CITY OF AVALON CITY COUNCIL MEETING
TUESDAY, NOVEMBER 18, 2014- 6:00 P.M.
CITY COUNCIL CHAMBERS
410 AVALON CANYON ROAD, AVALON
AGENDA

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the City Council. Such records shall be available at City Hall located at 410 Avalon Canyon Rd.

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE / INVOCATION

ANNOUNCEMENTS / WRITTEN COMMUNICATIONS

PRESENTATION

1. Introduction of the new CEO and President of the Catalina Chamber of Commerce, Jim Luttjohann.

2. New Thermal Imaging Camera demonstration by Chief Mike Krug, Avalon Fire Department.

CITY MANAGER REPORT / CITY ATTORNEY REPORT

COUNCILMEMBER REPORTS

MAYOR REPORT

ORAL COMMUNICATION

Members of the public may address the City Council at this time. No action will be taken on non-agenda items at this meeting. Speakers should limit comments to three (3) minutes each.

CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a specific item is removed from the Consent Calendar for further discussion and possible action.

1. Actions

   Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

   Recommended Action

   Approve actions from the November 4, 2014 City Council meeting.

2. Expenditures Submitted for Approval
   - Warrants in the amount of $1,056,540.32
   - Three Electric Fund Transfers in the amount of $160,760.27
   - Payroll in the amount of $179,376.57

   Recommended Action
   Approve total expenditure amount of $1,396,677.16.

3. Expenditures Submitted for Approval
   - Warrants in the amount of $97,206.71

   Recommended Action
   Approve total expenditure amount of $97,206.71.

4. Consider the Adoption of a Resolution Approving the Application for the Annual Allocation for Transit Funds Under Article 8 of the Transportation Development Act
   The City receives funds from the Los Angeles County Metropolitan Transportation Authority under Article 8 of the Transportation Development Act to assist with unmet transit needs in our community. The City uses these funds to pay for the local transportation programs ART, DAR and ACT.
   Recommended Action
   Adopt resolution approving the annual application for TDA Article 8 Funds for the current Fiscal Year 2014/2015.

5. Appointment of an Alternate Planning Commissioner
   The City adopted an ordinance at the October 21, 2014 City Council meeting establishing an alternate Planning Commission position. This Alternate will be required to attend all meetings of the Planning Commission, assume the seat of any Commissioner that is absent or has a conflict of interest, and serve a two-year term with a maximum of two terms. The City received one application from Michael Ponce.
   Recommended Action
   Appoint Michael Ponce to serve as the Alternate Planning Commissioner for a term of two years.

6. Thermal Imaging Camera Purchase
   The City Fire Department currently has a Thermal Imaging Camera that is nearly 15 years old. Replacing it with a newer unit will provide for more reliability and redundancy. This devise allows firefighters to quickly locate victims and fire in zero visibility conditions and locate hidden fires in concealed locations. This is being funded by generous donations.
   Recommended Action
   Approve the purchase by the City of Avalon Fire Department of one new Thermal Imaging Camera as part of a "me too" acquisition with the Los Angeles County Fire Department.

GENERAL BUSINESS

7. Transportation Permit Amendment for the Inn on Mt. Ada & Autoette Permit Application for Hotel Owners

The Inn on Mt. Ada, has been in operation for thirty years at the same location. The current owners are in the process of selling the business to Santa Catalina Island Resort Services who plan to operate the Inn in the same manner as previous owners. On November 7, 2014 the new owners went before the Vehicle Hearing Officer for the transfer of the commercial vehicle permit. The Inn also has seven autoettes for the use of the guests. The autoette permit application will be handled by section 5-11.03 of the Municipal Code as hotel autoettes.

Recommended Action

Approve both applications for a Transportation Permit and Hotel Autoette Permits.

8. Encroachment Permit for Installation of In Slab Uplights for New Latitude 33 Building at 501 Crescent

The owner of the new Latitude 33 business is requesting an Encroachment Permit to install 4 in slab (flush with grade) uplights each on Crescent Avenue and Catalina Street to illuminate the face of the new businesses.

Recommended Action

Deny the Encroachment permit for installation of In Slab Uplights in Crescent Avenue and Catalina Street at 501 Crescent/Latitude 33.

9. Amended Professional Services Agreement with On the Wing Falconry

At the August 19, 2014 City Council Meeting, Council authorized an agreement for bird abatement services in partnership with the Catalina Island Chamber of Commerce and with other private businesses and property owners. The City and Chamber of Commerce's commitments were to be $2,200 monthly to On The Wing Falconry from September 3, 2014 through June 30, 2015. City Staff was able to gather a list of businesses and individuals to pledge amounts totaling $1,450 monthly, meaning a deficit of $750 monthly exists for the third share. The City and Chamber are willing to absorb the remaining third share.

Recommended Action

1. Authorize the City Manager to enter into a ten month agreement for bird abatement services with On The Wing Falconry for the amended amount of $2575 monthly.
2. Discuss and give direction regarding September and October invoices from On The Wing Falconry for the "missing" $2,200 partner contributions during which no executed contract existed.

10. Drawing of Straws for any Appeal Pertaining to the Vons Project

At the present time, there appear to be three Council Members with potential conflicts of interest that may preclude them from participating in any appeal. In such an instance, those members with conflicts would have to draw straws to determine which conflicted Council Member can participate in any appeal. Rather than wait for the meeting where any such appeal would be heard, it is recommended that straws be drawn now.

Recommended Action
That the City Council draw straws to determine which Council Member may vote on any appeal of the Vons Project.

11. Adoption of Fiscal Year 2014/2015 Budget
On July 15th, 2014 the City Council adopted an interim budget resolution for the fiscal year, continuing the normal operations and maintenance as prior year financials were being completed. City Council and City Staff has held numerous budget study session over the last several months. The proposed Annual FY 2014/2015 Budget is being presented for approval.
Recommended Action
Adopt two resolutions: Fiscal Year 2014-2015 Budget Resolution including the Operating Budget and Capital Improvement Projects and the Cost of Living Adjustment Resolution.

ADJOURN

NOTICE OF POSTING
I, Denise Radde, declare that the City Council Agenda for November 18, 2014 was posted on Wednesday, November 12, 2014, on the City's website www.cityofavalon.com, and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall.

Denise A. Radde, City Clerk / Chief Administrative Officer

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 1

ORIGINATING DEP: City Clerk **CITY MANAGER:** BH

PREPARED BY: Denise Radde, City Clerk

SUBJECT: City Council Actions

RECOMMENDED ACTION(S): Approve City Council Actions from the regular City Council meeting on November 4, 2014.

REPORT SUMMARY: Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

FISCAL IMPACTS: N/A

GOAL ALIGNMENT: To be determined.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: File Actions in the City Clerk's office.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS: City Council Actions will be provided under separate cover.

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 2

ORIGINATING DEP: Finance **CITY MANAGER:** BH

PREPARED BY: Chris Woidzik, Interim CFO

SUBJECT: Warrants

RECOMMENDED ACTION(S): Approve the warrants in the amount of $1,056,540.32, three electronic fund transfer in the amount of $160,760.27 and payroll in the amount of $179,376.57 for a total expenditure of $1,396,677.16.

REPORT SUMMARY: Attached you will find the warrant lists for all general warrants issued for the dates indicated drawn on U.S. Bank. The warrant list on 10/24/14 represents check number #19245-19329 in the amount of $749,163.01, warrants dated 10/29/14 represents check number #19330 in the amount of $4,454.91, warrants dated 11/7/14 represents check number #19331-19393 in the amount of $302,922.40. Payroll dated 10/31/14 in the amount of $179,376.57. Also included are three electronic fund transfers, CalPERS Health dated 10/24/14 in the amount of $66,716.28, CalPERS Retirement for period 9/17-9/30/14 dated 11/4/14 in the amount of $46,790.49 and CalPERS Retirement for period 10/1-10/14/14 dated 11/4/14 in the amount of $47,253.50.

GOAL ALIGNMENT: Ongoing meeting of City obligations.

FISCAL IMPACTS: There are sufficient funds available, and the expenditures are included in the preliminary 2014-2015 budget which will be adopted in the near future.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: N/A

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Audit Certificate and Warrant List

RECORD OF PAYMENTS MADE ON 10/24/14,10/29/14 & 11/7/14 FOR COUNCIL MEETING OF NOVEMBER 18, 2014

MONTH OF SEPTEMBER AND OCTOBER

US BANK WARRANTS #19245-19329	$ 749,163.01	10/24/2014
EFT - CALPERS HEALTH	66,716.28	10/24/2014
PAYROLL	179,376.57	10/31/2014
EFT- CALPERS RETIREMENT	46,790.49	11/4/2014
EFT- CALPERS RETIREMENT	47,253.50	11/4/2014
US BANK WARRANTS #19330-19393	307,377.31	11/7/2014
	$ 1,396,677.16	

TOTAL DISBURSEMENTS **$ 1,396,677.16**

CERTIFICATE

IN ACCORDANCE WITH SECTION 32702 OF THE GOVERNMENT CODE, I CERTIFY THAT THE ABOVE DEMANDS ARE ACCURATE AND THAT FUNDS ARE AVAILABLE FOR PAYMENT.

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED THIS 18TH DAY OF NOVEMBER 2014

APPROVED AND AUDITED
THIS 18TH DAY OF NOVEMBER 2014

AUDIT COMMITTEE - RICHARD HERNANDEZ

AUDIT COMMITTEE - CINDE CASSIDY

INTERIM CFO - CHRIS WOIDZIK

WARRANT LIST

AVALON CITY COUNCIL
MEETING OF NOVEMBER 18, 2014

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
19245	10/24/14	71.80	AIRSOURCE INDUSTRIES	SUPPLIES - FIRE
19246	10/24/14	266.80	AMERIFLEX	FSA ADMIN FEES - OCT 2014
19247	10/24/14	59.17	ART, CAPS 'N DESIGN	UNIFORMS - FIRE
19248	10/24/14	241.27	AT & T	COMMUNICATIONS - FIRE
19249	10/24/14	397.24	AT & T LONG DISTANCE	LONG DISTANCE - ALL DEPTS
19250	10/24/14	119,292.19	AVALON ENVIRONMENTAL	CONTRACT SVCS - SEPT 2014
19251	10/24/14	33,865.79	AVALON FUEL FACILITIES	RESALE FUEL - FUEL DOCK
19252	10/24/14	10,584.27	AVALON MOORING & DIVING	SERVICE - HARBOR
19253	10/24/14	1,197.04	BELSON OUTDOORS, INC.	SUPPLIES - HARBOR
19254	10/24/14	4,400.00	BROWN, MARSHALL	YELLOW JACKET CONTROL
19255	10/24/14	56.70	CAL. BUILDING STANDARDS COMM.	QTRLY REPORTING - PLANNING
19256	10/24/14	92.59	CAMPBELL, SCOTT	REIMB O/P COSTS - LODGING
19257	10/24/14	293.94	CATALINA BEVERAGE	SUPPLIES - ALL DEPTS
19258	10/24/14	24,133.20	CATALINA EXPRESS	2ND HLF SEPT 2014 - SUBSIDY
19259	10/24/14	625.31	CATALINA FREIGHT LINE	FREIGHT - ALL DEPTS
19260	10/24/14	583.12	CATALINA ISLAND PLUMBING	SERVICE - PUBLIC WORKS
19261	10/24/14	447.00	CATALINA PEST CONTROL	SERVICE - HARBOR
19262	10/24/14	2,443.55	CHET'S HARDWARE	SUPPLIES - ALL DEPTS
19263	10/24/14	680.60	COAST TO COAST SOLUTIONS	SUPPLIES - FIRE
19264	10/24/14	148.40	COMMUNICATIONS USA	SUPPLIES - FIRE
19265	10/24/14	6,480.00	CONSTRUCTORS PLUS	CONTRACT SVCS - ADMIN
19266	10/24/14	1,440.00	CONSTRUCTORS PLUS	CONTRACT SVCS - ADMIN
19267	10/24/14	98,991.00	CO. OF LA SHERIFF'S DEPARTMENT	RESIDENT DEPUTY - SEPT 2014
19268	10/24/14	112.29	CUMMINS PACIFIC	SUPPLIES - HARBOR
19269	10/24/14	268.00	DEPT. OF CONSERVATION	QTRLY REPORTING - PLANNING
19270	10/24/14	56.67	EDISON	PROPANE - PUBLIC WKS
19271	10/24/14	19,877.91	EDISON	UTILITIES - ALL DEPTS
19272	10/24/14	83,168.42	ENVIRON STRATEGY CONSULTANTS	CONTRACT SVCS - AUGUST 2014
19272	10/24/14	83,168.42	ENVIRON STRATEGY CONSULTANTS	CONTRACT SVCS - SEPTEMBER 14
19272	10/24/14	4,555.63	ENVIRON STRATEGY CONSULTANTS	MONTHLY MAINT. SVCS - WWTP
19273	10/24/14	150.00	GAMMER, STEVEN	REIMB O/P COST - DAMAGED VESSEL
19274	10/24/14	50.00	GARCIA, BETTY JO	REIMB O/P COSTS - DAMAGE
19275	10/24/14	571.65	GEMPLER'S	UNIFORMS - PUBLIC WKS
19276	10/24/14	29.51	GONZALES, ALIANA	REIMB O/P COSTS - SUPPLIES
19277	10/24/14	1,870.97	GRAINGER	SUPPLIES - HARBOR/GARAGE
19278	10/24/14	4,400.00	HERNANDEZ, SALVADOR	YELLOW JACKET CONTROL
19279	10/24/14	782.66	IDEXX	SUPPLIES - CDO
19280	10/24/14	324.17	INDUSTRIAL METAL SUPPLY CO.	SUPPLIES - HARBOR
19281	10/24/14	3,988.48	KOFF & ASSOCIATES, INC.	CONTRACT SVCS - ADMIN
19282	10/24/14	14,534.00	LOCAL GOVERNMENT SERVICES	CONTRACT SVCS - ADMIN
19283	10/24/14	21.69	MCDONALD, AUDRA	REIMB - O/P COSTS
19284	10/24/14	2,581.64	MCMASTER-CARR	SUPPLIES - HBR/GARAGE/REC
19285	10/24/14	419.30	MED-TECH RESOURCE	SUPPLIES - FIRE
19286	10/24/14	385.00	MEFFERT, JOHN	REIMB O/P COSTS - TRAINING
19287	10/24/14	38.50	MONROE, JORDAN	REIMB O/P COSTS - TRAINING
19288	10/24/14	2,240.00	MYGOV	SOFTWARE LEASE - ADMIN
19289	10/24/14	152.71	NAPA AUTO PARTS	SUPPLIES - GARAGE

19290	10/24/14	2,966.00	OLSEN, KURT & JULIE	REFUND - PLANNING FEES
19291	10/24/14	309.28	OLSON, W.F.	REIMB O/P COSTS - TRAVEL
19292	10/24/14	490.22	PETTY CASH	REIMB PETTY CASH - ALL DEPTS
19293	10/24/14	1,181.33	PORT SUPPLY	SUPPLIES - HARBOR
19294	10/24/14	673.39	PRAXAIR	SUPPLIES - GARAGE/RECREATION
19295	10/24/14	462.97	QUILL CORP	SUPPLIES - ADMIN
19296	10/24/14	893.75	RINCON CONSULTANTS, INC	CONTRACT SVCS - PLANNNG
19297	10/24/14	4,085.59	REGIONAL GOVERNMENT SERVICES	CONTRACT SVCS - ADMIN/PLN
19298	10/24/14	9,455.00	ROSENOW SPEVACEK GROUP, INC.	CONTRACT SVCS - SA/HOUSING
19299	10/24/14	20.65	SAFEWAY	SUPPLIES - FIRE
19300	10/24/14	13.14	SPRINT	LONG DISTANCE - ADMIN
19301	10/24/14	2,087.00	SUNGARD PUBLIC SECTOR, INC.	SOFTWARE LEASE - NOV 2014
19302	10/24/14	6.00	UNDERGROUND SERVICE ALERT OF	SERVICE - PLANNING
19303	10/24/14	105.50	UNITED COMMUNICATIONS CORP.	SUPPLIES - FIRE
19304	10/24/14	30.02	UNITED PARCEL SERVICE	FREIGHT - HARBOR
19305	10/24/14	697.99	VERIZON WIRELESS	COMMUNICATIONS - ALL DEPTS
19306	10/24/14	738.50	WCT PRODUCTS, INC	SUPPLIES - PUBLIC WKS
19307	10/24/14	2,299.31	WITMER PUBLIC SAFETY GROUP	SUPPLIES - FIRE
19308	10/24/14	1,725.00	WITTMAN ENTERPRISES	SERVICE - SEPTEMBER 2014
19309	10/24/14	550.00	GARWICK, KENT	SERVICE - RECREATION
19310	10/24/14	362.95	CHALLENGER TEAMWEAR	SUPPLIES - RECREATION
19311	10/24/14	684.00	ANTONIO'S	SENIOR MEALS - SEPTEMBER 2014
19312	10/24/14	500.00	STEIN, MARY	SERVICE - RECREATION
19313	10/24/14	150.00	GEOFF KING PLUMBING	SERVICE - JMF
19314	10/24/14	828.00	KATIE'S KITCHEN	SENIOR MEALS - SEPTEMBER 2014
19315	10/24/14	2,225.00	ECIVIS	SOFTWARE RENEWAL - ALL DEPTS
19316	10/24/14	1,446.00	THE SANDTRAP	SENIOR MEALS - AUG/SEPT 2014
19317	10/24/14	6,994.34	DELTA DENTAL	DENTAL - NOVEMBER 2014
19318	10/24/14	163.90	LA COUNTY TAX COLLECTOR	PROP TAX - JMF/WWTP
19319	10/24/14	2,345.60	HELVETIC CONSULTING	CONTRACT SVCS - PLANNING
19320	10/24/14	248.00	CATALIN AUTO SERVICES	SERVICE - CODE ENFORCEMENT
19321	10/24/14	1,950.62	LICARI, TONY	CONTRACT SVCS - NOVEMBER 2014
19322	10/24/14	36,844.25	CATALINA TRANSPORTATION	CONTRACT SVCS - NOVEMBER 2014
19323	10/24/14	75,166.67	CATALINA CHAMBER OF COMMERCE	TOT - NOVEMBER 2014
19324	10/24/14	37,500.00	CIMC	SUBSIDY - NOVEMBER 2014
19325	10/24/14	9,520.00	VEGA, EDMUNDO	CONTRACT SVCS - NOVEMBER 2014
19326	10/24/14	8,342.00	SIRIA'S CLEANING SERVICE	CONTRACT SVCS - OCTOBER 2014
19327	10/24/14	78.12	A-Z LOGIC SYSTEMS	SUPPLIES - HARBOR
19328	10/24/14	2,957.00	EAGLE ELECTRIC CONSTRUCTION, I	SERVICE - ADMIN
19329	10/24/14	1,527.32	PEBBLY BEACH BUILDING SUPPLY	SUPPLIES - ALL DEPTS

$ 749,163.01

WARRANT LIST

AVALON CITY COUNCIL
MEETING OF NOVEMBER 18, 2014

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
19330	10/29/14	4,454.91	THE T SHIRT SCREENERY	SUPPLIES - CHURCHMOUSE 14
19331	10/29/14	-	VOID - PRINTER ERROR	VOID - PRINTER ERROR
19332	11/07/14	71.80	AIRSOURCE INDUSTRIES	SUPPLIES - FIRE
19333	11/07/14	12,213.13	AMERICAN EXPRESS	CREDIT CARD CHGS - ALL DEPTS
19334	11/07/14	247.96	AT & T MOBILITY	COMMUNICATIONS - HARBOR
19335	11/07/14	4,023.61	AT & T	COMMUNICATIONS - ALL DEPTS
19336	11/07/14	4,687.96	AVALON FUEL FACILITIES	FUEL - ALL DEPTS
19336	11/07/14	60,609.21	AVALON FUEL FACILITIES	RESALE FUEL - FUEL DOCK
19337	11/07/14	9,059.66	AVALON MOORING & DIVING	SERVICE - HARBOR
19338	11/07/14	2,510.60	BEYOND SOFTWARE SOLUTIONS	CONTRACT SVCS - ADMIN
19339	11/07/14	21.00	BRAY, JOHN BRIAN	REIMB O/P COSTS - TRAVEL
19340	11/07/14	877.63	BLUE TARP FINANCIAL	SUPPLIES - GARAGE
19341	11/07/14	65.70	CANBY, CHARLIE	SUPPLIES - HARBOR
19342	11/07/14	453.62	CATALINA BEVERAGE	SUPPLIES - ALL DEPTS
19343	11/07/14	1,680.48	CATALINA BROADBAND SOLUTION	IT SERVICES - SEPTEMBER 14
19343	11/07/14	1,979.21	CATALINA BROADBAND SOLUTION	IT SERVICES - OCTOBER 14
19344	11/07/14	222.67	CHAMBER OF COMMERCE	REFUND - FILM PERMIT
19345	11/07/14	120.00	CARSTARPHEN, RIVERS	SERVICE - RECREATION
19346	11/07/14	26,846.40	CATALINA EXPRESS	1ST HLF 10/14 - SUBSIDY
19346	11/07/14	37.25	CATALINA EXPRESS	TRAVEL - LASD
19347	11/07/14	4,727.10	CATALINA FREIGHT LINE	FREIGHT - ALL DEPTS
19348	11/07/14	120.75	CATALINA ISLAND CONSERVANCY	ROAD PERMIT - ADMIN
19349	11/07/14	325.00	CATALINA STEAM CLEANING	CONTRACT SVCS - HARBOR
19350	11/07/14	4,904.07	CONNOLLY PACIFIC CO.	SERVICE - PW/FUEL DOCK/HBR
19351	11/07/14	10,272.74	CO. OF LA SHERIFF'S DEPT	WATERFRONT PT - SEPT 14
19352	11/07/14	122.41	CROMER, ALLEN	LASD SUBSISTENCE
19353	11/07/14	544.02	DAHL, TOM	LASD SUBSISTENCE
19354	11/07/14	2,639.70	DOCK BOXES UNLIMITED	SUPPLIES - HARBOR
19355	11/07/14	195.64	DON MILLER & SONS	SUPPLIES - CITY RESTROOMS
19356	11/07/14	4,090.50	EDISON	UTILITIES - HARBOR
19357	11/07/14	3,681.00	EMPLOYMENT DEVELOP. DEPT	1ST QTR U/I PAYMENT
19358	11/07/14	496.91	EL GALLEON RESTAURANT	SUPPLIES - RECREATION
19359	11/07/14	83,168.42	ENVIRON STRATEGY CONSULTANT	CONTRACT SVCS - OCT 2014
19359	11/07/14	20,024.34	ENVIRON STRATEGY CONSULTANT	EMER RPR WK - WWTP
19360	11/07/14	416.15	GALLIVER, JIM	LASD SUBSISTENCE
19361	11/07/14	908.01	GRAINGER	SUPPLIES - GARAGE/HBR/PW
19362	11/07/14	2,209.48	HD SUPPLY FACILITIES MAINT.	SUPPLIES - BUNGALOW PROJ.
19363	11/07/14	2,538.10	HELVETIC CONSULTING	CONTRACT SVCS - PLANNING
19364	11/07/14	45.00	ISLAND EXPRESS	FREIGHT - GARAGE
19365	11/07/14	6,480.00	CONSTRUCTORS PLUS	CONTRACT SVCS - ADMIN
19366	11/07/14	3,420.00	CONSTRUCTORS PLUS	REIMB - O/P COSTS
19367	11/07/14	2,956.09	JORDAHL CONSTRUCTION, INC	SUPPLIES - PUBLIC WKS
19368	11/07/14	623.20	LIM, RAYMOND	LASD SUBSISTENCE
19369	11/07/14	385.00	LONG, DAVID	REIMB O/P COSTS - TRAINING
19370	11/07/14	1,097.22	MATTHEWS	SUPPLIES - CEMETERY
19371	11/07/14	458.73	MCMASTER-CARR	SUPPLIES - HARBOR/GARAGE
19372	11/07/14	216.22	MORENO, TOMAS	REIMB O/P COSTS - UNIFORMS
19373	11/07/14	65.81	MOUSER ELECTRONICS	SUPPLIES - HARBOR
19374	11/07/14	250.00	MYGOV	SOFTWARE LEASE - NOV 2014
19375	11/07/14	3,140.15	OUTDRIVE EXCHANGE	SUPPLIES - GARAGE
19376	11/07/14	1,056.69	PEBBLY BEACH BUILDING SUPPLY	SUPPLIES - ALL DEPTS

19377	11/07/14	1,211.50	PARKINS & ASSOCIATES	CONTRACT SVCS - RECREATION
19378	11/07/14	63.00	PRAXAIR	SUPPLIES - GARAGE
19379	11/07/14	811.26	QUILL CORP.	SUPPLIES - ALL DEPTS
19380	11/07/14	350.96	R & B SUPPLY CO, INC.	SUPPLIES - GARAGE
19381	11/07/14	931.55	RICOH USA INC.	COPIER LEASE - PLANNING
19382	11/07/14	652.73	RICOH USA INC.	COPIER LEASE - PLANNING
19383	11/07/14	2,879.01	SANI-TEC USA	CITY RESTROOM SUPPLIES
19384	11/07/14	374.19	SHERWIN WILLIAMS CO.	SUPPLIES - HARBOR
19385	11/07/14	130.40	SOUTHERN COUNTIES LUBRICANTS	SUPPLIES - GARAGE
19386	11/07/14	417.60	STRAIGHT UP BUILDERS, INC.	SERVICE - HARBOR
19387	11/07/14	51.05	UNITED PARCEL SERVICE	FREIGHT - GARAGE
19388	11/07/14	144.48	UPTON, CHARLES	LASD SUBSISTENCE
19389	11/07/14	179.85	WAYNE ELECTRIC	SUPPLIES - HARBOR
19390	11/07/14	1,325.00	WITTMAN ENTERPRISES	SERVICE - OCTOBER 2014
19391	11/07/14	193.48	WURZ, THOMAS	LASD SUBSISTENCE
19392	11/07/14	1,500.00	ZEST CATERING & EVENTS	DEPOSIT - 2014 XMAS PARTY
19393	11/07/14	4,400.00	POST, ROCKY	SERVICE - ADMIN

$ 307,377.31

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 3

ORIGINATING DEP: Finance **CITY MANAGER:** BH

PREPARED BY: Chris Woidzik, Interim CFO

SUBJECT: Warrant List

RECOMMENDED ACTION(S): Approve the warrants in the amount of $97,206.71 for a total expenditure of $97,206.71.

REPORT SUMMARY: Attached you will find the warrant list for all general warrants issued for the dates indicated 10/24/14 drawn on U.S. Bank. The warrant list represents check number #19242-19244 in the amount of $97,206.71.

GOAL ALIGNMENT: Ongoing meeting of City obligations.

FISCAL IMPACTS: There are sufficient funds available, and the expenditures have been approved in the adopted fiscal year 2013-2014 budget.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: N/A

FOLLOW UP ACTION: N/A

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Audit Certificate and Warrant List

RECORD OF CHECKS DRAWN ON 10/24/14 FOR CM OF NOVEMBER 18, 2014

MONTH OF AUGUST

US BANK WARRANT # 19242-19244	$97,206.71	10/24/2014

$97,206.71

TOTAL DISBURSEMENTS **$97,206.71**

CERTIFICATE

IN ACCORDANCE WITH SECTION 32702 OF THE GOVERNMENT CODE, I CERTIFY THAT THE ABOVE DEMANDS ARE ACCURATE AND THAT FUNDS ARE AVAILABLE FOR PAYMENT.

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED THIS 18TH DAY OF NOVEMBER 2014

APPROVED AND AUDITED
THIS 18TH DAY OF NOVEMBER 2014

AUDIT COMMITTEE - RICHARD HERNANDEZ

AUDIT COMMITTEE - CINDE CASSIDY

INTERIM CFO - CHRIS WOIDZIK

WARRANT LIST

AVALON CITY COUNCIL
MEETING OF OCTOBER 7, 2014

CHECK NUMBER		AMOUNT	PAYEE	DESCRIPTION
19242	10/24/14	72,286.34	CIMC	13/14 BAL OF SALES TAX
19243	10/24/14	13,819.12	ENVIRON STRATEGY CONSULTANTS	MAINT EXP JAN - MAY 14
19244	10/24/14	11,101.25	RICHARDS WATSON GERSHON	LITIGATION FEES - ADMIN
		$ 97,206.71		

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 4

ORIGINATING DEP: Planning **CITY MANAGER:** BH

PREPARED BY: Audra McDonald, Administrative Analyst

SUBJECT: Consider the adoption of a Resolution approving the application for the annual allocation for transit funds under Article 8 of the Transportation Development Act.

RECOMMENDED ACTION(S): Adopt the Resolution approving the annual application for TDA Article 8 funds for the current Fiscal Year.

REPORT SUMMARY: The City of Avalon receives funds from the Los Angeles County Metropolitan Transportation Authority (LACMTA) under Article 8 of the Transportation Development Act to assist with unmet transit needs in our community. The funds, which are a combination of State gas and sales tax, are only available to cities that do not have LACMTA bus service (Avalon, Lancaster, Palmdale and Santa Clarita). This year the budgeted amount, which is formula based from population, is $147,850. The City uses these funds to pay for the local transportation programs ART, DAR and ACT.

TDA Article 8 Funds are highly restrictive and require an annual Public Hearing which is facilitated by LACMTA staff and typically held at a City Council Meeting in March or April.

GOAL ALIGNMENT: Goal Six – Transportation.

FISCAL IMPACTS: Continues funding for the local transportation program.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The City would not be eligible to claim the $147,850 in TDA Article 8 funds.

FOLLOW UP ACTION: Forward the Resolution and the claim form to LACMTA for approval and reimbursement.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Resolution

RESOLUTION NO._____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON, CALIFORNIA, APPROVING THE APPLICATION FOR TRANSIT FUNDS AUTHORIZED UNDER ARTICLE 8 OF THE TRANSPORTATION DEVELOPMENT ACT FOR FISCAL YEAR 2014/2015

WHEREAS, Article 8 of the Transportation Development Act provides that cities can use eligible funds of the County's Local Transportation Funds for transit expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF AVALON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. To authorize Audra McDonald as the City's authorized signature and designated contact person.

Section 2. To apply for all funds available to the City of Avalon allocated for transit improvements.

Passed, Approved and Adopted on the 18th day of November, 2014.

I, the undersigned, hereby certify that the foregoing Resolution Number____was duly adopted by the City Council of the City of Avalon following a roll call vote:

Ayes:
Noes:
Absent:

_____
Ann H.Marshall, Mayor

_____
Denise A. Radde, City Clerk

CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 5

ORIGINATING DEP: Administration **CITY MANAGER:** BH

PREPARED BY: Denise Radde - City Clerk/Chief Administrative Officer

SUBJECT: Appointment of an Alternate Planning Commissioner

RECOMMENDED ACTION(S): Appoint Michael Ponce to serve as the Alternate Planning Commissioner for a term of two years.

REPORT SUMMARY: The City adopted an ordinance at the October 21, 2014 City Council meeting establishing an alternate Planning Commission position. This Alternate will be required to attend all meetings of the Planning Commission, assume the seat of any Commissioner that is absent or has a conflict of interest, and serve a two-year term with a maximum of two terms. The City received one application from Michael Ponce.

FISCAL IMPACTS: N/A

GOAL ALIGNMENT: To be determined.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:
The Planning Commission will continue to function with seven commissioners and possible not have a quorum at times.

FOLLOW UP ACTION: City Clerk will notify the newly appointed alternate commissioner.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS: Alternate Planning Commission application from Michael Ponce.

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 6

ORIGINATING DEP: Fire **CITY MANAGER:** BH

PREPARED BY: Michael L. Krug, Fire Chief

SUBJECT: Thermal Imaging Camera Purchase

RECOMMENDED ACTION(S): Approve the purchase by the City of Avalon Fire Department of one new Thermal Imaging Camera as part of a "me too" acquisition with the Los Angeles County Fire Department.

REPORT SUMMARY: The City of Avalon currently has a Thermal Imaging Camera that is nearly 15 years old and as such, replacement parts are becoming difficult to locate. Replacing it with a newer unit will provide for more reliability and redundancy. This devise allows firefighters to quickly locate victims and fire in zero visibility conditions and locate hidden fires in concealed locations.

GOAL ALIGNMENT: Organizational and Staff Development- Upgrading and replacing equipment allows for the greatest margin of safety for firefighters, and in addition, it improves safety to the visitors and residents of Avalon and Catalina Island.

FISCAL IMPACTS: This project will have **ZERO** impact on the budget as it is being 100% funded by generous donations for the full amount of $10,654.35. Additionally, as part of the "me too" with LACoFD, the units which typically are around $15,000.00 are able to be purchased in bulk at a cost savings.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The existing TIC could suffer a failure that would leave it unusable and un-repairable and replacing it could cost an additional $5000.00 if ordered individually. The loss of the unit could become a safety issue if one was not available on the fireground. Donated funds potentially might not be available at a future date.

FOLLOW UP ACTION: If approved, purchase the Thermal Imaging Camera.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly posted pursuant to the Brown Act.

ATTACHMENTS: Quotations and e-mail copy (redacted cell phone numbers)

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 7

ORIGINATING DEP: Administration **CITY MANAGER:** BH

PREPARED BY: Dudley Morand, Vehicle Clerk

SUBJECT: Transportation Permit for the Inn on Mt. Ada & Autoette Permit Application for Hotel Owners

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RECOMMENDED ACTION(S): Approve both applications for a Transportation Permit and Hotel Autoette Permits.

REPORT SUMMARY: The business, "The Inn on Mt. Ada", has been in operation for thirty (30) years at the same location. The current owners are in the process of selling the business to Santa Catalina Island Resort Services who plan to operate the Inn in the same manner as previous owners.

The business enjoys the use of one full size van to transport guests to and from the Inn and transportation hubs in town. This commercial vehicle was first granted to the Inn in 1992. On November 7, 2014 the new owners went before the Vehicle Hearing Officer for the transfer of the commercial vehicle permit and that decision was pending at the time of preparing the staff report but should arrive prior to the council meeting.

The Inn also employs seven (7) autoettes for the use of the guests. In the past the autoettes were managed in the "rental cart" category but with the transfer would be better handled by section **5-11.03** of the municipal code as hotel autoettes. The new owners propose to use the autoettes for guests just as the prior operators arguing that the location of the Inn makes it impractical for visitors to access the hotel without the carts. Granting the hotel autoette permits would not increase vehicular traffic in the City as a pre-existing use would be allowed to continue. Given the hotel's unique location and accessability issues, staff believes that granting the permits will comply with the requirements of the Municipal Code. The City's Municipal Code prohibits these autoettes from being transferred. (Section 4.4-1707(d).)

In order to grant the permits, the City Council must make the following affirmative findings:

- The hotel needs the autoettes
- In view of the size and nature of the streets and the character of the City, the provision of autoettes to hotel transient occupants will not have a deleterious impact on the public health, safety and welfare.
- The autoettes will not have a deleterious impact on traffic or parking congestion, traffic safety, noise or air pollution.
- The provision of autoettes to hotel transient occupants will be conducted in a manner which is not detrimental to the public health, safety and welfare.

The City Council may impose reasonable conditions if the permits are granted.

GOAL ALIGNMENT: To be determined.

FISCAL IMPACTS: None.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Not approving the actions would severely impact the operation of the Inn with its unique location.

FOLLOW UP ACTION: Approve both applications and provide a Terms and Conditions document for all parties to agree on.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS:

- Transportation Permit Application
- Hotel Owners Autoette Permit Application
- Original Commercial Permit Decision, (if available decision on Comm. Vehicle transfer)
- Copy of Municipal Code Section 5-11.03 – 5-11.06.
- Copy of latest Transportation Permit Renewal

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 8

ORIGINATING DEP: Planning **CITY MANAGER:** BH

PREPARED BY: Amanda Cook

SUBJECT: Encroachment Permit for Installation of In Slab Uplights for new Latitude 33 Building at 501 Crescent on the corner of Crescent Avenue and Catalina Streets.

RECOMMENDED ACTION(S): Deny the Encroachment permit for installation of In Slab Uplights in Crescent Avenue and Catalina Street at 501 Crescent/Latitude 33.

REPORT SUMMARY: The owner of the new Latitude 33 business is requesting an Encroachment Permit to install 4 in slab (flush with grade) uplights each on Crescent Avenue and Catalina Street to illuminate the face of the new businesses. The design indicates that the uplights would be installed 24" to centerline from face of the building.

The design of the building includes large windows that allow for visibility of the building from the street and light bleed out onto both Crescent Avenue and Catalina Street. The plans also include seven junction boxes for decorative sconces to be placed on the Catalina Street face of the building and 5 to be placed on the Crescent Avenue face of the structure.

It is staff's opinion that the building is adequately designed to allow for visibility from adjacent pedestrian traffic and allows more than sufficient lighting to allow for safe egress to both businesses. The additional uplighting would contribute to light pollution and to the continued degradation of the night sky over Avalon. Granting the permit might create a precedent for additional lighting encroachment permits and such would change the nature of Crescent Avenue.

GOAL ALIGNMENT: To be determined.

FISCAL IMPACTS: None

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The applicant would be able to add uplighting for the exterior of the building.

FOLLOW UP ACTION: Notify the applicant.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Applicant drawing

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 19, 2014 **AGENDA ITEM:** 9

ORIGINATING DEP: Recreation **CITY MANAGER:** BH

PREPARED BY: Jennifer Monroe, Recreation Coordinator

SUBJECT: Amended Professional Services Agreement with On The Wing Falconry

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RECOMMENDED ACTION(S):

1. Authorize the City Manager to enter into a ten month agreement for bird abatement services with On The Wing Falconry for the amended amount of $2575 monthly.

2. Discuss and give direction regarding September and October invoices from On The Wing Falconry for the "missing" $2,200 partner contributions during no executed contract existed.

REPORT SUMMARY: The City of Avalon entered into a six week agreement for falconry and nuisance bird abatement with Rocky Post, doing business as On The Wing Falconry, from July 22 through September 2, 2014. This agreement was in partnership with the Catalina Island Chamber of Commerce and Visitor's Bureau and the Santa Catalina Island Company. Following Labor Day, the Santa Catalina Island Company requested to end their financial tie to the program.

At the August 19, 2014 Avalon City Council Meeting, Council authorized the City Manager to execute an agreement for bird abatement services in partnership with the Catalina Island Chamber of Commerce and Visitor's Bureau and with other private businesses and property owners. The City and Chamber of Commerce's commitments were to be $2,200 monthly to On The Wing Falconry from September 3, 2014 through June 30, 2015. The agreement will not provide for housing, access to vehicles or cross-channel travel reimbursement and was contingent upon gathering enough additional partners to also equal $2,200 monthly.

City Staff was able to gather a list of businesses and individuals to pledge amounts totaling $1,450 monthly, meaning a deficit of $750 monthly exists. Both the Chamber of Commerce and City Staff have agreed to participate in a contract wherein the two parties will split the deficit and pay $2575 monthly in order to move forward with a signed contract agreement. Because the City Council had given prior approval for only $2,200 monthly, Staff has brought the item back for review and approval.

Additionally, as a show of good faith the City of Avalon and the Chamber of Commerce have paid On The Wing Falconry for September and October at a rate of $2,200 monthly each for falconry services to continue, although no current contract was signed. On The Wing Falconry would like to have the City of Avalon pay for the additional $2,200 not covered by the two

parties previously and has invoiced the City of Avalon for this amount. In the prior agreement, the contract stated in Section 3.6:

> Each of the Clients is solely responsible for its portion of the monthly payments, and no redress from a non-paying Client can be made. If any Party to the Agreement does not make a payment, OTW may cease work under this Agreement, unless the payment is not made because of OTW's breach of the Agreement, unless the payment is made, either from the Party responsible for the missed payment or a different Client. If a Party does not make a payment and that payment is made by a different Client, the Party that did not make a payment shall reimburse the Client making the payment on their behalf.

Staff would like direction from City Council as how to proceed regarding this issue as no executed contract existed.

GOAL ALIGNMENT: Cease and Desist Order

FISCAL IMPACTS: $2575 per month retroactively from September 3, 2014 through June 30, 2015. Funding is budgeted within the Fiscal Year 2014/2015 Budget Sewer Fund (Account Code 107-25-5017). This is $3,750 more than City Council previously approved to spend on the contract.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Non-participation of City of Avalon in multi-party agreement with On The Wing Falconry.

FOLLOW UP ACTION: Execute amended agreement.

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Professional Services Agreement with On The Wing Falconry naming participating parties forthcoming.

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 10

ORIGINATING DEP: Administration **CITY MANAGER:** BH

PREPARED BY: Denise Radde

SUBJECT: Drawing of Straws for any Appeal Pertaining to the Vons Project

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RECOMMENDED ACTION(S): That the City Council draw straws to determine which Council Member may vote on any appeal of the Vons Project

REPORT SUMMARY: At the request of Mayor Pro Tem Oley Olsen this item is coming before the City Council for consideration again.

History:
On November 19, 2014, the Planning Commission will consider the application of Vons for a new store. Given the amount of interest in this project, and some vocal opposition and support for the project, it is likely that the decision of the Planning Commission to approve or disapprove the project will be appealed to the City Council pursuant to the Municipal Code. In any such appeal, the City Council will act as an adjudicative body.

At the present time, there appear to be three Council Members with potential conflicts of interest that preclude them from participating in any appeal. In such an instance, those members with conflicts would have to draw straws to determine which conflicted Council Member can participate in any appeal. Rather than wait for the meeting where any such appeal would be heard, it is recommended that straws be drawn now.

As long as a conflict of interest exists, a public official cannot make, participate in or attempt to use his or her influence on a decision for which a conflict exists. The regulations governing these actions are attached.

GOAL ALIGNMENT: To be determined.

FISCAL IMPACTS: None

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: If potential conflicts still exist if any appeal is filed, straws would have to be drawn then.

FOLLOW UP ACTION: None

ADVERTISING, NOTICE AND PUBLIC CONTACT: Pursuant to the Brown Act.

ATTACHMENTS: Barclays Official California Code of Regulations

CITY OF AVALON CITY COUNCIL

MEETING DATE: November 18, 2014 **AGENDA ITEM:** 11

ORIGINATING DEP: City Manager's Office **CITY MANAGER:** BH

PREPARED BY: Ben Harvey, City Manager

SUBJECT: Adoption of Fiscal Year 2014/2015 Budget

RECOMMENDED ACTION(S): Staff recommends the City Council adopt the 2014-2015 Fiscal Year Budget Resolution including the Operating Budget and Capital Improvement Projects and the Cost of Living Adjustment Resolution.

REPORT SUMMARY:

City of Avalon Budget Process at a Glance:

- On July 1st, the City Council adopted the Miscellaneous Fee Schedule with a 1.59% CPI increase.
- On July 15th, the City Council adopted an interim budget resolution for the fiscal year, continuing the normal operations and maintenance as prior year financials were being completed.
- In August, the City Council initiated study sessions to define citywide goals, departmental goals and capital improvements.
- On August 5th, the City Council held a Public Finance Study Session to identify financing options available to the City for much needed capital infrastructure improvements for Sewer, Saltwater and Stormdrain and water opportunities.
- On August 19th, the City Council adopted Phase 1 of City Council Goals. Additionally, FY12/13 Financial Statements were presented for review.
- October 22, 27th and November 10th , the City Council participated in Budget Study Sessions with discussion of proposed Capital Improvement Program and review of departmental line-item budgets.
- On November 18th, City staff will present the Proposed Annual Budget for FY14/15 to City Council for approval.

City of Avalon Budget at a Glance:

- Our budget year started July 1, 2014 and ends June 30, 2015.
- The $22 million budget for FY14/15 has $1.7 million less in expenditures from last fiscal year, mainly due to the completion of construction on Lower Terrace.

The General Fund is $7.6 million in proposed expenditures or $240,000 less than last year's adopted budget. The General Fund is using $263,000 of reserves to fund Stormwater Permit requirements, one-time studies and capital improvements.

- The Harbor Fund is balanced with $5.5 million in proposed expenditures and almost a $600,000 increase in reserves for the Cabrillo Mole and Fuel Dock projects.
- Prop. 218 Funds of Sewer, Saltwater and Refuse are using $782,000 in prior year reserves with a total expenditure budget of $4.7 million. The Refuse Fund is accumulating reserves for future capital improvement projects.
- Excluding the Refuse Fund, the Sewer and Saltwater Fund expenditures together total $3 million and are using over $1 million in reserves for Cease and Desist operations and long over due capital improvements. City staff is pursuing grant funding and rate analysis options during the remainder of the fiscal year for long-term financial planning options.
- Overall, the City is anticipating $1.1 million in increased revenues (revenues exceeding expenditures) in certain funds (such as Harbor, Solid Waste, some special revenue funds) while other funds (such as Sewer and Saltwater, Fuel Dock, Cabrillo Mole Grant Funds, General Fund,) will draw on reserves of $1.7 million across funds (expenditures exceeding revenues) for an overall net decrease in fund balance of $610,000. Estimated beginning fund balance is $9.3 million and estimated ending fund balance is $8.7 million or a decrease of $610,000.
- The City is proposing up to $1.3 million in capital improvement projects. The CIP includes $460,000 for Sewer and Saltwater improvements and $400,000 for Harbor and Fuel Dock improvements. Additionally, we have included funding for sand replenishment of our beaches, a new swim float destroyed in the Surge for $10,000, a new above ground pool for $4,000, and improved audio visual equipment for Council meetings and on-line internet viewing.
- The budget includes funds for the following City Council CIP related goals:
    - Making Pebbly Beach Road safer with the first phase of fencing for $156,000.
    - Identifying Fresh Water Resources with $70,000 in allocated funds.
    - Provide initial funding of $150,000 for the Fuel Dock and $50,000 for the Cabrillo Mole repair and design.
    - Develop financial support mechanisms for infrastructure with allocated funds for rate analysis in the Sewer, Saltwater, Refuse and Stormwater programs.
- Additionally, City staff has initiated the development of the City Council's goal of a comprehensive 10 Year Capital Improvement plan. City staff presented the preliminary CIP at the budget study sessions. Further research and cost analysis on the multi-year CIP is forthcoming.
- In terms of revenue, the FY14/15 budget includes estimated revenues of $21.5 million. The top three sources of revenue for the City are:
    - Harbor Revenue (Wharfage, Moorings) at $5.3 million.
    - Transient Occupancy Tax (TOT) at $4.3 million.
    - Property Tax Assessment at $3.9 million.
- Over $9.6 million in revenue is dependent on tourism. Although we are excited about the increased visitor trends, we are projecting revenues conservatively.

- The budget includes cost of living adjustments (COLA) for represented employees. The last COLA provided to City employees was in FY11-12. The estimated cost of the COLA for FY14-15 is $135,000.
- Finally, spendable balances have been projected with a higher confidence level this year as we close in on being up to date on our financials. Estimated beginning spendable balances are $4.5 million or over $400,000 higher than originally projected due to recently revised financial information.

We look forward to returning to City Council at Mid-Year with an update of the City's progress on citywide goals, financials, a year-end update, forecast and long-term capital improvement plans.

GOAL ALIGNMENT: Achieve a balanced City budget.

FISCAL IMPACTS: Adoption of the Fiscal Year 2014-2015 budget provides a spending plan in the amount of $22,179,148. The General Fund spending plan is $7,606,397. The estimated spendable ending balances, or reserves is $8,715,411 across all general and restricted funds.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The City will continue operations based on the interim budget resolution.

FOLLOW UP ACTION: Staff will return with mid-year projections, policies, GANN Limit, Investment policy and status of City Council goals.

ADVERTISING, NOTICE AND PUBLIC CONTACT: This item was properly listed on the posted agenda pursuant to the Brown Act.

ATTACHMENTS:
FY14-15 Total Sources and Uses Chart or Balances Summary
FY14-15 Proposed Revenues and Expenditure Detail
10 Year Capital Improvement Plan
Resolution of the City Council adopting the 2014/2015 Fiscal Year Budget including the Operating Budget and the Capital Improvement Projects.
Resolution to include a Cost of Living Adjustment in the 2014/2015 Fiscal Year Budget

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AVALON ADOPTING THE BUDGET FOR FISCAL YEAR 2014-2015

WHEREAS, the City Manager submitted a proposed budget to the City Council for review and consideration; and

WHEREAS, the City Council wishes to adopt the budget for the City of Avalon for the Fiscal Year 2014-2015; and

NOW, THEREFORE, the City Council of the City of Avalon declares, finds and resolves as follows:

Section 1. The proposed budget for FY 2014-2015, including the Operating Budget, all expenditures, revenues, and transfers set forth therein are approved and adopted.

Section 2. Authorization to spend: The amount of the Fiscal Year 2014-2015 Budget for each account area of the budget may be drawn upon warrants in payment of demands in accordance with the provisions of California Government Code §§32708 and 32709.

PASSED, APPROVED AND ADOPTED this 18th day of November, 2014.

Ayes:
Noes:
Absent:
Abstain:

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise A. Radde, City Clerk

RESOLUTION NO. _____

RESOLUTION BY THE CITY OF AVALON TO INCLUDE A COST OF LIVING ADJUSTMENT IN THE FISCAL YEAR 14-15 BUDGET

WHEREAS, the City of Avalon, (the "City") has developed an annual budget for fiscal year 2014-15; and

WHEREAS, City Council city-wide goal setting and labor negotiations are in progress; and,

WHEREAS, the City Council has approved a cost of living adjustment for non-management employees in the Fiscal Year 2014-15 budget,

WHEREAS, the cost of living adjustment of 4% is proposed for the Avalon Municipal Employees Association (AMEA) .

WHEREAS, per the memorandum of understanding and the CalPERS Annual Valuation Report distributed October 2013, the City pays up to 20.00 of 26.189 of the combined rate of FY14-15 Employer rate (19.189) and Employee rate (7.0) for employer and employee annual CalPERS rate contributions for those AMEA members hired prior to January 2013 or whose members were included in a reciprocal retirement system prior to January 2013 (or Classic members). Such AMEA members will pay the remaining rate cost of 6.189 on a pre-tax basis, towards the total rate cost of 26.189 starting July 1 , 2014. Such AMEA members currently pay 4.286% of pre-tax of salary towards CalPERS retirement costs. As of July 1, 2014, members will pay an additional 1.903 of pre-tax salary or a total 6.189 rate. CalPers retirement costs per the current memorandum of understanding results in a net cost of living adjustment of at least 2% for such AMEA represented employees classified as Classic CalPERS members,

WHEREAS, the City Manager recommends a cost of living adjustment of 2%, without deductions, for the Avalon Harbor Employees Association (AHEA) and the AHEA has been contributing the full employee portion or 9% of CalPERS retirement costs,

WHEREAS, the City Manager recommends a cost of living adjustment of 2%, without deductions, for the International Association of Firefighters Local 2295 (IAFF) and the IAFF has been contributing the full employee portion or 9% of CalPERS retirement costs,

WHEREAS, unrepresented confidential and all part-time positions will receive a 2% cost of living adjustment,

WHEREAS, executive management and management will not be receiving a cost of living increase,

WHEREAS, the cost of living adjustment for the non-management AMEA, AHEA, IAFF and confidential and part-time employees for FY14-15 will be effective upon adoption of the FY14-15 budget and retroactive to July 1st, 2014,

WHEREAS, the Finance Department will implement the cost of living increase and retroactive payments as soon as possible after adoption with distribution before December 31, 2014,

WHEREAS, the increased contributions for AMEA classic CalPERs members is effective upon adoption of the FY14-15 budget and retroactive to July 1st. 2014,

WHEREAS, the cost of living adjustment for the AMEA, AHEA, IAFF, confidential and part-time employees for FY14-15 totals $135,

WHEREAS, negotiations between City staff and associations will continue in regards to clarifying negotiating points, future retirement considerations and completion of the MOU ratification.

NOW, THEREFORE, BE IT RESOLVED, that for the Fiscal Year commencing July 1st, 2014 and ending June 30, 2015, the City Manager or his authorized designee is hereby authorized and directed to implement the required actions for Fiscal Year 2014-2015.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 18th day of November, 2014, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

_____
Ann H. Marshall, Mayor

ATTEST:

_____
Denise A. Radde, City Clerk