

CITY OF HIDDEN HILLS  
REGULAR CITY COUNCIL MEETING

City Hall

Monday, April 28, 2008

***MINUTES***

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

A regular meeting of the City Council of the City of Hidden Hills was duly held in the Council Chambers at the City Hall, 6165 Spring Valley Road, Hidden Hills, California 91302 on Monday, April 28, 2008 at the hour of 7:30 p.m. Mayor Steve Freedland called the meeting to order and presided thereover after asking resident Shane Munson to lead the Council and audience in the Pledge of Allegiance.

**ROLL CALL**

Council:

Mayor Steve Freedland  
Mayor Pro Tem Larry G. Weber  
Council Member Jim Cohen  
Council Member Monty Fisher  
Council Member Stuart E. Siegel

Staff:

City Engineer Dirk Lovett  
Building Official Greg Robinson  
City Manager Cherie L. Paglia

**APPROVAL OF AGENDA**

Upon MOTION of Council Member Siegel, seconded by Council Member Fisher and unanimously carried, it was resolved that the agenda for the April 28, 2008 regular meeting be approved as submitted.

## **ANNOUNCEMENTS**

Mayor Freedland made the following announcements:

A certificate of commendation was received from Supervisor Zev Yaroslavsky for former Mayor Stuart Siegel (Mayor Freedland presented the certificate).

Happy anniversary to Mayor Pro Tem Weber and his wife Nanette (5/3/08).

Calabasas is holding its Fine Arts Festival on Saturday and Sunday, 5/3 and 5/4, from 10:00 a.m. – 5:00 p.m.; call the Calabasas City Hall for further details.

The Community Association's adult welcome party will be held on Saturday, 5/10; call the Association for additional information.

Community Emergency Response Team (CERT) classes will begin here at City Hall on Tuesday, 5/13, from 6:30 p.m. – 9:00 p.m.; they will continue on Tuesday evenings, with a final Saturday class on 6/28; call City Hall for details; he would recommend this very worthwhile class for everyone.

## **AUDIENCE**

There were no questions or comments at this time.

## **PRESENTATIONS**

### **Recognition of New Community Emergency Response Team (CERT) Member**

Resident David Nussbaum was recognized as the newest member of CERT. Emergency Services Director Jim Doran administered the oath of office, after which Mr. Nussbaum was presented with his Certificate of Achievement by instructor Maria Grycan and received a CERT backpack from Mayor Freedland. Mr. Nussbaum recommended this program, even if someone is not interested in becoming a CERT member, as it is invaluable to one's family, friends, and neighbors, with the learned skills transferring to all aspects of life.

## **PUBLIC SAFETY**

### **A. Los Angeles County Fire Department Report - March**

Community Services Representative Maria Grycan provided the following report:

During the month of March there were 7 calls, with 5 medical and 2 false alarms; 549 hydrants were inspected in both Hidden Hills and Calabasas; 0 plans were checked; the Fire Prevention Bureau conducted 4 inspections; she presented an earthquake preparedness class at the Community Association for 40 Girl Scouts.

Ms. Grycan then introduced the new Assistant Fire Chief Joseph Graham, who provided some background information on himself and answered several questions from the Council as follows:

He is the new Assistant Fire Chief for Division 7, which includes Hidden Hills, replacing former Assistant Chief Reggie Lee, who has retired but is still doing some teaching; the small fire in the City today was a ½ acre grass fire; four engines responded, three from L.A. County and one from the City of Los Angeles, along with a helicopter which did not have to make any drops; due to mutual aid agreements and depending on boundaries, responses may come from several agencies; this does not mean that there was a shortage of personnel from Station 68 or 125; California has had a Mutual Aid Plan since 1950, so an incident could get any number of resources from different areas.

### **B. Los Angeles County Sheriff's Department Report - March**

The following report was provided by Sgt. John Kneist:

Two subjects from the Agoura Hills/Westlake Village area were arrested for possession and sales of narcotics and receiving known stolen property; the subjects had in their possession an Ipod reported stolen from the 25000 block of Ashley Ridge in Hidden Hills; the D.A.'s office filed felony charges on the subjects; a resident in the 5300 block of Lasher alleged that an unknown person, whom the victim could not describe, fired two gunshots toward him as he was walking to his vehicle; the suspect vehicle was described as a van of unknown color; no evidence of shots fired was found near the scene; two pairs of sunglasses were taken from an unlocked vehicle in the 25100 block of Jim Bridger.

Mayor Pro Tem Weber asked if a case like the above described assault would be considered closed if no evidence was found. Sgt. Kneist stated it would be unless they uncovered any evidence that a crime did occur. In response to Council Member Siegel, Sgt. Kneist said they were sorting out the incident at Calabasas High School that caused the lock down Friday afternoon, but he did not believe there were any further threats.

**C. Consideration of Request from the L.A. County Sheriff's Department for Purchase of New Dash Mounted Radar Equipment**

The City Manager informed the Council of the following:

The City has received a request from the Sheriff's Department to help fund the purchase of new radar units; the current radar equipment is outdated, has become expensive to repair with parts becoming scarce, and may have some evidentiary issues in the L.A. Superior Courts; the proposal is for the purchase of ten dash mounted units, two for each of the five contract cities serviced by the Lost Hills Station (Hidden Hills, Agoura Hills, Calabasas, Malibu, and Westlake Village); the cost per city is \$5660.18, which can be paid out of the City's existing \$10,000 in CLEEP funds, rather than COPS or general funds; staff would recommend approval of the request.

Upon MOTION of Council Member Cohen, seconded by Council Member Siegel and unanimously carried on roll call vote, it was resolved to approve the expenditure of not-to-exceed \$5700 from existing CLEEP funds for the purchase of two dash mounted radar units for the Lost Hills Sheriff Station, with the understanding that each of the other four cities served by the Lost Hills Station would also be purchasing two units at that same amount, for a total of ten units.

Council Member Siegel suggested that once the State budget was approved, the Council take a good look at the City's future expectations of expenditures from COPS funds, as these funds may be discontinued.

**CONSENT CALENDAR**

- A. City Council Minutes – April 14, 2008**
- B. Demand List**
- C. Disbursement List – March**
- D. Financial/Treasurer's Report – March**

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

### **MATTERS FROM CITY COUNCIL MEMBERS**

**A. Report from the 4/15/08 Las Virgenes Malibu Council of Governments (LVMCOG) Meeting**

Council Member Siegel reported that one of the main items discussed by the COG was the growing importance of water related issues, and the possibility of different agencies working more closely together to address these responsibilities.

**B. Report from the 4/15/08 Hidden Hills Community Association Board of Directors Meeting**

The City Manager reported that during the very short meeting information was provided on the upcoming toga-themed welcome party, which will be held from 7:00 p.m. – 11:00 p.m. on May 10<sup>th</sup>, with a Greek band and DJ. She also pointed out that the City and Association staffs are working together on some changes to both the Architectural Standards and the City's Municipal Code to eliminate some conflicting regulations.

**C. Selection of Two Council Members for Ad Hoc 2008 Budget Committee**

The Council agreed that Mayor Freedland and Mayor Pro Tem Weber should serve on the ad hoc budget committee.

**D. Public Employee Retirement System (PERS)**

- 1. Update**
- 2. Consideration of Payment of Side Fund**

Mayor Freedland informed the Council of the following:

Recently the Council approved an expenditure of not-to-exceed \$5000 to hire a consultant to review the City's current retirement plan with the California Public Employee Retirement System (PERS); he as the Mayor, Council Member Siegel, City Manager Cherie Paglia, and Bookkeeper Randee Weinberger met with the consultant on April 17<sup>th</sup> to review and get a better understanding of this very complicated system and plan; the consultant determined that the City had a \$109,000 unfunded portion called a side fund that was being paid off similar to a mortgage, and that there were still twelve

years left on this “loan” being paid at an interest rate of 7.75%; since the money the City has in reserves is only earning 3.4%, it was clear to everyone at the meeting that this side fund should be paid off immediately; he would ask the Council at this time to consider approval of the payment of this \$109,000 side fund.

Council Member Siegel added his comments:

This is a complicated issue, which did take awhile with the consultant; in the private sector, people normally get out of their retirement plan what they put in; with the public sector, it is a defined benefit plan; calculations are made taking into consideration many different factors, resulting in specific amounts that the City is committed to pay its employees upon retirement; the pooled money in the PERS retirement system is of course affected by market fluctuations; as the consultant determined, the City ended up with a debt owed to the pooled fund; he would agree with the Mayor that the Council Members have a fiduciary responsibility to pay off this debt, since it would not be a hardship for the City to do it, rather than paying it off over twelve years at 7.75%.

Upon MOTION of Council Member Siegel, seconded by Council Member Cohen and unanimously carried on roll call vote, it was resolved to authorize the payment from the City’s reserves of the \$109,000 side fund owed to the PERS 2% at 60 pooled plan.

Mayor Freedland stated the following:

During the meeting with the consultant, the other main issue was to look at where Hidden Hills falls in relation to retirement benefits compared to other cities of similar size, staffing, etc.; there are several different PERS retirement plan options, with the Hidden Hills plan being the lowest one offered; due to the small number of employees, it may not be beneficial to change to a different plan, but there may be ways to enrich the existing plan; there will be different options – leaving everything as is, changing to a different plan, enriching the existing plan, or some other recommendation; at this time there is nothing concrete to suggest or recommend to the Council, as the ad hoc committee and the consultant are still researching the issue and will meet again before bringing detailed information to the entire Council for consideration.

Council Member Siegel commented that this whole issue is amazingly complicated, yet in another way very simple, and that the consultant is doing a good job, especially looking at the possible problems due to the small number of employees – but this is definitely a separate discussion to be had in the near future.

Council Member Cohen agreed that the Council should have as much information as possible before making any decisions, but he was concerned that this was the first time the Council heard anything about the side fund, and wondered why PERS did not notify the City or the staff had not been aware of this “debt” before so that the City could have paid it off even earlier. This led to a discussion during which the following points were made and issues raised:

The City was already in the process of paying down the side fund; after a review earlier by this same consultant, one of the other area cities (in the 3% at 60 pool) chose to pay its side fund at a lump sum of \$600,000+; staff will look into how long the City was underfunded, and if the establishment of the pool in 2003 was the cause or a contributing factor; there are approximately twenty-three other cities in the 2% at 60 pool – how many of them are underfunded; PERS provides reports every year which estimate payroll and show the percentage for the employer’s contribution rate, based on actuarial assumptions, although no one from the City ever questioned the breakdown of that percentage; the costs for each year are shown in the City’s financial statements, but it is not clearly shown in detail what that payment consists of; PERS actuaries have an expertise for which City staff members are not trained, but should be paying more attention to; the financial conditions of many cities which are underfunded may prevent them from even considering a lump sum payment, which is probably why most cities continue to pay the debt over time, as offered by PERS; according to the consultant, once this side fund is paid, the City will not be underfunded in the future unless the City does choose to change plans, which would place the City in a different pool; at that time, any resulting side fund due to the change could again be paid off in one lump sum; any difference between expected and actual payments goes to the pool, not to decreasing (or increasing) the outstanding balance of a side fund; if a city’s actual payments are less than required, the pool absorbs that amount; on the other hand, if a city’s payments are more than necessary, that amount enhances the pool.

Since there were still a lot of unanswered questions, Council Member Siegel suggested that the next meeting of the ad hoc committee with the consultant be scheduled on a Monday afternoon, after which the consultant could attend that evening’s Council meeting to help answer some of those questions. The City Manager stated that the consultant would then be asked to attend one additional Council meeting after the ad hoc committee completed its review and had a recommendation to make to the Council on possible changes to the City’s retirement system.

### **MATTERS FROM STAFF**

#### **A. Consideration of Approval of Proposal from In “N” Out Burger for the 2008 Fiesta**

Upon MOTION of Council Member Fisher, seconded by Mayor Pro Tem Weber and unanimously carried on roll call vote, it was resolved to approve the In-N-Out Burger Mobile Unit Agreement to provide two trucks for two hours each for this year’s Fiesta, providing approximately 600 burger meals at an approximate cost of \$4,320 (minimum charge of \$2,700), with a \$500 deposit to be made by April 30, 2008.

#### **B. Building and Safety Cost Tracking**

The following staff report was presented by Building Official Greg Robinson:

Approximately every six months he calculates the estimated costs to complete the outstanding workload in relation to already issued permits; at the end of August 2007, that estimated balance was \$136,147.32; the workload balance at the end of March 2008 is estimated at \$94,884.36; this would generally show that the existing workload has decreased, with many projects being completed, plus less new permit activity.

Upon MOTION of Council Member Cohen, seconded by Council Member Siegel and unanimously carried, it was resolved to revise the Building & Safety Department funds balance (the estimated costs to complete the current workload) from \$136,147.32 to \$94,884.36, and direct staff to recalculate this fund balance in approximately six months.

#### **C. Vesting Tentative Map 63567 (Ashley) - Update**

City Engineer Dirk Lovett stated that it appears the draft EIR is almost complete, and that he will be preparing all the required paperwork for presentation to the Council as soon as possible, although that preparation will take at least several weeks.

#### **D. Charles Abbott Monthly Report - March**

The report was received and filed.

**ADJOURNMENT**

There being no further business to come before the Council, upon MOTION of Council Member Siegel, seconded by Mayor Pro Tem Weber and unanimously carried, it was resolved to adjourn the regular meeting of 4/28/08 at 8:11 p.m.

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Steve Freedland, Mayor

ATTEST:

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Cherie L. Paglia, City Manager/City Clerk