

**CITY OF SOLANA BEACH**  
SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,  
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY

# MINUTES

JOINT **REGULAR** MEETING  
Wednesday, December 10, 2014  
06:00 P.M.

Minutes contain a summary of the discussions and actions taken by the City Council during a meeting. City Council meetings are video recorded and archived as a permanent record. The video recordings capture the complete proceedings of the meeting and are available for viewing on the City's website.

## **CALL TO ORDER AND ROLL CALL:**

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

**Present:** Heebner, Zito, Zahn, Nichols, and Marshall.

**Absent:** None.

**Also Present:** Wende Protzman, Acting City Manager  
Johanna Canlas, City Attorney  
Angela Ivey, City Clerk  
Wende Protzman, Community Development Dir.  
Mo Sammak, City Engineer/Public Works Dir.  
Marie Berkuti, Finance Manager  
Dan King, Sr. Management Analyst

## **FLAG SALUTE:**

## **APPROVAL OF AGENDA:**

**MOTION:** Moved by Zito and seconded by Zahn. **Motion carried unanimously.**

## **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.

## COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

### **A. CONSENT CALENDAR: (Action Items) (A.1. - A.8.)**

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

Recommendation: That the City Council

1. Ratify the list of demands for November 8, 2014 through November 28, 2014.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

#### **A.2. General Fund Adopted Budget for Fiscal Year 2014-15 Changes. (File 0330-30)**

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2014-2015 General Fund Adopted Budget.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

#### **A.3. Ad Hoc Committee: Army Corps of Engineers and Regional Beach Nourishment Ad Hoc and the Environmental Sustainability Ad Hoc. (File 0410-48) - This item was pulled from the agenda.**

Recommendation: That the City Council

1. Adopt Resolution 2014-152 re-establishing the Army Corps of Engineers and Regional Beach Nourishment Ad Hoc Committee until December 9, 2015, and
2. Re-appoint the existing Councilmember (Nichols) and appoint a replacement to fill the new vacancy on the Army Corps of Engineers and Regional Beach Nourishment Ad Hoc Committee, or provide alternative appointments.

3. Adopt Resolution 2014-153 re-establishing the Environmental Sustainability Ad Hoc Committee until December 9, 2015, and
4. Re-appoint the two existing Councilmembers (Heebner, Zahn) to the Environmental Sustainability Ad Hoc Committee, or provide alternative appointments.

This item was pulled from the agenda and will return in January.

**A.4. La Colonia Park Veterans' Honor Courtyard. (File 0400-10, 0160-18)  
- This item was pulled from the agenda.**

Recommendation: That the City Council

1. Adopt Resolution 2014-158:
  - a. Awarding a construction contract for the La Colonia Park Veterans' Honor Courtyard, Bid No. 2014-05.
  - b. Approving a construction contingency in the amount of approximately 15%.
  - c. Authorizing the City Manager to execute the construction contract on behalf of the City.
  - d. Authorizing the City Manager to approve cumulative change orders up to the construction contingency amount.
  - e. Appropriating \$80,000 into the La Colonia Park Veterans' Honor Courtyard project in the City CIP fund from Grant Fund revenue for a grant received from County Supervisor Dave Roberts' Office for the Neighborhood Reinvestment Program.
  - f. Appropriating \$80,000 into the La Colonia Park Veteran's Honor Courtyard project in the Public Improvement Grant fund.
  - g. Authorizing the City Treasurer to amend the Fiscal Year 2014-15 Adopted Budget accordingly.

This item was pulled from the agenda and will return in January.

**A.5. Del Mar Shores Beach Access Stairway Replacement Project  
Notice of Completion. (File 0400-10, 0730-20)**

Recommendation: That the City Council

1. Adopt Resolution 2014-136:
  - a. Authorizing the City Manager to execute Change Order No. 3 with Blue Pacific Engineering and Construction, in the amount

- of \$96,754.52, for miscellaneous changes during construction of the Del Mar Shores Stairway Replacement Project.
- b. Authorizing the City Council to accept as complete the Del Mar Shores Stairway Replacement Project, Bid No. 2013-09, performed by Blue Pacific Engineering and Construction.
  - c. Authorizing the City Clerk to file a Notice of Completion.
  - d. Authorizing the transfer of \$54,500 from the General Fund for appropriation to the City CIP fund for costs associated the replacement of the Del Mar Shores Stairway.
  - e. Authorizing the City Treasurer to amend the Fiscal Year 2014-15 Adopted Budget accordingly.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

**A.6. Sewer Rate and Revenue Study. (File 0400-10, 1040-75)**

Recommendation: That the City Council

1. Adopt Resolution 2014-007 authorizing the City Manager to execute a professional services agreement, in an amount not to exceed \$24,930, with Bartle Wells Associates for a Sewer Rate and Revenue Study.
2. Approving a contingency amount of \$5,000 for additional services, if necessary.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

**A.7. 2014 Street Maintenance & Repair Project Notice of Completion. (File 0400-10, 0820-80)**

Recommendation: That the City Council

1. Adopt Resolution 2014-157:
  - a. Accepting as complete the 2014 Street Maintenance & Repair Project, Bid 2014-04, constructed by ATP General Engineering Contractors.
  - b. Authorizing the City Clerk to file a Notice of Completion.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

**A.8. Fiscal Year 2014-15 Updated Salary And Classification Plan and Memorandum Of Understanding For Solana Beach Firefighters Association And Management/Confidential/Unrepresented Groups. (File 0400-10, 0530-30)**

Recommendation: That the City Council

1. Adopt Resolution 2014-160 approving the FY 2014/2015 Memorandum of Understanding between the City of Solana Beach and the Solana Beach Firefighters' Association
2. Adopt Resolution 2014-163 approving the FY 2014/2015 Salary and Benefit Increases for Management/Confidential/Unrepresented Employees
3. Adopt Resolution 2014-162 approving the Salary and Compensation Plans for Firefighters and Management/Confidential/Unrepresented Employees.
4. Adopt Resolution 2014-161:
  - a. Appropriating \$217,600 in salary and benefits to General Fund budget units and \$27,640 in salary and benefits to other funds, as determined by the Finance Department based on the approved Salary and Compensation Plan for all groups.
  - b. Authorizing the City Treasurer to amend the Fiscal Year 2014/2015 Adopted Budget accordingly.

**MOTION:** Moved by Marshall and seconded by Zito. **Motion carried unanimously.**

C. **STAFF REPORTS: (C.1. - C.5.)**  
*Submit speaker slips to the City Clerk*

C.3. **Comprehensive Annual Financial Report (CAFR) Fiscal Year 2013-14. (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, 2013 - June 30, 2014.
2. Accept and file the Statement of Auditing Standards (SAS) 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 SAS No. 114.

Wende Protzman, Acting City Manager, introduced the item.

Marie Berkuti, Finance Manager, presented a Powerpoint (on file) reviewing the Comprehensive Annual Financial Report (CAFR) for fiscal year 2013-14.

Brian Gruber, Lance, Soll, and Lunghard, CPAs, presented a Powerpoint (on file) reviewing the audit process.

Council and Mr. Gruber discussed that the auditors had no concerns regarding the city's current financials or internal controls, that the City had utilized this firm for 3 years, that the City had a policy to review new audit firms every 5 years, and that it was Lance, Soll, and Lunghard's policy to place a new lead auditor on the City's financial every 6 years to provide internal controls. Discussion with Staff continued regarding the negative amount shown for the PERS fund, Staff explained the history of this line item, that the funds were borrowed from the sanitation fund in order to pay off the PERS side fund, saving the City \$1 million dollars in interest, that a negative was shown on the City's financials, that a positive was shown on the sanitation fund financials, and that it was recorded as such since the the transaction was an internal transaction and not borrowed from an outside source.

**MOTION:** Moved by Zito and seconded by Zahn. **Motion carried unanimously.**

**C.1. Community Grant Program Awards FY 2014-15. (File 0330-25)**

Recommendation: That the City Council

1. Select the FY 2014-15 Community Grant Program recipients and identify an award amount to each recipient.
2. Adopt Resolution 2014-159 authorizing the funding for the selected community grants recipients for financial assistance under the FY 2014-15 Community Grant Program.

Wende Protzman, Acting City Manager, introduced the item.

Dan King, Sr. Management Analyst, presented a spreadsheet of the City Council's initial funding allocations for the Community Grant program.

Council discussed their selections, re-allocated funds to provide grants to additional organizations, and discussed that grant funds would be provided to the Assistance League if the organization would agree to spend funds in the City.

Roberta Waterman, Assistance League of Rancho San Dieguito, stated that they would spend funds in the City if provided with a grant.

**MOTION:** Moved by Marshall and seconded by Zito to approve the following funding allocations: **Motion carried unanimously.**

Assistance League Rancho San Dieguito - \$3,000  
BikeWalkSolana - \$1,000  
Boys and Girls Club of San Dieguito - \$2,000  
Casa De Amistad - \$2,000  
Community Resource Center - \$5,000  
Del Sol Lions - \$1,000  
La Colonia De Eden Gardens Inc. - \$1,000  
Reality Changers- \$2,500  
San Dieguito River Valley Conservancy - \$2,000  
Solana Beach Little League - \$3,000  
St. James & St. Leo's Medical/Dental - \$2,500

**C.2. San Dieguito River Park Discussion. (File 0400-10, 0150-62)**

Recommendation: That the City Council

1. Discuss the amendments to the San Dieguito River Valley Regional Open Space Park Joint Powers Authority Agreement and provide feedback and direction to Councilmember Zito.

Wende Protzman, Acting City Manager introduced the item.

Deputy Mayor Zito stated that the 25 year agreement with the River Valley had expired last summer, that all member agencies wished to continue the agreement except for the City of San Diego, and that the City of San Diego conducted an analysis on whether to remain in the JPA. He stated that the City of San Diego submitted proposed changes to the terms of the agreement, that an Ad Hoc Committee was formed to discuss the proposed changes, and that the changes would go before a vote of the JPA, and he wanted direction from the City Council on how to vote on proposed agreement. Deputy Mayor Zito stated that several of the proposed terms raised concerns, including that the City of San Diego was proposing using a weighted vote option, that currently the City of San Diego and County of San Diego both held two voting seats on the JPA which accounted for 22% of the vote, that the City of San Diego was proposing all issues regarding financial matters be moved to a weighted vote based on member contribution rates, that if this occurred the City and County of San Diego would have 31% of the total vote, and that the City vote would account for 6% of the vote based on the City's current contribution rate. He stated that SANDAG used a weighted vote method which he preferred, that it took into account both the tallied vote and weighted vote in order for an item to pass.

Council discussed that the preference would be to use the SANDAG method of weighted votes, that the way the language was currently written about 75% of issues could be considered a financial matter, that the language should be clarified to indicate what exactly would be considered a financial matter, and that there was a good chance that the City of San Diego would no longer participate in the JPA if an agreement could not be met. Discussion continued that if the City of San Diego pulled out the JPA the JPA would stop maintain the land in the City of San Diego, that the City paid \$49,000 a year to support the JPA, and that the City of San Diego paid approximately \$264,000 annually in member dues.

Deputy Mayor Zito stated that another proposed term of the agreement of concern regarded the JPA dissolution process, that the language stated that any land in the JPA would go back to jurisdiction in which it resided in, the City had no lands in the JPA, however most of lands were purchased through grant funds of which the JPA paid for grants to be written. He stated that it was concerning that if an agency decided to withdraw from the JPA the agency could be accountable for future liabilities incurred by the JPA should the JPA ever dissolve, that this dissolution language should be worked on for more clarity, and that it was concerning that an agency who left the JPA could still be exposed to liabilities unless the JPA dissolved.

Council discussed concerns with the dissolution language, that the proposed agreement changes had come from Mayor Faulkner Councilmember Lightner's offices, whether Mayor Faulkner was aware of the requests by Councilmember Lightner, and that it was believed that most was of the proposed changes were coming out of the Councilmember's office.

Council discussed that they had agreed with all the concerns presented by Deputy Mayor Zito, that he should vote as discussed at this meeting regarding using the SANDAG weighted voting, and language changes to the dissolution provision in the agreement, and to return to Council if any additional significant changes were being proposed.

**C.4. Adoption (2nd Reading) of Ordinance 455 Amending Solana Beach Municipal Code related to Development Review Permit Regulations. (File 0610-10)**

Recommendation: That the City Council

1. Adopt Ordinance 455 revising Solana Beach Municipal Code Sections 17.08.030, 17.68.040(B)(1)(d), 17.68.040(B)(1)(f), 17.68.040(B)(1)(n), 17.68.040(F)(1), and 17.68.040(F)(2), as revised by the Council on November 19, 2014.

Johanna Canlas, City Attorney, introduced the item and read the title of the ordinance.

Councilmember Marshall stated that she had reviewed the video on the introduction of the ordinance, and inquired further on the discussion regarding the one time exemption.

Johanna Canlas, City Attorney, stated that the one time exemption applied to the parcel of the property, that the Community Development Department would track which properties had used the one time exemption, that it was not a deed restriction on the property, and that future Council's could vote to change any processes of the Development Review Permit regulations.

**MOTION:** Moved by Nichols and seconded by Zahn. **Motion carried 4/1**  
(Noes: Marshall.)



**C.5. Discuss and consider providing comments to the City of San Diego as it relates to the potential impacts of One Paseo development to the City of Solana Beach.**

Wende Protman, Acting City Manager, introduced the item.

Councilmember Zahn stated that the full hearing for this development would be scheduled in late January, and that the proposed draft letter expressed the City's concerns regarding the project. He stated that the letter addressed the impacts of the project on the City, that the letter included the comments addressed by the City 2 years ago which included public safety, traffic, and economic impacts. He stated that this project had been compared to large developments such as Horton Plaza, and that the letter would be submitted to the City of San Diego for consideration during their hearing.

Council discussed that the letter was not stating the City was opposed to any development just opposed to the up zone of this project, that City Staff had recently reviewed the project and that the concerns previously addressed by the City had not yet been resolved by the City of San Diego.

Councilmember Marshall stated that she did not support sending the letter, that she was appointed to manage the City and that this project did not abut the City border and had a hard time believing that the project would impact the economy of the City.

**MOTION:** Moved by Nichols and seconded by Zahn. **Motion carried 4/1**  
(Noes: Marshall.)

**The City Council will RECESS THE MEETING to hold a Closed Session: Council recessed the meeting to go to Closed Session at 8:11 p.m.**

**CLOSED SESSION:**

1. PUBLIC EMPLOYEE APPOINTMENT Pursuant to Government Code Section 54957 Position under Consideration: City Manager and Interim City Manager.
2. CONFERENCE WITH LABOR NEGOTIATORS Pursuant to Government Code Section 54957.6 Agency designated representative: City Attorney Employee organization: Interim City Manager

**RECONVENE Regular Open Meeting: Council reconvened the meeting at 8:45 p.m.**

**CLOSED SESSION REPORT:**

1. PUBLIC EMPLOYEE APPOINTMENT  
Position under Consideration: City Manager and Interim City Manager.

**ACTION:** Council directed the City Attorney to negotiate and finalize a professional services agreement to be brought back to City Council for approval.

**2. CONFERENCE WITH LABOR NEGOTIATORS**

Employee organization: Interim City Manager

**ACTION:** Based on the expected time phase it would take for the City Manager recruitment to be completed, the City Council directed the City Attorney to reach out to our recently retired City Manager, David Ott, to see if he would consider an interim City Manager position during the course of the recruitment, based on the limits imposed by State law for retired annuitants. Such an arrangement would be ideal because Mr. Ott is familiar with the organization, the community needs, and pending projects that would require attention in the next few months. Such an interim appointment would ensure that the City Manager's transition would be seamless.

**D. STAFF REPORTS: (D.1. - D.2.)**

*Submit speaker slips to the City Clerk*

**D.1. Approve a Professional Services Agreement for City Manager recruitment.**

Adjourned to December 17, 2014, 6:00pm.

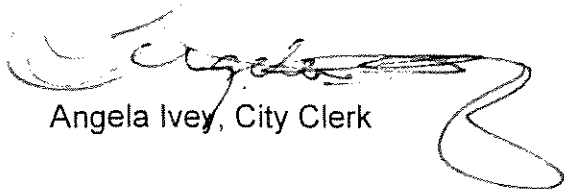
**D.2. Consideration of appointment of Interim City Manager and approval, if necessary, documents to effectuate appointment and employment.**

Adjourned to December 17, 2014, 6:00pm.

**ADJOURN:**

**MOTION:** Moved by Zito and seconded by Zahn to Adjourn this meeting to December 17, 2014, Regular Adjourned Meeting. **Motion carried unanimously.**

The meeting was adjourned at 10:49 p.m.

  
Angela Ivey, City Clerk

Approved: January 28, 2015