

**AVALON CITY COUNCIL MEETING
WILL ALSO INCLUDE A MEETING OF THE
AVALON HOUSING AUTHORITY
TUESDAY, OCTOBER 4, 2016 – 6:00 P.M.
CITY COUNCIL CHAMBERS
410 AVALON CANYON ROAD, AVALON
A G E N D A**

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 / PLEDGE OF ALLEGIANCE / INVOCATION / ROLL CALL

ANNOUNCEMENTS / WRITTEN COMMUNICATIONS

CITY MANAGER REPORT / CITY ATTORNEY REPORT

COUNCILMEMBER REPORTS / MAYOR REPORT

PRESENTATIONS

1. Catalina Island Chamber of Commerce & Visitors Bureau Annual Report will be presented by CEO Jim Lutjohann.
2. Proclamation presented to Art Good, founder of the famous Catalina Island JazzTrax Festival held each year in October for the last 30 years.

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 September 20, 2016 regular City Council meeting.

CITY COUNCIL AGENDA
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2. Proposal for Architectural Design, Construction Documents and Construction Administration for the CDBG Funded Beacon Hill Senior Apartments Lift Project
The City of Avalon has approximately \$100,000 in Community Development Block Grant (CDBG) Funds that is administered by the Los Angeles County Development Commission. The City Council directed Staff to utilize the City's CDBG funds to construct a "lift/elevator" at the Beacon Hill Senior Apartment Complex, an eligible project under CDBG guidelines.
Recommended Action
 1. Determine that the City's procurement process was fully and openly competitive and satisfies state and local requirements.
 2. Authorize the City Manager to execute a professional services agreement with Vanderpool and Associates in an amount not-to-exceed \$12,000 for Architectural Design, Construction Documents and Construction Administration for the Beacon Hill Senior Apartments Lift Project.

3. Resolution Amending the Compensation and Benefits for Management, Exempt and Other Unrepresented Employees
The terms and conditions of employment for Management, Exempt Employees and Other Unrepresented Employees are governed by Resolution. Resolution 16-09 was adopted March 15, 2016 for the propose of formally documenting the compensation and benefits received by Management and Unrepresented Employees since January 2010 for outside agencies, especially CalPERS. Since then Staff has identified a section regarding longevity pay that was misstated and did not properly reflect the actual longevity compensation received by Management Safety Employees.
Recommended Action
Adopt resolution amending Compensation and Benefits for Management, Exempt and Other Unrepresented Employees to correct the section described as *Part V 4(e) Longevity for Management and Unrepresented Safety Employees* to reflect actual compensation since May 19, 2010.

4. Volvo Outdrive Purchase
The Harbor Department budgeted for two patrol boat outdrives in the FY 2016-17 budget.
Recommended Action
Authorize the Harbor Master to purchase one Volvo Penta DPS-B D3 outdrive from Harry's Marine in the amount of \$7,771.68 and one Volvo Penta DPS-B D3 outdrive from Outdrive Exchange Inc. in the amount of \$7,771.68 for a total expenditure of \$15,543.36.

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GENERAL BUSINESS

5. Casino Dock Café Lease Terms: Discussion and Direction
The lease for the Casino Dock Café property has been under negotiation and requires further City Council discussion and direction. The Armstrongs have expressed their desire and willingness to enter into an agreement with the City to continue operating a restaurant at the Casino Dock, with proposed terms not consistent to that of the new standard City Leases (\$6,399.00/month based on a square footage charge or 8% of gross receipts, whichever is higher).
Recommended Action
Determine if the City Council wishes to accept the counter offer from Russell and Jenny Armstrong to pay 8% of gross receipts as a lease payment for the specified term of the lease *or* direct the City Manager to solicit a new RFP for restaurant services at the Casino Dock based on previously agreed terms.

6. Results of the Community Wide Income Survey and Next Steps
In December 2015, the City Council approved an agreement with Michael Baker International (MBI) to perform a community wide income survey. The purpose of the survey was to obtain accurate information on the City's Median Household Income. Staff has long believed that the 2000 and 2010 Census did not accurately capture the City of Avalon resident's economic reality. A driving force for the survey was the City of Avalon's active pursuit of local, state and federal grant opportunities. Many grant programs including Housing and Urban Development (HUD), State of California Active Transportation Program and USDA give funding preference to agencies that are considered disadvantaged.
Recommended Action
Hear the report and results from the Community Wide Income Survey performed by Michael Baker International; accept the report and provide direction to Staff regarding next steps.

7. Transportation Concepts' contract for the Operation of Avalon Transit and a Request to Reduce the Hours of Operation for the Dial-a-Ride Service
Transportation Concepts has requested that the City modify their contract due to increased wages being paid to the drivers because of an airbrake endorsement requirement now needed. Part two of this report concerns the hours of operation for the Dial-A-Ride hours.
Recommended Action
 1. Authorize Transportation Concepts' request to modify their contract through the remainder of the Fiscal Year and
 2. Authorize changing the Dial-a-Ride hours of operation to end at 6:00 p.m.

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8. Shore Boat Service

The franchise renewal agreement for shore boat services executed in 1994 following a formal bid process was extended a couple of times and has since expired. On July 29, 2015, Island Enterprises delivered a letter to the City stating they will no longer be able to provide the harbor shore boat services at its current hours and levels of service due to a \$600,000 shortfall. On November 16, 2015, Island Enterprises amended and shortened their operating schedule. On September 6, 2016, Island Enterprises presented another offer to the City to continue operating shoreboat services for 5 ½ months with a City subsidy of \$300,000. Island Enterprises would then provide a vessel to the City for the City to operate the shoreboat service from October 16th to April 30th for a nominal lease amount.

Recommended Action

1. Direct the City Manager and Harbor Master to issue a second RFP offering a \$250,000 subsidy to operate a year round shoreboat service, or
2. Direct the City Manager and Harbor Master to pursue a City-operated shore boat service with an annual operating budget not to exceed \$250,000 and an initial capital expenditure of \$600,000 to \$1,000,000 for three shore boats. The procurement of the boats and proposed funding would be presented to the City Council prior to committing the purchase.

9. Ebus Charging Infrastructure

Staff was originally given the direction to construct the parking pad for the Ebus on a temporary basis. Now that the winter months are approaching, it will be necessary to protect the temporary subgrade with a resistant material, such as cold-mix asphalt, or concrete. Additionally, the current approved design plans for the charging infrastructure require the buses to pull into the lot head first to access the charging plug on the drivers' side of the bus. It has been proposed to purchase brackets and extending arms which allow the charging plug to extend above and over the Ebus thus allowing the Ebus to back into the parking spot.

Recommended Action

Provide Staff direction on the scope of investment for the Ebus charging infrastructure:

1. Install hard cold-mix asphalt for a cost not to exceed \$4,900, or
2. Install concrete with reinforcing, for a cost not to exceed \$22,000.
3. Decide if the purchase of overhead brackets and a swing arm will be necessary to change the direction of the busses ingress and egress, for a total cost not to exceed \$12,000.00.

Next Item in General Business is the City of Avalon City Council acting as the Housing Authority.

10. Revision of Bylaws for the City of Avalon Housing Authority

The proposed Bylaws are similar to how the Avalon Community Improvement Agency operated using City staff and services to implement housing programs. The

**CITY COUNCIL AGENDA
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revised Bylaws conform to provisions contained in State law, and ensure that the operation of the Housing Authority delegates to Staff the responsibility for implementation of programs of the Authority.

Recommended Action

Approve revised and updated bylaws for the Housing Authority of the City of Avalon.

ADJOURN

NOTICE OF POSTING

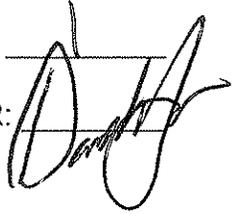
I, Denise Radde, declare that the City Council Agenda for October 4, 2016 was posted Wednesday, September 28, 2016, on the City's website www.cityofavalon.com, and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall.

Denise A. Radde, City Clerk and Chief Administrative Officer

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEP: City Clerk
PREPARED BY: Denise Radde, City Clerk
SUBJECT: City Council Actions

AGENDA ITEM:
CITY MANAGER:



RECOMMENDED ACTION(S): Approve actions from the September 20, 2016 regular City Council meeting.

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: Not aligned,

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: Actions

**CITY OF AVALON CITY COUNCIL AND
SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY,
TUESDAY, SEPTEMBER 20, 2016
ACTIONS**

CITY COUNCIL CALL TO ORDER 6:02 p.m.

ROLL CALL - Mayor Anni Marshall, Mayor Pro Tem Oley Olsen, Councilmembers Cinde Cassidy, Richard Hernandez, and Joe Sampson. Also present City Manager David Jinkens, Chief Administrative Officer/City Clerk Denise Radde and City Attorney Scott Campbell.

PRESENTATIONS

1. A proclamation Honoring National Museum Day was presented to the Catalina Island Museum and the new Executive Director, Julie Perlin Lee, was introduced.
2. A proclamation honoring Vin Scully was read and was mailed to the Dogers Baseball organization.

CONSENT CALENDAR

There were five items on the regular Consent Calendar and one item as the City Council acting as the Successor Agency to the Avalon Community Improvement Agency. Councilmember Cassidy asked for clarification on Item 4, Contract Temporary Accounting Help, if the price included housing for the position. Finance Director Bob Mescher replied yes the cost was included in the total not to exceed amount. Councilmember Sampson pulled Item 5 for questions. Motion to approve Items 1- 4 and 6 by Cinde Cassidy, seconded by Oley Olsen. (All Ayes)

1. Actions
Approve actions from the September 6, 2016 regular City Council meeting.
2. Expenditures Submitted for Approval
 - o Warrants in the amount of \$1,535,236.88.
 - o Two payrolls in the amount of \$467,113.48.
 - o Five electronic fund transfers totaling \$163,492.25.Approved total expenditure amount of \$2,165,842.61.
3. Community Digital Signage at Vons Supermarket
Approved that the Community Services Department continue to administer the Community Digital Signage at the Vons Supermarket.
4. Contract Temporary Accounting Help
Authorized the City Manager to contract temporary accounting help to assist the Finance Director with monthly accounting tasks and with the preparation of the FY15-16 Audit, until the Senior Accountant position is filled, for a monthly amount not to exceed \$8,000.

CITY COUNCIL ACTIONS
SEPTEMBER 20, 2016
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*****The following item on the Consent Calendar was the City of Avalon City Council acting as Successor Agency to the Avalon Community Improvement Agency**

6. Amended Recognized Obligation Payment Schedule (ROPS) 16-17B
Adopted Resolution SA 16-35 of the Successor Agency to the Avalon Community Improvement Agency approving an amended Recognized Obligation Payment Schedule 16-17B.

Pulled Item:

5. City Leases Held by the Santa Catalina Island Company
Councilmember Sampson inquired on the two leases at Riley Pond and Fuel Dock and after clarification made the motion to authorize the City Manager to enter into the lease agreements on the listed properties and approved the expenditures from FY 15/16 and amend FY 16/17 budget to reflect the accurate expenditures, seconded by Cinde Cassidy. (All Ayes)

Adjourned to the Avalon Municipal Hospital Board of Trustees meeting. 6:51 – 6:53 p.m.

GENERAL BUSINESS

7. Water Presentation by the City Attorney
A very in-depth presentation on water was given by City Attorney Scott Campbell. It covered policy and regulatory considerations, water system background, key water factors, efforts already under gone, and recommendation options. Many comments were received from the audience and Southern California Edison (SCE). After Council discussion and considering SCE responses it was determined that no action will be taken and the item will come back to the City Council at a near date. (**It should be noted that this presentation and a report from Carollo Engineers can be located on the City of Avalon's website under September 20, 2016 Water Presentation Power Point.)
8. CPUC Request to Direct SCE's Support for City Application for Sustainable Year-Round Water Supply for Avalon- City Manager
This Item was held over.

ADJOURN

Mayor Marshall adjourned the City Council meeting at 9:35 p.m.

I, Denise Radde, City Clerk of the City of Avalon, do hereby certify that the DVD videotape of the City Council Meeting on September 20, 2016, is the official record of that Council Meeting and is on file and maintained in City Hall.



Denise A. Radde, City Clerk / Chief Administrative Officer

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016

AGENDA ITEM: 

ORIGINATING DEP: Administration

CITY MANAGER: 

PREPARED BY: Audra McDonald, Administrative Analyst

SUBJECT: Proposal for Architectural Design, Construction Documents and Construction Administration for the CDBG Funded Beacon Hill Senior Apartments Lift Project.

RECOMMENDED ACTION(S):

1. Determine that the City's procurement process was fully and openly competitive and satisfies state and local requirements.
2. Authorize the City Manager to execute a professional services agreement with Vanderpool and Associates in an amount not-to-exceed \$12,000 for Architectural Design, Construction Documents and Construction Administration for the Beacon Hill Senior Apartments Lift Project.

REPORT SUMMARY: The City of Avalon has approximately \$100,000 in Community Development Block Grant (CDBG) Funds that is administered by the Los Angeles County Development Commission (LACDC). CDBG funds are very restrictive. The City Council directed Staff to utilize the City's CDBG funds to construct a "lift/elevator" at the Beacon Hill Senior Apartment Complex, an eligible project under CDBG guidelines.

In order to be compliant with CDBG requirements, the City publicly noticed a Request for Proposals for professional services in April, 2016. The public notice was published in the Avalon Bay News, the Catalina Islander, the Greensheet (a construction publication) and on the City's website. No proposals were received. The City re-noticed the project in July, 2016 and published the notice in the Avalon Bay News, the Catalina Islander, the Greensheet, the City's website, Public Purchase website and direct notification to three firms. One proposal was received from Vanderpool and Associates.

Staff contacted LACDC staff and submitted a request to approve acceptance of the proposal received by Vanderpool and Associates due to the fact the City received an inadequate number of responses despite appropriate outreach. The LACDC has concurred that the City performed due diligence in soliciting services.

GOAL ALIGNMENT: Non Applicable

FISCAL IMPACTS: The professional services are eligible, reimbursable expenses under the grant agreement therefore there are no fiscal impacts to the City's General Fund.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The project will not proceed.

FOLLOW UP ACTION: Execute the Professional Services Agreement.

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

ATTACHMENTS:

1. Vanderpools & Associates Proposal
2. Letter to LACDC
3. Approval Notification LACDC

ARCHITECTURE-STRUCTURAL DESIGN
AGREEMENT FOR SERVICES
SUSAN VANDERPOOL
ARCHITECT
VANDERPOOL & ASSOCIATES

August 30, 2016

**Proposal and Agreement for
City of Avalon
Elevator Addition Design Services
Beacon Hill Senior Apartments
Avalon, California**

Susan Vanderpool is pleased to submit this Proposal and Agreement (the "Agreement") for Architectural Design, Structural Engineering to The City of Avalon. The Project consists of an exterior elevator addition to the existing building at Beacon Hill Senior Apartments Avalon, California. All existing buildings to remain. The scope of work and fees associated with each phase are summarized below. Construction Documents will be based on signed approved designs plan as developed by Susan Vanderpool.

Phase 1- Architectural Design and Site Planning

- Identify in plan, specific requirements for accommodating new elevator and equipment room, Site plan and all areas effected by placement of elevator and equipment room
- Prepare preliminary drawing indicating all buildings and areas effected by elevator addition.
- Prepare site plan and identify any areas of non-compliance for accessibility. Address any issues needed for approval.

Phase 2- Construction Documents

- Meet with Design Team, City of Avalon and selected elevator manufacturer representatives to finalize all design issues.
- Coordinate with approved Elevator manufacturer Structural Engineer, Electrical Engineer and to incorporate all utility system design requirements into the construction documents
- Complete construction documentation which fix and describe the size and character of the Project as to the architectural and mechanical and electrical systems, materials and such other elements as may be appropriate with sufficient detail to obtain permits and construct the improvements
- Submit plans to the City of Avalon for plan check and permits
- Incorporate plan check corrections as required obtaining the building permit.

Phase 3- Project Construction Administration

- Observe the work in progress and that it is being done in conformance with the design intent of the drawing and report any discrepancies to the owner. Attend coordination meetings with Contractor and to provide any interpretation of the

- construction documents and to facilitate proper execution of the work during construction.
- Upon Substantial completion of the construction work prepare a punch list of identifying remaining or unsatisfactorily completed items for the contractor to complete. Punch list will be prepared during the site visits included.
 - Review Shop drawings, manufacturers' prints and submittals furnished by the contractor.

Exclusions

Electrical Engineering
 Plan Check and Permits Fees
 Reimbursable Expenses (see below)
 Fire Sprinkler/alarm system design by contractor
 Acoustical Evaluation or Engineering
 Preparation of As-Built documents
 Responsibility for identification, discovery, presence, handling, removal or exposure of persons to hazardous materials in any form at the job site.
 Title 24 Accessibility code compliance requirements for other areas of the building
 Interior Signage design package.

Compensation

The following fees are proposed for each phase of the work outlined above.

Phase 1

Preliminary layouts & Architectural design

Architectural and Design \$3,500.00

Phase 2

Construction Documents \$6,000.00
 Architectural

Structural Engineering (calculations only)
 Charles A Johnson Jr.
 Consulting Structural Engineer
 P.O. Box 6284 Garden Grove, Ca. 92845

Southland Energy Consultants \$1,500.00
 1491 Glenneyre St.
 Laguna Beach, Ca. 92651
 949 497-3591

Note See attached Proposals for Contract details with specific limits of liability.

Phase 3

Construction Administration \$1,000.00

Total Proposed fee \$12,000.00

Twelve Thousand, and 00/100 dollars.

Additional Services:

Additional Services requested and or required due to design changes will be charge at the Hourly Rates specified below or a mutually agreed to amount.

Project Architect \$100.00

Hourly Rates shall be held firm through the completion of the Project.

Reimbursable Expenses:

Items such as printing, photography, plotting will billed as In House CAD plots, as needed, will be billed at \$2.00 each. All other plots as received.

Retainer:

Architect shall receive a retainer, (\$3,500.00), Three thousand, five hundred dollars and 00/00.

Payment:

Payments are due and payable upon receipt of the Architects invoice and will be based on percentage of work completed. If the Project is cancelled, terminated or abandoned for any reason by the Owner, the Architect shall be entitled to be compensated for services performed up to and including the date of written notice of cancellation of the Project. Accounts over forty-five days are subject to a service charge of 1 ½ % per month.

Architect shall provide client with copies of all documents, drawings and related support material as of the date of cancellation. Owner understands that if the Project is cancelled for any reason by owner prior to completion that Architect shall be entitled to payment in full for all work performed to date. Agreement is acknowledged by each party initialing as set provided below:

Acknowledged and agreed:

Architect
Name: Susan Vanderpool

Owner
Name:

Project Schedule:

Construction documents will be submitted to the City of Avalon for plan check on a specified date mutually agreed to. Susan Vanderpool cannot guaranty the length of time required by the city to process plans for permit.

Entire Agreement:

This Agreement shall be binding and constitutes the final agreement between the parties and may only be modified in writing signed by both parties. In the event of a controversy between the parties the prevailing party to such controversy, shall be addressed in Mediation or Arbitration. In such event the prevailing party shall be entitled to such additional sum as the court may adjudge reasonable as attorney's fees in such suit.

Please indicate your acceptance by signing below and returning one copy to our office.
By executing and acknowledging your acceptance this Agreement shall be binding upon
the parties.

Proposed by

Susan Vanderpool
Architect
16231 Annatto Ct.
Chino Hills, Ca. 91709

License # C-34318

By: _____

Date: _____

Accepted and Agreed:

City of Avalon
P.O. BOX 707-410
Avalon Canyon Road
Avalon, Ca. 90704

By: _____

Title: _____

Date: _____



City of Avalon

Santa Catalina Island

September 19, 2016

Tom Crabson, Program Manager
Community Development Commission of the County of Los Angeles
700 W. Main Street
Alhambra, CA 91801

Subject: REQUEST TO APPROVE A NON-COMPETITIVE PROCUREMENT BASED ON AN INADEQUATE NUMBER OF RESPONSES FOR ARCHITECTURAL DESIGN, CONSTRUCTION AND BID DOCUMENTS FOR THE BEACON HILL SENIOR APARTMENT ELEVATOR INSTALLATION PROJECT NO. 601759-15

Dear Mr. Crabson,

The purpose of this letter is request approval of non-competitive procurement based on the inadequate number of responses received for the subject referenced project. The proposed contract award would be: *The City of Avalon is requesting proposals from qualified firms and/or individuals for professional services to provide architectural design, construction and bid documents for the construction of an elevator lift at the Beacon Hill Senior Apartments located in the City of Avalon, Santa Catalina Island, California. Qualified consultants must have extensive experience working with the Federal CDBG Program.*

BACKGROUND

The City of Avalon participates in the U.S. Department of Housing and Urban Development's (HUD) CDBG program through the Council of Los Angeles Community Development Commission (LACDC). For Fiscal Year (FY) 2015-2016, the City's allocation is approximately \$100,000. The funds have been programmed to construct an elevator/lift at the City of Avalon's Beacon Hill Senior Apartment Complex. The intent of this RFP is to have firms under consideration and specifically address the services required and provide a well-considered proposal for those services.

SCOPE OF SERVICES

1. Detailed engineering and construction drawings and bid documents that serve as the basis for both bidding and construction by a general contractor.
2. Design should be based on the provided specifications provided by the McKinley Elevator Company and the Concept Rendering, or an "Or Equal"

<i>Administration/ Public Works P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-0901</i>	<i>Finance P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-0765</i>	<i>Harbor Department P.O. Box 1085 Avalon, CA 90704 310 510-0535 Fax 310 510-2640</i>	<i>Fire Department P.O. Box 707 Avalon, CA 90704 310 510-0203 Fax 310 510-0104</i>	<i>Recreation Department P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-9528</i>	<i>Planning/Building Capital Improvements P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-2608</i>
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3. Work with the City and Apartment Management Firm to assure design is compatible with existing design.
4. The project is expected to be completed by February, 2017.
5. Provide a separate line item for Construction Management, which includes submittal review, RFI's, and inspections of the work.

DESCRIPTION OF PROCUREMENT PROCESS

On April 15-20, 2016, the City advertised in the following publications:

- Avalon Bay News
- The Catalina Islander
- The Green Sheet
- The City of Avalon Website

The deadline for submittal of proposals was May 26, 2016. No proposals were received.

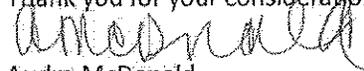
On July 8, 2016, in a second attempt to obtain proposals, the City re-advertised in the above referenced publications as well as on the "Public Purchase" website. In addition, an email was sent out to four firms with recent CDBG experience: IDS Group, Inc., URS Corporation, TMAD and Wildan with contact information for three of the firms provided by CDC/CMU. The deadline for proposals was August 31, 2016. Only one proposal was received (from Vanderpool and Associates) from a firm who's contact information was not provided by CDC/CMU.

The City recognizes that there is a limited number of firms that provide these specialized services that are willing to travel to our island and there is an additional challenge in find a firm interested in engaging in a contract for a relatively small dollar amount (\$12,000).

The procurement process that the City undertook was full and openly competitive, and free from conditions that may have disqualified a request for a non-competitive procurement. Therefore, the City of Avalon requests that the firm of Vanderpool and Associates be approved for a contract to provide architectural design, construction and bid documents for the construction of an elevator lift at the Beacon Hill Senior Apartments under the non-competitive procurement process.

Please feel free to give me a call at 310-510-0220, ext. 118, if you have any questions or require any additional information on this request.

Thank you for your consideration.



Audra McDonald

Administrative Analyst



COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles

700 W. Main Street • Alhambra, CA 91801

Tel: 626.262.4511 • TDD: 626.943.3898 • www.lacdc.org

Hilda L. Solis
Mark Ridley-Thomas
Sheila Kuehl
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

September 23, 2016

Audra McDonald, Administrative Analyst
City of Avalon
P.O. Box 707
Avalon, CA 90704

Dear Ms. McDonald:

**REQUEST TO APPROVE A NON-COMPETITIVE PROCUREMENT FOR COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) FUNDED PROJECT NO. 601759-15**

This responds to your letter dated September 19, 2016, requesting approval of a non-competitive procurement for Vanderpool and Associates for your CDBG-funded Beacon Hill Apartment Elevator Installation (Project No. 601759-15). Your request was based on the lack of adequate responses to the City's Request for Proposals (RFP) process.

Your request is approved based on our review and consideration of the following declarations and supporting documentation, submitted with your September 19, 2016 letter:

1. On April 15 through April 20, 2016, the City issued an RFP in four (4) publications of general circulation.
2. On the deadline of May 26, 2016, the City received no proposals.
3. On July 8, 2016, the City issued another RFP in the above referenced publications, plus the Public Purchase website, and sent the information to four (4) consulting firms from which only one (1) proposal was received (from Vanderpool and Associates) by the August 31, 2016 deadline.
4. In addition to publishing the notice and directly soliciting consulting firms, the City also advertised the RFP twice on the City's website.
5. The City's RFP, enclosed in its September 19, 2016 letter, demonstrated that the process was fair and open and free from any restrictive conditions.

We Build Better Lives
& Better Neighborhoods



Audra McDonald, Administrative Analyst
September 23, 2016
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City staff believe that factors contributing to the lack of response to both RFPs may be attributed to its location in which travel to and from the island can be cost prohibitive relative to the low contract amount and the limited work available for just one City project.

Upon receipt of this approval you may proceed with executing a contract with Vanderpool and Associates for this scope of work.

We look forward to the timely and successful completion of your project. Should you have any questions, please contact your Program Manager, Tom Crabson, at (626) 586-1738 or Tom.Crabson@laccdc.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Diann Viox for DV". The signature is cursive and somewhat stylized.

DIANN VIOX, Manager
Community Development Division-Grants Management Unit

DV:BT:TC:ab
K:\GMU COMMON\PMT\Construction Compliance\AVALON\601759-15\Determination Letter

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEP: Finance Department
PREPARED BY: Robert Mescher, Finance Director
SUBJECT: Resolution Amending the Compensation and Benefits for Management, Exempt and Other Unrepresented Employees

AGENDA ITEM: 3

CITY MANAGER: 

RECOMMENDED ACTION(S): Adopt a the Resolution amending Compensation and Benefits for Management, Exempt and Other Unrepresented Employees to correct the section described as *Part V 4(e) Longevity for Management and Unrepresented Safety Employees* to reflect actual compensation since May 19, 2010.

REPORT SUMMARY: The terms and conditions of employment for Management, Exempt Employees and Other Unrepresented Employees are governed by Resolution and in some instances by separate written contract for appointed officials. The City had been operating under a Resolution, which was approved on January 16, 2007 with no expiration date. That Resolution only provided for a 2007 pay increase. The California Code of Regulations governs special compensation and benefits and requires every City to maintain a current Resolution for its employee groups. In January 2016, the City was contacted as a result of CalPERS conducting an audit on a current retired annuitant. In order for CalPERS to determine the final compensation formula for the retired annuitant the City is required to send CalPERS the Resolution that governs compensation and benefits for Management and Unrepresented employees. At the March 15, 2016 City Council Meeting, the City Council authorized Resolution No. 16-09 Establishing Compensation and Benefits for Management, Exempt and Other Unrepresented Employees. The only purpose of Resolution 16-09 was to formally document the compensation and benefits received by Management and Unrepresented Employees since January 2010 for outside agencies, especially CalPERS.

Subsequently, Staff identified a section regarding longevity pay that was misstated and did not properly reflect the actual longevity compensation received by Management Safety Employees.

Part V, Section 4(e) of that Resolution states:

Longevity for Management and Unrepresented Safety Employees: Employees shall, upon completion of ten (10) or more continuous and uninterrupted years' of service, be eligible for longevity pay on an employee's anniversary date, and service credit shall not be prorated in the event of termination of employment prior to the completion date. Checks will be issued on the last payroll of the fiscal year for those employees who have completed their appropriate years of service during the preceding twelve (12) month period, as follows:

<u>Years of Service Completed</u>	<u>Percentage of Base Salary</u>
10 years thru 14 years	5%
15 years thru 19 years	an additional 5% (10% total)
20 years thru 24 years	an additional 5% (15% total)
25 years and above	an additional 5% (20% total)

Rather, Management Safety Employees who had completed ten or more continuous and uninterrupted years of service as of May 19, 2010 received 5% longevity pay beginning May 19, 2010 with no additional increases. To reflect the actual compensation, the entire Section 4(e) of Part V should be replaced with:

Longevity for Management Safety Employees: Management Safety Employees who have completed ten or more continuous and uninterrupted years of service as of May 19, 2010 will be eligible to receive 5% Longevity Pay beginning May 19, 2010.

GOAL ALIGNMENT: None

FISCAL IMPACTS: None

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: CalPERS cannot properly pay Management Safety Retiree pensions.

FOLLOW UP ACTION: None.

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

ATTACHMENTS:

1. Resolution No. 16-09 as Adopted March 15, 2016
2. Proposed Resolution to Amend the Compensation and Benefits for Management, Exempt and Other Unrepresented Employees

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF AVALON AMENDING COMPENSATION AND
BENEFITS FOR MANAGEMENT, EXEMPT AND
OTHER UNREPRESENTED EMPLOYEES**

WHEREAS, on March 15, 2016, the City Council determined that it was necessary to adopt Resolution 16-09 specifying provisions relating to compensation, hours, benefits, and other terms and conditions of employment, to be received by City of Avalon management, exempt employees and other unrepresented employees, who were not members of a recognized bargaining unit; and

WHEREAS, adopted Resolution 16-09 superseded Resolution No. 07-02, a Resolution affecting City of Avalon management, exempt employees and other unrepresented employees, who are not members of a recognized bargaining unit, adopted on January, 16 2007, and all prior Resolutions governing the terms and conditions of employment;

WHEREAS, the Council wishes to clarify and modify the wages and benefits available to City of Avalon management, exempt employees and other unrepresented employees, who are not members of a recognized bargaining unit; and

WHEREAS, Section 4(e) of Resolution 16-09 stated: *Longevity for Management and Unrepresented Safety Employees*: Employees shall, upon completion of ten (10) or more continuous and uninterrupted years' of service, be eligible for longevity pay on an employee's anniversary date, and service credit shall not be prorated in the event of termination of employment prior to the completion date. Checks will be issued on the last payroll of the fiscal year for those employees who have completed their appropriate years of service during the preceding twelve (12) month period, as follows:

Years of Service Completed	Percentage of Base Salary
10 years thru 14 years	5%
15 years thru 19 years	an additional 5% (10% total)
20 years thru 24 years	an additional 5% (15% total)
25 years and above	an additional 5% (20% total)

WHEREAS, the City Staff determined that Section 4(e) did not properly reflect the actual longevity compensation received by Management Safety Employees because Management Safety Employees who had completed ten or more continuous and uninterrupted years of service as of May 19, 2010 received 5% longevity pay beginning May 19, 2010 with no additional increases.

WHEREAS, the City Clerk shall certify the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Avalon HEREBY DOES RESOLVE, DETERMINE AND ORDER, that Resolution No. 16-09 be amended as indicated below:

Section 4(e). Longevity for Management Safety Employees: Management Safety Employees who have completed ten or more continuous and uninterrupted years of service as of May 19, 2010 will be eligible to receive 5% Longevity Pay beginning May 19, 2010.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 4th day of October, 2016, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Ann H. Marshall, Mayor

ATTEST:

Denise A. Radde, City Clerk

RESOLUTION NO. 16-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF AVALON ESTABLISHING COMPENSATION AND
BENEFITS FOR MANAGEMENT, EXEMPT AND
OTHER UNREPRESENTED EMPLOYEES

WHEREAS, the City Council has determined that it is necessary to adopt a Resolution specifying provisions relating to compensation, hours, benefits, and other terms and conditions of employment, to be received by City of Avalon management, exempt employees and other unrepresented employees, who are not members of a recognized bargaining unit; and

WHEREAS, this Resolution supersedes Resolution No. 07-02, a Resolution affecting City of Avalon management, exempt employees and other unrepresented employees, who are not members of a recognized bargaining unit, adopted on January, 16 2007, and all prior Resolutions governing the terms and conditions of employment;

WHEREAS, the Council wishes to clarify and modify the wages and benefits available to City of Avalon management, exempt employees and other unrepresented employees, who are not members of a recognized bargaining unit; and

WHEREAS, the City Clerk shall certify the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Avalon HEREBY DOES RESOLVE, DETERMINE AND ORDER, that Resolution No. 16-09 be amended as indicated below:

Section 1. That the schedule of compensation and benefits shown in Exhibit A shall apply for all City of Avalon employees classified as Avalon Management, exempt employees and other unrepresented employees with changes effective January 1, 2010.

Section 2. That Exhibit A shall reflect other changes pursuant to administrative policy and also provide language clarification.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Avalon on this 15th day of March, 2016, by the following vote:

Ayes: Mayor Marshall, Councilmembers Olsen, Cassidy, Hernandez and Sampson

Noes: None

Abstain: None

Absent: None



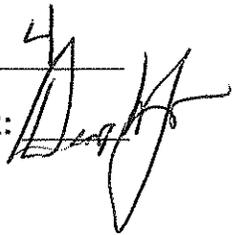
Ann H. Marshall, Mayor

ATTEST:


Denise A. Radde, City Clerk

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEPT: Harbor
PREPARED BY: Harbor Master Brian Bray
SUBJECT: Volvo Outdrive Purchase

AGENDA ITEM: 4
CITY MANAGER: 

RECOMMENDED ACTION(S): Authorize the Harbor Master to purchase one Volvo Penta DPS-B D3 outdrive from Harry's Marine in the amount of \$7,771.68 and one Volvo Penta DPS-B D3 outdrive from Outdrive Exchange Inc. in the amount of \$7,771.68 for a total expenditure of \$15,543.36.

REPORT SUMMARY: The Harbor Department budgeted for two patrol boat outdrives in the 2016-17 budget. We received bids from three dealers and two of the dealers are offering a 20% discount off of the listed retail price. We would like to purchase one of the two outdrives from each dealer so the mechanical staff will have two technical sources to call when a problem arises.

Bids Received:

Outdrive Exchange Inc.	\$ 7,196.00 + 575.68 Tax =\$7,771.68
Harry's Marine Service	\$ 7,196.00 + 575.68 Tax =\$7,771.68
Helmut's Marine Service	\$ 8,995.00 + 832.04 Tax =\$9,827.04

GOAL ALIGNMENT: Not aligned

FISCAL IMPACTS: The budgeted outdrives will be purchased with funds in the Harbor Fund 104 70 6689.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Patrol Boats will not have necessary equipment to operate to collect revenue and to respond to emergencies.

FOLLOW UP ACTION: If approved, send purchase order to vendors.

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

ATTACHMENTS: Three quotes for equipment.

STATUS: Quote
Invoice Date:
Print Date: 9/14/2016

Quote #: 531



HARRY'S MARINE SERVICE

1141 North Citrus Street
Orange, Ca 92867
Ph: (714) 771-7899
hmesboats@sbcglobal.net

BILLING ADDRESS

DERRICK
CITY OF AVALON
(310)882-8236

SHIPPING ADDRESS

DERRICK AND JJ
CITY OF AVALON
() -



Qty	Item No.	Item Description	Price Each	Amount
1.00	21766684	DRIVE UNIT (DPS-B) BACK ORDER ETA 00/00/0000	7,196.00	7,196.00

~~YOU SAVED: \$1,799.00~~

Total Invoice	
Subtotal:	7,196.00
Total:	7,196.00
Shipping:	0.00
Sales Tax:	575.68
Total Due:	7,771.68
Payment Received:	0.00
Balance Due:	7,771.68

THANK YOU FOR YOUR BUSINESS

All returns are subject to a 30% restock fee. No returns without receipt.
No returns on electrical items. 30 day return on special orders.

Helmut's Marine Service Inc.

619 Canal St.
San Rafael, CA 94901-
(415) 453-1001

Part Quote

Sold To: CITY OF AVALON
Date: 09/23/2016 9:41 AM

Sold	S/O	Lay	P/U	Part Number	Sup	Description	Ext Price	Bin
0	1	0	0	21766684	VP	DRIVE UNIT	\$8,995.00	
Subtotal							\$8,995.00	
Sales Tax							\$832.04	
Quote Total							\$9,827.04	

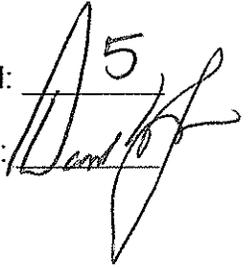
*now in stock as of
9/23/16*

CITY COUNCIL OF THE CITY OF AVALON

MEETING DATE: October 4, 2016
ORIGINATING DEP: Administration
PREPARED BY: David Jinkens, City Manager
SUBJECT: Casino Dock Café Lease Terms: Discussion and Direction

AGENDA ITEM:

CITY MANAGER:

5


RECOMMENDED ACTION(S): Determine if the City Council wishes to accept the counter offer from Russell and Jenny Armstrong to pay 8% of gross receipts as a lease payment for the specified term of the lease *or* direct the City Manager to solicit a new RFP for restaurant services at the Casino Dock based on previously agreed terms.

REPORT SUMMARY:

The City Council met in Closed Session on July 5, 2016 and directed the Interim City Manager to prepare a letter and offer to the Armstrongs to reiterate the City's terms for a lease of the subject facilities once the Casino Dock Project reconstruction project is completed.

As a reminder, the terms of the City proposed lease are as follows.

1. Fifteen (15) year lease with two (2) additional five (5) year options (total 25 years);
2. Rent: \$6,399.00/month based on a square footage charge *or* 8% of gross receipts, whichever is higher.

The rationale I am told, for the previous City proposal (for the square footage basis) is based on a belief that all Harbor leases should have the same terms and conditions applied to them. I was not on board at the time of the original discussion on this matter by the City Council in Closed Session. While the concept of having uniform lease terms is understandable, in practice conditions of each tenant are not equal in terms of location of the leased property, capital outlay required of the tenant, past business experience, likelihood of success, a committed and loyal customer base and whether the lessee is family-owned or corporate run or controlled business.

I prepared and sent a second letter to the Armstrongs on July 29, 2016 after they requested to meet with me about the proposed terms. I urged the lessees to evaluate carefully the City offer and provide a written response if they are suggesting terms different than what is offered by the City Council. They have not done so to date, but they have continued to express concerns with the City proposal based on the nature of what they see as unique circumstances. They have verbally said that paying an 8% lease payment is acceptable and works for them economically.

If the parties cannot come to an agreement on the terms for the new lease then the City should prepare and send out a Request for Proposals (RFP) from all interested parties.

DISCUSSION

The Armstrongs expressed their desire and willingness to enter into an agreement with the City to continue operating a restaurant at the Casino Dock. The have pointed out a few things that I have attempted to verify below:

1. They are required under the terms of the lease to invest \$250,000 (or more if improvements at time of construction are higher) to build the restaurant shell and make interior improvements. This typically is *not* what other City leases require. The cost to build the shell is estimated to be \$250,000. The cost of financing \$250,000.00 over 25 years at 3.5% interest is approximately \$1,250/month. The cost of financing over 25 years totals approximately \$375,500.00.
2. If square footage is used to determine rent then the monthly rent would be \$6,399.00. This fixed cost does not include taxes, employee costs, insurance, inventory etc. The total monthly rent and capital loan payment is \$6,399.00 + \$1,250 = \$7,649. *They say the cost is prohibitive.*
3. They say that the water allocation for the restaurant is in the name of the business and goes with the business and unless they are awarded the lease, the building will not have a water allocation. This fact should be confirmed with SCE if the owners have not already done so.
4. They say that they have a commercial vehicle permit for the business that goes with the business.

I found based on January 2016 data that 22 of 38 City leases in the harbor are based on gross receipts. While many leases are based on gross receipts, I am unaware of other City harbor leases requiring the lessee pay to build the structure on which they pay a square footage charge, but I may not be fully informed in this regard.

Requiring a payment of 8% gross receipts allows the new business to grow, and pay off the capital investment of \$250,000 (or more) is reasonable and retains a local business in town.

INTANGIBLES

The question before the City Council relates to weighing the value of the current lessee versus seeking proposals for a new one. How much value can or should the City Council give to a long tenured lessee. If the City is not satisfied with the quality of service provided or anticipated to be provided by the current lessee then the City should seek a new RFP. While I have heard comments that there could be other parties interested in the space, would they be willing to pay the price presently being asked by the City and would the product provided be of a higher quality? Many national chain restaurants are willing to pay more for space and provide a food product that one can find anywhere in the Country. *They have their place, but they are "cookie cutter" restaurants that are unique to nowhere.*

In my view, the tragedy in Avalon has been that many long-time businesses that once operated here have either been forced out of business by sale or by their own volition. In my memory these businesses include the Channel House, Solomon's Landing, Armstrong's, Busy Bee, Café Prego, Blue Parrot, and soon to be Ning's and Portofino. For those people who have come to the Island over the years and visited these businesses and enjoyed them it is a loss of history and memories. For visitors and travelers there is no sense of continuity over time to the degree that continuity is a value.

For private property owners, they have a right to lease their property to whom ever they wish whether it is in the community's interest or not. While we hope that private property owners think about the public interest, they do not have a duty to do so. Government officials have a broader responsibility to evaluate each lease within the terms of the public interest and long-term character of the community.

Not all change is good. Not all change is bad. The best course for landowners and government is to carefully weave a pattern of change that maintains the community's character and history with improvements that benefit the most people who live and work here. "The people come first" is a

statement in the Avalon General Plan, but what does this mean in terms of City growth and policy issues? Do the people of Avalon want it to become like Park City, UT, Vail, CO, Redondo Beach, Irvine, Carmel etc. or do they want it to retain its historical characteristics even while changing and making improvements? Many want the latter while some people and interests want the former.

In the end, public policy should be based on providing the maximum benefit and opportunity to the most people in the community not just powerful interests. City government does not have to operate like a large corporation that seeks only the maximum dollar for everything it does irrespective of its impact on the community.

From an economic development perspective, cities need to focus on business retention, business expansion, and new business development (to the extent that the new business is desired by the community). Retaining family-owned businesses in Avalon helps keep a healthy diversity of businesses and business interests.

GOAL ALIGNMENT: The proposed lease of City lands in a public and transparent process is consistent with sound governmental policy.

FISCAL IMPACTS: The City Council's last offer will realize the most dollars to the City if a new business is willing to pay the rent and sustain itself. The counter proposal of 8% by the Armstrong's would be in alignment with the majority of leases paid in the harbor and over time as the new revitalized business grows may actually grow more revenue than a lease based on square footage just as other harbor leases do.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The existing lessee is a "bird in hand" in terms of future restaurant operations. Another lessee may also be interested who would generate based on a square footage rent more near-term revenue.

FOLLOW UP ACTION: Complete lease agreements with the Armstrongs based on an 8% of gross receipts *or* prepare and solicit an RFP.

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

ATTACHMENTS:

1. July 8, 2016 letter to the Armstrongs.
2. July 29, 2016 letter to the Armstrongs.



City of Avalon

Santa Catalina Island

July 8, 2016

Russell and Jenny Armstrong
Casino Dock Café
PO Box 1448
Avalon, CA 90704

Dear Russ and Jenny,

The Avalon City Council met in Closed Session again at the last Council meeting held on Tuesday, July 5, 2016 at the request of Mayor Marshall, to further discuss the terms of your lease. By unanimous vote, I was directed to communicate to you that the offer provided to you in the letter dated June 2, 2016 still stands and is the City's final offer.

Terms:

1. Fifteen (15) year lease with two additional five (5) year options.
2. Rent: \$6,399.00/month or 8% which ever is higher:
 - (a) *Calculated on Square Footage or Percentage of Total Sales Basis. Lessee shall pay Lessor rent each month, the higher of either:*
 - i. *The amount determined by multiplying 576 square feet of interior space by four dollars (\$4.00) and 1,260 square feet of exterior space by three dollars and twenty-five cents (\$3.25). This square footage total shall be used for a period of five (5) years, at which time the area utilized by the tenant shall be re-measured, and the actual interior and exterior square footage utilized by the tenant shall be the figures used when calculating the rent.*
 - ii. *An amount equal to eight percent (8%) of all gross receipts at the Property. Gross receipts shall mean the total amounts received from all revenue sources during the relevant period, except admission taxes, sales taxes, California redemption taxes, City of Avalon Use Taxes/fees, reasonable commissions which are paid to third parties and amounts received from activities upon which City Harbor and Use Fees and Admission Taxes are based. For purposes of calculating Gross Receipts, such commissions paid to third parties shall not exceed 20% of the price paid by the consumer/customer.*

**Administration/
Public Works**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-0901

Finance
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-0765

Harbor Department
P.O. Box 1085
Avalon, CA 90704
310 510-0535
Fax 310 510-2640

Fire Department
P.O. Box 707
Avalon, CA 90704
310 510-0203
Fax 310 510-0104

**Recreation
Department**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-9528

**Planning/Building
Capital Improvements**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-2608

I was further instructed to inform you that you have until Monday, July 25, 2016 to determine if you agree with these terms. If you accept these terms a new lease will be executed on the City's new updated lease form. If you choose to not accept the terms above, the City will be going out for Request for Proposals. You will be invited to participate in that bidding process.

If you have any questions do not hesitate to contact me. I understand that this is not what you were hoping for. I will be looking for your response.

Sincerely, c

A handwritten signature in black ink, appearing to read "Denise A. Radde". The signature is written in a cursive, flowing style.

Denise A. Radde

Interim City Manager/City Clerk



City of Avalon

Santa Catalina Island

July 29, 2016

Mr. Russ and Jenny Armstrong
P.O. Box 1448
Avalon, California 90704

Re: Casino Dock Café Lease

Dear Mr. & Mrs. Armstrong:

Background

It was a pleasure to meet you both upon my return to Avalon. Over the years my wife and I have visited Portofino many times and have always enjoyed the food and service there.

I am writing as a follow-up to Ms. Radde's letter of July 8, 2016 and our recent conversations concerning the lease of space after the fuel dock is reconstructed. Ms. Radde was acting under specific direction of the City Council in writing that letter.

July 8, 2016 Letter

The letter of July 8, 2016 outlined terms and conditions the City Council is proposing to you in a new lease that would need to be drawn. The City Council instructed the Interim City Manager that the City wanted to hear back from you if these terms are acceptable by June 25, 2016; however, I was told that Ms. Radde gave you an extension of time to consider the matter.

Upon my arrival, you expressed concerns with the proposed terms and asked to meet with me to discuss the matter, and I agreed to do so. I summarized the concerns that you expressed and provided the City Council with that information as I told you I would do. As I told you, the City Council members were unable to discuss their deliberations on the matter because the negotiations were part of conversation held in Closed Session, and they are prohibited from discussing the matter without the City Council relinquishing its privilege of confidentiality. I was not a party to the discussions, the Closed Session or the content of that conversation.

<i>Administration/ Public Works P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-0901</i>	<i>Finance P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-0765</i>	<i>Harbor Department P.O. Box 1085 Avalon, CA 90704 310 510-0535 Fax 310 510-2640</i>	<i>Fire Department P.O. Box 707 Avalon, CA 90704 310 510-0203 Fax 310 510-0104</i>	<i>Recreation Department P.O. Box 1980 Avalon, CA 90704 310 510-1987 Fax 310 510-9528</i>	<i>Planning/Building Capital Improvements P.O. Box 707 Avalon, CA 90704 310 510-0220 Fax 310 510-2608</i>
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I do know that the City Council is trying to create a uniform approach to City leases in the harbor area and to be fair to all parties.

Status

It now appears that the discussion of Fuel Dock lease will be going to the City Council on August 16, 2016. The City Council will want to know if you are interested in renewing the lease on the terms they have agreed to and provide staff with appropriate direction in regard to the matter based on your response. I want to be certain that you are kept informed on the timing of this matter going back to the City Council.

Suggestion

My best suggestion to you is to *seriously* consider the City's offer and evaluate the short and long-term benefits to you with a new dock and facilities that are now under construction. The new dock and facilities built there will be a great improvement over the previous built structures. I understand that you too have made a commitment to build a new main building shell and make interior improvements.

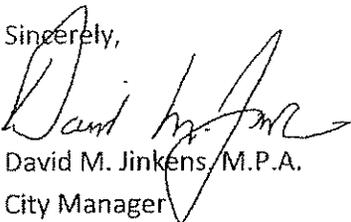
Next Steps

What is needed by you is a written response to the City's letter of July 8, 2016 indicating your agreement with to the proposal, your desire not to pursue a new lease with the City or a specific counter proposal that you think is appropriate given the whatever unique circumstances you believe exist with this lease. The City Council will then evaluate the response and take action as they think is appropriate. To complicate this matter, you may not be aware that the SCICo is requesting a major increase in rent from the City for the leased space in question to which we have not yet agreed but are in discussions.

Conclusion

I urge you to carefully evaluate this situation and provide us with your reasoned response in advance of the August 16th meeting of the City Council. If you wish to discuss the matter further, I will certainly make time to do so.

Sincerely,



David M. Jinkens, M.P.A.
City Manager

c: City Attorney
City Administrative Officer/City Clerk

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEP: Administration
PREPARED BY: Audra McDonald, Administrative Analyst
SUBJECT: Results of the Community Wide Income Survey and Next Steps

AGENDA ITEM:

CITY MANAGER:



RECOMMENDED ACTION(S): Hear the report and results from the Community Wide Income Survey performed by Michael Baker International; accept the report and provide direction to Staff regarding next steps.

REPORT SUMMARY: In December, 2015, the City Council approved an agreement with Michael Baker International (MBI) to perform a community wide income survey. The purpose of the survey was to obtain accurate information on the City's Median Household Income (MHI). Staff has long believed that the 2000 and 2010 Census did not accurately capture the City of Avalon resident's economic reality.

A driving force for the survey was the City of Avalon's active pursuit of local, state and federal grant opportunities. In recent years, funding agencies have shifted funding priorities to give preference to Disadvantaged Communities (DAC's). Proposition 1 Water Funds has a DAC component that provides disadvantaged communities with a higher funding threshold (in some cases up to 100%) as well as using the DAC as part of the scoring criteria for grant applications. Many other grant programs including Housing and Urban Development (HUD), State of California Active Transportation Program and USDA give funding preference to agencies that are considered disadvantaged.

In order to be considered a DAC, the general formula applied is 80% of the State of California MHI. Below is the data the State of California utilized to determine if the City of Avalon met DAC requirements:

- State of California MHI is \$61,094
- State of California 80% MHI threshold is \$48,875.
- City of Avalon MHI is \$65,433
- City of Avalon 80% MHI is \$52,346

MBI Staff used the template survey provided by the California Department of House and Community Development as the foundation because this agency has the most stringent guidelines in regards to challenging census data.

City and MBI Staff worked closely together to get the word out to the community about the survey, the purpose and its importance.

The survey information was collected in a number of ways including a city-wide mailer, online survey and door-to-door.

The table below gives a general overview of the results of the survey.

Category	Results
Median Household Income (all households)	\$42,000
Mean Family Size	2.73
Total Households	562
Multi-Family Households (multiple families in one housing unit)	18.9%
Percentage of Population Hispanic or Latino	39.0%
Percentage of Population Not Hispanic or Latino	59.3%
Race	
Percentage of Population that Identifies as White	85.1%
Percentage of the Population that Declines to Answer	6.6%
Percentage of the Population that Identifies as a Racial Minority	8.2%

As you can see from the table, the results confirm the City of Avalon MHI is dramatically lower than the data used by the State and definitively proves the City of Avalon is indeed a Disadvantaged Community.

NEXT STEPS:

- Consider performing a “Cost of Living” Study. Confirming that the cost of living is indeed higher in the City of Avalon would provide additional, compelling data that could be used to compare the MHI to the Cost of Living, illustrating that the low MHI and high cost of living further prove the disadvantages.
- Retain a consultant to assist Staff in assembling the hard data from the Community Wide Survey into a format acceptable HUD and provide technical assistance interfacing with HUD and other state and federal agencies regarding obtaining DAC status.

GOAL ALIGNMENT:

- Natural Resources: Freshwater Resources, Reclaimed Water
- City Infrastructure
- Enhance Recreational Opportunities

FISCAL IMPACTS: Positive fiscal impacts include additional and potentially larger funding opportunities for the City. Negative fiscal impacts would be the cost of the “Cost of Living” study and consultant fees for technical assistance.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: Dependent upon Council's direction.

FOLLOW UP ACTION: Dependent upon Council's direction.

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

ATTACHMENTS:

1. Avalon Income Survey Draft Evaluation

Avalon Income Survey Draft Evaluation

Background

The City of Avalon, on Catalina Island, faces several fairly unique infrastructure and housing condition challenges. The existing infrastructure, particularly water and sewer, is aging, and there is a severe lack of affordable workforce housing. Avalon has 2,108 housing units on record in the city (there are an estimated 2,189 total units according to the 2009–2014 American Community Survey [ACS], of which about 1,262 are identified as actual households – both ACS numbers have a margin of error greater than 100 units). These include permanent households, second homes, and short-term housing units. The total population is estimated at 3,768 (2010–2014 ACS). The US Census American Community Survey sample data used by state and federal grant agencies is not attuned to capturing accurate data from such a small population, particularly in regard to median data points, which can be easily influenced by erroneous or misattributed data. For example, the 2009–2014 ACS states that the median income for a household in Avalon is \$54,231, with a margin of error of plus or minus \$9,799 (a margin of error of 18 percent). This margin of error is significant, particularly when grant funds and infrastructure funding programs use ACS median household income data to determine eligibility.

Avalon is part of Los Angeles County, and the numbers used to establish jurisdictional eligibility for most housing and infrastructure grants are based on county estimates. The median household income for Los Angeles County is \$55,870, with a margin of error of plus or minus \$244. The margin of error for the county is much smaller because the county's large population allows for more sample data. More sample data provides more accurate results. In order to be eligible for funding to support housing and infrastructure improvements, Avalon's median income must come in significantly below that of Los Angeles County as a whole. According to the ACS data already discussed, the city's median income, despite a large margin of error, is relatively close to the county's median income. As a result, based on Census data, the City of Avalon does not qualify for most grants and other forms of infrastructure financing assistance.

The City administrators believed that the ACS data was not reflective of actual incomes on the island. The administrators suspected that the small sample size, combined with the prevalence of second homes and short-term rentals, had skewed the ACS income data. They know that a significant portion of the year-round residents work in the service industry, that there is a large Hispanic population on the island, and that many households are overcrowded, with multiple families living in cramped and dilapidated housing due to the shortage of affordable units. These employment and housing conditions were not in agreement with the median household incomes estimated by the ACS. The disconnect between City administrators' on-the-ground experience and the US Census data inspired the City to conduct a household income survey that would collect a statistically significant data sample from island residents to challenge the Census data. The City of Avalon hired Michael Baker International to perform the survey.

Survey Instrument

Michael Baker staff used the template income survey provided by the California Department of Housing and Community Development (HCD) as the foundation for the income survey in Avalon. HCD's template is compliant with the US Department of Housing and Urban Development (HUD) requirements for a legal and usable income analysis. Michael Baker staff modified the survey introduction, which is

required by HCD, to meet Avalon's situation and to be more readable by the general public. All of the original survey questions were retained; however, questions about whether or not survey respondents were year-round residents and/or employees were included, as were questions about the number of families living in each household. A section about ferry ridership was also included in the survey. The island is predominantly accessed by the Catalina Express ferry service, which is privately owned and operated, but does receive some transit subsidies. Previous efforts to include the mileage that the ferry travels in subsidy calculations had failed because the majority of the riders on the ferry are not commuters. The questions were included in this survey to establish the Catalina Express as a lifeline service that is critical to the well-being of island residents.

The other information gathered on the survey included tenure, household type, estimated monthly household income, and race and ethnicity. The survey was made available in both English and Spanish, and was available both via the Internet and in print. Each survey packet included a cover letter in both English and Spanish explaining the purpose of the survey, an English version and a Spanish version of the two-page survey, and an addressed stamped return envelope.

Samples of the survey documents are included as attachments to this summary.

Survey Methodology

Michael Baker staff used three collection methods to help ensure a statistically significant sample of Avalon's population. Surveys designed to meet state and federal income survey requirements were mailed to every household with a mailing address on the island. An online survey was set up to collect responses from households who preferred to respond to the survey via the Internet. The survey included control fields to validate responses as coming from Avalon residents. The mail and online survey was then followed up with a door-to-door survey that canvassed about 85 percent of the total city. Avalon has a significant number of second homes and short-term rental homes with temporary occupancy. These units were generally not included in the survey process, as the goal was to collect information about permanent residents. The City is actively working to track both second homes and short-term rentals, and provided information about which units housed permanent residents and which likely did not.

To prevent common issues that arise when sampling data from such a small population, Michael Baker staff and the City committed to surveying the total population. The goal of the survey methodology was to offer every occupied household at least one opportunity to respond to the survey. The entire survey process allowed for three points of contact with residential households—one by mail and two by door-to-door canvassing. Michael Baker staff can confirm with confidence that every permanent residential household in Avalon had at a minimum of one opportunity to complete the survey in either English or Spanish.

In order to meet the requirements for anonymity and confidentiality set forth by HCD and HUD, Michael Baker used randomized 6- and 9-digit codes to link the surveys to specific parcel information. The post office in Avalon does not deliver mail to street addresses. All residents who conduct transactions through the mail are required to obtain a post office box.

The first round of surveys was mailed to every residential post office box in the city. Each survey included both Spanish and English translations and a stamped return envelope. The cover letter also

identified a link to an online version of the survey for households who preferred to respond via the Internet. The online version of the survey was available in both English and Spanish and included all of the questions on the paper survey plus two additional required questions. The first question required that the survey respondent enter the 6- or 9-digit code on the paper survey. The second question required the survey respondent to verify that they were the head of the household. Through these two questions, surveys taken online could be validated and included with the paper surveys in the final tabulations. The return period for the mailed survey was about four weeks.

The second round of surveying began just after the period for return of mailed surveys closed. Four Michael Baker staff members were sent to the island to conduct door-to-door surveys. They had complete lists of all physical addresses on the island, including whether or not a survey had already been received for the address, and whether the address was a second home, short-term rental, or permanent household. The door-to-door surveys began on Sunday, July 10, 2016, and extended through Thursday, July 14, 2016. Canvassing was conducted at all times of the day, including both typical working and non-working hours, mealtimes, and well into the evening. As staff worked through the neighborhoods, they left blank surveys, including the letter of explanation and a stamped return envelope, at the door of households they were unable to reach. The surveys left at the door included one additional question not included on the original paper surveys. The question asked the respondent to provide either a post office box number or a street address to ensure the survey could be validated. Mail-in surveys from the door-to-door canvassing effort were accepted until August 5, 2016, at which point the survey was closed and the results were prepared for evaluation.

In total, 772 surveys were collected.

Data Analysis

All of the surveys were entered into the online survey instrument so they could be accurately exported and validated against the codes used in the initial mailing. Once all of the surveys were entered, staff reviewed each entry for validity. Surveys needed to include three points of information in order to be considered valid:

1. They had to be from the head of the household. This requirement applied mainly to the online surveys, as the door-to-door surveys and mailed surveys were directed to the head of household.
2. The surveys had to have a valid number in the income field. Surveys where the householder declined to provide income data were eliminated.
3. The surveys had to link either to a code or directly to a valid site address. This last requirement eliminated the most surveys, as housing units in Avalon are not all listed, nor is site addressing consistent. Many units have been split and divided, with additions and subunits that may or may not have a recognized address. Surveys that did not directly link to a site address as provided by the City's GIS specialists were invalidated.

At the end of the validation process, there were 562 valid surveys remaining.

Once the valid surveys were isolated, the income calculations could begin. First, the estimated monthly income as requested in the survey was adjusted by multiplying it by 12 for an estimated annual income. Then the annual incomes were evaluated to identify the median. All of the fields in the survey were

made sortable, and median incomes could be calculated for any of the subgroup or demographic data collected during the survey.

A brief analysis of the income data shows that three household types have median incomes much higher than other types of households: owner-occupied households, seasonal or part-time households, and households that were not employed on the island.

The following tables show the survey's initial results.

Table 1. General Overview

Category	Results
Median Household Income (all households)	\$42,000
Mean Family Size	2.73
Total Households	562
Multi-Family Households (multiple families in one housing unit)	18.9%
Percentage of Population Hispanic or Latino	39.0%
Percentage of Population Not Hispanic or Latino	59.3%
Race	
Percentage of Population that Identifies as White	85.1%
Percentage of the Population that Declines to Answer	6.6%
Percentage of the Population that Identifies as a Racial Minority	8.2%

Table 2. Household Types

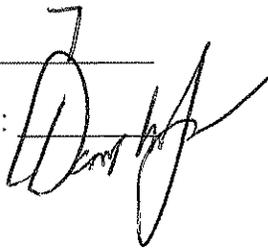
Household Types	Percentage of Total Population	Median Income
1-Person Households	23.8%	\$30,576
2-Person Households	32.9%	\$60,000
3-Person Households	13.0%	\$48,000
4-Person Households	15.5%	\$42,000
5-Person Households	8.2%	\$36,000
6-Person Households	4.3%	\$33,600
7 or More Person Households	2.3%	\$42,000
Female-Headed Households	33.6%	\$36,000
Senior Households	36.8%	\$60,000
Disabled Households	15.8%	\$42,000
One-Family Households	81.1%	\$42,000
Two-Family Households	10.1%	\$48,000
Three or More Family Households	8.7%	\$39,600
Hispanic Households	39.1%	\$30,000
Not Hispanic Households	56.9%	\$62,400
White Households	85.1%	\$42,000
Racial Minority Households	8.2%	\$37,200
Owner Occupied	33.6%	\$96,000
Renter Occupied	65.7%	\$32,040
Year-Round Households	92.0%	\$42,000
Part-Time/Seasonal Households	8.0%	\$79,200
Year-Round Employed Households (employed on the island)	77.6%	\$39,600
Not Employed on the Island/Partial-Year Employment on the Island	16.4%	\$81,600
Retired Households	6.0%	\$42,600
Part-Time Households/Not Employed on the Island	5.0%	\$97,800

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016

AGENDA ITEM: _____

ORIGINATING DEP: Administration

CITY MANAGER: 

PREPARED BY: Audra McDonald, Administrative Analyst

SUBJECT: Transportation Concepts' Contract Amendment for Avalon Transit and Reduction of Dial-a-Ride Hours

RECOMMENDED ACTION(S): Authorize Transportation Concepts' request to modify their contract through the remainder of the Fiscal Year and authorize changing the Dial-a-Ride hours of operation to end at 6:00 p.m.

REPORT SUMMARY:

Transportation Concepts Contract Modification

In May 2015, the City Council directed Staff to proceed with a formal Request for Proposal (RFP) process for the fixed-route, Dial-a-Ride and Paratransit service. The purpose of commencing with the RFP was multi-layered. It is customary to review long-standing contracts and to periodically publicly bid contracted services to ensure the City is receiving the best value and service. Additionally, the timing aligned with the acceptance of new, all electric transit buses paid for primarily from a grant funded through the Los Angeles County Metropolitan Transportation Authority. Lastly, during multiple study sessions to develop City wide goals, the City Council expressed the need for a more flexible fixed-route, bus system that operated on a daily basis.

The City went through the RFP process twice. During the first solicitation one alternate proposal was received from Catalina Transportation Services, the incumbent contractor at the time. The second solicitation garnered two proposals: one alternate proposal from Catalina Transportation Services and one proposal from Transportation Concepts. Due to the fact that Transportation Concepts was the only firm to deliver a compliant proposal (meeting all the criteria and service goals outlined in the RFP), the City found itself in a "Single Bid" situation. In order to be certain the City has followed Best Practices, a Single Proposal Analysis was performed by Roy Glauthier. The main goal of the analysis is to determine if there was adequate competition and to confirm that fact. The analysis confirmed that adequate competition existed and furthermore, that the compliant proposal cost was below the Independent Cost Estimate and therefore fair and reasonable. The City Council ultimately awarded the contract to Transportation Concepts.

It is important to note during the solicitation process, Catalina Transportation Services stated that the E buses required "airbrake" endorsements for all drivers and advised this requirement would pose a staffing challenge for the required bus hours of operation. Staff contacted Ebus

to confirm this and was advised the braking system was hydraulic and did NOT require an airbrake endorsement. Based on the information received from the bus manufacturer, the City stated such. During the California Highway Patrol Terminal Bus Inspection process (after the transit contract was awarded), the City and Transportation Concepts were advised that the braking system is "Air over Hydraulic" and although the system was not a traditional air braking system, drivers would indeed require an airbrake endorsement. This revelation, along with the shortage of available drivers with the necessary endorsements compelled Transportation Concepts to substantially increase driver wages. These changes resulted in the cost per Vehicle Revenue Hour increasing from the original \$21.25 to \$32.82 or an approximately \$160,000 increase in cost for the term through the end of June, 2017.

Staff has identified an additional \$90,000 in transportation funding for the current fiscal year as follows:

- \$60,000 Prop A and C unspent transit grant funds from FY 2015-16.
- \$30,000 Savings from changes to the taxi voucher program.

Transportation Concepts has been advised that the funds identified above is the limit the City can assist in the shortfall at the present time and is willing to accept this with the understanding that the City will work to secure funding prior to the next fiscal year to address the increased cost of their operations.

A meeting with Supervisor Knabe's Transportation Deputy and key Metro Staff will take place September 29, 2016; to discuss transportation funding going forward and Staff will share the results of that meeting.

Dial-a-Ride Hours

The original transportation contract had the hours of operation for the Dial-a-Ride service the same as those of the "Garibaldi". During extensive outreach to eligible Dial-a-Ride, many seniors stated they saw the need for the Dial-a-Ride system to operate later into the evening. Based on this feedback, the Dial-a-Ride hours were extended to 8:00 p.m. Since beginning operations, only one person has used the Dial-a-Ride service after 6:00 p.m.

In an effort to keep the cost of service as low as possible and the fact that ridership on the Dial-a-Ride service during the extended hours has not seen the anticipated demand, Staff recommends ending the Dial-a-Ride service at 6:00 p.m.

GOAL ALIGNMENT: Goal 6 – Comprehensive Transportation Review

FISCAL IMPACTS: Utilizing the funding identified in the staff report, there would be no impact to the General Fund for the current fiscal year.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The consequences would include substantial impacts to the operation of the City's transportation system.

FOLLOW UP ACTION: Actively pursue funding opportunities for all of the City's transportation needs.

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

ATTACHMENTS: None.

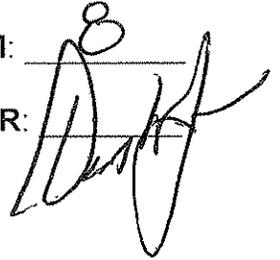
City Manager Comments – In my experience it is not customary for a low bidder for a City product or service to later come back and expect the City to pay a higher cost for the contracted service because of a mistake made in bidding. In this instance, I am told, the low bid contractor was not at fault. He was not provided with the correct information by the bus manufacturer. dmj

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEP: Harbor
PREPARED BY: Brian Bray, Harbor Master
Robert Mescher, Finance Director
SUBJECT: Shore Boat Service

AGENDA ITEM: _____

CITY MANAGER: _____



RECOMMENDED ACTION(S):

1. Direct the City Manager and Harbor Master to issue a second Request For Proposal offering a \$250,000 subsidy to operate a year round shoreboat service, or
2. Direct the City Manager and Harbor Master to pursue a City-operated shore boat service with an annual operating budget not to exceed \$250,000 and an initial capital expenditure of \$600,000 to \$800,000 for three shore boats. The procurement of the boats and proposed funding would be presented to the City Council prior to committing the purchase.

REPORT SUMMARY:

Island Enterprises, formerly known as Island Navigation, has been providing shore boat service in Avalon since 1975. In 1977, the City granted Island Navigation an exclusive franchise agreement for providing shore boat service in City waters. In 1983, Island Navigation built a float which was added to the end of the Green Pier for use of their shore boat and glass bottom boat operations during the summer months.

The franchise renewal agreement for shore boat services executed in 1994 following a formal bid process was extended a couple of times and has since expired. During the 1994 formal bid process, only Island Navigation Inc. submitted a bid.

On July 29, 2015, Island Enterprises delivered a letter to the City Manager stating they will no longer be able to provide the harbor shore boat services at its current hours and levels of service due to a \$600,000 shortfall.

On November 16, 2015, Island Enterprises amended their schedule and stopped operating shore boat service starting on Monday at noon until Friday at 4:00pm. When Island Navigation is closed, the Harbor Department has been transporting passengers to and from moored and anchored vessels in the Harbor Patrol Boats.

If the City Council would like the Harbor Patrol to continue providing transportation for passengers when the shore boat is closed, it is recommended for safety reasons, that a specific type vessel made for the purpose solely of transporting passengers is obtained, and more personnel be scheduled to operate the service.

The Harbor Master feels the shore boat service is an integral part of Avalon Harbor and a vital necessity for vessels visiting Avalon whose passengers need to get to shore to support the attractions, hotels, restaurants and the like. If a shore boat service did not exist, visitors would need to bring a dinghy with them to get ashore which is not always practical or affordable. In addition, the existing dinghy docks are overcrowded which would limit accessibility for our visitors.

In January 2016, Island Enterprises suggested three options:

1. City purchase shore boats and provide shore boat services

In order for the City to operate a shore boat service, the City would need to purchase three to four Coast Guard certified passenger carrying vessels with an initial cost of approximately \$600,000 to \$800,000 in addition to the on-going employee labor and benefit costs associated with the shore boat operating year around.

2. Island Enterprise continues to operate the existing shore boat service with a \$600,000 subsidy

Shoreboat rates are set by a tariff issued by the Public Utilities Commission which is currently \$4.00 per person, each way.

The Harbor is an enterprise fund and must be self-funded. Providing a \$600,000 subsidy to Island Enterprises, would cause the Harbor to operate in a deficit, despite the recent increase in Harbor fees.

It is my opinion the boaters and mooring owners would be against any additional increase in Harbor fees to subsidize a shore boat service they may not use, as boaters are accustomed to having their own dinghy for immediate transportation.

3. Another option suggested by Island Enterprises would be to issue a Request for Proposal to see if there is interest in operating a shore boat service in City waters.

In March 2016, the City issued an RFP without offering any type of subsidy and only Island Enterprises responded with a proposal that reiterated the need for a subsidy of \$573,000 to service approximately 50,000 passengers each year. Staff cannot justify that dramatic rise in the cost of service projected by the contractor. Staff has analyzed Island Enterprises projections and believes the \$573,000 shortfall includes \$342,000 of over-allocated expenses from their other operations, leaving only a more realistic shortfall of \$231,000.

On September 6, 2016, Island Enterprises presented another offer to the City Manager to continue operating shoreboat services from May 1st to October 15th with a City subsidy of \$300,000. Island Enterprises would then provide a vessel to the City for the City to operate the shoreboat service from October 16th to April 30th for a nominal lease amount. The City's costs to operate the shoreboat services for six and a half months would be approximately an additional \$100,000.

The Finance Director and Harbor Master estimated \$250,000 as a fair charge for the City to pay, if the shore boat service was provided by contract. That amount is contained in the adopted FY16-17 Budget. However, Island Enterprises rejected the idea of accepting a subsidy of only \$250,000 from the City.

Staff projects that the City of Avalon could operate its own shore boat service with the \$250,000 already included in the FY16-17 Budget. The most significant challenge would be the acquisition of three vessels designed for shore boat services. The estimated cost of a new shore boat can be up to \$270,000 and the specialized boats are not commonly found.

Island Enterprises has made a previous offer to sell their used boats, Shore Boat I built in 1969, Shore Boat IV built in 1970, and Shore Boat VII built in 1967 for \$190,000 each or to lease three boats for \$73,000 per year for ten years with an additional payment for a required maintenance agreement.

The City has issued a franchise agreement for shore boat service in Avalon for many years, and the service has been ably provided by the current contractor. Staff and the City Council need to discuss the impact of not providing this service, or viable options for the boating public who do not own or bring skiffs to Avalon. Staff is concerned about prioritizing expenditures in the Harbor Enterprise Fund, spending \$600,000 to \$800,000 for Harbor shore boats versus other needs such as repairs to the Mole and seawall. The City Council needs to weigh this matter carefully and then provide direction to Staff on how to proceed.

GOAL ALIGNMENT: Not aligned.

FISCAL IMPACTS: Substantial capital outlay of up to \$800,000 and net operational costs of up to \$250,000 would be incurred if the City were to operate the shore boat service. The adopted FY16-17 Budget includes a contingency of \$250,000 for increased shore boat costs.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The City of Avalon would not have shore boat service which is considered to be a vital necessity in the harbor.

FOLLOW UP ACTION: Staff to act on City Council's direction.

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

ATTACHMENTS: None

City Manager Comments: It is unfortunate that the cost estimates to operate the current service provided by the contractor are so much higher than the costs developed by the City team. I have confidence in the City team and their estimates. *My preference is to see the service provided by the current service provider. His service to the community and Island has been a long one and it is unfortunate as he stated to the City team that the loss of shore boat service to the cruise ships has financially impacted his operation. Since the original RFP did not have a City subsidy attached to it, and agreement on the price of continuing the service has not been reached, the suggestion by Department Directors to go out for another RFP with a \$250,000 subsidy included in the request makes good business sense. The existing provider could, of course, respond to a new RFP.*

I agree with the idea that the shore boat service is a form of transportation for Avalon and our Island just as bus and rail service is on the mainland. There has not been a corresponding subsidy of shore boat service available as there is for these other types of transportation services. Public transit would not exist in Avalon or on the mainland without a public subsidy through transit funds. Even if a subsidy were available from Metro transit funds, would it be justified in using them for contracted shore boat service where Finance Director and Harbor Master believe the requested subsidy is too high?

Staff is meeting this week with Metro transit staff to discuss this and a number of transit-related issues.

While I think Harbor personnel could provide the service, the cost of purchasing new shore boats or leasing them is high. I remain concerned with the need to spend \$600,000 to \$800,000 for a City shore boats as well. Neither the City Harbor funds nor General Fund should be a catch-all for all government shortfalls. The City has numerous other infrastructure deficiencies for which funds are needed, including the Mole repair and reconstruction and the seawall.

dmj

CITY OF AVALON CITY COUNCIL

MEETING DATE: October 4, 2016
ORIGINATING DEP: Public Works
PREPARED BY: Dennis Jaich, Public Works Director
SUBJECT: Ebus Charging Infrastructure

AGENDA ITEM: 9

CITY MANAGER: 

RECOMMENDED ACTION(S): Provide Staff direction on the scope of investment for the eBus charging infrastructure:

- 1) Install hard cold-mix asphalt for a cost not to exceed \$4,900.00, or
- 2) Install concrete with reinforcing, for a cost not to exceed \$22,000.00.
- 3) Decide if the purchase of overhead brackets and a swing arm will be necessary to change the direction of the busses ingress and egress, for a total cost not to exceed \$12,000.00.

REPORT SUMMARY:

Per Council's approval and direction, Staff is constructing a temporary charging station behind City Hall which can charge 2 buses at once, store the third, as well as the Dial-A-Ride and Avalon Rapid Transit vans. At the June 7, 2016 Council meeting the purchase of the electrical panels required for the charging of the Ebus was approved and the installation is complete.

Considering that Staff was given the direction to construct the pad on a "temporary basis", we have proceeded in that manner. However, now that the winter months are approaching, it will be necessary to protect the temporary subgrade with a resistant material, such as cold-mix asphalt, or concrete.

Currently, due to the use impact of the charging area it was decided to protect the surface with a hard temporary asphalt (cold-mix), estimated cost \$4,900. This would secure the area in case of significant rains and/or runoff.

As stated above, an alternate proposal is to install permanent concrete, 5" thick with rebar or wire mesh, which is estimated to cost \$22,000.00.

The difference between the temporary and permanent concrete has to do with the surfaces ability to handle the equipment required to lift the buses for maintenance. The temporary asphalt would require some modifications to the procedures for using the equipment to mitigate the impact; the mechanics would have to place plywood under the lifting apparatus. If the area is paved with concrete, the need for any plywood or other materials during maintenance would not be necessary.

Under the current approved design plans for the charging infrastructure the buses pull into the lot head first to access the charging plug on the drivers' side of the bus. It has been proposed to purchase brackets and extending arms which allow the charging plug to extend above and over the Ebus thus reaching the charging plug. (Dimensions of this extending arm and brackets will be provided at the meeting.)The purpose of this extension would be to allow the Ebus to back into the parking spot, thus eliminating the need to back out in the morning. The estimated cost for this extension is \$10,000.00-\$12,000.00.

GOAL ALIGNMENT: Comprehensive Transportation Review

FISCAL IMPACTS: 1) Temporary Asphalt: \$4,900.00
2) Permanent Concrete: \$22,000.00
3) Charging Extension: \$12,000.00

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The Ebus charging lot will remain in operation as is.

FOLLOW UP ACTION: Proceed with Council direction on two of the three items above:

- 1) Place cold-mix asphalt on the subgrade
- 2) Place permanent concrete on the subgrade
- 3) Decide if overhead brackets extending the charging cords need to be installed.

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

ATTACHMENTS: None.

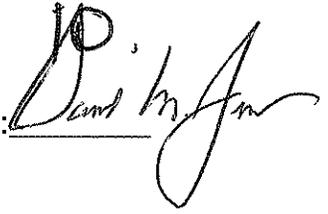
HOUSING AUTHORITY OF THE CITY OF AVALON

MEETING DATE: October 4, 2016

AGENDA ITEM:

ORIGINATING DEP: Administration

CITY MANAGER:



PREPARED BY: David Jinkens, City Manager

SUBJECT: REVISION OF BYLAWS FOR THE HOUSING AUTHORITY, CITY OF AVALON

RECOMMENDED ACTION(S): Approve revised and updated bylaws for the Housing Authority of the City of Avalon.

REPORT SUMMARY:

The purpose of this request is to gain approval of the attached and revised Bylaws for the Housing Authority of the City of Avalon, conform those bylaws to provisions contained in State law, and ensure that the operation of the Housing Authority delegates to staff of the City the responsibility for implementation of programs of the Authority. The proposed Bylaws are similar to how the now discontinued Avalon Community Improvement Agency operated using City staff and services to implement housing programs. The Housing Authority Board (i.e. the City Council) can, of course, contract for other services it deems are appropriate and necessary.

The Mayor and City Council would be the policy body. Existing City staff would provide staff services to the Authority. The City Manager would be the Executive Director. The Finance Director would be the Treasurer, the Secretary would be delegated to the City Clerk, and the City Attorney would be legal counsel to the Authority.

GOAL ALIGNMENT: The efficient operation of the delivery of housing services to Avalon is consistent with provisions in the Housing Element of the Avalon General Plan.

FISCAL IMPACTS: There is no net increase or decrease in costs associated with the adoption of these Bylaws. In fact, by aligning the delivery of housing services more directly to the way other City services are delivered may create saving and other built in efficiencies.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION: The existing Bylaws are not common nor in conformance with generally accepted standards for the operation of a City Housing Authority. They are based on California Corporation Law rather than on provisions in the Government Code.

FOLLOW UP ACTION: Clarify to all staff the organization of the Authority under the new bylaws. Develop and have made an official seal for the Authority. File all disclosure of economic interest statements as may be required.

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

ATTACHMENT (1) BYLAWS



BYLAWS OF THE AVALON HOUSING AUTHORITY

ARTICLE I THE AUTHORITY; OFFICE; SEAL

Section 1. NAME OF AUTHORITY - The name of the organization shall be the Avalon Housing Authority ("Authority"). The Board of Commissioners of the Authority, the governing body of the Authority, shall be referred to as the "Board," the "Authority Board" or the "Housing Authority." Each member of the Board shall be referred to as a "Board member."

Section 2. SEAL AUTHORITY - The official seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its organization.

Section 3. PRINCIPAL OFFICE - The principal office of the Authority shall be 410 Avalon Canyon Road, Avalon, California, or such other location in the City of Avalon as the Authority may from time to time designate.

ARTICLE II OFFICERS AND PERSONNEL

Section 1. OFFICERS - The officers of the Authority shall be a Chairperson, a Vice Chairperson, an Executive Director, Secretary, and a Treasurer.

Section 2. CHAIRPERSON - The Chairperson of the Board shall be the Mayor of the City Council of the City of Avalon ("City Council"). The Chairperson shall preside at all meetings of the Authority. The Chairperson shall sign all contracts, deeds and other instruments made by the Authority, in the name of the Authority, as required by the Department of Housing and Urban Development, the Housing Authorities Law as set forth in Section 34200 et seq. of the California Health and Safety Code, or other applicable federal or state laws. The Chairperson may delegate this signing authority to the Executive Director.

Section 3. VICE-CHAIRPERSON - The Vice-Chairperson shall be the Mayor Pro Tem of the City Council. The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson; and in case of the resignation or death of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Authority shall select a successor Chairperson.

Section 4. SECRETARY - The Executive Director of the Authority, who shall serve at the pleasure of the Board, or his or her designee, shall be the Secretary. The Secretary shall attend all meetings of the Authority, record all votes, maintain a full and thorough record of all proceedings of the Authority, including all resolutions of the Board, in a journal of proceedings to be kept for such purposes. The Secretary shall keep all official records of the Authority, maintain custody of the seal of the Authority and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Board, and perform all other duties incident to the Office of Secretary. The Executive Director may delegate this duties and obligations to the City Clerk of the City of Avalon.

Section 5. TREASURER - The Finance Director of the City of Avalon shall be the Treasurer. The Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Authority may select. The Treasurer may sign all orders and checks for the payment of money and shall pay out and disburse such monies under the direction of the Board and Executive Director and in accordance with the City of Avalon's adopted purchasing policies.. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board on a monthly basis, or more often when requested by any member of the Board, an account of transactions and of the financial condition of the Authority. The Treasurer shall give such bond for the faithful performance of the Treasurer's duties as the Board may determine.

Section 6. ADDITIONAL DUTIES - The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Board or the Bylaws.

Section 7. EXECUTIVE DIRECTOR - The Executive Director of the Authority shall be the City Manager of the City of Avalon and shall be responsible, subject to the policies and directions of the Board, for the general supervision over the administration of the business and affairs of the Authority and the execution of the Authority policies. The Executive Director shall be charged with the management of the housing projects owned and or administered by the Authority. The Executive Director shall sign, on behalf of the Authority, all contracts and other documents approved by the Board unless federal or state regulations require otherwise; appoint, remove, discipline, and supervise the Authority's personnel; supply the Board with such information and recommendations as necessary or as may be requested by the Board; authorize and certify payrolls, requisitions, and other documents relating to the financial affairs of the Authority; and perform such other duties as may from time to time be prescribed for the Executive Director by the Board. The Executive Director may delegate such administrative duties and authority as are consistent with these Bylaws and such other rules and regulations as may from time to time be approved by the Board. The compensation of the Executive Director shall be determined by the Board.

Section 8. AUTHORITY COUNSEL – The City Attorney of the City of Avalon shall serve as the Authority Counsel.

Section 9. NUMBER AND APPOINTMENT OF COMMISSIONERS; TERM

(a) Number and Appointment. The five (5) members of the City Council shall serve as the Board in accordance with California Health and Safety Code Section 34290. In addition, two (2) additional Board members shall be appointed by the City Council. The two (2) additional members shall be tenants of the Authority (“Tenant Commissioners”), at least one (1) of whom shall also be over sixty-two (62) years of age, if the Authority has tenants over sixty-two (62) years of age.

A Tenant Commissioner shall have the same powers, duties, privileges, and immunities as any other Board member. If a Tenant Commissioner ceases to be a tenant of the Authority, he or she shall be disqualified as Commissioner and another tenant shall be appointed by the City Council to fill the unexpired term.

(b) Term. The terms for the City Councilmembers serving as the Board shall be coterminous with and equal to their terms as Councilmembers. The term for a Tenant Commissioner shall be two (2) years pursuant to California Health and Safety Code Section 34272(a). A certificate of appointment or reappointment of any Tenant Commissioner shall be filed with the City Clerk and the certificate is conclusive evidence of the due and proper appointment of the Tenant Commissioner, as prescribed under the Laws of the State of California. A copy of said certificate shall be filed with the Secretary of the Authority.

Section 10. CONFLICTS OF INTEREST; CODE OF CONDUCT – Board members, Tenant Commissioners and Authority staff are honored with the public’s trust, and shall conduct all Authority business in an impartial, objective manner not tainted by financial conflicts of interest. Board members, Tenant Commissioners and Authority staff shall abide by the disclosure and disqualification requirements of the Fair Political Practices Act and implementing regulations, the provisions of California Government Code 1090 and all other applicable rules regarding conflicts of interest. In addition, Board members and Tenant Commissioners shall abide by all rules of conduct duly adopted by the Board. Board members, Tenant Commissioners and Authority employees shall not acquire any direct or indirect interest in a housing project or in any property included or planned to be included in any project, nor shall he or she have any direct or indirect interest in a contract or proposed contract for materials or services to be furnished or used in connection with the housing project, in accordance with California Health and Safety Code Section 34281. If a Board member, Tenant Commissioner or Authority employee owns or controls a direct or indirect interest in any such property, he or she shall immediately make a written disclosure of it to the Authority and the disclosure shall be entered into the minutes. This Section 10 shall not be construed as precluding a Tenant Commissioner from serving, provided the fact of such tenancy is disclosed to the Authority in writing and entered into the minutes immediately upon a Tenant Commissioner assuming office.

Section 11. PERSONNEL RULES – Pursuant to California Health and Safety Code Section 34278, the Authority is required to adopt personnel rules and regulations applying to all employees and they shall be the rules and regulations adopted by the City of Avalon as codified in the Avalon Municipal Code.. Those rules shall contain procedures affecting conflicts of interest, use of funds, and personnel procedures on hiring and firing, including removal of personnel for inefficiency, neglect of duties, or misconduct in office. The Authority adopts the City of Avalon’s

personnel rules and regulations, as amended from time to time, which shall apply to all Authority employees. These rules and regulations shall be of public record.

Section 12. COMPENSATION – In accordance with the Housing Authorities Law, members of the Board shall receive a per diem payment for attendance at not more than four (4) meetings per month of the Authority, which shall not exceed fifty dollars (\$50) per day, and shall receive necessary traveling and subsistence expenses incurred in the discharge of their duties. The Board may fix and determine the compensation of all Authority employees, counsels, consultants and agents from time to time in accordance with the law.

ARTICLE III MEETINGS

Section 1. PLACE FOR MEETINGS - Meetings of the Board shall be held at the principal office of the Authority, unless another place is stated in the notice of the meeting.

Section 2. ANNUAL MEETING - The annual meeting of the Board shall be held for the purpose of electing officers and the transacting of such other business as may properly be brought before the Board on the first regular meeting of the Board in the month of October, at 7:30 p.m., as described in Section 3 below. If the annual meeting time shall be a legal holiday, the annual meeting shall be held on the next succeeding business day.

Section 3. REGULAR MEETINGS - Regular meetings shall be held with notice on the first and third Tuesday of each month at 7:30 p.m., in accordance with the regular meeting day and time of the City Council, unless the regular meeting is adjourned for lack of a quorum. If a regular meeting time shall be a legal holiday, that regular meeting shall be held on the next succeeding business day.

Section 4. SPECIAL MEETINGS - The Chairperson or a majority of the members of the Board may call a special meeting of the Board for the purpose of transacting business of the Authority. The notice for a special meeting shall (a) be personally delivered to each member of the Board or mailed, by postal service or electronically, to the business or home address of each member of the Board, at least forty-eight (48) hours prior to the date of such special meeting, and (b) set forth the business to be transacted at the special meeting. At such special meeting, no business shall be considered other than the business designated in the notice.

Section 5. QUORUM - The powers of the Authority shall be vested in the Board members in office. A majority of the Board members empowered to vote shall constitute a quorum for the purpose of conducting the business and exercising the powers of the Authority, and for all other purposes, but a smaller number may recess or adjourn from time to time until a quorum is obtained.

Section 6. CONDUCT OF MEETINGS - Notwithstanding any other provision in these Bylaws, all regular and special meetings of the Board shall be held in compliance with the

requirements of the Housing Authorities Law, the Ralph M. Brown Act as set forth in Section 54950 et seq. of the California Government Code, and acceptable business meeting practices. The Board shall consider all appropriate business matters to come before the Board.

Section 7. MANNER OF VOTING - The voting on all matters coming before the Board shall be by voice vote or roll call, and the ayes and nays shall be entered upon the minutes of such meeting.

Section 8. ATTENDANCE AT MEETINGS – Board members shall attend all regular and special meetings of the Board unless there is good cause for the Board member’s absence. In the event a Board member ceases to discharge the duties of his or her office for the period of three (3) consecutive months, except when prevented from discharging such duties due to sickness, the remaining Board members may request that the members of the City Council terminate the term of the absent Board member for inefficiency, neglect, and/or abandonment of duty, in accordance with California Health and Safety Code Section 34282.

Section 9. PUBLIC MEETINGS; NOTICES - All meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting of the Board, except as otherwise provided in the Ralph M. Brown Act and other applicable laws. The Authority shall comply with all public noticing required by the Ralph M. Brown Act and other applicable law.

Section 10. PUBLIC COMMENT; REASONABLE LIMITATIONS - The Board encourages and welcomes public comment on all items on the Board’s agenda and, during the public comment period, on any matters not on the Board’s agenda but within the subject matter jurisdiction of the Board. For reasons of efficiency, speakers will be limited to three (3) minutes each. No action shall be taken on any item not appearing on the agenda unless otherwise authorized by law.

Section 11. USE OF TELECONFERENCING FOR MEETINGS

(a) As authorized by Government Code Section 54953(b), as may be amended from time to time, the Board may use teleconferencing in connection with any meeting or proceeding authorized by law and within the subject matter jurisdiction of the Board. Any and all costs associated with facilitating teleconferencing for any meeting or proceeding of the Board authorized by law shall be borne by the Authority. As defined by Government Code Section 54953(b)(4), “teleconference” means “a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.”

(b) In accordance with any provision of applicable Federal or State law or regulation to the contrary, as such may be amended from time to time, teleconferencing is available to all members of the Board so long as a quorum of the members of the Board participate in the Board meeting from the same or different locations within the geographic boundaries of the Authority. As set forth in Government Code Section 54953(b), as may be amended from time to time, each teleconference location must meet all of the following requirements:

- (1) Be open to the public.
 - (2) Be identified in the Board meeting notice and agenda.
 - (3) Be posted with the Board meeting agenda.
 - (4) Allow members of the public, including but not limited to, residents of the District, to address the Board.
 - (5) Take all Board votes by roll call.
- (c) The Board shall conduct teleconference meetings in accordance with the Ralph M. Brown Act and any other applicable provisions of law.

ARTICLE IV AMENDMENTS

Section 1. AMENDMENTS TO BYLAWS - The Bylaws of the Authority shall be amended only with the approval of a majority of the Board members empowered to vote at a regular or a special meeting, but no amendment shall be considered unless at least five (5) days written notice thereof has been previously given to all members of the Board.

ARTICLE V MISCELLANEOUS

Section 1. INDEMNIFICATION - To the fullest extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a member of the Board, officer, employee or other agent of the Board, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member of the Board, officer, employee or other agent of the Authority, against expenses, judgments, fines settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

BYLAWS
OF THE
AVALON HOUSING AUTHORITY

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I the duly elected and acting Secretary of the Avalon Housing Authority (“Authority”), a public body corporate and politic; and

2. That the foregoing Bylaws, consisting of six (6) pages, are the Bylaws of the Authority, as duly approved by the Board of the Authority, at a meeting duly held on _____, 2016.

In Witness Whereof, I have hereunto subscribed my name and affixed the seal of the Corporation this ____ day of _____, 2016.

Secretary