

CITY OF HIDDEN HILLS
REGULAR CITY COUNCIL MEETING

City Hall

Monday, July 23, 2007

MINUTES

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

A regular meeting of the City Council of the City of Hidden Hills was duly held in the Council Chambers at the City Hall, 6165 Spring Valley Road, Hidden Hills, California 91302 on Monday, July 23, 2007 at the hour of 7:30 p.m. Mayor Pro Tem Monty Fisher called the meeting to order and presided thereover after asking Council Member Weber to lead the Council and audience in the Pledge of Allegiance.

ROLL CALL

Council:	Mayor Pro Tem Monty E. Fisher Council Member Jim Cohen Council Member Steve Freedland Council Member Larry G. Weber
Staff:	City Engineer Dirk Lovett City Manager Cherie L. Paglia
Absent:	Mayor Stuart E. Siegel

Upon MOTION of Council Member Cohen, seconded by Council Member Weber and unanimously carried, it was resolved to excuse the absence of Mayor Siegel.

APPROVAL OF AGENDA

Upon MOTION of Council Member Freedland, seconded by Council Member Weber and unanimously carried, it was resolved that the agenda for the July 23, 2007 regular meeting be approved as submitted.

ANNOUNCEMENTS

Mayor Pro Tem Fisher made the following announcements:

The next City Council meeting scheduled for Monday, August 13th, has been cancelled.

There will be an E-waste collection at the future Calabasas Civic Center site on Saturday, August 4th, from 10:00 a.m. – 3:00 p.m.; call City Hall for more details.

There will be a hazardous waste round-up (used oil, paint, etc.) at the Calabasas Tennis and Swim Center (23400 Park Sorrento) on Saturday, August 11th, from 10:00 a.m. – 2:00 p.m.

AUDIENCE

There were no questions or comments at this time.

PRESENTATIONS

A. Las Virgenes Municipal Water District (LVMWD) Proposed Water and Sanitation Rate Adjustments

LVMWD General Manager John Mundy presented the following information:

He would like to begin with an update on the water supply picture in Southern California; reliability and sustainability of water supplies are two of the primary water concerns today; LVMWD is 100% dependent on importation of state project water to meet customer demands; the reliability of the supply may be impacted if there is another dry winter, resulting in reduced deliveries of water from Northern California; the second concern is the uncertainty of continued reliance on the Sacramento/San Joaquin Delta; fragile conditions of Delta levees jeopardize water supplies in the event of a major earthquake; environmental concerns have recently been raised related to impacts on endangered species, specifically Delta smelt, which may force reduction in the water supply to Southern California; our wholesale water supplier, the Metropolitan Water

District of Southern California (MWD) and its twenty-six member agencies (of which the LVMWD is one) are already planning on how to deal with reduced supplies if that occurs next year; conservation by everyone is very important, as the water we save this year may be the water we need next year; in relation to water and sanitation rates, a notification letter was sent to all customers on 7/19/07 as legally required regarding proposed rate increases; they are proposing a five year gradual rate increase in both water and sanitation charges; a modest water increase is expected, the first imposed in the last twelve years; in fact in that time there have been two reductions in rates; adjustments in the rates to cover operating costs are necessitated by increases from the MWD, general inflationary costs, and the costs of chemicals, fuel, and energy; on the waste water treatment side, there have been only small increases before; now they are faced with building facilities at an estimated cost of over \$10 million; these improvements are necessary to comply with State requirements of the operating permit for the Tapia Water Reclamation facility that was approved by the Regional Water Quality Control Board (RWQCB) in late 2005; waste water treatment is becoming costly and will become even more expensive over time; large amounts of electrical power are required, there are expendables subject to price volatility, and requirements are constantly being raised by regulatory agencies; LVMWD is a small agency committed to doing the right thing for the protection of public health and safety and the environment; with a small district, the costs are spread over a very small customer base; in small to medium jurisdictions, sewer treatment bills of upwards of \$100 are becoming a reality; in about five years, based on projections, they expect bills to be approximately half of that; even though the LVMWD is proposing a five-year plan, it will be reviewed every year by the Board to determine if the proposed increases are necessary; if the revenue resources are adequate in any given year, the Board could forego the scheduled increase, which has been done in the past; the need for the rate increases is real, as the waste water treatment resources are depleted and the District has capital projects that must be built per State requirements; the Board believes in transparency and elevating customer understanding; he has been meeting with the public and large institutions, and the LVMWD will conduct a public tour of the facilities on 8/18/07; on 8/23/07, an open house will be held to which all members of the community are invited to speak with management and the Board; this is in addition to the required public hearings that will be held on the rate increases; no one likes to raise rates, but reliable water supplies and responsible waste water treatment to protect public health and safety and the environment are basic elements of sustaining quality of life; compared to other costs that families and businesses pay, the cost for water and waste water treatment is an excellent value; the LVMWD is committed to a high level of service to this City and all its customers.

Council Member Freedland stated the following:

In looking at the proposed increases, it appears that for a single family, the sanitation rates in three years would be double and the tier 4 water rates would increase 50% in two years; he asked for a projection for the average Hidden Hills family of four compared to the average usage.

Mr. Mundy responded as follows:

They are not only proposing to increase the rates in each of the water tiers, but to also restructure the tiers, so that customers will get more water in the tiers; a customer would currently be in the 4th billing tier once the usage hits 115 units; the proposal would set the 3rd tier limit up to 200 units; so if a resident is in the 4th tier and using around 200 units, by staying at or under that level, the customer could get into the lower tier and save some money; the average single family customer in the District uses 67-70 units of water per billing period; these customers will see a reduction in rates the first year; customers in this City may use more units; it is very hard to generalize without looking at individual consumption, but they would be more than happy to analyze any resident's bill individually for them.

Council Member Freedland was concerned that Hidden Hills residents would look at the notice and see that those using 67-70 units would experience a reduction in rates, and think that that would apply to them, not fully understanding that was representative of an average household, which most households in Hidden Hills are not. Mr. Mundy again said the District would be more than happy to assist customers and analyze their individual bills – anyone needing assistance should call the customer service staff at 818/251-2100.

Council Member Freedland asked how the District would evaluate each year to see if the proposed increase was necessary, to which Mr. Mundy responded as follows:

The District performed a study that looked at the needs; to understand the cost of services, they looked at different types of customers and their uses; when doing the study, they developed a financial model and did projections for five years; then each year they will look at the needs and plug into the model to see if what was proposed still holds true; if they do not need to raise revenue as much as the model shows, then they would go back to the Board; what is driving most of the sanitation increases is primarily capital costs to upgrade the plant to meet State requirements; for the water, it is mainly inflationary costs; they are on a July 1st – June 30th fiscal year, so would begin looking at this each year when they start working on the budget in January.

Council Member Cohen wondered if the District had explored other ways to raise the \$10 million needed over the next five years, or if the time period to raise the funds could be extended.

Mr. Mundy explained the following:

They have explored other options and are currently working in Washington, DC; they have an authorization that has been put in the Water Resources Development Act, which is a \$3 million request; an authorization is needed before an appropriation, and the Congress has not yet appropriated any money; they also looked at debt financing; the operating permit is up for renewal in 2010; if they debt service now and more stringent requirements are imposed in 2010 (which is likely), they may need to debt service then for \$100 - \$200 million; he does not want to burn debt service capacity for the \$10 million bond issue now, but would rather look to the future, at which time these costs could be rolled into the future costs and the rates could be adjusted accordingly; the facilities have to be finished by 2010, at which time the contractor would need to be paid, and the District does not have reserves on hand; they would sell revenue bonds and pledge revenues from the rates to pay the bonds; the only other way to sell bonds is through general obligation bonds which require a 2/3 vote of rate payers; so typically, public agencies sell revenue bonds.

Resident Gerald Castellaw had two questions: 1) if the model shows the rates should go up, would they be raised, and 2) the District is proposing to save debt capacity for a situation that may not occur - why not use the debt capacity now to defer the increase, and then if the increase becomes necessary, make a proposal at that time – or if the District gets the increase now and it is not needed later, use the debt capacity to pay customers back. Mr. Mundy stated the following:

If the District has the opportunity to lower the rates, they will; however, conversely, if the rates need to be increased, that is what they will do, primarily due to regulatory and inflationary costs; now they are proposing a five year increase; if the Board adopts this recommendation, and then they want to propose a higher increase later, they would have to go back to the public and issue notices again; it would not be automatic; it is easier to set and back away from an increase rather than in the future raising the rates beyond what was approved; it is true that no one knows what will happen in 2010; according to State law, they cannot collect more revenues than what is needed to cover the cost of services; if they do not see more stringent regulations in 2010, then they can see if there is an opportunity to debt finance at that time, and he would be much more comfortable with that; however, considering what the RWQCB has done in the past, they are expecting more stringent regulations.

The following two questions were asked by Council Member Weber: 1) if the sanitation service rates are to pay for the \$10 million facility, what happens when that facility is paid for, and 2) does the District have any rate structure for fixed income senior retirees. Mr. Mundy replied as follows:

The increase will pay for the needed facilities and also provide additional revenue for the reserves; currently they have no reserves, including operating or emergency reserves, for sanitation; in regard to the second question, they will be raising the units in the first tier, which will allow those with lower water usage to save; if they can remain within 16 units (the proposed number for the first tier), they will get a 10% reduction in their sanitation rate; this will apply to any customer, not just seniors.

Council Member Cohen suggested a notice about the 9/10/07 public hearing at the District be put in the City's newsletter and on cable, and encouraged any interested residents to attend. Mr. Mundy informed the Council that notices had been sent not only to all property owners, which is required by law, but also sent to all customers.

B. 2007 Fiesta

Consideration of Approval of Proposal from Dakota's The Great Steak House to Provide Saturday Night Dinner

Fiesta Co-Chairman Lisa Moriarity asked the Council for approval of the dinner proposal, which was within the budgeted amount of \$22,500. Upon MOTION of Council Member Cohen, seconded by Council Member Freedland and unanimously carried on roll call vote, it was resolved to approve the proposal from Dakota's to provide the Saturday night dinner at a cost of \$22,427, with a \$5000 deposit to be paid upon receipt of a signed City agreement.

Consideration of Approval of Proposal from Mariachi Los Imperials to Provide Saturday Night Entertainment

Ms. Moriarity pointed out that the entertainment budget had been reduced to \$250 at a previous meeting, but she is requesting that it be raised to \$1400 to cover the cost of a six person mariachi band (which frequently plays at the Sagebrush Cantina) that will play for four hours Saturday

evening. Upon MOTION of Council Member Freedland, seconded by Council Member Cohen and unanimously carried on roll call vote, it was resolved to approve the proposal from Mariachi Los Imperials to provide musical entertainment for four hours during the Saturday evening Fiesta at a cost of \$1400.

PUBLIC SAFETY

A. Los Angeles County Fire Department Report - June

Community Services Representative Maria Grycan provided the following report:

During the month of June there were 13 responses including 1 false alarm/good intent, 2 passenger vehicle fires (one on Eldorado Meadow and the other on Clear Valley), and 1 other fire on Butterfield with no damage (blown fuse from a stereo speaker system); there were also 3 medical calls, 5 snake removals, 1 public service (to assist an invalid), 8 Fire Prevention Bureau inspections, and 0 plan checks; a tour for 22 children and 5 adults was conducted at Station 68; as of 6/30/07, 1781 of 2190 parcels had been inspected for brush clearance (in both Hidden Hills and Calabasas); she is still unable to provide a breakdown of which of those are in our City and which are in Calabasas, but she will continue to look for a way to make that determination; if a property owner is turned over for enforcement, she is able to identify the City in which that parcel is located; of the 1781 parcels inspected, 301 were issued 410s for not being in compliance; of those 301 parcels, 125 are still pending, which means they are working with the Station to clear their property; to answer Council Member Freedland, both Stations 68 and 125 conduct inspections, with Station 125 usually doing Calabasas; however, most of the 410s are from Station 68, which could be Calabasas south of the freeway; brush clearance is usually not a problem in Hidden Hills; because of the fire danger this year, the Fire Department is not messing around, and violators are being written up; property owners not doing anything to comply are being turned over to the Brush Clearance Unit for enforcement.

Mayor Pro Tem Fisher asked about the Ahmanson property clearance. Ms. Grycan stated that per Chief Ranger Walt Young, they contracted with Los Angeles County Agricultural Services to clear all of their properties per L.A. County standards, so that property should be cleared.

B. Los Angeles County Sheriff's Department Report - June

The following report was provided by Lt. John Benedict:

There was one Part I crime in June, that being a petty theft of a traffic cone in the 5300 block of Round Meadow; two juveniles were identified, stating they took the cone as a joke; they were counseled and released; the parent later called the Sheriff's Station to commend the Deputies on how the situation was handled; there was only one false alarm during June, in the 24000 block of Bridle Trail; one collision occurred in the 25000 block of Eldorado Meadow; a mailbox was struck with a passenger side mirror of a vehicle, leaving debris that was collected; there were no witnesses and no suspects to date; 58 citations were issued, including 33 hazardous violations, 4 non-hazardous, and 17 parking violations; one incident was reported to the STTOP (Sheriff Teen Traffic Offender Program) Deputy; youngsters were riding motorcycles on the horse trails; they were followed to a residence, and the Deputies talked to the parents; they were cooperative and said it would not happen again.

PUBLIC HEARING

Variance No. V-371

24754 Robert Guy Road

Retaining Walls within the Front and Side Yard Setbacks and a Trash Enclosure within the Side Yard Setback

Mayor Pro Tem Fisher recused himself and left the room, due to a possible financial conflict with the applicant, at which time Council Member Freedland took charge of the meeting. City Engineer Dirk Lovett gave the following staff report:

This variance application is for a 6' high retaining wall and trash enclosure in the 25' side yard setback, and a 3' high retaining wall in the front and side yard setback along the driveway; the lot is currently developed, with the proposed changes being part of a new addition and remodel; notices were posted and sent to all those property owners within 500', with no comments being received; the applicant is proposing a single story addition of approximately 3521 square feet, a new 620 square foot guest quarters, and a remodel of the existing house; in order to widen the flag driveway for vehicular access as required by the Fire Department, a 3' high retaining wall encroaching into both the front and side yard setbacks is needed from the house out to the street (Robert Guy); also per the Fire Department, the existing trash enclosure must be moved, with the most feasible location resulting in a 15' encroachment into the side yard setback; the Fire Department requires a 5' wide path around a house for access; this pathway will need to be added around the existing house (it currently does not exist) and where the new addition is proposed; in

order to comply, the applicant needs to cut into the hillside north of the residence with a 6' high retaining wall encroaching from 3' – 23' into the side yard setback; the City's Municipal Code requires the Council to make four findings to approve the variance; staff feels the findings can be made for everything except the 6' high retaining wall just north of the new addition and east of the existing structure; this portion of the wall for the addition does not appear to be a hardship, as the addition could be relocated or reduced in size, and the hillside cut back, resulting in the need for a smaller wall; the Municipal Code does allow a wall 15' into the setback as long as it is no higher than 3'; staff would recommend that the findings be made for everything except the 6' high retaining wall east of the existing house and north of the proposed addition, and that the proposed resolution be adopted with the condition that that particular section of wall comply with the Municipal Code in relation to height and setback.

Council Member Freedland opened the public hearing, at which time the applicant, Gerald Castellaw, made the following comments:

Regarding the section of the wall in question, he could angle and transition that wall down from about 5½' to 3' over a distance of about 20-25 linear feet; then the wall would only be 3' from that point on, except for the area right across from the dining room, where he has planned a water feature; in order to have that water feature, the wall in that location would be 3'9" on one corner and 3' on the other corner; even though he would very much like the water feature, he realizes it is not absolutely necessary; to answer Council Member Freedland, the trash enclosure is shown on the plan in its relocated position, not its original position.

Council Member Freedland asked for staff's and the applicant's opinion on the 3'9" section of the wall. Mr. Lovett felt there was no hardship, with the applicant adding that he could do without the water feature, keeping the wall at 3' there, especially if allowed to transition the wall from the 5 ½' to the 3', as discussed earlier.

In response to Council Member Freedland, the applicant stated the following:

He stood on the neighbor's property and could not see where the wall would be, as it is only visible from the back of his own residence; the existing house is 4700 square feet; with the 4000 square foot addition, and the 600 square foot guest house, the total square footage would be approximately 9500 when everything is completed.

At this point Council Member Freedland closed the public hearing and asked the other Council Members for any comments. Council Member Cohen felt the variance could be granted except

for that portion of the wall that could be transitioned down to 3', especially since the applicant has several options that would eliminate the need for a 6' wall. Council Member Weber agreed with Council Member Cohen, except he was not opposed to allowing the 3'9" section for the water feature. Council Member Freedland totally agreed with Council Member Cohen that the 6' wall could be transitioned down to 3', as there was flexibility with the room addition and the hillside, but could not agree with Council Member Weber regarding the water feature, as he did not see a hardship.

As there was no further discussion, upon MOTION of Council Member Cohen, seconded by Council Member Weber and unanimously (of those present) carried, it was resolved to make the required findings and adopt by title only, subject to the condition that the proposed retaining wall east of the existing building and north of the proposed addition, located within the setback area as set forth in the plans, shall comply with the setback and height requirements of the Municipal Code, Resolution No. 803 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIDDEN HILLS SITTING AS THE PLANNING AGENCY APPROVING A REQUEST FOR VARIANCE NO. V-371 FOR RETAINING WALLS AND A TRASH ENCLOSURE, LOCATED AT 24754 ROBERT GUY ROAD, WHICH WILL ENCORACH INTO THE FRONT AND SIDE YARD SETBACKS.

Mayor Pro Tem Fisher rejoined the meeting at this time (8:22 p.m.).

CONSENT CALENDAR

- A. City Council Minutes – July 9, 2007**
- B. Demand List**
- C. Annual Financial Report of the Proposition A and Proposition C Local Return Funds for the Fiscal Years Ended June 30, 2006 and 2005**
- D. Annual Financial Report of the Transportation Development Act (TDA) Article 3 Fund for the Fiscal Years Ended June 30, 2006 and 2005**

Upon MOTION of Council Member Cohen, seconded by Council Member Weber and unanimously carried on roll call vote, it was resolved to approve items A, B, C, and D of the consent calendar as submitted.

MATTERS FROM CITY COUNCIL MEMBERS

A. Report from 7/17/07 Hidden Hills Community Association Board of Directors Meeting

Association Board Member and City liaison Ron Wolfe informed the Council of the following:

The overhead sign at the Long Valley gate has now been completed; the Board is looking into possibly using the same contractor to put a similar sign, with a lesser span, at the Round Meadow gate entrance; the approximate cost for the sign at Long Valley was \$45,000; the Association ended on budget at the end of the fiscal year June 30th.

The City Manager reminded Mr. Wolfe that the City's emergency antenna needed to be placed on top of the new sign at Long Valley, as that was the agreement rather than placing it on the gate house.

B. Report from 7/17/07 Las Virgenes Malibu Council of Governments Meeting

The City Manager provided the following report:

She referred to a draft trails map on exhibit, which was prepared for the COG by the National Park Service; the map shows all the trails in the region (public, not private) and the ability to get from this region all the way to the ocean; once the map is completed, each city in the COG will receive a map to display, and a brochure with sections for each city; each city will also receive an electronic version for its website; hopefully in the future, one would be able to click on the website map and pull up details on particular trail sections; if anyone has any comments on the map, they would be more than welcome; speaking of trails, Kurtis Freedland finished his Eagle Scout project this past weekend – he put in new posts and directional signs on the Upper Las Virgenes Canyon Open Space Preserve (Ahmanson); Fire Chief P. Michael Freeman and Assistant Chief Mike Morgan attended the COG meeting to make a presentation on the newly proposed Los Angeles Regional Interoperable Communications System (LA-RICS); this is a proposed system to allow all law enforcement and public safety agencies in L.A. County, including those of all 88 cities, to communicate (with voice and/or data) on the same wireless system across jurisdictions; the anticipated cost over five years is \$600 million;

L.A. County Sheriff and Fire were looking at a system just for them, which would have been \$500 million, so \$600 million to tie in everyone would be much more cost effective; they also plan on using existing infrastructure, which should save money; for example, using an existing tower, rather than building a new one, is estimated to save \$1.5 million.

Council Member Weber informed the Council of the following:

This system should not concern us and our radio system, as it is mainly for police and fire, which then cities can link into during an emergency; the project 25 compliant radios they are going to utilize, a Public Safety mandate for interoperability in the United States, do not exist yet, but the feds are moving in that direction; the LA-RICS uses trunking protocol, which works something like a cell phone; it searches for a frequency when the radio is keyed up, so it can always be on and not have to wait for someone to exit the frequency; when it is decided which trunking protocol will be used, this opens the architecture and all the companies will need to share and make the radios available; he has been assured that our City's radios will still be useable and able to be hooked up to this system; but until the new radios are available, this is probably where a bridge can be used; there is a black box that the commander of an emergency can plug into to allow the rest of us access through our own frequency; for the LA-RICS, they could begin to build the infrastructure by January, even though the radios are not available yet.

C. Discussion Regarding the Use of Leaf Blowers Within the City

Council Member Weber stated the following:

He raised this issue; the City does have an ordinance prohibiting the use of gas leaf blowers, which was established some time ago due to noise concerns; he is looking at this as more of a health issue; when he sees leaf blowers being used, they blow dirt everywhere which is contaminated by animal manure, other decaying units, and pollen; he sees gas blowers being used all over the City, even at the Community Center and possibly City Hall, which is a health hazard; he believes it should be made clear that there is an ordinance, and it should be enforced; at least if a battery or electrical blower is used, the noise is less and they are not as powerful; it would also help if gardeners would not blow the dirt parkways.

Mayor Pro Tem Fisher expressed some concerns that this would be hard to enforce; the City does not want to encourage the use of water, as that is a waste (and puts unwanted runoff in the storm drains), and many residents are not going to want their gardeners to spend a lot more time sweeping. He suggested that the City try to educate the homeowners and gardeners. Council Member Freedland was also concerned with enforcement, and the encouragement of sweeping.

He added that if someone is using a gas blower and violating the noise ordinance, the Sheriff could be called, but by the time they arrived, it would most likely be too late. The City Manager added that the Sheriff would certainly respond, although it would not be a high priority for them, but the City's Building Inspector could be sent out to stop the use of a gas blower. She pointed out, however, that even if you stop the gas blowers, the other blowers can legally be used and will also blow dirt, etc., so it would be hard to make the case that we are fighting a health hazard.

Council Member Weber suggested that the educational approach be tried, with information being placed in both the City's and Association's newsletters regarding the possible health hazard, and at least encouraging those using blowers to use the right ones and not blow the parkways. The rest of the Council agreed.

MATTERS FROM STAFF

A. Tentative Map 63567 (Ashley) - Update

City Engineer Dirk Lovett provided the following staff report:

At the last meeting, the Council was informed that staff comments were provided to the EIR consultant; since then, the consultant has provided the City with revisions and changes based on those staff comments; staff is now reviewing the latest draft, and if necessary, comments will again be sent to the consultant, until the draft is satisfactory.

B. Charles Abbott Monthly Report - June

City Engineer Dirk Lovett pointed out that this was the year end report showing everything coming in under budget except for NPDES and recycling expenditures, for which there is no offsetting income. In response to Council Member Freedland, Mr. Lovett stated that the budget for this fiscal year was adjusted accordingly for those items, and he thought the new amount was \$140,000.

ADJOURNMENT

There being no further business to come before the Council, upon MOTION of Council Member Weber, seconded by Council Member Freedland and unanimously carried, it was resolved to adjourn the regular meeting of July 23, 2007 at 8:44 p.m.

Monty E. Fisher, Mayor Pro Tem

ATTEST:

Cherie L. Paglia, City Manager/City Clerk