

I N D E X

Torrance City Council - October 25, 1988

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	<u>23. EXECUTIVE SESSION:</u>	
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	<u>24. ADJOURNMENT:</u>	
	Adjournment was at 11:58 p.m.	24

#

Peggy Laverty
Minute Secretary

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MINUTES OF A REGULAR MEETING
OF THE TORRANCE CITY COUNCIL

OPENING CEREMONIES:

1. CALL TO ORDER:

The Torrance City Council convened in a regular meeting on Tuesday, October 25, 1988, at 7:05 p.m. in the Council Chambers at Torrance City Hall.

2. ROLL CALL:

Present: Councilmembers Applegate, Hardison, Mock, Nakano, Walker, Wirth and Mayor Geissert.

Absent: None.

Also present: City Manager Jackson, City Attorney Remelmeyer, Deputy City Clerk Hong, and Staff representatives.

* * *

It was with sadness that Mayor Geissert announced the passing of the following four individuals who made outstanding contributions to the City of Torrance during their lifetimes.

Mr. Charles (Bob) Hosler

Ms. Dorothy Urevig

Mr. Bob Pickett

Ms. Janet Raite

The Mayor directed that this meeting be adjourned in memory of these individuals

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3. FLAG SALUTE/INVOCATION:

Mr. Lamont Frederick led in the salute to the flag.

The invocation for the meeting was provided by Reverend Roger Woodard, Abundant Life Church of God.

4. APPROVAL OF MINUTES/MOTION RE FURTHER READING:

MOTION: Councilman Applegate moved to approve the minutes of the City Council meetings of September 20, 1988, and September 27, 1988, as recorded. His motion was seconded by Councilman Mock, and roll call vote was unanimously favorable [Councilwoman Hardison ABSTAINED on the September 27 minutes as she was not present during the greater part of that meeting].

NOTE: City Council minutes of September 20, 1988, Page 11, Paragraph 4: Speaker's name should correctly be shown as Mr. Dick Amemiya.

MOTION: Councilman Applegate moved that after the City Clerk has assigned a number and read title to any resolution or ordinance on the agenda for this meeting, the further reading thereof be waived, reserving and guaranteeing to each Councilmember the right to demand the reading of any such resolution or ordinance in regular order. His motion was seconded by Councilwoman Hardison, and roll call vote was unanimously favorable.

5. MOTION RE POSTING OF AGENDA:

MOTION: Councilman Applegate moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. This motion, seconded by Councilwoman Hardison, carried unanimously by roll call vote.

6. WITHDRAWN OR DEFERRED ITEMS:

None.

7. COUNCIL COMMITTEE MEETINGS:

The November 22, 1988 meeting of the Finance Committee is to be rescheduled in the near future.

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8. COMMUNITY MATTERS:

- 8a. PROCLAMATION proclaiming October 28, 1988, as "Health Fair Day."

SO PROCLAIMED by Mayor Geissert. This proclamation was accepted by Sister Nancy, representing Little Company of Mary Hospital. Mr. Lamont Frederick, representing AFSCME [Local 1117] was also present.

- 8b. PROCLAMATION proclaiming the year 1988 as "March of Dimes 50th Anniversary Year."

SO PROCLAIMED by Mayor Geissert, and accepted by Ms. Irene Segal and Ms. Raleigh Fingerman.

- 8c. RESOLUTION HONORING POLICE CHIEF DONALD E. NASH:

RESOLUTION NO. 88-272

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING AND ACKNOWLEDGING CHIEF OF POLICE, DONALD E. NASH, FOR FORTY YEARS OF DEDICATION, PROFESSIONALISM, AND CONTRIBUTIONS TO THE CITY OF TORRANCE

MOTION: Councilman Nakano moved to adopt Resolution No. 88-272. His motion was seconded by Councilman Walker, and roll call vote was unanimously favorable.

This resolution was presented by Mayor Geissert, who lauded Chief Nash's responsibility in the development of the Torrance Police Department to its present high standard, and praised his many professional accomplishments. This recognition was accepted with sincere appreciation by Chief Nash.

[See Page 19, for additional tributes to Chief Nash].

- 8d. COMMISSION APPOINTMENTS:

Following interviews of applicants who were present, the Council appointed [by way of unanimous ballots] the following individuals to fill current Commission vacancies.

CIVIL SERVICE COMMISSION

Ms. Lynn Solomita

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PARKS AND RECREATION COMMISSION

Mr. Dennis Kikuno

Mr. Kikuno was duly sworn by Deputy City Clerk Hong.
[Ms. Solomita was not in attendance at this meeting.]

9. LIBRARY/PARKS AND RECREATION MATTERS:

- 9a. AWARD OF ANNUAL CONTRACT: to furnish budgeted
Periodical Subscriptions for calendar year 1989
for the Torrance Library System.
Ref: Bid B88-53
Anticipated Expenditure: \$43,079.82.

RECOMMENDATION:

The City Librarian is recommending that Council award an annual contract to the responsible bidder, EBSCO SUBSCRIPTION SERVICES of Los Angeles, California, to provide one thousand and twelve (1012) Library periodical subscriptions for the calendar year 1989, with pricing, terms and conditions based on Bid B88-53, in the total anticipated amount of \$43,079.82.

MOTION: Councilman Nakano moved to concur with the above stated recommendation of the City Librarian. His motion, seconded by Councilman Wirth, carried unanimously by roll call vote.

14. PERSONNEL MATTERS:

- 14a. CLASS SPECIFICATION/SALARY RANGE - FLEET SERVICES SUPERVISOR:

RESOLUTION NO. 88-273

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE SETTING FORTH CERTAIN CHANGES REGARDING WAGES, HOURS, AND WORKING CONDITIONS FOR EMPLOYEES REPRESENTED BY THE TORRANCE PROFESSIONAL AND SUPERVISORY ASSOCIATION AMENDING RESOLUTION NO. 88-194

MOTION: Councilman Nakano moved to adopt Resolution No. 88-273. His motion, seconded by Councilwoman Hardison, carried unanimously by roll call vote.

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15. HEARINGS:

15a. ZC 85-2, CUP 85-34, PP 85-17: KELT ENERGY, INC.
 [GREGG MARTIN]:

Mayor Geissert announced that this was the time and place for City Council consideration of an appeal of a Planning Commission approval of a Zone Change, Conditional Use Permit and Precise Plan of Development to allow a secondary oil recovery project by waterflooding a 560 acre portion of the Southeast Torrance Oil Field from a consolidated drill site in the C-3 zone at the northeast corner of Sepulveda Boulevard and Border Avenue. ZC 85-2, CUP 85-34, PP 85-17: KELT ENERGY, INC. [GREGG MARTIN].

Proof of publication was provided by the Deputy City Clerk and it was filed without objection.

* * *

Councilwoman Hardison announced [for reasons earlier stated] that she would abstain from consideration of this agenda item. Ms. Hardison then absented herself from the Council Chambers.

* * *

Staff presentation, with the aid of transparencies, was provided by Principal Planner Gibson, who advised that the Planning Commission and Planning Department recommend denial of the appeal and approval of the request.

In response to an inquiry by Councilman Nakano, City Attorney Remelmeyer briefly addressed the question of Kelt's financial base, noting that the City does not, at this time, have a complete picture of the financial assets of Kelt Energy PLC [the British-based parent company] and the "labyrinth of companies" which make up Kelt's subsidiaries.

Mr. Remelmeyer pointed out that the problem relates to the ability of a judgment creditor to levy on the assets of Kelt should a problem arise; and, in the absence of the ability to levy on these assets, his office set forth conditions [correspondence dated October 4, 1988, from Assistant City Attorney Quale] establishing requirements for a letter of credit as well as insurance provisions, bonds, etc.

Mr. Remelmeyer requested that the Council include, by reference, the conditions stated in Mr. Quale's correspondence.

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Representing Kelt Energy, Mr. Gregg Martin, 3878 Carson Street, displayed a bundle of papers purported to be copies of approximately 1300 signed lessor signature pages of oil and gas leases for parcels within the proposed project boundaries. Mr. Martin advised that this represents more than 77% of the available parcels.

Renderings, duplicates of which were included in the brochure [of record] entitled KELT ENERGY, INC. SOUTHEAST TORRANCE PROJECT, were then displayed and orally reviewed by this speaker.

Mr. Martin referenced Assistant City Attorney Quale's correspondence of October 4, and took exception to the requirement for a letter of credit, requesting that Kelt be allowed to substitute a \$5 million insurance policy or appropriate replenishable fund instead.

Responding to this request, City Attorney Remelmeyer stood firmly on the City's requirement of the letter of credit, and he provided the rationale supporting this stand.

Continuing, the City Attorney answered concerns voiced by Mayor Geissert regarding the performance review which is required at five-year intervals or upon change of ownership [also required of the Del Amo Waterflood Project]. Mr. Remelmeyer further advised the Mayor that it is staff's intent, upon the conclusion of proceedings on the Southeast Torrance Waterflood Project, to schedule Council hearings for review of the Del Amo Project.

Mayor Geissert then requested clarification from the Division of Oil and Gas representative regarding the necessity of obtaining mineral rights [represented by the 1300 signature pages earlier referenced by Mr. Martin] before a process such as this goes forward.

State Division of Oil and Gas [DOG] representative [Mr. William E. Brannon] stated, in effect, that the DOG is basically involved in the technical soundness of the waterflood project, not in the legality of relationships [such as the signing over of mineral rights] between the property owners and Kelt. This speaker further advised that there is no State requirement that a certain percentage of signatures be attained unless the project involves a unit operation.

Mr. Martin returned to explain that it is Kelt's intention to pool this project, which he advised is similar to unitization. Referencing, once again, Mr. Quale's letter of October 4, and his [Kelt's] earlier request that there be a sub-

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stitution for the letter of credit, Mr. Martin now stated that Kelt concurs totally with all conditions and requirements set forth in Mr. Quale's October 4th correspondence.

Mr. Peter Lacombe, 3848 Carson Street, representing Kelt, further clarified the matter of the 1300 signature papers by advising of their intention to acquire the small parcels and then group them by a declaration of pooling for waterflooding purposes and, per Mr. Lacombe, it is necessary to obtain those signatures. In response to the Mayor's question, Mr. Lacombe advised that any royalties obtained for property owners who have not signed will be impounded and held for those individuals.

* * * * *

Audience input was invited at this time.

Mr. J. B. Graner, Graner Oil Company, 2525 Lemon Avenue, Long Beach, submitted a letter [of record] opposing this project and setting forth requested conditions of approval should approval be granted.

* * *

Speaking as the president of the Southeast Torrance Homeowners Association [SETHA] Ms. Sue Herbers, 2264 West 230th Street, expressed concerns as to the possible effect of this project on known, as well as unknown, improperly abandoned oil well sites in Southeast Torrance.

Ms. Herbers then posed a series of questions and concerns which included the following --

How many mineral right owners are also surface right owners?

How accurate has the proponent been in acquiring the leases? [Some currently receiving rental fees do not own mineral rights and some would like to rescind their signatures].

Who do we sue -- which company in this maze of international corporations assumes the responsibility?

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What will be the affect on area real estate?

Could the homeowners be left with no recourse to their own insurance because of the usual flooding and land movement exclusions?

How closely will requirements made of Kelt be monitored?

Will there be adjustments for inflation in the letters of credit, insurance and performance bond?

Ms. Herbers then requested, if the project is approved, that the Council consider the following points.

- The contingency plan should have input from the community.
- Employees must be properly trained in all safety precautions on a regular basis.
- All insurances, bonding, letters of credit, etc. should be kept at maximum levels to reflect annual inflation for the duration of the project.
- The Homeowners Association and/or all of the citizens in the area should receive adequate and timely notification of any problems or standard reviews on the project.

In closing, Ms. Herbers requested clarification as to the acquisition of mineral rights, and was advised by Mr. Peter Lacombe that this is a legal requirement in the utilization of someone else's land. Mr. Lacombe also advised that they are willing to work with property owners regarding acquisition of mineral rights and that there is no legal requirement for a percentage of control prior to drilling; however, as a practical matter some 75-80% would be desired.

* * *

Mr. Larry Gitschier, 1303 Acacia, Central Torrance Homeowners Association, expressed concerns about the source of water to be used in this project. Mr. Martin explained that, per a Conditional Use Permit requirement, no municipal water will be used for water injection purposes.

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Mr. Grant Tidmarsh, 2151 Middlebrook Road, expressed his strong opposition to the project and voiced doubts as to the responsibility of the operator. Safety [possible leaks in the pipeline], noise and vibration were all deemed serious concerns by this speaker.

* * *

Ms. Elizabeth McDannel, 1905 Middlebrook Road, stated that she does not support the project even though she signed one of the leases some years ago. This speaker recommended that all of the present leases be declared null and void and then be renegotiated.

* * *

Mr. Norris Pan, 2142 West 233rd Street, and owner of property on Cabrillo Avenue, expressed concerns to which responses are indicated below.

- How many of those who signed the leases are living in the area? Mr. Martin indicated 80%.
- Distance from fence to curb [line-of-sight] on Sepulveda Boulevard. Principal Planner Gibson noted 32 feet.
- Turning radius on site. Principal Planner Gibson advised that adequate space is provided so vehicles can leave the site in a forward fashion.
- Drilling noise. [No response given].
- Effect of vibrations from trains and vehicles on the pipeline. Mr. Martin responded to this concern later in the meeting - see Page 14.

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Ms. Pauline Smart, 1834 Santa Fe Avenue, noted as her major concerns, noise and possible damage to wells and pipelines as the result of an earthquake.

* * *

Ms. Marjorie Maxwell, 4309 West 231st Street, voiced firm opposition to this project and requested denial by the Council. Her concerns encompassed health and safety; traffic problems; possible rupture of pipelines; safety of tanks; noise; dirt; earth movement; etc. Ms. Maxwell advised that, although her home is very close to the drillsite, she has not been approached concerning royalties.

* * *

Mr. William A. Kirk, 1000 West Lomita Boulevard, Harbor City, advised that he owns mineral rights and surface rights in the Torrance Town Lot area, and he voiced his approval of this project.

* * *

Speaking on behalf of the Torrance Company, #3 Del Amo Fashion Center, Mr. James Krasne noted that their concerns center primarily in the Great Lakes/Del Amo drill site which is now operated by Kelt.

Concerns addressed by Mr. Krasne included:

- Safety considerations in the event of a major earthquake;
- Financial responsibility of Kelt in light of their "labyrinth" of companies;
- Necessity of proving liability in the event of a catastrophe [in line with this comment, Mr. Krasne quoted from the insurance policy for the Del Amo waterflood project exclusionary provisions, deeming the standards for insurance for that project as "woefully inadequate".

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Acknowledging that this is not pertinent to the exact subject matter of this hearing, Mr. Krasne nevertheless officially requested that the insurance standards for the Del Amo project be be closely scrutinized by the City.

In conclusion this speaker addressed what he termed typical misrepresentation on the part of "land men" in attempting to obtain signed leases for mineral/surface rights for projects such as this. Mr. Krasne encouraged the City to ascertain whether or not those who have sign the leases were advised of all of their rights; whether they were advised by counsel; and whether they were aware that they were signing away certain rights.

* * *

Ms. Sharon Schell, 1835 Middlebrook Road, noted strong opposition to the project [correspondence of record from herself and her husband]. Ms. Schell's observations and inquiries are noted below.

1. A large percentage of homeowners in the area do not own their mineral rights, therefore, will not benefit by the project.
2. How cost beneficial, in light of current oil prices, is this project?
3. Consideration should be given to relocating this project to another site [industrial area was suggested].

* * *

Mr. Dennis King, 1920 233rd Street, who identified himself as a Fireman for Los Angeles County, described his experiences in attempting to deal with recent oil induction pipeline breakage in Signal Hill which, he pointed out is only 10 percent residential. Careful consideration of the possible consequences of this project was urged by Mr. King.

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Mr. Ron Lovelady, 2045 West 236th Place, indicated strong opposition to the proposal because of potential jeopardy to homes in the area and lack of protection afforded to homeowners. The imperative need for further evidence of Kelt's financial responsibility in the event of a catastrophic event was voiced by this speaker.

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At 9:10 p.m., the Mayor called a brief recess. The Council [sans Councilwoman Hardison] reconvened at 9:25 p.m.

* * * * *

Ms. Donna Sullivan, 2264 West 230th Place, indicated her desire, at this time, to rescind her lease of mineral rights, which she had signed "under persistent pressure". Ms. Sullivan questioned the sufficiency of the bond and also related her understanding that public entities, such as schools, have first priority to any monies in the event of a problem. [City Attorney Remelmeyer stated that he is unaware of such a provision.]

Concerns regarding safety and property values were voiced by Ms. Sullivan who asked who the homeowners would sue if a problem developed and also inquired as to whether Kelt has ever been the initiator of a waterflood project. [Mr. Martin responded later - see Page 15.]

* * *

Mr. Louis Malnar, 2422 West 230th Street [correspondence of record], a Police Officer previously working in the [Los Angeles] Harbor Division, noted his handling of many broken pipe-type accidents, etc., and deemed this project "quite dangerous". Mr. Malnar described personal experiences over the years involving oil operators and expressed his opinion that it would be an "impossible project" to sue an oil company.

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Mr. John Corter, 1952 West 237th Street, voiced strong opposition to the Kelt project.

* * *

Mr. John Bailey, 23404 Walnut, posed the following questions which he requested the Council ask themselves prior to voting on this proposal.

- Is the performance bond presented sufficient so that if project is not completed, the project can be rendered safe?
- Will the insurance that will indemnify the City of Torrance also be available for any claimant against Kelt, including the residents of Southeast Torrance, should the need arise?
- In addition to the regular insurance, will the certificate of deposit or a letter of credit be available to act as a fund for indemnification where insurance is not available for certain situations? [He noted that the certificate or letter of credit would have to constitute assets which might be attached if necessary.]
- Can complete safety and financial security be guaranteed for the City of Torrance and for the residents of Southeast Torrance with due regard to the fact that the parent Kelt corporation is based in England in a series of interlocking corporations?

Mr. Bailey referenced Page 110 of the agenda packet [handout distributed in Southeast Torrance by the land men when soliciting mineral rights] and pointed out a certain lack of information in that document. He also referenced Kelt's statement in their October 14, 1988 correspondence to the Assistant City Attorney that they cannot warrant that the project is completely safe and will not result in injury or damage of any kind.

The next document referenced by Mr. Bailey was the brochure entitled KELT ENERGY, INC. SOUTHEAST TORRANCE PROJECT, [in the hands of Councilmembers]. Quoting therefrom, Mr. Bailey pointed out that a statement taken from correspondence from the Division of Oil and Gas is incorrectly set forth and should read: "After reviewing the geological and engineering data . . . a project approval letter should be issued" (rather than insured).

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Mr. Bailey quoted further from the same DOG correspondence as follows: "As yet several operators with wells inside of the project boundaries have not reached agreements with Kelt Energy relative to the proposed project's impact on their operation. This situation will have to be remedied if the project as proposed is to proceed. In the event that an agreement cannot be reached between those operators and Kelt Energy, modifications to the proposed project would be necessary."

Another statement quoted by this speaker from DOG correspondence was: "The Division of Oil and Gas will not issue a final project approval letter until Kelt addresses the issue regarding the other involved operators in the project area. To date that issue is unresolved."

It was Mr. Bailey's observation that an honest, reputable operator is needed for a project such as this, and he voiced his opinion that "we don't have it in Kelt." Denial of the project was requested.

* * *

Mr. Edward Hurst, 22963 Walnut, also urged denial of the project.

* * *

Kelt's representative, Mr. Gregg Martin, returned to respond to certain of the issues raised.

- Re land men practices in the area -- Since Kelt became operator of the project those practices, to his knowledge, have not been maintained.
- Re pipeline safety -- There is no evidence to support the concept of vibrations causing damage, one oil well on this site has been there since the mid 1920's. Pipelines, if maintained, represent a safe and viable method of transporting fluid from one destination to another [a Los Angeles Times article of October 2, 1988, was quoted to support this statement.]

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- Re the structure of Kelt -- The company consents to conditions set forth in Mr. Quale's correspondence; assets are available and attachable.
- Re Kelt's activities with waterflood projects -- heretofore Kelt has expanded other projects, but has not initiated and built a "grass roots" project such as this to date.
- Re who to sue in the event of a problem -- This would have to be answered by provisions of the proposed insurance packages.
- Re independent oil operators in the area -- There are outstanding offers and on-going negotiations with those operators.
- Re Mr. Bailey's quotes from DOG -- Kelt is going forward with the attitude of consummating the negotiations with existing operators, as required by the Division of Oil and Gas.

City Attorney Remelmeyer then addressed the Council regarding the handling of lawsuits should the occasion arise, noting his opinion that any such action would be directed against Kelt Energy, Kelt Oil and Gas, and Kelt Energy PLC in England.

Counsel representing Kelt, Mr. Peter Lacombe, returned to the podium to request a 10-minute recess so that he might discuss certain matters with Kelt management representatives in attendance at this meeting.

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At 9:55 p.m., Mayor Geissert directed that the Council recess from consideration of Agenda Item 15a, but proceed with the remainder of its regular agenda order. Consideration of Item 15a continued later in the meeting - see Page 20.

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Councilwoman Hardison rejoined her colleagues at this time.

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17. ADMINISTRATIVE MATTERS:

17a. GROUND LEASE AMENDMENT: URBAN WEST COMMUNITIES (UWC):

RECOMMENDATION:

It is recommended that the resolution of approval be adopted agreeing to the three documents, and authorizing the Mayor and City Clerk to execute and attest.

MOTION: Councilman Applegate moved to concur with the above stated recommendation of the Land Management Team. His motion was seconded by Councilman Walker.

Mayor Geissert then requested that Deputy City Clerk Hong assign a number and read title to --

RESOLUTION NO. 88-274

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING AN ASSIGNMENT OF LEASE, A SUBLEASE AND THIRD AMENDMENT TO THE URBAN WEST COMMUNITIES LEASE, AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND ATTEST THE SAID ASSIGNMENT, SUBLEASE AND AMENDMENT TO LEASE.

MOTION: Councilman Nakano moved to adopt Resolution No. 88-274. His motion, seconded by Councilman Mock, carried unanimously by roll call vote.

17b. COMPLETION AND FINAL PAYMENT - STANLEY E. REMELMEYER TELECOMMUNICATION CENTER:

RECOMMENDATION:

It is the recommendation of the City Manager that the work be accepted, that a notice of completion be filed by the City Clerk and final payment of \$49,091.38 be released to the General Contractor, Shirley Bros., Inc.

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MOTION: Councilman Applegate moved to concur with the above stated recommendation on Agenda Item 17b. His motion, seconded by Councilman Mock, carried unanimously by roll call vote.

17c. STATEMENT OF INVESTMENT POLICY:

RESOLUTION NO. 88-275

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ACKNOWLEDGING THE RECEIPT AND FILING OF THE ANNUAL STATEMENT OF INVESTMENT POLICY FOR THE YEAR 1988

MOTION: Councilman Nakano moved to adopt resolution No. 88-275. His motion, seconded by Councilman Mock, was unanimously approved by roll call vote.

18. SECOND READING ORDINANCES:

18a. ORDINANCE NO. 3240:

ORDINANCE NO. 3240

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING AN AMENDMENT TO THAT CERTAIN CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF TORRANCE AND THE BOARD OF ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND
ATTEST

MOTION: Councilman Nakano moved to adopt Ordinance No. 3240 at its second and final reading. This motion was seconded by Councilman Mock, and roll call vote was unanimously favorable.

20. CONSENT CALENDAR:

20a. REQUEST FOR TIME EXTENSION FOR TRACTS 43686 AND 43219

SUBDIVIDER: Torrance Business Park
LOCATION: North Side of Del Amo Boulevard w/o
Prairie Avenue
NO. OF LOTS: 18 (TR 43686) & 11 (TR 43219).

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RECOMMENDATION:

The Engineering Department recommends the City Council approve an additional time extension for Tracts 43686 and 43219 until December 31, 1988 to allow completion of public improvements per Subdivision Agreements of March 27, 1985 (TR 43686) and August 4, 1986 (TR 43219).

MOTION: Councilman Wirth moved to concur with staff's recommendation on Agenda Item 20a. His motion was seconded by Councilman Mock, and roll call vote was unanimously favorable [Councilman Applegate ABSTAINED].

20b. RENEW AGREEMENT WITH DIGITAL SYSTEMS, INC. FOR MAINTENANCE AND SUPPORT OF UTILITY BILLING SYSTEM.

RECOMMENDATION:

Staff recommends that your Honorable Body authorize the continuation of these programs which will require the renewal of our Purchase Order Agreement to Digital Systems, Inc. in the total anticipated amount of \$80,000.

MOTION: Councilman Applegate moved to concur with the above stated recommendation on Agenda Item 20b. His motion, seconded by Councilman Mock, carried unanimously by roll call vote.

* * *

At 9:58 p.m., the City Council convened in joint session with the Redevelopment Agency of the City of Torrance. The regular City Council agenda order was resumed at 9:59 p.m.; however, the Council/Agency remained in joint session at that time for purposes of a joint executive session to be held later in the meeting - see Page 23.

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22. ORAL COMMUNICATIONS:

22a. City Manager Jackson congratulated Police Chief Donald E. Nash upon his 40th anniversary with the City of Torrance. Mr. Jackson noted that the Chief holds a unique place in the history of the City of Torrance -- one who "has been up-to-date, regardless of the date."

22b. City Attorney Remelmeyer commended Chief Nash on his professionalism in directing the affairs of the Torrance Police Department.

22c. Councilman Applegate expressed appreciation to Chief Nash for his "war against drugs" and praised his unique management style. All of Councilman Applegate's colleagues on the Council added their praises and congratulations to Chief Nash upon this, the occasion of his 40th anniversary with the City.

22d. Councilman Applegate reported on a recent trip to Washington, D.C. wherein, accompanied by Councilman Nakano and Captain Robinson, plans were formulated for the City's 1989 Armed Forces Day Parade.

22e. Councilwoman Hardison requested that staff follow through regarding possible installation of a right-turn-only lane on Lomita Boulevard at Hawthorne. Director of Transportation Horkay will report to the Council in this regard.

22f. Councilman Mock inquired regarding notification and availability of packets regarding the upcoming Seaside Ranchos workshop.

22g. Councilman Wirth requested that, as soon as possible, staff provide recommendations to the Traffic Commission for their consideration and action following completion of scoping sessions with citizens from various areas of the community.

22h. Mayor Geissert requested that staff investigate the possibility of providing temporary landscaping on City property at the Monterey Street cul-de-sac. Director of Parks and Recreation Barnett indicated that his department will look into this matter.

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22i. Mr. Don Karg, 22126A Vermont Avenue, who stated he was speaking on behalf of Mr. Karlheinz Halter [same address], alleged mass crimes, unethical practices and corruption in certain corporations located in the City of Torrance.

Mayor Geissert, who stated that she had received correspondence from Mr. Karg regarding his concerns, requested that Mr. Karg submit his packet of written information to the City Attorney for review and an opinion regarding the jurisdiction of the City of Torrance in this matter. The Mayor requested that City Attorney Remelmeyer contact this citizen within one week.

Councilman Applegate, supported by Councilman Walker, noted that this is a Civil matter involving Mr. Karg's company [not located within the City of Torrance] and others, and is not properly before this City Council.

22j. Ms. Myra Sotolongo, 17606 Van Ness Avenue, expressed her concerns regarding construction of an office building [approved by Planning Commission action in February, 1988] adjacent to her property. This speaker advised that she had not received notice of the Planning Commission hearing, therefore was not present to voice her concerns at that time.

Principal Planner Gibson reported that he had met with the applicant in the case to attempt to effect a compromise with Ms. Sotolongo -- further efforts in this regard will be exercised, per Mr. Gibson.

City Attorney Remelmeyer will investigate the matter and advise the Council.

* * * * *

At this time the Council returned to --

15a. ZC 85-2, CUP 85-34, PP 85-17, KELT ENERGY, INC.

[See Pages 5-15 for earlier consideration of this item.]

* * *

Councilwoman Hardison once again absented herself from the Council Chambers for reasons previously stated.

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Mr. Peter Lacombe, 3848 Carson Street, representing Kelt, indicated their desire to provide additional information regarding the following areas of concern.

1. The status of negotiations between Kelt and adjoining operators.
2. The manner in which an insurance claim resolution will be handled.

In order to allow further consideration of these matters, Mr. Lacombe requested a continuance of this agenda item to November 29, 1988, or December 6, 1988. He also indicated [in response to Council requests] that within that period of time Kelt will expand the area addressed to include whatever matters the Council suggests. Councilman Walker recommended inclusion of the four issues brought up by Mr. Bailey; community concerns regarding abandoned wells; etc.

Mayor Geissert requested a brief executive session at this time in order to receive legal advice from the City Attorney regarding Mr. Lacombe's above request. City Attorney Remelmeyer noted his opinion that there is a significant chance of litigation and therefore an executive session would be in order at this time.

* * *

Mayor Geissert offered the following statement for the record.

The City Council will now recess to executive session for the purposes of receiving legal advice from the City Attorney on the legality of a continuance of ZC 85-2, CUP 85-34, PP 85-17: KELT ENERGY, INC. [Authority for holding an executive session for this purpose is contained in Government Code Section 54956.9 (b) .

At 10:45 p.m., the City Council [with the exception of Councilwoman Hardison] recessed to executive session, returning to the Chambers at 11:00 p.m.

* * *

City Attorney Remelmeyer recommended that the Council grant Mr. Lacombe's request for continuance of this matter to address the questions he specifically mentioned plus the others

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raised by Mr. Bailey and others. The City Attorney voiced his opinion that there are some legal problems inherent in this proceeding which would be obviated by granting that request.

Mr. Lacombe stated his agreement with a continuance to November 29, 1988.

Mr. John Bailey returned to the microphone at this time to request that the continuance be until January, rather than November.

Councilman Applegate noted his preference for the November date due to City Attorney Remelmeyer's pending retirement date of December 1, 1988.

MOTION: Councilman Applegate moved to continue Agenda Item 15a [ZC 85-2, CUP 85-34, PP 85-17: Kelt Energy, Inc.] to November 29, 1988, 5:30 p.m., with this matter not to be heard before 7:00 p.m. His motion was seconded by Councilman Wirth.

Prior to roll call vote, Ms. Sue Herbers requested that the matter be held until January 10, 1989, in order to allow sufficient time to notify members of the homeowners association.

Mr. Norris Pan request that Kelt present a clear picture of how many people signed; how many are absentee owners; and how many want to rescind the signature agreement. It was Mr. Pan's opinion that the signature papers presented do not represent support of the homeowners.

Ms. Marjorie Maxwell returned to the podium at this time to request that Kelt be required to submit the "whole picture" by way of information desired. This speaker also requested that the continuance be until January.

The need, for various reasons, to hear the matter on November 29, was explained by the Mayor, who then called for roll call on the motion, which is reflected below.

AYES: Councilmembers Applegate, Mock, Nakano, Walker, Wirth and Mayor Geissert.

NOES: None.

ABSTAIN: Councilwoman Hardison.

It was the general consensus of the Council that hearing notices regarding this continuance should be mailed.

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* * *

Councilwoman Hardison returned to the Council Chambers at this time.

* * *

23. EXECUTIVE SESSION:

23a. EXECUTIVE SESSION MATTERS:

The City Council/Redevelopment Agency having remained in joint session [see Page 18] Mayor/Chairwoman Geissert read the following statement into the record.

The City Council will now recess to closed session to confer with the City Manager and/or the City Attorney regarding salaries, salary schedules and compensation for certain unrepresented employees and represented employee groups as well as certain personnel matters. Authority for holding an executive session for this purpose is contained in Government Code Section 54957.6(a) and 54957.

The Council will also confer with the City Attorney regarding litigation entitled John Rastello, et al. v. Rollo Green et al., Los Angeles Superior Court Case No. SWC 74882. Authority for holding an executive session for this purpose is contained in Government Code Section 54956.9(a).

The City Council will confer with the City Attorney regarding litigation entitled Shirk, et al. v. Lynch, et al., United States District Court Case No. CV-88-5695ER(Bx) and Michael Sandoval vs. James Lynch, et al., Los Angeles Superior Court Case Number SWC 102669. Authority for holding an executive session for this purpose is contained in Government Code Section 54956.9(a).

The City Council, acting as the Redevelopment Agency of the City of Torrance, will confer with Agency Counsel regarding eminent domain litigation entitled Redevelopment Agency of the City of Torrance vs. Weiss et al., Los Angeles Superior Court Case No. C 544896. Authority for holding an executive session for this purpose is contained in Government Code Section 54956.9(a).

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At 11:20 p.m., the City Council/Redevelopment Agency recessed to joint executive session, returning at 11:55 p.m. to take the following Council-related action.

RESOLUTION NO. 88-276

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE SETTING FORTH CERTAIN CHANGES REGARDING HOURS, WAGES, AND WORKING CONDITIONS FOR EMPLOYEES REPRESENTED BY THE TORRANCE CITY EMPLOYEES ASSOCIATION
RESOLUTION NO. 88-188

MOTION: Councilman Nakano moved to adopt Resolution No. 88-276. His motion was seconded by Councilman Mock, and roll call vote was unanimously favorable.

City Attorney Remelmeyer requested, in the case of the Heirs of Kelly Rastello v. Rollo Green and the City of Torrance, SWC 74882, that the City Council concur with the City Attorney's recommendation regarding the authorization for the expenditure of funds therein.

Councilman Applegate SO MOVED. His motion was seconded by Councilwoman Hardison, and roll call vote proved unanimously favorable.

24. ADJOURNMENT:

At 11:58 p.m., the meetings of the City Council and Redevelopment Agency were formally adjourned to Tuesday, November 1, 1988, 5:30 p.m.

* * *

Adjournment was dedicated to the memories of

Mr. Charles (Bob) Hosler
Ms. Dorothy Urevig
Mr. Bob Pickett
Ms. Janet Raite.

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Peggy Laverty
Minute Secretary

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Faty Heissner
Mayor of the City of Torrance

Dora Hong, Deputy
Clerk of the City of Torrance

Peggy Heisner
Minute Secretary

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