both at the City Hall.

Mr. Stevens said he saw no reason why it could not be arranged.

Councilman Benstead moved that such arrangements be made.

Motion seconded by Councilman Drale, no objections, ordered carried.

1063 6. Councilman Blount moved that the sign ordinance be amended to provide for the approval of the Traffic Engineer as well as by the Fire Chief and the Police Chief.

Motion seconded by Mayor Isen, no objections, so ordered.

1017 7. Councilman Bradford said he would like to bring the matter of the Employees Health and Hospitalization Program up for further discussion.

City Attorney Remelmeyer informed him he could not move for reconsideration since he had not voted on the prevailing side.

Mayor Isen stated that since the employees will pay 2/3 of the cost of the program, they should be satisfied with the plan. He was convinced they were not, and he moved for total reconsideration of the matter.

Motion seconded by Councilman Drale, carried by the following roll call vote:

AYES: COUNCILMEN: Benstead, Blount, Bradford, Drale, Isen.
NOES: COUNCILMEN: Jahn.
ABSENT: COUNCILMEN: Beasley.

At 9:50 p.m., Mayor Isen declared a recess, with Council reconvening at 10:00 p.m. Councilman Blount left the meeting at this time.

Mr. Albert Salcido, 2836 West 176th Street, spoke on behalf of the Council of United Employees, which Council embraces employees of the Police Department, the Fire Department and miscellaneous employees; and also on behalf of Local No. 1117, Miscellaneous Employees Union, and Local No. 1138, the Torrance Firefighters.

Mr. Salcido referred to the City Manager's letter of recommendation to the Council dated January 14, 1960 which, on Page 2 in the second paragraph states "The City's position in this regard should be, I believe, to provide a program at least equally good as provided by other municipal agencies and industries and yet being a tax supporting agency, we can not afford to buy an unreasonably expensive plan."

The plan they want, Mr. Salcido said, is the Blue Cross Plan because it is better coverage. He indicated they had spent many hours working on this and had consulted an insurance expert in North Torrance, a Mr. Pete Donovan, who advised them that of all the plans investigated, Blue Cross was the best plan and they should stay with it.

Councilman Jahn said he would like to know more about Mr. Donovan if he is considered to be an expert.

Mr. Salcido replied that Mr. Donovan works for an insurance agency in Gardena, but he did not know the name of the firm. He said

Mr. Donovan was a neighbor of his, and upon further questioning by Councilman Jahn, Mr. Salcido said he was sure that Mr. Donovan had a license.

Mr. Salcido referred then to Paragraph 3, Page 2 of Mr. Steven' letter of January 14, 1960, which states "I believe the City Council should also recognize in their consideration of the purchase of any plan that approximately 2/3 of the cost of the plan will be paid for by the employees themselves." Mr. Salcido wanted to emphasize this, saying that the employees know the cost of the plan they want is more than the other plan, and that it would be, according to Mr. Robinson's figures, approximately $15,000 a year more for the employee. It appeared to Mr. Salcido that Council had failed to recognize the fact that in Mr. Robinson's study, Exhibit BB, shown along the bottom line is the full cost of each plan and the top line shows what the employee rate is. He stated these figures can be juggled and more of the cost can be added to the dependents, therefore making it more attractive to the City. He emphasized again the plan they wanted was the Blue Cross plan, mainly because they are interested in the coverage for their families.

Mr. Salcido stated it was their understanding that these bids were for Major Medical plans, and he referred Council to the last page, Exhibit DD, of Mr. Robinson's study. He stated that in comparing the two plans, they went over this exhibit with Mr. Bone and Mr. Robinson, and they both admitted that the Blue Cross Plan was a better Plan and that it gave the employees better coverage. Mr. Salcido did not believe the Pacific Mutual plan was a major medical plan because it is regulated by the Relative Value Study which sets up a standard rate for doctors to go by. If the doctors went by this, he said, it would be splendid, but there is no way of governing this. About five operations under the Relative Value Study allowed an amount of $500, and under the Pacific Mutual Plan, with the $50 deductible, the company would pay 80% of the remainder, which would make about $360.00. Under the Blue Cross plan, Mr. Salcido said, they would be covered up to $5,000 for one illness, and that is the type of coverage they are interested in. Mr. Salcido pointed out, in the fifth paragraph, Page 2, of Mr. Stevens' recommendation the statement that "Blue Cross provides for surgical payment (on an 80%-20% basis) which would cover major surgical expense which could cost several thousands of dollars whereas the Pacific Mutual Plan limits total surgical payments by the use of a fee schedule which gives a maximum of $500.00." He referred also to paragraph 3, Page 3 of Mr. Stevens' recommendation, which states in part "Assuming total city employment of approximately 520 employees, the additional $0.74 per month ($4,618 per year) would be off-set by the necessity of employing an insurance administration clerk to service the plan." He referred further to the last paragraph, Page 3 of the letter, stating "This determination, being one of policy, should be made by the City Council acting in the employee's interests."

Referring to Mr. Robinson's study, Exhibit CC, Mr. Salcido called attention to Item E, showing that under the current Blue Cross Plan, the cost to the City is $34,950, and under the proposed alternate Blue Cross Plan, the City's cost would be $37,616. Under Item F, the cost to the employees of the alternate Blue Cross Plan would be $45,004, for an increase of about $15,000 per year. He indicated the employees are willing to accept this increased cost because it is a better plan. He proposed, if the Council felt the City cannot pay the $3,000 increase, that it be handed over to the employees to make up the difference. He indicated the employees would be glad to do this in order to have the better plan.

Mayor Isen asked Mr. Salcido what would happen if next year the rates of the Blue Cross Plan were prohibitive and the City could not find any plan that anybody would like.

Mr. Salcido suggested that perhaps the Council could see fit to set a figure for their contributory share. For instance, he said, the City's share at the present time is $6.03, and the Council could set a figure of, say, $6.00. It was his idea that the Council of Employees could get together and decide what they want, and the City could provide this set portion, with the employees paying the rest.

Councilman Drale commented there is nothing to stop any company from raising its rates and that this could apply to Pacific Mutual as well as to Blue Cross or any other company.

Mr. Salcido stated if there were a rate increase next year and the City's share were indicated as $8.00 and the City did not want to accept this, then they could continue to pay $6.00, with the employees making up the difference. He stated Pacific Mutual does not give them the coverage they want, and if they were forced to take it, most of them would be compelled to pull their dependents out of the plan and get insurance with another company where they could have the coverage they want.

Councilman Jahn said that while he was not an insurance expert and he would eventually like to hear from our insurance advisor, Mr. Robinson, on this matter, it was his understanding that under the Blue Cross plan they have a set fee schedule. It was his opinion that if this schedule paid $10.00 to a doctor for an office visit, even though that doctor might customarily charge only $8.00 per office visit he would charge the maximum allowed under the plan. After a prolonged practice of this and with Blue Cross being a co-operative plan, the costs would have to be borne by the people who have the plan, and it was Councilman Jahn's opinion that the rates would continue to go up and up. He also brought out the fact that we had taken bids and had them analyzed, recommendations were given and accepted, the Council had taken action, and now we are going to change all of this. It was his opinion, he said, that if bids were asked for in the future we would not be able to get anybody to bid. It was his understanding that some firms did not bid this time because they were hesitant about bidding on the insurance program for the City of Torrance. He pointed out that the Council is acting for the entire City of Torrance and must consider it from this point rather than just from a City employees' standpoint.

Mr. Salcido said if the Blue Cross Plan was accepted and if it got out of hand and went too high, he thought the employees could check the abuses, but even if they could not, it would not cost the City more money. As far as an excessive charge for a doctor's visit, Mr. Salcido said that under a major medical plan, the employee would have to spend $50.00 before the insurance would pay anything, that this is one of the ideas of a major medical plan.

Councilman Jahn stated that the same thing could apply to hospitals, that for a Blue Cross member that fee comes right out of the table, whereas if you do not have insurance, the fee could easily be $100.00 less.

Mr. Salcido felt that no one could check the hospital fees any better than Blue Cross since it is a hospitalization plan.

Councilman Jahn said it is still a cooperative plan, and with continued abuses, after a year or two the cost will go up again. He said that Blue Cross had gone up almost 400% since the City has had it.

Councilman Benstead said that he has been covered by Blue Cross for many years, that the Blue Cross contract is negotiated by his company and the Steelworkers' Union. He said he did not know an employee with U. S. Steel who would give up Blue Cross for any other plan in the country. He did not believe the costs had risen exorbitantly.

Mr. Charles L. Robinson, Insurance Consultant retained by the City, said there have been a number of statements made and it would be almost impossible to compare each for fact as against opinion.

He said that he would place his work sheets on the table for anybody who would like proof of what he has said. The work sheets are based on the official bids submitted to the City, and the work sheets may be checked against the bids. This afternoon, Mr. Robinson said, he, Mr. Stevens and Mr. Bone spent about 1½ hours looking over the work sheets, and he demonstrated to Mr. Stevens' satisfaction that none of the allegations made by the employees' representatives, either personal or with respect to the bids, had any foundation whatever; therefore, he said, his recommendation to the Council need not be changed. He stated we have a gentleman named as an insurance expert who did not come forward, and we have a gentleman interpreting Pacific Mutual's insurance contract which is being proposed. The most interesting fact, Mr. Robinson said, was that not even the City has seen the contract yet, therefore, except for a discussion yesterday with the home office representative and Mr. Bone, nobody knows what is in the Pacific Mutual Contract that is being offered to the City. Any comparison, therefore, is not based on fact. He said also that yesterday afternoon, Pacific Mutual had asked for the removal of a number of minor restrictions so that they could use their standard form of policy. This in effect broadened the coverage of their plan although it does not increase the cost.

Mayor Isen asked what Mr. Robinson's recommendation was.

Mr. Robinson said that in one sense the employees are right in feeling that they are going to get more benefits from Blue Cross. He said, however, that as he had demonstrated to Mr. Stevens this afternoon, the projected Pacific Mutual Plan versus any one of the four Blue Cross plans, is a superior plan dollar-wise. He pointed out in connection with the $500.00 maximum surgical fee set by the Relative Value Schedule that most people will go to the hospital not more than three or four times in a lifetime. He noted Mr. Salcido's statement that Blue Cross would pay up to $5,000 for one illness, but he noted also that Mr. Salcido did not say surgery. Mr. Robinson said the philosophy seems to be that we must have the very best, but we cannot compare what is a proper plan for our City employees at their wages against, for instance, the Steelworkers' Union of which Councilman Benstead spoke. His specifications were designed, he said, taking into consideration the lowest paid as well as the highest paid employee, and it was his opinion that the Pacific Mutual Plan, or any similar plan, through the years would take care of approximately 99% of the procedures the employees will have as ably, dollar-wise, as Blue Cross. He said this type of plan would still be in effect ten to fifteen years from now whereas this is doubtful of Blue Cross.

Mr. Kelly Williams, Service Representative of Blue Cross, came forward. He felt that some points regarding Blue Cross costs should be clarified. He said that prior to the announcement of the Blue Cross rate increase last July, he understood from the Assistant City Manager that the program would be investigated and probably broadened in the annual bid opening in order to gain better coverage. He believed at this point that (1) the objective absolutely has not been attained; (2) the program now being offered to the employees is not what they want; and (3) the program offered by Pacific Mutual was not compared to the Blue Cross Program on comparable specifications, therefore it is like comparing apples to oranges. Mr. Williams said that the study dated December 31, 1959 does not properly indicate Blue Cross figures as well as some of the other items regarding the Blue Cross Program. He said that he must challenge the 400% increase figure and the statement made that this was a highly inflationary item. He said that this is not exclusively a Blue Cross problem. As for the matter of controls, Mr. Williams said they had not been asked by the Consultant if they can exact any type of controls within the group, nor had they been asked if they could offer any alternate proposals as was the Pacific Mutual. Mr. Williams said that Blue

Cross realized inflationary measures could drive them out of the market. National membership trends do not bear out this statement, since in 1954 there were less than 48,000,000 members, and as of January 1, 1960 there are over 56,000,000 members. Mr. Williams requested, before a final conclusion is made, that the Council actually study the figures presented in the comparison of December 31 due to the fact the Blue Cross cost figures were not properly represented.

Councilman Jahn, with reference to the 400% increase figure, asked Mr. Williams what the 1954 figure was.

Mr. Williams said on Page 3 of the comparison it was indicated as $1.865, whereas the actual rate was $3.62 for a single employee, male, and $5.12 for a single employee, female. He indicated that the figure under the proposed plan is $6.67 for a single male, which is not quite double.

Councilman Bradford asked if the plan offered for $3.62 was identical to the plan now being offered at $6.67. Mr. Williams said that it was.

In explaining the reasons for the two rate increases in the last two years, Mr. Williams stated that prior to this, the Blue Cross community-rated all of its groups so that the experience of this group was absorbed by all other members in Southern California. He said it was naturally a shock when confronted with a 25% increase because Blue Cross went to the plan of experience-rating each group and this group began to pay for itself. The deluxe plan which the employees want now, he said, actually incorporates that old-time community-rating system for the major medical part of this program.

Councilman Bradford said that Mr. Stevens' letter of January 14, 1960 stated that the Blue Cross plan is the better plan. He quoted from that letter Mr. Stevens' summary, page 3: "Our review indicates that either of the aforementioned two type plans would provide reasonably good protective coverage for all employees and would not be out of line with programs being offered to employees in other municipalities and private industries. We believe the Blue Cross plan is somewhat superior to the Pacific Mutual plan from the standpoint of greater coverage and the elimination of administrative responsibility on the part of the City. It should be noted, however, that cost of this plan exceeds those of the Pacific Mutual plan."

Councilman Drale said he understood when we hired a consultant that he would work with the administration of the City to see how we could improve the plan, how the City could save money, and how we could possibly give better service to the employees. He did not expect a recommendation for any particular insurance company. Councilman Drale said he would like to give the employees a cheaper policy, but if they were paying 2/3 of the policy, he thought we should accept their recommendations.

Mayor Isen remarked that with all the counter-discussion tonight, there might be some questions in the minds of some of the employees. He felt that if the Council set an amount which the City would contribute from year to year, and would let the employees work it out, the Council would have discharged its responsibilities. He felt that since the employees will be paying 2/3 of the cost of the plan, they certainly should decide what plan they want. He said he was willing to take the word of Mr. Salcido that he represented a majority of the City employees, and he suggested they hold an employees' mass meeting and take another look at the matter, listen to the arguments presented by the various companies in support of their plans, and make their decision.

Mr. Salcido agreed to this plan.

Mr. Richard DeArmitt, President of Torrance Firefighters Local No. 1138, said this is what they want, and a number of other men, representing various departments within the City, agreed. Mr. DeArmitt said they would set up the plan. He stated further that they had

discussed this plan with Mr. Bone and Mr. Robinson the other day, and when they left the meeting, the employees thought they were in agreement with them on Blue Cross. He said they asked for Blue Cross Major Medical, that they represent more than 400 members of the City, who have sent them here to get Blue Cross Major Medical. He said the employees felt the City would contribute whatever it could afford toward the plan, and the employees were willing to pay the rest.

Mr. Tom Brown, representing Pacific Mutual, said he would like to make a statement for the record. He saw no advantage in representatives of the various plans arguing their causes. He did feel, however, that many misrepresentations were made about their plan, and there was much misinformation. He said because of the vote last week, they did not engage in any activity among the employees or the Council and he asked a fair opportunity to present their plan. He said Mr. Robinson's point was a good one, that their coverage has never been fully explained to the employees.

Mayor Isen asked if he did not believe the plan he has suggested of the City making an allowance, with the suggestion to the employees that there be a fair and impartial hearing and that representatives of each plan be allowed to present their plans for a re-evaluation, was a fair one.

Mr. Brown agreed that this would be fair, and he thanked the Council for listening to him.

Mayor Isen asked Mr. Salcido if they would be willing to have a general employees' mass meeting to let the various representatives explain their plans so that we could go on from there. He assumed there would be a decision by secret ballot as to which plan the employees want.

Mr. Salcido agreed.

Mayor Isen moved that the matter be referred to the employees as a group to set up a mass meeting to hear from Blue Cross and Pacific Mutual representatives, to cast ballots on their preference and to report their findings back to the Council.

Motion seconded by Councilman Benstead, no objections, ordered carried.

Assistant City Manager Bone pointed out that Blue Cross is now being continued on a month-to-month basis, and he asked we be given an assurance that we can be carried in this manner until the matter is settled.

Mr. Salcido felt the matter would be taken care of within a week.

Mayor Isen asked Mr. Robinson to make his information available to the employees if they call upon him. Mr. Robinson said while he felt he had been discredited, he would be glad to do so if Mayor Isen requested.

Mayor Isen requested him to attend the meeting if the employees call on him, and he called this to Mr. Salcido's attention.

Councilman Bradford said he did not believe there was any intention to discredit anybody. Mayor Isen agreed, saying that it has simply been a difficult problem.

8. Councilman Drale moved that all bills properly audited be paid.

Motion seconded by Councilman Bradford, carried unanimously by roll call vote of those present. (Beasley and Blount absent.)

The meeting adjourned at 11:05 p.m.

Ruth T. Perotti
Secretary

A. H. Bartlett

A. H. Bartlett, City Clerk of the City of
Torrance, California

APPROVED:

Albert Isen

Mayor of the City of Torrance