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TORRANCE CITY COUNCIL – MAY 8, 2012

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At 12:04 a.m., Wednesday, May 9, 2012, the meeting was adjourned to Tuesday, May 15, 2012 at 5:30 p.m. for an executive session, with the regular meeting commencing at 7:00 p.m. in the Council Chamber. The 2nd City Council Budget Workshop/Hearing will be considered during the regular City Council meeting.

May 8, 2012

**MINUTES OF AN ADJOURNED REGULAR
MEETING OF THE TORRANCE CITY COUNCIL**

1. CALL TO ORDER

The Torrance City Council convened in an adjourned regular session at 5:36 p.m. on Tuesday, May 8, 2012 in the City Council Chamber at Torrance City Hall.

ROLL CALL

Present: Councilmembers Barnett, Brewer, Furey, Numark, Rhilinger, Sutherland, and Mayor Scotto.

Absent: None.

Also Present: City Manager Jackson, City Attorney Fellows, City Clerk Herbers, and other staff representatives.

*

Agenda Item 18 was considered out of order at this time.

18. EXECUTIVE SESSION

The City Council immediately recessed to closed session to confer with the City Manager and City Attorney on agenda matters listed under 18A) Conference with Legal Counsel – Existing Litigation, pursuant to California Government Code §54956.9(a).

The City Council reconvened at 7:01 p.m. with all members present. No formal action was taken on any matter considered in closed session.

2. FLAG SALUTE/INVOCATION

The flag salute was led by Councilmember Brewer.

The non-sectarian invocation was given by Councilmember Rhilinger.

3. REPORT OF CITY CLERK ON POSTING OF THE AGENDA / MOTION TO WAIVE FURTHER READING

City Clerk Herbers reported that the agenda was posted on the Public Notice Board at 3031 Torrance Boulevard on Thursday, May 3, 2012.

MOTION: Councilmember Barnett moved that after the City Clerk has read aloud the number and title to any resolution or ordinance on the meeting agenda, the further reading thereof shall be waived, reserving and guaranteeing to each Councilmember the right to demand the reading of any such resolution or ordinance in regular order. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

4. WITHDRAWN, DEFERRED OR SUPPLEMENTAL ITEMS

None.

5. COUNCIL COMMITTEE MEETINGS AND ANNOUNCEMENTS

Councilmember Brewer announced that the Citizen Development and Enrichment Committee had met earlier to discuss beautification/maintenance of the Torrance bridge.

Councilmember Brewer announced that the first budget workshop/public hearing will be held this later this evening (Agenda Item 13A) and the second budget workshop/public hearing will be held on Tuesday, May 15, at 7:00 p.m. during the regularly scheduled City Council meeting.

Councilmember Brewer announced that in conjunction with the Armed Forces Day Parade and Celebration, there will be two concerts by the United States Air Force Band of the Golden West on Friday, May 18, at 1:30 p.m. and 7:30 p.m. in the Armstrong Theatre and free tickets will be available in the theatre box office beginning May 16.

Councilmember Rhilinger recognized the recycling efforts of the used oil recycling centers operating in the city of Torrance: AutoZone #5944, Dave Carney's Hillside Auto Repair, Fast Lube, Firestone Complete Auto Care, Infiniti South Bay, Japanese Auto Center, Jiffy Lube #1725, Jiffy Lube #2219, Martin Chevrolet, Meineke Car Care Center, Mercedes Benz of South Bay, O'Reilly Autoparts #1563, O'Reilly Autoparts #1504, Penske Cadillac Hummer South Bay, Pep Boys #658, Power Ford Torrance, Scott Robinson Honda and Service Center, South Bay BMW, South Bay Lexus, Torrance Auto Repair, Torrance Toyota, Valvoline Instant Oil Change BN-0010, and Valvoline Instant Oil Change GN-0018.

Mayor Scotto announced that the sale of commemorative bricks for the Centennial Plaza has been extended to the end of the week and thanked everyone who has already purchased a brick, noting that approximately 700 have been sold.

City Clerk Herbers provided information about the upcoming statewide election on Tuesday, June 5, noting that additional information can be found online at LAVote.net or at SmartVoter.org or by contacting the City Clerk's office at 310.618.2870.

City Clerk Herbers invited staff and public to view the works of Torrance Artist Guild member Elizabeth Nohr Hestevold on display in the City Clerk's office for the month of May.

6. COMMUNITY MATTERS

6A. RESOLUTION NO. 2012-37 RE FIRE CAPTAIN MICHAEL SIMMONS

RESOLUTION NO. 2012-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING FIRE CAPTAIN MICHAEL SIMMONS AS THE RECIPIENT OF A DISTINGUISHED SERVICE AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-37. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6B. RESOLUTION NO. 2012-38 RE FIRE CAPTAIN JAMES STROCK

RESOLUTION NO. 2012-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING FIRE CAPTAIN JAMES STROCK AS THE RECIPIENT OF A DISTINGUISHED SERVICE AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-38. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6C. RESOLUTION NO. 2012-39 RE FIRE ENGINEER MICHAEL ENFIELD

RESOLUTION NO. 2012-39

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING FIRE ENGINEER MICHAEL ENFIELD AS THE RECIPIENT OF A DISTINGUISHED SERVICE AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-39. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6D. RESOLUTION NO. 2012-40 RE FIREFIGHTER/ PARAMEDIC TAD FRIEDMAN

RESOLUTION NO. 2012-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING FIREFIGHTER/ PARAMEDIC TAD FRIEDMAN AS THE RECIPIENT OF A DISTINGUISHED SERVICE AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-40. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6E. RESOLUTION NO. 2012-41 RE FIREFIGHTER/ PARAMEDIC JODY RADTKE

RESOLUTION NO. 2012-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING FIREFIGHTER/PARAMEDIC JODY RADTKE AS THE RECIPIENT OF A DISTINGUISHED SERVICE AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-41. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6F. RESOLUTION NO. 2012-42 RE POLICE DETECTIVE JAMES W. WALLACE

RESOLUTION NO. 2012-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND COMMENDING POLICE DETECTIVE JAMES W. WALLACE AS THE RECIPIENT OF A SUSTAINED SUPERIORITY AWARD

MOTION: Councilmember Brewer moved to adopt Resolution No. 2012-42. The motion was seconded by Councilmember Sutherland and passed by unanimous vote.

To be presented at a later date.

6G. PROCLAMATION HONORING RON LITTLEFAIR

Mayor Scotto presented a proclamation honoring **Ron Littlefair** for his outstanding contributions and dedicated service to the youth of the community to Tom Tobin, executive director of AYSO, on behalf of the Littlefair family. Mr. Tobin reported that Ron Littlefair will be inducted into the AYSO National Hall of Fame in Seattle on May 26.

6H. PROCLAMATION RE “OLDER AMERICANS MONTH”

Mayor Scotto presented a proclamation declaring the month of May as **Older Americans Month** in the City of Torrance to Leilani Kimmel-Dagostino, Commission on Aging Chairperson.

6I. RECOGNITION OF 2012 OLDER AMERICANS AWARD RECIPIENTS

Mayor Scotto presented plaques to 2012 Older Americans Award Recipients Edith Stieglitz, Marcy Taguchi, and Hope Witkowsky and briefly highlighted their history of community service.

6J. PROCLAMATION RE “FIRE SERVICE DAY”

Mayor Scotto presented a proclamation declaring Saturday, May 12, as **Fire Service Day** in the City of Torrance to Laura Bednar, Public Education Officer.

Officer Bednar announced that there will be an Open House at all Torrance Fire Stations on Saturday, May 12, and invited the public to attend.

6K. PROCLAMATION RE “LETTER CARRIER FOOD DRIVE DAY”

Mayor Scotto presented a proclamation declaring Saturday, May 12, as **Letter Carrier Food Drive Day** in the City of Torrance to Political Liaison Raul Wysinger; Branch President Steve Ybarra; and Customer Service Manager Willie Hawkins.

Residents were encouraged to leave non-perishable food items near their mailbox for pick-up by their letter carrier on Saturday, May 12, or to drop them off at the main post office at Monterey and Crenshaw.

7. ORAL COMMUNICATIONS #1

7A. Karen Lent and Marilyn Rubin, Riviera Garden Club, announced that the club will be offering a tour of historical homes in the Riviera area on June 1 and 2 in honor of the City’s centennial and tickets are available online at www.rivieragardenclub.org.

7B. Vanessa Barragan, Torrance Rose Float Association, announced that a “Restaurant for Roses” fundraiser will be held on May 10 at Shakey’s Pizza Parlor on Torrance Blvd. with additional information available online at www.torrancerosefloat.com.

7C. Arthur Plourde, Torrance, announced that there will be a town hall meeting with State Assembly candidate Craig Huey in the Katy Geissert Civic Center Library meeting room on Monday, May 21, from 6:30 – 8:30 p.m.

7D. Mark Stephenson, Torrance, expressed concerns about findings in a City of Torrance CalPERS field audit dated August 11, 2011.

7E. Charles Deemer, Torrance, offered suggestions regarding the proposed design of the Torrance Transit Park and Ride Regional Terminal.

7F. David Jong, Torrance, expressed concerns about cuts to Torrance Unified School District personnel.

8. CONSENT CALENDAR

8A. APPROVAL OF MINUTES

Recommendation

Recommendation of the City Clerk that City Council approve the City Council minutes of March 27, April 3, and April 10, 2012.

8B. PURCHASE ORDER RE AERIAL LADDER TRUCK

Recommendation

Recommendation of the Fire Chief and the General Services Director that City Council:

- 1) Authorize a purchase order to Pierce Manufacturing Inc. of Appleton, WI to furnish one Pierce 105' Tractor Drawn Aerial with an Arrow XT Tractor in the amount of \$830,143.22 as a cooperative purchase with the City of Santa Cruz (included in the cost are also: performance bond, 90% prepayment discount, sales tax, and trade-in allowance for the old ladder truck); and
- 2) Appropriate \$830,143.22 from the Fire Apparatus Replacement Fund.

8C. AGREEMENT RE DOWNTOWN TORRANCE PEDESTRIAN IMPROVEMENT PROJECT

Recommendation

Recommendation of the Community Development Director that City Council award a consulting services agreement to John M. Cruikshank Consultants, Inc. in the amount of \$114,775 following the review process for submittals received through a Request for Proposal for the design of the Downtown Torrance Pedestrian Improvement Project (RFP B2011-06).

MOTION: Councilmember Furey moved for the approval of Consent Calendar Items 8A through 8C. The motion was seconded by Councilmember Brewer and passed by unanimous vote.

12. ADMINISTRATIVE MATTERS

12A. APPROVAL OF INSCRIPTION ON TIME CAPSULE

Recommendation

Recommendation of City Manager that City Council approve the inscription on the monument cover of the Torrance Centennial Time Capsule which will be dedicated at the Torrance Centennial Plaza at El Prado Park.

Management Associate Jones reported that as requested at the May 1 City Council meeting, staff has supplied renderings of the monument cover of the Torrance Centennial Time Capsule. She noted that the Council agreed at that time to use the City's official seal on the cover and the words "Torrance Centennial Time Capsule," but there was some debate regarding the rest of the wording therefore staff has provided three options as shown in the renderings.

MOTION: Councilmember Rhilinger moved to approve Option No. 2 ("Dedicated September 16, 2012 – Reopen During Bicentennial in 2112"). The motion was seconded by Councilmember Furey and passed as reflected in the following vote:

- AYES: Councilmembers Barnett, Furey, Rhilinger and Mayor Scotto
NOES: Councilmembers Brewer, Numark and Sutherland

12B. ORDINANCE CONSOLIDATING CABLE TELEVISION ADVISORY BOARD AND CULTURAL ARTS COMMISSION

Recommendation

Recommendation of City Manager that City Council:

- 1) Disband the Cable Television Advisory Board;
- 2) Rename the Cultural Arts Commission to Cultural Arts and Communications Commission;
- 3) Add the current powers and duties of the Cable Television Advisory Board to those of the Cultural Arts and Communications Commission;
- 4) Appoint current members of the Cable Television Advisory Board to the Cultural Arts and Communications Commission and allow for an increased membership until future vacancies reduce the commission to the statutory seven members;
- 5) Adopt an Ordinance to repeal Article 17 of Chapter 3 of Division 1 and to amend Article 15 of Chapter 3 of Division 1 of the Torrance Municipal Code to add the duties of the Cable Television Advisory Board to those of the renamed Cultural Arts and Communications Commission and to allow for the temporary increase in membership; and
- 6) Consolidate the budgets for the two existing commissions into the Cultural Arts and Communications Commission.

Assistant to the City Manager Chaparyan reviewed the staff recommendation, noting that the consolidation would have no impact on cable television programming.

In response to questions from the Council, Michael Smith, Cable and Community Relations Manager, indicated that he supports the proposed consolidation and reported that both he and a representative of the Community Services Department will attend meetings of the consolidated commission.

Rick Marshall, Torrance, expressed concerns that the proposed consolidation would cause local cable programming to suffer and lessen public participation. He suggested reducing the number of meetings if there are not enough issues to merit a monthly meeting.

James Ozenne, Cable Television Advisory Board (CTAB), reported that he applied for a position on the board to become more involved in the community but has become frustrated because there seems to be so little to do.

Charles Deemer, Torrance, questioned why the Cultural Arts Commission was selected for the consolidation as opposed to the Parks and Recreation Commission or the Library Commission.

Mayor Scotto explained that the purpose of the consolidation was to provide more meaningful work for the commissions involved since it has become difficult to attract volunteers to serve on them. He noted that there is some overlap with these commissions since both deal with cultural arts.

Councilmember Furey expressed reservations about merging the commissions because there was great public outcry when the issue of consolidating commissions was discussed a little more than a year ago due to opportunity if provides for citizen involvement.

Councilmember Brewer agreed that commissions can be an “incubator” for those who wish to become more involved, but noted that there have not been enough applicants to fill vacancies on the Cable Television Advisory Board for some time.

Mayor Scotto acknowledged the importance of citizen participation, but related his understanding that several commissioners have resigned from CTAB because there is little for them to do.

City Clerk Herbers reported that there are currently four vacancies on CTAB and one seat has been vacant for almost two years. She noted that a Commissioner Certification training class is scheduled for tomorrow evening and 43 people have signed up, including 15 new people who have never taken the training. She requested that the Council defer the filling of vacancies on commissions from May 22 to June 12 due to noticing issues.

Councilmember Sutherland voiced his opinion that these commissions need to be merged for the benefit of those who serve on them since as Mr. Ozenne mentioned it’s frustrating to be on a commission that has so little to do. He noted that the Community Services Commission was merged with the Parks and Recreation Commission for the same reason.

Councilmember Numark suggested amending the proposed Resolution to expand the duties of the merged commission to include other forms of communications since the City now uses various media to communicate with residents.

Lynn Brennan, CTAB, voiced objections to the proposed consolidation, stating that CTAB is unique and deserves to have a commission of its own. She reported that there are people who are interested in applying for a seat on CTAB after they complete the Commissioner Certification training tomorrow evening.

Arthur Plourde, Torrance, urged the City to investigate why CTAB was originally formed in order to determine if its mission has been accomplished or needs to be refocused.

Mayor Scotto recommended deferring this item until after commission appointments are made in June.

MOTION: Councilmember Barnett moved to defer consideration of this item until after commission appointments are made at the June 12, 2012 City Council meeting. The motion was seconded by Councilmember Brewer and passed by unanimous vote.

The City Council briefly recessed from 8:40 p.m. to 8:57 p.m.

12C. AUTHORIZATION OF NEGOTIATIONS FOR WORKFORCE HOUSING DEVELOPMENT AT 1640 CABRILLO AVENUE

Recommendation

Recommendation of the Community Development Director that City Council authorize staff to enter into an exclusive negotiation period with Meta Housing Corporation for the development of mixed-use workforce housing at 1640 Cabrillo Avenue.

Councilmember Rhilinger stated that due to a conflict of interest she would recuse herself from consideration of this item and exited the Council Chamber.

Planning Associate Martos reported that an RFP (Request for Proposal) was originally circulated for a mixed-use workforce housing project at 1640 Cabrillo Avenue in November 2010; that staff reviewed the proposals and submitted a recommendation to the Council in May 2011; and that staff was directed to contract with an outside consultant to do a financial analysis of the two highest rated firms, Meta Housing Corporation and Related Companies/Mar Ventures. She explained that during the review process the State passed legislation that dissolved Redevelopment Agencies so the City was no longer able to provide any subsidies for the project and the two firms involved subsequently submitted revised proposals with alternative funding. She stated that the City's consultant Keyser Marston and Associates (KMA) analyzed the proposals and determined that both firms are equally qualified to develop the project without any further subsidies from the City so staff was recommending that the City move forward with negotiations with Meta Housing Corporation.

Mayor Scotto expressed concerns that the State legislation that dissolved Redevelopment Agencies might interfere with the City's ability to move forward with this project.

City Attorney Fellows advised that staff was recommending that the City begin the negotiation process and neither the City nor the developer would be under any obligation to proceed at this point.

Responding to questions from the Council, Planning Associate Martos explained that the City would not be providing any financial assistance for the construction of the project and any gaps in funding would be the responsibility of the developer. She briefly reviewed the selection process that resulted in staff's recommendation to use Meta for the project.

Julie Romey, Keyser, Marston and Associates, provided a summary of her financial analysis of the projects proposed by Meta and Related Companies/Mar Ventures, noting that while both projects have a gap in funding of approximately \$1 million, it is likely that they will qualify for other sources of funding to close this gap. She expressed confidence that both firms had the experience and financial capacity to develop the site with the land provided by the City.

Noting that there have been problems with vacant retail space in the downtown area, Mayor Scotto questioned whether the retail component could be downsized or eliminated should the developer propose this during the negotiation process.

City Manager Jackson explained that the RFP specified a mixed-use development therefore the retail component cannot be eliminated, but there is some flexibility with regard to the size of the retail space.

Aaron Mandel, Meta Housing Corporation, stated that he does not anticipate any major changes to the proposal during the negotiation process and believes his company can make this a very successful project, which will be an asset to the community.

Allan Mackenzie, Related Companies/Mar Ventures, explained that the financial proposals were not standardized when the selection process took place last year; that Meta proposed 45 units while Related proposed 39 units in accordance with the RFP that specified 30-40 units; and that this resulted in Meta's proposal showing a lower cost per unit. He expressed concerns that this may have factored into staff's decision to recommend Meta for the project since Related scored the highest when the proposals were rated by the five-member selection committee. He noted that the company has developed property in downtown Torrance in the past and owns the El Prado Apartments.

Responding to questions from the Council, Community Development Director Gibson discussed the selection process, acknowledging that there was some subjectivity involved.

Councilmember Sutherland stated that since both firms are well qualified to develop this property, he was inclined to go along with staff's recommendation and rely on their professional judgment since they have more thoroughly reviewed the proposals.

Mayor Scotto pointed out that while Related Companies/Mar Ventures scored the highest as ranked by the five raters with a total score of 80.3 and Meta scored second with a total of 78.7, by eliminating the highest and the lowest scores, which is common practice because it prevents scores from being skewed by one rater, the ranking would be reversed.

Mayor Scotto invited public comment.

Arthur Plourde, Torrance, requested clarification regarding the amount of City funds to be used for this project and the source of this funding. He expressed concerns that the project has not been well-defined. He asked if the two firms have had experience in the City of Torrance.

Community Development Director Gibson advised that the only City funding was for the purchase of the property and it was paid for with Redevelopment Agency Low-Moderate Housing Set-Aside funds that can be used only for this purpose. He stated that the RFP was very specific in outlining the criteria for the development, however responses to RFPs for land use projects can vary considerably due to the nature of these projects. He reported that Related Companies/Mar Ventures has developed a project in the downtown area in the past and while Meta has not had a project in Torrance, it has extensive experience in L.A. County.

Planning Associate Martos noted that the property was purchased for \$2.6 million and is currently valued at \$2.2 million.

Charles Deemer, Torrance, requested clarification regarding the negotiation period.

Community Development Director Gibson stated that staff hopes to return with a recommendation to the Council within 60 days.

Jim McGee, Torrance, expressed concerns that the retail space in this project could remain vacant and about the waste of taxpayer funds.

Mayor Scotto indicated that he shared Mr. McGee's concern about the retail space and was recommending that it be minimized as much as possible.

Councilmember Brewer expressed support for the staff recommendation, stating that he was convinced that Meta has the experience to make this project work.

MOTION: Councilmember Brewer moved to concur with the staff recommendation. The motion was seconded by Councilmember Sutherland and passed by unanimous vote (absent Councilmember Rhilinger).

Councilmember Rhilinger returned to the dais.

The City Council briefly recessed from 9:55 p.m. to 10:07 p.m.

12D. APPROPRIATION OF PROP 84 GRANT FOR STORMWATER BASIN ENHANCEMENT PROJECT

Recommendation

Recommendation of the Public Works Director that City Council appropriate \$3,337,500 from the Sewer Enterprise Fund for the Prop 84 grant awarded by the State Water Resources Control Board and \$587,390 from the un-appropriated Capital Project Fund Balance for the remaining City matching funds for the Stormwater Basin Enhancement Project, CIP. No. I-102.

Engineering Manager Dettle reported that the Prop 84 grant is a reimbursement grant which requires the City to pay for the project up front and be reimbursed and confirmed that funding is available in the Sewer Enterprise Fund.

Public Works Director Beste provided an overview of the Stormwater Basin Enhancement Project and noted that the \$3,337,500 Prop 84 grant from the Santa Monica Bay Restoration Commission was the largest ever awarded.

Arthur Plourde, Torrance, expressed concerns about the State's ability to reimburse the City once these funds have been spent.

Mayor Scotto expressed confidence that the City will be reimbursed.

MOTION: Councilmember Barnett moved to concur with the staff recommendation. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

13. HEARINGS

13A. FIRST PUBLIC HEARING/ BUDGET WORKSHOP ON PROPOSED REVISIONS TO SECOND YEAR OF 2011-2013 OPERATING BUDGET

Recommendation

Recommendation of the Finance Director that City Council open the first public hearing and budget workshop regarding proposed revisions to the 2nd year of the City of Torrance two-year 2011-2013 operating budget and hold the second public hearing on May 15, 2012.

Mayor Scotto announced that this was the time and place for a public hearing on this matter. City Clerk Herbers confirmed that the hearing was properly advertised.

With the aid of slides, Finance Director Tsao provided an overview of the economic outlook; discussed budgetary concerns involving the State of California; and highlighted savings achieved by the City in 2011-2012 due to restructuring, operational efficiencies and changes to business practices. He reviewed the recommended enhancements to the City of Torrance 2012-2013 operating budget along with the City Manager's recommendation for offsetting the increase in expenditures. He noted that the proposed budget is balanced and reflects the City's policies and goals.

Mayor Scotto commented on economy and the various factors that have led to great uncertainty, noting that there are indications that the country could be plunging into

another recession, but there is also the potential that there could be a significant reduction in the cost of gasoline, which could stimulate consumer spending and lead to job creation.

City Manager Jackson advised that the City has been very cautious in filling vacant positions and this strategy will continue until there is a clearer picture of where the economy is headed.

Responding to questions from the Council, Finance Director Tsao clarified that staff was recommending that \$47,000 of Cable funds be used to offset expenditure increases and this would be achieved by eliminating cable coverage of community events, such as Torrance Symphony concerts, El Camino College sports, election forums, etc.

Cable and Community Relations Manager Smith advised that the reduction in Cable funds would not allow for coverage of community events because there would be only one full-time staff person who must remain at the facility.

Councilmember Sutherland stated that he would not support the use of Cable funds for anything other than Cable, voicing his opinion that taxes collected for a specific purpose should not be used to finance general government operations.

Mayor Scotto invited public comment.

Leilani Kimmel-Dagostino, Commission on Aging, requested that the City revisit the price of senior excursions because cost increases have led to a 40-60% drop in participation. She related her experience that the program offers a rare opportunity for low-income seniors who no longer drive to socialize.

Arthur Plourde, Torrance, expressed concerns about the high percentage of City employees who were paid over \$100,000 in wages during calendar year 2010, citing figures from the California Controller's government compensation website. He recommended that the number of key leaders in the Police and Fire Departments be reduced from 1 key leader for every 4 officers to 1 key leader for every 8 officers and to reduce longevity payments by 50%. He called for the City to immediately eliminate all employer paid member contributions to CalPERS thereby saving \$8 million per year. He proposed outsourcing all refuse collection services and park maintenance services to save money. He emphasized the need for fiscal prudence due to the precarious state of the economy.

Rick Marshall, Torrance, requested clarification regarding restricted and non-restricted Cable funds.

Cable and Community Relations Manager Smith reported that there are two sources of funding derived from cable television: franchise fees, which are non-restricted, and PEG fees, which are restricted and may be used only for capital expenditures related to Public, Educational and Government Access. He noted that while franchise fees are non-restricted, it has been the City's practice to use them for cable-related activities.

In response to Councilmember Numark's inquiry, City Attorney Fellows advised that outside legal counsel specializing in telecommunications has confirmed that PEG fees may be used for PEG-related capital projects only.

John Bailey, Torrance, expressed concerns that the City continues to pay for the employee's portion of contributions to CalPERS, which is ultimately paid by Torrance residents through various taxes and fees. He reported that while the average Social Security recipient receives \$14,000 per year, 76 City of Torrance retirees collected over

\$100,000 in 2010 and the number is increasing every year. He contended that pension costs are an unsustainable drain on Torrance taxpayers and called for executive and management staff to set an example by voluntarily paying their portion of contributions to the CalPERS retirement fund.

Charles Deemer, Torrance, requested information regarding the projected cost savings of switching from gasoline/diesel-fueled to CNG-fueled vehicles.

Mark Stephenson, Torrance, expressed concerns about pension costs for safety employees, explaining that according to a report from CalPERS actuaries they have benefited from above-average across-the-board increases in compensation over the past decade.

Mayor Scotto noted that Torrance has been very proactive and was one of the first cities to establish a two-tier system whereby new employees are responsible for their portion of CalPERS contributions. He stated that he was not in favor of changing the rules for existing employees because it would be unfair to violate the terms of their contracts.

At Mayor Scotto's request, Police Chief Neu and Fire Chief Racowski reported on the significant reduction in command staff during the last few budget cycles.

Mr. Stephenson stated that according to his analysis of State Controller data, Torrance Police officers are being paid approximately \$12,000 more per year than those in comparable cities. He requested that staff provide information on entry-level salaries in comparable cities.

Jim McGee, Torrance, urged the City to reduce costs by reducing salaries.

Mayor Scotto advised that miscellaneous employees (non-safety) have not received a pay increase since 2008.

Newt Young, Torrance, voiced objections to the City's paying of the employee's portion of CalPERS contributions and expressed concerns that employee benefits have increased while City services have suffered.

MOTION: Councilmember Barnett moved to close the 1st public hearing/workshop on revisions to the 2nd year of the 2011-2013 operating budget. The motion was seconded by Councilmember Rhilinger and passed by unanimous vote.

Councilmember Numark suggested using one-time funds for the proposed performance-based contract for the marketing of Community Services classes/Cultural Arts Center facilities and restoring some of the funding for part-time Cable staff since the \$25,000 cost of the contract should be offset by increases in revenue.

Mayor Scotto recalled that past efforts to market Cultural Arts Center facilities were unsuccessful in increasing revenues and suggested that the \$25,000 would be better spent in reducing the cost of classes.

Councilmember Barnett indicated that he was willing to try spending \$25,000 on marketing efforts, but suspected that declining enrollment was due to increases in the cost of classes. He requested information from Community Services on the impact of increased fees for classes and facility rentals.

Mayor Scotto requested information detailing Madrona Marsh Nature Center and Preserve expenses, since the City is subsidizing it at an annual expense of approximately \$700,000. He also requested information regarding the level of subsidies for Community Services classes and programs.

17. ORAL COMMUNICATIONS #2

17A. Councilmember Numark requested information regarding airport noise violations/complaints and the performance of the new web-track system.

17B. Councilmember Numark announced that the Torrance Symphony will be holding a fundraiser at the Armstrong Theatre on Saturday, May 19, at 8:00 p.m. featuring the Palos Verdes Symphonic Band.

17C. Councilmember Sutherland wished all mothers a happy Mother's Day.

17D. Councilmember Brewer reminded residents of the Armed Forces Day Parade and Celebration next weekend.

17E. Councilmember Furey stated that he was very proud to be a councilmember in the City of Torrance because it is still one of the safest communities in the South Bay and for the fourth consecutive year it has been able to maintain a balanced budget without laying off or furloughing any employees or diminishing services provided to the community.

18. EXECUTIVE SESSION

Considered earlier in the meeting, see page 1.

19. ADJOURNMENT

At 12:04 a.m., Wednesday, May 9, 2012, the meeting was adjourned to Tuesday, May 15, 2012 at 5:30 p.m. for an executive session, with the regular meeting commencing at 7:00 p.m. in the Council Chamber. The second City Council Budget Workshop/ Public Hearing will be considered during the regular City Council meeting.

Attest:

/s/ Frank Scotto

Mayor of the City of Torrance

/s/ Sue Herbers

Sue Herbers, CMC
City Clerk of the City of Torrance

Approved on June 19, 2012