



**CITY OF BEVERLY HILLS  
JOINT MEETING OF THE CITY COUNCIL AND PARKING AUTHORITY  
MINUTES  
January 5, 2016**

The Joint City Council and Parking Authority meeting was held in the Council Chambers at 7:00 pm.

***PLEDGE OF ALLEGIANCE*** led by Dr. Woodrow W. Clark II

Mayor Gold announced that Councilmember Brien is participating in tonight's meeting via teleconference and therefore, the telephone call-in feature will not be available.

**A. ROLL CALLS**

Present: Krasne, Bosse, Brien, Mirisch, and Gold

Absent: None

**B. PRESENTATIONS**

1. STEP-UP RECOGNITION – Bruce Horowitz, Beverly Hills Basketball League Founder

Mayor Gold, along with the three Councilmembers present, presented a certificate to Bruce Horowitz, Beverly Hills Basketball League Founder as the Step-Up Award recipient for this evening's meeting. Mayor Gold thanked Recreation Services Manager Teri Angel for recommending Mr. Horowitz for the recognition.

2. e-City AWARD – Google

Chief Information Officer David Schirmer, along with Beverly Hills Chamber of Commerce Chief Executive Officer Todd Johnson, announced that Google has chosen Beverly Hills as the recipient of its 2015 Google eCity Award. Mr. Schirmer noted that this award is given to one city in each state, recognizing cities (and its businesses) that most effectively use information technology and social media to reach their customers.

3. TEXT BH –Text messages on any City-related topic may be sent to 310-596-4265. City staff will acknowledge receipt of the text message within one business day, however, resolution of issues may take longer.

Councilmember Bosse announced that text messages on any City-related topic may be sent to (310) 596-4265.

**C. ORAL COMMUNICATIONS**

1. TELEPHONE CALL-IN (310.285.1020) (Members of the public are invited to place telephone calls to comment on issues that do not appear on the evening's agenda. The City Council/Parking Authority will take up to three telephone calls per meeting. Comments on the evening's agenda must be made in person as the item comes before the City Council/Parking Authority.)

None

2. AUDIENCE COMMENTS. Any person wishing to address the City Council/Parking Authority on any matter not on the agenda may do so at this time. However, the State open meetings law (Government Code Section 54950 et seq.) prohibits the City Council/Parking Authority from providing a detailed response or acting upon any item not contained on the agenda posted 72 hours before a regular meeting and 24 hours before a special meeting. If you wish to address the City Council/Parking Authority at this time, please complete a speaker's card and give it to the City Clerk prior to the commencement of the meeting. Please use the microphone provided, clearly stating your name for the official record and courteously limiting your remarks to three (3) minutes so others may have the opportunity to speak as well.

Speaking:

1. Alex Kay
2. Deanna Baron, Neighbors Helping Neighbors Blood Drive
3. Arthur Rosenbloom

3. REPORT FROM THE CITY MANAGER

None

4. CITY COUNCILMEMBER AND COMMITTEE REPORTS

None

**D. PARKING AUTHORITY CONSENT CALENDAR**

**FISCAL IMPACT REPORT**

MOVED by Director Bosse, seconded by Director Krasne to approve all items on the Parking Authority consent calendar by reference

**Minutes**

1. CONSIDERATION OF THE MINUTES of the Parking Authority meeting of October 20, 2015.

**Other Business**

**APPROVAL OF:**

2. FOURTH AMENDMENT TO LEASE BY AND BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS AND RESTAURANT BUSINESS STRATEGIES, LLC. DBA SWEET BEVERLY AT 240 N. BEVERLY DRIVE – THE GARDENS BUILDING. Comment: This amendment expands the "Permitted Use" to allow the retail space – Sweet Beverly – to be used as a café serving food, sweets, drinks, and any related or complimentary items. The use is subject to full compliance with all laws, ordinances, rules and regulations. There is no financial impact associated with this change.

**ITEM D-2: APPROVED; AG# PA-16-57**

3. AUTHORIZATION OF CONSENT TO SUBLEASE BY AND BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS, THE ART OF SHAVING - CA, LLC, AND PINES VINTAGE INC. DBA WHAT GOES AROUND COMES AROUND FOR RETAIL SPACE AT 9520 BRIGHTON WAY Comment: This would authorize the Executive Director to execute a Consent to Sublease agreement for SoHo clothing boutique, What Goes Around Comes Around, to replace The Art of Shaving in retail space at the Rodeo/Brighton garage.

**ITEM D-3: APPROVED**

**Vote on the Parking Authority Consent Calendar:**

Ayes: Director Krasne, Director Bosse, Director Brien, Director Mirisch, and Chair Gold.  
Noes: None.

CARRIED

**E. CITY COUNCIL CONSENT CALENDAR**

**FISCAL IMPACT REPORT**

MOVED by Councilmember Bosse, seconded by Councilmember Krasne to remove Item E-4 for discussion and separate vote, approve the remaining items on the City Council consent calendar by reference, and direct that the appropriate accounts be charged on Items D-1 and D-2

**Minutes**

None

**Demands Paid**

1. REVIEW OF BUDGETED DEMANDS PAID, report dated December 5 – 25, 2015.
2. PAYROLL DISBURSEMENT REPORT, report dated January 5, 2016.

**Other Business**

**ORDINANCE OF THE CITY OF BEVERLY HILLS:**

3. AMENDING THE CITY'S PROCEDURES CONCERNING THE ECONOMIC ANALYSIS OF THE FINAL PROPOSED MEMORANDUM OF UNDERSTANDING. Second Reading - For Adoption. Comment: This ordinance amends the City's municipal code regarding labor negotiations to clarify that, at the conclusion of the negotiations process, an independent economic analysis may be prepared analyzing the costs of the final proposed memorandum of understanding.

**ITEM E-3: ADOPTED; ORD# 16-O-2698**

**RESOLUTION:**

None

**APPROVAL OF:**

4. AGREEMENT WITH RINCON CONSULTANTS, INC. FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE 9908 SOUTH SANTA MONICA BOULEVARD CONDOMINIUM PROJECT. Comment: The City has received a request to create a Residential Overlay Zone to allow a proposed multi-family residential condominium project at 9908 South Santa Monica Boulevard. This agreement is for the preparation of environmental documentation associated with the request. The full cost of the environmental documentation will be borne by the project applicant.

City Manager Mahdi Aluzri and Interim City Attorney David Snow responded to Council questions. Vice Mayor Mirisch suggested that the Council wait until the legislative decision has been made before considering the item because the zoning is not code compliant and there are significant negative impacts to having condominiums in the City. Councilmember Bosse inquired regarding the process typically followed in the past for cases similar to this item.

Speaking:

1. Tom Levyn
2. Thomas White
3. Chuck Aronberg

Council majority supported the preparation of the environmental impact report in order to get more information, but not supporting the project.

MOVED by Councilmember Bosse, seconded by Councilmember Krasne to approve Item E-4 as follows:

AGREEMENT WITH RINCON CONSULTANTS, INC. FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE 9908 SOUTH SANTA MONICA BOULEVARD CONDOMINIUM PROJECT

Ayes: Councilmember Krasne, Councilmember Bosse, Councilmember Brien, and Mayor Gold.

Noes: Vice Mayor Mirisch.

CARRIED

***ITEM E-4: APPROVED; AG# 01-16***

5. AMENDMENT NO. 2 TO THE AGREEMENT WITH REDBRICK CORP. DBA DESIGN PRINTING FOR PROFESSIONAL PRINTING AND MAILING SERVICES. Comment: This amendment allows Redbrick Corp. DBA Design Printing to continue providing printing and mailing services to the City for postcard and newsletter services. The amendment requests an additional \$30,000 for a not-to-exceed amount of \$70,000.

***ITEM E-5: APPROVED; AG# 02-16***

6. AMENDMENT NO. 2 TO AN AGREEMENT WITH HAZEN AND SAWYER TO PROVIDE THE CITY OF BEVERLY HILLS WITH WATER TREATMENT OPERATIONS SYSTEMS AND PROCESSES CONSULTING SERVICES; APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$78,963 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$348,963; AND APPROVAL OF AN APPROPRIATION OF \$78,963 FROM THE WATER ENTERPRISE FUND. Comment: This is an agreement between the City and Hazen and Sawyer to complete two plans required by the State of California: the Water Quality Assessment and Monitoring Plan and an Emergency Response Plan for the City's water treatment and distribution system.

***ITEM E-6: APPROVED; AG# 03-16***

***Vote on the City Council Consent Calendar:***

Ayes: Councilmember Krasne, Councilmember Bosse, Councilmember Brien, Vice Mayor Mirisch, and Mayor Gold.

Noes: None.

CARRIED

**F. PUBLIC HEARING**

**TO SET:**

None

**TO CONSIDER:**

This being the time and place set, a public hearing was held to consider:

1. A. AN ORDINANCE OF THE CITY OF BEVERLY HILLS TO MODIFY RATES AND CHARGES FOR WATER SERVICES AND FACILITIES FURNISHED BY THE CITY. First Reading – For Introduction. Comment: This is a public hearing regarding the City's proposed modification to the water rates in FY 15/16 in order to cover operational expenses and to continue to provide a high quality and reliable water supply.

B. RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS MODIFYING THE PENALTY SURCHARGE FOR WATER USAGE CONTRARY TO THE PROVISIONS OF THE STAGE D WATER CONSERVATION MEASURES. Comment: This resolution would supersede the multipliers outlined in Resolution No. 15-R-13045 related to the penalty surcharge process.

The notice of the hearing was published as required by law and an affidavit to this effect is on file with the City Clerk.

The report of the Assistant Director of Public Works Services/Infrastructure and Field Operations and the record of the Public Works Services Department in this matter are made a part of the record of this hearing.

Assistant Director of Public Works Services/Infrastructure & Field Operations Trish Rhay provided background information and discussed the current risks and impacts such as revenue loss and increased costs, rate-setting principles, rate-setting methodology followed, water use patterns, and cost allocation. John Farnkopf from HF&H Consultants, LLC presented a sample bill and discussed water charges, cost of service analysis, current and proposed rate structure and bill impacts for single family, multi-family, and commercial classes, and service (meter) charges. Ms. Rhay resumed the discussion on the cost per gallon, and next steps. She noted some revisions to the ordinance and spoke about revisiting the penalty surcharges if Council approves the item.

Speaking:

1. Lauren Meister
2. Tom Brophy, Tom Brophy Hair, Inc.
3. Vera Markowitz
4. Bonnie Ellen Kulick, 339 North Palm Drive HOA
5. Mark Egerman
6. Joe Safier

7. Saul Leonard and Bill Perez, Four Seasons North HOA
8. Gene Moshkovich
10. Michael Dubelko
11. Mitchell Vieyra, BOMA Greater Los Angeles
12. Robert S. Anderson
13. Uri Nemet
14. Doreen Galchutt, Douglas Emmett Management
15. Terence Moll
16. Richard Benjamin
17. Paul Selwyn
18. Dr. Lynn Brody
19. Susan Rifkin, 9595 Wilshire Building

There were no further members of the audience who wished to comment. Mayor Gold closed the public hearing.

In response to comments made on the water quality, City Manager Mahdi Aluzri explained that because of the constraints that have been imposed on the California Delta water, the Metropolitan Water District has been importing water from the Colorado River, which is "harder" water than the typical water coming from the California Delta.

Ms. Rhay, Chief Financial Officer/Director of Administrative Services Don Rhoads and Interim City Attorney David Snow answered Council questions.

Councilmember Krasne proposed delaying putting the ordinance forward until the City has looked into a sunset clause and single metering condo units. She also suggested looking into the shallow ground water alternative.

Councilmember Bosse asked staff to address the comments from the public and her questions regarding the 25% water rate increase and penalty rate in West Hollywood, guidelines for businesses that consume a lot of water such as hair salons, drought and penalty surcharge, sunset clause, fixed costs, fiscal impact, other options available to the City, cost of service affecting City's credit rating, sunset provision, regulating water use in condominiums vs. apartments, and noticing.

Councilmember Brien explained that there are three separate issues involved: conservation, penalty surcharge, and new rate structure, which are not connected. He asked staff what the actual financial/cost impact to the water enterprise fund would be if the bond rating is lower. He stated that the City does not have a water rate structure that can support the water enterprise fund, and the absence of a funding source will add to the financial shortfall.

Vice Mayor Mirisch commented that the City needs to address the imbalance happening right now wherein salaries, benefits and more staff are being automatically increased but having no qualms about increasing fees, taxes and rates. He emphasized that the City needs to rethink and exercise fiscal restraint in spending tax dollars, and implement a systemic reform.

Mayor Gold asked staff what the percentage of fixed cost is as well as labor for every gallon of water. He explained to the community that the cost of water deficit has in the past been subsidized from the general fund and reserves. He agreed with Councilmember Brien that if there is no source of funding, the deficit will continue to grow. He suggested looking at the plan in its entirety and deciding which items to cut back in order to save money and channel into the deficit.

There were no further questions or comments from Councilmembers.

With the concurrence of the Council, Mayor Gold continued the item to a future Council meeting.

***ITEM F-1A AND F-1B: NO ACTION TAKEN; ITEM CONTINUED TO A FUTURE COUNCIL MEETING***

**G. CONTINUED AND NEW BUSINESS**

1. REPORT ON PARCELS 12 & 13. Comment: This report provides information regarding Parcels 12 & 13 and the tree removal that occurred on November 21 and 22, 2015.

Assistant City Attorney Carol Lynch provided a PowerPoint and oral report discussing the location, history of contamination, State laws regarding ownership of trees, timeline, the maintenance agreement, photographs of trees on the parcels, photographs and work done on November 21 and 22, permits, subsequent actions, soil and air testing, mistakes made and lessons learned, recommendations, and next steps. Environmental expert from the City Attorney's Office Norm Dupont reported that the report on the City Council's packet Attachment E was reissued due to errors, and identified the corrections made. Toxicologist Dr. Ravi Arulanantham reported on the environmental conditions on the days the trees were removed, how it may have affected the area of the Farmer's Market on November 22<sup>nd</sup>, and the level of arsenic's health effects.

Speaking:

1. Marty Schwartz
2. Lauren Meister
3. Louis Lipofski
4. Thomas White, The Municipal League of Beverly Hills
5. Marilyn Gallup
6. Marcia Hobbs, The Beverly Hills Courier
7. Lionel Ephraim, Le Fanbourg St. Louis HOA
8. Robert Tanenbaum, Beverly Hills North HOA
9. Robbie Anderson
10. Steven Weinglass
11. Dr. Sandra Aronberg
12. Dr. Chuck Aronberg

Ms. Lynch, City Manager Mahdi Aluzri and Director of Community Development Susan Healy Keene responded to Council questions.

Councilmember Brien suggested that an assessment be made on the remaining trees on City property. He asked whether there was mitigation done and permit granted from the Department of Toxic Substances Control (DTSC) when the rose bushes from the property north of The Beverly Hills Courier location were removed.

Councilmember Krasne declared that she did not know about the incident and apologized to the community. She asked about the circumference of the trees and whether they were exempt from being cut.

Councilmember Bosse went over details regarding the mistakes made as presented on the report. She suggested that the owner be required to retroactively pay for a permit for the work done. She asked Mr. Aluzri to address the issue of staff accountability and consequences that can be attributed to the situation. Mr. Aluzri stated that processes will be put in place that will prevent the same mistakes from happening again and personnel issues will be addressed at a separate time.

Vice Mayor Mirisch expressed his extreme dissatisfaction with the way the project was handled and stressed that staff needs to be held accountable for the mistakes made. He suggested that the City rescind its contract with West Coast Arborists and make them pay a penalty. He also suggested that Beverly Hills Land Company replace the trees. He directed staff to invite all the parties involved to the Town Hall meeting to answer questions.

City Council agreed to retain an independent third party company to provide an unbiased assessment of the matter. Mr. Aluzri stated that he has asked the City's Engineering Department to look at the plan to replace trees as part of the Santa Monica Boulevard reconstruction project. Mayor Gold directed Mr. Aluzri to develop a plan and timeline for moving forward in terms of accountability and remediation options, and return to the City Council with the information by March. City Council encouraged residents to recommend a company to provide the assessment.

***ITEM G-1: NO ACTION TAKEN; DIRECTED STAFF TO LOOK INTO HIRING A THIRD PARTY INDEPENDENT COMPANY TO LOOK INTO THE MATTER AND DEVELOP A PLAN AND TIMELINE, AND RETURN TO CITY COUNCIL WITH INFORMATION***

#### **H. COMMISSION SYNOPSIS**

1. PUBLIC WORKS COMMISSION - Regular Meeting of December 10, 2015  
RECREATION & PARKS COMMISSION - Special Meeting of December 14, 2015  
HEALTH AND SAFETY COMMISSION - Special Meeting of December 14, 2015  
HUMAN RELATIONS COMMISSION - Regular Meeting of December 17, 2015  
FINE ART COMMISSION - Regular Meeting of December 17, 2015

***ITEM H-1: NO ACTION TAKEN***

**I. OTHER BUSINESS**

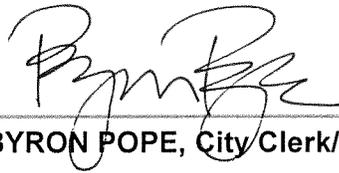
None

**J. ADJOURNMENT**

***The next City Council Meeting will be held on January 26, 2016.***

There being no further business, Mayor/Chair Gold, with the consent of the City Council/Parking Authority, adjourned the meeting at 12:55 am on Wednesday, January 6, 2016.

PASSED, Approved and Adopted  
this 26<sup>th</sup> day of January, 2016



BYRON POPE, City Clerk/Secretary

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JULIAN A. GOLD, M.D., MAYOR/CHAIR

**This meeting was broadcast on live television, on City of Beverly Hills municipal government television access Channel BHTV10 Time Warner Cable.**