

CITY OF HIDDEN HILLS
REGULAR CITY COUNCIL MEETING

City Hall

Monday, July 26, 2010

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 26, 2010 at the hour of 7:30 p.m. Mayor Larry Weber called the meeting to order and presided thereover after leading the Council and audience in the Pledge of Allegiance.

ROLL CALL

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| Council: | Mayor Larry G. Weber Mayor Pro Tem Jim Cohen Council Member Steve Freedland Council Member Larry Goldberg Council Member Stuart E. Siegel |
| Staff: | City Attorney Roxanne Diaz City Engineer Dirk Lovett Environmental Consultant Kevin Powers |
| Absent: | City Manager Cherie L. Paglia |

Mayor Weber stated that City Manager Paglia was absent, attending to the passing of her father.

APPROVAL OF AGENDA

Upon MOTION of Council Member Siegel, seconded by Council Member Freedland and unanimously carried, it was resolved that the agenda for the July 26, 2010 regular meeting be approved as submitted.

ANNOUNCEMENTS

Mayor Weber made the following announcement:

He would like to remind everyone that riding motorized vehicles on the trails is illegal; he had an encounter yesterday with two teenage boys who were riding motorized 2-wheel bikes up a steep trail; when he confronted them and asked them to get off the trail, they argued with him, called him several things, including "old man", and could not understand why he was upset; he would suggest that they keep off of the trails; he does know their parents.

AUDIENCE

Wes Myers of Ashley Construction, Inc. stated the following:

They are following the direction of the Council and working diligently on coming up with some options, alternatives, and modifications to the Bridle Trail development; they have put up a couple of different ideas, plans and thoughts in the Association building and should be discussing that with the Association at a published meeting in about a month from now; if anyone is interested, they should swing by.

PUBLIC SAFETY

A. Los Angeles County Fire Department Report - June

As Community Services Representative Maria Grycan was not yet in attendance, Mayor Weber suggested this item be addressed later in the meeting.

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

Lt. John Benedict presented the following report:

During the month of June there was one theft of a bicycle from the front lawn of a property in the 25000 block of Jim Bridger; there were two false alarms, no traffic accidents, no drivers reported to the STTOP program, and 22 citations, 10 of those being hazardous, 1 non-hazardous, and 11 parking violations; the Bike Safety City has been delivered to the Station, and was recently used in the Westlake Village July 4th parade; it is an educational tool designed for children, but also helpful to adults, regarding bicycle safety and how it impacts youngsters, their parents, and their communities; it is a very good program; hopefully it can be used in Hidden Hills in the near future.

In response to a question from Mayor Weber regarding recent burglaries, Lt. Benedict commented as follows:

There have been some burglaries, but he is unable to share too much with the Council at this time, as they do have some information that will hopefully lead to an arrest outside of the City; he hopes to have something to report at the next meeting; there should be some success to report.

C. Consideration of Proclamation for National Night Out 2010

Upon MOTION of Council Member Freedland, seconded by Council Member Goldberg and unanimously carried, it was resolved to approve a Proclamation declaring Tuesday, August 3, 2010 as "National Night Out" in the City of Hidden Hills. Mayor Weber presented the proclamation to Lt. Benedict, along with a certificate for one of the sergeants retiring from the Sheriff's Department after 29 years of service.

PRESENTATIONS

A. City Certificates/2010 Student Achievement Recipients

Mayor Weber offered his congratulations, on behalf of the Council, and presented a City certificate to Round Meadow Elementary School student and Hidden Hills resident Spencer Toeg.

B. Presentation from the City of Calabasas Regarding that City's Proposed Annexation of Mountain View Estates and the City of Hidden Hills' Sphere of Influence

Calabasas City Manager Tony Coroalles informed the Council that he was not asking Hidden Hills to do anything at this time, but just providing an informational briefing regarding Calabasas' intent to annex Mt. View Estates. He added that a written report was provided to this Council, and that Calabasas City Planner Tom Bartlett would provide more details, after which they would be happy to answer any questions.

Mr. Bartlett provided the following information:

Calabasas is seeking to annex, through LAFCO (the Local Agency Formation Commission) Mountain View Estates, an area amounting to about 800 acres; that annexation petition requires Calabasas to amend its Sphere of Influence (SOI), which would also require a corresponding Hidden Hills SOI amendment so the two spheres do not overlap; a SOI is a planning tool adopted and used by LAFCO to designate potential future boundaries and service areas of cities in the County; for both Calabasas and Hidden Hills, the SOI identifies the physical outer extents that the cities may represent in the future; the Hidden Hills 1995 General Plan identifies the SOI to include a western boundary largely coincidental with what was then Quinn Canyon (to the west of the existing Hidden Hills boundary); that location is roughly right down the middle of Mountain View Estates today; LAFCO is responsible for processing logical SOI boundaries for all the cities, and it is illogical (and illegal) for Calabasas to annex Mountain View Estates with that SOI boundary remaining in that location; LAFCO will bring this to the attention of Hidden Hills in the future as the Calabasas petition comes before that organization for consideration; there are two reasons Calabasas would like to annex Mountain View Estates; the Calabasas General Plan, which was updated less than two years ago by a twenty member task force, decided that area, along with others, was a natural fit as residents travel, recreate, conduct business, and use services within Calabasas on a daily basis; it made sense for those residents to get the benefit of seeing their tax dollars spent directly to improve and beautify the community in which they live, if annexed; also it would give them the opportunity to participate in local elections, and to serve on boards or commissions in Calabasas; secondly, the Council directed staff to conduct an informal polling which was completed in July; based on that poll, as there was a favorable response at that time, the Calabasas City Council initiated a resolution of annexation to move forward (a copy of which was provided in the information given to Hidden Hills); in March of 2010, Calabasas filed an application for the annexation, and in June of 2010, the area was rezoned (required by State law); the next step is for

Calabasas to negotiate with L.A. County on a tax revenue sharing agreement, and to coordinate, with the L.A. County Department of Public Works, the preparation of a transition plan for services, particularly services affecting trash, recyclables, and yard waste; that plan would then be submitted to LAFCO; those components would complete the application, allowing LAFCO to move forward with the public hearing process; as part of that process, LAFCO would consider the SOI boundary, which can be done legally coincidental with the annexation proceedings; the public, property owners, and registered voters would have the opportunity (through outreach by the County) to provide comments and input so their views and positions would be considered by LAFCO; at some point, LAFCO will ask Hidden Hills about its position on the SOI amendment; he does not know when that will happen, but Calabasas is just advising Hidden Hills of the process.

Council Member Siegel asked what the procedure was in terms of the residents or property owners in Mountain View Estates voting on the annexation, and if the Hidden Hills decision to cooperate with Calabasas on the SOI amendment would come before or after that vote. Mr. Bartlett responded as follows:

This procedure is detailed on the Calabasas website, but in general, notice is provided to registered voters as well as property owners; based on the number responding, that trips a threshold; if more than 50% protest, that decides the matter; if 25% - 50% protest, LAFCO will conduct a protest hearing; if less than 25% protest, the annexation can proceed; the Hidden Hills statement would be something LAFCO would ask for before this vote.

Mayor Weber, Mayor Pro Tem Cohen, and Council Member Goldberg each had questions, which were answered by Mr. Bartlett as follows:

The informal poll showing a favorable response consisted of post cards mailed to all the property owners within the 800 acres, including the property owners of the 385 homes in Mountain View Estates; the land use, including the open space, will remain the same, as it now is, with no changes; that is already stated in the Calabasas General Plan, but the Calabasas Council passed resolutions to further emphasize that point; there is no intention but to annex the area as is; part of the area does include an eight acre City park, Gates Canyon, that will also stay as is; when the vote will take place totally depends on LAFCO and how long it takes them to get through the process.

Mayor Weber asked if there were any comments from the audience, at which time Mountain View Estates resident Mark Reisner addressed the Council:

He would like to thank the Mayor and Council for giving him this opportunity to comment; as stated earlier, Mountain View Estates is currently in the Hidden Hills' SOI; Calabasas is asking indirectly through the LAFCO process for Hidden Hills not to oppose the annexation; a survey was conducted to gage the interests of the Mountain View Estates homeowners in being annexed to Calabasas; of the 385 homeowners, the results were 78 for the annexation, 62 opposed to the annexation, and 245 not responding; he believes the results were inconclusive, to say the least; as recently as 7/12/10, Calabasas Council Member James Bozajian, in an interview, stated that the survey was just a straw poll, had no legal effect, and did not tell very much; the survey was supposed to be an informal look to see if any interest in the annexation existed; Council Member Bozajian said something to the effect that he was not going to give the survey any weight; in the fall of 2009, when more details about the proposed annexation became available and in order to better measure homeowner interest, the Mountain View Estates Board of Directors conducted its own survey, which showed the residents were opposed; of the 207 that responded, 167 (or 80%) were opposed, 22 were in favor, and 18 were undecided; at this time and based on that information, he would ask that the Hidden Hills City Council not make any decisions regarding Calabasas' request either through LAFCO or through the amendment process, and refrain from taking any action until the protest phase of the LAFCO process as prescribed by applicable law has been completed and the results made public to the Mountain View Estates community; this would provide this City Council with more incite and tangible knowledge as to how the majority of the Mountain View Estates residents feel about the proposed annexation and allow that community to define its own destiny; he hopes the Hidden Hills City Council will support the Mountain View Estates residents, no matter what that decision is; he is speaking as a member of a growing number of community members who are opposed to the annexation, and is not speaking on behalf of the Board.

Carol Elliot, another Mountain View Estates resident, stated the following:

She is only going to address the open space issue; even though resolutions have been passed, and were passed in good faith, everyone knows that resolutions are not binding on future Councils; nothing is etched in stone; she is happy with and would like to see things left as they are, and allow Mountain View Estates to stay with the County.

As there were no further comments, City Attorney Roxanne Diaz, who spoke to the City Manager earlier in the day, suggested that the Council take no action at this time other than to appoint an ad hoc committee, which would be ready to act at any time in case this proposed annexation would come to the forefront in the next year. She added that per existing codes, the City should be notified of any LAFCO proceedings regarding this annexation, but that it might

be prudent to submit a letter from the City requesting notification of any and all proceedings, hearings, and actions related to this matter. Both Council Members Freedland and Siegel volunteered to serve on an ad hoc committee, as they met with Calabasas some time ago to informally discuss the possible annexation by that City of Craftsmen Center, also in the Hidden Hills' SOI. Both Council Members assured Mayor Pro Tem Cohen that this Mountain View Estates proposed annexation did not include Craftsmen Center, but the annexation of that area could be something requested by Calabasas in the future. As there were no objections, Mayor Weber appointed Council Members Freedland and Siegel to an ad hoc committee.

In response to Council Member Goldberg, City Attorney Diaz stated the following:

The City's SOI was established many years ago to look forward to the future and where the City's potential boundaries might be; it is part of the City's General Plan and from when the City was first established; when done in 1961, it was a vision looking beyond the City boundaries at that time to where the natural end point could be.

Council Member Freedland felt the issues for Hidden Hills were mainly the immediate boundary, and what the grand scheme is for the property east of Crummer Road that abuts Hidden Hills – what is being planned for that area is of major concern for our City. Mayor Weber wanted to see some long-term assurances that it would remain open space.

Council Member Siegel suggested the main issue for Mountain View Estates was the possibility that future Calabasas Councils could amend or change existing zoning. City Attorney Diaz confirmed that zoning is not set in stone and can be changed, although once a property is pre-zoned for an annexation, she believed that zoning had to stay in effect for two years after the annexation. Mayor Pro Tem Cohen wondered why Calabasas was asking to move the Hidden Hills SOI to be in the same location as the City's existing boundaries, and whether or not the City had to agree with that, or could just allow the SOI to be moved part way. City Attorney Diaz and Council Member Siegel explained that when the Hidden Hills SOI was originally established, the current border of the SOI that runs down the middle of Mountain View Estates

was probably a canyon or some natural division, and that LAFCO was not going to approve moving the SOI to a non-natural boundary. In fact, LAFCO normally desires to eliminate small “islands” or parcels of land if possible.

L.A. County Fire Department Report – June

As Community Services Representative Maria Grycan was now in attendance, she provided the following report:

During the month of June there were no fires but 6 responses, including 2 false alarms, 1 service call (snake), and 3 medical calls; there were 2 Fire Prevention Bureau inspections, and 0 plans checked; this is the first month that the brush inspections start occurring, but she has not yet been able to separate the inspections in Hidden Hills from those in Calabasas (hopefully that will occur for the July report); combined this month, all but 10 of the 2229 parcels have been inspected, with a total of 394 receiving 410s for non-compliance; of that 394, at the end of June, 55 had already complied, leaving 339 still outstanding; none of those have been turned over to the brush inspection unit, but that could change by the end of July when homeowners run out of deadlines and extensions; requirements for brush clearance have not changed, but the enforcement is becoming more strict and more critical since the areas have not burned; even with some rains, it is not enough to saturate the ground, only enough to grow more brush which dries out, increasing the chances of fires; so each year that something doesn't burn, they become more strict with enforcement.

Council Member Freedland said he was aware of some properties that have failed their second inspections, but the properties are either bank owned or the ownership is a bit hazy due to foreclosures. He wondered what happened with those properties. Ms. Grycan explained the following:

If ownership is hazy, it might be more difficult to get the work done; if the last deadline passes, then it is up to County Agriculture to schedule a crew to come out and clear the property; that administration fee is then put on the owner's property tax bill; how soon that gets accomplished depends on County Agriculture's schedule; if someone knows of a property that is a hazard or dangerous, that person should call City Hall, and staff can then call her to try and push that property to the front of the line.

Mayor Weber reminded everyone that they should not feel bad for reporting properties near them that were hazardous, and would encourage residents to do so.

C. Consideration of Request from the Hidden Hills Community Association for a Community Assistance Grant for the Saddle Creek Project

Community Association Board President Ron Wolfe addressed the Council:

He and Board Member Marv Landon are here to ask the Council for a grant for the Saddle Creek arena, which is owned by the City and leased to the HHCA; it has been in disrepair for the twenty years he has lived here; after about ten years of planning, discussions, opinions, etc., the Board placed on the HHCA ballot a large plan which included the borrowing of money for new arenas, complete grading, maintenance, bathrooms, seating, BBQ, and a park; that project was defeated, so they went back to the drawing board and decided to fix the arenas and replace what is there now; the Board discussed the matter, and asked what it would take to grade the property, fill in the creek, provide bathrooms (there is an Andy Gump there now), bring in power and an emergency phone, clean up the area, and then put back the arenas which were already budgeted for; the Board obtained a proposal, which was twice the available HHCA funding; at that point, the Board decided to ask the City for a grant to help them fill in the creek, do the roads and utilities, add an emergency phone and bathrooms, and provide landscaping; then they would replace what is there – the facility/arenas used by the Horsemen; but the entire area would be prepared to be used for that purpose and for any future purpose, instead of just putting back what was there as a substandard area, based on what the community wants.

Board Member Marv Landon added his comments:

Ron Heston handled this design; if the arenas were to be put back and just refreshed, that would prevent anyone from developing the property in the future to its maximum degree; if the creek is not filled in, and the HHCA wants to redo the property in five years with a park (this is really the only available land in the City for a park), everything would have to be torn apart again; he thinks \$600,000 will allow the property to be prepared for future use and expansion; he believes this is similar to the removal of telephone poles, which was recently discussed – we need to look into the future.

Mr. Wolfe had several additional comments:

Of all the areas where we could make a difference with community funding, he cannot think of another area that would have a bigger effect; we should naturally spend funds that we have built up and carried forward on a use that will make an impact on the community; that is why the Board is requesting to do this right, and to do it now rather than just patch it up; they are asking for the City's help.

Mayor Weber asked if Mr. Wolfe knew why the original proposed project was defeated. Mr. Wolfe, stating that this was just his opinion, felt the project was just too large for the community (it was double what they are looking at now), especially during bad economic times, as it included viewing stands, announcer's booth, large BBQ, big maintenance shed, etc.

Council Member Freedland stated the following:

If the City gives the HHCA \$600,000, that's a lot of money, and way more than the \$25,000 set aside in the City's budget for community assistance grants (some of which is set aside for other projects); leaving his opinion out of it at this time, he is concerned that this will look like an end run around the results of the community poll done by the HHCA; since the HHCA is talking about community money, let's assume just for now that the City's reserves are community funds; part of the HHCA poll was whether or not the community wanted that money spent; since the project was defeated, and the community did not want the HHCA to spend the money, why is it now okay to spend City funds that have been characterized this evening as community funds; he wondered if the HHCA, having started down the slippery slope of polling the community, had done a study to see if the community is behind filling in the creek.

Mr. Wolfe replied as follows:

They have not done a study; the HHCA has cut this project back by more than 50%; for the original project, they were asking the community if they wanted to borrow the funds, but now they are not looking at obligating the community for future funds for a loan, so there will be no additional costs; the cost for paying for the loan would have made an adjustment in member dues, so now those dues will not be affected; if the money comes from the City's reserves, it will not change the taxes residents will pay.

Council Member Freedland said that if you took that same amount of money and gave it back to the residents by reducing their assessments, one way or another, the community is paying for it, if the HHCA is considering it all community funds. Mr. Wolfe replied that he has to deal with reality and what will probably happen – there will be City reserves for future use, and he is just saying he believes this is the best use on the horizon for those reserves.

Council Member Freedland made the following points:

There is no method for the City to raise money if it is needed; the City cannot impose a utility users tax without a 2/3 vote of the residents (previously, this could be done by Council action); property taxes are paid to the County, with a particular set portion then being returned to the City; just like with Mountain View Estates, if they become part of Calabasas, then a portion of those taxes are returned to Calabasas; the City cannot reduce the property taxes for the residents; the HHCA has the unique ability to look at what the Board is going to spend and set the assessment rate accordingly to balance the budget; this year the City is actually projecting a budget deficit; the City also has regulatory requirements for which there is no funding that can be collected, especially related to NPDES, pollution, water discharge, etc.; these have already caused an uptick in expenses; he does not know what the right reserve level is, but \$600,000 is a huge amount proportionately to what the City has in reserves.

Additional comments were provided by Mr. Wolfe:

He admires all of the Council Members, new or old, as they have put the City in sound financial shape; but the number of emergency expenditures that could occur in Hidden Hills is almost 100% HHCA emergencies; the HHCA has a much greater need, and all the large expenses would have to be undertaken by the HHCA; the HHCA has increased its reserves and reduced overall spending by 20%; every year of the five years he has been on the Board, the assessment has been reduced; the assessment could be raised, but that is not the attitude of the current Board; they are trying to build up the reserves, as they have less than ½ year; the City has more than a couple years of reserves, without any foreseeable emergencies that he could think of.

The following additional comments were made by Council Member Freedland:

One good lawsuit could erase the City's reserves; he does appreciate and has thanked the Board every year for lowering the assessments and doing a good job for the community; but this is still a huge number compared to what the City has in reserves; in relation to the undergrounding project, he has been working towards that for at least ten years, with the Council saving and setting aside money for the project; the Council did not find a project and decide to take money from the City's reserves for that project; the Council selected a project and decided to save money until there was enough money for the project; he is not saying that is what the HHCA should do, but wanted to point out that it is somewhat of a mischaracterization that the City dipped into its reserves for the undergrounding; however, for a project that serves the community, he does not have an ideological problem dipping into the reserves if they are deemed ample.

Mr. Wolfe stated the following:

He respects what Council Member Freedland is saying, but if there is a large amount of reserves that in some way belong to the whole community, and there is a good project (preparing the property, making it available, getting rid of the Andy Gump, adding an emergency phone), he can't think of a better use, if the reserves are going to be used.

Council Member Freedland said since this was an agenda item, he would have loved to have seen 100 residents here telling the Council what they thought, but since the Council did not conduct a poll, he has no way of gauging if this is something the bulk of the community would want.

Mayor Pro Tem Cohen spoke as follows:

He was not sure that the HHCA had that kind of gage either; the HHCA put a \$2+ million renovation project to a yes or no vote, but we don't really know what the residents want; his question to Mr. Wolfe is the following – if the Council says no to the grant, is the HHCA going to do the project, and if so, are they going to borrow the money; can the proposed project be done step by step.

Mr. Wolfe replied, stating the following:

He can only speak for himself and what the conversations have been at their meetings; we will repair the facilities that are there, as that's what the HHCA has budgeted for; we can either do the area, bring in the utilities, cover the creek, and then put the arenas there, or just put the arenas there; we will fix what is there and needs to be replaced; the HHCA has set aside money to replace the pens.

The following comments were made by Council Member Freedland:

When the poll was conducted for a project that was roughly \$1 million more than the project currently being proposed, if he understands correctly, the HHCA was going to borrow money and lower the cost of the loan by tying it into the Community Center loan; the interest rates have since gone down, so couldn't the HHCA still borrow less money to do a project on a scale closer to what is being described now, and lower the cost of financing on the Community Center and the new project even further (Mr. Wolfe said that was possible); and if so, why is Mr. Wolfe saying that the HHCA will just patch up the area if the additional money is not provided by the City; this seems a bit disingenuous.

When Mayor Pro Tem Cohen asked if the loan on the Community Center was now \$380,000, Mr. Wolfe replied that it was actually less, once the adjustments have been made and the books closed. Council Member Goldberg asked what the objection was to borrowing the money. Mr. Wolfe answered that since the no vote on the project, they just wanted to get the area fixed, usable, and out of disrepair, but the HHCA cannot borrow money without a vote of the community per state law. Council Member Goldberg stated that, in effect, the HHCA could have asked the City for the whole amount and done the whole project without borrowing any money. He also wondered if the HHCA would need a vote from the community if the money was borrowed from the City, just as if from a third party. Mr. Wolfe added that the HHCA went to the community with just one overall vote, as it was a large project and needed financing; and yes, whether the money was borrowed from the City or a third party, the HHCA would still need a vote of the community. Mr. Wolfe confirmed for Council Member Freedland that the HHCA did not want a loan, but rather a grant.

Mayor Weber commented that the City could not add a tax to replenish its reserves, and the HHCA cannot borrow money without the community approving it, so both are sort of stuck for a new funding source – he wondered if the rent the HHCA pays for the use of the property per the lease, which is only \$1, could be raised. Mr. Wolfe agreed there were certainly other possibilities, but he personally would like to keep the HHCA budget down since they have less than six months of operating reserves, which he does not believe is adequate for an Association of their size.

Per Council Member Freedland, when the HHCA was remodeling the Community Center, the logic for getting a loan was that it was a more equitable way for the people who live here to pay for the facilities, so people who moved out would not have to pay for something they would not get to enjoy, and those that moved in would still be burdened by that loan as they would be using the facilities. Mr. Wolfe felt Council Member Freedland made a good argument for a large scale project, but they are looking for other ways to do this minimal version of the project the right

way, so it can be used for the future. He suggested a better solution would be to combine the City and HHCA resources, which are the resources of the same people in the community that are just coming out of different pockets. Council Member Freedland stated conceptually he was not against that, but he was choking on the amount.

Mayor Weber asked the City Attorney if the City had a fiduciary responsibility to keep a certain amount of reserves. Attorney Diaz stated that there is no set amount of reserves required per any code, but there might be a number that most finance directors look at as a healthy reserve, which would depend on each City and the situation; this City's budget is different than most as the resources are limited, with no commercial area or sales tax.

Council Member Siegel felt as follows:

This City does not have the same expenses as other cities, since the HHCA picks up a lot; this is a unique situation where the constituency of the City and HHCA are 99% the same people; we need to keep in mind that it is the residents' money, not the City Council's money, although he is having trouble with the requested amount; conceptually, as Mr. Landon stated, if the HHCA goes ahead with the project and does only half the pie (not doing the park and filling in the creek), that is throwing away the residents' money; being involved with the vote and attending many of the meetings regarding the arena, he thinks (and this is only his opinion) that the project was overly ambitious and expensive in difficult economic times; from what he heard, people were not just opposed to the project, but felt it was in bad taste to be suggesting a \$2 million project when there were homeowners who were in default or behind with their HHCA dues; he never felt that the community was not excited about having an improved horse facility and park; in his mind the no vote was a purely monetary statement; he would hate to see the HHCA spend the money when the City and HHCA could somehow work together, although the amount is still troubling; however, that should be thought about more carefully.

When Mayor Weber asked for comments from the audience, resident Eric Toeg, the Equestrian Services Committee Chairman, addressed the Council:

He is in support of renovating the facility in some way, as it has fallen into complete disrepair; there are safety concerns, and they cannot hold horse events there; the defeat of the ballot measure was not a landslide, with only a few votes difference, so it was very close and the community was split; he agreed it probably had something to do with the

economy; he is in favor of any type of help the City can give, whether that is the whole amount or part of it, to protect the City's amenities; this community is about horses, even if someone does not own a horse; if you own a horse, it is very inconvenient to go all the way across the City to work that horse, and not everyone rides the trails; so it would be very good to have facilities at both Spring Valley and Saddle Creek, which would help the horse community to survive.

Next to address the Council was resident Steve Elowitz:

He would like to suggest that at this time the Council Members refrain from making a decision regarding the HHCA's request for a grant; he is not suggesting that he is opposed to it, or in favor of it; he would like to thank Mr. Toeg for his comments, as he himself is in favor of renovating the area, which is long overdue; his suggestion to refrain is based solely on the manner in which we arrived at this point; in October, the community rejected a \$2.3 million proposal to redo the Saddle Creek riding area; shortly thereafter, the HHCA Board of Directors (BOD) asked the Equestrian Services Committee (ESC) to come up with a scaled down plan that would meet equestrian needs; about 3-4 months ago, the ESC presented a revised plan that did not include covering the creek bed, the \$500,000 dining facility, or a building to house the HHCA maintenance equipment and vehicles; during the presentation and discussion of the ESC proposal, a question was raised regarding a second round pen, and whether or not that pen was needed, what would be its purpose, and would it fit into the existing topography; instead of heeding the advice of the ESC Chairman, the BOD were of the opinion that it might be best to accommodate this round pen by covering just a small portion of the creek; the BOD directed the Architectural Consultant to return to the BOD with additional costs needed to do this; never once was it asked what the cost would be of the plan that was submitted that night; he believes that at that point, no numbers had been formulated; that would have been the next logical step once approval of the basic plan was granted; at the next Board meeting, instead of receiving an update of the additional costs to cover a portion of the creek, an entirely new plan was proposed which was almost a carbon copy of the plan that was rejected in October without the dining and maintenance facilities; present was the almost total covering of the creek and all the major earth moving that went with it; some Board Members stated they thought this approach would be best for the community in the long run, but no one could be the least bit informative as to what they thought the future needs might be or how this major renovation might benefit Hidden Hills in the future; the following meeting brought out an estimate of how much it would cost to do the work; when the \$1.18 million amount was disclosed, conversation turned to "this is too costly unless we get support from the City"; never was it suggested that a cost estimate be provided for the plan that was recommended by the ESC; never was the \$1.18 million estimate evaluated by the Board for its accuracy; he believes the cost estimate is very interesting; detail is provided on the costs of a new gymkhana arena, a new dressage arena, and round pens; but the projection provides no detail for

landscaping, grading, and everything else, and the amounts provided for each of these three areas look like something pulled from a telephone book; also, the landscaping, grading, and everything else categories accounted for 78% of the total cost estimate, and they really have little or nothing to do with improving the horse and rider experience; he would like to pose several questions to the Council Members: 1) would they green light a City project without reliable estimates, 2) would they consider a project that has not used professionals who develop cost estimates for a living, 3) would they consider granting money to a project that never came up with a cost estimate for the ESC proposed renovation, 4) would they consider granting money for a project which has been so poorly managed since its inception, 5) would they consider granting money for a project that wants to topographically change Saddle Creek in case there is a future need, although there is no idea of what that future need might be and if it would fit within the work they want to do in the future, and 6) would they consider granting money for a project that seems to be going against the flow of residential activity and interest; sadly, he learned that an organization that has been a part of Hidden Hills as long or longer than he has been here, the Hidden Hills Horsemen (HHH), appears to be heading for extinction; thankfully, the HHCA is planning on taking over some of the HHH activities, but equestrian activity will not return to where it once was; Saddle Creek, Spring Valley, Lewis & Clark, and the trails will always be here solely for the horse and rider; he believes that when all of these questions have been answered, then the Council should consider whether or not the City's funds should be granted.

In response to resident Bliss Wendelburg, Mr. Elowitt said he does support the ESC plan, and wants the BOD to get a cost for that proposal. Ms. Wendelburg then added her comments as follows:

She used to be in charge of the HHH; they are in a bit of trouble with taxes, but the problem will hopefully be corrected by August 5th; it is hard to conduct events at Saddle Creek, as the footing and boarding around the arena are terrible; she feels it is unsafe; she agrees with some of what Mr. Elowitt has said, as there are not a lot of new residents moving in with horses; one new resident that does have two horses was embarrassed at the condition of Saddle Creek; but there are new people moving in with horses that seem excited, and she does see a comeback; she is excited about the renovation of Saddle Creek.

Resident Eugene Wolver spoke next, as follows:

He has owned property here since 1962, was the founder of the Hidden Hills Horsemen, was the group's first president, and chairman of the committee in 1967-68 that tried to get the first community center which had all the facilities we currently have plus more at a cost of \$285,000; it was voted down; but you learn when there is a piece of property with

unquestioned value for the future to do what you can when you can; he has a deep commitment to the community and voted for the proposed Saddle Creek improvements that were voted down, but by only four votes; he believes there are many reasons the Council should support this request to preserve and improve the facility, whether as suggested or by other methods; first, the Association and City have a responsibility for safety; secondly, even though the degree of horses has lessened, he agrees with Ms. Wendelburg that it is coming back; even for those who are not horse people, they move into a unique community where horses are appreciated, and this assists in increasing and maintaining property values; this is advantageous; he supports the concept as it is the right thing to do, makes good sense, is a safety issue, is a good economic issue, and is a good community facility for horse people as well as those who are not horse people; he appreciates the time to speak, and knows that the Council will give this proposal consideration.

Next to address the Council was Wes Myers of Ashley Construction, Inc (ACI):

ACI has a considerable number of votes in the community (20), yet voted quorum only; he is a horseman, but felt it was best for the community to only give one vote; the vote could have easily swayed one way or the other depending on which side of the bed certain members of the community wake up from; ACI is still going to remain out of this issue, but as a big picture, it makes a lot of sense for the Association to work on things like grants; the Association can realize better value for its dollar on bid procedures, prevailing wage, and a lot of bureaucratic hurdles the City has to do to get any project done, especially when it comes to improving City infrastructure that everyone in the community benefits from; the Association can take advantage of this economic downturn, whether it's a 20% or 30% downturn, and realize those savings in any improvement it does; he wants people to think of that; also, we have to look at the opportunity costs of the dollars sitting in these reserve funds; it is a good idea to have reserve funds for contingencies that no one is aware of and can't contemplate at the time, but he thinks to double mortgage the Association and pay interest on dollars you already have that are earning less interest as these reserve funds are (very safe, but very little return), we are negatively leveraging our position here; this would be an improvement too that the City would have; those values, those \$600,000 or whatever it is – and he's not saying the number he agrees with or this improvement in particular he agrees with – the point is we're putting this into a real estate asset, and that is what Hidden Hills is as a community; those \$600,000, or whatever the number, would be sitting there as value, in a different form of value, for the community; and maybe it has the potential to generate more revenue for the City or the Association through an increase in property values or anything along those lines; there still is potential, and he doesn't think that we have looked at completely the total picture and exactly how this thing pencils out, thinking of all the unknowns that a lot of people don't think about; so he would like the Council to think about that; he appreciates the fact that we're discussing the big picture here of working –

money is fungible and we're thinking about it that way; it is the best thing in these times to be creative with it.

Mr. Wolfe wished to briefly respond to earlier comments, which he did as follows:

As Council Member Freedland mentioned, we said we wanted to use the property for the future but did not say how; he doesn't consider that a bad thing, but good that they are preparing the property now so the residents or another Board can make that decision in the future; as it stands now, the property really can't be used for much of anything; secondly, there comes a point after getting bids and plans, that a decision has to be made on what is going to be done; they have enough information now and wanted to stop spending money on plan after plan; they have a pretty good menu of what the individual items cost, so they wanted to decide on a plan before spending any more money; he would like to thank the Council for consideration of the Board's request.

Council Member Freedland at this time shared his personal opinion:

The arena does need to be fixed, and fairly soon, as it is not in good condition; he would support some support from the City, but has to cogitate on the level of that support; whether or not the City and HHCA can come to an agreement on a suitable dollar figure, he feels the HHCA is wise to maximize future use of the property, as it doesn't make sense to do something now that would limit what the community might want and what could be done by a future Board ten years from now; he does support and appreciate what the HHCA is trying to do.

Council Member Goldberg commented that one of the worst things anyone can do is to take money you are willing to spend and put it into something that cannot yield good value – that would be the worst decision.

Mayor Pro Tem Cohen stated that he agreed with Council Member Freedland in principle, that something did need to be done, but he didn't know if he could make a decision now regarding the actual dollar amount, how it is to be done, the financing, etc.

Mr. Wolfe had the following additional comments:

Speaking as a Board Member and in relation to our discussions, ever since they lost the election, they have been trying to rush this since it has been sitting for 10-15 years; it was a mess back then, and the Board understands that something needs to be done; there is a balance; the reason the Board came with that number, is that was the number we felt we

could spend based on what was put aside, what was in reserves, and what we wanted to do with future budgets; so there is a point where we're not getting anything and the project is going to be the project.

Mayor Weber added his comments:

In his opinion, the City has a lot of money in reserves, but he is a bit squeamish about spending any reserves for any reason; at the same time, the City has an undergrounding project that he would like to take a lot further than what is possible right now; knowing that the City owns the Saddle Creek property that is leased to the HHCA for something like \$1/year, perhaps that amount could be raised; Saddle Creek would also be a good project for the City, but he does not want to be pressed into voting on this right now, because it might not work for the HHCA or the City; he would suggest that an ad hoc committee be established with two Council Members and perhaps two Board Members with the intention of bringing this back to the Council within two months.

Mr. Wolfe asked what the committee would do and discuss, to which Mayor Weber responded as follows:

The Council needs to know if it would be getting the most for its constituents' money if the money is given to the HHCA rather than being used for something else; the committee should look at what the City has in reserves; he believes some of the money could be put to work, but doesn't know whether that would be for the Saddle Creek project, the undergrounding, some of both projects, or something altogether different; the committee could look into the matter with the intent of returning to the Council to say if this project warrants being done first, and if so, what dollar amount would be appropriate.

Mr. Wolfe said they would do whatever the Council wanted, but he felt that this project would bring the most to the most members of the community, dollar for dollar.

City Attorney Roxanne Diaz suggested that the Council appoint a two-member ad hoc committee, so as not to create a Brown Act committee. She added that the committee could then meet freely with whomever it chose, and the item could be placed on a future agenda when the ad hoc committee so advised. Mayor Weber and Mayor Pro Tem Cohen volunteered to serve as the ad hoc committee, which was agreeable to the other Council Members.

CONSENT CALENDAR

- A. City Council Minutes – June 28, 2010**
- B. City Council Minutes – July 12, 2010**
- C. Demand List**

Upon MOTION of Council Member Siegel, seconded by Mayor Pro Tem Cohen and unanimously carried on roll call vote, it was resolved to approve items A (with Council Member Goldberg abstaining on this item as he was not in attendance at the meeting), B, and C of the consent calendar as submitted.

PUBLIC HEARING

Consideration of Approval of Proposed Resolution Regarding Filming Penalty Fees

City Attorney Roxanne Diaz provided the following staff report:

This item was noticed in accordance with State law; staff is proposing a resolution to establish a penalty fee for filming without a permit; when the filming ordinance was adopted, it provided that a penalty fee be set; the recommendation is to set the penalty fee at \$1000, which is the maximum amount allowed per the government code; some other cities do have an administrative penalties ordinance or an administrative citation ordinance, for which there does not seem to be a penalty limit; she would recommend adoption of the proposed resolution, in order to accept the penalty fee right away; if the Council desires, it can then discuss at a later date the establishment of an entire scheme of administrative fines.

In response to Council Member Freedland, Ms. Diaz stated that filming without a permit would also be a misdemeanor. Mayor Weber felt the \$1000 fine was not very much. Ms. Diaz explained that per the government code, that was all that was allowed, but the Council could in the future look at an administrative citation ordinance, which would involve many more procedures and much more staff time.

In response to questions from the Council, Ms. Diaz stated the following:

An administrative citation ordinance would be in lieu of the proposed resolution, but it is very different and works along the lines of parking fines; you have to set up a whole process of administrative violations of the City's Municipal Code; it is then a civil rather than criminal matter, and the City would keep the fines; citations can be given for

different violations, but it is very staff intensive; since filming is allowed for two days, the \$1000 fine could be imposed for each day; that also raises the whole issue of collecting the money.

Mayor Pro Tem Cohen thought the Council should adopt the resolution at this time, but possibly look into the administrative citation ordinance in the future. Mayor Weber was concerned that to a film maker, the \$1000 fine would not be much of a threat. Attorney Diaz reminded the Council that if there is filming without a permit, the filming can be stopped by the Sheriff. Council Member Freedland pointed out that a violation is currently a misdemeanor, and during an earlier instance of illegal filming, the Sheriff was called and immediately stopped the filming. He agreed that collecting fines could be a challenge.

At this point, Mayor Weber opened the public hearing. Resident and HHCA Board Member Marv Landon asked for the City cost for a filming permit, adding that the HHCA charged \$3500/day. Attorney Diaz explained that the cost per day was \$1000, plus a \$300 processing fee, but again reminded everyone that it was a misdemeanor and could involve possible jail time. As there were no further comments, Mayor Weber closed the public hearing. Upon MOTION of Council Member Freedland, seconded by Mayor Pro Tem Cohen and unanimously carried, it was resolved to adopt by title only Resolution No. 831 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIDDEN HILLS ESTABLISHING A PENALTY FEE FOR FILMING WITHOUT A PERMIT.

MATTERS FROM CITY COUNCIL MEMBERS

A. Report from 7/20/10 Hidden Hills Community Association Board of Directors Meeting

Board President Ron Wolfe informed the Council of the following:

There is an election coming up, for which a nominating committee has been formed; under the bylaws, someone can run for the Board if they meet certain requirements, including having served on a committee and been a resident for one year; if interested,

call the Association, him, or Marv Landon; there are four seats up for election, with all four incumbents running; the Association finished the year with a \$76,000 surplus.

B. Report from 7/20/10 Las Virgenes Malibu Council of Governments Meeting

The following report was provided by Council Member Siegel:

The COG has a new President, Denis Weber, which means the meetings will now be held in Agoura Hills; the usual issues were addressed, including environmental problems that all the cities are facing; there was a presentation by the L.A. County Flood Control District entitled “Watershed Management Modeling System: an integrated watershed-based approach for urban runoff and stormwater quality”; something we will all be facing on an ever-increasing basis is the fact that the County will require water entering the sewer system to meet certain requirements; he feels that this could become an issue in the future for horse communities.

MATTERS FROM STAFF

A. Discussion Regarding Recent Coyote Activity and Consideration of Approval of a Coyote Trapping Program

Council Member Siegel stated that he was a bit shocked at the number of actual recent attacks, as opposed to more sightings in the past, and thought the Council should do another trapping program. Mayor Weber agreed, adding that he was hearing more coyote activity and seeing more scat in the Jed Smith area. In response to Council Member Freedland, Mayor Weber said the last trapping program was probably done about two years ago. Upon MOTION of Council Member Freedland, seconded by Council Member Siegel and unanimously carried on roll call vote, it was resolved to approve the proposed Trapping Service Agreement from Animal Pest Management Services, Inc. in the amount of \$2,250, to provide a two-week coyote trapping program within the City.

B. Presentation/Update – Final Sewer System Management Plan

Environmental Compliance Coordinator Kevin Powers presented the following staff report:

The State Water Resources Control Board (SWRCB) enacted initial regulations in May of 2006; the requirements set forth goals to minimize sewer overflows for each sewer

system owner to develop a plan called a Sewer System Management Plan (SSMP); the final of that plan is before the Council for acceptance and general review; Chapters 1-4 were approved in October 2007, with Chapters 5-6 to be addressed by February 2, 2010; the final Chapters 7-11 were scheduled for completion by August 2, 2010; the document does meet the water discharge requirements of the SWRCB.

In response to Council Member Siegel, Mr. Powers stated the following:

This is just a policy document; anyone who owns a sewer system has to develop a SSMP; the City is an annexed part of the County's Consolidated Sewer Maintenance District which addresses sewer overflows, blockages, and conducts repairs, and that won't change; the District does a very good job of maintaining the system, and responding and properly reporting any sewer overflows; this policy document outlines the procedures, policies and guidelines to address overflows, in case anyone needs that information in the future.

Upon MOTION of Council Member Siegel, seconded by Mayor Pro Tem Cohen and unanimously carried, it was resolved to receive and file the final completed City of Hidden Hills Sanitary Sewer System Management Plan (SSMP).

C. Round Meadow/Long Valley Road Utility Undergrounding Project - Update

Mayor Weber informed everyone that the project would start in one week, on Monday, August 2nd.

D. Consideration of Approval of Bid for the Purchase and Installation of an Emergency Generator for City Hall

The following information was provided by City Engineer Dirk Lovett:

Last March, one bid was obtained after the project was advertised; the Council at that time directed staff to rebid the project; the project was readvertised, and staff personally contacted several contractors and provided them notices inviting bids; no bids were received at the bid opening; staff again contacted contractors, with only the original bid plus one additional bid being offered; the original bid was still the lowest at \$64,000; he would recommend acceptance of this \$64,000 bid plus a 10% contingency, all of which would be covered per this year's budgeted amount of \$76,000 for this project.

Upon MOTION of Council Member Siegel, seconded by Council Member Freedland and unanimously carried on roll call vote, it was resolved to award the Emergency Generator Project to Western Group, Inc., as the lowest responsible bidder, in the amount of \$64,000, and to authorize staff a 10% construction contingency for any unforeseen costs and expenditures, with the total cost not to exceed \$70,400.

E. Review/Report on City's Conflict of Interest Code

City Attorney Roxanne Diaz reported that during the required biennial review, it was determined that the Conflict of Interest Code was accurate and no changes were necessary. Upon MOTION of Mayor Pro Tem Cohen, seconded by Council Member Goldberg and unanimously carried, it was resolved to receive and file the "2010 Local Agency Biennial Notice".

F. Consideration of Approval of a Resolution Regarding Health Enforcement Agency for Solid Waste Management

City Attorney Roxanne Diaz presented the following staff report:

A letter was received from the County of Los Angeles Public Health asking the City to redesignate the Los Angeles County Department of Public Health, Environmental Health, Solid Waste Management Program as our Local Enforcement Agency (LEA); under the Public Resources Code, the local agency establishes regulations regarding where the City's waste is taken; this does not enforce the City's waste hauler franchise or City ordinances, but establishes rules that haulers need to abide by when disposing, handling and transporting solid waste; each city in the County has been asked to do this.

Upon MOTION of Council Member Freedland, seconded by Council Member Siegel and unanimously carried, it was resolved to adopt by title only Resolution No. 832 entitled: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIDDEN HILLS DESIGNATING THE LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH, ENVIRONMENTAL HEALTH, SOLID WASTE MANAGEMENT PROGRAM AS THE LOCAL ENFORCEMENT AGENCY.

G. Charles Abbott Monthly Report – June

The report was received and filed.

H. Consideration of Approval of Proposal from Helm & Sons Amusements to Provide the Games and Rides, and Payment of Deposit to Reserve Date of October 2, 2010

This proposal was not yet received, so will be addressed at the next meeting.

Mayor Weber pointed out that one of the regularly scheduled Council meetings in August is usually cancelled, and asked the Council Members which meeting they preferred to cancel, either August 9th or August 23rd. Council Member Freedland suggested canceling the August 23rd meeting, with which all the other Council Members agreed.

ADJOURNMENT

There being no further business to come before the Council, upon MOTION of Council Member Freedland, seconded by Council Member Goldberg and unanimously carried, it was resolved to adjourn the regular meeting of July 26, 2010 at 9:53 p.m.

Larry G. Weber, Mayor

ATTEST:

Cherie L. Paglia, City Manager/City Clerk