

**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 7:45 P.M. on Tuesday, January 27, 1998, in the City Council Chambers at Torrance City Hall.

ROLL CALL

Present: Councilmembers Lee, Messerlian, Nakano, O'Donnell, Walker and Mayor Hardison.

Absent: Councilmember Cribbs.

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

2. **FLAG SALUTE/INVOCATION**

The North High School Army JROTC led the Pledge of Allegiance.

Mr. Bob Himes, Church of Christ Associate Minister to the Sick, gave the invocation for the meeting.

3. **AFFIDAVIT OF POSTING/WAIVE FURTHER READING**

MOTION: Councilmember Lee moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. The motion was seconded by Councilmember Messerlian and, there being no objection, it was so ordered by Mayor Hardison (absent Councilmember Cribbs).

MOTION: Councilmember Lee 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 Messerlian and, there being no objection, it was so ordered by Mayor Hardison (absent Councilmember Cribbs).

4. **WITHDRAWN/DEFERRED ITEMS**

None.

5. **COUNCIL COMMITTEE MEETINGS AND ANNOUNCEMENTS**

Mayor Hardison announced the Redevelopment Agency workshop held prior to this meeting.

6. **COMMUNITY MATTERS**

6a. **RESOLUTION NO. 98-10 RE CLIFFORD CURTIS**

City Clerk Herbers read aloud the title of Resolution No. 98-10.

MOTION: Councilmember Nakano moved for the adoption of Resolution No. 98-10. The motion was seconded by Councilmember Walker and passed by unanimous roll call vote, absent Councilmember Cribbs.

RESOLUTION NO. 98-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TORRANCE HONORING CLIFFORD CURTIS FOR HIS
DEDICATION, PROFESSIONALISM AND CONTRIBUTIONS
TO THE CITY OF TORRANCE

Mayor Hardison advised that Resolution No. 98-10 will be presented at a future City Council meeting.

7. **CONSENT CALENDAR**

7a. **APPROVAL OF MINUTES - JANUARY 6, 1998**

7b. **DUCT CLEANING CONTRACT FOR CIVIC CENTER LIBRARY**

Recommendation

The General Services Director recommends that the City Council award a contract to Mintie Corporation in the amount of \$24,857 to clean and sanitize supply and return air ducts at the Civic Center Library.

7c. **INVESTMENT REPORT FOR NOVEMBER AND DECEMBER 1997**

Recommendation

The City's Statement of Investment Policy requires the City Treasurer to report a monthly statement of investment activity. The City Treasurer recommends that the City Council accept and file the subject report.

7d. **APPROPRIATION FROM PROGRAM CONTINGENCY RESERVE**

Recommendation

The Fire Chief requests that the City Council appropriate \$35,000 from the Program Contingency Reserve to fund the Fire Department's need for expendable supplies and medication (used in the Department's Emergency Medical Services Program) for the remainder of the current

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fiscal year.

7e. **SERVICE AND MAINTENANCE OF CITY TELEPHONE SYSTEM**

Recommendation

The Information Systems Director recommends that the City Council authorize a purchase order renewal to NEC/BCS (West) Inc. for service and maintenance of the City's telephone system for one (1) year in an amount not to exceed \$86,484.60.

7f. **CONTRACT RE CLASSES AT GREENWOOD PARK**

Recommendation

The Parks and Recreation Director recommends that the City Council approve the agreement hiring Family Fun Time as the provider of pre-school classes at Greenwood Park, not to exceed \$71,820.

MOTION: Councilmember O'Donnell moved for the approval of the Consent Calendar as written. The motion was seconded by Councilmember Walker and passed by unanimous roll call vote, absent Councilmember Cribbs.

9. **TRANSPORTATION/PUBLIC WORKS**

RESOLUTION RE PORTION OF A WALK EASEMENT

Recommendation

The Engineering Director recommends that the City Council approve and adopt the resolution summarily vacating a portion of a certain walk easement located south of Del Amo Boulevard and west of Van Ness Way.

An overview of this item was presented by Engineering Director Burt.

City Clerk Herbers read aloud the title of Resolution No. 98-09.

MOTION: Councilmember Nakano moved for the adoption of No. 98-09. The motion was seconded by Councilmember Walker and passed by unanimous roll call vote, absent Councilmember Cribbs.

RESOLUTION NO. 98-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ORDERING THE SUMMARY VACATION OF A PORTION OF THE TEN FOOT WIDE WALK EASEMENT SOUTH OF DEL AMO BOULEVARD AND WEST OF VAN NESS WAY IN THE CITY OF TORRANCE

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13. **ADMINISTRATIVE MATTERS**

13a. **LOAN TO REDEVELOPMENT AGENCY**

See Redevelopment Agency minutes of January 27, 1998 for discussion of this topic.

Agenda Item Nos. 13b and 13c were considered together.

13b. **EVALUATION CRITERIA RE UTILITY BILLING, METER READING AND METER MAINTENANCE**

Recommendation

Recommendation of the City Manager and the Finance Director that the City Council approve the evaluation criteria to be used by a Council approved oversight committee in evaluating the proposals for providing utility billing, meter reading and meter maintenance services.

The evaluation criteria is as follows:

1. Quality of service rendered (actual service to be performed).
2. Quality of customer service support.
 - a. 24-hour customer support.
 - b. Reasonable response time.
 - c. Ability to provide multiple payment mechanisms such as credit card, debit card, automatic bank transfers and multiple payment centers.
3. Cost reductions/efficiencies.
4. Experience of the contractor.
5. Post service records of the contractor.
6. Contractor ability to incorporate technical enhancements.
7. Review of the contractor's future operational objectives.
8. Review of the contractor's future objectives in comparison to the City's overall Strategic Plan goals and objectives.

13c. **REQUEST FOR PROPOSALS FOR UTILITY BILLING, METER READING AND METER MAINTENANCE**

Recommendation

It is the recommendation of the City Manager that the City Council direct staff to include the Chairman of the Water Commission on the rating committee for the Request for Proposal for utility billing, meter reading and meter maintenance.

Councilmember Nakano posed numerous questions to staff. He asked the following: what prompted the City to embark on this course; how the City would know if

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bids were low-balled; whether staff has examined other cities which have vended out these services, as well as those which have decided against doing so; and whether vending out the services would result in better service and lower cost to the public.

Finance Director Tsao explained how the City came to embark on the course of considering proposals for utility billing, meter reading and meter maintenance. He clarified the following: that, to help obtain accurate bids, the Request for Proposal(RFP) was extended to cover three years; and that the process was designed so the services of utility billing, meter reading and meter maintenance could be considered on an individual basis.

Finance Director Tsao advised that the City Attorney is in the process of examining Southern California Edison Co.'s request to resubmit their bid and that a process of utilizing a point system to evaluate various components of the bids is being contemplated.

City Manager Jackson verified that the Engineering Department obtained information from other agencies having experience in this area and that the topics of whether better service would be provided and whether the cost to the public would be lowered need to be explored.

Mr. Jackson provided clarification concerning the relocating of Water Department employees within the City, should another company take over the utility billing, meter reading and meter maintenance, as well as the discrepancy in Southern California Edison Co.'s proposal.

Councilmember O'Donnell related her concern over accountability to residents, should this go forward. She emphasized that, before she would be interested in an outside company taking over these very important functions, there would have to be a considerable cost savings to residents.

Councilmember Messerlian commented on the subjective nature of the evaluation criteria.

Councilmember Lee indicated that he would have no problem approving the recommended evaluation criteria. He noted that the quality of service provided by the bidders would not be difficult to determine because the majority of them currently do business with the City; maintained that it will serve citizens well to know the City is looking at how it operates; and pointed out that value must be considered along with price.

Councilmember Walker contended that cost is not the most important factor and that public confidence in the City should play a major part in looking at this. He indicated that, while he does not mind going through the process, there would have to be a major change in service and cost savings for him to support breaking away from the City providing the services.

Mayor Hardison related her support of the staff recommendation and the evaluation criteria set forth by staff.

Input from the public began with Mr. Dean Haddon, Water Commission Chairman, relating the Commission's concern about low bids and the possible need for re-negotiation in the future. He recommended that the evaluation team develop specific criteria to properly evaluate the proposals; voiced his hope that the two evaluation team members from outside of the City would have water expertise; and suggested that two Water Commission members serve on the evaluation team. Mr. Haddon commented on the difficulty of comparing the proposals. He maintained that any problems with the utility billing, the meter reading and the meter maintenance would have surfaced by now and he stated his understanding that this type of change should take place only if the cost savings would be 15% to 20%.

Finance Director Tsao advised that the outside members of the evaluation team would be from two other cities, that they would have technical expertise in water quality and operations and that the idea of a bid and performance bond for financial assurance could be examined. He described the procedures for selecting two City of Torrance representatives to serve on the evaluation team.

Councilmember Messerlian called attention to the importance of accountability to the public and he noted the need to add it to the evaluation criteria.

Mr. Patrick Astredo, Executive Board Member, American Federation of State, County and Municipal Employees (AFSCME) Local 1117, (no address provided), spoke to the evaluation team make up from the strategic plan point of view. He stated the importance of communication and community involvement and related AFSCME's belief that the Water Commission should make the recommendation to the City Council and that employees should be involved in the evaluation team.

City Manager Jackson explained the Water Commission's involvement in this process.

Mr. John Adams, Head Water Technician with the City of Torrance Water Department and Torrance resident, 22602 Evalyn Avenue, offered input on the quality of service provided by the Water Department. He mentioned the negative impact of this process on the morale of Water Department employees. As a resident, Mr. Adams related his concern about the ramifications of doing away with Department employees.

Mr. John Tootle, Dominguez Water Co. Vice President of Finance, (no address provided), recommended that the bidders' current service and water rates be examined. He explained that Dominguez charges considerably less than the City for the services in question; suggested that the wording "the current rates of the bidder" be added to the evaluation criteria; pointed out that Dominguez is regulated by the Public Utilities Commission; and clarified that Dominguez's bid included employment offers to some City of Torrance Water Department employees.

Mr. Marvin Miller, serving on the Water Commission, (no address provided), related his understanding that the Water Department is healthy and operating in the black at the present time. He related the Commission's question as to why the City would want an outside company to provide the utility billing, meter reading and meter maintenance services; noted the employee expertise which would be lost, should this process go forward; and commended the current Water Department employees.

Mr. Kenneth Evans, City of Torrance Water Service Technician, (no address provided), offered his feeling that it would be a gross injustice to contract out any of the services under discussion this evening. He highlighted the impeccable service and response of the Water Department as it currently exists.

Mr. Alan Lee, 1539 Tigertail Court, Palmdale, thanked the Council for deferring this matter at a previous meeting. He related AFSCME's opposition to the staff recommendation and their determination to do what is best for the community and the Water Department employees. Mr. Lee contended that, contrary to input provided by Mr. Tootle earlier in this discussion, the issues before the Council have nothing to do with water rates. He asked the Council to consider including the entire Water Commission on the evaluation team and Mr. Lee voiced his concern with regard to confidentiality in this matter.

Mr. Eric Ford, AFSCME Council 36, (no address provided), stated his concern over this matter.

Councilmember Walker commented on the evolution of this process. He related his desire to prove that the Water Department is doing a financially and technically great job, as well as his support of one Water Commission member serving on the evaluation team. He requested input on the City's billing costs, which appear to be twice as much as some of the bids.

Following an inquiry from the Council, City Manager Jackson recalled that City employees have not previously served on evaluation teams. He touched on the subject of confidentiality relevant to this matter.

Mayor Hardison clarified her support of the following: the Water Commission Chairman serving on the evaluation team, the evaluation team developing specific criteria to evaluate the proposals and a Water Department employee serving on the team.

Councilmember Nakano indicated that he would not have a problem with adding another employee to the evaluation team; however, he could not support the staff recommendations pertaining to either Agenda Item Nos. 13b or 13c.

Councilmember Lee explained his support of a Water Department employee serving on the evaluation team, should there be a role for such an individual. He noted that every step taken in this process is public knowledge and Councilmember Lee assured interested parties that the Council takes this issue seriously. He offered the following motions.

MOTION: Councilmember Lee moved to concur with the staff recommendation relevant to Agenda Item No. 13c with the proviso that, within two weeks, the City Manager shall provide the Council with a feasibility study on the idea of placing a Water Department employee on the evaluation team. The motion was seconded by Mayor Hardison and ultimately withdrawn.

Councilmember Messerlian pointed out that, unlike other RFPs, this matter involves a City Department.

Councilmember Lee withdrew the above motion and offered the following.

MOTION: Councilmember Lee moved to include an employee who is not specifically involved in Water Department operations and who will abide with the view of confidentiality on the evaluation team. The motion was seconded by Councilmember Messerlian and ultimately defeated by a 3-3 tie vote.

Councilmembers Walker related his opposition to the motion.

Engineering Director Burtt confirmed the accuracy of financial information provided for meter reading and maintenance.

Finance Director Tsao cautioned against any pre-determinations until the proposals are evaluated.

The motion was defeated by a 3-3 tie vote, with Councilmembers Nakano, O'Donnell and Walker dissenting and Councilmember Cribbs absent.

MOTION: Councilmember Lee moved for the approval of Agenda Item No. 13b, adding "accountability" to the evaluation criteria. The motion was seconded by Councilmember Messerlian and defeated by a 3-3 tie vote, with Councilmembers Nakano, O'Donnell and Walker dissenting and Councilmember Cribbs absent.

Mayor Hardison related her understanding that the Council was committed to going forward with looking at this; expressed her embarrassment that the Council would consider not doing, particularly after proposals have been received; and voiced her hope that Councilmembers would have stated their concerns prior to this time.

The Council further discussed the issues at hand with additional clarification being provided by City Manager Jackson. The Council agreed that the Water Department's billing services should be further examined and that Agenda Item Nos. 13b and 13c should be continued until February 10, 1998, with the idea that a full Council will be present at that time. The following motion was offered.

MOTION: Councilmember Lee moved to continue Agenda Item Nos. 13b and 13c to February 10, 1998. The motion was seconded by Mayor Hardison and passed by a 4-2 majority roll call vote, with Councilmembers Nakano and O'Donnell dissenting and Councilmember Cribbs absent.

13d. **APPROPRIATION FOR TRAVELER'S INFORMATION SYSTEM**

Recommendation

The City Manager recommends that the City Council approve an appropriation of \$30,000 from the City's economic development bond fund to design and equip a Traveler's Information Station (TIS).

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Community Relations Officer Barco provided background information on this item.

Acting Communications Administrator Gallo advised that the likelihood of whether the Traveler's Information Station (TIS) could be received in the average home has not yet been tested; however, it is probable that this would be possible.

Should it be approved, Mayor Hardison recommended that the TIS be publicized and she asked that the likelihood of it being received in the average home be examined.

MOTION: Councilmember Lee moved for the approval of the staff recommendation. The motion was seconded by Councilmember Messerlian and passed by unanimous roll call vote, absent Councilmember Cribbs.

14. **HEARINGS**

14a. **APPEAL OF DVP 97-0006, MOD 97-0014 AND MOD 97-0015 (EA 86-5):
ALAN AND CHERYL PRIVEN**

Recommendation

The Planning Commission and the Planning Director recommend that the City Council deny the appeal and approve as conditioned DVP 97-0006, MOD 97-0014 and MOD 97-0015 to allow the construction of an 18,800 square foot commercial office building and the deletion of a previously approved condition restricting vehicular access onto Torrance Boulevard from property located at 3556 Torrance Boulevard at the southeast corner of Torrance Boulevard and Amie Avenue in the HBCSP (DA-1) zone.

The staff report was presented by Senior Principal Planner Gibson. He provided clarification with regard to the orientation of the proposed building, as well as public and employee entrances to it.

Mayor Hardison related her understanding that the Planning Commission did not have the same latitude in looking at the land use as the Council in considering this project.

City Attorney Fellows advised the Council as to the lack of constraints in considering this item; but, he explained that any determination must be consistent with the General Plan and zoning requirements.

Mayor Hardison opened the public hearing. There being no requests to speak, the following motion was offered.

MOTION: Councilmember Lee moved to close the public hearing. The motion was seconded by Councilmember Walker and passed by unanimous roll call vote, absent Councilmember Cribbs.

Councilmember Lee expressed his opinion that this would be a reasonable office use in the appropriate zone. He noted the proponents' efforts to work with staff to design a project which would be consistent with the Hawthorne Boulevard Corridor Specific Plan (HBCSP). He offered the following motion.

MOTION: Councilmember Lee moved for the approval of the staff recommendation to deny the appeal, thereby approving the project as conditioned and deleting a previously approved condition of approval restricting vehicular access onto Torrance Boulevard from property located at 3556 Torrance Boulevard at the southeast corner of Torrance Boulevard and Amie Avenue in the HBCSP (DA-1) zone. The motion died for lack of a second.

At the request of the Council, City Attorney Fellows provided information concerning the issue of compatibility.

Mayor Hardison explained that, while office use on this property would not be limited according to the HBCSP, she would prefer a commercial/retail use at this location; however, such an issue is not before the Council at this time.

Background information on this project was supplied by Senior Principal Planner Gibson. He provided input regarding the alternatives available to the Council relevant to this item.

Councilmember Walker voiced his agreement with Mayor Hardison's viewpoint regarding the idea of this property being utilized for an office building. He stated his concern over the possibility of an agency of the Federal Government (Social Security Department) possibly occupying the building. Councilmember Walker related his support of the appeal, thereby denying the project.

MOTION: Councilmember Walker moved for the approval of the appeal, thereby denying the project. The motion was seconded by Councilmember Messerlian and ultimately passed by a 5-1 roll call vote (absent Councilmember Cribbs).

Councilmember Nakano stated his opinion that this project would be incompatible with surrounding uses.

Councilmember Messerlian related his feeling that the questions in this matter are not the tenants or the compatibility of an office building, but the type of development and the fact that this is the only remaining vacant piece of property in the area. He contended that a retail development would compliment the nearby businesses and Councilmember Messerlian pointed out that there is much vacant office space in the vicinity.

City Manager Jackson advised that the prospective tenant would be exempt from obtaining a business license.

City Attorney Fellows provided input regarding the Findings of Fact necessary for an approval of the project. He recommended that the applicant address the Council.

The Council agreed to re-open the public hearing.

Mr. Alan Priven, applicant, (no address provided), clarified that the property would be individually owned and, as the owner, he would pay business taxes to the City. Mr. Priven related his understanding that the appellant is not concerned with the proposed development, but with the prospective tenant, and he maintained that the project would be within the parameters set forth by the City. Mr. Priven contended that a retail use would be less feasible than the proposed office building; assured the Council that he would be a responsible landlord and that the property would be well maintained; and noted that he has previously leased office space to Social Security Departments in other cities.

City Manager Jackson clarified that the property owner would be required to pay property taxes and that the lessee would be required to pay for a business license, from which the Federal Government is exempt.

Mayor Hardison noted that the Marriott Hotel did not appeal this project.

Mr. Marvin Muller, Assistant Manager of the current Social Security Department office in Torrance, offered to answer pertinent questions from the Council.

MOTION: Councilmember Lee moved to close the public hearing. The motion was seconded by Councilmember Messerlian and passed by unanimous roll call vote, absent Councilmember Cribbs.

The motion to grant the appeal, thereby denying the project (as reflected on page 11), was approved by a 5-1 majority roll call vote, with Councilmember Lee dissenting and Councilmember Cribbs absent.

18. **ADDENDUM MATTERS**

None.

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At 9:50 P.M., the Redevelopment Agency and the City Council convened in a joint session to consider the Redevelopment matters listed on the meeting agenda, as well as Council Agenda Item No. 13a (Loan to Redevelopment Agency) (See Redevelopment Agency minutes of January 27, 1998). The regular City Council meeting reconvened at 9:55 P.M.

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19. **ORAL COMMUNICATIONS**

19a. Mayor Hardison thanked Councilmember Lee for chairing the last Council meeting.

19b. Mr. Frank Rizzardi, 23544 Carlow Road, commented on the deteriorating condition of Ocean Avenue between 234th Street and Lomita Boulevard.

Mr. Tom Brewer, 23426 Evalyn Avenue, called attention to the poor condition of Ocean Avenue from Sepulveda Boulevard to Pacific Coast Highway.

Engineering Director Burt anticipated that the resurfacing of Ocean Avenue will be presented for the Council's consideration as part of the Capital Improvement Projects at a future meeting. He explained why the item was previously deferred.

19c. Mr. Frank Rizzardi, 23544 Carlow Road, voiced his concern over the possibility that one of the buildings at Torrance Airport would be expanded and sublet to Bravo Helicopters, who has not been a good citizen at the Airport nor in the community.

20. **EXECUTIVE SESSION**

Pursuant to Government Code Sections 54957.6, 54956.9(a), 54956.9(c) and 54956.8, the Council recessed into a closed session at 10:00 P.M. to discuss the matters listed on the meeting agenda.

At 10:55 P.M., the Council and the Redevelopment Agency reconvened in an open session.

21. **ADJOURNMENT**

At 10:55 P.M., the Redevelopment Agency and the City Council adjourned to Tuesday, February 3, 1998, 5:30 P.M., for an executive session, with the regular City Council meeting to commence at 7:00 P.M.

Approved as presented.

City Council Meeting
March 17, 1998