

**SOLANA BEACH CITY COUNCIL  
REDEVELOPMENT AGENCY AND PUBLIC FINANCING AUTHORITY**

JOINT **SPECIAL** MEETING

**MINUTES**

**WEDNESDAY, APRIL 29, 2009  
5:00 P.M.**

**SPECIAL**

The City Council acts as the City of Solana Beach Redevelopment Agency and the Public Financing Authority.

**CALL TO ORDER AND ROLL CALL:**

Mayor Nichols called the meeting to order at 5:00 p.m.

**Present:** Roberts, Nichols, Campbell, Heebner, and Kellejian.  
**Absent:** None.  
**Also Present:** David Ott, City Manager  
Johanna N. Canlas, City Attorney  
Angela Ivey, City Clerk  
Wende Protzman, Dir. Admin. Services/Deputy City Mgr  
Dennis Coleman, Finance Director  
Tina Christiansen, Comm. Dev. Dir.  
Mo Sammak, City Engineer

**FLAG SALUTE:**

Roger Boyd led the flag salute.

Councilmember Roberts requested that the meeting be adjourned in memory of "Jerry" Filiciotto.

**APPROVAL OF AGENDA:**

**MOTION:** Moved by Heebner and seconded by Kellejian. **Motion carried unanimously.**

**C. STAFF REPORTS:**

*Submit speaker slips to the City Clerk*

**C1. City of Solana Beach Proposed General Operating and Capital Improvement Budget for Fiscal Years 2009-2010. (0330-30)**

Recommendation: That the City Council

1. Review Fiscal Years 2009-2010 Operating and Capital Improvement Budget for the City of Solana Beach, Solana Beach Redevelopment Agency and the Solana Beach Public Financing Authority.
2. Provide direction as appropriate.

David Ott, City Manager, introduced the item. He presented a PowerPoint presentation. He stated that revenues were down from the prior year, that the global economy was down, and that spending had decreased. He reviewed national and local news headlines regarding the economic downturn, reviewed various funding sources such as the general fund, special revenue funds, capital projects funds, and the debt service funds.

David Ott, City Manager, reviewed the Redevelopment Agency (RDA) budget. He stated that it was initiated in Fiscal Year 2005/06, that the agency had grown, and that there were specific funding requirements for the agency, that the City had a previous RDA that was disbanded, that the remaining funds from the previous RDA would be used for low-to-moderate housing needs. He reviewed general fund revenues and expenditures, reviewed the City's top six revenue sources which included property tax, sales tax, other taxes (fire benefit fee, transient occupancy tax, franchise fees), other revenues (motor vehicle registration, off track betting), and licenses and permits. He reviewed the estimated funds each revenue source would bring to the City and stated that the City made reductions in expenditures and reviewed expenditures by each City department and category.

Tania Hammidi stated that she was speaking on behalf of a Homeowners Association of a seven unit building on S. Cedros, that she requested that funds be allocated for street improvements on S. Cedros, that improvements should be made for safety and aesthetic reasons, and that S. Cedros was an important street in the City that attracted visitors and new residents.

Tina Willmont read a portion of a letter submitted to the Council in the supplemental materials. She stated that funds should be set aside for modest

improvements on S. Cedros, that residents were already working with City Staff on improvements for traffic calming measures, that the street improvements should include improving the transition from the residential to commercial area on S. Cedros, and that street improvements would improve traffic flow, aesthetics, and safety of the area.

Council and City Manager discussion ensued regarding Redevelopment Agency funds that could not be used for the street improvement since S. Cedros was not within the RDA, whether capital improvement funds could be used for that area, and that street improvements for the area were already in the City's workplan.

David Ott, City Manager reviewed designated reserves, general fund reserve balances, and reviewed highlights and reductions of each City Department.

David Ott, City Manager, reviewed the City Council budget. He stated that there were \$46,000 in reductions, that reductions were made to various outside agencies, travel, and trainings.

Council and City Manager discussion ensued regarding Council health, dental, and vision benefits, that various Councilmembers allocated those benefit funds into their 457 retirement accounts, that the San Dieguito River Valley had a 1% reduction to their budget, that the Friends of the Library budget was reduced by \$5,000, and that there would be a deficit in the budget that would have to be considered.

Each Department Head reviewed reductions made in their department budgets.

Angela Ivey, City Clerk, reviewed changes among accounts and addressed how training needs within the department would be acquired due to a reduction in the training budget.

David Ott, City Manager, reviewed the City Attorney's budget.

Council and City Attorney discussion ensued regarding the difference of general versus other services, that general services included office hours, Staff questions, and other services included special projects such as the housing element, or potential litigation issues.

Dennis Coleman, Finance Director, reviewed the Finance Department budget.

Council and Staff discussion ensued regarding various bank charges for statements and reports, that the Finance Department was researching various options to reduce bank fees, that \$3,000 was allocated for the auditor to prepare the audit for the new fiscal year, and whether pay stubs could be sent

electronically to employees to reduce costs.

Wende Protzman, Deputy City Manager, reviewed reductions to the Human Resources budget.

Wende Protzman, Deputy City Manager, reviewed reductions and changes made to the Information Technology (I.T.) budget.

Council and Staff discussion ensued regarding reducing the I.T. budget for maintenance, that computer parts would be replaced rather than purchasing new computers, that the I.T. agreement with Del Mar was to provide I.T. coverage when needed.

Dennis Coleman, Finance Director, reviewed the Risk Management budget.

Council and Staff discussion ensued regarding sewer claims that were charged to the Sanitation budget and reviewed increases to the budget for workers compensation claims.

Tina Christiansen, Community Development Director, reviewed the Community Development department budget. She stated that reductions had been made to staffing, that the materials portion of the budget was reduced by 62% due to reduction in consultant services, that there were reductions in services but no elimination of services, and that there would be various delays to services. She then reviewed the Building Services department budget. She stated that the City retained revenues from the services provided, that the contract for building services would be renewed, and that expenditures for the building services were based on the amount of building permits distributed by the City.

Council and Staff discussed expenditures and revenues of the building department, the reduction of staffing levels in the Planning department, that the Senior Planning position was frozen and the funds were used for consultants, and that Esgil received 75% of building department revenues and the City received 25% of revenues.

Mayor Nichols recessed the meeting at 6:26 p.m. for a break and reconvened at 6:32 p.m.

Mary Jane Boyd referred to a letter she submitted to the supplemental materials, she requested that Council keep their commitment to funding the library, that the library was a valuable asset and resource, and that funding was needed to keep programs running.

David Ott, City Manager, stated that the City anticipated a 1.8% increase in the law enforcement contact and that the contact was still under negotiation.

Council and Staff discussion ensued regarding the law enforcement contract, that the City had a COPS Grant for this fiscal year, that the City's costs for law enforcement included equipment, support staff, fuel, vehicle costs, and various costs for the County jail, that all the deputies time was tracked, and that the City only paid for the portion of time that the law enforcement officers spent on City related items.

Dismas Abelman, Deputy Fire Chief, reviewed budget reductions and changes to the Fire Department budget. He stated that various items such as training and travel were deferred from the budget, that reductions were made to the clothing and protective gear of the budget, that purchasing of various tools were deferred until future budgets, and that office department supplies were also reduced.

Council and Staff discussion ensued regarding the Director of Public Safety position, that the City may be contracting out for this position or may hire a Director of Public Safety, that if the Fire Department services were contracted out it would not equal a full time position, that various responsibilities would have to be re-allocated, and that there would be savings in other areas of the Public Safety budget.

Dismas Abelman, Deputy Fire Chief, stated that animal control services was a large expenditure, that the City contracted with the County of San Diego, and that the Neuter Scooter services would be reduced to once a year. He continued to review the Emergency Preparedness portion of the budget and stated that CERT Trainees would no longer be provided free backpacks which cost about \$30.00 each. He reported on the Marine Safety budget, reviewed reduction and changes to the budget, and stated that there would be reductions to purchasing tools and clothing.

Council and Staff discussion ensued on the Marine Safety Staff budget regarding whether services would be provided to the Marine Safety department from the Cooperative Fire Management Services agreement, that the Fire Chief would be overseeing the Marine Safety Department, and whether this would provide any cost savings to the Marine Safety budget.

Wende Protzman, Deputy City Manager, reviewed the reductions and changes to the Code Enforcement Department budget.

Council and Staff discussion ensued regarding the overall budget increase to the Code Enforcement budget, that there was almost a \$40,000 increase, that there was a shift in funds due to the Deputy City Manager overseeing the Code Enforcement Department, that funds were re-allocated from the I.T. and Community Services budget to the Code Enforcement budgets to cover a portion of the Deputy City Manager's salary.

Tina Christiansen, Community Development Director, reviewed the Shoreline Management budget.

David Ott, City Manager, reviewed fire mitigation fees and stated that the funds would be used for equipping the new fire truck.

Mo Sammak, City Engineer, reviewed the Engineering and Public Works Department budgets. He stated that reductions were made to training and travel, that engineering made reductions to consultant services, and that this would increase Staff workload.

Council and Staff discussion ensued regarding whether developers paid for third party review consultants, that the developers should be required to reimburse the City for any contractors hired to review their projects, that the City should not be subsidizing any costs related to projects, that the City had been charging fees for many projects, and that this item should be brought back as an agenda item.

Mo Sammak, City Engineer, stated that there were reductions in professional services for environmental services and that there would be a reduction in services for the Redflex red light traffic program.

Council and Staff discussion ensued regarding reducing the asphalt and concrete program funds, that repairs to City streets were important, that it should be funded at half a million dollars per year, that it was currently funded at about three hundred thousand dollars, whether the Redflex program was producing funds for the City, that the program was cost neutral, that the program had been successful, and that there had been a reduction in collisions in the City.

Council and Staff discussion ensued regarding reductions to various engineering programs, whether private streets would have street sweeping services due to paying for the service through sanitation bills, that regulations required the City to sweep all streets at least once a year, that high frequency areas were being swept twice a month, that the City exceeded the minimum requirements, that there would be reductions to the park maintenance budget, and that the minimum levels of service would be maintained.

Steve Didier, Management Analyst, reviewed the Community Services and Recreation budget. He stated that there would be reductions in the Shorelines Newsletter, that the newsletter would be distributed electronically, that funding would remain for the ride share program, and that reductions were made to the Arts Alive Banner program.

Council and Staff discussion ensued regarding the net savings of the Shorelines Newsletter and that the Shorelines would be sent out through e-blast and posted

on the City's website.

Steve Didier, Management Analyst, stated that there were staffing reductions proposed to the Recreation budget, that there was consideration to changing hours at La Colonia Park and the Community Center, that some recreation programs were cost neutral, and that special events had been reduced.

Council and Staff discussion ensued regarding funding for the Parks and Recreation Commission.

Council and Staff discussion ensued on the Capital Improvement Project (CIP) budget, that an allocation spreadsheet was needed for each CIP project, and that tools were needed for analyzing and calculating the cost of each CIP project.

David Ott, City Manager, reviewed staffing of full time positions, reviewed general fund personnel costs, reviewed adjustments to the budget that provided cost saving measures, reviewed various budget requests made by Council, and reviewed the asset replacement account.

Council and Staff discussion ensued on the asset replacement fund, that asset replacement should be funded through individual departments, and that asset replacement was a subaccount of the general fund.

David Ott, City Manager, spoke about Council's request to continue funding of live broadcasting and video streaming of Council meetings, continued to review Capital Improvement Projects, and the CIP Project's general fund.

Council and Staff discussion ensued on the CIP budget, how the budget was allocated per project, that Council needed a spreadsheet to determine cost allocation per project, carry over funds from the prior year, whether a million dollars needed to be spent on the General Plan Update, that the General Plan guided the City, that the plan was twenty years old, that preparing General Plans had many requirements that were complex and expensive to prepare.

Johanna Canlas, City Attorney, stated that she had authored a memo to the Council last year regarding the General Plan, that there were more lawsuits on General Plans than in the past, that the Attorney General had been challenging cities' General Plans, and a new element had to be incorporated into the General Plan for the City to be in compliance with AB32 and SB375.

Council and Staff discussion ensued regarding the City's budget shortfall, that the CIP budget could be reduced or the general fund budget could be further reduced, that the City's primary obligations were public safety, maintaining infrastructure, that consideration should be made whether to fund non-essential services, that various editing changes should be made to the budget, and

Council would continue to discuss the budget at a future meeting.

Council and Staff discussion ensued regarding clarification on various items such as the live video streaming, bank fees, parks and recreation budget, Shorelines Newsletter transitioning to an electronic document, the reduced levels of services in the Community Development Department due to budget decreases, and whether other reductions should be reviewed in order to maintain services in the Community Development Department.

**C2. City of Solana Beach Workplan. (File 0410-80)**

Recommendation: That the City Council

1. Adopt the City of Solana Beach and Solana Beach Redevelopment Agency Fiscal Year 2009/10 Workplan.

This item was not heard and continued to the May 5, 2009 Council meeting.

**C3. Consideration of Revenue Enhancement Actions.**

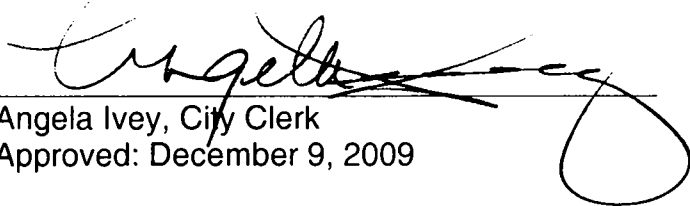
Recommendation: That the City Council

1. Review and discuss revenue enhancement options.
2. Provide direction, as necessary, regarding preferred option(s).

This item was not heard and continued to the May 5, 2009 Council meeting.

**ADJOURN:**

Councilmember Roberts adjourned the meeting at 8:58 p.m. in memory of Jerome Joseph "Jerry" Filiciotto who passed away on April 19th.

  
Angela Ivey, City Clerk  
Approved: December 9, 2009