

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

**MINUTES**

**JOINT REGULAR MEETING**  
**Wednesday, October 27, 2010**  
**6:00 P.M.**

City Hall 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:** Campbell, Kellejian, Roberts, and Nichols.

**Absent:** Heebner.

**Also Present:** David Ott, City Manager  
Johanna Canlas, City Attorney  
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.

Mayor Campbell called the meeting to order at 6:00 p.m.

Johanna Canlas, City Attorney, stated that there was no reportable action from the Closed Session.

**FLAG SALUTE:**

Judy Strang led the flag salut.

**APPROVAL OF AGENDA:**

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

**PROCLAMATIONS:**

1. Red Ribbon Proclamations

Judy Strang explained the program and introduced the Principals. Mayor Campbell and Deputy Mayor Heebner presented Red Ribbon Proclamations to students from 11 schools in the surrounding school districts.

## 2. National Philanthropy Day

Mayor Campbell presented a proclamation for National Philanthropy Day.

### **PRESENTATIONS:**

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

#### 1. SANDAG Lossan Master Plan Corridor

Bill Prey, Principal Engineer, SANDAG Lossan Corridor Director, presented a powerpoint. He provided an update of each of the 21 projects that were in development, stated that the budget for the projects was \$416 million and reviewed the funding sources, and that the projects would go through 2016.

Councilmember Kellejian stated that he represented SANDAG on the Lossan Committee, that the area stretched from San Luis Obispo to San Diego, that it was a joint powers board, and that he was elected to the Chairman of the Lossan Board for the upcoming year.

### **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.

#### **C. STAFF REPORTS: (C.1. - C.2.)**

*Submit speaker slips to the City Clerk*

##### **C.1. Del Mar Fairgrounds. (File 0150-85)**

Recommendation: That the City Council

1. Discuss the item and provide direction to Staff.

David Ott, City Manager, introduced the item and stated that after the last discussion at the Council meeting a Del Mar representative was requested to join their discussion. He said that he attended their City Council meeting on Monday, that Senator Kehoe and Saldano had put some legislation forward and then withdrawn and that it may come forth again. He presented a powerpoint (on file with report) reviewing Assembly Bill 181 regarding creating District 22a, the selling of real property

of this district, annual reporting, the City of Del Mar would enter into a contract with the Department of General Services, that the City of Del Mar would issue revenue bonds to finance their portion of the property purchase, that the City of Del Mar would be the sole owner, that a board would be set up with 9 members,

Mayor Ernest, City of Del Mar, presented a powerpoint (on file with report) and turned over to Councilmember Hilliard to review the presentation. Councilmember Hilliard stated that they had spent a year in negotiations, that they had conducted five publicly noticed open council meeting and closed sessions, that the state does not do a good job of managing this property, that they were not accountable to the residents surrounding the property, that the track needed extensive rehabilitation and upgrades, that there had been changes to the original Assembly Bill 181, that they would utilize private investments to turn the race track into a world class facility, that a goal was to preserve and enhance the San Dieguito Lagoon, that the overall intention was to restore local control over this regional asset, that they proposed to run it with a non-profit corporation, that the proposed board had been expanded to 11 representatives, that they were supported by Supervisor Pam Slater-Price, that they wanted to work together on the master plan including traffic management and a direct access ramp, sound issues, public safety in terms of response costs in excess of current revenues received, parking issues, and ways to stimulate mass transit.

Council, Staff and Speakers discussed the fact that each supporter provided their letter in different ways where some provided a letter by the Mayor and some entire Council's also supported it, that there had not been formal support by City's, that it had been said that the City of Solana Beach was the only City holding out, and that Lemongrove had agendaized the item.

Tom Golich stated that he served as a representative for the San Diego River Valley when serving on the Solana Beach Council, that he was currently a member on the board for the River Conservancy and was President for 3 years, that now he sat as the board as a non-elected position on the Joint Powers Authority River Park, that he strongly urged the Council to support the effort by Del Mar to bring local control of the Fairgrounds, and that the emphasis should be on regionalized local control and the problems with the current board.

Jerry Kern, Oceanside Council, stated that the City of Oceanside had not taken an official position on the issue, that he thought that Solana Beach would get all the impacts, that this property was a regional asset, that he was speaking as a resident of the County, and that he had not seen their Mayor's letter.

Mary Jane Boyd said she was speaking for her and her husband, that they both support local control and asked Council to support the Del Mar purchase of the property, and that they were only asking for the support.

Margaret Schlesinger said that she was in general support of this effort especially with a horrible master plan looming over the property, that she remembered the 1980 land grab which she felt strongly did damage to Solana Beach, the boundaries of Solana

Beach were determined to be different than the City thought it should be but LAFCO made the decision to be on the northern side of the river but south of Via de la Valle, that it resulted in a struggle to get the satellite wager funds divided properly, and that she encouraged the City to support and give the sale.

Celine Olson stated that she was on the planning group regarding the first incorporation effort and that the boundaries were different than they are today, that the City lost a sphere of influence that would have been important, and that she hoped that Del Mar would understand that and provide equal representation on their board since we get equal if not more adverse traffic.

Marion Dodson said that when Solana Beach first became a City that they attended many meetings, that she saw firsthand the heated relationship between Del Mar and the Fairgrounds, that the County of San Diego thought that Del Mar and Solana Beach should get shared amount of satellite wagering because of impacts, that Del Mar never considered Solana Beach equal in the wagering treatment and there were no measures to mitigate the City's impacts, that both City's reached a stalemate on the issue so the County made the decision, and that she felt that the City should not support since this sale was not approved and that the City should take a stand to gain its share.

Mayor Campbell read a letter signed Gary Martin which stated that he was troubled by the proposed structure, ownership and membership allocation.

Council, Staff, and Del Mar representatives discussed that legislative process and that the bill was introduced but not acted on yet, that it was still on the floor if a budget session was called in December or it would have to be reintroduced in January, and that approval was a legislative act.

Deputy Mayor Heebner said that she agreed that the most important issue is local control, that the legislation had many of the governance details already in it, that Solana Beach Council had trouble with the governance because it may not fulfill its promise, that nothing prevents a developer taking over and pay off the bonds and cancel the covenant, that the way it was written the charter would be rewritten, that she supported the idea and visions, but the vision could change depending on who owned it, that she was unsure why elected would be prevented since they would be accountable by the people who elect them, that she would like to have the City's Ad Hoc speak to Del Mar about the City's concerns to ensure that impacts are mitigated, and that she thought that the most success of local control would be to have those impacted the most as part of the control.

Mr. Hilliard said that he thought both City's had the same interest, that the model that was used was CCDC (San Diego Community Development Corporation) and it may not be the best, that it had seemed to have worked, that they wanted to sit down with Solana Beach and wanted all stakeholders to be treated fairly, and that he thought that the mention of past history was not the attitude they have today. He said that they would be willing to meet, to work with the City Attorney, that they were open to ideas that they may have not thought about, that they intended to create a charter that would contain

every restriction and that would not be subject to being changed, and that now that the confidentiality had been somewhat relaxed that they could meet with the Ad Hoc.

Councilmember Kellejian said that Solana Beach needed to put measures in place to lock in promises that would be made regarding traffic, light, sound, safety, that Solana Beach residents would be concerned and affected if there was year round training, that all these types of issues needed to be hashed out before Solana Beach could support, and that this is why they felt it was premature.

Councilmember Nichols agreed that it was a good idea to keep local control, that he strongly agreed with Mrs. Olson that Solana Beach needed more than one seat at the table since it shared so many similar issues, that Solana Beach's orientation to the site is much different than how Del Mar relates to the site, that it was more difficult to combat extra mitigation than it would be for Del Mar due to the difference in how both cities face the site, that he agreed with obtaining electeds as well, that he supported a meeting of the Ad Hoc with Del Mar, that it was easy for other cities or agencies to support them as the proposal is drafted if there were not as directly impacted as Solana Beach was, and that the issues brought forth were very serious.

Councilmember Roberts stated that past actions taken by the 22nd District had not been positively received, that there had been a lot of impacts and intensification of land use, that he was opposed to that, there had been light and sound intensification, that the recent DEIR for their proposal included moving the trash to the residential side and this was considered a statement, that he agreed with overall goal but that the details needed to be flushed out, that equal responsibility would make it so that it was always equal, that maybe the Ad Hoc could sit down with Kehoe and rewrite it with Del Mar, that he did not agree with it entirely as it was proposed until Solana Beach had certain things addressed, and to make sure that the press knew that it was this Council speaking and not just one member talking.

Steve Parkes requested that if this was going forward that it might be the last opportunity to underground utilities on Via de la Valle since the residents had tried to create an underground district and this would be one thing they should do for Solana Beach.

Council continued discussion regarding that this was the one opportunity to get this right, that more discussion was needed between the cities, that it a great idea but premature for Solana Beach to provide full support, that the train station issue took 1 1/2 years to discuss, that this needed to be dissected to that degree, that this Council did not want to rush into the wrong thing, that there could be a timeline, that they were united on the overall goal, that the governance and mitigation are the only issues, and that Solana Beach was united to work with them on a compromise.

### **COMMUNITY ANNOUNCEMENTS:**

Council reported community announcements.

**COMMENTARY:**

Council made commentary.

Deputy Mayor Heebner left the meeting at 7:45 p.m.

**C.2. Decoupling Recycled Water Rates from Potable Water Rates. (File 1050-20)**

Recommendation: That the City Council

1. Receive this report and provide direction.

David Ott, City Manager, introduced the item.

Mo Sammak, City Engineer/Director of Public Works presented a powerpoint (on file with this report). He reviewed the background on the San Elijo JPA recycled water program, the current payment for the State Revolving Fund loan, that the loan would be paid off in ten years, that the JPA would begin to make payments to member agencies in 2017, the 12% rate increase proposed by the Santa Fe Irrigation District, and the state revolving fund loan.

Mayor Campbell stated that he lived in St. Francis Court and was the treasurer on the Homeowners Association (HOA) Board.

Johanna Canlas, City Attorney, stated that that the Mayor was not precluded from participating in the discussion due to the public generally exception which applied since more than 10% of the City's population could be affected by the outcome of the item.

Al Evans stated that he was on the Board of the St. Francis Court HOA, that they were a large user of recycled water, that they were concerned about the rate increase which could be as much as 40% over 3 years, that also a 10% pass through was being proposed if costs from the County increased, that he recommended that Council support a 5% increase over two years until another contract was negotiated, that alternative water sources were needed, that the agreement should include the decoupling of rates, and that the Council should support the San Elijo JPA by co-signing the Clean State Revolving Fund Loan.

Frank Warner stated that he was representing the St. Francis HOA. He encouraged the Council to support the amended agreement with the San Elijo JPA and Santa Fe Irrigation District, that the amendment should be done prior to January to avoid any increases at the beginning of the year, that 80% of water sold by Santa Fe Irrigation was used for irrigation, that recycled water should be used for irrigation, that financially it made more sense for recycled water to be more affordable for more consumers.

Mike Thorton, San Elijo JPA, stated that the JPA Board discussed the water rate

increase, that they reviewed the proposed 12% increase, that the increase was more than what was required to run the program, that the increase could potentially lower revenues due to lower sales, that a 5% increase over two years would be adequate for the financial needs of the JPA, and that the current water agreements expired in 2016.

Council and Mr. Thornton discussed the City's goal of wanting more people to use recycled water, that the City should co-sign the Revolving Fund Loan, that recycled water would be more cost effective if more of it was sold, that additional infrastructure would be required to produce more recycled water which would require additional costs for the JPA, that solutions were reviewed to keep costs down, that recycled water programs were challenging to operate, that they were usually subsidized by the water district or the sanitation district, that the JPA program was not subsidized by anyone, and that Council was in favor of the decoupling rates.

Michael Bardin, General Manager, Santa Fe Irrigation District, stated that recycled water was an challenging issue, that the cost of water was increasing dramatically, that the Sant Fe Irrigation District rates had increased by 50% over the last three years, that the increase affected the recycled water rates, that they had proposed a one year freeze on rates to the JPA to allow for discussion of a new contract, that they wanted a long term agreement, and that the 5% increase over two years was being considered.

There was Council consensus to continue working with the three agencies, Santa Fe Irrigation District, San Elijo JPA, and the County of San Diego on supporting the 5% over two years increase, and on sending a letter to the County regarding the rate increase and the decoupling option.

**A. CONSENT CALENDAR: (Action Items) (A.1.- A.5.)**

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 Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**A.2. Minutes of the City Council.**

Recommendation: That the City Council

1. Approve the Minutes of the Regular City Council meeting held July 13, 2006 and August 23, 2006.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

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

Recommendation: That the City Council

1. Ratify the list of demands for September 25 - October 8, 2010.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**A.4. Stevens Avenue Emergency Storm Drain Repairs - Notice of Completion. (File 0400-10)**

Recommendation: That the City Council

1. Adopt Resolution 2010-150:
  - a. Approving the final project costs of \$94,755.45 for the Stevens Avenue Emergency Storm Drain Repair Project.
  - b. Accepting as complete the Stevens Avenue Emergency Storm Drain Repair Project that was constructed by Scott Michael, Inc.
  - c. Authorizing the City Clerk to file a Notice of Completion.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**A.5. Resolution of Denial of a Development Review Permit and Structure Development Permit for 505 Ford Ave., Applicants: Charles and Jacquelyn Nagy, Case # 17-09-15. (File 0600-40)**

Recommendation: That the City Council

1. Adopt Resolution 2010-151 denying the request for an application for a Development Review Permit and an Administrative Structure Development Permit for the proposed project at 505 Ford Avenue.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent:



Heebner)

**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: (B.1.)**

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. Fiscal Year 2010-11 Proposed Fire Department and City Clerk Department Fee Schedule Amendments. (File 0390-23)**

Recommendation: 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. Finding that the adoption of an amendment to the 2010/2011 Schedule of Fees is not a project as defined by CEQA.
4. Adopt Resolution 2010-149 amending the FY 2010/2011 Schedule of Fees to increase three existing fees and establish four new fees.

David Ott, City Manager, introduced the item.

Tina Christiansen, Community Development Dir., presented a powerpoint (on file with report).

Mayor Campbell opened the public hearing.

**MOTION:** Moved by Roberts and seconded by Kellejian to close the public hearing.  
**Motion carried 4/0/1** (Absent: Heebner)

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent:

Heebner)

**C. STAFF REPORTS: (C.3.- C.6.)**

*Submit speaker slips to the City Clerk*

**C.3. Structure Development Permit Extension Request for 645 Marvista, Applicants: Doug and Jully Nguyen, Case: #524. (File 0600-40)**

Recommendation: That the City Council

1. Grant the request for a five month extension to set a new expiration date of February 23, 2011 for the approval of SDP# 524 for the construction of a new two-story single-family residence on property at 645 Mar Vista Drive.

David Ott, City Manager, introduced the item

Corey Johnson, Assistant Planner, presented a powerpoint (on file with report).

Omar Noroozi adjacent property support time extension, point out support in consideration of discussion with the applicant in recent months and came to understanding and that final plans would be smaller scale and height,

Dr Frank Zalman welcoming recent discussion with new neighbors more understanding and accommodations and compromise.

**MOTION:** Moved by Roberts and seconded by Kellejian. **Motion carried 4/0/1** (Absent: Heebner)

**C.4. Healthy Eating Active Living Campaign. (File 0270-90)**

Recommendation: That the City Council

1. Adopt Resolution 2010-148 authorizing the City to join the Healthy Eating Active Living (HEAL) Campaign.

David Ott, City Manager, introduced the item.

Dan King, Management Analyst, presented a powerpoint (on file with report) reviewing the program brought about by the League of California Cities and focusing on land use, food and physical activity and wellness.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**C.5. Adoption of revised Council Policy 13 and Introduction (1st Reading) of Ordinance 425 all related to Utility Undergrounding. (File 0410-90)**

Recommendation: That the City Council

1. Adopt Resolution 2010-152 to revise the Utility Undergrounding Policy - City Council Policy 13.
2. Introduce Ordinance 425 revising Solana Beach Municipal Code Chapter 11.32.

David Ott, City Manager, introduced the item.

Dan King, Management Analyst, presented last slide of powerpoint (on file with report) reviewing the past research and the resulting policy with changes from the last meeting.

**MOTION:** Moved by Kellejian and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**C.6. Year-End Budget Adjustments for Fiscal Year 2009-10. (File 0330-30)**

Recommendation: That the City Council

1. Adopt Resolution 2010-154 revising appropriations in the Fiscal Year 2009-10 Budget.
2. Adopt Resolution RDA 042 revising appropriations in the Fiscal Year 2009-10 Budget.

David Ott, City Manager, introduced the item.

Dennis Coleman, Finance Dir., presented a powerpoint (on file with report).

Council and Staff discussed the cost increase from workman's compensation, the building department revenues increase, the changes in Code removing the Fire Chief position, that PERS payments were not properly expensed to the department budgets in the past and had not been caught but were not reconciled, that new internal controls were put into place for the future, that the auditors allowed the chargeoff to be assessed to the next fiscal year, and that they were still reviewing how to spread it out among funds.

**MOTION:** Moved by Roberts and seconded by Nichols. **Motion carried 4/0/1** (Absent: Heebner)

**WORKPLAN COMMENTS:**

(Adopted June 23, 2010)

**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.

made reports

**COUNCIL COMMITTEE REPORTS:****Regional Committees: (outside agencies, appointed by this Council)**

- 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)**

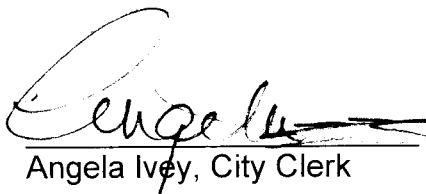
- a. Business Liaison Committee - Roberts, Campbell.
- b. Highway 101 / Cedros Ave. Development Committee - Nichols, Heebner.
- c. I-5 Construction Committee - Heebner, Roberts.
- d. Public Arts Committee - Roberts, Nichols.
- e. School Relations Committee - Roberts, Campbell.

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

- a. Army Corps of Engineers & Regional Beach Nourishment - Kellejian, Campbell. Expires December 8, 2010.
- b. City's 25th Anniversary - Heebner, Kellejian. Expires July 13, 2011.
- c. Development Review - Nichols, Heebner. Expires November 17, 2010.
- d. Environmental Sustainability - Roberts, Heebner. Expires December 8, 2010.
- e. Fire Department Management Governance-Kellejian,Roberts. Expires July 13, 2011.
- f. Fletcher Cove - Campbell, Heebner. Expires November 17, 2010.
- g. General Plan - Campbell, Nichols. Expires July 13, 2011.
- h. La Colonia Park - Nichols, Heebner. Expires May 11, 2011.
- i. Local Coastal Plan Ad-Hoc Committee - Roberts, Campbell. Expires February 9, 2011 or at the California Coastal Commission adoption.
- j. NCTD / Train Station Site Project Ad Hoc Committee - Heebner, Nichols. Expires 1-12-2011
- k. View Assessment - Nichols, Heebner. Expires February 24, 2011

**ADJOURN:**

Mayor Campbell adjourned the meeting at 9:18 p.m. in the memory of Mike Cowett, Attorney at NCTD (North County Transit District).

  
Angela Ivey, City Clerk

Approved: February 9, 2011