

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

JOINT **REGULAR** MEETING

MINUTES

**WEDNESDAY, DECEMBER 9, 2009
6:00 P.M.**

CITY COUNCIL CHAMBERS
635 S. HIGHWAY 101,
SOLANA BEACH, CALIFORNIA

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

CALL TO ORDER AND ROLL CALL:

Present: Nichols, Campbell, Heebner, Kellejian, and Roberts.

Absent: None.

Also Present: David Ott, City Manager
Johanna Canlas, City Attorney
Leticia Fallone, Deputy City Clerk
Angela Ivey, City Clerk
Dennis Coleman, Finance Director
Wende Protzman, Dir. Admin. Serv./Deputy City Mgr
Tina Christiansen, Community Dev. Dir.
Mo Sammak, City Engineer/Public Works Dir.

Johanna Canlas, City Attorney, reported no action from the Closed Session.

FLAG SALUTE:

John Purell led the flag salute.

APPROVAL OF AGENDA:

MOTION: Moved by Heebner and seconded by Roberts to approve except B.1. which would be removed from the agenda. **Motion carried unanimously.**

C. STAFF REPORTS:

Submit speaker slips to the City Clerk

C.1. Appointment of Mayor and Deputy Mayor. (File 0410-05)

Recommendation: That the City Council

David Ott, invited Mayor Nichols to podium to present gifts from the City and Staff. He presented to him his engraved gavel he used through the year, an engraved letter opener, a special picture of the City, and jacket with the City logo. He said that he working with him and thanked him for his outstanding job.

Deputy Mayor Campbell, on behalf of Council, presented a gift, a personalized skate board. He said that he did a great job and appreciated his time and effort as well as his unique skills.

Council thanked Mayor Nichols for his efforts and time as Mayor.

Gerri Retman said that she had seen many people on Council and thought he did a great job, that she knew it was a hard job, and that she was thrilled with his job.

Mayor Nichols said he appreciated the honor representing the City as Mayor, that he had great pride in his work and enjoyed the time, he thanked Council for their coaching and all his supporters, that the memory would live with him the rest of his life, and that he appreciated all the kind kind gifts and words.

1. In accordance with the policies established by Resolution 96-17, appoint the Mayor and Deputy Mayor for the term of December 9, 2009 to December 8, 2010.
 - a. Nominations for Mayor by a Motion and Second. Majority vote.

MOTION: Moved by Nichols and seconded by Kellejian to appoint Deputy Mayor Campbell as Mayor. **Motion carried unanimously.**

- b. Nominations for Deputy Mayor by a Motion and Second. Majority vote. BREAK

MOTION: Moved by Campbell and seconded by Nichols to appoint Councilmember Heebner as Deputy Mayor. **Motion carried unanimously.**

Mayor Campbell recessed the meeting at 6:12 p.m. for a break and reconvened the meeting at 6:30 p.m.

PROCLAMATIONS:

Mayor Campbell presented Certificates of Appreciation to Steve Perry and Howard Stiles for their Service to the Fire Department. He stated that Steve Perry would be retiring after 27 years of service and Howard Stiles had provided 28 years of service.

Steve Perry, Firefighter, stated that he was a firefighter in the the East County and worked on his paramedic training in the City in 1976, that the City was the first in the county to have a paramedic unit, and that he enjoyed working for the City.

Howard Stiles, Firefighter, stated that began with the City in 1981 and that he enjoyed working for the City.

David Ott, Fire Chief, stated that it was great to work with both of them and thanked them for their service to the City.

PRESENTATIONS:

(Ceremonial items that do not contain in-depth discussion and no action/direction.)

1. Fletcher Cove Community Center Fundraising and Project Update

Tina Christiansen, Community Development Director, presented a PowerPoint. She stated that Americans with Disabilities Act (ADA) upgrades were required at the Community Center, that Council had approved Staff to work with the community on a design that would promote sustainability and usability, and that private donations were needed for the refurbishment upgrades. She stated that a non-profit citizens group had been formed called the Solana Beach Community Foundation to assist in fundraising for the project, that the project was divided up in phases, and that a sign would be placed in front of the Community Center showing the amount of funds recieved. She described the three phases of the project and stated that donations could be made at solanabeachcommunityfoundation.org.

Council discussion ensued regarding the many community members who had assisted in the project, that many professionals had also volunteered their time, that the Foundation was a separate entity from the City, that the City did not control how much funds the foundation would spend on the project, that materials could also be donated to the project, and that the City would pay for the ADA components of the project.

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

Margaret Schlesinger stated that she was concerned about the threat to the existence of the San Dieguito River Valley JPA due to the City of San Diego budget cuts, that if San Diego withdrew from the JPA it would impact the continued functioning of the JPA, that 36% of contributions were received from the City of San Diego, that the JPA was a wonderful benefit to the City, and that the City should talk with the City of San Diego about continuing to contribute to the JPA.

Councilmember Roberts stated that he contacted various Council members from the the City of San Diego regarding their continued participation in the JPA, that Senator Kehoe had also communicated with the City of San Diego regarding paying their share of the JPA from their Enterprise funds.

Gerri Retman stated that she was speaking on behalf of the Parks and Recreation Commission, that the Holiday event was a success, and thanked everyone who helped with the event including the Commissioners, student Commissioners, the Community and Staff.

COMMUNITY ANNOUNCEMENTS:

Council made community announcements.

COMMENTARY:

Council made commentary.

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

A. CONSENT CALENDAR: (Action Items)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar

by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Waive the reading of Ordinances.

Recommendation: That the City Council

1. Approve waiving the text reading of ordinances on this agenda pursuant to Solana Beach Municipal Code Section 2.04.460.

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

A.2. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of City Council meetings held February 2, 2009 (Regular & Special), February 11, 2009 (Regular & Special), April 22, 2009 (Regular & Special), April 29, 2009 (Special), and May 5, 2009 (Special).

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

A.3. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for October 24 - November 20, 2009.

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

A.4. Joint Use Agreement with the Boys and Girls Club of San Dieguito. (File 0400-10)

Recommendation: That the City Council

1. Adopt Resolution 2009-108 authorizing the City Manager to enter into a Joint-Use Agreement with the Boys and Girls Club of San Dieguito.

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

A.5. Asphalt and Concrete Repair Project Fiscal Year 2009/2010. (File 0400-10)

Recommendation: That the City Council

1. Adopt Resolution 2009-141:
 - a. Approving the list of streets scheduled for repairs as part of the 2009/2010 Asphalt and Concrete Repair Project, Bid No. 2009-08.
 - b. Authorizing the City Engineer to advertise for construction bids for the 2009/2010 Asphalt and Concrete Repair Project, Bid No. 2009-08.

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

A.6. Re-establish the Army Corps of Engineers and Regional Beach Nourishment Ad Hoc Committee and the Environmental Sustainability Ad Hoc Committee. (File 0410-48)

Recommendation: That the City Council

1. Adopt Resolution 2009-113 re-establishing the Army Corps of Engineers and Regional Beach Nourishment Ad Hoc Committee until December 8, 2010; and
2. Adopt Resolution 2009-140 re-establishing the Environmental Sustainability Ad Hoc Committee until December 8, 2010; and
3. Appoint two existing Councilmembers (Army Corps of Engineers and Regional Beach Nourishment Ad Hoc Committee: Campbell, Kellejian AND Environmental Sustainability Ad Hoc Committee: Heebner, Roberts) OR appoint two new Councilmembers to serve on the Committees.

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

A.7. Fiscal Year 2008-09 Community Grant Recipient Financial

Expenditure Report. (File 0330-25)

Recommendation: That the City Council

1. Accept and file this report.

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

A.8. Supplemental Law Enforcement State Funding (SLESF) Grant (COPS Grant). (File 0390-34)

Recommendation: That the City Council

1. Adopt Resolution 2009-138 approving the proposed expenditure plan for the SLESF (COPS) grant funds for Fiscal Year 2009/10.

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

A.9. Energy Efficiency and Conservation Block Grant (EECBG) Application Authorization. (File 0390-30)

Recommendation: That the City Council

1. Adopt Resolution 2009-143 authorizing the City Manager to submit EECBG grant fund application.

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

NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

B. PUBLIC HEARINGS:

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designees for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes

to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Development Review Permit (DRP) to Remediate an Unpermitted Remodel at 509 Pacific Avenue, Applicant: Sikura and Deburgh, Case No. 17-09-11. (File 0600-40)

Recommendation: That the City Council

1. Report City Council disclosures;
2. Conduct the Public hearing: Open the Public Hearing, Receive Public Testimony, Close the Public Hearing;
3. Find the project categorically exempt from the California Environmental Quality Act pursuant to Section 15301 of the 2009 State CEQA Guidelines; and
4. If the City Council makes the requisite findings and approves the Project, adopt Resolution 2009-100 conditionally approving a DRP to remodel an existing single-family residence on property at 509 Pacific Avenue.

This item was pulled from the agenda.

B.2. Development Review and Structure Development Permit Requests (DRP/SDP) for 638 Marsolan Avenue, Applicant: Robert Fromme, Case # 17-09-16. (File 0600-40)

The proposed project meets the minimum objective requirements under the SBMC, is consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP.

Therefore, Staff recommends that the City Council:

1. Report Council disclosures;
2. Conduct the Public hearing: Open the Public Hearing, Receive Public Testimony, Close the Public Hearing;

3. Find the project exempt from the California Environmental Quality Act pursuant to Section 15332 of the State CEQA Guidelines; and
4. If the City Council makes the requisite findings and approves the project, adopt Resolution 2009-139 conditionally approving a DRP and an administrative SDP for the project for a square footage addition and a substantial remodel at 638 Marsolan Avenue.

David Ott, City Manager, introduced the item.

Corey Johnson, Associate Planner, presented a powerpoint.

Council and Staff discussion ensued regarding the garage exemption that was for 386 sq. ft. since it was under the 400 sq. ft. max, that if the garage had exceed 400 sq. ft. then the exemption would only be for the maximum allowable exemption of 400 sq. ft., the set backs between each story, that the elevation of 25 ft. was verified on the north elevation by confirming that each pole was 25 ft. maximum height, that once they reached the framing phase of the project they are required to submit a height certification from a licenses land surveryor that indicates that the framing members plus the roofing materials would not exceed the maximum height, and that the partial sub-terranean garage caused a three story facade but was actually a two story house.

Mayor Campbell opened the public hearing.

Council reported their familiarity with the project.

MOTION: Moved by Roberts and seconded by Kellejian to close the public hearing. **Motion carried unanimously.**

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

C. STAFF REPORTS:

Submit speaker slips to the City Clerk

C.2. Community Grant Program Awards Fiscal Year 2009-10. (File 0330-25)

Recommendation: That the City Council

1. Select the Fiscal Year 2009-10 Community Grant recipients and identify an award amount to each recipient.

2. Adopt Resolution 2009-144 authorizing the funding for the selected community grants recipients for financial assistance under the Fiscal Year 2009-10 Community Grant Program.

Council discussed requests and allocated the following funding:

MOTION: Moved by Roberts and seconded by Kellejian to approve the following allocations:

Boys and Girls Club \$2,500

Buddy Bowl, Inc. \$3,000

Community Resource Center \$5,000

Kids Korps USA \$3,500

North Coast Repertory Theatre \$3,000

Solana Beach Community Sing-Along \$1,000

Solana Beach Little League \$3,500

Solana Beach Soccer Club \$3,500 **Motion carried 4/1 (Noes: Campbell.)**

C.3. Fiscal Year 2008-09 Comprehensive Annual Financial Report (CAFR). (File 0310-22)

Recommendation: That the City Council

1. Accept and file the City of Solana Beach Comprehensive Annual Financial Report (CAFR) for the fiscal year July 1, 2008 - June 30, 2009.
2. Accept and file the Statement of Auditing Standards (SAS) No. 112 Management Letter.
3. Accept and file the Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets letter.
4. Accept and file the Independent Accountants' Letter disclosing on their responsibilities under U. S. Generally Accepted Accounting Standards.

David Ott, City Manager, introduced the item.

Dennis Coleman, Finance Director, presented a powerpoint reviewing the CAFR.

Michael Harrison, Mayor, Hoffman, McCann P.C., said that there was on the audit team that performed the audit at Solana Beach and rendered a qualified

opinion, that there was no material weaknesses in internal control that need to be reported to Council,

He stated that they are responsible as independent auditors to report any changes in accounting and that there were none except the one new policy, which is new, GASB 45 (Government Accounting Standards Board) having to do with the post employment health benefits. There was a study done at the City with an actuarial study anticipating the amount of funds that should be set aside and that the amount between what should have been set aside and the amount that was set aside base on the "pay as you go basis" was stated as a liability. This was a new accounting reporting for this year. He said that the City was conservative in its investment policies, that \$35 million was invested with \$25 million under direction of the treasurer and \$10 million under other under agents, markets and bonds.

Council and Staff discussed how to complete the task earlier each year, that the audit partner confirmed that the City was in his top 10% of clients ready in December when many generally hit in January, that some smaller water districts may hit in November but that the JPA reports have to be ready in order to proceed, that communication with Council is done electronically preliminarily to provide contact information for the auditors in the process, that the City must print some for award programs, the record, that some of it can be done electronically and that it is all done by Staff.

Dennis Coleman, Finance Director, stated that the potos and design layout was done by Staff.

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

C.4. Redevelopment Agency Basic Financial Statements Fiscal Year 2008-09. (File 0115-20)

Recommendation: That the City Council

1. Accept and file the Basic Financial Statements for the Solana Beach Redevelopment Agency for the fiscal year ending June 30, 2009.

Dennis presented a powerpoint and broken apart as required by law, highlights

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

C.5. San Elijo Joint Powers Authority's Recycled Water Program

Contributions and Improvements. (File 0150-80)

Recommendation: That the City Council

1. Accept report and provide any direction warranted.

David Ott, City Manager, introduced the item.

Mike Thornton, San Elijo JPA, presented a powerpoint.

Council and Mr. Thornton discussion ensued regarding bonding that would be possible to include in the loan application to certain key areas, currently review of expansion to end renewable water to the Lomas Santa Fe Golf Course, that water districts currently had a monopoly on customers and that the San Elijo JPA offers the distribution system up to the meter and the water district owns the meter and the customer is the water district, that there are customers along the pipeline that had not yet connected, that the purple pipe cost approximately \$1 million a mile, that some work with Santa fe irrigation showed that there could be about 100-180 acre feet of new usage a year to help make potential usage a reality helping make it a payoff, that the utility is currently stable with revenues exceeding about \$400,000 in excess of expenditures, that they were comfortable taking on additional debt to grow, and that they do try to carefully coordinate extend the pipeline with the connecting of new customers in a timely manner so that the revenue source can start applying for additional pipeline.

Discussion continued regarding desalinating recycled water is less costly than using the ocean was due to dealing with the salt in the ocean water, that environmental groups were concerned about the magnitude it would take to remove the salt, that incentive programs to retrofit were not available through state funding but the agency had offered low interest loans to help a park or school to do it with no capital up front to help the customer,

TC explain method of pricing set of potable to that they had agreements with San Dieguito Water District, Santa Fe Irrigation District, and City of Del Mar to index the recycled water to the cost of potable water so that they are at 85% of their portable rates, that some districts increase to cover administration costs, that this revenue stream comes back to the JPA, that there was not much the City could do to remove home water softeners from homes even though they contribute to the cause of TDS levels.

WORKPLAN COMMENTS:

(Adopted June 24, 2009)

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) ... Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS:

Council made committee reports.

Regional Committees: (outside agencies)

- a. City Selection Committee - Roberts (meets twice a year).
- b. County Service Area 17 - Campbell, Nichols (alternate).
- c. Escondido Creek Watershed Authority - Nichols, Roberts (alternate).
- d. League of Ca. Cities' San Diego County Executive Committee - Roberts, Kellejian (alternate) and any subcommittees.
- e. League of Ca. Cities' Local Legislative Committee - Roberts, Kellejian (alternate).
- f. League of Ca. Cities' Coastal Cities Issues Group (CCIG) - Kellejian, Roberts (alternate).
- g. North County Dispatch JPA - Nichols, Campbell (alternate).
- h. North County Transit District - Roberts, Heebner (alternate).
- i. Regional Solid Waste Association (RSWA) - Nichols, Kellejian (alternate).
- j. SANDAG - Heebner (Primary), Roberts (1st alternate), Nichols (2nd alternate) and any subcommittees.
- k. SANDAG Shoreline Preservation Committee - Kellejian, Roberts (alternate).
- l. San Dieguito River Valley JPA - Roberts, Nichols (alternate).
- m. San Elijo JPA - Campbell, Roberts (both primary members) (no alternates).
- n. 22nd Agricultural District Association Community Relations Committee - Campbell, Roberts.

Standing Committees: (All Primary Members) (Permanent Committees)

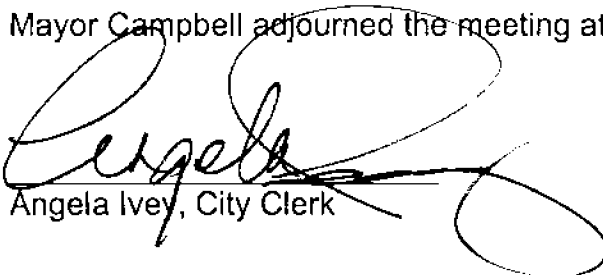
- a. Business Liaison Committee - Roberts, Campbell.
- b. Highway 101 / Cedros Ave. Development Committee - Nichols, Heebner.
- c. I-5 Construction Committee - Heebner, Roberts.
- d. Public Arts Committee - Roberts, Nichols.
- e. School Relations Committee - Roberts, Campbell.

Ad Hoc Committees: (All Primary Members) (Temporary Committees)

- a. Army Corps of Engineers & Regional Beach Nourishment - Kellejian, Campbell. Expires December 9, 2009.
- b. Development Review - Nichols, Heebner. Expires November 17, 2010.
- c. Environmental Sustainability - Roberts, Heebner. Expires December 9, 2009.
- d. Fletcher Cove - Campbell, Heebner. Expires November 17, 2010.
- e. La Colonia Park Needs Assessment - Nichols, Heebner. Expires May 26, 2010.
- f. Local Coastal Plan Ad-Hoc Committee - Roberts, Campbell. Expires February 10, 2010 or at the California Coastal Commission adoption.
- g. NCTD / Train Station Site Project Ad Hoc Committee - Heebner, Nichols. Expires 1-13-2010
- h. View Assessment - Nichols, Heebner. Expires August 25, 2010

ADJOURN:

Mayor Campbell adjourned the meeting at 9:05 p.m.



Angela Ivey, City Clerk

Approved: April 14, 2010