



California

ITEM NO. 6

CITY OF OCEANSIDE

MINUTES OF THE:

CITY COUNCIL

AUGUST 31, 2005

ADJOURNED MEETING 4:00 PM COUNCIL CHAMBERS

Mayor
HDB President
CDC Chair
Jim Wood

Deputy Mayor
HDB Vice President
CDC Vice Chair
Esther Sanchez

Councilmembers
HDB Directors
CDC Commissioners
Rocky Chavez
Jack Feller
Shari Mackin

City Clerk
HDB Secretary
CDC Secretary
Barbara Riegel Wayne

Treasurer
Rosemary Jones

City Manager
HDB Chief Executive Officer
CDC Executive Director
Steve Jepsen

Interim City Attorney
HDB General Counsel
CDC General Counsel
Pam Walls

The adjourned meeting of the Oceanside City Council (Council) was called to order at 4:00 PM, August 31, 2005 by Mayor Wood. Councilmember Mackin led the Pledge of Allegiance.

ROLL CALL

Present were Mayor Wood, Deputy Mayor Sanchez and Councilmembers Chavez, Feller and Mackin. Also present were Assistant City Clerk Trobaugh, City Manager Jepsen and Interim City Attorney Walls.

4:00 p.m. CLOSED SESSION ITEMS:

INTERIM CITY ATTORNEY WALLS titled the following agendized items to be heard in Closed Session: Items 1(A) and 2(A)1.

Closed Session and recess were held from 4:00 PM to 5:00 PM. [See the report out on these items at 5:00 PM, Item 3.]

ROLL CALL

Mayor Wood reconvened the meeting at 5:02 PM. Councilmember Feller arrived at 5:06 PM. Also present were City Clerk Wayne, City Manager Jepsen, Interim City Attorney Walls and City Treasurer Jones.

CLOSED SESSION REPORT

3. Closed Session report by City Attorney

**NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**

INTERIM CITY ATTORNEY WALLS reported out on the following items discussed in closed session:

1. **CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)**
 - A) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** – Property bounded by Pacific Street, Myers Street, Seagaze Drive, and Civic Center Drive (APN 147-261-01 through 12; 147-076-1, 2, 3, 10, 11, 12); Negotiating Parties: SD Malkin Properties; Negotiator for the City: Jane McVey, Economic Development and Redevelopment Director; Under Negotiations: Price and Terms

Discussion was held with staff.
2. **LITIGATION OR OTHER ADVERSARY PROCEEDING (E.G., ADMINISTRATIVE HEARING, ARBITRATION) (SECTION 54956.9(a))**
 - A) **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
 1. Ward v. City of Oceanside et al., Superior Court Case No. GIN036726
Discussion was held; no action was taken.

5:00 PM WORKSHOP ITEM

4. Water Utilities Wastewater and Water Rate and Buy-In Fee Increase

BARRY MARTIN, Water Utilities Director, stated it has been about 3 years since they have raised rates in Oceanside. It is getting to the point where they need to do it again, as much as he hates to say that because that is the worst part of his job since he is customer service oriented. However, it costs money to run an operation like Oceanside's. They have over \$500,000,000 worth of assets that are maintained and operated.

Using computer slides, Mr. Martin reviewed the "Executive Summary – Water Utilities Department Proposed 2005/2006 User Rate and System Buy-in Fee Increases." User rates are what folks pay when they use the wastewater system or the water system. The buy-in fees are what new development pays. In 1999 when Council adopted buy-in fees, it was a new concept. Before then it was called a connection fee, and a connection fee was what would be done in the future to build facilities. At that time, they determined what was needed in a 20-year window based upon a master plan, got a dollar figure, figured out how many residential and commercial units would go in and divided that to come up with a dollar amount. In other words, new development is buying into an existing system. He also will go through a utility overview, wastewater rate and buy-in fee increase, the San Diego County Water Authority pass-through charges increase and future steps.

[Councilmember Feller arrived at 5:06 PM.]

Looking at the rate and fee increases time line, a lot of work has been done on this already. They started working with the Utilities Commission's Budget Committee. They have put a lot of effort and volunteer time in and are very thorough with everything they do. They have spent many hours analyzing the budgets throughout the years. The Water/Sewer Committee approved the increases on July 12, 2005, and the Utilities Commission approved them on August 18, 2005. A week from today, staff is bringing back to Council the proposed increases as part of a public hearing and final approval. Council is not being asked to vote on this tonight. Staff wants the opportunity to answer Council's questions. This is important because a water rate increase requires by law a 2/3 majority, or 4 out of 5 votes. If approved by Council, the new wastewater user rates become effective on October 21. November 21st is when the new buy-in fees will become effective. On January 1, 2006, the San Diego County Water Authority (SDCWA) pass-through charges

will become effective. That is when the City starts getting charged by the wholesalers for the cost of water.

The City's system is the 3rd largest water and wastewater system in San Diego County and has been since the middle 1800s. It has grown and now has over 500 miles of pipeline to maintain. The City has a water filtration plant that treats 25 mgd (million gallons per day). It is one of the best assets of the City. The Mission Basin Desalting Facility is another great asset that provides local water to fall back on in case of an emergency or drought.

When the increases were brought to Council 3 years ago, Council stipulated, after passing a desperately needed increase, that staff not come back again unless staff looks at the operation to make sure it is efficient. So, that is the 1st thing staff started doing. In fact, the Utilities Commission took it in earnest and created an oversight committee. They went through a process that determined the core values and core services and then looked at ways of valuing the things that staff does to put together a chart that is now a tool for staff. Staff can look at each of the processes, see how much time it takes to see if it is worthy of doing or not, and staff can change or alter the operation to become more efficient. Staff has been doing that for over 2½ years. They continue to protect environmental quality. They had sewer spills 5 and 6 years ago and have reduced those spills to a zero tolerance. They very seldom have sewer spills, and they very seldom ever get to the receiving waters. That is so important for the environment, for tourism and the good of this community.

They practice sound management practices, put together a Master Plan and did all the good things they needed to do in this department to be more efficient. They did operational efficiency with increased flows and cost and have put together significant Capital Improvement Projects to make the system better, to make it so that they could have good growth that the City wants and be ready for it. If they do not have the right facilities in place, they would miss out on the industrial and commercial development that they want. One of the main decisions for IDEC to move into this community was because the City had the facilities. IDEC had looked all over the United States and found that Oceanside's facilities were the best.

They also have the Integrated Water Utilities Master Plan in progress, which is very important to the City. They did this 7 or 8 years ago, and it is time to look at it again to see what type of facilities they need to put in the ground and to get ready for it.

The Rate Objectives are to meet current and future financial obligations. Over the years they have borrowed money to build the projects that were needed. They have obtained a lot of good rates. For the San Luis Rey Wastewater Treatment Plan, they were able to get 0% interest. However, there are obligations when money is borrowed. They need to keep the revenues in line with the expenditures or they go against their obligations for the debt service. The Water Utilities Funds also help the City borrow money when it has to. Rate objectives include balancing capital needs with practical limitations on rates and to manage those rate increases over time.

Mr. Martin showed a pie chart to illustrate the 2004-2005 Wastewater Operating Expenditures. Maintenance and Operations make up 36%. Maintenance and Operations are the parts, the electricity, the natural gas, the chemicals and whatever it takes to run the department and keep the processes going. 20% of the expenditures are made up of Interfund Service Charges that are paid to the City: Debt Service is 8%; and Fixed Asset Replacement is 16% and is one of the most valuable pieces of the pie. When it was established almost 20 years ago, they set aside a Fixed Asset Replacement Program so that they would not be suffering like they are in the City of San Diego right now with their pipeline breaks or sewer spills. That is because they deferred maintenance and did not set aside money to take care of the infrastructure. This Council and previous Councils have done that, and the infrastructure has been maintained.

Rate increase cost drivers are stricter regulatory standards, such as the State-mandated Capacity Management Operations and Maintenance (CMOM) Program. This is a

federal program that will hit the City pretty soon. In fact, there have been a few cities in California that have already received these specific requirements on setting aside money to take care of the infrastructure, such as the City of Los Angeles. Oceanside does not have to worry too much about CMOM because the City is already doing a lot of the requirements that are required in CMOM. Oceanside needs to continue to improve the maintenance of wastewater systems. The City cannot afford to spill even one gallon of wastewater into the receiving waters.

There are some significant cost increases for this year in Operations and Maintenance costs with electricity and chemicals. Gasoline is affecting costs for everything that has to be purchased. They have a digester that needs some work at the La Salina Treatment Plant, and they need to patch a roof on it so that the gasses, which are explosive and odorous, do not escape. They also need to take care of the sewer line improvements that are all over the City. He then displayed a chart entitled "Inflation vs. rates for wastewater operations and maintenance," which showed the actual inflation starting in 1991. Council adopted the Finance Plan in 1999. The Finance Plan said that they need to do a 4% rate increase every year to keep up with inflation. This goes to show how efficient staff has been so they were able to keep below the inflation line. Staff is trying not to have rate spikes and to keep the rates as low as possible.

The "Proposed Estimated Monthly Total Wastewater Rate Increases" showed the current rates. Uses are split up into 3 different categories: low, medium and high. This came about in the mid-1990s. The City was mandated by the Environmental Protection Agency (EPA) to go to a flow-based wastewater system. The winter quarter average is used. At that time it should not be going to the outside, so everything that goes down the drain, minus 5% is what is used and goes down the sewer. Based on those numbers, there is a low use, medium use, and a high use category. The low use rate is proposed to go from \$17.06 to \$18.09, which is a \$1.03 increase. He noted that 15 years ago there was 1 fixed rate for everybody -- 1 person in a small house was paying the same thing as a 3-story house that had 4 families in it. That is the other thing that has changed. Back then everybody was paying between \$20 - \$21 each month. The low use right now, almost 15 years later, is lower than that. So, that is the other thing that this new rate structure did. The Commission worked hard on this and took a lot of input from the public. They even had a citizens' advisory committee. They made it equitable throughout all the users. The medium user rate is proposed to go from \$24.70 to \$26.19, for an increase of \$1.49. The high use is from \$35.43 to \$37.57, for an increase of \$2.14.

Staff maintains the system, and there are no problems with sewer spills, lines breaks, pump stations failing, or with the City meeting the mandatory requirements on the treatment process. He displayed a chart showing where the City is as far as rates within the County. Oceanside is very efficient and doing better than San Diego. Ten years ago San Diego's rates were lower than Oceanside's. For decades, San Diego deferred maintenance and did not take care of their system. He pointed out where San Diego is on this chart. Staff is proud of Oceanside's ranking in the list of the County's monthly sewer rates.

Wastewater rate increases are necessary to keep a dependable sewer infrastructure and to eliminate sewer spills. Oceanside has a zero tolerance for sewer spills, and staff does not want anything going to the receiving waters. Increases are also needed because of stringent regulatory requirements and debt service coverage ratios.

He has reviewed the consequences of insufficient revenue. The debt service coverage has to be maintained. It is required by the covenants that they have. If the City were not to have a rate increase now, the City would not be meeting its debt service obligations. If there is no rate increase, the 1st thing that staff would have to do is possibly delay building projects. The City does not want to get behind in keeping up with the infrastructure because then staff ends up having to do emergency work; costs will go up; and it becomes a rate spike later. Non-compliance with regulatory requirements result in fines, penalties, possible moratoriums, etc.

Next, he reviewed the buy-in fees, which are what new development has to pay. He had a conversation with Jerry Livingston today, with the Building Industry Association,

and he is in support of what staff is recommending as long as it goes up with the construction index, the cost to build facilities. Buy-in fees ensure that development pays a fair and equitable share of the Capital Improvements. It also provides funding mechanisms to meet the capacity/expansion-related costs.

There are some critical projects in the wastewater expansion. There is a force main/pump station adjacent to the Buena Vista Creek, located by the mall on the Carlsbad border that conveys a lot of wastewater. Council will recall 7 years ago when Oceanside had a spill there. The City replaced the line across the creek. They will set aside \$6,000,000 to replace the line all the way underneath the shopping center on this side of Highway 78 to Oceanside Boulevard. It will actually go underneath a building, but the City has easement rights. The City needs to replace that line now. Staff is also working on the Oceanside/Vista Interceptor Sewer, which will cost \$1,500,000. It goes all the way from College and Lake Boulevard to the pump station by the Carlsbad Mall. Staff is trying to avoid \$20,000,000 to build a new line next to the interceptor, and they are working with the City of Vista. Right now the line is in the creek and is hard to maintain. Staff wants to get it out of the creek and the habitat. The answer is working with the City of Vista or building our own for Oceanside.

There is also a bit of a bottleneck at Mesa/Garrison where there is a 42-inch gravity line. They set aside \$6,300,000 to take care of that. The City does not have a lot of problems, but these need some attention.

He reviewed the sewer system buy-in fee increases since 1995 and said up to the year 2000 the buy-in fee was \$1,565. In the year 2000, the fee was raised to \$3,793. It was a large increase after a Master Plan study and Financial Plan study. He reiterated that the Council had said to not ever bring back a large increase to Council again. Staff is doing this routinely so that it is not a big spike. Between 2000 and 2002, the fee was \$3,793 and between 2002-2005, the fee was \$4,114. Now staff is proposing the sewer system buy-in fee be increased to \$4,587. Again, this is just to take care of the construction index itself.

The basis for buy-in fee increases, which is 11.5% from July 2002 to the present, ensures the charge covers 2005 costs. It will pay for critical new projects, and there is no change in the methodology.

The proposed wastewater system buy-in fees for a 5/8" meter would go from \$4,114 to \$4,587. It is dependent upon the size of the water meter. The more water that is used, the more water goes down the sewer. That is why there are increases in the larger meters.

Referencing the wastewater system buy-in fees in San Diego County as of June 2005 for single-family residential, he noted that Oceanside is higher. City staff knows that new development pays its own way. He cannot speak for the other agencies and does not know how much the ratepayers in those other agencies are paying for new development. They are not doing that in Oceanside.

He next addressed the proposed 2005 water system buy-in fee increases. The City has a major project in the College/Mesa water line, from North Santa Fe Road up to College Boulevard and up to Old Grove Road. That will give the City some great advantages. It will bring another supply of water to feed the center part of the City. If they have disruptions in the system, there will be this other water line to help feed the rest of the City during times of need. It is redundancy. The most important thing that can be done in a utility is to have redundancy in the system in case there are outages, etc. Council has already given staff the authorization to go ahead and start designing an expansion for the Weese Plant. However, staff is in limbo right now because they have been ordered by the Health Department to put in sedimentation basins. He had promised Council that he would not go forward unless it was cost effective. Staff will be bringing those numbers back to Council for a decision.

The water system buy-in fee increases are basically the same thing as the wastewater system. He showed a slide for a comparison with other agencies, not knowing

if it is equitable in those other agencies. He also showed a chart of the combined water and wastewater connection fees in comparison with agencies in San Diego. The developer is paying their share when they hook up with the City.

There are pass-through fees, which the City has no control of. Water costs are going up, and this year they are having to pass the cost through to the City. The San Diego County Water Authority (SDCWA) has some projects they need to build, i.e. a desalting facility. They are building their own 100 mgd treatment plant and need to raise the fees to afford to build the facilities that are for the County. The Metropolitan Water District (MWD) is having to do the same.

Regarding the SDCWA surcharge increase, the water bill shows a surcharge. That is 100% water costs, and it needs to increase by \$.06, for a surcharge of \$.11 per unit. There has not been a pass-through since 2002 because it has not been necessary, with excessive water sales for the past 2 years from the water suppliers. They have been giving money back to the City. That money has been put into a rate stabilization fund, which Council had wanted. Therefore, they were able to offset increases for the last couple of years. But that rate stabilization fund is dwindling, and the City is not getting any money back from the SDCWA or the MWD. It does not look like there are going to be credits in the future for getting money back from those folks since they have adjusted their finances so that those things do not happen in the future. Those rates are not expected to go up until January 1st, which is 3 months from now. That is a good time of the year if there is any good time, to raise rates because they are at low water usage. That is why they have always taken the January timeframe to increase rates when they have to.

There is also a SDCWA Infrastructure Access Charge. This is a fixed charge just like the City, which also has a fixed charge and a commodity charge. This is to help the water suppliers have fixed revenues to cover the fixed costs of their department. They need to take those up another \$.48, or from \$1.00 to \$1.48.

He showed another comparison of the water monthly rates in San Diego for a single-family residence that uses 15 units of water. There are 748 gallons in a unit. Right now the current cost, with Oceanside below the median, is \$38.67. The proposed cost is actually \$39.90. He noted that this is not going to happen until January. If Council were to wait another month or 2 and did another survey, all of those compared costs would go up because they are pass-throughs.

Oceanside has one of the most reliable water systems in San Diego County. The City has its own water filtration plant, a local water supply, 2 wastewater treatment plants, and ocean outfall. The City has all these things that it maintains to the best standard, and the current and proposed rates are well below the median.

He is sometimes asked why Carlsbad, San Marcos and Encinitas have lower rates. They got lucky. Oceanside was into wastewater treatment before they were. Carlsbad, Encinitas, and San Marcos were mandated to take care of their wastewater. They got together and created the Encina Treatment Plant right next to the freeway and were given free money from the federal government to build that plant. They built that plant with lots of capacity, and that has been able to follow them throughout the years. Recently Oceanside expanded the San Luis Rey Plant. Hopefully, the City's ratepayers now and in the future will benefit from what the City did with the \$60,000,000 expansion. In another 10 or 20 years \$60,000,000 is probably going to seem minute compared to what it will cost then.

Regarding future steps, staff and the Utilities Commission are working hard on an Integrated Water Utilities Master Plan. This was like the plan that Council saw back in the mid 1990s that was approved and included a financial plan. This time they call it integrated because it is going to look at what can be done on a technical basis to be more efficient. Now they are looking at how they can use technology to make themselves more efficient. Technology has helped keep the rates where they are. It is going to look at reclaimed water; it is time for the City to start really getting serious about reclaimed water. Staff will look at the ramifications of the EPA mandated program CMOM. Staff will look at the water

and the wastewater programs that they need to put together and incorporate into one so that they are all meshed and going in a single direction.

Staff is here to answer questions. Also present is the financial rate consultant that has been hired for the existing integrated resource plan that has been involved in analyzing rates.

CITY MANAGER JEPSEN asked Mr. Martin to put some perspective on this for the Council and folks. The City has a \$90,000,000+ General Fund. He asked Mr. Martin how much he budgeted for water and sewer for the 2005-2006 budget and whether that budget included a rate increase or not.

MR. MARTIN said that the allocated budget, with water and sewer combined, is close to \$60,000,000. It does not include a rate increase.

CITY MANAGER JEPSEN that, if Council looks at the cost of doing business in the City, and they have always viewed this as an enterprise, the total budget exceeds \$150,000,000 as a corporation. This is significant in relationship to the General Fund Budget. This is a very important thing for the community.

Public Input

JIMMY KNOTT, 124 Sherri Lane, noted there was no pie chart for the income sources on wastewater or water. Other agencies have been buying into the Weese plant, and Camp Pendleton has bought into part of the outfall. There has been some back and forth trading that was not delineated.

The recreation area needs to be put on an interfund type of structure. As an example, at Buccaneer Beach, they need to have improvements in their structure because the showers are on for hours.

At the La Salina Plant, they are using gas and chemicals. The City was told that there were dangers of explosions. The neighbors and businesses that he has talked with said that there is no mutual planning with the City in case of a disaster situation.

There is also a need to link these rates with the Consumer Price Index (CPI) for inflationary adjustments. Let it be automatic and only have staff come to Council if it is needed as a special type of project or mandate.

Storm Water Compliance staff has reported to him that there is a problem with the outfall pipe to the ocean, which is half blocked. They have to increase the circumspection with the Loma Alta Creek with flowing out to the ocean, and they are going to try to bypass it. There is a problem with the Storm Water Compliance and other non-funded mandates.

There is a partial solution to greatly reduce the cost on the wastewater by about 50% to 75% at minimum. That solution is to quit transporting the City's biosolids to Arizona and paying \$1,000,000 a year. Instead they can take the biosolids, compost them, create jobs here, and then create a product that can be sold. This needs to be looked at. Oceanside is behind Carlsbad. If they took in the biosolids alone, the City would save a huge amount for the ratepayers.

THOMAS J. DEMPSEY, 3641 Esplanade Street, is concerned about the buy-in fees and asked Council not to grandfather units in the pipeline. The increase is now, and they should have the developers pay the new price. The City is always playing catch up with infrastructure. He did not see any mention of the San Luis Rey Bond cost. He asked if that would be discussed at another meeting.

In response, **LONNIE THIBODEAUX**, Water Utilities Division Manager, explained that there are 2 financial debt obligations. One is the San Luis Rey Flood Control District, and the other is the San Luis Rey Treatment Plant. The debts covered for that is in the budget in the debt service category.

MR. DEMPSEY asked if anybody knew what that number was.

JUDITH LUDLOW, Senior Management Analysis, said it is in the expansion side for the fund. In Fiscal Year 2004-2005 the City spent \$567,654 for debt service on a 30-year loan, which the City just started paying on.

With no one wishing to speak, **MAYOR WOOD** noted that this item is for information.

He said the hook-up fees are a cost to the developers. He asked if that is something that can be addressed further regarding the hook-up fees or the passed on buy-in fees. On the charts, Oceanside is at certain levels [in comparison with other cities], but that does not mean they cannot be higher. In other words, the City is moving up equally with fees for developer costs and for rate costs. He asked if it is possible that some of these hook-up fees and buy-in fees can be increased without doing a ratepayer increase.

MR. MARTIN explained that these are totally separate. The buy-in fees can be done at separate times because it is a different revenue stream and has a different purpose than the rate payers fee. Ratepayers really do not pay anything for new capacity in Oceanside.

COUNCILMEMBER FELLER asked how much is in the reserve.

MS. LUDLOW said right now the fluid cash balances in water operating is \$27,500,000; sewer operating is \$2,500,000; sewer expansion is \$20,300,000; fixed asset replacement fund is \$5,300,000; and, the water connection fund is \$14,400,000.

MR. MARTIN added that these are cash balances. The cash balances are the time when they have this money in this spot. However, all those cash balances are used to operate and maintain this department. They are now in front of Council for a rate increase because they are getting to the point where they will not be able to do that work. He does not want Council to think that when they hear "reserve," that it is a pot of money that is not obligated. All of their money is obligated.

COUNCILMEMBER FELLER said it sounded like \$50,000,000. He asked if that is a reasonable amount to have.

MR. MARTIN said they think it is.

COUNCILMEMBER FELLER asked what the build-out of the City is. He asked how many more of each sized meter they are expecting to put in.

MR. MARTIN replied that they are at about 40,000 right now as far as individual hook-ups. Since the City is $\frac{3}{4}$ of the way built out, they are probably going to go to 60,000. So that would be another 20,000 hook-ups.

COUNCILMEMBER FELLER questioned if the City is $\frac{3}{4}$ built out. He does not see that much land out there.

CITY MANAGER JEPSEN explained that the City's population is at 180,000, and build-out is 220,000. It is probably closer to another 20% to build out. They would probably be looking at 15,000 to 17,000 more hook-ups, and they will have a lot of infill. It is surprising what happens to cities as they get build-out. People find creative ways to build houses behind houses, etc..

COUNCILMEMBER FELLER said, according to the chart he saw about the amount of land the City owns, the City has lots of places to build. Having the developers pay their share increases the cost of a home. The prices are pretty high already.

He then responded to comments [from Jimmy Knott] regarding biosolids and mixing

that with green waste. He will never be in favor of that unless it is indoors. It is already outdoors. He was at Martin Luther King Park about a month ago, and everywhere he went there was an odor. It turns out that they were turning the rows up at the facility in El Corazon. It is not something that the residents are going to accept unless it is completely odor free.

MR. MARTIN said they are in the middle of testing enclosures. They are not buildings. They actually use Gortex material to cover those piles. The runs they have done so far have been very successful.

COUNCILMEMBER FELLER said the Water Authority has a pass-through, and they charge the City for the meters for access. He asked for clarification on the meter access.

MR. MARTIN explained that the City has to give the Water Authority a count of all of the City's meters for each sized meter. The Water Authority has a certain infrastructure access charge for each of those meters. It is to help them pay for the fixed costs of their rate structure.

MAYOR WOOD said rate increases have always been a controversial issue. Oceanside has an abundance of seniors on fixed income, and rate increases do hurt them. Council is always concerned about the potential of rate increases. Timing here is another issue. He understands that Mr. Martin said that January is a good time since it would be when people do not use as much water. However, with gas prices through the roof and seniors struggling to meet those prices in order to get around, it seems like an inappropriate time for a rate increase since things are tough. The rate increase is a quality of life issue for seniors. He asked how much money is outstanding to be paid back to the Water Department by other departments or redevelopment and whether any of those could be paid off early.

CITY MANAGER JEPSEN explained that the pay-back for the money from Redevelopment is a 1-time dollar amount. He encouraged Council not to use 1-time dollar amounts for operating costs, although it certainly could infill capital. It was structured that way because the Redevelopment Area is paying a higher interest rate back to the water fund and the money they owe to the City's General Fund than the City is currently making in the portfolio. The City Treasurer is happy to carry that paper by the way because it is at a very good interest rate, and it will pay back the water fund significantly more than they would have received by getting the money from Redevelopment and putting it in the City's portfolio.

DEPUTY MAYOR SANCHEZ understands that staff has suggested a different way to put money back in versus taking it out, which is the increase in the buy-in fees. She asked where the money will come from if Council does not increase the buy-in fees.

MR. MARTIN said they would still have to build the project, so the money would come from the ratepayers.

DEPUTY MAYOR SANCHEZ said that then it would not be in compliance with this policy that new development pay for itself.

MR. MARTIN replied in the affirmative.

DEPUTY MAYOR SANCHEZ said, generally speaking, it is the market that drives the cost of a home versus how much fees are paid. If they decide to zero it all out so that developers do not have to pay any fees whatsoever, the price of a home is still going to be the market rate.

COUNCILMEMBER CHAVEZ stated that, as they discussed earlier, he would like to meet with Mr. Martin and some of the Utility Commissioners and go over the budget. He did a little research. Regarding the budget for the past few years, in 2002, it was \$48,800,000; in 2003, it was \$51,800,000; and in 2004, it was \$57,400,000. Council

adopted a budget in 2005 of \$55,000,000. From what he pulled off the computer, from July 1, 2004 to June 28, 2005 they had a budget of \$53,000,000, which he noted is different than the \$55,000,000. Their expenditures have been \$49,300,000, which says that at the 28th of June, they expended 93% of the budget. He has to have a clear understanding on how these changes impact the City, for example the pass-throughs. The "source and supply," i.e. the price for water for 2002 was \$14,800,000; 2003 was \$15,800,000; 2004 was \$14,100,000; and in 2005, they budgeted \$18,800,000. If they are going to do a pass-through for water, that would be going in this category. He would like to see all the other recommendations that Mr. Martin is talking about and where they would fit into this issue. He is concerned about what this really looks like in the budget. The budget states the future objectives under the Water Utilities Integrated Master Plan would include a revision to the department's financial plan to project current and future rate system buy-in fees, operating/maintenance costs, debt service obligations and capital improvement needs. It seems that a \$50,000,000 reserve was showing historically that the City had not been expending the same. Regarding the Master Plan that will be developed to deal with financial obligations, he would like to see all of that information first.

CITY MANAGER JEPSEN responded to what would appear to be some discrepancies in the year-end summary that Councilmember Chavez pointed out, and they will find these in a number of accounts. When the City receives a bill, they pay it. A lot of times when the books are closed at the end of the year, the City may have paid a bill early or a little late. Therefore, sometimes that will change. In the case of the City paying millions of dollars a month for the water supply, it depends on whether they received the bill and paid it on June 29th or July 1st. So they need to look at 2-year increments and make sure it is not a year-to-year comparison. Some of those anomalies will average out over a 2-year period.

COUNCILMEMBER MACKIN said with regard to the Gortex System, it was her understanding that they do not turn the piles with the Gortex System.

MR. THIBODEAUX explained that, with the Gortex System, they cover it for the first 4 weeks to minimize all the odors, and then after most of the composting is done, the cover is opened. They did the pilot [at El Corazon] so that they could test for odors. They had 2 consultants testing for odors during the turn and prior to the turn to examine what would happen with the piles while they were being turned with the covers off. They saw a 90%-95% decrease in odors from those piles that were covered versus those piles that were not. It is a small proportion of the total project though. They are looking at using this technology for all of the green waste and potentially in the future for biosolids. It did not work as well for biosolids. It was less efficient in that regard.

COUNCILMEMBER MACKIN asked about the outfall.

MR. MARTIN stated that, during this last winter, there were some problems pumping out of the outfall. The 1st thing they suspected was that maybe over the years it had accumulated sand. Rather than putting the water onto Buccaneer Beach during the summertime, staff pumped that water into the outfall so that the beach could stay open throughout the summer. They have sent folks down to test the outfall, and it is still in process. There is not a blockage in the outfall; that has been confirmed. Staff suspects that the real capacity of the outfall is at 35 mgd. During the wintertime, they can get very close to the 35 mgd capacity. They are still working on that problem. When they first looked at the capacity of the outfall about 7 or 8 years ago, on paper they found that if they pump at higher rates, they could get up to 45 mgd. Therefore, staff needs to study this to see if it is a capacity issue, whether it can take more pumping and higher pressures to deliver the water so that they do not have to replace the outfall for many years. It is an expensive venture to replace an outfall. Today's cost would probably be somewhere between \$60,000,000 and \$100,000,000 to replace an outfall. Staff is studying it closely, and as they learn more information, they will be glad to bring it to Council.

DEPUTY MAYOR SANCHEZ appreciated the work of the Utilities Commission and knows that it is a tough decision for them to make a recommendation to Council to say yes to this proposed increase. This is a very difficult decision for Council. The City Manager

reminded her that if this increase does not happen now, it will be higher later at a time when things may not be as good.

COUNCILMEMBER FELLER stated he is not totally convinced that this is what the City needs. It is a fairly serious increase, and the justification has to be there. He understands pass-throughs but does not understand this meter surcharge.

MAYOR WOOD is concerned mainly about seniors. He does not know if other cities or the Commission have looked at special rates for fixed income seniors, just like solid waste, etc. Sometimes it is a user rate. In other words, seniors only put out 1 bag of trash that can be carried in 1 hand, where other people put out 10. He is wondering if there are any cities that have tried to address the fixed income seniors and whether some were getting a separate or better rate because of their lack of usage.

MR. MARTIN explained that whether or not to have a special rate for low-income senior citizens was a major issue that the Citizens' Advisory Committee and the Utilities Commission dealt with in the mid 1990s. After looking at it very carefully, the findings were that there are those types of agencies that are available out there that are already helping folks with their housing costs, utility costs, etc. For a government-owned utility, it is very rare for them to get into that kind of business. SDG&E has those types of rate structures. However, they are a private corporation, and their stockholders elect to do that. The findings of the Commission and the Citizens' Advisory Committee were that, because there are other agencies that take care of those sorts of needs, it would be better if it was taken care of that way.

MAYOR WOOD's concern was that a lot of seniors are too proud to ask and do not want to say they have a problem financially. These are the ones who are not going to eat and will pass up on medication and transportation. A lot of these seniors who are paying the gas rates are really getting hurt. He did not know if there were other systems set up for other cities that can address this. The City tries to help seniors on rent, etc. He is not overly concerned about doing a rate increase; he can live with that to help their great system continue. However, there are people out there who really need the help. He is looking at whether there is some way the City can try not to pass these fees on to the people who cannot afford it. If there is something out there, he would like to hear about it. It is a reasonable rate increase. It is just a handful that he is concerned about. This is an information only item.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the Council/HDB/CDC on matters in this category unless it is determined that an emergency exists or that there is a need to take action that became known subsequent to the posting of the agenda.

JIMMY KNOTT, 124 Sherri Lane, expressed his displeasure with North County Transit District (NCTD) Board at this morning's meeting in not addressing the needs of the residents of Cavalier Mobile Estates. Councilmember Mackin [as the City's representative] had asked that an item be included on their agenda. Even though NCTD was informed and knew that this was a need coming up, they refused to put out a special addendum, even though it was well beyond even 96-hours. Citizens showed up and wanted to be heard but were not. It would be heard by the Board in November. However, the owner of the park has been told that if he does not have an answer, he and the park residents will have to pay in November. He thinks that the City's representative on NCTD should demand a special meeting to hear this item, because they have done it before.

MAYOR WOOD said Mr. Knott was correct. NCTD said their particular committee did not want to handle this and they referred it to another one. He sits on that committee, and they will try to address it tomorrow, if possible. If not, they would address it at the Board.

COUNCILMEMBER MACKIN could not attend that meeting since she had another commitment. She phoned Encinitas Councilmember Mr. Stocks' office, as well as the Chair

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for (NCTD). She did not receive a response from him yet. Ms. Keane and another Board member stated on record that they were referring this item to the Governance Meeting on the 31st and that it would be heard. She received a letter from NCTD stating that it was under Item 8. It was her understanding that they did not even have a quorum.

ADJOURNMENT

MAYOR WOOD adjourned this meeting of the Oceanside City Council at 6:25 PM, August 31, 2005.

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne, CMC
City Clerk, City of Oceanside



California

CITY OF OCEANSIDE

JOINT MINUTES OF THE:

CITY COUNCIL SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION

October 19, 2005

REGULAR MEETING 4:00 PM COUNCIL CHAMBERS

**4:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB), AND
COMMUNITY DEVELOPMENT COMMISSION (CDC)
- REGULAR BUSINESS**

**Mayor
HDB President
CDC Chair**
Jim Wood

**Deputy Mayor
HDB Vice President
CDC Vice Chair**
Esther Sanchez

**Councilmembers
HDB Directors
CDC Commissioners**
Rocky Chavez
Jack Feller
Shari Mackin

**City Clerk
HDB Secretary
CDC Secretary**
Barbara Riegel Wayne

Treasurer
Rosemary Jones

**City Manager
HDB Chief Executive Officer
CDC Executive Director**
Steven Jepsen

**Interim City Attorney
Interim HDB General Counsel
Interim CDC General Counsel**
Pam Walls

For this regular and joint meeting, the Council sat as all 3 governing bodies [Council, HDB and CDC] simultaneously but took action as the respective agency for the jurisdiction covered by each item. Council titles only will be used for brevity throughout the entire meeting.

The regular and joint meeting of the Oceanside City Council (Council), Small Craft Harbor District Board of Directors (HDB) and Community Development Commission (CDC) was called to order at 4:00 PM, October 19, 2005 by Mayor Wood.

4:00 P.M. - ROLL CALL

Present were Mayor Wood, Deputy Mayor Sanchez and Councilmembers Feller, Chavez and Mackin. Also present were Assistant City Clerk Holly Trobaugh, City Manager Jepsen and Interim City Attorney Walls.

CITY COUNCIL, HDB AND CDC CLOSED SESSION ITEMS

INTERIM CITY ATTORNEY WALLS titled the following agenda items to be heard in closed session: 2A(1) and 3A(1). Addendum Item 3B will also be heard. Addendum Item 2A(2) was removed from the closed session agenda. [Item 1A would not be heard.].

**NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**

October 19, 2005

Joint Meeting Minutes
Council, HDB and CDC

Closed Session and recess were held from 4:01– 5:00 P.M. [See the report out on these items at 5:00 P.M., Item 4.]

5:00 PM - ROLL CALL

MAYOR WOOD reconvened the meeting at 5:00 P.M. All Councilmembers were present. Also present were City Clerk Wayne, City Treasurer Jones, City Manager Jepsen, Assistant City Clerk Trobaugh and Interim City Attorney Walls.

The Invocation was given by Pastor Carl Souza. The Pledge of Allegiance was led by Makena Westbrook and Madison Hancock.

PROCLAMATIONS AND PRESENTATIONS

SARAH McAFEE presented employee service awards to the following City employees:

20 YEARS

John Barry, Water Utilities Department
Debra Heyder, Financial Services Department
Cheryl Miller, Parks and Recreation Department
Keelan Poorman, Police Department

25 YEARS

Pat Kenney, Financial Services Department – Risk Management
Richard Buchanan, Harbor and Beaches Department

30 YEARS

Peggy McCauley, Police Department

35 YEARS

Rosalio Lopez, Public Works Department

40 YEARS

John Laser, Police Department
Ray Duncan, Harbor and Beaches Department

CLOSED SESSION REPORT

4. **Closed Session report by City Attorney**

INTERIM CITY ATTORNEY WALLS gave the following report on items previously discussed in Closed Session:

[1. **CONFERENCE WITH LABOR NEGOTIATOR ON STATUS OF NEGOTIATIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54957.6)**

A) **CONFERENCE WITH LABOR NEGOTIATOR** – Negotiator: City Manager; employee organizations: Oceanside Police Officers' Association (OPOA), Oceanside Firefighters' Association (OFA), Oceanside Police Management Association (OPMA), Management Employees of the City of Oceanside (MECO), Oceanside City Employees' Association (OCEA), Oceanside Fire Management Association (OFMA), Western Council of Engineers (WCOE), and Unrepresented]

No closed session was held on this item.

2. **LITIGATION OR OTHER ADVERSARY PROCEEDING (E.G.**

ADMINISTRATIVE HEARING, ARBITRATION) (SECTION 54956.9(a))

A) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

1. Whillock Contracting, Inc. v. City et. al., Superior Court Case No. GIN041323

Direction was given to staff. Should a settlement be negotiated, the settlement agreement, once signed by all the parties other than the City, would be brought back as a closed session item and, if approved, will be reported out at that time.

ADDENDUM

- [2. The Anspaugh v. City of Oceanside et al, Superior Court Case No. GIN039217]

This item was removed from the closed session agenda.

3. PUBLIC EMPLOYEE APPOINTMENT, PUBLIC EMPLOYMENT, PERSONNEL EVALUATION AND DISCIPLINE (SECTION 54957)

A) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

1. City Manager

Discussion only.

B) PUBLIC EMPLOYEE APPOINTMENT, PUBLIC EMPLOYMENT

1. City Attorney

Discussion and direction to staff.

MAYOR WOOD noted this will be the last appearance of Interim City Attorney Pam Walls. He thanked her for her time, effort and support for the City of Oceanside and wished her the best in her endeavors.

Changes to the agenda

ASSISTANT CITY CLERK TROBAUGH announced that Item 14 is being continued to November 2. Item 17 is continued to November 9 at staff's request to allow further discussion with the neighborhood regarding parking and other issues. Additionally, a memo was received from Councilmember Mackin indicating that Item 20 refers to the area west of Pacific Street instead of Coast Highway.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the Council/HDB/CDC on matters in this category unless it is determined that an emergency exists or that there is a need to take action that became known subsequent to the posting of the agenda.

5. Advance written request to reserve time to speak

A. Request by Darin Ray Hines III to speak regarding the homeless problem and shelter for the homeless

DARIN RAY HINES III, 3260 Production Avenue, expressed his concerns regarding the homeless problem and shelter for the homeless. Homeless people get

hassled by the police. Half of them have jobs, but they have no place to sleep. He has been talking to the different Pastors to see if they can get extra help so the homeless can stay at the churches, but it is just not enough. He reviewed that a lot was recently bought by the City for a housing project near Brother Benno's. Until the project starts, he asked if there is any possible way that the Council can put some tents up and get some security guards to allow the homeless to stay there, so the police will stay off their backs. He noted that it will cost the City more money if these people go to jail. They are then going to come out and do the same thing.

MAYOR WOOD commented that Oceanside has been pretty good compared to most cities regarding the homeless in the area. Last week, the Mayor of Vista came over with their City Manager to talk to them regarding the homeless issue and to try to work together with the surrounding cities. It does come down to money, space and time. They are trying their best. There are chronic homeless out there who do not want any help and do not want the facilities.

This is the time of year when it is starting to get cold, so the cities are trying to get together to come up with some facilities. Oceanside is not the only city dealing with this problem. It exists all over the county and the United States. This is something that the Council is trying hard to address.

6. **Communications from the public regarding items not on the agenda**

Patty Richenberger, 1200 Harbor Drive North, is quite aware of the stereotype that has been placed on the Marina Towers residents. They are perceived as a bunch of people with deep pockets. She wants the public to know who they really are. She and her husband are originally from the Midwest, and they are people who value a strong work ethic. They moved to California 20 years ago. Her husband was stationed in Norton Air Force Base in San Bernardino and has proudly served his country for over 26 years. He joined the Air Force for humanitarian reasons. Whether he is supporting victims of Hurricane Katrina or transporting critically ill people across the world, her husband is helping those in need.

Her career has taken on a similar path as a human service worker in a different capacity. She has worked with alcoholics and drug addicts; she worked in a nursing home; she has been a volunteer as a domestic violence counselor and has helped gang members start a new life. However, her true passion and her core focus has been working with youth as a K-12 counselor and educator.

They certainly do not have deep pockets, but they believe in the American dream. For them, their American dream is to live by the ocean in a community with a small town atmosphere. They feel very blessed because, when they found Oceanside, they found the best of both worlds. They enjoy living in Marina Towers so much that her husband is willing to make the long, daily commute to March Air Force Base in Reno Valley. Her husband has traveled around the world, and they know that Oceanside is where they want to live forever. They do not have deep pockets, but they feel rich in being able to help people and live where they want to live. It is their dream to live by the ocean, so she begged the Council not to take their dream from them.

POLICEWATCH.ORG [no name given] stated the Brown Act allows him to remain anonymous so he did not want his name and address on record. He is here to talk about the non-accountability of police in general and of course in Oceanside. Police accountability is a sham in this country and in this City. The response he usually gets from City Councils or Boards of Supervisors is how wonderful the sheriff or police department is without having a clue how they really treat people out there in the field. The only real answer is

for some kind of audio or video technical device to be worn by every police officer, to be on all the time, to be beyond their tampering and for the contents to be kept with an independent auditor/custodian. Police show a pretty face to the media, but usually spit on your bill of rights. It is such a sham to say that we have human rights and civil rights in this country when they are not willing to invest in a cost-effective means to provide the same to a defendant, arrestee, etc.

PAUL ADKINS, 2588 Yucca Road, said that recently a public official heavily utilized City resources to attack his reputation and that of others. This occurred because he disagreed with the disposition of the Yucca Road property. The individual then decided to launch an attack against him. They have come to a very bad point if the Councilmembers would have the ability to launch an expensive investigation against anyone who disagrees with them. This was shameful. He tried to get this made an agenda item, but free speech is not that important to some. This is not about him. He feels he has a right to disagree with anyone sitting on that podium. He does not care which Councilmember it is. There should be no way that people should have to defend themselves simply when they disagree with someone. All the accusations made against him have been shown to be absolute malicious lies. He received a letter stating that he did nothing wrong, but that is not enough. Someone wasted resources. There needs to be a discussion among the Council to decide whether such ill-conceived witch hunts can go on among the elected officials. Perhaps there is someone up there who will take it upon themselves to look at this matter. If not, he will find someone else who will.

BRUCE WILLBRANT, 127 Flamingo Drive, wanted to follow up on some comments that were made during last week's discussion for an airport study. Councilmember Sanchez could not understand why the airport was ever put in the middle of a residential neighborhood in the first place. The airport was located there over 40 years ago. Everyone knows that. It is disingenuous to say that the airport was put in the middle of a pre-existing residential neighborhood. The neighborhoods were built after the airport. About 95% of those residents moved there after the airport was already there. Councilmember Sanchez also wondered why the airport still was in such bad shape after so many years. His answer to that is to look in the mirror. It is the elected officials who have never recognized the value of the airport and have continued to let it decay and lose money over the years. He asked them to look at any of the assets in Oceanside, such as the harbor, the pier, and the beaches. If they do not invest in those assets for 40 years and then let them fall apart, they are going to look just like the airport. The Council is responsible.

Council is not moving forward with improvements and investments at the airport, they are continuing to let it lose money and decay. That equates to being against the airport. It is what they are doing by voting for the study. The *North County Times* had another editorial after Council's vote last week, talking about the airport and how wrong this decision is. Oceanside's Council majority wants to close the City's airport. These 3 politicians are wrong. Instead, the Council should spend its energies on protecting and improving this public asset. Investments seem to make good sense, but Mayor Wood, Deputy Mayor Sanchez and Councilmember Mackin do not like the airport. Last Wednesday, they authorized hiring a consultant to study closing the field. They picked an easy political target since neighborhoods do not like the noise. They want to close the airport to smooth the prospects for surrounding development and presumably to ready the airport site for sale to developers. This is from the crowd that ran against greedy developers in the last election cycle. Council voted for the study, and he cannot stop them from wasting more money and time. He sees from last week's summary of the agenda that they have added a condition to the study that it includes no reliance on FAA grants. Right there they are starting with a biased study. They are asking for a study to be done excluding potential income or sources for improvements. The airport proponents will be looking at the study to see if it includes everything, including legal costs, what airport revenue will be captured, the value of the airport in the event of a disaster, emergency

evacuations, etc. It is the Council's decision if they want to blow it again.

THERESE GIBSON, 1200 Harbor Drive, No. 7C, Marina Towers, wanted to put another face on people that live in the towers. Her parents moved to Oceanside in 1986 after they sold their place in Phoenix. They looked at the Marina Towers, and her brother helped them buy the condominium. Her brother allowed their parents to have a dream to live by the ocean. He paid half their mortgage for years. Her mother enjoyed 5 years at the Towers and a plethora of poems about her beautiful ocean before she died. Once it became apparent that her father, who is 93 years old, could not make it without help, she as the nurse in the family, moved here 13 years ago. She has made a life here in Oceanside with her father, and she works as a registered nurse at a V.A. Hospital, serving the veterans. Her father asked her to speak tonight and to let the Council know that his dream is to not go until he knows his family has a home he can pass on.

GEORGIO KERPANI, 300 South Nevada Street, has 3 things he wants to discuss. Regarding Oceanside's Supporting Urban Neighborhoods (SUN) cleanup that was held on September 24 in the Eastside neighborhood, it might be nice for the City to be open the Friday before the next cleanup held on a Saturday. He and others had an interest in going, but could not contact people at the City. Regarding having a code enforcement officer downtown, there are two such officers allocated, one that is specifically for downtown. The City should be ahead of those who desire to build major improvements downtown. By being ahead, he means they should do something about cleaning the alleys, eyesores, blight, trash, graffiti and all the elements that are not wanted by any tourist that would come downtown.

The parking garage that is being built by the Transit Center is under construction. He wanted to get a picture of the tower that has a steeple on top. It would be nice to provide a clock tower or an illuminating monogram that goes in a circle that could tell the pedestrians or tourists the upcoming events in the City and perhaps the time of day or the temperature. It would be a low cost to do that. The total cost of this is about \$50 and would probably just take an hour to do the work. He advocated thinking ahead before the walls are closed up.

CAROLYN KRAMMER, 904 Leonard Avenue, did some research on the Marina Towers. Over 75% of the occupants of the Marina Towers are non-owner occupants. Either they use them as vacation rentals or for their own personal use. Some of those include the Mayor of Solana Beach, Joe Kellejian and Mr. Bruskin, a major property owner in North County. Those are just a few of the others, not just these homeowners that are giving the impression that Council is taking their property, which is not the case. All she is asking is for the Council to renegotiate the lease with the Marina Towers residents. She does not want Council to take their houses; she just wants what is best for the economics of the City. For those who did not read her letter to the editor, she gave a brief history on the Marina Towers and how the City acquired that land. The land was given to the City in public trust. It was given from the State, and it was given from the Federal government. Two of the parcels were deeded as parkland to the City. How the Marina Towers got built is beyond her; it was pre-Coastal Commission. If the Coastal Commission would have been in power, the project would have never been built, but it is there. These people bought, their condos knowing it was leased land, and now it is time to renegotiate the lease. She advocated renegotiating the lease and getting the best economic growth for the City.

CONSENT CALENDAR ITEMS [Items 7-13]

The items listed on the Consent Calendar may be enacted by a single vote. There will be no separate discussion of any Consent Calendar items unless requested by members of the City Council/HDB/CDC or the public through submittal of Request to Speak form prior to the commencement of this agenda item.

7. City Council/Harbor/CDC: Approval to waive reading of the text of all ordinances and resolutions considered at this meeting and provide that ordinances shall be introduced after a reading only of the title(s)
8. City Council: Approval of Change Order 1 [**Document No. 05-D0621-1**] in the amount of \$55,600 to TC Construction Company of Santee for the Myers Street Gravity Sewer Replacement project, and authorization for the City Engineer to execute the change order
9. City Council/CDC: Approval of Amendment 2 [**Document No. 05-D0622-1**] in the amount of \$138,297 to the professional services agreement with Winzler and Kelly Consulting Engineers of San Diego; approval of Change Order 16 [**Document No. 05-D0623-3**] in the amount of \$161,311 for the Oceanside Transit Center Parking Structure; authorization for the City Manager to execute the amendment; and authorization for the City Engineer to execute the change order
10. City Council: Acceptance of the Mitigated Negative Declaration for the Buena Vista Force Main Replacement project; approval of plans and specifications for construction of the Buena Vista Force Main Replacement project Phase 1 and Phase 2 from the Buena Vista Life Station to Oceanside Blvd.; authorization for the City Engineer to call for bids; approval of a professional services agreement [**Document No. 05-D0624-1**] with Infrastructure Engineering Corporation in the amount of \$62,014 for engineering services for the project; and authorization for the City Manager to execute the agreement
11. City Council: Adoption of **Resolution No. 05-R0625-1**, "...approving the Final Map of Oceanlofts," a one-lot, 32-unit live/work loft condominium project located on .34 acres at 550 Seagaze Drive, and authorization for the City Clerk to file the Final Map with the San Diego County Recorder
12. CDC: Adoption of budget **Resolution No. 05-R0626-3**, "...amending the budget for the 2004-2006 fiscal year," appropriating funding of \$62,793 from the U.S. Department of Housing and Urban Development to the Section 8 Housing Choice Voucher Program to fund one Family Self-Sufficiency (FSS) Homeownership Coordinator, and authorization to hire one additional Housing Specialist to serve as an FSS Homeownership Coordinator
13. City Council: Adoption of budget **Resolution No. 05-R0627-1**, "... amending the budget for the 2005-2006 fiscal year," appropriating \$2,000 from the General Fund Unallocated Fund Balance to the Parks & Recreation Department to assist in the purchase of an automatic external defibrillator for the Oceanside Municipal Golf Course".

DEPUTY MAYOR SANCHEZ moved approval of the Consent Calendar (Items 7-13), and **COUNCILMEMBER MACKIN** seconded the motion, which was **approved 5-0**.

GENERAL ITEMS

16. **City Council: Adoption of a budget resolution transferring \$565,000 from the General Fund Unallocated Fund Balance for the pre-purchase of athletic field lighting equipment and design work, amending the FY 2005-06 Capital Improvement Program budget; approval of a purchase order in an amount not to exceed \$160,000 to Musco Lighting of Oskaloosa, Iowa; authorization for the Financial Services Director, or designee, to execute the purchase order; and authorization for staff to solicit bids for installation of athletic field lights at Lake Park, Capistrano Park, and Martin Luther King Jr. Middle School by February 2006**

NATHAN MERTZ, Administrative Analyst II, Parks Development Coordinator, provided a brief background on the project presented tonight. The French Field Sports Complex in Oceanside, which was leased to the City of Vista and occupied by Vista

American Little League (VALL), was closed down last season due to hazardous materials found on site. This closure impacted a number of leagues within Vista and Oceanside, but everybody was able to be accommodated last season. In terms of French Field, they are looking at a lengthy amount of time for the review with the Department of Toxic Substance Control and the field closure. Staff got together with the 3 entities from Vista and the 2 baseball leagues from the City (Oceanside Girls Softball and National Little League). They determined that it would be best to allow additional facilities to be lit to accommodate the expanding growth that they have seen over the past years. Their next steps with these projects are to request the funding to order the lights and then to install lights at Martin Luther King Middle School, Capistrano Park and Lake Park. These installations will benefit all the leagues and will also be a benefit to the overall park system.

Public Input

BARBARA CASTAÑEDA, 1609 South Nevada Street, President of Oceanside National Little League, stated the Oceanside National Little League Board of Directors and all of its members support the efforts in fixing up King Middle School. Assuming the improvements such as installing lights can be made at King Middle School, it would allow the Oceanside National Little League to release use of John Landes. John Landes then could be offered to the Vista American Little League to use, aiding them in their current situation. They appreciate all that Council is doing to go forward with the plans set out for King Middle School.

DEPUTY MAYOR SANCHEZ knows there is a higher demand than available fields, and there has always been tension between organized sports and neighborhood needs. She asked whether this arrangement will affect neighborhood needs.

MR. MERTZ said that the added lights will improve access to the fields and make them more available to the public and other leagues by lighting them for more hours of use.

DEPUTY MAYOR SANCHEZ added it will probably be safer. There are a lot of kids at John Landes. With the lights, they will be able to use the park later hours. She knows how difficult it is to provide the space, and it is forward looking for the Council to have saved land in El Corazon for soccer fields, baseball fields, etc. She **moved** approval[of staff's recommendation and adoption of **Resolution No. 05-R0629-1**, "...amending the budget for the 2005-2006 Fiscal Year," transferring \$565,000 from the General Fund Unallocated Fund Balance].

COUNCILMEMBER MACKIN, as an ex-Board member for the Oceanside National Little League, knows what the league has gone through for years. This will be the first time that the whole league will be in one spot, so this is good news. She **seconded** the motion.

COUNCILMEMBER FELLER asked if the design included fencing for the Martin Luther King site at the school and if there is talk of increasing the parking.

MR. MERTZ said that this is one of the agreements that will be going forward to the school board. This request is for the lighting only. It is important that they get it in by February. If they get the okay from the school district to install the lighting, then they will be looking at doing modifications to the field to accommodate the users on that field, like dug outs, some fencing, bases, and access.

COUNCILMEMBER FELLER said they have done some improvements to that field, but this will be a great asset. The Girl's Softball League is excited to be able to use all 3 of their fields. This will allow them an all-in-one location. There are some logistics with parking that have to be worked out. They can make some adjustments there. He appreciates the leagues working together to support a fellow youth sport. That will be beneficial to all of the community.

Motion was **approved 5-0**.

At this time, Mayor Wood announced that Item 23 would be heard.

CITY MANAGER ITEMS

23. **City Council: Request from the Pearl Harbor Survivors' Association for funding in the amount of \$3,500 to help pay for signage designating Interstate 10 as the "Pearl Harbor Memorial Highway", and authorization for the City Manager to assure proper receipt of funds by the California Department of Transportation**

CITY MANAGER JEPSEN said the City has been approached by the Pearl Harbor Survivors' Association to participate in the designation of Interstate 10 from coast to coast as Pearl Harbor Memorial Highway. Part of this recognition is providing signing at either end and also at midpoint. The Pearl Harbor Association has asked the City to participate in a mid-California sign on I-10 between Arizona and Santa Monica. They will receive recognition for the City on that sign, which will last for years to come out on I-10. The survivors certainly have done a lot for the country, and it is worthy of this nominal amount of money to provide them recognition. He recommends approval.

JAMES EVANS, USMC Retired, spoke on behalf of the Pearl Harbor Survivors' Association, Chapter 31, which has been a chartered chapter since July 4, 1986. He and his wife do a lot of traveling; they travel up and down I-10 and found that every state from Florida to Arizona was a Pearl Harbor Memorial Highway. They asked legislators why California is not part of this good thing. The answer always was that it is a wonderful idea but protocol requires that somebody who has I-10 in their district has to do this.

Therefore, he got Senator James Battin from Marino Valley to carry the bill for them. It took them 4 years to do it, and he is very proud to say that his wife has done most of the work. The memorial highway started in Florida in the early to mid-1980s and spread all the way to Arizona and then just seemed to stop. The California portion opens November 2. It will be a Pearl Harbor Memorial Highway from Santa Monica through Jacksonville, Florida. They have collected money to have the signs paid for, and they are well on their way to sign #4. He thanked everyone.

DEPUTY MAYOR SANCHEZ said that it is an honor and privilege to be able to support this and participate in this memorial. She **moved** approval. She understands that people are meeting at the Elks Lodge on November 2 to go to Santa Monica.

MR. EVANS said that on November 2nd they are renting a bus that will leave Oceanside Elks Lodge at 8:30 a.m. They will go to the Pier at Santa Monica.

DEPUTY MAYOR SANCHEZ said that the ceremony in Santa Monica is at 11 a.m. It is unfortunate that they have a City Council meeting that day.

COUNCILMEMBER MACKIN seconded the motion. Motion was **approved 5-0**.

6:00 P.M. – PUBLIC HEARING ITEMS

- [14. **City Council: Introduction of an ordinance for Zone Amendment (ZA-8-05) to modify the Calls For Review procedures of Article 46 Appeals and Calls For Review of the Oceanside Zoning Ordinance – Article 46 Appeals and Calls For Review – Applicant: City of Oceanside]**

This item has been continued to November 2, 2005, at 6:00 p.m.

15. **City Council: Adoption of a resolution updating the City's Development Impact Fees**

MAYOR WOOD opened the public hearing.

Regarding disclosure of constituent contact, **COUNCILMEMBER MACKIN** received a couple of e-mails and a fax from the Building Industry Association (BIA) and talked to staff. **COUNCILMEMBER CHAVEZ** had contact with staff but did not get a fax from BIA. **MAYOR WOOD** and **DEPUTY MAYOR SANCHEZ** reported the same as Councilmember Mackin. **DEPUTY MAYOR SANCHEZ** reported the BIA basically says to do this more often and not wait so long in between.

COUNCILMEMBER FELLER clarified that the BIA wanted Council to do it regularly instead of building a fee up to an unreasonable amount at one time. He had contact with staff as well.

ASSISTANT CITY CLERK TROBAUGH reported that correspondence was received from the Building Industry Association, and Council was provided with copies.

PETER WEISS, Public Works Director, said that the item is a request for the Council to update the City's development impact fees. As an overview, the City has a number of development impact fees. The ones they are talking about this evening include the City's thoroughfare fee, public facilities fees (which includes money for police, fire and library facilities), park fees, traffic signal fees and drainage fees. The development impact fees support the City's capital improvement program. They need to be consistent with the City's General Plan and the various master plans that the City has adopted. That includes not only the fee structure, but the projects that are built with those fees. The fees need to be set at a point where it insures that the developers pay their fair share, and the fees cannot be used to fund existing deficiencies.

The existing fee structure has a variety of mechanisms that allow for increasing those fees. The one before Council this evening is a cost adjustment based on the Consumer Price Index (CPI). The thoroughfare fees were last adjusted in 1997, drainage fees in 1989, the community facilities and park fees in 1991 and the traffic signal fees in 2004. He compared the fees from when they were last adjusted to the increase in the California construction cost index since that period of time, as well the average land cost increase. The cost of construction of the various facilities has increased approximately 55% and yet land costs have gone up 96%. That says that the money collected from the developers for the impact fees are not keeping pace with what it is costing to build new facilities. For example, the impact fee structure has the cost for building a fire station at approximately \$2,300,000. The two-company station that Council approved will cost \$7,000,000-\$8,000,000, and a one-company station costs \$4,500,000. Therefore, the money the City is collecting has not kept pace with what it costs the City to build facilities.

The City's General Plan elements and the various master plans that implement those elements identify the needed facilities and improvements. As part of that, staff develops cost estimates for those facilities improvements. They identify a portion of those costs that are attributed to and are proportional to the impact of new development. The portion of the costs that are not created by new development is considered an existing deficiency and cannot be funded by development fees. For example, within the community facilities element, approximately 36% of the costs of those various facilities are attributed to new development. The balance of those costs is considered existing deficiencies and need to be funded by some other funding source.

There are two ways to update the fees. The ordinance provides for a routine adjustment based on the Consumer Price Index. That is the action they are asking Council to take this evening. The other way to update the fees is to actually update the General Plan elements or master plans and develop a new fee schedule. That would be done to

add facilities, significantly increase the type of service provided or to change the manner in which the fees are calculated based on the build-out scenario of the City if that significantly changes. That is a significant process to undertake and could take from 1½ to 2½ years to go through that whole process.

Staff has had conversations with BIA. Although they have some concern about the fees, they are not necessarily opposed to the fee increase. Their issue has been that it should happen on a more routine basis versus setting aside fee adjustments and then doing them all at one time.

Staff's proposal is based on the CPI. Over the last 10 years it comes out to be an average increase of approximately 3½% per year. Depending on the year, it may increase or decrease. The overall fees for these particular impact fees will go from a typical single-family residence of \$7,300 today to \$10,700. Again, these fees are based on a typical new single-family home. How Oceanside compares to other cities is one of the issues that Council needs to be concerned with so that the City does not price itself out of the market place. Therefore, he compared Oceanside to a number of cities in the region that have differing fee structures. Escondido, for the same fees, is around \$5,300 and San Marcos is almost \$21,000. He does not have the reason why one is lower and one is higher. He does know that in some cities the fees are calculated on impact zones, which adds fees on top of what they already have. The BIA does a fee survey of all of the various cities, and this information is right out of their fee survey.

Even though staff is recommending that Council update and increase the fees, they are still well below the majority of the other cities. There is still some room if they re-did the fee structure itself that those fees could be adjusted some more. What they are trying to do right now is to bring the City's fee structure to the point where they can start recovering some money to insure that what they plan to build out of those different master plans receives the revenue from developers to pay their fair share so that longer term developer contributions are not being subsidized from some other source. Staff recommends that Council adopt the resolution approving the increase in fees. The resolution does have an effective date, which is December 19th, since there is a 60-day requirement for the implementation of those fees. The structure of the fees is not changing. The fees will be due at the time the building permit is issued. Anyone in the pipeline right now who can pull their building permit between now and December 19 will be under the old fee. Effective December 19, anyone pulling a building permit will be paying under the new fee.

DEPUTY MAYOR SANCHEZ asked if Mr. Weiss will bring back a recommendation to bring this item to Council more often so that they keep pace with the cost.

MR. WEISS agreed that this is something that staff is looking at doing. As part of next year's budget process, they will recommend that they look at this annually. It will be Council's decision whether they want to increase the fees on a yearly basis or not.

DEPUTY MAYOR SANCHEZ asked who would have to pay this cost if Council did not vote for this increases.

MR. WEISS stated they would have to identify some alternate funding source. What that would be, he could not answer. The General Fund would certainly be an option. For those types of facilities, bonds would also be an option. For thoroughfare and street improvements, they would have to look at using available Transnet funds or gas tax funds, which are limited at this point. They would have to identify some alternate funding source.

Public Input

JIMMY KNOTT, 124 Sherri Lane, is glad to see staff finally using the CPI as an adjustment measure for fees. It would be simple to index it to the CPI and just have the fees be automatically adjusted. It should not have to come to Council every year for an inflationary adjustment. If the increase is above and beyond the CPI, then it should come

to Council. But if it is a CPI adjustment, it is a waste of Council's and staff's time. They also need to look at the fact that when the City reaches build-out, there is going to be a serious risk of a huge drop in available funding and fees. At that time supplemental taxation will be needed for maintenance, replacement and other improvements. This has not been planned for and should be another step that the Council should take. He would encourage the Council to prepare for that now so that it does not really impact the City, and they could take a long-term approach at a lower cost. He asked where these fees are being deposited and if they are in a separate account for specific uses or if these funds could be used or diverted for other uses other than assigned uses. A lot of times things are mixed together in the General Fund and they are pulled out. If other funds are tapped as supplements to this, he asked whether those other funds should be repaid. Council also needs to consider an adjustment of the assigned fees for redevelopment and major improvements. That will have to take up some of the slack when the City does reaches build-out.

In response, **CITY MANAGER JEPSEN** said the City is required by law to keep track of development impact fees separately. They are segregated and put into separate interest-bearing accounts. They are only used for the items that they have been collected for. They also have a pavement management system. They are currently on an 8-year upgrade for local residential arterial streets, so they have a pretty good maintenance program. Hopefully they can keep funding that.

GEORGE McNEIL, 2153 Anda Lucia Way, is glad to see by the comparison that the City is definitely not gouging developers. Oceanside has to be developer-friendly. He is concerned about the fact that sometimes when developer fees go up, the thought is that the price of the houses also go up. Looking in the newspaper, he found that similar houses cost the same amount of money in similar communities despite the fact that developer fees are very different in those communities. He does not think that the developer fees are a major factor in terms of the price of a house. Mr. Knott mentioned an automatic raise. He felt this could apply to not only developer fees but all fees that are paid to the City, tying them to the CPI. The City set some of these fees 15 years ago, and the City has been losing money for 15 years. All of that goes into libraries, parks, police, fire and all of the things needed. They have to make sure the City get those fees. He supports this.

INTERIM CITY ATTORNEY WALLS looked at the resolution, and it does not appear that it is an automatic increase every time there is an increase in the CPI. The fees are tied to the CPI as one indicator of what the actual cost of these impacts are.

MR. WEISS said that is correct. He noted that ordinances written into the City Code require that staff brings the issue before the Council in a public hearing to adjust any of the fees, including the landscape maintenance districts. Even if there is a CPI increase, they still have to bring it to the Council in a public hearing.

With no one else wishing to speak, Mayor Wood closed the public input portion.

DEPUTY MAYOR SANCHEZ moved to adopt the resolution [**Resolution No. 05-RO628-1**, "...establishing revised major thoroughfare, parks, traffic signal, public facilities and drainage impact fees"].

COUNCILMEMBER CHAVEZ noticed that in the ordinance the fees were referred to by individual residence. Therefore, the public fees are \$1,939 per unit per residential dwelling. He asked the average value of selling a house in Escondido as compared to Carlsbad. He would imagine that the average of a house in Carlsbad is more than the house in Escondido. In looking at projects and houses they have in Oceanside, he noticed that the exact same house could be built in another coastal community, and the price will be more in a southern coastal community than it would in Oceanside. People say it does not apply to the house cost, but there are a lot of intangibles that go into the price of a house. Therefore, he does not know if that is totally correct. Fees are important, and he recognizes that things need to be updated.

MR. WEISS repeated that the comparison information came from the BIA fee survey. The evaluation they use for determining the fees in Carlsbad had a single-family home valued at \$248,000, and for Oceanside it had a value of \$248,000. For Escondido the evaluation was for \$234,000.

COUNCILMEMBER CHAVEZ asked when the survey was made.

MR. WEISS responded that the information is from the 2004-2005 Fee Survey put out by the BIA. For the purpose of their fee survey, Carlsbad is the same as Oceanside.

COUNCILMEMBER CHAVEZ commented that for non-residential units, they are paying \$667 per 1,000 square feet, but for residential, it is \$19,000.

CITY MANAGER JEPSEN explained that the City is required by law to have a connection between the impact fee and what it serves. The basis for the fees in the years they were enacted, in the case of the thoroughfare fee and the traffic signal fee, is based on the number of trips that are generated for the household. They are simply updating the cost of the study that was done to justify that in the first place. In the case of Parks and Recreation, they did a study of the shortfall in the years that they implemented Parks and Recreation, and the cost is based on the number of acres they had to develop for parkland at that time. Every one of those had to have a study to justify it. If they want to update this beyond the Consumer Price Index, it would have to be based on an updated study, which they probably will do sometime in the future. What will come out of the transportation circulation study that the City is doing right now is a recommendation for a change in the fees to address the transportation shortfalls that are identified in that study. Council will get an additional update on the traffic signal fees and the thoroughfare fees at the end of that process, which will reflect the needs that come out of that study.

COUNCILMEMBER CHAVEZ commented that the study is going to be very informative. The fee information is in all different sections and subsections: Section 4 has to do with Traffic Signal Fees; Section 3 has major thoroughfare fees, Section 2 is Park and Recreational fees, Section 1 is public facility fees, page 4 is Police, Fire and Library facilities. He felt they were charging more to the residents unless the average residence is 3,000 square feet. He asked what the concept is behind the fees.

MR. WEISS responded that the fee is based on per unit, regardless of whether it is a 3,000 square foot unit or a 2,000 square foot unit. It is based on a per unit basis.

COUNCILMEMBER CHAVEZ said the non-residential unit was \$667 per 1,000 square feet of building. He said he was just wondering how that was determined. Assuming that they kept a parallel, then it would have been all houses averaging for 3,000 square feet. He looks forward to the study.

COUNCILMEMBER FELLER appreciated Mr. Jepsen's reminder that changes have to come before the Council for review. He liked the number that Escondido has. He would like Mr. Weiss to work to get to that number. He asked what happens when somebody builds a park or a school or the considerable road improvements that have been done such as Morro Hills. He questioned where their fees are. He assumed that is negotiated improvements.

MR. WEISS said that it would not be a negotiated improvement. Any developer building an eligible facility that is shown in one of the master plans, for example the Morro Hills Development and the park that they built, would receive fee credits. In other words, in exchange for building the park, they do not pay the park fee. The same thing applies with thoroughfare improvements. If they build an eligible improvement, they will be eligible for fee credits, which means they do not pay their fees up to the value of the improvement.

COUNCILMEMBER FELLER commented that it would seem to him that for the number of homes they built out there, these fees would not cover what they have

completed. That is an additional benefit that they have given the City.

MR. WEISS said that it depends on the amount of money they expended for the improvements. If it exceeds their fees, then they are also eligible to request a reimbursement agreement that is good for 20 years. Ten percent of the development fees the City collects is set aside and paid to these reimbursement agreements. The intent was that the developers would not be burdened but also that they need to pay their fair share.

COUNCILMEMBER FELLER would not support this. He disagreed that it is not part of what makes a house cost more money. It absolutely does.

COUNCILMEMBER MACKIN is very happy to see this come forward. It is long overdue. No one is asking for anything but fair share. These fees are how we are going to take care of what the citizens need. She **seconded** the motion.

DEPUTY MAYOR SANCHEZ noted that the Morro Hills planned development probably was not the best example to use because that was a MelloRoos. Basically the City agreed to do the bonding for it to the tune of \$20,000,000. Not only will the people who live in the houses have to pay that extra amount to pay for the roads and the park and the school, but the City is guaranteeing it through the bonding. People do have to pay their fair share. The City has several projects coming forward. The largest one is El Corazon. They have to plan for the future.

Motion was **approved 3-2**, with Councilmembers Chavez and Feller voting no.

[Recess was held from 6:35 – 6:48 PM; Deputy Mayor Sanchez and Councilmember Mackin were absent.]

GENERAL ITEMS

- [17. **City Council: Approval of a professional services agreement with T.I. Maloney, Inc., of Riverside in the amount of \$118,000 for final design and final engineering services for the development of the Buddy Todd Park Reservoir Re-Use project; authorization for the City Manager to execute the agreement; and adoption of a budget resolution transferring \$125,000 from the Unallocated Parks CIP fund for the Phase I of the project]**

This item was continued to November 9 at staff's request.

18. **City Council: Consideration to make a finding of public benefit for the Cavalier Access Improvement project, and direction to staff**

PETER WEISS, Public Works Director, stated this item was to ask Council for direction on the access into the Cavalier Mobile Home Park as a result of the Sprinter construction project. North County Transit District (NCTD) is proceeding with the construction of the Sprinter line, which will be impacting all of the crossings along the rail line, and is the crossing into the Cavalier Mobile Home Park. It is the only private crossing that serves a significant number of residents and provides public access for utilities in that park. The access into the Cavalier Mobile Home Park serves over 350 residents, SDG&E, the postal service and City employees to gain access to the flood control channel. Regardless of the contractual designation as a private crossing, the Cavalier access is the only crossing along the Sprinter line that provides a benefit to the general public without the required safety upgrades being provided by NCTD.

[Deputy Mayor Mackin returned to the meeting at 6:50 PM.]

In August, staff brought an item before the Council and the direction from the Council at that point was to work with NCTD and the park owner to look at reducing or eliminating the costs that will be passed through from the owner to the residents of the

park as a result of that park being a rent control park. Staff met with NCTD representatives and came up with the 1st option, which is a cost share agreement. It will be a 3-way split between the City, NCTD and the park owner. With the park owner picking up a third of the cost, it would be approximately a \$5-\$8 per month increase to the residents if the 3-party cost-share agreement was selected. The 2nd option for the Council to consider is a 50-50 split between NCTD and the City. That would not have any cost being passed on to the residents. The 3rd option is for NCTD to pay for all of the cost as a condition of the public access in the same manner as the other public crossings along the Sprinter rail project.

On October 6, Mayor Wood met with the NCTD Planning Committee, who referred the matter back to their staff. Pending the Council's direction this evening, it would provide staff with the information necessary to go back to NCTD with the Council's direction. At that meeting, Mayor Wood made it clear, along with a number of residents, that it was the Mayor's opinion that NCTD should pick up the cost. That is one of the options that is in front of the Council this evening. Mr. Weiss reported that the overall cost of the crossing is approximately \$450,000.

[Councilmember Sanchez returned to the meeting at 6:52 PM.]

The option the Council selects would be the basis for the cost to the City as their financial obligation. The City does have the ability to appropriate funds, based on a review by the City Attorney's office that the money spent is for public purposes given that the crossing does provide public access and does not benefit one private property owner only. It does provide access to the general public, as well as residents of the park. Therefore, the Council could make the finding of public benefit to use City funds to pay for a portion of the improvements. He asked Council to provide direction to staff on funding or NCTD paying for the cost of the improvements.

Public Input

JIMMY KNOTT, 124 Sherri Lane, would like to ask for a procedural adjustment in the future. The background material on this agenda item did not make it to the park owner's representative or to the people in the park. He asked to have at least one week notice so that the people can prepare.

He has listed many of his concerns previously to the Council in prior meetings and e-mails. If the project is held up and litigation is involved, it would not be good for anybody. NCTD's policy is to seek resolution among everyone prior to any lawsuit. He would prefer that the City basically pick up the tab 50-50 with NCTD and then seek funding for recompense from SANDAG since it is basically a transportation issue.

If Council selects the 1st option [3-way split], he encouraged them to use means testing because of people in low income status. Also, the utilities companies should pick up their fair share and also CalTrans, even though the first information given to some of the residents is that CalTrans is not planning to do anything there. Therefore, he preferred the 50-50 option and then seeking money from SANDAG.

MELANIE FOSTER, 288 Club Lane, Chairman of the Cavalier Mobile Estates Homeowners Association, urged the Council to consider the 2 options that do not cost the homeowners anything. As homeowners, they have all paid their property taxes. They have all paid the other taxes that have gone into funding this project. And if they pay this again, they are going to pay twice. Nobody else has been asked to do that.

For those who were not at the NCTD meeting last month, she noted that two items were raised. First, when the original agreement transpired in 1963 between the original park owner and the original railroad, it did not look or feel anything like a passenger railway that travels 60 times a day up and down that track. It was for a freight train for a freight line that went once a day 5 days a week. They never envisioned this. Second, in 1970, the track was moved, and it no longer sits in the original location it did at the time of the

agreement.

GEORGE McNEIL, 2153 Anda Lucia Way, said that when improvement is made on this land, there is going to be no benefit whatsoever to the residents or the park owner. This improvement is strictly for transportation purposes. It does not help out the residents or owner in any way. Since transportation is a public issue, he thinks that the Council's only choices are Options 2 and 3. To put the burden of this on either the owner or the residents, or a combination of both, is unfair.

FRANK MERRIFIELD, 200 North El Camino Real, concurred wholeheartedly with Mr. McNeil's evaluation. He traveled that track just to see what other entrances are being challenged by San Marcos or Vista. In every instance that the tracks are being doubled or upgraded, even though they are not private enterprises, the owners of the properties are not being charged anything for their egress. It behooves the City Council to either take Option 2 or 3 as is stated, because the park residents of Cavalier have no say in it. He hopes that Council will make a just decision on behalf of the residents. He feels that the Transportation Authority should be the ones that underwrite this endeavor.

MAYOR WOOD commented that this is a situation that is very unique in a sense that this is a private drive going into this park, but it has also been a public and emergency access for a long time. There has been an agreement since 1963 regarding a freight line. One of the issues that came up was the timing. It may have been discussed for quite a period of time with NCTD, the rail lines and the park owner, but the individual residents did not know about it until recently. They were worried about the passed on cost of about \$500,000. It did not seem fair. This is a transportation line that is putting a burden on the shoulders of this park and the residents. The Council also became aware of it only recently, too, and that is when they got involved. No doubt there has been an ongoing conversation, but not all of the parties were there to talk about this, especially the residents who did not have the financial ability to pay for this as a pass-on fee. They tried to discuss this with NCTD and other entities. This Sprinter line from Oceanside to Escondido involves the cities of Oceanside, Vista, San Marcos and Escondido. All 4 of the cities have had nothing but problems with NCTD and the Sprinter lines. That is typical of a major project like that. But along the way, the costs of those crossings are being picked up by NCTD, except this one. That is why it is so unique

The original version was that it is private property, and they cannot use public funds. That was NCTD's first comment to him. Council thought they could easily switch that by making the property deeded over to the City to make it a public property. NCTD would then pick up the cost. However, they indicated that they could not spend a dime because it is a private property and involved public funds. Shortly thereafter, they indicated that they would pick up a third of the cost. It was either they could not do it or they could cover a third of it. He went to a NCTD meeting and said he wanted this to go back to their staff and to then get back to the City with some solution that would not cost these seniors or people with fixed income in this park. He thinks that NCTD should pick up all the costs. The project is for their line and for their safety. He knows there is a cost override with the Sprinter line and the NCTD aspects of it. Sometimes they have to save money some place. It just should not be this place.

With that in mind, Council is going to send staff back to meet with NCTD before their November 6th meeting with the NCTD Planning Committee that he sits on to come up with a solution. He does not think that any one of these 3 is necessarily the right option or conclusion. These are 3 options, but there is something in between options 2 and 3 that is possible. They are trying to get public input. NCTD does not have the right to shut off the entry to this park. Therefore, they have some grounds to go forward on. It seems like every city along the line is involved with some sort of litigation with the Sprinter line. This is a senior issue in a roundabout way, and quite a few of them showed up at the NCTD meeting. Council has the ability to give staff directions to go back to NCTD. In dealing with NCTD, it seems they are more concerned about the Sprinter than they are about the cities along the Sprinter line. That is sad. He will make recommendations in the future about what to do with this, but he wants to hear from the rest of the Council.

INTERIM CITY ATTORNEY WALLS wanted to make one point on Option 3. It mentions the City petitioning for a public crossing, and she would like to caution that NCTD, as part of this public crossing, may try to shift liability to the City, which they often do if they can. If the City does make an application, NCTD may shift liability for that crossing as a public crossing to the City.

MAYOR WOOD added that Council also received information about that. It surprised him that their first comment was they cannot pay for it. Now they are willing to potentially pay for a third of it. Council is not trying to pass off liability to anybody, including the City. He thinks as part of this \$100,000,000-\$300,000,000 project, NCTD could pick this cost up. It is minimal in their big picture. He so **moved**.

COUNCILMEMBER MACKIN said there is a more to this than just a simple crossing. She wanted to bring to Council's attention a couple of things that have happened in the last day or two with regard to the crossing. It is all interrelated. She handed out copies of a map that showed an access that is presently closed and has been closed for many years in South Oceanside. It is on the portion of the property at Hillside Lane by the Villaseñor property and also shows an access. There are issues with things that are coming forward, such as possible freeway on-ramp closures in south Oceanside, including the California and Cassidy Street on and off ramps. She thinks they should look at this as a whole. Her concern is that this access on Hillside Lane would be opened. It was her understanding for years that this was an emergency access. However, she found out it was not. Many people in the area were also under that assumption. It was also brought to her attention that the park owner has resurfaced that private street, Hillside Lane, in anticipation of opening it for the construction of the Sprinter line, which is something he will have to do. When they think about access, the 345 people would normally be going through the entrance that leads out to Oceanside Boulevard. However, now they are putting 345 and more cars through a neighborhood that was never prepared for that kind of traffic going through it.

In looking at the proposals, she can support the second proposal, the shared cost with NCTD and the City of Oceanside to make improvements to the Sprinter rail. However, she would like the Council to consider directing staff to meet with the park owner and see if they could condition the City making things work and seeing if they could get the park owner to possibly restrict that access as an emergency access. They do not want to close it. There are times when they need to open it, such as when there are floods. Being familiar with the neighborhood, she wanted to bring this to the attention of the Council and see if they could get staff to work with the park owner on this.

MAYOR WOOD recalled a similar situation in the Los Angeles area. The freight lines that still use the tracks might be willing to pick up the cost for the safety aspect of it.

DEPUTY MAYOR SANCHEZ seconded the Mayor's motion, which is Option 3, and asked that the motion include that the City Council find that the public will benefit from the Cavalier access improvements and then the Mayor's motion, which was that NCTD pay all the costs in the Cavalier rail grade crossing as a condition of public access in the same manner as all other public grade crossings in Oceanside. The only other option that she would suggest would be for staff to pursue funding from places like SANDAG.

As to the discussion raised by Councilmember Mackin, she believes it is outside of the parameters of the agenda item, but she would like to see it come back for discussion. Her recollection, when this came to Council a couple of years ago, was that there were some complaints about break-ins on Stewart Street. They ended up working with management to close that access, which was called an emergency access at the time. Obviously, the discussion about the access having to be opened in anticipation of finding another place to go during the construction phase, is important. For right now, she would like to stick to what they have before them, which is staff's recommendation that the Council find that the public will benefit from the Cavalier access improvements and that

they pursue Option 3.

MAYOR WOOD clarified that his motion was to go with Option 3.

Regarding Councilmember Mackin's issue, he appreciated that input and thinks that is something that is very important. If they do something about Cassidy Street and California Street in the future, he could imagine the traffic coming from the South Oceanside through that park to get down to Oceanside Boulevard. It is a two-way direction, and he would be very concerned about that change. He would get with staff to make sure that they address this.

COUNCILMEMBER CHAVEZ asked for clarification on the motion.

INTERIM CITY ATTORNEY WALLS is assuming that with Option 3 the direction would be to pursue negotiations with NCTD and of course to prevent that kind of shifting of liability. This would be something that would be negotiable with NCTD.

MAYOR WOOD did not want to burden the public, the Council or the staff right now with issues. They already know behind the scenes that to transfer this property over they have to go through the PUC, which may take a year. The motion really is to have staff get with NCTD and try their best to negotiate the cost of this issue and not the liability of this issue. He also wants them to seek out SANDAG and/or the freight lines for information on cost. His **motion** will be just like the City Attorney indicated.

COUNCILMEMBER CHAVEZ asked if the Mayor's feeling is that NCTD would be agreeable to pay all the costs for the crossing.

MAYOR WOOD responded that the staff was not. The elected officials that sit on the Board seem to be receptive, understanding that this is a very unique situation. The recommendation is for it to go to the full board for a vote.

COUNCILMEMBER CHAVEZ asked if they start the negotiation with NCTD, SANDAG or whoever to pay for this, whether it is a doable process prior to the requirement to build this crossing.

MR. WEISS believes it is. NCTD staff has already scheduled this item for their next Planning Committee meeting on November 6, and their intent is to bring it before the full board later in November. They had indicated at their last planning meeting that they had to take action in November in order to not delay the construction contract.

COUNCILMEMBER CHAVEZ expressed his concern that if they went to NCTD and said the City wants them to pay for all the costs for the rail grade crossing and they lost that vote, what would happen then.

MR. WEISS responded that if the Council would like something brought back to them, staff would have to pre-schedule something for their first meeting in December to take action on.

COUNCILMEMBER CHAVEZ noted that Option 2 was a split of 50-50, without any cost being passed to the residents. He asked which one would most likely be supported by the staff of NCTD to take to their Board so we can take care of this issue and take the stress off the community.

MR. WEISS was not sure he could answer from NCTD's perspective. From a staff level, they were supportive of the 1/3 split. He had not had a conversation with them regarding a 50/50 split.

COUNCILMEMBER MACKIN supports the City stepping up here, as well as NCTD. However, she also has to look at the whole picture. Tonight they are not looking at the

whole picture. They have the opportunity to bargain. This is the time. They do not want to bring it back. They are in the position that this could be a win-win situation for the mobile home park residents and the residents of South Oceanside. However, if they shut this idea of going to the park owner at the same time of negotiating the deal with NCTD, they would be making a grave mistake. She would like an opinion from the City Attorney if they could include a recommendation in the motion such as the one that she suggested.

INTERIM CITY ATTORNEY WALLS would characterize what Councilmember Mackin is recommending as merely a direction or input for staff to go forward and try to negotiate this as an element. Anything that would be done in terms of negotiation would ultimately come back to the Council for approval. There is not at this point any policy, but it is merely directing staff. If that is the case, Councilmember Mackin could suggest this as a possible direction since before anything would be implemented, it would come back to Council for its determination on the terms.

MAYOR WOOD was willing to amend his motion if he can get a second from the Deputy Mayor, with legal advice from the City Attorney.

DEPUTY MAYOR SANCHEZ asked if the Mayor is splitting the motion. First he has the finding. Then there is direction to staff with respect to the alternatives. She asked the Mayor if this is what he is suggesting.

MAYOR WOOD believes so.

DEPUTY MAYOR SANCHEZ clarified that they do have 2 motions then on the table.

MAYOR WOOD said that he would **amend the motion** to what the City Attorney has indicated.

DEPUTY MAYOR SANCHEZ said that she will **second** that amended motion. She joins the Mayor in the statement that they do not want the residents to pay for this. That would be a double tax.

COUNCILMEMBER MACKIN expressed concerns about NCTD paying the whole bill. That would be the ultimate, and she would like to see that. However, she asked how they could look at NCTD paying the full blown cost of this upgrade and turn around and expect the property owner to work out an arrangement with the City as far as an emergency access. She has a hard time seeing that happen.

CITY MANAGER JEPSEN thinks that the staff has direction with regard to the back gate access. If the City does participate, he thinks it is a good idea that they make whatever they do a condition of approval that the road is for emergency access only. They will make every effort to include that.

DEPUTY MAYOR SANCHEZ asked if it is strictly going to be paid for by NCTD, how could they make that a condition. She questioned if it is a doable thing, or would the City have to take part in this transaction in order to be a speaking partner in this proposal.

CITY MANAGER JEPSEN responded that until they have an opportunity to talk to NCTD, he is not certain what level of input they will get with regard to that back access. They may have other mechanisms to get the park owner to cooperate with the City in that regard. They still have not decided whether they will move forward to make the access in front of Cavalier onto Oceanside Boulevard a public access. He understands that the City Attorney is concerned with NCTD shifting liability to the City. If it were a public access, the liability would be no more or no less than any other public access across the railroad tracks in the City. Even though it may be a burden of the property owner at this time, it will serve the larger public good in the fact that it serves at least 345 dwelling units. He believes

they have other leverage as they move forward on this.

MAYOR WOOD added there is no doubt that if the owner of the park has this fee passed on to him at a percentage, he is going to be motivated to have the City involved. He remembered that the City was offered a beautification aspect in the early stages of the project. That was all yanked, and it was a large sum.

MR. WEISS stated that the Mayor was referring to the betterment fund that was established for the Sprinter line. He believes that was roughly \$1,500,000 for the entire Sprinter line and was going to be divided up amongst the different cities. Staff had identified a number of projects for those betterments. It was his understanding from NCTD staff that the funding for the betterments is no longer available. It has been used for other purposes related to the increased cost for the Sprinter line, so those funds are not available to pay for this or other betterment projects they had identified.

MAYOR WOOD commented that as the Sprinter goes forward, the cities are getting tabbed with more and more expenditures. Along the lines, not only did they lose the betterment, they are now going to try to have their citizens pay for this crossing. Staff will try to address funding, and the emergency access. They need to make sure that is a priority for the City. They are not going to open the back gate since it is emergency access.

COUNCILMEMBER FELLER said that the City Attorney's analysis in the staff report says the condition of the permit is NCTD's obligation to upgrade the rail crossing, but they also have an option of closing it. That is a pretty serious issue. Regarding the map that Councilmember Mackin handed them, if the mobile home park residents are going to be coming through that neighborhood, because the designed front of that park is at the bottom of Hillside Lane, where the pool is, that would be a problem. This was the designed access for Cavalier Mobile Home Park.

He mentioned that there are 2 other private crossings just in Oceanside: one is the triangular piece that is right next to the bowling alley; there is an entrance at the end of Cleveland that is a private crossing next to a small mobile home park. There is negotiation going on regarding that piece of property as a private crossing. That will have to change, otherwise it will be landlocked property.

The other one is at Evergreen Nursery. They are required to build a bridge to move everything across from the hillside that borders Henie Hills onto their property. There is no access out through Henie Hills, so they have to build a bridge to cross the crossing. These are two incidences where the private property owner will have to pay for their crossing.

He thought they had a pretty good option with the 3-way split. He is not clear on the motion. He heard there was no benefit to the park at all. However, there will be sidewalks and ADA compliant access. So there will be sidewalks and a much more level access on that piece of property. The entrance to the park has dips, and it is going to be level with Oceanside Boulevard. This park owner has known for a long time that this was coming. He did not choose to show up and tell them why he did not tell the park residents that this was coming long before it came up.

CITY CLERK WAYNE said that the motion as she understood it was to make the finding of a public benefit, to authorize staff to negotiate with NCTD to pay for the crossing and to authorize staff to negotiate with the mobile home park owner regarding making the back road an emergency access.

MAYOR WOOD concurred and asked Council to vote on the first portion of the motion to make the finding of a public benefit.

Motion was **approved 5-0**.

The next portion of the motion is direction to staff to meet and negotiate for NCTD to pay for the improvements of the access off Oceanside Boulevard.

Motion was **approved 4-1**, Councilmember Feller voting no.

The 3rd portion of the motion is direction to staff to authorize staff to negotiate with the park owner to make the back access an emergency access only. As indicated by the City Attorney, that item would come back for further action by Council. It is just direction to staff.

Motion was **approved 5-0**.

DEPUTY MAYOR SANCHEZ asked to hear Item 20 next.

20. **Request by Councilmember Mackin for discussion and referral to the Redevelopment Advisory Committee regarding limiting heights of residential dwellings west of Coast Highway Pacific Street in the Redevelopment Area to conform to residential height limits outside of the Redevelopment Area**

COUNCILMEMBER MACKIN brought this item forward because they had a change years ago in Oceanside. As they put together the Local Coastal Plan, they had particular heights set for particular areas. South of Wisconsin Avenue, they had a building height restriction on the west side of Pacific Street of 27.5 feet. They also used to have that on the north side. The City has an ordinance that does not allow development above Pacific Street along the whole Strand in order to retain view protection. That is part of our Local Coastal Plan.

Pacific Street to Surfrider is also view protected. However, at Surfrider and Pacific Street, the height restrictions change. Until 1992 it was 27.5 feet, then it changed to 35 feet. On Pacific Street from Surfrider to the San Luis Rey River, there are homes that are similar in size and bulk. They are 2 stories with modest pitches to the roof. Pacific Street starts to take a downward turn as it approaches the most northerly end headed towards North Coast Village.

The 35-foot height allowance is presently in the small area of Subdistrict 4B in the Redevelopment Area. She would propose to bring that down to a 27.5 foot height. A lot of view gets cut out in that area. North Coast Village is at 35 feet. Development that has been around for quite a while is to the left of it. On the far left-hand corner, one person has a spectacular view of the pier, white water views and sand. The 27.5 foot allowable line would take out part of their view; however, it would leave a view of breakers, the sunset and pier.

She was contacted by quite a few residents who reside on Pacific Street and people who live outside of Pacific Street about their concerns with the difference in the height in Subdistrict 4B. That is why she brought this issue to the Council tonight. Pacific Street is listed in our Local Coastal Plan as a very important road. She does not think they want a walled-off effect on that street. There are 3 good reasons for wanting a height reduction. First is the difference in weight between 2 and 3 stories on the bluff side of Pacific, which could mean the difference in bluff value or not. The height increase from 27 to 35 feet was approved by a former Council in 1992 and subsequently approved by the Coastal Commission, and the City had a Local Coastal Plan (LCP) Amendment. The allowable height used to be 27 feet, which was consistent with development on the west side of Pacific Street and south of Wisconsin. By bringing the height back to what it was originally, Council has the opportunity to preserve countless views for residents east of Pacific Street, thereby retaining property values and preserving quality of life.

She **moved** to send this issue to the Redevelopment Advisory Committee (RAC) to look at size and bulk of properties to the north and south of development on Pacific Street, look at the height in Subdistrict 4B and see if the City is being consistent with adjacent

properties to the north and south, and to bring this back to the Council to review and vote on in 2 months.

DEPUTY MAYOR SANCHEZ clarified the motion as a referral to the Redevelopment Advisory Committee regarding limiting heights of residential dwellings on the western side of Pacific Street in the Redevelopment Area to conform to residential height limit outside of the Redevelopment Area. She **seconded** that motion. The Local Coastal Plan talks about consistency and protection to public views and stepping. Those 3 policies apply here.

COUNCILMEMBER MACKIN added that she received 22 emails from people all over Oceanside who would like to see Council look at that area for height, scale and bulk. She also received numerous phone calls with regard to this, supporting it going to the RAC.

Public Input

PAMELA MYERS, 910 North Pacific Street #35, said this is such an important issue for residents on North Pacific Street. There are so many issues that will affect their life if this does not get changed back to the original height. Many of them have lived 10-30 years in this Pacific Street area, in the complex across the street. She personally has lived here 12 years and had bought because of this. She has a fantastic view, but she would not if it stays at 35 feet. This will be detrimental to their neighborhood. It will not fit into the neighborhood character. It will take away their sunshine, their sea breeze and obviously their ocean view. It will increase traffic and density. There is so much that this will do to their neighborhood if they do not change it now.

Currently there is no house that is 35 feet high on North Pacific Street, and they want to nip this in the bud before it becomes a cancerous issue on Pacific Street. She has close to 300 people who have signed the petition the last 3 days and has received a couple more letters regarding this issue. She just wanted the Council to know that this is a very serious issue.

Regarding the bluffs, if 35-foot high homes are built on the bluffs, it will be a major problem, like what happened in east Oceanside where the hills fell down from the rain. She thinks it is too much weight and too much bulk for a house on the bluffs. This is a serious issue. She questioned why North Pacific Street should be different than South Pacific Street on the west side. All they want is fairness and consistency. They want to be back to 27.5 feet. They do not know how this change happened. They were never notified, and they want it fixed.

She will put the petitions in the record as soon as she makes copies. They have a number of homeowners in attendance. They urgently request that the Council take care of this matter in a timely manner.

MAYOR WOOD said that part of this comes down to North Coast Village, with its height on how far it goes toward the Ocean. He wondered what happened back then and how it got there.

SHARON LUCARELLI, 910 North Pacific Street, asked the Council to support their request. They desperately would like to have the same limit that South Pacific Street has on the west side of Pacific Street, which is 27.5 feet. Three stories above the bluff is not only going to entirely cut off all of their views of the ocean, sunset and the ocean breeze, but it will also cause a tunnel-like atmosphere and will set a precedent of out-of-scale buildings for all of North Pacific Street.

ROLAND KRUMM, 910 North Pacific #18, wanted to urge Council to support Councilmember Mackin's proposal to send this issue to the Redevelopment Advisory Committee for consideration of lowering the height limit to 27.5 feet.

TESSARA ANCHALES, 910 North Pacific Street #45, had sent Councilmembers an

e-mail today. She thanked the Council for their time in considering their request.

CAROL GROULX, 910 North Pacific #48, is on the back side, by the railroad track. It would behoove anyone who had property there to make the square footage bigger. The only way they have to go is up. Pacific Street is not that wide. With the traffic, it closes in. If they start putting 3-story buildings on both sides of the street, they will have a tunnel all the way down the main street that is closest to the ocean, not counting The Strand. That has to be a consideration.

FRANK REED, 910 North Pacific Street, stated that until 6 months ago many of the residents believed, as did many realtors, that the height limit for the west side of North Pacific was 27.5 feet, the same as that of South Pacific. They now know that the height limit for the west side is 35 feet, although there are not yet any homes of that size there. It makes sense for so many reasons to follow the stair step model currently on South Pacific. Strand houses rise up to the bluff, then the houses on the west side of Pacific are maybe 27.5 feet and on the east side are 35 feet. This logical configuration allows for more light, air, views and open space for all. All the homes along the west side of North Pacific have unobstructed views currently, with light and ocean breeze. There is no need to deny those on the east side that same consistency. Mega homes would not be consistent with the neighborhood. He hopes that Council will restore the height limit on the west side of the North Pacific to 27 feet.

SLEENE E. KOSINER, 711 Pier View Way, stated they have to remember sea walls, and he cautioned them not to go down too far since there is underground water that goes all the way to the San Luis Rey River.

COUNCILMEMBER CHAVEZ agrees with tiering, which will give value to properties and views. He looks forward to what the RAC comes up with. Off Tyson at Wisconsin, he noticed on the east side of Pacific, the height is 27.5 feet. A Conditional Use Permit is needed to go to 35 feet. If they need to make everything parallel, there may be a later time to do that. There may be history there.

MAYOR WOOD thanked everyone for their input.

Motion was approved 5-0

- [24. **City Council: Consideration to establish standard conditions of approval to regulate liquor sales in Oceanside as part of the Alcoholic Beverage Control process, and adoption of matrix standards]**

This item was continued to November 2nd at staff's request to obtain more information.

19. **City Council: Introduction of an ordinance, ". . . amending Chapter 6 of the Oceanside City Code by the amendment of Article XI. Unreinforced Masonry Building Mitigation to extend the compliance deadlines and update the state code references"**

GREG ANDERSON, Interim Building Director, reported that the City currently has an Unreinforced Building Mitigation Ordinance, codified in Chapter 6 of the City Code. This action amends that ordinance to extend the deadline for compliance by 10 years. The current deadline expired earlier this year. Council held a workshop, took testimony and directed him to come back with this ordinance. Staff's recommendation is that the Council introduce the ordinance, which essentially extends the deadline for another 10 years and cleans up some of the language editorially.

Following the titling of the ordinance, **DEPUTY MAYOR SANCHEZ** moved to introduce the ordinance, and **COUNCILMEMBER CHAVEZ** seconded the motion. Motion was approved 5-0.

October 19, 2005

Joint Meeting Minutes
Council, HDB and CDC

21. **Mayor Wood: Appointments to, or motions to remove from, some or all of the City's Citizen Advisory Groups**

MAYOR WOOD nominated the following for appointment:

Term Expires

ECONOMIC DEVELOPMENT COMMISSION

Re-Appoint Howard LaGrange to Regular – Retailer/Wholesaler 9/26/2008

INTEGRATED WASTE COMMISSION

Appoint Michael Williams to Regular (Replacing Kimball Bergeron) 7/1/2006

POLICE & FIRE COMMISSION

Appoint Wallace Edward Carlson to Alternate I (Replacing John Hoffman) 8/1/2008

SENIOR CITIZENS' COMMISSION

Appoint Carl J. Souza to Regular – 60+ (Replacing William Henry) 2/10/2007

COUNCILMEMBER FELLER asked if John Hoffman's term is up, and **MAYOR WOOD** replied affirmatively.

DEPUTY MAYOR SANCHEZ seconded the motion. Motion was **approved 5-0**.

[Recess was held from 8:09-8:15 pm.]

CITY MANAGER ITEMS - continued

22. **City Council/CDC/Harbor: FY 2005-06 budget update and discussion concerning long-range budget planning**

CITY MANAGER JEPSEN reviewed that Council held a workshop on this a couple of weeks ago, and this is pretty much what they saw in the workshop, with the addition of some information regarding fire response. He wanted to get feedback from Council on the expenditure changes from the last fiscal year budget, the revenue changes, some budget allocations and recommendations. Any action that they take with the budget will need to come back to the Council in a public hearing setting. He is asking for direction to staff to bring back those items that Council feels are important. He asked them to pay particular attention as they go through the recommendations. If there is something that they question or something they want to see different, now is the time to bring that up.

He presented a summary of the changes in the budget. Regarding revenues and expenditures for fiscal year 2004 - 2005, ending last June 30th, they finished at \$2,849,000 to the good. That money rolls into the reserve funds. They are projecting for fiscal year 2005 - 2006 a surplus due to some robust property taxes of \$3,241,000. Therefore, he is going to present his recommendation for restoration of some services.

Regarding the summary of the General Fund reserves, the bottom line, with the Healthy Cities fund [\$9,406,000], which is the 10% set aside, is just over \$33,000,000. However, he noted that this money is committed to a number of projects that have been priorities for the Council for some time, including the senior center and a couple of fire stations.

Council added some expenditures last year. Those are carried over to this year for a variety of things that are ongoing. With the recent Memorandum of Understanding (MOUs), the cost of living and equity adjustments in the amount of \$2,300,000 have already been added into the budget numbers. Fuel cost was raised based on their experience [\$515,000]. The Public Employees Retirement System (PERS) costs have dropped dramatically due to the pension funds [-\$3,000,000]. That number will go down as the City pays out the bond, and the savings will go down. This is pretty significant. The bond refinancing that Council approved saved an additional \$660,000 over the course of the last year.

For the revenue changes for 05-06, the State's triple flip net gain is about \$3,900,000 after adding what the City loses and gains. There are some miscellaneous increases. For example, franchise fees go up [\$353,000]. Unfortunately the Transient Occupancy Tax (TOT) stays flat. The card room is doing remarkably well [\$179,000], and the Treasurer's investments are starting to turn the corner [\$403,000], which is a good sign. However, revenues are going down primarily in the area of development/development review [-\$534,000]. That is something they will want to keep an eye on in the future as they achieve build-out regarding any change that might occur that would reduce the need to provide services in that area.

The total projected budget is \$93,376,932. Of that, 60% of the General Fund money goes to public safety, another 5% to financial services, 9% to library and recreation, and 9% public works, etc.

They have 20 positions that were unfunded as part of the 04-05 budget. He is recommending that the Council fill 5 out of the 20 unfunded positions, so there are still 15 that are unfunded.

He recommended that the Public Information Officer that is currently part of the Police Department be moved over into the City Manager's office, and that the funding for that position be moved over as well. This used to be funded 50% through utilities and 50% through the General Fund. He is recommending that the focus be 75% on General Fund issues and only 25% on utilities.

He also recommended that they fund the Assistant Fire Chief position. They have shown a 6-month cost of a building supervisor for maintenance. That person has indicated that they are going to retire. He added a Senior Transportation Engineer because of the need in those areas and its relationship to public safety. They have a tremendous focus on code enforcement. It is very important that they get a handle on this. He felt they are behind and tested in this area, so he recommended restoring 2 Code Enforcement officer positions.

He next reviewed operational enhancements. If he gets concurrence from the Council, these are the recommendations that will be turned into a budget allocation to be brought back as part of the public hearing:

- The D.C. Lobbyist contract is increasing [\$10,000], which is an outstanding value. Since every year they have obtained between \$2,000,000 and \$3,000,000 as a result of that lobbying contract.
- The Welcome Center contract has also gone up [\$24,000].
- North County Convention and Visitor's Bureau (ConVis) -- Last year they gave them \$25,000. This would be the same level of funding.
- Police overtime and miscellaneous costs -- They are asking for considerably more at \$225,000 and asked OPD to track their expenditures and reconsider their needs as part of the next 2-year budget cycle.

DEPUTY MAYOR SANCHEZ asked if this is taking into consideration Council's request to have a police presence in the back gate area.

CITY MANAGER JEPSEN responded that the Police Department will give Council a separate report on the cost for an increased presence in the back gate area, and they will have some alternatives to look at. They can provide a volunteer presence or a PSO (Public Safety Officer) presence on a limited basis. If Council wants a higher use than that, it will cost additional money.

DEPUTY MAYOR SANCHEZ commented that they had a CSO (Community Service Officer) there, as well as an officer. She asked if the idea of having some of the more at-risk neighborhoods go back to the N.E.T.Work system is something that would come back to the Council separate from this item.

CITY MANAGER JEPSEN recommended that they have a larger discussion on this issue. He likes the N.E.T.Work because it has a specific neighborhood focus. It is important; however, the deployment of officers for the N.E.T.Work program requires that they shift from other things in order to staff it. That is why police went to the deployment system they have in place now. He would like the Council to understand the limitations of that both in a relationship to cost and what they are able to do to focus on those key neighborhoods. Therefore, he would like to bring this back as a separate item.

Reimbursable costs are offset by revenues other than the General Fund:

- Peace Officer Post Standards and Training (POST) Commission reimbursements, of course, is paid back to the City by the State [\$21,000]. That amount would increase to reflect their actual use of POST training.
- The Sheriffs Cold Case Grant [\$50,000] was for cold case studies; the Fire Department Strategic Plan is a one time cost [\$30,000].
- There is a change in the Building inspection contract [\$100,000]. He only expects it to continue for one more year. They are doing a lot of contract work right now with IDEC, and he expects it to continue for another year. They need to re-examine what they are doing in building inspection since charges can only reflect the service that they are providing. That will come back to the Council.
- The Library had some minor requests for conversion of part-time employees at \$16,000, which would be an ongoing cost.
- Library Market Place assessment [\$50,000]. One of the things that they really have not talked about is that the Library will be presenting their strategic plan to Council on November 2. Their strategic plan is going to address a number of things that they want to do in terms of enhancing services. What he is presenting now does not consider any enhancers for the library. The marketplace assessment will change how they are doing business in the library, and it is akin to what Borders does, and it includes coffee.
- For the Engineering Division, there is some minor overtime [\$28,000], which should drop off as they scale back some of the development activities.
- The signal maintenance contract costs have gone up as the number of signals has gone up [\$90,000]. Because they have shifted so much money out of TransNet and fuel tax, he recommended that the Council pay for this as a safety consideration with General Funds.

- The Median Maintenance Contract is actually a person to assist Tom Woodford and would be responsible for the contract services for median maintenance [\$53,000].
- The Airport has reimbursable costs: fuel has gone up [\$52,000], but the revenues would offset this expenditure. The same is true with the hanger and the debt service payments [\$77,000].
- Parking structure maintenance – Once the downtown parking structure is complete, the City has to maintain it. The ongoing maintenance agreement with NCTD (North County Transit District) requires them to pay 50% of the cost. Their share is \$200,000 a year ongoing. They expect some limited cost for the balance of this year.
- The security contract at the Civic Center is expected to go up a little bit if the Council wants to maintain that level of service [\$20,000].

The subtotal for operational enhancements is \$971,000 for the first year and then just over \$800,000 for ongoing costs. Less revenues, the operational enhancement costs are not too bad, totaling \$611,000 on an ongoing basis.

He then reported on Capital Projects. For the most part these are one-time costs, with the exception of one item. He is asking for a one-time contribution for the construction of sidewalks up the Crouch Street hill to serve the schools at the top of that hill. It is an important safety consideration, and it is a one-time cost.

DEPUTY MAYOR SANCHEZ understood that Crouch Street residents did not want sidewalks. They want to retain the rural nature of their community.

CITY MANAGER JEPSEN responded that is true on the north side of Oceanside Boulevard. This is the part of Crouch Street on the south side. There are a lot of students who use that hill, and they are forced out into the narrow street. People cut that corner when driving so this is an important safety consideration.

DEPUTY MAYOR SANCHEZ stated that there was a proposed development that was going to do this as part of their project. She asked if this is something that can be reimbursed later.

CITY MANAGER JEPSEN responded affirmatively. He is proposing to do this with asphalt, which is why the cost is only \$100,000. If a development came in, and it probably will in the future for the Weese property, they would require that a concrete curve, gutter and sidewalk be installed at that time. It would replace this.

Continuing with capital projects, the City Clerk requested a scanner [\$9,000]. Additionally, he is recommending that they contribute some money for the replacement of the Bookmobile [\$74,000]. A branch library study is listed as \$0 since it is in the community facilities fund [\$150,000]. If the City is not in a position to fund additional library facilities, they might want to hold off on that. Regarding parking machine replacement [\$34,000], he stated that those machines do wear out; they are mechanical.

Regarding the Community Facilities fund, a portion of the fund was unfunded in the second year of the budget. The Community Facilities Fund serves 4 primary areas: fire truck replacement, deferred parks maintenance, deferred buildings maintenance and median landscaping. The total with the fire apparatus is actually \$875,000 but the fire apparatus was included in the budget. He is asking to restore this money [\$450,000] for as long as they can sustain it. Once we cannot, then that is when they would come back to Council. This is where the additional increment of funds would come for the ongoing operational cost. They need to find a way to continue to fund replacement needs for the fire apparatus.

For miscellaneous cost, they have taken action on 2 items already. The Council has

approved the Arroyo/Comanche Street litigation [\$1,000,000] and the interim grading [\$650,000].

The City has ongoing mobile home litigation costs. For the defense of the ordinance, he is recommending that they set aside \$250,000 and the rate review at \$100,000 a year. He believes that the rate review for year one is close to \$300,000.

MARGERY PIERCE clarified that it is \$200,000 for the ordinance and close to \$300,000 for rate review.

CITY MANAGER JEPSEN continued his report, stating they are also recommending that they bring this back to Council for separate action.

Regarding the part-time employees, they have not received a raise since 1995. He is recommending that Council consider salary increases for the part-time employees [\$200,000] at the same time that they are moved out of PERS and into PARS. A lot of part-time employees are not with the City for an extended period of time. Once they put a dollar into PARS for them, they get to keep it. It stays with them, wherever they go. It is a good deal for the employees. It is a better retirement package particularly for short-term employees. They end up with a pay increase and more cash in their pocket.

For a summary of recommended budget changes for Fiscal Year 2005-06, he stated that although they have made some minor modifications, they are still within reason. He said to not just look at what they have in the budget this year because there is a great deal of capital cost in there, a lot of which is for Arroyo Street litigation.

The ongoing funding for restored positions is \$378,000. The ongoing cost of operational enhancements is \$611,000. Capital Projects [ongoing] includes just the parking machines. For the Community Facilities Fund, the increased cost is \$450,000. The Miscellaneous/Litigation/Part-time employees costs are \$225,000.

He recommended that they increase their operational cost by \$1,600,000. There is a fund increment of \$3,200,000 available. The balance forward is \$1,500,000.

Addressing fire safety priorities that Council discussed the last time they met, he presented a cost summary. He noted that some of the numbers differ a little bit. He gave the Council a cost for these things. They have constant staffing in the Fire Department, so as they add a firefighter, they have to add the understanding that there is an overtime cost associated with that, in lieu of adding more firefighters. They also have a 10% administrative fee on all personnel positions that pays for the Finance and Personnel Departments. Temporary Fire Station #8, near Peacock Hills at the Corporation yard, would cost \$1,400,000. He recommended that they move forward on that expeditiously. He believed that they need an additional fire company. It is affordable; it is something that they could do, and they should move forward with another temporary station #9, which may end up being a 6-person station instead of a 9-person station and would be somewhere near Ocean Hills. There are a number of factors that need to be looked at, and this one will take longer. They have proximity issues with stations being proposed in Vista and Carlsbad that they might be able to piggyback onto.

The Emergency Medical Technician (EMT) replacements would be phased in over a 3- or 4-year period, but the total cost for that would be a little over \$500,000. In addition there is some staff support that is necessary for the addition of all these new positions that the Fire Department is looking at. The ballpark cost is about \$3,500,000 to do these things.

Presenting a summary of the Public Safety Cost, the cost for 5 minute response time is \$2,600,000; the EMT Conversion [to firefighter/paramedic] is \$540,000; and staff support is \$360,000. They are going to begin police and fire negotiations, so this is an unknown factor at this time.

Adding in all those things and what he is recommending for restorations, they get a total of just over \$5,000,000. They are going to receive an additional \$1,700,000 next year in Educational Resources Augmentation Fund (ERAF) restorations. Taking the \$1,700,000 and adding it to the \$3,200,000 surplus, he is projecting for this year's budget a total of \$4,900,000. It is very doable to make these things happen on an ongoing basis.

Presenting his recommended organizational changes, he would like to move forward with the consolidation of the Building and Planning Departments into a Community Development Department. The focus is streamlining development review and one stop shopping for development. He also proposed pulling Transportation and Development Engineering out of Public Works because of the focus on both of those to make that a separate department.

He recommended combining Housing and Code Enforcement with Recreation into a Neighborhood Services Department. Parks Maintenance and Parks Capital would remain in Public Works as they are, with close coordination with the Recreation staff. Lastly, he recommended that Information Technology be made a division of the City Manager's office because of the City-wide priorities that they serve. He would like to see some focus on financial issues and to get the priorities re-directed with regard to information technology. Over the last year the Information Technology staff has done some really good work for the City with regard to Internet service. Parks and Recreation was recently brought into the new technology world with online registration.

He next noted required studies and suggested that they move forward on all [as listed: parking fees and fines - \$500,000; red light photo enforcement (\$240,000_ - self support; ambulance fees/collections - \$300,000; false alarm fees/collections - \$100,000; development fees/services - balance; fuel tax/Transnet funds - cost shift; Fire Academy budget reallocation (\$500,000) - \$0 and parking meters for pay lots - \$0]. There are a number of issues included that were supposed to generate revenues but that probably are not generating the revenues anticipated. In some other areas they need to make sure that they have cost recovery. His proposal to the Council is to bring back for a public hearing and review his recommendations.

Regarding Fire Safety priorities [\$3,500], **COUNCILMEMBER FELLER** asked if the City Manager was not recommending \$1,200,000 at this time.

CITY MANAGER JEPSEN responded that these are costs that they are going to incur, and they will be brought back to Council at the appropriate time. With the Council's concurrence, he would recommend that they advertise for the additional positions at this time for Temporary Station 8 and that they bring back a package of exact costs for Council approval. He also recommended that they take these one at a time as they are ready. He wanted to show the Council that they have the capacity to deal with these within reason. It takes into consideration the direction from Council regarding the priority for fire safety. It does not include any other priorities or restoration of services. This is just a focus for fire safety. If this is Council's interest as they have previously expressed, this is his recommendation for how they will move forward.

COUNCILMEMBER FELLER noted the Fire and Safety priorities and the ongoing cost of \$5,100,000 [as shown] does not address what may be an ongoing cost with negotiations for Police and Fire personnel [listed as unknown].

CITY MANAGER JEPSEN responded that there will be an amount; however, he is not certain at this point what it will be. There is some increment that was put into the budget for the bargaining units. Based on what he saw with regards to negotiations in Chula Vista, it would not surprise him if they asked for a little bit more than that. The Council will be involved in the negotiations as they proceed.

For Temporary Fire Station 9 [\$1,200,000], he asked Council to keep in mind that they have the Community Facilities Fund as a fall back so there is a little bit of flexibility. In addition, they are going to be phasing in the EMT replacements [with

firefight/paramedics - \$540,000] so that it would not happen all at once. The fact that it will take 3 to 4 years to transition will allow them to look at the business interest and see if there is an opportunity for cost recovery or whether they should discontinue some of the transport services that they currently provide if they cannot recover the costs.

There is ample opportunity if they take their time with regard to building permanent facilities and wait until the strategic plan is done for the bricks and mortar. They will know within the next couple of months what the impacts are for police and fire negotiations. They will come back and look at it again at that time.

COUNCILMEMBER FELLER stated that what he asked for does not appear with the Police Department, but the strategic plan for the Fire Department would cover a lot of what they expect to pay for and show how necessary each of those items is, taking into consideration the fact that Vista already said they want to build 2 more fire stations close to Oceanside's eastern edge. The main thing is to get the strategic plan done so they all understand how they are going to get to this miracle goal of 5 minutes [response time], which is pretty difficult. He is eager to see if it can work.

CITY MANAGER JEPSEN stated the strategic plan is very important to move forward expeditiously, but based on the information that he has seen, which needs to be shared with the Council, they have a couple of focused areas of the community that need attention. Whether the response times end up being 5 or 6+ minutes, once they put an extra company in there, it does not lessen the fact that they need to address those areas of the community that need additional service. A whole area by Peacock Hills could use the additional service based on the data he has seen. It will help some of the other stations by picking up calls that used to be longer runs. Now they will be able to focus closer to home. Hopefully the result will be a shorter response time.

COUNCILMEMBER FELLER thinks they need the information that is gained. If in fact there are 13½-minute response times, where does that number come from. Until they figure out how it is happening, he hopes they are working on the strategic plan as the first thing.

DEPUTY MAYOR SANCHEZ has been asking for a strategic plan for fire for a long time, so she is glad that it is becoming a priority. The Public Safety Ad Hoc Committee chaired by the Mayor will be coming forward with their presentation. In fact, a 5-minute response time is doable. What has been laid out and has been included in the proposed budget by the City Manager is feasible. She likes the idea of going forward with a temporary Fire Station 8.

She asked if the Art Museum is included. She also asked if the bandshell, beach renovation and the back gate area storefront are included.

CITY MANAGER JEPSEN has not provided the Council with the longer term capital projects. The reserve funds include money for the Art Museum. The bandshell and beach renovations would be a Redevelopment project. What he has shown is primarily General Fund.

The back gate storefront will have to come back to the Council as a separate consideration item. They have a cursory responsibility to provide a volunteer CSO there. If the Council desires a higher level of presence, then they will be given some options for that.

DEPUTY MAYOR SANCHEZ asked when the back gate storefront would be coming back to them. She also asked about a Peacock Hills Resource Center, which was a priority identified at the workshop.

CITY MANAGER JEPSEN hopes they could be back by November 16.

There are no development plans for a resource center at Peacock Hills. They need

more discussion about what that is, where it is and what it looks like in order to provide something, but that would be a capital expenditure.

DEPUTY MAYOR SANCHEZ asked about the Teen Center at Balderrama. It is capital and operational.

CITY MANAGER JEPSEN said that they have a number of mechanisms that can assist with the Teen Center at Balderrama.

DEPUTY MAYOR SANCHEZ said that this is a promise they made 3 or 4 years ago.

CITY MANAGER JEPSEN said it is important that they do that. The only thing that remains outstanding is whether they incorporate it in the Chavez Resource Center, which is an existing facility and may or may not displace some other uses, or whether they are going to modify the existing Balderrama Center for it.

DEPUTY MAYOR SANCHEZ said that the Chavez Resource Center has been around for a long time. It sorely needs renovations, and it would be great to have the teens there.

CITY MANAGER JEPSEN will bring that back as a separate item, but again that will primarily be a capital cost item.

COUNCILMEMBER CHAVEZ stated that when Council held the workshop, he had commented that they have all these things, and every one of them takes money. He had an opportunity to spend time with the Police Department to talk about community centers, deployment models and how they do that. Council needs to have that discussion before they start putting storefronts around. It is a concept of deployment of the resources. His recommendation to the Council is to have a valuable discussion about the pluses and minuses of both programs.

He asked the Finance Director what percent going into a year should the City hold in their General Fund as reserve for things like the Arroyo issue. They are spending a million on litigation on that issue.

CITY MANAGER JEPSEN said that a healthy fund reserve is 10% of the General Fund budget of \$94,000,000. In addition to that, they also have a litigation fund reserve. Council added \$1,000,000 last week for Arroyo to the mitigation fund reserve. The mitigation fund reserve now totals almost \$3,000,000. If there was a big hit, it could be significant.

COUNCILMEMBER CHAVEZ commented that just like what they did last week on the Arroyo Fund, there was discussion to take it out of the water fees or waste water. They decided to take it from the General Fund to put into the litigation fund. His point is that 9% or 10%, is an important reserve. The Public Safety Cost Summary shows \$238,000 in the hole. He asked if that was separate from the \$9,000,000 reserve or whether they are eating away at it.

CITY MANAGER JEPSEN said that these are just operational costs. He has added this up as an ongoing cost so Council knows how the future is going to look, but the reality is that this is not going to all be implemented next year. Some of these will not be implemented for 2-4 years. It is something that they should watch very closely as they move forward. The big unknown factor is the police and fire negotiations. It is basically something that is going to limit their capacity in this regard without reducing services someplace else in the City.

COUNCILMEMBER CHAVEZ commented that they are eating into their reserves to make this match up if they decide to do all these things.

CITY MANAGER JEPSEN does not know if they will be \$238,000 into the reserves 3 or 4 years out. It is tight, but it is better than what they previously projected for this year. They were moving forward on this being a deficit year, a cost recovery year for them. The original budget had recommended that they use reserves to cover this year. Instead of using reserves of \$2,500,000, they have \$3,200,000 that they can look at for incremental services.

COUNCILMEMBER CHAVEZ said, regarding the fire safety priorities, he also spent some time today with the Police Chief and the dispatch center on response times. There has been much made about a factual analysis, which showed an overall response time of 13 minutes for 80% of the time. This is what they are reacting to in creating this response time issue.

On May 11, 2005, the City received a report from Emergency Services Consulting, the firm the Oceanside Fire Department hired as part of a regional study that cost about \$35,000. It says that response times of 5 minutes or less are achieved 21% of the time. This was determined by capturing 10,557 responses. It said that for emergency medical services, the average response time was just under 7 minutes for 6.91% of the time, and that 90% of the average was at 9 minutes and 50 seconds. That is considerably different from the report that the City spent \$35,000 to produce. For that reason, he has agendized at the next Council meeting a discussion on response times to be open, share all the information, and show where the information is coming from in order to make the right decisions. This report that the citizens paid \$35,000 for is different than what is being portrayed in the community. He would be happy to share the report with the press.

He is more concerned about hiring more police officers. They used some very creative management to add 8 officers a year to 16. The EMT replacement cost is approximately 5 police officers, which will take them to 21. He believes their requirement is 40. They need more police officers. These are complex issues. When they come back, he would like to see discussion since he would like to hire some more police officers.

DEPUTY MAYOR SANCHEZ likes the idea of temporary Station 9 and to get additional information about the other cities and whether there is something that they can do in working with the other cities. She likes the idea of going forward on temporary Station 8. She **moved** to go forward with the City Manager's recommendations [with direction to schedule a public hearing].

Response times is why she has been asking for a strategic plan and response times for a long time. As a member of the Ad Hoc Committee, she assured Councilmember Chavez that 13 minutes is 13 minutes, and there are some response times that are even over that. This presentation is coming forward on November 2. They do have ongoing costs. These are things that are important, including police.

Public Input

JIMMY KNOTT, 124 Sherri Lane, would like Council to consider establishing Park Rangers who would be at a lower cost than police. Also, they should look at better use of the City Operation Center. There could be some adjustments so they do not have to expend as much time as predicted in Peacock Hills.

There is also the question of a merger of duties. The police will arrive at a majority of the calls prior to the ambulance. He asked why they do not take a few police officers and make them paramedic police officers. That could reduce some costs.

In the downtown area, City Hall needs to have a police presence. The public have to drive all the way across town to the Police Station. He asked why they could not have some officers here, especially at the administrative level to answer the public's questions. He thinks they should have an ombudsman ordinance. He pointed out the expenditures regarding the mobile home community and felt the people there should be paying their fare

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share. An ombudsman ordinance would address all fees. Finally, they should consider privatization of ambulance services.

COUNCILMEMBER FELLER had some discussion about police, since they are generally first on the scene, regarding the possibility for medical training. They need to get to this 5 minute goal and have to be very creative to get there. It is very critical that they think outside the box. Florida has the Paramedic/EMTs riding motorcycles at least to administer initial first aid.

He asked if Harbor and Beaches is part of Public Safety. He further asked if the 2% noted is for the Harbor maintenance.

CITY MANAGER JEPSEN responded they are not included; Harbor and Beaches is a separate district so they have not included them. This report referred to General Fund expenditures in each department, not the total amount of money. Public Works, for example, is huge, but they are funded by a lot of different sources. This is just a distribution of General Fund expenditures. It includes the beach area, which is maintained by Harbor and Beaches and not supported by Harbor District funds, as well as the pier.

MAYOR WOOD commented that being creative is important for the City for a couple of reasons. The finances of the City are in an upward move. This is supposed to be a deficit year. The City is doing better, and they are thankful. The State of California caused some of those problems. On the other hand, he does not want people to forget that this Council has to address some of the deficits and problems from the past Council. It did not take a day or two to get down by 40 police officers or 27 firemen. It took a decade of management and/or previous councilmembers that caused this problem for public safety. They now have to try to address it. It was mentioned at an earlier Council meeting about increasing fees. That is something Council voted on earlier tonight. Those things would help that issue, but the main issue is that all of these things are not going to happen next month or next year. They will be staggered, hoping that the economy will improve. Economic development is important, and Council is working on it.

Public safety is always up in the number one or two position, and they are moving forward with it. Both the Fire Department and the Police Department are priorities, and they need to address both. However, response time for medical aid and the type of responder that gets there to save a life is a life saving issue that they need to address. They need to go forward with some of these public safety aspects for Fire. They saw a presentation on the prime areas of Peacock Hills or Oceans Hills. He thinks Fire Station #8, even located temporarily at the City Operations Center (COC), will cover those issues for the time being. Council is trying to get developers to address issues like fire safety to put in their projects. For example, a developer is not going to put a fire station in their project. Council is trying to address these issues.

With that in mind, there are a couple of things that he did want to address. On the required studies listed, there is one for the false alarm fees and collections at about \$100,000. This was a hot issue for the citizens. Maybe this is something that they could get an outside entity like Rancho Santa Fe to respond to, clearing our police officers for that time, and have them be paid from the fees they collect for the false alarms. He would like staff to look into that issue.

Also, the City Manager has an Assistant Fire Chief position and an Administrative Battalion Chief and an Assistant. He does not think they need both. As a matter of fact, he thinks the Battalion Chief would be more beneficial at this time, and later they could look at the Assistant Fire Chief position. Right now they do not need the Assistant Fire Chief position filled until they address some of the other issues and a permanent Fire Chief comes in. So he would not be interested in funding an Assistant Fire Chief right now, but he would be inclined to go for the Administrative Battalion Chief.

Another thing that is important is the reserve, the Healthy City Fund. He said that they actually have more than required. He then **seconded** the motion.

DEPUTY MAYOR SANCHEZ stated the Mayor brought up some very important points so she wants to **modify her motion** to include the points that he made.

COUNCILMEMBER MACKIN noticed that in 2003, they said 90% of responses are 9.92 minutes and exceed the State standards by 4.52. In another part of the study it says, that 85% of the calls are in 8 minutes or less in this same year. That is not 5. She **called for the question**.

DEPUTY MAYOR SANCHEZ said the City Manager has given his recommendations. Of the recommendations, he has pointed out that he would wait on temporary Fire Station 9 because there are opportunities to discuss that matter with other cities. The Mayor then indicated that his recommendation would be to take out the Assistant Fire Chief position at this point.

MAYOR WOOD clarified that it is appropriate at this time to take out Assistant Fire Chief and the Aide and Assistant. That was his concern right now. The other part is for staff to look at an outside source like Rancho Santa Fe for response to the false alarms. That was the **motion**.

COUNCILMEMBER CHAVEZ clarified that the presentation made by the City Manager is just a budget update and discussion. He does not think it is appropriate to cut a position because that is not what this is about. This is about an update of information. Later on it is coming back. There is a whole discussion of community policing, deployment policing, etc. He had asked for more police officers, and to look at that in comparison. So he thought this was just discussion.

DEPUTY MAYOR SANCHEZ **seconded** the call for the question.

CITY MANAGER JEPSEN said he asked for Council input as he went through each of the individual items. He needs direction as to what to bring back. There are a number of items that were recommendations for restoration of services. The more specific direction the Council can give him, the better chance of him bringing back what they want. He understands that there needs to be discussion about it. His understanding is that the recommendation on fire safety was that they continue to hold the Assistant Chief, that they fund the new Battalion Chief position, and that they fund an Administrative Secretary.

MAYOR WOOD indicated he wants the Administrative Battalion Chief and a secretary to go forward because that would assist in organizing the Fire Department. The Assistant Fire Chief is something that can come back at a later date and time when they get into the issue and have a new Fire Chief. He thought Mr. Jepsen wanted their input and Council direction. That is why he was doing it.

CITY MANAGER JEPSEN clarified that the Council is not voting on the budget. That has to come back.

Vote on the **call** for the question **was approved 5-0**.

The motion **was approved 4-1**, with Councilmember Chavez voting no.

CITY COUNCIL REPORTS

25. **Mayor Jim Wood**

MAYOR WOOD reported that one of the Councilmembers recently attended a party sponsored by Ventura Corporation, one of the City's newer developments in Ocean Ranch. He was pleased to see the vibrant growth in the Ocean Ranch area.

He attended the Oceanside Chamber of Commerce business expo at the Show Palace. On Friday, he attended the ribbon-cutting for the Interfaith Coastal Service Center. The City provided a walk-in freezer for their location.

He reminded everyone that the Annual Halloween Jinx will be at Heritage Park on Sunday, October 23rd.

26. **Deputy Mayor Esther Sanchez**

DEPUTY MAYOR SANCHEZ thanked KOCT for making the Voice of Oceanside taping that they had last Thursday. It was a great experience. She had not been on KOCT in a long time, and staff was just beautiful.

[Deputy Mayor Sanchez left the meeting at 9:32 PM.]

27. **Councilmember Rocky Chavez**

COUNCILMEMBER CHAVEZ attended the Utilities Commission yesterday. One issue is a senior citizen low income rate. On September 7 at a City Council meeting, the Water Utilities staff was directed to evaluate the impacts of implementing a discount sewer rate for senior citizens and low-income customers. The staff and Budget Committee recommended that the Utilities Commission not recommend that the Council approve either a senior citizen or a low-income rate. There is a lot of documentation.

Councilmember Chavez showed slides featuring The Great Wok of China restaurant off Frazee Road, next to 24 Hour Fitness.

This Friday at Camp Pendleton, there will be a Charter night for the Camp Pendleton Rotary. The Camp Pendleton Rotary will be the first Rotary Club ever on a military installation in the entire nation.

28. **Councilmember Jack Feller**

COUNCILMEMBER FELLER said a 10-story crane went up on Parcel B. That is the first one Oceanside has had ever. That is the beginning of what they are going to see on the Fairfield Project, the hotel project and many other things as they come forward because of the height, which is exciting to see. It really shows the sign of first class Oceanside.

29. **Councilmember Shari Mackin**

COUNCILMEMBER MACKIN stated that unfortunately she was ill and could not make the Parks and Recreation meeting on Thursday night. She did want to say that they met with Esther Beatty and the Integrated Waste Commission. They are also working with the School District.

MAYOR WOOD had a couple of additional points. He thanked City Attorney Walls, for everything she has done. He also wants to mention that Ben Furmin from *North County Times* is leaving to go back to Colorado.

Councilmembers expressed their thanks and appreciation to Interim City Attorney Pam Walls.

ADJOURNMENT

October 19, 2005

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MAYOR WOOD adjourned to a Mayor/Council Workshop at 7:00 p.m. on Wednesday, October 26, 2005. He adjourned with comments of appreciation for Interim City Attorney Walls [last meeting before leaving City of Oceanside]. This regular joint meeting of the City Council, CDC and Harbor District Board adjourned at 9:43 PM, October 19, 2005.

ACCEPTED BY COUNCIL/CDC/HDB:

Barbara Riegel Wayne, City Clerk



California

CITY OF OCEANSIDE

JOINT MINUTES OF THE: CITY COUNCIL

SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION

MAY 16, 2007

REGULAR MEETING

4:00 PM

COUNCIL CHAMBERS

**4:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB), AND
COMMUNITY DEVELOPMENT COMMISSION (CDC)
- REGULAR BUSINESS**

**Mayor
HDB President
CDC Chair**

Jim Wood

**Deputy Mayor
HDB Vice President
CDC Vice Chair**

Rocky Chavez

**Councilmembers
HDB Directors
CDC Commissioners**

Jack Feller
Esther Sanchez
Jerome M. Kern

**City Clerk
HDB Secretary
CDC Secretary**

Barbara Riegel Wayne

Treasurer

Rosemary Jones

**Interim:
City Manager
HDB Chief Executive Officer
CDC Executive Director**

Peter Weiss

**City Attorney
HDB General Counsel
CDC General Counsel**

John Mullen

For this regular and joint meeting, the Council sat as all 3 governing bodies [Council, HDB and CDC] simultaneously but took action as the respective agency for the jurisdiction covered by each item. Council titles only will be used for brevity throughout the entire meeting.

The regular and joint meeting of the Oceanside City Council (Council), Small Craft Harbor District Board of Directors (HDB) and Community Development Commission (CDC) was called to order at 4:00 PM, May 16, 2007 by Mayor Wood.

4:00 PM - ROLL CALL

Present were Mayor Wood, Deputy Mayor Chavez and Councilmembers Feller and Kern. Councilmember Sanchez was absent. Also present were City Clerk Wayne, Interim City Manager Weiss and City Attorney Mullen.

CITY COUNCIL, HDB, and CDC CLOSED SESSION ITEMS

Closed Session to discuss litigation, property acquisition, labor relations and personnel matters

CITY ATTORNEY MULLEN titled the following agenda item to be heard in closed session: Item 2 and 3A. See the report out on this item at 5:00 PM, Item 4.

**NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**

May 16, 2007

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Closed Session and recess were held from 4:01 to 5:01 PM.

5:00 P.M.

Mayor Wood convened the meeting at 5:01 PM. Present were Mayor Wood, Deputy Mayor Chavez and Councilmembers Feller, Sanchez and Kern. Also present were City Clerk Wayne, City Treasurer Jones, Interim City Manager Weiss and City Attorney Mullen. Pastor Carl Souza gave the Invocation. Megan McClelland led the Pledge of Allegiance.

PROCLAMATIONS AND PRESENTATIONS

The following presentations were made:

Proclamation – National Public Works Week – May 20-26, 2007, was accepted by Joe Arranaga, Interim Public Works Director, and staff members

Presentation – 2007 San Diego County Fair – Megan McClelland provided information on the upcoming Fair to be held June 8 through July 4

CLOSED SESSION REPORT

4. **Closed Session report by City Attorney**

CITY ATTORNEY MULLEN gave the following report on items previously discussed in closed session:

1. **[CONFERENCE WITH LABOR NEGOTIATOR ON STATUS OF NEGOTIATIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54957.6)]**

CONFERENCE WITH LABOR NEGOTIATOR – Negotiator: City Manager; employee organizations: Oceanside Police Officers' Association (OPOA), Oceanside Firefighters' Association (OFA), Oceanside Police Management Association (OPMA), Management Employees of the City of Oceanside (MECO), Oceanside City Employees' Association (OCEA), Oceanside Fire Management Association (OFMA), Western Council of Engineers (WCOE), and Unrepresented]

No closed session was held on this item.

2. **CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)**

CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Center City Golf Course (approximately 95 acres) bounded by Interstate 5 to the west, Division Street and Greenbrier Drive to the north and east, and Oceanside Boulevard to the south (APN 151-011-11); Negotiating Parties: City of Oceanside and the San Diego Chargers; Negotiators for the City: John Mullen, City Attorney, and Peter A. Weiss, Interim City Manager; Negotiators for the San Diego Chargers: to be determined; Under Negotiations: Potential terms for the sale, lease, exchange, or other disposition of the property

Discussion was held; there was no reportable action.

3. **LITIGATION OR OTHER ADVERSARY PROCEEDING (E.G., ADMINISTRATIVE HEARING, ARBITRATION) (SECTION 54956.9)**

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (SECTION 54956.9(a))

A) Medina v. City of Oceanside et al., Superior Court Case No. GIN057375

Discussion was held; no reportable action.

B) [Speights v. City of Oceanside et al., Superior Court Case No. GIC870473]

No closed session was held on this item.

Changes to the agenda

CITY CLERK WAYNE advised that Item 11 on the Consent Calendar has been removed from the agenda by staff. Public Hearing Item 18 is being continued to the June 6 meeting.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the City Council/HDB/CDC on matters in this category unless it is determined that an emergency exists or that there is a need to take action that became known subsequent to the posting of the agenda.

Advance written request to reserve time to speak: *None*

5. **Communications from the public regarding items not on this agenda**

KAREN CROWELL, 282 Harbor Drive South, is here on behalf of the merchants in the Harbor. They would like to see the harbor, the pier, and the downtown all join forces and promote the City as a whole, and one method is to connect them with a trolley service. She has a signed petition from all of the merchants in the harbor requesting the Council to start a trolley service to and from the harbor, downtown and the pier, with an open air trolley vs. a retirement home bus.

THOMAS DEMPSEY, 3641 Esplanade Street, discussed traffic signals and public safety, noted the need in the Lake Boulevard area, and reviewed the mining, dust, and other problems in the area. A traffic signal is needed in the Lake area at Esplanade and Lake Boulevard They need the signals now.

HENRIETTE BURBANK, 1801 Bailey Drive, implored Council to vote against the final adoption of the expansion of Eternal Hills. When they purchased their home in 2003, they were told by Eternal Hills' staff that any expansion would occur along El Camino Real. The travesty of this expansion is occurring in their backyards. This would destroy sacred American Indian burial grounds, natural habit, nature and an ecosystem that is already out of balance. The expansion will render their homes unsaleable and unappreciable.

JOAN BRUBAKER, 1606 Hackamore Road, discussed fire hazards and people throwing their cigarette butts out the car window. It is a real hazard considering the present and past fires. She suggested possibly some kind of a catchy phrase, such as: keep your butt in the car. Perhaps the Chamber of Commerce and the local paper could place an ad possibly 3 times a week, and have volunteers paint signs and put them along the street to keep the City from burning.

DOLORES SMITH, 4140 Milano Way, has a kiosk at the harbor, and she wished to support a shuttle bus between downtown and the harbor area for the summer. That is very important for the whole community since parking is reduced at the harbor with the building of the bridge. A trolley would be nice and would be an amusement and fun to ride. The riders could pay for a week or a day.

ELIZABETH KEPLEY HELGREN, Helgren's Sportfishing, also supports a trolley or shuttle bus to connect the harbor and pier. Her family has been a contributing business to this City for 30 years, and it would be great for the merchants in the harbor and anyplace between the pier and the harbor for easy transportation.

CATHY NYKIEL, with MainStreet Oceanside, invited everyone to their 7th annual Arts Alive banner auction, which is the kickoff for the fireworks fundraiser. This year there are 34 banners that will be auctioned May 18. Information is available on their web site at www.msoceanside.com. She further described the activities.

JERRY McLEOD, 1517 Del Mar Road, stated this is the first time he could speak on this item because he is always running late, since they are a single-car family. This ties in with Item 14, to keep this period of time available. On May 17, 2006 he was rear-ended at Santa Fe and 76, which totaled his car. Yesterday he was rear-ended again; it was just a

bump. He would like to see enforcement of right-hand turns at that intersection, especially going eastbound, because it is illegal.

MAYOR WOOD explained that he has to leave the meeting soon to give a speech in San Diego that he had promised to do. Before he leaves, he wanted to comment on Item 14, stating they have been looking for ways to make these meetings shorter and to have the citizens be able to attend and hear their items/issues addressed. This is for the citizens, not the Council or staff. He believes that staff and Council have come up with ways to do that and will implement them in the future. He thinks that will address it without having to change the time. He wanted to note that he does not support changing to an earlier time at this point; it might be possible in the future.

Regarding Item 21, NCTD bus route 316 to Capistrano Park, he sits on NCTD and has always backed the neighborhoods on these issues. Tomorrow at 2:00 PM at NCTD is a public hearing to address this bus service.

[Mayor Wood left the meeting at 5:33 PM and turned the gavel over to the Deputy Mayor.]

[Recess was held from 5:33 – 5:38 PM to adjust the electronics; Councilmember Feller was absent.]

DEPUTY MAYOR CHAVEZ called up Item 20 to be heard next.

MAYOR AND/OR COUNCILMEMBER ITEMS [Items 19-21]

20. **Request by Councilmember Sanchez for a presentation by Shelby Tucker of SANDAG, regarding support for a potential regional beach sand replenishment project and direction, if desired, to the City Council representative to the SANDAG Shoreline Preservation Working Groups; discussion of funding alternative; and direct to staff**

COUNCILMEMBER SANCHEZ attended the May 3 meeting of the Shoreline Preservation Working Group for SANDAG as the City's representative, and the main topic was sand replenishment. As we all know, while small businesses are the backbone of the City, the beach is the lifeblood. About 5 years ago the City had a sand replenishment program, and today only about 5% of that sand remains. So replenishment is needed probably every 5 years. SANDAG discussed a cost-sharing program, with the cities contributing an amount of money. She is asking Council for direction regarding recommendations to be given for a presentation at SANDAG. The next meeting of SANDAG is June 8 at 10:00 AM before the policy board, and the next meeting for the working group would be July 12. Today Shelby Tucker will give a brief presentation along with David Nydegger.

[Councilmember Feller returned to the meeting at 5:42 PM.]

SHELBY TUCKER, staff for SANDAG's Shoreline Preservation Working Group, provided background information on the Shoreline Management Program at SANDAG, an overview of the 2001 regional beach sand project, and discussed the current activities of the Working Group. The Group was formed in the 1980s, and they advise SANDAG policymakers and the Board of Directors on the implementation of a strategy that was developed in 1993, which proposed an extensive beach building and maintenance program for the critical shoreline erosion areas in the region. They come up with recommendations and other guidelines to reach this goal.

In 2001 six miles of beaches were restored throughout the region's 3 littoral cells. The project was supported by approximately \$17,500,000 from the U.S. Department of the Navy and the California Department of Boating and Waterways. This was a pilot project used to determine the feasibility of beach replenishment in the San Diego region. It was the first step in on-going re-nourishment.

SANDAG has been monitoring the region's beaches since 1996 through funding provided by the region's coastal cities and provides physical measurements of the region's beaches. It is essential to the design and evaluation of future efforts to replenish beaches. The monitoring measures the change in beach width over time, documents the benefits of the sand replenishment projects, and helps to improve the design and effectiveness of these beach fills.

Using a power point presentation, she showed how sand has moved since the 2001 replenishment project (from fall 2000 to fall 2005), which depicts the diminished sand volumes in Oceanside, etc. Historically, beach nourishment has occurred occasionally, such as in Oceanside with the harbor dredging, which puts sand on the beaches. This does not occur everywhere in the region, so the beaches throughout the region are feeling the impacts. In the beginning the sand is isolated where the project fills were and then spreads out over time. There were large areas of improvement in the early years. Then in the later years, there was sand recession that was worse than the pre-project levels.

This shows that the sand has moved and more sand is needed. SANDAG's Working Group is working to implement another project. There have been efforts undertaken by local jurisdictions, such as Encinitas and Solana Beach, to dedicate funding for beach nourishment. Since funding for additional beach nourishment has not been identified at the State and Federal levels currently, the Working Group is working with local jurisdictions to identify funding sources that could be leveraged for State funds.

To implement the goals and objectives in the strategy and the Regional Comprehensive Plan adopted by SANDAG in 2004, the Working Group has discussed the potential for implementing beach replenishment, which would be the same as the 2001 project. To compete for State and Federal funds, a study must be completed. SANDAG staff is working with the Working Group to complete the feasibility study, and a cost/benefit analysis is being prepared, which has been funded by coastal cities, including Oceanside.

The goal is to leverage local dollars to match state dollars. The question is how this is determined. California Department of Boating and Waterways (CDBW) requires a match of 15-25% of the total project cost. To rebuild the 2001 project, it would cost \$25,000,000. There is no match for State-owned beaches, so the 15-25% required would not be required for State-owned beaches. Unfortunately, that does not help Oceanside. However, looking at the project on a regional level, it does have some impacts.

There are 3 main funding methodologies that have been developed by SANDAG staff, and they hope to get more ideas from this Council and others. The 3 at this time are: miles of coastline; amount of cubic yards; and amount of coastline restored by the project.

She would like input on the methodologies. These planning dollars could change dramatically depending on who gets involved in the project. If a city decides not to do anything, it would change costs for other jurisdictions. She showed examples of the costs of allocations based on miles of coastline if all cities participate and they match only the city-owned beaches with an even coast distribution. The planning costs are \$500,000 before the State money even comes into play. Therefore, it would mean dividing the \$500,000 among the jurisdictions and then taking the remaining dollars and dividing it among the jurisdictions, based upon the methodology that is chosen, etc. Oceanside would contribute approximately \$365,000 for miles of coastline. Using cubic yards, with Oceanside receiving the largest portion, the contribution would be \$800,000+. Using the miles of restored beach, the cost is around \$650,000. They are still looking for other ideas.

COUNCILMEMBER SANCHEZ noted that what is presented is cost sharing among only the coastal cities, and perhaps it is a more regional issue with all cities in SANDAG contributing. In conversations with Don Hadley and Ray Duncan, the City would prefer that the miles methodology be used.

DAVID NYDEGGER, CEO of the Chamber of Commerce and Director of the California Welcome Center, stated the number one tourism reason why people come to North San Diego County is our beaches. That is how critical this issue is. He recognized a study done by a travel consultant, which indicated that beach travelers spend more money when visiting, as opposed to regular travel. Beach travelers eat and shop as well. The Oceanside Harbor and Beaches estimates that we average 5,000,000 visitors a year to our beaches. A study done by Cal State San Marcos in 2003 indicated that almost 28% of the people on the beaches were from Vista, Escondido and San Marcos. So consideration should be given to involving the other cities in the County. 42% were from Orange and Riverside counties, etc. The rest were either from the U.S. or foreign countries.

DON HADLEY, Harbor and Beaches Director, felt that beach replenishment every 5 years would be a good goal if the Working Groups and policy boards agree. It will really be directed financially. In the sample project of \$25,000,000, anywhere from 75-85% of this project hopefully will be paid by the State, but eventually those funds would dry up. So looking to do something regularly means funding it regularly.

MS. TUCKER noted that on June 8 the SANDAG policy board will be discussing long-term funding type strategies.

COUNCILMEMBER SANCHEZ stated at the May meeting there were recommendations to the other cities like Oceanside by Encinitas and Solana Beach. They did an initiative on the ballot to increase the TOT by 2%. One of the goals was to fund sand replenishment on a long-term basis. Encinitas raised their TOT to 10%, and Solana Beach raised theirs to 14%. Oceanside is presently at 10% and would increase to 12%. If this were to occur, it would need to be supported and backed by the businesses in Oceanside.

She **moved** to give direction to the City's representative [Councilmember Sanchez] and staff, who will do a presentation at the June 8 meeting, that Oceanside is interested in a regional solution and that the methodology be based on miles.

COUNCILMEMBER KERN seconded the motion.

Public Input

JIMMY KNOTT, 124 Sherri Lane, researched this subject. At one time our sand went out to the end of the jetty. There are numerous reports going back to the 1930s showing that the damming of the waterways are stopping the flow of natural sand replenishment; not just the flushing of the sand down the coast. Those reports' recommendations were to have the entities up the rivers, who are benefiting from the damming of the water, to pay for the supply of the replenishment of the sand, which includes those who benefit from the use of the water itself. Therefore SANDAG's figures on the coastal cities are way out of whack. The others should also have to pay; not just the coastal cities.

Motion was **approved 4-0**; Mayor Wood was absent.

COUNCILMEMBER SANCHEZ said she would bring back the funding issue.

6:00 P.M. – PUBLIC HEARING ITEMS [Items 16-18]

Public hearing items are "time-certain" and are heard beginning at 6:00 p.m. Due to the time-certain requirement, other items may be taken out of order on the agenda to accommodate the 6:00 p.m. public hearing schedule.

16. **City Council: Renewal and levy of annual assessments for the Oceanside Lighting District, Assessment District No. 2-1991**

DEPUTY MAYOR CHAVEZ opened the public hearing. Regarding disclosure of constituent contact, Councilmember Sanchez reported no contact; all others reported staff contact.

HEIDI JANZ, Program Specialist, asked Council to confirm the assessment for the Oceanside Lighting District and to order that the assessment be levied.

With no one wishing to speak on this item, the public hearing was closed.

COUNCILMEMBER SANCHEZ moved to adopt the resolution [**Resolution No. 07-R0273-1**, "...confirming the 2007-2008 Fiscal Year diagram and assessment for the Oceanside Lighting District, Assessment District No. 2-1991," and approve the budget transfers in amounts totaling \$428,866 to support the District].

COUNCILMEMBER KERN seconded the motion. Motion was **approved 4-0**; Mayor Wood was absent.

15. **City Council: Renewal and levy of annual assessments for ten of the City's Landscape Maintenance Districts for FY 2007-08; Del Oro Hills, Assessment District No. 1-1987; Guajome Ridge, Assessment District No. 1-1989; Mar Lado Highlands, Assessment District No. 1-1988; Mission Meadows, Assessment District No. 2-1979; Peacock Hills, Assessment District No. 1-1977; Rancho Hermosa, Assessment District No. 3-1982; Santa Fe Mesa, Assessment District No. 2-1987; Sunburst Homes, Assessment District No. 1-1980; Sunset Hills, Assessment District No. 2-1982, and Vista Del Rio, Assessment District No. 1-2001**

DEPUTY MAYOR CHAVEZ opened the public hearing. Regarding disclosure of constituent contact, Councilmember Sanchez reported no contact; all others reported staff contact.

HEIDI JANZ, Program Specialist, asked Council to confirm the assessments and order that the assessments be levied for 10 of the landscape maintenance districts, as listed.

With no one wishing to speak, the public hearing was closed.

COUNCILMEMBER SANCHEZ moved to adopt the resolutions [as follows:

Del Oro Hills: **Resolution No. 07-R0274-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Del Oro Hills Landscape Maintenance District, Assessment District No. 1-1987";

Guajome Ridge: **Resolution No. 07-R0275-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Guajome Ridge Landscape Maintenance District, Assessment District No. 1-1989";

Mar Lado: **Resolution No. 07-R0276-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Mar Lado Highlands Landscape Maintenance District, Assessment District No. 1-1988";

Mission Meadows: **Resolution No. 07-R0277-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Mission Meadows Landscape Maintenance District, Assessment District No. 2-1979";

Peacock Hills: **Resolution No. 07-R0278-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Peacock Hills Landscape Maintenance District, Assessment District No. 1-1977";

Rancho Hermosa: **Resolution No. 07-OR279-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Rancho Hermosa Landscape Maintenance District, Assessment District No. 3-1982";

Santa Fe Mesa: **Resolution No. 07-R0280-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Santa Fe Mesa Landscape Maintenance District, Assessment District No. 2-1987";

Sunburst Homes: **Resolution No. 07-R0281-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Sunburst Homes Landscape Maintenance District, Assessment District No. 1-1980";

Sunset Hills: **Resolution No. 07-R0282-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Sunset Hills Landscape Maintenance District, Assessment District No. 2-1982";

Vista Del Rio: **Resolution No. 07-R0283-1**, "...confirming the fiscal year 2007-2008 diagram and assessment for the Vista Del Rio Landscape Maintenance District, Assessment District No. 1-2001"]

COUNCILMEMBER KERN seconded the motion. Motion was **approved 4-0**;
Mayor Wood was absent

18. City Council: Renewal and levy of annual assessments for the Douglas Park Landscape Maintenance District, Assessment District No. 5-1981

This hearing was continued to the June 6 meeting.

CONSENT CALENDAR ITEMS [Items 6-15]

All items listed on the Consent Calendar are considered to be routine matters or formal documents covering previous City Council/HDB/CDC instructions. The items listed on the Consent Calendar may be enacted by a single vote. There will be no separate discussion of any Consent Calendar items unless requested by members of the City Council/HDB/CDC or the public through submittal of Request to Speak form prior to the commencement of this agenda item.

Item 11: City Clerk Wayne noted that Item 11 had been removed from the agenda by staff.

Item 14: There are many requests to speak on Item 14.

Item 10: Councilmember Feller had a question on Item 10.

The following Consent Calendar was submitted for adoption:

6. City Council/Harbor/CDC: Acceptance of Minutes of the City Council of Saturday, April 28, 2007, 10:00 a.m. Adjourned Meeting
7. City Council/Harbor/CDC: Approval to waive reading of the text of all ordinances and resolutions considered at this meeting and provide that ordinances shall be introduced after a reading only of the title(s)
8. City Council: Approval of a purchase order in the amount of \$69,570 to Southland Pipe Corporation of Glenwood, New Mexico, for pipe and material for the relocation of the second and third aqueducts located at Osborne and Hutchison Streets, and authorization for the Financial Services Director, or designee, to execute the purchase order
9. City Council: Approval of a professional services agreement [**Document No. 07-D0268-1**] with Diehl, Evans & Company, LLP, of Irvine in the total amount of \$151,740 for the annual audit of the City's financial records for FY 2006-07, 2007-08, and 2008-09; and authorization for the City Manager to execute the agreement
10. **Removed from the Consent Calendar for discussion**

- [11. City Council: Adoption of a resolution approving the Final Map for La Costa Villas, a 1-lot, 22-unit condominium project located on the north side of North River Circle, and authorization for the City Clerk to record the Final Map with the San Diego County Recorder] -- **Removed from the agenda by staff**
12. City Council: Adoption of **Resolution No. 07-R0270-1**. "...approving the Final Map of Fire Mountain Estates," a six-lot, 1.48-acre residential project located north of Yucca Road and east of Fire Mountain Drive, and authorization for the City Clerk to record the Final Map with the San Diego County Recorder
13. City Council: Adoption of **Resolution No. 07-R0271-1**, "...declaring its intention to vacate a portion of a public street right-of-way, reserving a public utility easement and setting a public hearing thereon (Witherby Street)"; declaring the City's intention to vacate a portion of Witherby Street right-of-way located between South Pacific Street and Tait Street, adjacent to 1334 South Pacific Street, and setting a public hearing on the proposed vacation for June 6, 2007, at 6:00 p.m. in the City Council Chambers
14. **Removed from the consent calendar for discussion**
15. City Council: Authorization to award a contract [**Document No. 07-D0272-1**] in the amount of \$263,753 to Valley Coast Construction, Inc., of San Diego, for the Skylark Slope Stabilization and Repair project located south of Skylark Drive and east of Downs Street; authorization for the City Manager to execute the agreement upon receipt of all supporting documents; and approval of a budget appropriation in the amount of \$170,000 from the Unallocated Gas Tax Fund 213

COUNCILMEMBER SANCHEZ moved approval of the balance of the Consent Calendar [Items 6-9, 12, 13 and 15].

COUNCILMEMBER KERN seconded the motion, which was **approved 4-0**; Mayor Wood was absent.

10. **City Council: Approval of a two-year professional services agreement [Document No. 07-D0269-1] with TruGreen Landcare of Escondido in the total amount of \$946,344 for the landscape maintenance of the City's parks; and authorization for the City Manager to execute the agreement**

COUNCILMEMBER FELLER stated he has been in the parks fairly regularly, and he would like the issue of graffiti addressed. He would like the contractor to at least report any graffiti so that City crews can take care of it immediately. It happens regularly in all the parks.

KIEL KOGER, Maintenance and Operations Manager, stated the contractor is out in the parks daily and this is something they could easily do to let us know about these items.

COUNCILMEMBER FELLER moved approval [of Item 10], and **COUNCILMEMBER SANCHEZ seconded** the motion. Motion was **approved 4-0**; Mayor Wood was absent.

14. **City Council/CDC/Harbor: Adoption of resolutions amending the 2007 meeting times for regular meetings to 3:00 p.m. for closed session items and 4:00 p.m. for general items, confirming the Council's action of May 2, 2007**

COUNCILMEMBER KERN moved approval; **COUNCILMEMBER FELLER seconded** the motion for discussion purposes.

Public Input

The following people spoke in opposition to the time change:

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Bob Drew, 3185 Buena Hills Drive.
Chuck McDonell, 2613 Fire Mountain Drive
Jerry Carey, 4710 Westerly Court
Darlene R. Wrigley, 3365 Buena Hills Drive
Dee Devine, 3260 Calle Osuna
Willie Little, 3201 Mesa Drive
Maria Russell, 1323 Lemon
Margaret Malik, 1611 Hackamore Road
Thomas Dempsey, 3641 Esplanade Street
Joe Diaz, 4788 Calle Estrella
Chuck Lowery, 812 Alberta, Democratic Club
Nadine Scott, 550 Hoover Street
Margaret Hernandez, 128 Crouch Street
Rick Kratcoski, 2110 Foster Street
Kathy Christy, 3552 Mira Pacific Drive
Joan Brown, 511 Rockledge Street
Jerry McLeod, 1517 Del Mar Road
Carol Blom, 3030-71 Oceanside Boulevard
Dick Blom, 3030-71 Oceanside Boulevard
Lisa Hamilton, 323 South Ditmar Street
Kathi Jo Brunning, 3516 Spruce Court
Shelley Hayes Caron, Marron Adobe, Carlsbad
Dan Brunning, 3516 Spruce Court
Leslie Brooks, 1524 Belmont Park Road
Jules Briskin, 1200 Harbor Drive North
Jimmy Knott, 124 Sherri Lane
Dan DiMento, 2116 Broadway
Brenda Souza, 3621 Vista Campana South
Jennifer Garvey-Davis, 3409 Caseras Drive
Joan Brubaker, 1606 Hackamore Road
Mimi DeMirjian, 214 S. Freeman Street
Susie Coker, 2126 Sorrento Drive
Jeeni Criscenzo, 519 S. Ditmar Street
Anthony Searles, RBV student

They listed reasons, such as: it seeks to exclude/marginalize the input of Councilmember Sanchez [due to her work schedule]; it will prevent working people/military from attending meetings; it would reduce citizens' participation; people cannot attend meetings rolled over to 9:00 AM the next morning; this would not upgrade the efficiencies; would reduce the meeting time; and it impedes those working and those who would want to run for Council. They made the following suggestions/points: reduce the Council speaking time; transportation issues/carpooling needs; issues with KOCT scheduling; breaking up a Council meeting into 2 sessions; the need to expedite time-certain items; limit proclamations to once a month; expedite/streamline the meetings rather than change meeting times; have 4 meetings a month; consider other options; everyone needs to be heard; cut off the microphone when the time is up; start meetings later; parking issues; live internet feed;; rearrange the agenda; etc.

The following person spoke, not in opposition, but felt that an earlier time change might be good, such as 1:00 PM due to the traffic; change the way everything is looked at.

Mel Vernon, 4010 Loma Alta Drive, San Diego

[Concluded public input]

COUNCILMEMBER FELLER stated that this item was about hearing from the citizens. There was a 4-1 vote to bring this matter forward to hear input. Oceanside's meetings were formerly at 2:00 PM when he and Councilmember Sanchez were elected, and they both committed to all the time necessary for Council business. Council already

has the ability to continue a meeting to anytime, so the continuation to 9:00 AM the next morning was not necessary. He wished this same attendance had been present when Council decided to close City Hall every other Friday. He was interested in hearing from everyone and having the discussion, and he is not at all in favor of changing the meeting time.

He **withdrew his second**.

[With no second to the motion, the motion dies from lack of a second.]

COUNCILMEMBER SANCHEZ thanked everyone for working together to make things work out in the end. She thanked her colleagues for the support.

COUNCILMEMBER KERN stated one reason he supported changing the time was that extending the meeting times for one hour meant that we could get the people's business done. The last few meetings have required continuing items so they did not get the business done. People have been here for hours and their item(s) never came up. His feeling was that the meetings could start one hour earlier to do all the 'dog and pony' show items at 4:00 PM, even the Council reports, and then begin the business items at 5:00 PM., i.e. front load the meeting with things that are not that important. We are destined to be inefficient but we can improve on what we are doing. He too looked at other agencies' meetings and items. If we continue to keep trailing items at 10:00 PM, then he will really think about how to readjust the meetings to make them work. The bottom line is how to get the people's work done from this dais. That is why he wanted the meetings extended for one hour. From now on, if Council cannot finish the items at 10:00 PM, he will ask to continue them to the next day, perhaps not at 9:00 AM but maybe 6:00 PM. He does not want to continue one item to the next meeting, week after week. We need to get the work done within the week's time allotted. Once we have an agenda set, he wants it to get done that week.

DEPUTY MAYOR CHAVEZ thanked everyone for their input. All Councilmembers really care about the community, and the direction to the City Manager is clear to look at ways to streamline. It is also incumbent upon the Council to be more concise.

DEPUTY MAYOR CHAVEZ determined to hear Item 21 next.

21. **Request by Councilmember Sanchez for a resolution to NCTD against eliminating bus services to the Capistrano Park area, and direction to staff**

COUNCILMEMBER SANCHEZ stated she received an email asking for Council's support in opposing the deletion of Route 316, the only bus service to Capistrano. There were suggestions on how this route could be saved for our residents. She **moved** to oppose the elimination of Route 316 and make that known to the NCTD Board at tomorrow's meeting.

COUNCILMEMBER FELLER **seconded** the motion.

Public input

HEATHER HUTCHINSON, 1018 San Juan Street, representing Francine Villas from the Capistrano neighborhood, is protesting the elimination of this bus route, as was done last year about this time when they agreed on a compromise with NCTD regarding the scheduling and frequency of the bus route. Presently the bus travels through the neighborhood 2 times in the morning and 2 times in the afternoon, and now they want to cancel those. NCTD says the ridership has decreased, but it has actually increased. Their neighborhood is unique with only one access point. If this route is cancelled, their middle and high school students will be forced to walk to school. Many use these buses to travel to work and college. Without this route, the closest bus stop is on Coast Highway on the other side of the freeway. With no bus, the alternatives are dangerous. She hopes to have

a compromise, such as the bus going to Camp Pendleton could make a stop in the neighborhood. She asked for Council's help on this.

DEANNA BRENNAY, 1406 Santa Rosa Street, concurred with the previous speaker, noting she rides the 316 bus; it is her only transportation to work at this time.

JIMMY KNOTT, 124 Sherri Lane, advised that the voters passed Transnet, part of which was to serve under-served communities. It seems NCTD always wants to cut bus service in Oceanside, which is not right. People need the service. NCTD Board needs to understand what is going on.

[Public input concluded]

COUNCILMEMBER KERN stated the actual time to do this is tomorrow at NCTD's Board meeting. He is disappointed to be finding this out the night before the NCTD vote. If our NCTD representative [Mayor Wood] had brought this forward a couple of weeks ago, it would have provided Council with this information. Our representatives need to report back to the Council on these things for a heads-up and to give direction, rather than at the last minute and then ask to get a letter to NCTD tomorrow afternoon. He is disappointed that the City's NCTD representative did not weigh in on this and get back with the citizens. Hopefully in the future our representatives will report back in a timely fashion.

DEPUTY MAYOR CHAVEZ stated that the motion is to oppose the elimination of bus Route 316 and give direction to our representative, Mayor Wood, to oppose this and vote against it.

COUNCILMEMBER SANCHEZ stated her motion was to send the message to the NCTD Board tomorrow independently as well, and concurred with the direction to our representative to oppose it.

Motion was **approved 4-0**; Mayor Wood was absent.

[Recess was held from 7:30 – 7:38 pm]

19. **Request by Deputy Mayor Chavez for update on FAA and State airport funding and direction to staff to develop a Request For Proposals to lease the airport to private airport developers**

DEPUTY MAYOR CHAVEZ stated the reason he brought this forward was because 93 days ago Council had directed staff to come back in 90 days with a report. The staff has given a written report, but he wanted a formal report. After input, he is leaning toward a Request for Proposals (RFP) for a lease.

GARY GURLEY, Senior Property Agent, stated that, as directed, staff applied for a State loan to build out the remaining hangars that the City has pads for, and that is in process. His last conversation with the State today was that they still have no answer. Staff also applied for FAA funds, and there is no determination yet on funding availability. So at this time, staff has no answer back from the State or Federal agencies.

[Public input]

RON STEWART, 3259 Canyon View Drive, President of the Citizens for a Better Oceanside (CBO), stated CBO has gone out of their way to be amicable and compromising by going from closing the airport at all costs, to controlling the expansion on the south side. Apparently the Council insists on finding a way to keep the airport open, instead of using that land to bring revenue to the citizens for services. When he spoke to Council in November, CBO stuck to their settlement by not opposing the efforts to improve the south side, and they will continue that tonight. CBO does not oppose the idea of the City

exploring any alternatives to making the airport self-sufficient on the south side and paying off the \$500,000 that is owed to the general fund. However, CBO has 2 requirements for Council consideration as they move forward in exploring this lease agreement:

- the City must disclose the contents of the CBO settlement within this RFP. CBO will not compromise any of those items and are willing to take the next steps if the settlement is breached in any way.
- the City must accept nothing less than fair market value from any private investor who presents a viable proposal. There are rumors that the airport area may have new neighbors and that both will have lease arrangements. Council must insist that the lease prices for any airport land would be very comparable.

KARL HIGGINS, 1517 Roma Drive, Vista, is a registered lobbyist here on behalf of his client, the Aircraft Owners and Pilots Association (AOPA), which is a nationwide membership association. They will be happy to do what they can to assist in this process and serve as a resource and database. Channels of communications indicate that there is some fence-mending that needs to be done with the Federal and State agencies, and they would be happy to facilitate that, and assist in anyway.

JIMMY KNOTT, 124 Sherri Lane, expressed concerns that need to be addressed before this is sent to staff. There needs to be a study of the affects of any privatization or leasing of an airport onto a community; Council needs to understand that before making a decision. We need to also understand about the public safety impacts and make recommendations on what should be in that lease, and not just leave it up to staff; it should be developed by an outside professional consultant. Also, the Regional Airport Authority is still in control and has governance authority, and they should be part of this decision making, and not just this Council.

NADINE SCOTT, 550 Hoover Street, stated that on May 12 she attended the Oceanside Airport Association [OAA] meeting, which was not publicly noticed, but had a quorum of Council present of Deputy Mayor Chavez and Councilmembers Feller and Kern, and she believes there was a violation of the Brown Act. Deputy Mayor Chavez stated on Wednesday that Council is talking about the proposal to run the airport. Council cannot discuss, meet or let a quorum deliberate on an agenda item, so she is serving a letter on the City Attorney tonight asking for a cure and correct. This item should be pulled this evening as part of the cure due to the illegal nature of the meeting. No action should be taken on an item that was pre-deliberated and pre-decided. She demanded the following: the agenda item be removed; no vote be allowed that will ratify an illegal meeting; that the Councilmen state a formal and explicit withdrawal from any commitment made, coupled with the disclosure at a subsequent meeting of why individual members of this legislative body took the positions that they did, accompanied by a full opportunity for informed comment by members of the public at a fully-noticed agenda.

BEN MEYERS, 5119 Via Malaguena, representing 800 members/contacts with the Oceanside Airport Association (OAA), wished Council well with putting forth the proposal. An even better item would be that the City sell the airport to the County. They think one of the big pieces lacking in an overall plan is that the City does not have the personnel or the expertise to set up an airport, run it well, manage it, maintain it, etc. If that alternative is not brought forward in an aggressive way, then the next best thing is to lease it out and get some sort of development moving, because it has been since about October that Council passed the last motion. With the RFP, it will be another year before the development process. OAA is concerned because time is running. They are excited about taking the airport out of the political arena. OAA would encourage Council to make this a winning issue.

RON COZAD, General Counsel for Oceanside Airport Association, wanted to address a couple of things that usually come up during Council comments that are patently wrong. First, this airport was dealt a serious blow in 1994 when the City sold a major portion of the property to the State for the expansion of Highway 76. At that time \$2,600,000 was taken from the airport; the funds received from the State were placed in

the general fund. That money should have stayed in the airport fund. It would have provided a reserve, and the airport would be a viable entity now. Because the airport was raided in 1994, we are now dealing with an airport without reserves. The next problem is that a couple of years ago the City made a request for an \$850,000 loan from CalTrans to build 21 hangars. The City failed to do that, because the City, like now, delayed. CalTrans inquired about the project, and the City told CalTrans that the hangars would be built shortly, when in fact that was untrue. CalTrans then wrote a letter to the City advising the City that it was in default of its obligations and that the City would not receive any further funds. That remains a problem until the City makes amends at CalTrans. Until then, the City will not receive funds from CalTrans and probably not from FAA. If the City wishes to meet with him, he will share the backup documentation. Until we recognize that this City has mismanaged the airport and the work is done to fix it, we will not get anywhere with the airport.

[Public input concluded]

DEPUTY MAYOR CHAVEZ moved to direct staff to develop a Request for Proposal, and include the CBO and OAA as it develops the RFP draft, for Council approval.

COUNCILMEMBER FELLER seconded the motion.

COUNCILMEMBER SANCHEZ stated they just received a letter regarding some allegations and wanted to hear from the City Attorney.

CITY ATTORNEY MULLEN stated he has not seen the letter so he does not know all the allegations, since it was just delivered. Ordinarily, for the sake of argument, not using the facts of this case, if there was a Brown Act violation, there has to be a demand to cure delivered. Typically, the way to cure it would be to conduct a future public meeting in accordance with the Brown Act and publish a new agenda. As he understands the motion, it is simply to direct staff to consider an RFP and report back to Council. So there will be no RFP issued in the absence of a future public meeting and approval by the City Council. Council could continue this item. It is his understanding there is a factual dispute with respect to the allegations contained in the letter. The motion is simply to refer this to staff and bring it back at a future noticed meeting. That would be the action likely to cure any alleged Brown Act violation anyway.

COUNCILMEMBER SANCHEZ is hearing that the City Attorney is recommending to go forward.

MR. MULLEN stated that is a policy decision to move forward. His point is the RFP will not be decided tonight; it will come back to Council for consideration, and of course it would have to be in accordance with the settlement agreement with CBO.

COUNCILMEMBER SANCHEZ stated that since the motion does take that into consideration, and since we are hearing from CBO that they are supporting this, she will support this. Previously there were issues about a flight school, and that is part of the settlement as well as other things. She recalls and believes it was reported out, besides closed session, regarding the terms. It had to do with an EIR to be prepared if there was any movement towards the north side, etc. The motion is to give direction to staff to abide by the settlement agreement in going forward with this, so she will support it.

COUNCILMEMBER KERN stated that is not his first choice, which would be to have the City manage it. His second choice would be a private contractor to have them manage the airport. Hopefully the RFP will give an idea of what the airport is worth, and we will have to make our decision at that time. His third choice would be to have the County run the airport, because they have proven they can run an airport. The airport will be there. The FAA has written a letter stating this is an airport and will be in perpetuity, so we need to figure out how to make this work. This is a first step to go out to the private sector and see what they can do.

May 16, 2007

Joint Meeting Minutes
Council, HDB and CDC

To Ms. Scott's comments, the Deputy Mayor, Councilmember Feller and he were also at the Teen Expo on the same day and they talked. On Sunday, the Deputy Mayor, the Mayor and he were at the Antiques on Mission and they all talked. Councilmembers are invited to many events, and the airport's was a barbeque. He does not agree with Ms. Scott's contention that every time they go someplace and talk to someone that they are in violation of the Brown Act. This is access to the public and the public to us. That is what they, as Councilmembers do; they go out to the public when invited to events and talk to them.

COUNCILMEMBER FELLER suggested that when this comes back, if CBO wants to fill the Chambers, that it be a 4th Wednesday, one item agenda.

Motion was **approved 4-0**; Mayor Wood was absent.

GENERAL ITEMS - None

CITY COUNCIL REPORTS

22. **Mayor Jim Wood** -- Absent
23. **Deputy Mayor Rocky Chavez** -- No report
24. **Councilmember Jack Feller** -- Noted a couple of things this weekend: the outreach to youth by the churches at Balderamma Park on Saturday; and Operation Appreciation is this Saturday.
25. **Councilmember Jerome M. Kern** -- Reported on the Youth Commission Teen Expo last Saturday, which was great. The League of California Cities Executive Committee was on Monday, and they appointed district representatives. Our representative is Carl Hilliard, Mayor of Del Mar.
26. **Councilmember Esther Sanchez** -- Attended the Oceanside Welcome Group installation of officers; attended the Boys and Girls Club fundraiser. As indicated by Councilmember Feller, she further announced the outreach by members of the community to address the issues of at-risk youth. She hopes to come back at the next meeting with a presentation about something we can do together with the school district.

INTRODUCTION AND ADOPTION OF ORDINANCES -- None

ADJOURNMENT

DEPUTY MAYOR CHAVEZ adjourned this meeting to a Mayor/Council workshop to immediately follow this regular meeting on May 16, 2007, to start in 10 minutes. He also announced he would not be present at the June 6 Council meeting, as his first son is getting married in Virginia Beach. This joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors of May 16, 2007 was adjourned at 8:06 PM.

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside