



California

CITY OF OCEANSIDE

JOINT MINUTES OF THE:

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

SEPTEMBER 1, 2004

REGULAR MEETING 4:00 PM COUNCIL CHAMBERS

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

Mayor
HDB President
CDC Chair
Terry Johnson

Deputy Mayor
HDB Vice President
CDC Vice Chair
Rocky Chavez

Councilmembers
HDB Directors
CDC Commissioners
Jack Feller
Esther Sanchez
Jim Wood

City Clerk
HDB Secretary
CDC Secretary
Barbara Riegel Wayne

Treasurer
Rosemary Jones

City Manager
HDB Chief Executive Officer
CDC Executive Director
Steven Jepsen

City Attorney
HDB General Counsel
CDC General Counsel
Anita Willis

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, September 1, 2004.

ROLL CALL

Present were Mayor Johnson, Councilmember Feller and Councilmember Wood. Deputy Mayor Chavez arrived at 4:02 PM. Councilmember Sanchez was absent. Also present were City Clerk Wayne, City Manager Jepsen and City Attorney Willis.

COUNCIL, HDB AND CDC CLOSED SESSION ITEMS

CITY ATTORNEY WILLIS titled the following agenda item to be heard in closed session: 2A [Item 1A was not heard].

Closed Session and recess were held from 4:02 PM to 5:00 PM. [See the report out on

NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL

September 1, 2004

Joint Meeting Minutes
Council, HDB and CDC

these items at 5:00 PM, Item 3.]

5:00 PM

Mayor Johnson reconvened the meeting at 5:00 PM.

INVOCATION

Invocation led by Reverend Gerald Johnson; Pledge of Allegiance led by Deputy Mayor Chavez.

ROLL CALL

All Councilmembers were present. Also present were City Clerk Wayne, City Treasurer Jones, City Manager Jepsen and City Attorney Willis.

PROCLAMATIONS AND PRESENTATIONS

[Presentation by Alexander and Nicholas Koken of \$50 for the Water Utilities Department's Clean Water Program] – No one was present for this presentation.

Certificates recognizing members of the Eastside Neighborhood Association for their completion of the Citizens' Academy sponsored by the Tri-City Prevention Collaborative and Drug Free Communities Program – Certificates were presented.

CLOSED SESSION REPORT

3. Closed Session report by City Attorney

CITY ATTORNEY WILLIS 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) and Unrepresented]

No closed session was held on this item.

2. CONFERENCE WITH REAL ESTATE NEGOTIATOR ON TRANSACTIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54956.8)

A) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** – Property: 3232 Mission Avenue APN 160-271-39 and adjacent vacant land 160-271-40 & 41; Negotiating Parties: City of Oceanside and Southern California Housing Development Corporation; Negotiator for the City: William F. Marquis, Senior Property Agent; Under Negotiations: Price and Terms

Direction was given to staff.

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.

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

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

JUNE KRISTAPOVICH, 727 Rivertree Drive, reported that since last October she has fought to have the repairs to the road between the bridge and Rivertree Drive on North Foussat properly repaired. She pleaded at the August 11th Council meeting to take action to force Kaufman and Broad to repair the damages incurred when they put in the utilities for the new subdivision. They admitted they had filled the trenches in with substandard material and promised to replace it later with the same standard materials they used in their subdivision. Engineering staff accepted Kaufman and Broad's every excuse and every broken promise. After Peter Weiss and Public Works drove over the road in July, he told her the work was not acceptable. Kaufman & Broad had continued to set dates to replace the substandard materials. Instead, they simply painted over the top of the road with black slurry coating.

The condition of that road is unacceptable. The damages are very apparent and will continue to get worse. Right now Kaufman & Broad could be forced to take care of this gross negligence.

THOMAS J. DEMPSEY, 3641 Esplanade Street, highlighted sections of the August 31, 2004 Walking to Calaveras Hills School Oversight Report on College Boulevard and the pedestrian traffic in the area at different times of the day including access on Vista Calaveras Street, Esplanade Street barrier, Sunset Apartments and beyond. Failure by the City to support the immediate removal of the barrier at Esplanade Street on August 18, 2004 shows there is a real need for credibility.

ERICA LEARY, 4312 Navajo Avenue, works with the Tri-City Prevention Collaborative, responded to the article in the *North County Times* yesterday regarding Oceanside considering the alcohol policy in City parks. She commended the City for looking into the alcohol policy in parks. Oceanside has been a leader in many alcohol policy efforts including reinstating decoy operations in the mid 1990s to prevent alcohol sales to minors as well as being one of the first cities in San Diego County to adopt the Social Host Ordinance, holding party hosts responsible for under aged drinking. A comprehensive alcohol policy in parks would set a clear standard for residents and help to reduce this problem that is associated with the 3 leading causes of death for teens.

CONSENT CALENDAR ITEMS [Items 5-12]

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 Council/HDB/CDC or the public through submittal of a Request to Speak form prior to the commencement of this agenda item.

The following Consent Calendar was submitted for approval:

5. Council/HDB/CDC: Approval of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council

A) Acceptance of minutes of October 18, 2000, 2:00 PM, Regular Council/CDC/Harbor

B) Approval of minutes of the following meetings:

June 13, 2001, 6:00 PM, Regular

April 21, 2004, 4:00 PM, Regular

July 7, 2004, 4:00 PM, Regular

6. Council/HDB/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)
7. CDC: Approval of one loan application under the Community Development Block Grant Housing Rehabilitation Program in the amount of \$36,000 and approval of a loan application in the amount of \$11,500 under the CalHome Manufactured Housing Program
8. Council: Acceptance of improvements constructed by Daley-CCAC, Joint Venture, of San Diego for the FY 2003-04 Annual Slurry Seal Project and authorization for the City Clerk to file the Notice of Completion (**Document No. 04-D785-1**) with the San Diego County Recorder
9. Council: Adoption of **Resolution No. 04-R786-1**, "...approving the adoption of the Revised Fifth Amended Unified San Diego County Emergency Services Agreement", with the San Diego County Emergency Services Organization and authorizing the Mayor to the execute the agreement for mutual aid assistance (**Document No. 04-D787-1**)
10. Council: Adoption of **Resolution No. 04-R788-1**, "...supporting renewal of the North San Diego County Recycling Market Development Zone (RMDZ)", previously approved in Resolution R93-190 [includes North County cities, County, etc.]
11. Council: Authorization to award a contract (**Document No. 04-D789-1**) in the amount of \$138,940 to Lekos Electric, Inc. of El Cajon for traffic signal installation on Lake Boulevard at Sky Haven Lane and authorization for the City Manager to execute the agreement upon receipt of all supporting documents
12. Council: Authorization to award a contract (**Document No. 04-D790-1**) in the amount of \$125,440 to Lekos Electric, Inc. of El Cajon for traffic signal installation on Mission Avenue at Carey Road and authorization for the City Manager to execute the agreement upon receipt of all supporting documents

COUNCILMEMBER SANCHEZ moved approval of the Consent Calendar [Items 5-12]. **MAYOR JOHNSON** seconded the motion, which was **approved 5-0**.

GENERAL ITEMS

General Items are normally heard after any 6:00 p.m. Public Hearing Items. However, if time permits, some General Items may be heard prior to any 6:00 p.m. Public Hearing Items, following the Consent Calendar.

15. **Council: Adoption of a resolution authorizing the Fire Department's participation in the North Zone Fire Effectiveness and Regionalization Study and adoption of a budget resolution transferring \$38,000 from the General Fund Unallocated Fund Reserve to the Fire Department for its share of the cost of the study**

ROBERT OSBY, Fire Chief, noted that for a number of years there has been considerable interest expressed in regional or consolidated delivery of fire service in the County of San Diego. In the last several years, North County has taken the lead in a collaborative effort including the organized labor organizations within the fire service as well as the leadership. We have finally come to the point where a consultant has been selected after an exhaustive, comprehensive and objective evaluation of a number of consultants. The cost of the study will be shared among 9 participating agencies; that represents 9 of the 11 fire service agencies in North County. Staff is requesting that Council approve and adopt a resolution authorizing the fire department to participate in

this study as well as to authorize the transferring of our share of the cost, \$38,000, from the General Fund Unallocated balance.

COUNCILMEMBER FELLER asked why San Marcos and Deer Springs chose not to be involved.

CHIEF OSBY explained that was the decision in San Marcos of the City Manager and their elected officials. The Deer Springs Fire District Board of Directors made the decision not to participate.

CITY ATTORNEY WILLIS made an amendment to the recommendation to authorize the City Manager to sign the agreement on behalf of the City.

COUNCILMEMBER SANCHEZ said that the City and the Fire Department have been very active pursuing and studying this for the last 4 years. As resources get more scarce, technology improves, and certainly as the county expands to the borders regionalization becomes more important. This is a very positive thing to do.

COUNCILMEMBER SANCHEZ moved approval [of staff's recommendation to adopt **Resolution No. 04-R792-1**, "...to authorize the Fire Department to participate in the North Zone Fire Effectiveness and Regionalization Study" and adopt **Resolution No. 04-R793-1**, "...amending the budget for the 2004-2006 fiscal years," transferring \$38,000 from the General Fund Unallocated Fund Balance to the Fire Department to fund its share of the cost of the study, and authorizing the City Manager to sign the agreement (**Document No. 04-D794-1**)].

COUNCILMEMBER WOOD seconded the motion.

No public input

MAYOR JOHNSON supports the motion. It has been over 20 years that they have been talking about fire regionalization, and maybe it is about time it happens.

COUNCILMEMBER FELLER concurs that this has been coming for about 2 years. It was something that he first really heard about getting some teeth in it just about a year and a half ago. He supports the motion.

Motion was **approved 5-0**.

16. **Council: Approval of a two-year professional services agreement with San Diego North Convention and Visitors Bureau in the amount of \$10,000 for FY 2004-05 and \$15,000 for FY 2005-06 for services related to the marketing and advertising of the City of Oceanside, and authorization for the City Manager to execute the agreement**

JANE McVEY, Economic Development and Redevelopment Director, noted the request is for a contract with the San Diego North Convention and Visitors Bureau. The City in the past had a contract with them, but because of the budget situation earlier this year, Council at that time chose not to pursue an additional contract. However, staff has come back to Council with a request for a 2-year contract in the amount of \$10,000 for FY 2004-05 and \$15,000 for FY 2005-06 to assist in the marketing of the City to the tourism population. The Visitor's Center is doing a yeoman's job, but to do the overall far reaching marketing to position the City for the future, the San Diego North Convention and Visitors Bureau is probably the best group to do that. Staff asks for Council's permission for a contract with them to do so.

COUNCILMEMBER FELLER asked if the existing contract with them is \$5,000.

DIRECTOR McVEY said the existing contract is \$5,000 and is paid out of

redevelopment funds. This time the money would be paid from the General Fund. A certain number of hotels are in the Redevelopment Area, making it a fruitful partnership to pay for it out of Redevelopment Funds. But to get the full benefits of a membership, staff is asking to increase that membership.

COUNCILMEMBER FELLER moved approval [of the professional services agreement with the San Diego North Convention and Visitors Bureau (**Document No. 04-D795-1**) and authorize the City Manager to execute the agreement].

DEPUTY MAYOR CHAVEZ seconded the motion.

COUNCILMEMBER SANCHEZ recalled that when this came up in the budget discussions, City Manager Jepsen had some comments about the levels of service that this contract would actually provide to the City. She asked City Manager Jepsen if he recommends that Council do this.

CITY MANAGER JEPSEN confirmed that he did express concern relative to financial circumstances that faced the City and the understanding of how we would measure the services provided by San Diego North Convention and Visitors Bureau. San Diego North Convention and Visitors Bureau have looked into that and he recently forwarded information to Council in that regard. He is satisfied that they are doing a better job of tracking the dollars that they are generating for the City and the way that they are serving that information. Staff did reset the calendar, though, with San Diego North Convention and Visitors Bureau. The City's longer term intent was to ramp up to \$25,000 originally. This was the City's agreement with them 2 or 3 years ago. He would assume that we are headed back on that path, but we have dropped back a couple of years. They provide the City a valuable service and extend both the knowledge of the City for tourism and industrial space far beyond what the City could do without this agreement. It seems like a reasonable value and he encouraged Council's support.

Motion was **approved 5-0**.

HARBOR DIRECTOR, ECONOMIC/REDEVELOPMENT DIRECTOR, AND HOUSING DIRECTOR REPORTS

17. Economic/Redevelopment Director's Report

JANE MCVEY, Economic Development and Redevelopment Director, by way of a PowerPoint presentation provided Council with a brief update of some of the activities happening around the City. She reviewed the following projects: Oceanic Business Park, Phase II; Old Grove Marketplace; Quarry Creek new stores; new post office; Pac Bell live/work lofts; Castiglione's Pizzeria; and Oceanside Gear. An Oceanside Beach Hotel Community Workshop will be held on September 8th and will be a formal Council Workshop. All of the developers that are proposing development for the 2 blocks at the head of pier will be there making a presentation of their proposal. There will be tables around the room so the public can walk around, view the exhibits, meet the developer and ask questions in person so that they can get a feel for each of these groups. She encouraged all to come out to the Council Workshop.

MAYOR JOHNSON asked for an update on Parcel "B," the Fairfield Timeshares, and the soon to be built parking structure.

DIRECTOR McVEY responded that they had the groundbreaking for the parking structure already. A pre-construction meeting is tomorrow afternoon before they actually place the equipment on site. That is a 450-space garage at Seagaze and Cleveland Streets.

Parcel "B" is directly west of the Regal Theatre and is 1 floor of retail space, 1 floor of office space, 4 floors of condominiums (38 condominiums total) and 2 levels of

underground parking. Groundbreaking is planned for 4:00 PM on September 30th.

Digging is expected to begin in March on the Fairfield project and the sales trailer will be placed on site. Staff has been meeting with some of their consultants to get all the details in order before they start doing their construction. This is the project on the northern most block at the head of the pier.

In response to Mayor Johnson, **DIRECTOR McVEY** said grading has been completed at Ocean Village. Their building permits are in final review and should be issued at the end of next week. Ocean Village will be approximately 32 condominiums and 10,000 square feet of retail space. The Renaissance Terrace Project, behind the Guest House Inn, has not started grading yet. There is also the project on the east side of the Interstate 5, by Neptune Way, that is 222 condominiums and they are doing their grading. Altogether now, there are approximately 350 housing units in the Downtown area that are either under construction or just about to get under construction.

This item was for information only.

MAYOR AND/OR COUNCILMEMBER ITEMS

18. **Request by Councilmember Feller for presentation by Keith Krueger of the International Dark-Sky Association entitled "Intelligent Lighting in Oceanside's Lighting Code", and direction to staff**

COUNCILMEMBER FELLER saw the presentation a couple of times and Oceanside is on the forefront. He is not asking for much action here other than just information about what is available out there.

KEITH KRUEGER, International Dark-Sky Association, 5027 Bella Colina, referred to the Oceanside Municipal Code, Section Code 39.6.(b) which says that lighting marked "permitted" will be fully shielded where feasible and partially shielded in all other cases. That means that light goes down on the ground rather than up in the sky. The impetus for the lighting code was the proximity to Mt. Palomar. However, he intends to show and demonstrate how this lighting code benefits everybody in Oceanside.

It is amazing that 120 years after the invention of the light bulb, people do not take into account the limitations of the human eye and the properties of light when they are designing a lighting installation. Specifically, 1 of the human limitations he talked about is the maximum contrast ratio the human eye can endure is 10:1. That means that the human eye can only detect something that is 10 times dimmer than the brightest object in a person's field of view, no matter how bright the object is. A good illustration of having a bright object in a person's field of view and still not being able to see anything is driving into a sunset. The reason why a person cannot see anything when driving into a sunset is not because there is not enough light around; it is because the contrast ratio of the eye has been exceeded. This contrast ratio actually declines with age and for an older person can be much less. Transition issues are often ignored. That is when a person goes from a brightly lit area to a less well-lit area, it takes time for the eyes to adapt. This also increases with age. The other thing that is often missed is that illumination provided by a light source is inverse in proportion to the square of the distance. That means if a person increases distance from a light source by 3 times, illumination will be reduced by 9 times.

He showed examples of good and poor lighting at various businesses/locations throughout Oceanside. It was very early on after the invention of the light bulb when people began to realize that lighting had to be looked at a little bit differently. He quoted the first Roadway Lighting Manual written in 1918 by the Holophane Glass Company "...It is very important to see to it that the street lighting system produces an effect which surrounds the eyes of those using the streets with conditions under which the eye is free to perform its functions. Glare serves to seriously reduce a discerning power of the eye..."

He gave other examples and noted Code Enforcement contacted the Motel 6 located at Highway 78 and College Boulevard, and it now complies with the Lighting Code; the lighting there is much more pleasant. He noted that they used low-pressure sodium lighting. A lot of people do not like that because it is hard to discern color with low pressure sodium lighting.

There is some resistance to lighting codes. He hoped that after viewing this presentation Council would understand the importance of enforcement and the value of that. There are problems with the Lighting Code. There is a model lighting ordinance that is coming through the works in his organization and maybe down the road Council might want to look at that to modify the City's lighting code and bring it into compliance with the model lighting ordinance. They hope to have that done by next spring. The benefits of a good lighting code creates a more pleasant nighttime environment, avoids a prison yard look around the community at night, increases safety, saves energy, allows people, especially seniors, to see clearer at night, promotes health in animals, plants and people and helps preserve the heritage of the night sky for posterity. He showed how the Oceanside Pier looks at night right now. He also showed a picture from Siska Hennessey of their estimate of what the pier would look like if the City went to a cut-off fixture.

The first state to pass a statewide light pollution code was Texas. It was signed by George W. Bush. His observation when signing the bill into law was that he could not understand why anyone would not be in favor of this bill because it is the 1 kind of pollution that people can fight where people can actually save money.

COUNCILMEMBER FELLER intended this item to be informational and to ask Greg Anderson, Building Director, if he would like to comment. Is the City on the right track?

MR. KRUEGER noted that when Greg Anderson was in charge of the Code Enforcement Division, the lighting code was being enforced quite rigorously. In 2001, Code Enforcement was transferred to the Housing Department and since then he is not aware of any enforcement action taking place in terms of enforcing lighting and retrofitted lighting. The Building Department has done a very good job of making sure that new buildings are in compliance with the current regulations.

There is a lot of confusion regarding low-pressure sodium because of the way the code is written. Basically, it requires all lighting to be low-pressure sodium except where color rendition is important. Many people are applying for a waiver and ignoring Section 39.8. (b) "...All Class I lighting shall be off between 11:00 PM and sunrise except as follows...". So all these waivers are being handed out but they are not complying with the 11:00 PM to sunrise issue. There has been a lot of misinformation that has gotten to some people in certain positions where they think that low-pressure sodium is no longer important to Mt. Palomar. Scott Cardell came down from Mt. Palomar tonight in case that issue came up.

COUNCILMEMBER FELLER responded Oceanside does have a code that is enforced with new construction. It is hard to make any business owner or property owner retrofit.

MAYOR JOHNSON recalled that 8+ years ago Council had a presentation from a representative from the Mt. Palomar Observatory very concerned about light pollution. As a result, the City came up with a policy to switch over the City lights to low-pressure sodium.

GREG ANDERSON, Building Director, did not recall that specifically. Streetlights are managed through the Public Works Department. He thanked Mr. Krueger and the International Dark-Sky Association for assisting staff with this ordinance and understanding it. He did not participate in the development of this ordinance; all of a sudden it showed up on his desk and he was told to enforce it. That was back in 1991.

As Council can tell from Mr. Krueger's presentation, there are a lot of very technical aspects to it. Staff has been trying to do the best we can over the years. Mr. Krueger came forward and showed staff some of the places that we need to focus more attention on. Staff has used Mr. Krueger as a resource when we have some situations where it is not real clear how lighting might or might not comply with the ordinance. That has also been very helpful.

The one issue that Mr. Krueger referred to was about the waiver. In the mid 1990's, several applicants had been denied the lighting they wanted and 1 of the organizations was 7-11. The representatives said this was the type of lighting used at all of their stores. Mr. Anderson checked with other jurisdictions, including the City of San Diego and found out that many jurisdictions had been kind of turning a blind eye to enforcement of their ordinance. Staff decided to take a proactive approach and developed a process where color rendition is important and that lighting other than low-pressure sodium lighting could be used for security reasons. There was even some informal Council discussion. Some of the information that Mr. Krueger gave about using white light with the low-pressure sodium may be a better solution. Staff is doing the best they can with what they have. Staff is certainly open to any improvements that can be made in terms of how they enforce it and how the ordinance is written.

COUNCILMEMBER FELLER wanted to make it clear that this is important but it is not the highest priority on Council's agenda on a daily basis. He hopes we are raising an awareness.

DIRECTOR ANDERSON explained that the perception that Code Enforcement has backed off their enforcement of the light pollution ordinance has to do with that prioritization issue too. Council is aware that Code Enforcement staff has been cut over the past several years and diverted to storm water enforcement, etc. So, Code Enforcement's ability to do the level of enforcement that they were in the past has been compromised.

COUNCILMEMBER FELLER remarked that we would continue to work together. They are working on the plan for spring. Hopefully, the City can implement what we can when we can.

DIRECTOR ANDERSON noted that the City of Carlsbad has only 1 sentence in their Zoning Ordinance and it has to do with residential that states a person cannot shine a light on a neighbor's property. Vista's code has a little more. In the North County area, our ordinance is probably one of the most comprehensive.

MR. KRUEGER agreed to deemphasize low-pressure sodium and it was not even his intent to bring that up tonight. It may be that part of the ordinance may have to be looked at in the near future and compromises made. It is not realistic to say that we are going to put low-pressure sodium lighting everywhere. Rather than having a lighting code that will not be enforced, it is better to ask where we can put such lighting where it makes sense, which can be worked through very easily.

DEPUTY MAYOR CHAVEZ stated this is an important issue. A couple of issues he would like to highlight that probably should make this a little bit more of a priority; 1) the operational money after the fixtures have been changed; once the investment is made, it is cheaper and is an important cost to capture; 2) safety with well-lit parking lots; 3) quality of life. This is an issue for the seniors and safety and quality of life. As far as the enforcement, this is unlike enforcement on storm water runoff and urgent issues. This is something that probably could be outsourced for somebody to go through the City rapidly and pinpoint where the ordinance is not being met. It is not something to bring a staff member on to do. There are ways to do this that would make it not as large an impact to help us out. He recognizes that Code Enforcement is impacted greatly because graffiti is a big issue and there are a lot of things going on.

In summation, it is a savings of money on the long term; safety and quality of life is very important to the community and there is probably a smart way to do this to move it in the right direction. We need this to be a higher priority than was originally aligned. It is an important issue for the community.

COUNCILMEMBER FELLER thanked Mr. Krueger for his information and presentation. Council has heard Mr. Krueger's presentation and Mr. Anderson will be working on his end of it. As they move along, there will be a lot of great things coming from this.

This item was for information only.

6:00 PM - PUBLIC HEARING ITEMS [ITEMS 13 AND 14]

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

13. **Council:** This hearing is continued from August 18, 2004 **Introduction of an ordinance of the City Council of the City of Oceanside amending Chapter 6A of the Oceanside City Code changing the procedure for assessing false alarm fees, defining verified response, and clarifying the appeal procedure**

MAYOR JOHNSON opened the public hearing and asked for disclosures. **COUNCILMEMBER SANCHEZ** and **COUNCILMEMBER FELLER** reported staff contact. **MAYOR JOHNSON** had staff contact and a few emails. **DEPUTY MAYOR CHAVEZ** had quite a bit of contact with staff, emails, phone calls and talking to people at their homes. **COUNCILMEMBER WOOD** reported email contact.

CITY CLERK WAYNE reported that no correspondence was received on this item.

REGINALD GRIGSBY, Police Captain, representing the Administrative Services Division of the Oceanside Police Department, asked Council to introduce an ordinance amending Oceanside City Code Chapter 6A dealing with alarm systems as it relates to changing the procedure for assessing false alarm fees, defining verified response and clarifying the appeal procedure.

Our objectives in asking for the amendments are: 1) reduce the number of false alarms, 2) reduce the number of man power hours lost due to false alarms, and, 3) develop a cost recovery system that would eliminate the General Fund subsidy for multiple false alarms.

He provided an historical perspective. In calendar year 2003, 99% of all alarms that the Police Department responded to were false. In calendar year 2002, the number held the same at 99%. In each of those years there were over 2,200 hours of manpower being lost to false alarm activations. That is equivalent to one full-time officer for one full year. By way of explanation, the numbers were 5,877 alarm activations in 2002, of which 5,837 were false. In 2003, there were 5,941 alarm activations of which 5,891 were false.

In May 2004, staff presented 3 options to Council to address the problem. Council's direction at that time was unanimous for the Police Department to implement fees commencing with the first false alarm.

What we are trying to do is provide an incentive for people to fix their alarm systems. The only people that would pay under this ordinance are those that are in violation of the ordinance. It is not going to be a situation where we are imposing upon people who do not have alarm systems. Currently we have a little more than 8,000

registered alarm users in the City. We have a substantial portion of our population subsidizing a specialized police response for a very small segment of the community. We want to hold those people accountable who are responsible for activating false alarms. The false alarm fees are returned to the City's General Fund. The fees do not go to the Police Department and are not used by the Police Department.

If Council were to adopt this ordinance, a false alarm fee would be charged upon the second false alarm. Staff's original proposal was to charge a false alarm fee upon the first false alarm. However, Council asked staff to consider giving people some leeway because there could be problems with installation. So, that is why the fee begins on the second false alarm.

We will determine false fees through a public hearing with the Fire Commission. There will not be any fees implemented until that process has taken place. We will also establish a formal appeal process for violations of the ordinance. Those options for appeal could be through the Police and Fire Commission or they could be through the City Manager's Office with a designated hearing officer.

We will be formalizing a verified response. The Police Department in a verified response situation does not respond to an alarm activation until we have independent verification that there is a need for the police response. Sometimes this will happen when an entire power grid goes down, power failure, and alarms are activated. In situations of inclement weather, water and moisture sometimes will cause sensors to set off the system. There may be times operationally when police officers are tied up in critical incidents and not able to break away, such as serious injury accidents or serious assault cases. So, we do have a verified response situation that we also have in place now.

Staff's recommendation is to introduce the ordinance amending City Code Chapter 6A, Alarm Systems, changing the procedure for assessing alarm fees, defining verified response, and clarifying the appeal procedure.

COUNCILMEMBER SANCHEZ wished to clarify that the 1st false alarm would not be assessed; Council wanted to give some leeway for the 1st false alarm. She recalled Council's action was to start with the 2nd false alarm and not the 1st.

CAPTAIN GRIGSBY said that Council unanimously directed staff to implement "Option 2" which was to commence charging a fee for every alarm. However, staff took into consideration the fact that Councilmembers did state that staff needs to show some leeway. So, even though it is Option 2, they have allowed that 1 built-in 1st freebie based upon installation problems with the system, etc.

Public Input

JIMMY KNOTT, 124 Sherry Lane, questions if there is an insurance type fee structure for all of the alarm owners so that they self pay and it would be a pool out of the resources. The other side of the question is should there be a privatized response since this is a private alarm system and not an alarm system for government buildings.

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

COUNCILMEMBER SANCHEZ noted that this is a continuation of previous discussions. She misspoke and had a couple of discussions with some of the residents about this. It is important to get a hold of this and it is an issue within their department. She is hoping that with the 1st false alarm there will be some kind of education given out to folks. She has heard that even a spider could cause a false alarm. As much as she is sure that they try to clear out all of the spider webs outside and in, things will happen like that. She has confidence that the appeals procedure will allow for these kinds of discussions where it is no fault of the owner and they have done a pretty efficient job of trying to make sure that it is working properly but for this 1 little thing that seems to be

out of their control.

Following the reading of the title, **COUNCILMEMBER SANCHEZ** moved to introduce the ordinance ["...amending Chapter 6A of the Oceanside City Code changing the procedure for assessing false alarm fees, defining verified response, and clarifying the appeal procedure..."]

COUNCILMEMBER WOOD said this has been pretty well discussed throughout the community and neighborhoods. It is something that the City needs. We all worry about the senior or somebody who does not have the money to take care of the alarm. The City has gone back to giving 1 free. Certainly, the alarm companies should address their concerns and malfunctions not as much as the individuals.

COUNCILMEMBER WOOD seconded the motion.

DEPUTY MAYOR CHAVEZ questioned the difference between a fine and a fee. In the case of a fee, there are fees for water and for picking up trash. The City gives a fine for a ticket.

CITY ATTORNEY WILLIS explained that a fee is a cost recovery measure; whereas, a fine is a punitive measure.

DEPUTY MAYOR CHAVEZ asked if the City is looking at behavior modification or trying to correct people's actions through this process.

CAPTAIN GRIGSBY replied that that staff is trying to do 2 things. We are trying to reduce the number of false alarms and to cover the costs associated with that. The process is to provide a disincentive. Staff is not here to try to penalize people. Staff is not casting a wide net where they are asking everyone in the City to subsidize it, but only those people who are accountable for fixing their alarms. For the 3 or 4 years that he has been actively involved in the alarm process, he is not aware of there ever having been an appeal made to the Council or City Manager's Office because staff has dealt fairly with people as it relates to their alarms and their issues. On the other side of the coin, it would be impractical and infeasible and there might be some liability that would attach to the Police Department taking responsibility if they were trying to teach people and show them how to operate their alarms or even try and train them in ways to not deal with the false alarm systems. Alarm companies install them, service them, and warrantee them, so it would not be practical for staff to do that.

DEPUTY MAYOR CHAVEZ understands that and a good example was where there was a deployed Marine who, because of his mother and friends checking on his house, had a number of false alarms. The City was very understanding for that Marine. If staff is trying to change somebody's actions by charging them a fine for doing something that the City is trying to get them to stop doing, he has a problem with this. He and the City Manager talked a little bit about this. He asked if the City Manager cared to discuss fines and fees as he sees this ordinance.

MAYOR JOHNSON said that City Manager Jepsen might also want to note, as they talked before, that this is a cost recovery effort. As a result of the irresponsible acts up in Sacramento, this City and the taxpayers over the last 10 years have lost \$80,000,000. This City is thin regarding extra money to spend. As stated earlier, the City is seeking to recover a cost from a small portion of residents that are causing potentially the other residents to pay.

CITY MANAGER JEPSEN had a conversation with Deputy Mayor Chavez about this and some of it just has to do with the definition between a fine and a fee. What we are trying to do here are a number of things. One clearly is cost recovery for a service that benefits only those who have an alarm system. The other one is that there is a punitive nature here to this from a standpoint of folks who do not fix their alarms and have repeated offenses that cause the Police Department to have to go out. Staff's

overall goal would be that the City does not collect any monies for false alarms because there are no more false alarms. So, as the Police Department works with these folks, he knows they have had tremendous latitude because none of these have come to the City Manager in the last 4 years. The City wants to work with our citizens and make sure that their alarm systems are working for them and are not an undue burden on the City's police resources.

DEPUTY MAYOR CHAVEZ said because he knows that the Police Department is working with the public and is giving every consideration before assessing a fine for an inappropriate, punitive action, it is important that we use the word "fine" and not "fees" in this ordinance. Council needs to be very clear with the community. Cost recovery is referring to the Police Officer being paid, the vehicle, the gas, dispatching and there are a number of items. But, there is already a cost in having the people on board. And, so, to start doing activity based costing to determine the full value of cost recovery, it is a pretty involved process. The formula staff is proposing is not really a cost recovery; it is an assessment. He has no problem with a fine for somebody doing an action inappropriately. But, he has a problem with casually using the term "cost recovery" in assessing a fee. So, he asked Council to amend the ordinance to make it a "fine" and then he would have no problem with it and be clear that it is more of a punitive issue. However, if it is a cost recovery issue, then he would not be supportive of this.

MAYOR JOHNSON said we are dealing with semantics here.

COUNCILMEMBER FELLER noted as City Manager Jepsen just said, this is a fee that the City hopes not to collect. The best thing is to not have to go out on any false alarms. This should be punitive. It is only for those that are violators. Council has heard that there is leeway and the 1st free false alarm is more than enough. The fees that the City collects go to the General Fund. They do not go to the Police Department, but the cost sure does for going out and checking on it and all of the things that are involved. He disagreed completely about doing anything other than assessing individual offenders. This should be punitive. He is in agreement with Deputy Mayor Chavez that this is a fine. It is not the City's responsibility to give away the money that is being spent to answer to these false alarms even now. On behalf of 175,000 people, it is a few offenders and it is 99% false alarms. That is ridiculous and those offenders should be penalized. He concurs to calling this a "fine". This is not cost recovery; this is a fine for having something that does not work.

COUNCILMEMBER SANCHEZ noted the reason we are here is that it is a budget issue and impacts the budget for the Police Department. And, so, it is a cost recovery. She does not see it as penal in nature. The City is not prepared to provide a trial kind of situation and appeal that trial, etc. It is a fee. The difference is actually very important. We are talking about a service. We are not trying to penalize anyone. She shared that she works in a county office and we have an alarm. Most people did not want to remember the code. Every now and then somebody would open the door, forget the code, the alarm would go off and then the deputy sheriff would come. So, at 1 point they finally said that they would start charging and then everyone learned the code. It was no big deal and they were told that people need to learn this minor but important thing. It is not penal because we were not going to be thrown into jail for it. At 1 level it is semantics but on another level it is quite legal and she would like to go ahead and vote on the motion.

Motion was approved 4-1, with Deputy Mayor Chavez voting no.

COUNCILMEMBER FELLER wants it understood that this is penal in nature. This is not a fee. This is not recovery. It should be penal. It is necessary that the City get the fine from the offender as much as possible to stop what is happening.

14. **CDC: Consideration of a resolution approving a Tentative Parcel Map (P-202-04), Development Plan (D-202-04), Variation (V-203-04) and Regular Coastal**

Permit (RC-203-04) for a two-lot subdivision located at 722 North Cleveland Street. The project site is located within Subdistrict 5 of the "D" Downtown District and is situated within the Townsite Neighborhood and the Coastal Zone – North Cleveland Street Property II – Applicant: Custom Advantage, LLC

MAYOR JOHNSON opened the public hearing and asked for disclosures. **MAYOR JOHNSON AND COUNCILMEMBERS FELLER, SANCHEZ, and WOOD** had no contact. **DEPUTY MAYOR CHAVEZ** reported staff discussion.

CITY CLERK WAYNE reported that no correspondence had been received regarding this item.

RITA BAKER, Senior Planner, reported this project was brought before Council in 2001. It is the same project, the same elevations, the same footprint as had been approved in that year. However, due to a series of events that were beyond the control of the applicant, the project was never implemented and the approval lapsed. They have brought in a brand new application for Council's consideration.

The site is located near the intersection of Cleveland Street and Neptune Drive. It is on a lot that is slightly less than 4,000 square feet in size. The surrounding area is predominately row-home type housing, which is also what is being applied for here. She showed a view of the lot that is looking east and another view of the lot looking slightly north. She pointed out the older single family home in that area. A view of Cleveland Street in a southerly direction was also shown.

The applicant is proposing to subdivide the lot into slightly less than 2,500 square foot lots so that he can build row homes on the property. The proposed architecture is a Mediterranean Style, units are 2,730 square feet, 3 stories in height. There is an exception to the height; overall from top to bottom it is 36 ½ feet. The livable habitable area is 35 feet.

The applicant is requesting a variation for the lot size because it was subdivided in the 1800's; the surveying was not as sharp as it is today so the lot size will be a little less than the 2,500 square feet normally required for subdivision and row homes. The applicant is also requesting a deferral for overhead utilities. The application meets the criteria for deferral. Should CDC wish to defer it, a fee would be paid and the undergrounding would take place all at once. The project was reviewed by the Redevelopment Design Review Committee and the Redevelopment Advisory Committee and both unanimously recommended approval of the project. She recommended that CDC approve the tentative map, the regular coastal permit, the development plan and the variation.

Applicant

DAN HOLBROOK, with Custom Advantage Builders, applicant, indicated he had nothing further to add.

Public Input

MR. YOUNG, 5419 Foxhound Way, Carmel Valley, is currently doing a project a block away north at 802 North Cleveland Street. He is almost getting ready to pull the permit. He is in favor of the deferment of the overhead utilities because he is in the same situation. His is the only development in that whole corner. He asked that if Council approves this agenda item, would it affect his project or should he apply for it in a separate process. His project will also be 2 row homes. At the time he submitted his application, he was not aware that he could defer the overhead utilities. He supports this project.

MAYOR JOHNSON commented that staff would contact him after the meeting to address his concerns. With no one else wishing to speak, the Mayor closed the public hearing.

COUNCILMEMBER SANCHEZ moved approval [of staff's recommendations and adoption of **Resolution No. 04-R791-3**, "... approving a Tentative Parcel Map (P-202-04), Development Plan (D-202-04), Regular Coastal Permit (RC-203-04) and Variation (V-203-04) and granting a deferral of underground conversion of overhead utilities for a 2-lot single-family subdivision located at 722 North Cleveland Street – Applicant: Custom Advantage LLC"].

COUNCILMEMBER WOOD asked about the height of the project.

SENIOR PLANNER BAKER replied that the habitable area is below 35 feet. The little area on top of the building, which accommodates the stairs, is 36.5 feet.

COUNCILMEMBER WOOD seconded the motion.

In response to Councilmember Feller, **SENIOR PLANNER BAKER** clarified that the variation is for the lot size. There is a permitted exception to the height and they can go as high as 10 feet. The variation for the height is identified in the Zoning Ordinance.

Motion was approved 5-0.

MAYOR AND/OR COUNCILMEMBER ITEMS (Continued)

19. **Recommendation by Deputy Mayor Chavez for an appointment to El Corazon Planning Committee**

DEPUTY MAYOR CHAVEZ brought this item to Council because each Councilmember had the opportunity to have 3 names on the El Corazon Planning Committee. It was his pleasure to recommend Mike Miller who has been on the committee for these past months. Mike had led the effort on getting the youth involved and went to the high schools and to a number of youth events to gather their comments on what they would like to see at El Corazon. Mike Miller has done a wonderful job at El Corazon.

The name that Deputy Mayor Chavez is recommending to Council is Dick Young. Dick Young is well known in the City, is a fellow Rotarian and would be a wonderful asset to the El Corazon committee.

DEPUTY MAYOR CHAVEZ moved to appoint Dick Young to the El Corazon Planning Committee.

MAYOR JOHNSON seconded the motion.

Motion was approved 5-0.

CITY COUNCIL REPORTS

20. **Mayor Terry Johnson**

MAYOR JOHNSON announced Harbor Days will be held September 18th and 19th.

21. **Deputy Mayor Rocky Chavez**

DEPUTY MAYOR CHAVEZ announced that tomorrow is the Grand Opening of Abbey Carpets.

Regarding Neighborhood Watch, he received an interesting email over the weekend on how Neighborhood Watch worked.

For the community, the City's website has wonderful page underneath the Police Department about Neighborhood Watch. There are a number of Neighborhood Watches throughout the City. The testimonial happened this weekend and it was a good story ending because of Neighborhood Watch.

He is still collecting names for the Nail n' Sail at Harbor Days.

22. **Councilmember Jack Feller**

COUNCILMEMBER FELLER reviewed events including Harbor Days, school visits, the ice cream social at Heritage Park, and opening ceremonies for Pop Warner.

23. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ also reviewed events, a bone marrow match for Kenny Yarborough's son, Julian Yarborough, who is a student at El Camino, and community meetings she attended.

24. **Councilmember Jim Wood**

COUNCILMEMBER WOOD also reviewed the events. We could use more fields. The community is getting larger and more and more kids and families want to get active in these sporting events. Sometimes there are just too many kids and they have to go to other counties. Council will have to consider that for the future.

ADJOURNMENT

MAYOR JOHNSON adjourned this meeting to Wednesday, September 8, 2004 at 6:30 PM for a joint workshop of the Oceanside City Council, Community Development Commission and Small Craft Harbor Board of Directors at the Beach Community Center, 300 North The Strand. This joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors was adjourned at 6:47 PM, September 1, 2004.

ACCEPTED:

Barbara Riegel Wayne
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

SEPTEMBER 15, 2004

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
Terry Johnson

Deputy Mayor
HDB Vice President
CDC Vice Chair
Rocky Chavez

Councilmembers
HDB Directors
CDC Commissioners
Jack Feller
Esther Sanchez
Jim Wood

City Clerk
HDB Secretary
CDC Secretary
Barbara Riegel Wayne

Treasurer
Rosemary Jones

City Manager
HDB Chief Executive Officer
CDC Executive Director
Steven Jepsen

City Attorney
HDB General Counsel
CDC General Counsel
Anita Willis

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, September 15, 2004.

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

September 15, 2004

Joint Meeting Minutes
Council, HDB and CDC

ROLL CALL

Present were Mayor Johnson, Deputy Mayor Chavez and Councilmembers Feller and Wood. Councilmember Sanchez arrived at 4:02 PM. Also present were City Clerk Wayne, City Manager Jepsen and City Attorney Willis.

COUNCIL, HDB AND CDC CLOSED SESSION ITEMS

CITY ATTORNEY WILLIS titled the following agendized items to be heard in closed session: 1A, 2A(1), 3A and 3B. Closed Session was held from 4:02 PM to 5:05 PM. [See the report out on these items at 5:00 PM, Item 4.]

Mayor Johnson reconvened the meeting at 5:11 PM.

5:00 PM

Invocation was led by Councilmember Feller; Pledge of Allegiance led by Deputy Mayor Chavez.

ROLL CALL

All Councilmembers were present. Also present were City Clerk Wayne, City Treasurer Jones, City Manager Jepsen and City Attorney Willis.

PROCLMATIONS AND PRESENTATIONS

Constitution Week – September 17-23, 2004
Soroptimist International of Oceanside Day - September 15, 2004
Harbor Days – September 18-19, 2004
September 15, 2004 (Festival of Pops) – not presented

Presentations were made.

CLOSED SESSION REPORT

4. Closed Session report by City Attorney

CITY ATTORNEY WILLIS 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) and Unrepresented

Direction was given to staff.

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

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

- 1. Local 3736, International Association of Fire Fighters, AFL-CIO, CLC v. City of Oceanside, C.S.M.C.S. Court Case No. ARB-03-1875

In closed session Council voted 3-2, with Councilmembers Wood and Sanchez voting no, to reject the arbitrator’s decision in this action.

- 3. **CONFERENCE WITH REAL ESTATE NEGOTIATOR ON TRANSACTIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54956.8)**

- A. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** – Property: 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: Community Development Commission and Pacifica Companies, Faulkner USA, SDC, SD Malkin Properties; Negotiator for the City: Jane McVey, Economic Development and Redevelopment Director; Under Negotiations: Price and Terms

This was an information item only. No action was taken.

- B) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** – Property: Marina Towers, 1200 N. Harbor Drive (APN 760-080-23); Negotiating Parties: Oceanside Small Craft Harbor District and Oceanside Marina Towers Association; Negotiator for the District: Douglas E. Eddow, Real Property Manager; Under Negotiations: Price and Terms

Direction was provided to staff.

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 Thomas J. Dempsey to speak regarding time limits for public communications

THOMAS DEMPSEY, 3641 Esplanade Street, stated Council and staff are shirking their responsibility not to correct Council meeting time for speakers' exception to the 3 minute rule. At the Council Meeting on August 18th, the Mayor independently decided to extend the speaking time of certain citizens and not of others, forcing them to limit their speaking time, violating City Code. As such, the Mayor abridged their civil rights at the preferential treatment of other select citizens. An ex-city employee from Orange County was allowed to speak for approximately 10 minutes. This person was not a current City employee of Oceanside conducting Council business or a person who submitted a formal request that would afford him 5 minutes. City Code provides exact procedures to follow prior to the City meeting for speakers' time extension beyond 3 minutes. He asked why the City Code is not being followed and if it does not mean anything anymore. He was ignored when the provided Code Section 2.1.54 was purposely left out of the provided material. That provides the specific procedures to put this on the agenda beyond "Public Communications" for Council's discussion and action. This item must be rescheduled by the City Manager, due to abnormalities and violation of City Code to provide parity to the Esplanade wall opening so a resolution can be made before the November 2004 election, in accordance with the City Code 2.1.26(A).

6. Communications from the public regarding items not on this agenda – None

CONSENT CALENDAR ITEMS [Items 7-22]

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 Council/HDB/CDC or the public through submittal of a Request to Speak form prior to the commencement of this agenda item.

CITY CLERK WAYNE reported there was a request to speak on Item 12 and Item 22.

The following Consent Calendar [Items 7-18] was submitted for approval:

7. City Council/Harbor/CDC: Approval of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council of the following meetings:

April 7, 2004, 10:00 A.M., Adjourned
August 4, 2004, 2:00 P.M., Adjourned

8. 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)
9. City Council: Approval of Change Order 1 (**Document No. 04-D800-1**) in the amount of \$46,422 to Saturn Electric Inc. of San Diego for undergrounding and upgrading the electrical service for the Phase I Airport Improvement Program electrical work, and authorization for the City Engineer to execute the change order
10. City Council: Approval of Change Order 3 (**Document No. 04-D801-1**) in the amount of \$49,673 to E.A. Mendoza, Inc., for additional concrete sidewalk, driveway, and curb and gutter improvements on Carolyn Circle as part of the FY 2003-04 Citywide Sidewalk Repair project, and authorization for the City Engineer to execute the change order
11. Harbor: Approval of a purchase order in the amount of \$120,000 to Bellingham Marine Industries, Inc. (BMI) of Bellingham, Washington, for the purchase of replacement docks for the Oceanside Harbor, and authorization for the Financial Services Director, or designee, to execute the purchase order
12. **Removed from the consent calendar for discussion – public request**
13. City Council: Approval of Amendment 1 (**Document No. 04-D803-1 amending Document No. 03-D371-1**) to the agreement with American Capital Enterprises, Inc., of Temecula, amending the scope of work and extending the term of the agreement for a one-year period ending June 4, 2005 (as provided for in the original agreement), for provision of revenue collection services in the amount of 30 percent of collections; and authorization for the City Manager to execute the amendment
14. CDC: Approval of one loan application in the amount of \$60,000 under the Community Development Block Grant (CDBG) Housing Rehabilitation Program
15. City Council: Approval of a reimbursement agreement (**Document No. 04-D804-1**) in an amount not to exceed \$4,148,007 with North San Diego County Transit Development Board (NCTD) for the construction of the southerly walls of the Loma Alta Creek Detention Basins at El Camino Real and Rancho del Oro Drive and the acquisition of interest in NCTD-owned real property and railroad right-of-way needed for the

construction and maintenance of the detention basins; authorization for the City Manager to execute the agreement and, upon completion of the respective work, to execute a license agreement (**Document No. 04-D805-1**) and a common use agreement (**Document No. 04-D806-1**); and authorization for the City Clerk to accept the deed (**Document No. 04-D807-1**) conveying the property interests to the City

16. City Council: Approval of a one-year professional services agreement (**Document No. 04-D808-1**) with Environmental Compliance Inspection Services of Rancho Santa Margarita in an amount not to exceed \$84,090 for inspection programs for commercial kitchen grease source control installations and grease source control best management practices; and authorization for the City Manager to execute the agreement
17. City Council: Approval of a joint use agreement (**Document No. 04-D809-1**) with San Diego Gas and Electric Company for utility purposes to serve the Greystone Homes Harbor View development area located at the terminus of Neptune Way east of Interstate 5, and authorization for the Mayor to execute the agreement
18. City Council: Approval of a temporary street closure of Coast Highway from Wisconsin Avenue to Michigan Avenue during the hours of 6:00 a.m. to 5:00 p.m. for the MainStreet Oceanside 101 Car Show on October 17, 2004; and approval of a temporary street closure of Mission Avenue between 3:00 a.m. and 8:00 p.m. from Coast Highway to Horne Street for the MainStreet Oceanside Antique Show on October 24, 2004
19. City Council: Adoption of **Resolution No. 04-R810-1** (superseding Resolution No. 88-146), "...authorizing the modification of the records retention schedule for City Attorney Office records" (to retain litigation files for 10 years)
20. City Council: Adoption of **Resolution No. 04-R811-1**, "...providing for additional temporary partially paid military leave of absence and continued health benefits for City employees called to active duty with the Armed Forces by the President of the United States to combat terrorism," extended from November 1, 2004, to October 31, 2005
21. City Council: Adoption of budget **Resolution No. 04-R812-1**, "...amending the budget for the 2004-2006 Fiscal Years"; accepting \$10,000 in grant funds from the California State Library awarded to the Oceanside Public Library to implement the Mobile Library Literacy Services Program and transferring these funds to the Library Department
22. **Removed from the consent calendar for discussion - public request**

COUNCILMEMBER SANCHEZ moved approval of the balance of the Consent Calendar [Items 7-11 and 13-21]. **COUNCILMEMBER FELLER** seconded the motion, which was **approved 5-0**.

CONSENT CALENDAR ITEMS PULLED FOR DISCUSSION [Items 12 and 22]

12. **City Council: Approval of purchase orders in amounts totaling \$1,122,332 to replace vehicles or add new vehicles to the Fleet; authorization for the Financial Services Department Director, or designee, to execute the purchase orders; and adoption of a budget resolution transferring \$43,631 from the Sewer Administration Fund to the Fleet Replacement account to fund purchases for the Water Utilities Department**

CITY CLERK WAYNE said that Jimmy Knott requested to speak on this item.

Public Input

JIMMY KNOTT, 124 Sherri Lane, stated that expenditures under the consent calendar, as by past precedent of this Council, is to list who those purchase agreements are with. It is not listed underneath this item as to whom these purchases are being made with. He would like to see Council enforce their edicts and list for the public to know who those purchase agreements are with.

(Action was taken with Item 22 below.)

22. **City Council: Authorization to award a contract in the amount of \$96,450 to Lekos Electric, Inc. of El Cajon for the installation of a traffic signal at the intersection of Vista Way and the Pacific Coast Plaza driveway; adoption of a budget resolution appropriating \$96,450 for the project, funded by a contribution from Gatlin Development Co., Inc., and transferring the funds to the project account; and authorization for the City Manager to execute the agreement upon receipt of all supporting documents**

CITY CLERK WAYNE noted that Thomas J. Dempsey requested to speak on this item.

Public Input

THOMAS DEMPSEY, 3641 Esplanade Street, brought to Council's attention the construction of 1 entrance shopping centers that Oceanside does all the time. The Gatlin Development Company contributed \$96,450. The one entrance shopping centers cause traffic gridlock. The Planning Department and the Planning Commission need to use the EIR input to improve traffic infrastructure. The Environmental Impact Reports (EIR) has good information but it is not put into the planning when the Planning Department puts the program together. Oceanside's Transportation Manager Frank Watanabe must request a similar contribution from McMillan developer of Quarry Creek Plaza at College Boulevard and Marron Road and the extension of College Boulevard. Increased traffic

from South College Boulevard and Quarry Creek has caused failed traffic levels at the intersections of Lake Boulevard, Esplanade Street, Thunder Drive, Mira Monte Drive and Skyhaven Drive. Traffic north on College Boulevard from Lake Boulevard to Vista Way is gridlocked. McMillan needs to contribute to Oceanside's infrastructure, namely traffic signals on Lake Boulevard.

COUNCILMEMBER SANCHEZ moved approval of **Item 12** [including adoption of **Resolution No. 04-R802-1**, "...amending the budget for the 2004-2006 Fiscal Years"; and, transferring \$43,631 from the Sewer Administration Fund to the Fleet Replacement account] and **Item 22** [including adoption of **Resolution No. 04-R814-1**, "...amending the budget for the 2004-2006 Fiscal Years" and award a contract (**Document No. 04-D813-1**) [Lekos Electric, Inc.].

COUNCILMEMBER FELLER seconded the motion, which was **approved 5-0**.

The Mayor determined to hear Item 31 at this time.

MAYOR AND/OR COUNCILMEMBER ITEMS

31. **Request by Mayor Johnson for a presentation by SANDAG staff regarding TransNet as it relates to Oceanside and an update on current and future projects**

CRAIG SCOTT, Manager of Transportation Finance, SANDAG, presented a 6-minute video highlighting the TransNet Program and the goal of Mobility 2030 to keep San Diego moving.

He said this video summarized SANDAG's long range plan and how the TransNet Program is going to help in North County. The new package, which is now Proposition A as shown in the video, includes the widening of Interstate 5 with 4 managed lanes all the way from the merge at Interstate 805 just to the north of State Route 76; about a \$1.2 billion investment in the coastal Interstate 5 corridor. The completion of State Route 76 is an issue in North County that the existing program was not able to get between now and 2008 is not likely to get it open all the way to Interstate 15. But this has been included as part of the new measure as well with special guarantees. They have 3 projects that are not going to be totally completed by 2008: the completion of State Route 76 to Interstate 15; the east end of State Route 52 over to State Route 67; and the mid coast extension of the trolley. These are all included as carry-over projects in the new measure with special guaranteed funding provisions to make sure that those projects do receive priority in the new measure and the provision cannot be changed without a vote of the people. So, they are in a guaranteed lock box to insure those projects get completed. In addition to that, there is additional widening of State Route 78 - 2 additional lanes including major interchange work at Interstate 5 and State Route

78 Interchange. There is a need for a major upgrade to that interchange as well as at the Interstate 15 end.

Also included are additional improvements to the Coaster and Bus Rapid Transit (BRT) in North County. A key issue mentioned in the video was the Local Street and Road Program funding. Today Oceanside received about \$40 million and it will probably be about \$60 million by the time the Program is complete in the 1st 20 years. The 1/3 of the funding that is set aside for local streets and roads projects will bring Oceanside about \$220 million over the 40 year period covered by the TransNet extension. That is a key program for cities and 90% of the City's local road maintenance budget comes from the TransNet Programs. This is a key program of importance to the City in trying to keep the local streets and roads up to date. So, this would help to continue that into the future as well. The good thing about the local street and road component is that it is controlled by Council locally. It comes to the City on a formula based on population and road miles, and the priorities are set by the City Council in terms of where they think the City's needs are best met and how Council wants to best match TransNet Funds with the local developer funds, gas tax monies, etc. Since it is a TransNet Project, there will be additional on-going subsidies for services provided by North County Transit District. And with Oceanside being the hub of North County Transit services, the City will certainly get a big benefit out of the on-going improvements to the base, bus, trolley system and coaster improvements that will be provided through the measure as well.

MAYOR JOHNSON noted that our citizens are very concerned about the completion of State Route 76 at least to our City boundaries and to Interstate 15. He could imagine what the citizens' quality of life would be if State Route 76 was not built at all, just as he would imagine what the citizens' quality of life would be if State Route 78 had not been widened from 4 lanes to 6 lanes. Today we receive significant amounts of funds to fix the potholes in the streets and Council is very grateful. He is looking forward to the day when the City has the funds from the state and federal government to complete State Route 76 all the way to Interstate 15.

COUNCILMEMBER FELLER asked what the City would receive if Proposition A does not pass.

MR. SCOTT replied that if the Proposition does not pass, we go back to the situation in 1987, which was total reliance on state and federal funds for all our transportation needs and the state and federal governments from time to time have issues that affect transportation funding and interrupt the flow of funds. Transportation funding is like a 3 legged stool with local, state and federal funding. If 1 of the legs is taken away (local funding), the stool starts to get a little wobbly in tough times with the state budget situation. With that 3rd leg in place, we are able to compensate for the problems the state may have. Last year, during the state budget crunch, there was a threat that all ongoing construction projects would cease. There was ongoing work at the Interstate 5/Interstate 805 and State Route 56 construction workers on the job. The

state was on the verge of having to break those contracts and incur litigation costs and have those workers walk off the job. SANDAG offered to loan the state money from the TransNet Program to keep those projects going. That gives Council the idea of how important the local source can be in the case of unexpected emergencies. Hopefully, by having a strong local source like TransNet in place, we will be able to leverage additional state and federal funds above and beyond what we otherwise would get. That has been the experience with the existing program and we hope that would continue with the extension of TransNet.

COUNCILMEMBER FELLER is not in favor of taxes but this is an extension of a tax already in place. He is desperately afraid of what would happen if this did not pass.

COUNCILMEMBER SANCHEZ asked if this measure did not pass there would still be an opportunity to try to get a better consensus on language. There is still time to try to get another initiative on the ballot.

MR. SCOTT explained that if it never were to pass and fails in 2004, there would be enough time to try again in 2006.

COUNCILMEMBER SANCHEZ stated that currently there is not a consensus. The County has voted against joining in with this initiative as well as other groups, including the Sierra Club, etc. and there is a lawsuit. She asked what the status of the lawsuit is.

MR. SCOTT replied that in this morning's newspaper he read that the lawsuit was upheld. There will be no language changes to the arguments. There were arguments about different sentences in the argument for and against. There will be no changes to the language; it will go forward in the voter pamphlet.

COUNCILMEMBER SANCHEZ has been approached by members of the community asking her about broken promises as to the current TransNet. Interstate 5/State Route 78, for example, has long been a priority for the public and never a priority for SANDAG. So, it is still 10 years away. The question she gets is what guarantees are there that in fact these improvements are going to be made. And, with this escape clause that some projects can actually be deleted from the projects, what kind of response can she give residents that in fact these projects will be kept on line.

MR. SCOTT explained that the current measure includes the 3 projects that did not get totally completed out of the original measure. So, in terms of promises, we think we have kept the promises of 1987. All of the projects have been completed, except for the final extension of State Route 76. We have spent a lot of money to get it through Oceanside. What has not been completed is the eastern segment on State Route 76 and State Route 52 and the 1 trolley extension. All of the other projects are complete or

under construction right now. The last couple projects under construction are the Sprinter Project and the Mission Valley East Trolley in San Diego, which will be open before the measure expires. It was a 20 year program and by the end of that time frame the 3 projects will be the only ones that we do not think will make it. It is something like 85-95% delivery in terms of the projects. On State Route 76, the big issue there is environmental concerns. That was a project that back in 1987 everybody thought was going to be a fairly easy project to build. Some of the early parts were, but since 1987 there have been 5 species added to the Endangered Species list that all live in that eastern State Route 76 corridor which has made the project very environmentally challenging. A big part of the time constraint has to do with issues like that that came along that were not anticipated back in 1987.

Regarding the 2/3 vote amendment process that is in place right now on every project in the measure. Not 1 project has been deleted from the current measure. It is in there for flexibility.

This is a 40 year measure and built into the measure is a required comprehensive review of the program every 10 years to see if what we thought was going to work way back in 2004 is working in 2016, etc. and funds may need to be adjusted and other projects completed instead. There is a need to have some flexibility in there over such a long period of time to allow for potential changes. New technology may come along that is superior to anything that they we contemplated so far. So, it is in there to provide flexibility to make the program even better as time goes forward. It does require a 2/3 vote of the Board, which is both on an agency basis and a population basis, so it is not an easy thing to occur. To provide Councilmember Sanchez with a response, the best thing he can suggest is that the 2/3 vote process has been in place for 16 years plus now. The SANDAG Board has maintained priority for all of the existing projects that were in the 1987 measure and not 1 project has been deleted.

COUNCILMEMBER SANCHEZ did not hear Mr. Scott mention the I-5/SR-78, which she knows was just recently placed on the priority list just 4 years ago and should have been a priority a long time ago.

MR. SCOTT stated that in the original TransNet plan, the basic widening of SR-78 from 4 to 6 lanes was included in the original ballot measure and that was accomplished quite awhile ago. The SR 78/I-5 Interchange needs a lot of work. We were able to get with CalTrans and do some interim work on the interchange not too long ago. Approximately \$160 million of improvements are part of the new measure to do the major rework that needs to be done. It is part of this new package.

MAYOR JOHNSON stated the process took almost 2 years to come to a compromise. That compromise was reached by representatives of the environmental community, development community, private citizens and elected officials. No one got anything that they completely wanted out of this compromise. Those elected officials

who have chosen to oppose this extension did it for their own particular reasons. That is just the way it is. To complete the interchange at Highway 78 and I-5 will cost \$150 million. Over the past 4 or 5 years, the state and local officials have been doing due diligence with environmental studies and we are getting close to the design stage. What is left now is to wait for more money to come in to do the complete rebuilding of that interchange, which the City desperately needs. He really hopes that we can get that money.

DEPUTY MAYOR CHAVEZ concurred with the Mayor about the compromise and that people who oppose it have their agendas. When he is asking questions it is not that he does not appreciate the great effort of SANDAG, but he feels obligated as an elected official to represent the residents of Oceanside.

The measure was clearly a compromise. Compromises probably do not get people where they want to get to because they need to identify the requirement. Los Angeles is a good example of that. In the past, the Interstate 405 and Interstate 5 were pretty much the only freeways and then the Interstate 10 came through. Now, it seems that there are freeways everywhere that are still congested significantly perhaps because of compromises. He asked in the model what population size was used for the County of San Diego being impacted by SANDAG.

MR. SCOTT replied that the current number is approximately 3,000,000 and the long range transportation plan going to 2030 is assuming another 1,000,000 people, so roughly 4,000,000.

DEPUTY MAYOR CHAVEZ has read 2 different numbers in the item of transportation only. He asked if \$850,000,000 or \$900,000,000 of the \$14,000,000,000 goes to environment mitigation.

MR. SCOTT replied \$850,000,000.

DEPUTY MAYOR CHAVEZ asked if the \$850,000,000 is going to environmental mitigation underneath the rule of transportation only.

MR. SCOTT replied affirmatively. The building transportation projects have a substantial environmental mitigation cost for every project, particularly projects that go across lagoons and through sensitive habitat areas. SR-76 has a very expensive environmental mitigation component. Without that component, we would not have any projects because we would never get the environmental clearance. So, highlighted the amount of money that is going for environmental purposes but it does directly relate to the transportation projects. Without one you can't have the other.

DEPUTY MAYOR CHAVEZ said that would really help our cause a great deal to

be very clear. Approximately \$850,000,000 is going to environmental mitigation, which is not going to transportation. It is just a portion of transportation and people should understand where this money is going. Mr. Scott gave Council these brochures and in reading it he noticed that for Oceanside it said local street improvements, and of \$4,400,000,000 the City would get \$220,000,000. The bottom bullet says Melrose Drive in Oceanside. So, this is advertising that Melrose Drive in Oceanside is a road that is going to be funded. According to this brochure if a citizen wants Melrose Drive in Oceanside to go through, vote for TransNet.

It is important that elected officials represent the issues correctly. On June 16th, Mayor Johnson, Councilmember Sanchez and Councilmember Wood voted to delete the extension of Melrose Drive, which is on this brochure. A vote directly impacting Oceanside is going to impact significantly on College Boulevard. At the very next Council Meeting on July 7th, these same Councilmembers voted to support a 40-year extension of the half-cent sales tax, which had earmarked funds for the Melrose Drive extension shown in the brochure just received. Oceanside residents need to understand that their representatives need to be very clear on what they are doing here. On one hand, people saying to support TransNet and the half-cent increase in sales tax because we have a traffic problem, but on the other hand, we have elected officials cutting out one of the major arterials in the City identified by the same document that they are supporting. Then people make comments that they are concerned about public safety and response times, and a big issue that is impacting response times is traffic. So, if we take out major arterials or elements of the City's major arterials, it impacts the other roads which impacts response times. He asked the public when they are looking at TransNet and looking at these numbers to pay attention to the \$850,000,000 for environmental mitigation under the issue of transportation. Pay attention to the bullet on the document that says Melrose Drive in Oceanside, but 3 of the elected officials took that right off the Circulation Element. That is a duplicitous act before the issue goes to the ballot in November.

MAYOR JOHNSON does not want to politicize this issue and has always supported an increase in the traffic circulation in the City and the region. He is very grateful that the Carlsbad barricade on College Boulevard has come down and that the linkage of Rancho del Oro has opened up between Oceanside Boulevard and Mesa Drive. He recalled that when Council took the vote on the issue of the extension of Melrose Drive, Mayor Johnson's vote was to not go any further with the study. His intent is now and will be that when the funding is available and the opportunity is there, to assist the Jeffries Ranch area and the region, by providing an additional linkage which includes Melrose Drive. Deputy Mayor Chavez just misspoke regarding Mayor Johnson's intentions regarding a major arterial for the City and the region. Mayor Johnson asked Transportation Manager Frank Watanabe to briefly comment on the vote that took place that evening regarding the Melrose Drive extension.

FRANK WATANABE, Transportation Manager, said the Mayor is correct. On

that night, when we were talking about the Melrose Drive extension, we were actually talking about the interchange at Melrose Drive at State Route 76. At the time, staff was looking at concept sketches at all the interchanges for improvement working with SANDAG, and we had several of these interchanges funded with TransNet funds to look at concept sketches. At that time, due to concerns from the Jeffries Ranch residents, Council's direction was to hold back on the study and to wait and see. So staff changed the priorities and placed them on El Camino Real. Staff is pushing forward with the project study report for the El Camino Real at State Route 78 interchange. In addition, staff is also putting their priorities to State Route 78 at Interstate 5. CalTrans is completing the project studies report, which is the 1st document that moves it into the environmental stage. So, they are pushing forward with the Interstate 5/State Route 78 interchange. The City will be working with CalTrans to start moving forward with the El Camino at State Route 78 interchange.

But, to the question, staff has changed their priorities for the concept of the interchange. The issue regarding the connection of Melrose Drive will be an issue when staff returns to Council with the Circulation Element. Council has directed staff to take a look at revising and updating the General Plan Circulation Element. At that time, staff will bring back any changes or modifications to the General Plan Circulation Element. Staff will be coming back next month regarding direction to staff of making Rancho del Oro 4 lanes. That had to go through a General Plan Amendment, which staff is doing. Staff is hoping to bring that back next month to give Council the final discretion to approve the direction given to staff to keep it 4 lanes.

MAYOR JOHNSON thanked Mr. Watanabe for the clarification.

COUNCILMEMBER FELLER noted that the 18 cities in the county all supported this. The County Board of Supervisors on a 3 to 2 vote did not support it. One of those Supervisors more or less blocked Highway 680 late in the 1980's that would have increased roads at that time between I-15 and I-5. The Supervisor who voted to take that highway out of the traffic plan for the county now wants more county roads. It is a serious bone of contention with a lot of people.

This is a fair plan for all of the cities concerned. It is necessary for Oceanside. Councilmember Feller sat in on almost every meeting and there was give and take on this for the last 2 years and it is critical for local roads, for transit, and for the interchange that Councilmember Chavez was referring to. Councilmembers develop relationships with other cities and end up working on each others projects and that is what this is about.

[Councilmember Feller left the dais at 6:00 PM]

COUNCILMEMBER WOOD stated this has been heavily discussed by

everybody in the county and it is now up to the voters to make the final decision. It is necessary for the TransNet tax for the time being. He even brought up issues like Riverside impact fees. It is going to get to the point that he is sure everybody on the freeway would pay a lot more than a half cent when they are stuck out on the freeway. This is kind of like the 1st door they have to go through in this process to eliminate traffic congestion in the county. People always ask him about State Route 76 in Oceanside, which is Council's Number 1 priority. State Route 76 started long before State Route 56 but State Route 56 finished first. He asked Mr. Scott to elaborate on why.

MR. SCOTT responded saying the work on State Route 76 started first and State Route 56 came along later. State Route 56 had its own different problems and water runoff issues that delayed that as well. He mentioned before that the eastern end of State Route 76 with all the endangered species out there has created some tremendously difficult challenges. There is a river to the south, wetlands issues, least Bells Vireo and Arroyo Horned Toad. If they go the other way there is a hillside with Coastal Sage Scrub and Black-Tailed Gnatcatchers and environmental problems everywhere they go. It has become a major issue trying to find an alignment that can achieve the approval of all the state and federal agencies. So we are bringing in the Army Corps of Engineers. Because of the wetlands issue, they have to address concerns of the State Fish & Game and Federal Fish & Wildlife. It has been a frustrating project to work on. But, that is the reason why one part got done fairly quickly because it did not have all of those concerns until we got a little further to the east. The other one did come along later and did get finished sooner because the eastern end of SR-76 got bogged down with environmental issues that we are still struggling with.

COUNCILMEMBER WOOD referred to the issue of environmental mitigation for SR-76. He asked if SANDAG and other appropriate authorities are looking at mitigation land in the area now so they do not have to hold it up for another year or two.

MR. SCOTT replied that the \$850,000,000 that Deputy Mayor Chavez was talking about, the idea there is to try something new in the area of environmental mitigation. Historically, we have gone project by project and found the amount of mitigated land required for each project. The idea here is to try to solve the same problem, hopefully in a cheaper and more efficient way, by trying to look ahead and buy larger pieces of parcels when the opportunity comes up. There is a process called mitigation banking, where the property can be put into a bank and establish credits. So when projects come along in the future, you can draw down credits from the bank instead finding of the mitigation property over and over -again.

COUNCILMEMBER WOOD said that is his point. In other words, SANDAG is looking for land now for the future so it will not delay the project another year just to find mitigation lands for the environmental impact.

MR. SCOTT stated if the measure passes and we are able to move forward with the mitigation program, that is the concept to go out and acquire habitat lands that would have the effect of accelerating the delivery of transportation projects. We would have had to buy land anyway to build the projects, but by buying the land up front, it will provide for a quicker delivery because the habitat lands would already be purchased. When the product is designed and ready to go to construction, we would not have to wait to find the habitat land for mitigation because it would already be acquired and we could move ahead. It would be a more efficient way of building projects in the future.

[Councilmember Feller returned to the dais at 6:17 PM]

COUNCILMEMBER WOOD noted people tend to be apprehensive of regional government. In other words, SANDAG is looking at transportation for the whole County. Sometimes people in North County are not quite sure that San Diego is overly concerned about North County or Oceanside, in particular. He is concerned about Oceanside and not regional aspects and that is we they have a Council here. Council's main concern is what impacts the local citizens, not necessarily regional government. So he is concerned about local neighborhoods, their streets, their congestions and the cut throughs and that is why Council makes some of our decisions on some of these intersections. The main point he wants to get out tonight is that he does not really want to hear about any other bridges, bypasses, roadways, etc. until everybody finishes SR-76. It is a high priority in this area for economic development and transportation for all of our employees that come from another County. It is so important that we have to push these other projects aside. Some of these intersections are not necessarily going to go away. They are just not a priority and he does not want to hear about them until they finish SR-76 first. I-5 and SR-78 are certainly right up there, but SR-76 is a priority. He wants Mr. Scott to know that Council is not pulling things off of the list. We are just changing our priorities.

MAYOR JOHNSON asked Mr. Scott to reiterate how SR-76 originally was planned and was on the drawing board for 30 years before ground was broken for it. Originally, it was planned to be a freeway from one end to the other. However, today it is an expressway with signals on it. He asked why it is not a freeway as was originally planned.

MR. SCOTT replied that original freeway network that CalTrans laid out in the 1960s assumed it to be a freeway. When the TransNet measure was passed there was only so much money in it; they tried to balance the money all around the region. It was primarily a financial concern. We could at least get a connection through and provide an improvement with the money available. So with the TransNet Program it was designed as an expressway not a freeway. Obviously, with additional state and federal funds, that will hopefully be augmented in the future. But that was the project included in the ballot measure in 1987 was as it is today, an expressway facility which is an improvement of what they had before. It is not as good as a freeway, but the idea was to get an approved connection to start out with and then keep working on it.

COUNCILMEMBER SANCHEZ stated with respect to Melrose Drive, every road we will work on, every intersection, every major decision will be a public process; noticed meetings giving the public a lot of opportunity to weigh in. Transportation Manager Watanabe had presented to Council a recommendation to look at the intersection at Melrose Drive. It was not on our Circulation Plan. This was something that he thought Council should look at. Community members questions how Council could do this when we didn't know what was going to happen with SR-76. It is a very challenged project. She is sure there are a lot of issues having to do with SR-76. The community members that came before Council made a lot of sense. Council does have to figure out SR-76 and why are we going to bottleneck a lot of folks to come through to SR-76 and then there is nowhere for them to go. She appreciates the opportunity for staff's clarification. She has been involved in negotiations on a daily basis for the last 18 years as a lawyer, so she does appreciate the process. She did vote for this and there can be a better consensus. If we have another opportunity to do another initiative, there will be a lot more of an effort to get consensus. Everything that has been done is going towards a good decision.

COUNCILMEMBER FELLER asked what is the most talked about piece of the circulation element that has not been completed at SANDAG.

MR. SCOTT replied that SR-76 probably comes up as Number 1.

COUNCILMEMBER FELLER stated that if this TransNet measure is passed, we can immediately bond to begin the process as soon as we can get the work done. That is how important this is. The process can begin immediately because you can bond against future TransNet revenues.

MAYOR JOHNSON said that the passage of the extension of TransNet guarantees the completion of SR-76 all the way.

MR. SCOTT responded affirmatively and emphasized that point and said it is a key provision, cannot be changed and does set aside funding and bonding capacity. As soon as we get through the environmental hurdles, the money is there to complete that project as fast as humanly possible.

DEPUTY MAYOR CHAVEZ asked Transportation Manager Watanabe for clarification. Using time as a benchmark did the decision Council made delay the project for Melrose Drive regarding the extension at Melrose Drive going into SR-76.

TRANSPORTATION MANAGER WATANABE said staff was working on the environmental documents for Melrose Drive. Right now, we have halted work on it because priorities have changed.

DEPUTY MAYOR CHAVEZ asked if it delayed it.

TRANSPORTATION MANAGER WATANABE replied that it will delay the project because staff had to stop working on the environmental documents.

DEPUTY MAYOR CHAVEZ referred to College Boulevard and asked if we are at the anticipated traffic volume for 2004.

TRANSPORTATION MANAGER WATANABE replied that actually we exceed the volumes currently now. In the projected volumes from SANDAG, College Boulevard carries more traffic today than our future volumes.

DEPUTY MAYOR CHAVEZ said that is exactly his point. The reason we are doing TransNet, 1/3 of it is to deal with city traffic. Today, College Boulevard is impacted beyond projected for 2004. One of the roads that will impact upon the traffic on College Boulevard is Melrose Drive being completed. He is sure that when Home Depot went in at SR-76 and Melrose Drive, there was an intention to probably capture some business market from Vista. That is sales tax. Sales tax coming to Oceanside allows more money in the coffers so the City can have more police, possibly have another fire station and reduce response times. That is the relationship.

CITY ATTORNEY WILLIS stated that Council is going off agenda at this point.

MAYOR JOHNSON agreed and suggested to wrap up this discussion. This item was for information only and no action was required. Traffic is important to everyone in the whole region, not just Oceanside. Council is eagerly looking forward to the possible extension of TransNet because Oceanside will benefit from it.

6:00 PM - PUBLIC HEARING ITEMS [Items 23 - 26]

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

23. **CDC: Consideration of a resolution approving a Conditional Use Permit (C-201-04) and Regular Coastal Permit (RC-202-02) for the construction of a two-story, 32-foot-high single-family residence located at 216 South Pacific Street; project site is situated within Subdistrict 5A of the "D" Downtown District and the Townsite Neighborhood and the appealable area of the Coastal Zone – Moss Single-Family Home – Applicant: Steven H. Moss**

MAYOR JOHNSON opened the public hearing and asked for disclosures. **COUNCILMEMBER SANCHEZ** reported no contact. **COUNCILMEMBER FELLER**

reported contact with the applicant's representative. **MAYOR JOHNSON** has spoken with staff. **DEPUTY MAYOR CHAVEZ** reported contact with staff and the applicant. **COUNCILMEMBER WOOD** reported contact with staff and Lightfoot Developers.

CITY CLERK WAYNE reported that no correspondence was received.

RITA BAKER, Senior Planner, stated this project is a new single-family house to be located at 216 South Pacific Street, more particularly located between Tyson and Pine Street. The lot is 3,336 square feet in size. Currently, there is a 1940's era single-family house on the site that would be demolished for this project. The building was analyzed for historical significance and interesting things were found about it. However, it has been determined that photo documentation will be sufficient to cover the loss of this building.

A computer view of the property from the alley was shown. The new home is 3,786 square feet, and is in Spanish Mission style. View of the landscape plan shows that no variations are being requested and all setbacks are being accomplished. Within the zoning ordinance and Subdistrict 5A, residential structures below 35 feet in height are allowed upon approval of a conditional use permit. A diagram shows that the conditions for this project are met with the conditional use permit. The habitable area is below 27 feet and the area that is appurtenant above 27 feet is 7% in size. So it is below the 10% that we normally are concerned with when looking at bulk. The appurtenance that is at 32-foot level is a 112-foot stairwell that is 14 feet by 8 feet and contains no habitable area.

In looking at the project, staff did a reconnaissance of the surrounding area. A view standing on the west side of Pacific Street north at Tyson shows the 100 block and a lot of the structures there were built in the time that our residential tourist zone was in place, as opposed to subdistrict. The height that was allowed was 35 feet or 3 stories. Another view was shown of the 200 block, looking north from Pine Street with a bit of a mixture here; the very far end is the peak of a building that immediately joins this project site. A view standing at Tyson Street looking at the 200 block south is a little bit more of the mixture. Heights generally get smaller nearing Pacific Street.

The application was reviewed by the Redevelopment Design Review Committee and the Redevelopment Advisory Committee (RAC). The Redevelopment Design Review Committee unanimously recommended to CDC that the project be approved. The RAC met this morning and had a 4-1 vote with questions by the dissenter in regards to the symmetry of the arches on the architectural feature. There was a great deal of discussion by the RAC. The concern was the flat arch on the garage versus the more rounded arches. The consensus was that this is a good project and the 4-1 vote was to recommend approval to CDC. There have been inquiries from the public on this project, but she is not aware of any dissent. Staff recommends CDC approval of the project.

Applicant

LOU LIGHTFOOT, Lightfoot Planning Group, 5750 Fleet Street, Carlsbad, representing Steve Moss, applicant, stated that this is Mr. Moss' second project this year. In March, CDC approved a very similar single-family house at 408 South Pacific Street. In fact except for some of the architectural details, it was almost identical to this. This is a 5 bedroom, 5 ½ bath house, over 3,700 square feet, 3 car garage and a roof deck. It is going to be a significant upgrade to this particular piece of property. As staff mentioned, the applicant is not asking for any variations and we meet all the criteria necessary for the approval for the conditional use permit. The only portion above the 27 feet is the very top of the staircase enclosure itself. All the railings that surround the roof deck as well as the roof deck itself are all below 27 feet which is the height limit in the area. He asked for approval of this project. Mr. Moss is being very successful in acquiring other properties in Oceanside and hopefully will be at the Planning Commission in another month or so with another project of his in South Oceanside. Like the last two projects, Mr. Moss is making every effort to design them in accordance with all of the City's rules and regulations.

COUNCILMEMBER FELLER asked how tall is the peak of the roof of the house next door to this project.

SENIOR PLANNER BAKER replied that we do not have the documentation for older homes. But, it is her estimation that it is 35 feet in height because the prior zoning ordinance and local coastal program allowed 35 feet.

Public Input

LOU TASCHNER, 128 South Pacific Street, stated that the issue of heights is getting convoluted. Subdistrict 5A is 27 feet and there is no house in that area that is above 27 feet for the habitable area. There have been some pop outs that have occurred and a couple of them got appealed to the Coastal Commission and they concurred that those pop outs met the ordinances that are currently adopted. In area 5, which is only about 4 properties just south of Sea View Way, those properties at the present time are also at the 27-foot height limit. His neighbor intends to bring one in which is approximately 35 feet in that area. That, again, is consistent with the Coastal Plan as it currently exists. The City has an ordinance Section 38 which allows people to access their roof deck and that is the 10% non-habitable area that we are discussing and seems to be coming up all the time. Other than that, he supports the project and everything is in conformance with the City's rules as he knows them.

With no one else wishing to speak and no rebuttal, **MAYOR JOHNSON** closed the public hearing.

COUNCILMEMBER FELLER moved approval [of staff's recommendation to adopt **Resolution No. 04-R815-3**, "... approving a Conditional Use Permit (C-201-04) and Regular Coastal Permit (RC202-02) for the construction of a two-story, 32-foot high single-family residence located at 216 South Pacific Street – Applicant: Steven H. Moss"].

COUNCILMEMBER WOOD seconded the motion, which was **approved 5-0**.

24. **City Council: Adoption of a resolution authorizing the issuance of Special Tax Bonds Series 2004 in a principal amount not to exceed \$12,735,000 for the Ocean Ranch Corporate Centre Community Facilities District No. 2000-1, and approving certain documents and taking certain other actions in connection therewith; adoption of a resolution calling an election on a proposition to alter the existing rate and method of apportionment of the special tax of the Ocean Ranch Corporate Centre; adoption of a resolution certifying the results of the September 15, 2004 election and changing the existing rate and method of apportionment of the special tax of the Ocean Ranch Corporate Centre; and introduction of an ordinance amending Ordinance No. 01-OR439-1**

MAYOR JOHNSON announced that now is the time for a duly noticed public hearing regarding the proposed amendments to the rate and method of apportionment for Community Facilities District (CFD) No. 2000-1 of the City of Oceanside, Ocean Ranch Corporate Centre and the proposed issuance of bonds by the CFD.

Mayor Johnson opened the public hearing.

Council has received a Community Facilities District report prepared by David Taussig & Associates, Inc. and a staff report on this matter which are hereby entered into the record of this public hearing.

MAYOR JOHNSON asked for any disclosures or constituent contacts. **COUNCILMEMBER SANCHEZ, COUNCILMEMBER FELLER, MAYOR JOHNSON** and **COUNCILMEMBER WOOD** had no contact. **DEPUTY MAYOR CHAVEZ** had contact with staff.

CAROL SWINDELL, Financial Services Director, explained that Council is being asked to take action on 4 items related to the Community Facilities District Bond Issue for Ocean Ranch. The 1st is to authorize a resolution issuing bonds in an amount not to exceed \$12,735,000. This is the 2nd bond issue of a planned 2 issue bond in a total amount not to exceed \$25,000,000. The 1st bond was issued in November 2002.

Council is also being asked to approve certain documents related to that bond

issue. Council is also being requested to approve a resolution calling for an election regarding a proposal to alter the rate and method for the special tax in the district. The proposed amendments to the rate and method would exempt from the levy of the special tax parcel 2, which was never intended to be part of the special tax. There will be a public hearing on these proposed amendments and there is an election that Council will be asked to call. The landowners will perform the election. Council will then be asked to certify the election results and to introduce an ordinance that would effectuate the rate and method adjustment.

At this time, Council is asked to take action on the issuance of the bonds.

COUNCILMEMBER FELLER asked the time frame to complete all of this.

DIRECTOR SWINDELL explained that action will all be taken at this meeting, except the proposed ordinance will be presented for introduction tonight and then presented for adoption at the next Council meeting. Then there is a 30-day period before the proposed ordinance becomes effective. The bonds will be issued once Council approves them. Staff expects to have the bond sale October 5th and would be closing shortly thereafter. The bond counsel, financial advisor and underwriter are all present if Council has any questions.

MAYOR JOHNSON asked the City Clerk if any written protests had been received opposing the proposed amendments to the rate and method of apportionment of the special tax and this public hearing from any registered voters or landowners of more than 50% of the acreage located within Community Facilities District No. 2000-1.

CITY CLERK WAYNE reported receiving no written protests on this public hearing item.

With no one wishing to speak, **MAYOR JOHNSON** closed the public hearing.

COUNCILMEMBER FELLER moved approval [of staff's recommendation and adoption of **Resolution No. 04-R816-1**, "...acting at the Legislative Body of Community Facilities District No. 2000-1 of the City of Oceanside (Ocean Ranch Corporate Centre), authorizing the issuance of its Special Tax Bonds Series 2004 in a principal amount not to exceed Twelve Million Seven Hundred and Thirty Five Thousand Dollars (\$12,735,000) and approving certain documents and taking certain other actions in connection therewith..."; and approval of the Bond Purchase Agreement [**Document No. 04-D817-1**]; 1st Supplement [**Document No. 04-D818-1**]; Official Statement [**Document No. 04-D819-1**]; and Continuing Disclosure Agreement [**Document No. 04-D820-1**].

COUNCILMEMBER SANCHEZ asked if there is any situation where the City

would become liable in any way.

DIRECTOR SWINDELL explained that the bonds are secured by the special tax in the district. In addition, the CFD requires a 4:1 lien to value ratio. Currently, we have a 6:1 lien to value ratio, so we will exceed that requirement. If there were to be a default, the special tax district would cover that amount and we could liquidate the property in order to pay the taxes that are due.

COUNCILMEMBER SANCHEZ asked if there was a case where it took a while to fill Ocean Ranch, would there be any negative impact whatsoever on the City.

DIRECTOR SWINDELL explained that the lien to value ratio that the City has is based on the properties as they exist right now. There was an appraisal done recently that appraised the properties in their current condition. So, that 6:1 lien to value ratio is based on the development as it exists right now.

COUNCILMEMBER SANCHEZ said that staff's information to Council is that there is no situation where the City would become liable for this money, correct?

DIRECTOR SWINDELL was not aware of any and asked Brian Forbath his opinion.

BRIAN FORBATH, Stradling Yocca Carlson & Rauth, Bond Counsel, explained that the sole remedy to bond holders in this instance is the collection of the special taxes. The City is covenanted to foreclose on any property that has a delinquency in the amount of \$10,000 each year. There are certain circumstances that provide outs on that. But, essentially, if there were a default, the remedy would be to foreclose on the property, then the district could sell them at a foreclosure sale and then turn around and make the bondholders whole. There is no right or remedy to any City General Funds. There is no pledge by the City of any of its full faith and credit or any City General Funds at all in this matter. It is strictly a pledge of special taxes levied against the property within the district only, not other property within the City. It is very clear in all of the offering documents and everything that is sold to investors that the sole support for the bond issue is strictly the special taxes.

COUNCILMEMBER SANCHEZ seconded the motion; motion **approved** 5-0.

COUNCILMEMBER FELLER moved approval [of the adoption of **Resolution No. 04-R821-1**, "...acting in its capacity as the legislative body of Community Facilities District No. 2000-1 of the City of Oceanside (Ocean Ranch Corporate Center) calling an election on a proposition to alter the existing rate and method of apportionment of the special tax of the district..."]

COUNCILMEMBER SANCHEZ seconded the motion; motion was **approved 5-0**.

MAYOR JOHNSON explained that the resolution just adopted by Council calls an election within the district which is to be held at this time by the City Clerk. He asked the City Clerk to now hold the election. Council will take a short recess at this time for the election, after which the City Clerk will report to the City Council the results of the election.

[Recess was held from 6:47 PM to 6:55 PM.]

CITY CLERK WAYNE asked the authorized signer to come forward. She had received a certificate from the Registrar of Voters indicating that there are no registered voters in the district. She had also received 100% of the waivers from the landowners authorizing Chris Downey to vote for them.

MAYOR JOHNSON reconvened the meeting at 6:55 PM. All Councilmembers were present.

CITY CLERK WAYNE reported the election was held and conducted within Community Facilities District No. 2000-1 of the City of Oceanside (Ocean Ranch Corporate Centre) with all the affected landowners' waivers received and all the ballots cast in this district in favor of this proposition. The proposition has passed by a vote of 387 yes votes out of 387 total votes cast and has executed the certificate certifying the results of the election which is now on record. She has certified the election results and it is now on file.

MAYOR JOHNSON stated that having heard the report of the City Clerk, the election has now been closed. Having received the certificate of the City Clerk certifying the results of the election, he entertained a motion for the resolution.

COUNCILMEMBER FELLER moved approval [of staff's recommendation to adopt **Resolution No. 04-R822-1** "...of the City Council of the City of Oceanside, California acting in its capacity as the legislative body of Community Facilities District No. 2000-1 of the City of Oceanside (Ocean Ranch Corporate Centre) certifying the results of the September 15, 2004 election and changing the existing rate and method of apportionment of the special tax of the district"]; and approval of the Amended Notice of Special Tax Lien for CFD No. 2000-1 (Ocean Ranch Centre) [**Document No. 04-D822A-1**].

COUNCILMEMBER SANCHEZ seconded the motion; motion was **approved 5-0**.

Following the reading of the title, **COUNCILMEMBER FELLER moved** approval [of staff's recommendation to introduce the ordinance "...acting in its capacity as the legislative body of Community Facilities District No. 2000-1 of the City of Oceanside (Ocean Ranch Corporate Centre) amending Ordinance No. 01-OR439-1"].

COUNCILMEMBER SANCHEZ seconded the motion; motion was **approved 5-0**.

25. **City Council: Approval of execution and delivery of a Lease/Purchase Agreement with Zions First National Bank in an amount not to exceed \$2,500,000 to refinance the City's outstanding \$3,215,000 1994 Certificates of Participation (Street Lighting Acquisition Project), originally executed and delivered to finance the acquisition and construction of certain public street lighting improvements within the City**

MAYOR JOHNSON opened the public hearing and asked for any disclosures or constituent contacts.

COUNCILMEMBER SANCHEZ, MAYOR JOHNSON AND COUNCILMEMBER WOOD indicated no contact. **COUNCILMEMBER FELLER** and **DEPUTY MAYOR CHAVEZ** reported contact with staff.

CITY CLERK WAYNE reported no correspondence had been received.

CAROL SWINDELL, Financial Services Director, stated that Council is being asked to approve a refunding of some outstanding Street Light Acquisition Project Certificates of Participation. Currently, there is a little over \$2,000,000 in outstanding certificates. Council is asked to approve this as a lease financing in order to save on cost of issuance. Zions National Bank has approved a rate lock that guarantees a borrowing rate of 4.2% until October 8th and this removes the market risk from the City as well as reducing the cost of issuance. Based on that rate lock, staff expects to save approximately \$32,000 per year in debt service. The original expiration date of the debt in the year 2014 would stay the same.

With no one wishing to speak, **MAYOR JOHNSON** closed the public hearing.

COUNCILMEMBER FELLER moved approval [of staff's recommendation to adopt **Resolution No. 04-R823-1** "...authorizing the execution and delivery of a lease/purchase agreement with Zions First National Bank, and authorizing certain documents and directing certain actions in connection therewith"; approve the lease purchase agreement (**Document No. 04-D824-1**) by and between the City and Zions First National Bank; approve the escrow agreement (**Document No. 04-D825-1**) by and between the City and BNY Western Trust Company; and, approve the bond counsel

agreement (**Document No. 04-D826-1**) with Stradling Yocca Carlson and Rauth].

COUNCILMEMBER SANCHEZ seconded the motion; motion was **approved 5-0**.

26. **City Council/Harbor/CDC: Adoption of resolutions approving the amendment to the Local Conflict of Interest Codes for the City of Oceanside, Oceanside Small Craft Harbor District, and Oceanside Community Development Commission**

MAYOR JOHNSON opened the public hearing and asked for any disclosures or constituent contacts.

COUNCILMEMBER SANCHEZ, MAYOR JOHNSON and **COUNCILMEMBER WOOD** indicated no contact. **COUNCILMEMBER FELLER** and **DEPUTY MAYOR CHAVEZ** reported staff contact.

CITY CLERK WAYNE reported that no correspondence or petitions had been received.

ANITA WILLIS, City Attorney, explained that every other year, under the Political Reform Act, the City is required to update our Conflict of Interest Code set forth in the Oceanside City Code, Chapter 2. The purpose of the update is to ensure that all employees and officials are reporting adequately and to make any changes in employees. For instance, on this particular change, the City has had certain changes in employee positions; new positions have been added and positions have been deleted. The update is to be consistent with the current positions and also to review the duties and responsibilities of each staff member to make sure that each one is adequately reporting under the Political Reform Act.

With no one wishing to speak, **MAYOR JOHNSON** closed the public hearing.

COUNCILMEMBER FELLER moved approval [of staff's recommendation to adopt **Resolution No. 04-R827-1** "...approving and adopting amendments to the appendix of the City of Oceanside's Local Conflict of Interest Code"; adopt **Resolution No. 04-R828-2** "...approving and adopting amendments to the appendix of the City of Oceanside's Local Conflict of Interest Code"; and adopt **Resolution No. 04-R829-3** "...approving and adopting amendments to the appendix of the City of Oceanside's Local Conflict of Interest Code"].

COUNCILMEMBER SANCHEZ seconded the motion, which was **approved 5-0**.

GENERAL ITEMS

27. **Harbor: Approval of a professional services agreement with Safdie Rabines Architects, Inc., in the amount of \$330,700 for the design of the Oceanside Harbor Community Facilities project and the Harbor Parking Lot 11B Restroom Replacement project, and authorization for the City Manager to execute the agreement**

GARY KELLISON, Senior Civil Engineer, explained that this item is the approval of a professional services agreement for the design of the Harbor Community Facilities project. Staff invited proposals from Oceanside and regional firms with specific experience designing buildings and structures in the coastal area. The centerpiece of the project is the community center facility. Some of the uses included will be to provide Junior Lifeguard and aquatic program spaces, an outrigger canoe activity facility, and 2 community rooms with kitchens. The community rooms will be available for use by the public just as the community rooms are at the Civic Center. Also included in the project is reconstruction of a restroom at the far end of Harbor Parking Lot 11B and a maintenance area next to the community facilities building. The project is scheduled for completion before the summer of 2006. Staff anticipates that the architect will have available a conceptual design and space planning study by this spring. Staff recommends that the Harbor Board approve the professional services agreement in the amount of \$330,700 with Safdie Rabines Architects.

In response to Councilmember Feller, **MR. KELLISON** further pointed out the footprint of the building with the main entrance out towards the launch ramp. He pointed out the parking area and the reserved space for the maintenance facility. The restroom building will be at the far end of the parking lot. The building at the far end is the same building that McDonald's is vacating.

COUNCILMEMBER FELLER hoped that the restroom at the band shell will be improved soon.

COUNCILMEMBER FELLER moved approval [of staff's recommendation to approve the professional services agreement (**Document No. 04-D830-2**) with Safdie Rabines Architects].

DEPUTY MAYOR CHAVEZ seconded the motion, which was **approved 5-0**.

28. **City Council: Approval to enter into a grant agreement with the State Water Resources Control Board for the Myers Property and adjacent creek habitat restoration, located west of El Camino Real, south of Oceanside Boulevard, and north of the Eternal Hills Cemetery property; acceptance of a \$445,245 grant from the State for implementation of the grant agreement; approval to**

expend up to \$67,430 in matching funds by the City; adoption of a budget resolution in the amount of \$493,890, which includes the State grant and the unbudgeted portion of the matching funds from the General Fund Unallocated Fund Balance; and authorization for the City Manager to execute the grant agreement

DOUG EDDOW, Supervising Property Agent, reported that staff recommends approval of a grant agreement with the State Water Resources Control Board and the acceptance of the grant amounts mentioned, as well as the expenditure of General Funds for the matching portion that the City needs to come up with. In 2001, the City acquired the 35-acre parcel of land known as the Myers parcel. As a condition of that, the City was to maintain and manage the land as habitat. It is a critical element as part of the City's Wildlife Corridor Planning Area. These state funds will allow the City to go ahead and remediate the property to bring it up to habitat conditions.

COUNCILMEMBER FELLER asked if the property is south of the rail.

MR. EDDOW replied that it is south of the rail, north of the Eternal Hills Cemetery and borders El Camino Real. The City does not own the property right up to El Camino Real. It is land locked in the sense that there is a SDG&E easement that runs along El Camino Real that separates the City owned land from the street; the City has access easements to it. If a person would look at it from east to west, it would be El Camino Real, the SDG&E easement and then the City's parcel.

COUNCILMEMBER SANCHEZ declared this to be another step towards implementing the City's multiple habitat conservation plan. She **moved** approval [of staff's recommendations including approval of a grant agreement (**Document No. 04-D831-1**) with the State Water Resources Control Board and adoption of **Resolution No. 04-R832-1** "...amending the budget for the 2004-2006 Fiscal Years" in the amount of \$493,890].

MAYOR JOHNSON seconded the motion; motion was **approved 5-0**.

29. **City Council: Introduction of an ordinance of the City Council of the City of Oceanside amending Chapter 2 of the Oceanside City Code by the addition of Article 14 to establish a Records Management Program**

JOHN GUTHRIE, Records Manager, presented for introduction an ordinance for the establishment of a City-Wide Records Management Program. From the incorporation of the City, the City Clerk was given the duty by the board of trustees, to be the central point for the control of City records. As the City grew, the records management functions evolved more and more to the various City departments. This was brought on by the growth of the City, the complexity of daily operations, and a belief by

departments that they understood the needs of their departments best, and were in a better position to determine document creation, filing and retention methods. In order to begin a coordinated effort to manage the records of the City, the City Clerk Department established a central Records Center for general files and a central archive for the storage of historical or vital records. The City Clerk assisted departments with the creation of retention schedules, disposal resolutions and most recently, implemented a Document Imaging Program. With these steps well established, it is time to set in place the guidelines that will establish responsibilities and controls for the efficient and effective management of City records from the time of their creation until their final disposition, whether it be incorporation into the archives or disposal.

There has been little direction from the state concerning a need for records management. With the exception of the California Public Records Act (PRA), none of the state laws passed were applicable to municipalities until the passage in 1999 of government code section 12236(A), which directed the Secretary of State to establish a local government records program and to establish guidelines for local government retention. These guidelines were announced in October of 2003, and a program was published in June of this year. These guidelines, along with generally accepted records management practices and existing City procedures have been incorporated into this ordinance. The purpose of this ordinance is to formally establish a standardized City wide Records Management Program to provide for the proper, efficient, and economical management of records of the City. The basic goals are to set forth responsibilities and procedures that will promote effective management for all City records; to clarify the ownership of City records and their proper handling by all levels of staff; to establish standardized definitions for records management for use by all departments; to put in place a mechanism to establish standardized record titles for records that are shared by all departments while addressing those records that are specific to each department; to provide instructions for the retention and disposal of records, and to ensure that records are maintained only as long as needed or required for administrative, fiscal, legal or historic reasons.

There are numerous benefits to be realized by the implementation of this ordinance. Among them are an improvement of efficiency by standardizing record titles City wide; timely transfer of records from the departments to the central Records Center or archives for storage thus, making more effective use of valuable office space; assist with providing for the timely response to public records requests and help make sure that information is available to support strategic decision making; and provide a vehicle for the timely disposal of records no longer required for administrative, fiscal, legal or historic reasons resulting in a more efficient use of space within the Records Center. It adds protection for historical, legal, financial, vital and archived records. In the event of a disaster, recovery will be quicker and easier because essential documents will have been properly identified. Finally, it will ensure that all staff members have a single, unified source of information concerning the creation, use and storage of records. It is the City Clerk Department's recommendation that the City Council approve the

introduction of this ordinance.

DEPUTY MAYOR CHAVEZ asked why the fiscal impact does not apply.

MANAGER GUTHRIE explained that staff does not have any set thing that they can point their finger to on what they are going to save. But, we will save office space. The Records Center is getting close to capacity and departments are getting close to capacity. By implementing records retention schedules, staff will be able to dispose of material that the City is no longer legally required to keep. That will free up a lot of space both at City Hall and in the Records Center. So, we will have savings from that aspect.

DEPUTY MAYOR CHAVEZ noted that later on we will find out there are quite a few savings. Records consume a lot of time from people in different departments. He applauded the City Clerk's Department for doing this and said it is exciting.

COUNCILMEMBER FELLER asked the size of the central records.

MANAGER GUTHRIE replied that the Records Center currently has approximately 14,000 boxes and a fair amount of older bound volumes from the City way back in the 1800's all the way up to current that do not fit in boxes and are on shelves in air conditioned space. The estimated size of the building is 8,000 square feet. The Records Center contains 260 storage units, each holding 42 to 48 boxes. The Archives Center behind the Records Center has an additional 5,000 boxes.

COUNCILMEMBER FELLER asked if this program will cause staff to not anticipate a need for a larger facility.

MANAGER GUTHRIE responded that initially he hoped to reduce the number of records in storage. When we can start getting retention schedules done for the departments, he is anticipating that roughly ¼ of the material in the Records Center can be disposed of.

In response to Councilmember Wood, **MANAGER GUTHRIE** replied that staff implemented a bar coding records management system approximately 1 ½ years ago. It has been a great asset for staff and allows a lot of flexibility in how staff processes and handles requests from the departments. The Records Center also has a large shredder.

Following the reading of the title, **COUNCILMEMBER FELLER moved** approval [of staff's recommendation to introduce the ordinance "...amending Chapter 2 of the Oceanside City Code by adding Article 14 to establish a Records Management Program"].

COUNCILMEMBER SANCHEZ seconded the motion; motion was **approved**
5-0.

MAYOR AND/OR COUNCILMEMBER ITEMS

30. Appointments to the Youth Commission

MAYOR JOHNSON moved approval of the following appointments:

<u>YOUTH COMMISSION</u>	<u>Term Expires</u>
Reappoint Torrey Jarvis as regular	9/20/06
Reappoint Carolyn Darling as regular	9/20/06
Move Michael Nguyen from alternate to regular	9/20/06
Appoint Shaneekwa Ware as regular	9/20/06
Appoint Katherine Danielson as regular	9/20/06
Appoint Christopher Ramos as regular	3/20/05
Appoint Racquel Dudzinski as alternate	9/20/06
Appoint Annette Boston as alternate	9/20/05
Appoint Joe Stone as non-voting adult advisor	9/20/06
Appoint Claudette Vaughn as non-voting adult advisor	9/20/05

COUNCILMEMBER FELLER seconded the motion; motion was **approved**
5-0.

[31. Held earlier in the meeting]

CITY TREASURER'S ITEM

32. Presentation of the Treasurer's Report – Quarter and Year Ended June 30, 2004

ROSEMARY JONES, City Treasurer, said tonight the Treasury Department is here to review the status of the investment portfolio of the year ending June 30, 2004. Appreciation was expressed to the Citizens' Oversight Committee who represents a cross-section of financial expertise that has been invaluable to the Treasury Department.

MICHELE LUND, Treasury Manager, presented the Treasurer's Quarterly Report for the Quarter and Year Ended June 30, 2004. The book value at year end was just over \$208,000,000, with an average yield to maturity of 2.594%. The portfolio earned last fiscal year \$5,500,000. Toward the end of the fiscal year, interest rates began to increase as the economy began to pick up steam in March and April. New jobs are finally being created at a pace that would indicate a growing economy. Analysts began looking to the Federal Reserve to increase the Fed Funds Rate. In fact the Federal Reserve

Board began a measured approach to reversing the accommodation in the market raising rates 1/4 of a percent at each of the last 2 FOMC meetings on June 30th and August 10th increasing the Fed Funds from the historical low of 1% to 1 1/2% currently. The Fed is expected to raise rates another 1/4 of a point at their FOMC meeting next week and more than likely, once more at their November meeting, bringing the Fed Funds rate to 2% by the end of the year.

As the market environment changes, the portfolio will go through some noticeable changes as well. The most significant change will be the movement to unrealized losses from a position of unrealized gains. As interest rates increase, bond prices decrease. Therefore, the value of the portfolio decreases. However, by maintaining a minimum liquidity of 15% in overnight to 6 month maturities enables the City to never have to sell securities at a loss to meet daily expenditures. Portfolio strategy going forward will take on a 2-pronged approach. Due to the potential escalation in interest rates in the future, the City will be maintaining a liquidity level at slightly higher than 15% in order to have ample cash available when rates do rise. On the other hand, interest rates are not increasing as rapidly as projected earlier in the year especially with the Fed taking their measured approach in raising rates. Therefore, when bond prices decline, the City will be purchasing one time callable securities in the 3 to 3 1/2 year range in order to take advantage of the steep yield curve at the time, and maximize earnings without considerably lengthening the duration of the portfolio.

All investments purchased are in compliance with California state law and the City's Investment Policy. These investments are also reviewed by the Investment Oversight Committee and the City auditors.

Public Input

JIMMY KNOTT, 124 Sherri Lane, stated investments have been good, but can they be more transparent with more public inclusion into the investment process. Missing from the Treasurer's Report are many questionable activities and non-reports and the question of full compliance with the investment policy. As an example, there was a professional review where they gave a report at the last meeting of the Investment Board that has been involved with a pay for play allegations in Ohio. The investors advisor's background should be reviewed before they are allowed to review the City's portfolio and provide input.

Referring to the pie graph that is in the report, there are only 4 of 10 possible safe and secure and adopted potential investments. Why were certain investments made and others ignored and what is the potential return on those other investments as compared to those selected.

We need to be sure that we follow the investment policy more broadly and

diversely to help Oceanside's public and private economy. One area is commercial paper. If the City had invested in local/regional companies, the return could have been much higher. We also need to see to the value of buildable land and acquisition of it as an investment. City Council has in the past purchased the Collins Property. The City successfully reaped a big benefit from it. The City has less than 5% of buildable land and Council needs to consider that for investment purposes and for the needs of the future of the City.

CITY TREASURER JONES explained that the Treasury Department cannot purchase property. That is Council's duty. The Treasury Department makes sure the money is there to pay for it. As far as commercial paper on local businesses, it would be wonderful but there is only 1 or 2 businesses that could probably even qualify. Staff has researched some of it and 1 of them is Wal-Mart. These companies are not always able to issue commercial paper. So, there are a lot of things that go into this and the City has had commercial paper in the past. But, because of the stock market and other events that have happened in the last 3 or 4 years, it has not been what is called a good purchase. The City can do better through the Treasury Notes and other such instruments. The Treasury Department follows the government rules in how they run their office and how they invest the City's money. She belongs to an organization where there are 314 plus city treasurers and 82 districts that all have to abide by these rules. The Treasury Department is always thinking about prudence and the safety of this money and we take our responsibilities seriously.

MANAGER LUND explained that the City's policy provides for several vehicles for investment as Mr. Knott noted. However, it really depends on market conditions in the choices we make. For instance, medium-term notes which are corporate issuances and commercial paper, within the past couple of years particularly preceding September 11, 2001, many corporations had issues with their accounting practices and they were called to question and some of them went bankrupt such as Enron, etc. These were the reasons why staff decided not to participate in purchasing corporate medium-term notes and commercial paper. When the City was purchasing medium-term notes and commercial paper, there was adequate spread above more guaranteed securities that had less credit risks involved with them. And, that was one of the reasons why the City has not pulled back into that market because the spread is not there. Why purchase a corporate medium-term note for a nickel=5 basis points. The risk is not worth purchasing corporate medium-term note if that corporation gets downgraded and the City is holding a piece of paper that the City might have to hold to maturity and not be able to undo anything. Purchasing securities that have full faith and credit of the federal government such as treasuries, callable and non-callable agencies, those provide adequate spread product so that the City is enhancing its portfolio and getting the best return while at the same time being able to maximize the yield on our portfolio.

It is really difficult in the environment we were just in with low interest rates. The Federal Funds Rate has not been at 1% since the 1950's and we are coming out of

an extremely difficult market from that standpoint. We should see rates increase over the next couple of years and the City's earnings improve. As that happens and staff looks at corporate spreads, there probably will be some opportunity to pick up even more yield there, once the credit risk is mitigated. As City Treasurer Jones stated, there is an asset category in the City for land. However, the City Treasurer's Office does not manage that. The City Treasurer's asset category is cash and investments. The City Treasurer's Office does not direct the investment of real estate.

MAYOR JOHNSON added that in his earlier years on the Council he used to go to quite a few seminars and workshops given by the California League of Cities. He was always intrigued mainly with the courses pertaining to the Treasurer's Department. Whenever he would go to those workshops, he very seldom saw councilmembers or mayors in attendance. Before the Orange County financial fiasco, it was stressed how important to be very conservative and adhere to the SLY method (Safety, Liquidity, and Yield). Oceanside was one of the 1st California cities to have an Investment Oversight Committee. On that committee there is a wide range of professional, talented, smart individuals as far as investments and the banking industry. They have given the City and the Treasurer's Department a lot of assistance and a wide breadth of knowledge to assist in managing the City's portfolio to ensure that the City does not have a meltdown or any financial problems like what Orange County experienced. He is grateful for the assistance that the Oversight Committee has given the Treasurer's Department. He appreciates City Treasurer's Jones leadership and what her staff has done to help the City stay on solid financial ground.

In response to public comment, **DEPUTY MAYOR CHAVEZ** asked to explain why the City even has a portfolio, etc.

MANAGER LUND explained that the investment portfolio is comprised of idle cash in the City. The City has certain needs that must be met on a weekly and monthly basis and anything outside of that the City is allowed to invest according to Government Code 53601 in allowable investments and those stated by the City's Investment Policy. Also, Government Code 53646 states that the City must have ample liquidity and revenue to meet anticipated expenditures over the next 6 months. This is one of the reasons why the City has a liquidity level such as 15%. It is actually a minimum of 10% and the City varies from 10% to 15% based on those types of emergencies that come up. For example, if a storm should hit the City and before FEMA could come out and provide funds, the City would have ample liquidity to be able to make emergency repairs, make payroll, if anything happened to the City Hall building and anything of that nature. The investments that are invested out longer are those attributable to capital projects.

DEPUTY MAYOR CHAVEZ wanted to hit that point as far as liquidity that it is for emergencies. He highlighted that because of diversification. It would not make a lot of sense for the City to invest a lot of resources in the City because if there were a

natural disaster that impacted upon the City where we needed the money, the disaster would also impact the businesses in the City that would also need the money. It would be similar to the Enron people who had their life insurance policies with Enron and putting their money for their retirement in Enron. When Enron went down because they were not diversified, they not only lost their job but they also lost their retirement plans. What the City Treasurer's Office is doing is exactly the right thing. They should be investing outside the City because if there were a disaster, the ability to get the City's money rapidly if it were invested outside the City is really a strong portion of this. He applauds what the City Treasurer's office is doing. The answer is diversification.

COUNCILMEMBER FELLER has attended a few of the Oversight Committee meetings and recognized the abilities of committee members. It is a great addition to the City. He asked staff to explain how the drop in the jobless rate affects the City.

MANAGER LUND explained the jobless rate dropping means less people are on unemployment. Also along with that is growth and jobs. New jobs are being created at a faster pace than they were at the beginning of the year. That means because more people are employed, more sales are occurring, more productivity etc. So, that will help the City because we should see interest rates rising as a product of that.

MAYOR JOHNSON said this item was for information only.

CITY COUNCIL REPORTS

33. **Mayor Terry Johnson**

MAYOR JOHNSON encouraged everyone to attend Harbor Days this weekend.

34. **Deputy Mayor Rocky Chavez**

DEPUTY MAYOR CHAVEZ reviewed the business of Jamba Juice on Vista Way.

He invited participation in the Nail 'N Sail event on Sunday.

The Library is now celebrating the Decade of the 70's. The Trivia Bee event is coming up and asked everyone to support the Library's events.

35. **Councilmember Jack Feller**

COUNCILMEMBER FELLER commended staff for doing a great job at the beach community center forum for the beach hotel.

On Saturday he attended a presentation by J. Stryker Myer on the Vietnam War

and Across the Fence. The men who fought in Cambodia during the Vietnam War had to sign twenty-year agreements not to talk about it and now they are starting to talk.

Mayor Johnson and he attended MiraCosta's Presidential Inauguration of Dr. Victoria Munoz-Richart. He also attended the Labor Day Swim; yesterday, he and the Mayor attended a POW MIA remembrance at the Naval Hospital.

36. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ stated last night she attended a Loma Alta Neighborhood Association meeting talking about their historic area.

37. **Councilmember Jim Wood**

COUNCILMEMBER WOOD went to a lot of events and saw a lot of people. He reported on the passing of Vy Norton.

INTRODUCTION AND ADOPTION OF ORDINANCES

38. **City Council: Adoption of an ordinance of the City Council of the City of Oceanside amending Chapter 6A of the Oceanside City Code changing the procedure for assessing false alarm fees, defining verified response, and clarifying the appeal procedure (Introduced 9/1/04, 4-1 vote, Chavez-No)**

Following the reading of the title, **MAYOR JOHNSON** moved to adopt **Ordinance No. 04-OR833-1** "...amending Chapter 6A of the Oceanside City Code changing the procedure for assessing false alarm fees, defining verified response, and clarifying the appeal procedure".

COUNCILMEMBER FELLER seconded the motion, which was **approved 4-1**, with Deputy Mayor Chavez voting no.

ADJOURNMENT

MAYOR JOHNSON adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 7:56 PM on September 15, 2004. [Next regular meeting is October 6 at 4:00 PM]

ACCEPTED:

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

MARCH 3, 2010

REGULAR MEETING 3:00 PM COUNCIL CHAMBERS

**3:00 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
Vacant

Councilmembers
HDB Directors
CDC Commissioners
Esther Sanchez
Jack Feller
Jerome M. Kern
Vacant

City Clerk
HDB Secretary
CDC Secretary
Barbara Riegel Wayne

Treasurer
Gary Felien

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 by City Clerk Wayne at 3:00 PM, March 3, 2010.

Due to advance notice from City Attorney Mullen, the 3:00 PM closed session was cancelled and no Councilmembers were present. Recess was held until 4:00 PM.

CITY COUNCIL, HDB, and CDC CLOSED SESSION ITEMS

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

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

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 (WCE), and Unrepresented]

No closed session held

4:00 PM – ROLL CALL

Mayor Wood convened the meeting at 4:00 PM. Present were Mayor Wood and Councilmembers Feller, Kern and Sanchez. Also present were City Clerk Wayne, City Manager Weiss, City Attorney Mullen and City Treasurer Felien.

CLOSED SESSION REPORT

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

No closed session was held.

Changes to the Agenda

MAYOR WOOD removed Item 9 from the agenda, which pertains to appointing people for the El Corazon Commission, to be continued to another date for further review. He received a letter from the City Clerk stating that 3 of the people who had applied had withdrawn their names as they are already on other advisory groups.

CONSENT CALENDAR ITEMS [Items 3-7 and Addendum Item 7A]

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 Council/HDB/CDC or the public through submittal of a Request to Speak form prior to the commencement of this agenda item.

The following Consent Items were submitted for approval:

CITY CLERK WAYNE reported Item 7A on the Consent Calendar has been removed for discussion by the public.

3. City Council/Harbor/CDC: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council of the following meetings:
January 28, 2004, 10:00 a.m. Adjourned City Council Workshop
February 18, 2004, 10:00 a.m. Adjourned Workshop
4. 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)
5. City Council: Approval of a Memorandum of Agreement [**Document No. 10-D0179-1**] with the County of San Diego for the performance of grant-funded law enforcement services jointly with other law enforcement agencies under Operation Stonegarden; and for reimbursement of funds used for overtime expenses and to acquire specialized enforcement equipment, in an amount up to \$462,168, pursuant to Operation Stonegarden; and authorization for the City Manager to execute the agreement

6. City Council/CDC: Adoption of **Resolution No. 10-R0180-3**, "...authorizing the filing of an application for Community Based Transportation Planning Grant through Caltrans for the Mission Avenue Conceptual Plan" (improvements to Mission Avenue from Horne Street to Coast Highway)
7. City Council: Authorization to award a contract [**Document No. 10-D0181-1**] in the amount of \$555,345 to HMS Construction, Inc., of Vista for the Five Traffic Signals at Various Locations project including new traffic signals at the intersections of Lake Boulevard/Mira Monte Drive, Lake Boulevard/Emerald Drive, Melrose Drive/Meadowbrook, and modifications to existing traffic signals at the intersections of Oceanside Boulevard/Crouch Street and Coast Highway/Morse Street; and authorization for the City Manager to execute the agreement upon receipt of all supporting documents

ADDENDUM ITEM

7 (A) Removed from the Consent Calendar for discussion

COUNCILMEMBER SANCHEZ moved approval of the balance of Consent Calendar [Items 3-7].

COUNCILMEMBER KERN seconded the motion.

Motion was approved 4-0.

GENERAL ITEMS

8. **City Council: Approval of Amendment 5 to the Solid Waste Franchise Agreement with Waste Management of North County, extending the term of the agreement from July 1, 2012, to July 1, 2015, in exchange for enhancements including: 1) a \$1 million per year franchise payable to the City effective immediately, to be adjusted annually for CPI increases, 2) amending the benchmark process to set Oceanside's rates to the lowest comparable rate in the County, effective July 1, 2013, and 3) upgrading the current crate recycling system to a toter/wheeled cart that accepts comingled/single stream recyclables; approval to transfer all franchise fees to the General Fund to offset future budget cuts; approval to allocate a small percentage of those funds to AB 939 programs; and authorization for the City Manager to execute the amendment**

JOSEPH ARRANAGA, Deputy Public Works Director, reported this is a contract amendment from Waste Management (WM) North County, dated January 15, 2010. They are seeking to extend their existing contract to 2015. In exchange for this extension, WM is offering the following enhancements to the current contract: 1) a \$1,000,000 per year franchise fee, payable to the City for each year of the extension; 2) start the benchmarking process again in 2012; 3) upgrade the current crate recycling system to a wheeled cart that accepts co-mingled single-stream recyclables; and 4) no contract extensions. These items have the following benefits:

- The franchise fee will be paid to the City in monthly installments, starting with the first full month after approval. Over the term of the contract this amounts to over \$5,000,000 to the City. Plus, starting in July of 2011 this payment will be adjusted for the Consumer Price Index (CPI). While Council will openly decide where this franchise fee goes, staff recommends that it go to offset citywide budget cuts and reductions.
- The continuation of the benchmark process, effective July 1, 2013, insures that residents receive the lowest rates in San Diego County.
- An upgrade to a fully automated recycling system that replaces the current crate system is a service that the Integrated Waste Commission and the residents have been requesting for years. If this offer is accepted, WM, by June 30, 2010,

agrees to provide every single-unit residential customer at no charge one 96-gallon wheeled cart for the collection of co-mingled recyclables. This offer of a co-mingled recycling system will simplify and encourage residential recycling, reduce scavenging and divert material from the landfills.

- If accepted, the amended contract with WM for collection services would expire on July 1, 2015, with no extension, or the City Council may exercise the termination clause and cancel the contract with WM, effective July 1, 2012.

In preparation of the possibility of a new contract in 2012 or 2015, staff and the Integrated Waste Commission have been tasked to hire a consultant who will study the existing and future solid waste capacities of the region, analyze the need for a transfer station and recycling center and develop a Request for Proposals (RFP) for waste hauling and bid, if needed.

At issue is the length of time needed to conduct such a study. The 5 firms that have submitted proposals for this have estimated that the process will take from 1-2 years to complete. If you add 6 months lead time for a new hauler to start, that puts you at January of 2013, which is 6 months into the contract end date if you opt for the contract termination.

This process can be shortened or, more likely, time added as the Integrated Waste Commission has asked that this process be open and transparent with as much community input as possible via 18 public meetings and the recommended 3 public workshops. As such, staff is leaning towards a 2-year process as opposed to the 1-year process. Accepting the offer with the 2015 deadline allows staff sufficient time to complete the RFP process. Staff recommends that Council accept the offer as presented.

MAYOR WOOD commented this is a major contract within the City, probably our largest contract. It's been ongoing for quite some time, and this is the first time that we've had a chance to decide if we are going forward with the contract with WM. WM is trying to do the best deal they can with the City, and it's Council's job to do the best job they can for the citizens of Oceanside. It's strictly a business deal. There has been a lot in the newspapers and a lot of feedback. Most people don't understand a WM contract. It's very long and complicated, and Council is trying to do the best they can for all parties involved.

Public Input

THOMAS DEMPSEY, 3641 Esplanade Street, spoke with staff years ago concerning the single-family home cost rates of pick-up. WM presented free pick-up downtown and at the beach areas. There is no such thing as free. It is probably part of the overall pricing compromise. While visiting with staff, he saw a County report on recyclables. It listed various cities' dollar amounts that were returned. Oceanside was blank. Staff told him it was figured in the overall pricing agreement. He is asking what the dollar amount is that WM collects from the recyclable material it collects from Oceanside residents and businesses.

MICK HEALY, 310 Los Arbolitos Boulevard, is the Vice-Chair of the Integrated Waste Commission. Five years ago he retired from his job at San Onofre and decided to try to make a living selling stocks and options and trading. He learned the hard way that if you don't take profits when they're on the table, there's a good chance you're going to blow it and end up losing it. He's afraid we are in a similar situation with this offer from WM for a contract extension. If Council turns this down, there is a good possibility that this whole issue could blow up in the face of the City, and Council will have to answer to the voters as to why they turned down millions of dollars.

We could turn down the offer, but in his opinion this is a good opportunity for the City. With \$5,000,000 maybe the City could rehire some of the employees that they had to lay off, or pay bills. If they turn this down now, things could get a lot harder in the future. Council should accept the offer to give us time to work on a future contract

and an open bid process without time pressures.

LOUANN GIGANTE, 930 Beverly Drive, Vista, owns property in Oceanside and speaks today as President of Soroptimists International of Oceanside/Carlsbad. In addition to the financial benefits described in this contract, WM is a wonderful community partner. They generously sponsor and support many events and service organization in the community. They are always available when we need their help. This offer is generous, fair and just. We need to stay with an organization that has been a community partner and supports us, rather than try a new one that we know nothing about.

DAVID NYDEGGER, 928 North Coast Highway, President/CEO of the Oceanside Chamber of Commerce, spoke in favor of WM. They have been a good strong member of the Chamber of Commerce for over 31 years. They have provided outstanding service to our citizens. He has lived in this city his entire life.

This is a business decision, as the Mayor stated. It's about \$5,000,000+, jobs and our future. It's really a 3-year extension since they already have a 2-year in place, with a \$5,000,000 windfall; he urged Council to vote in support of this issue.

DENNIS MERCHANT, 359 Justina Drive, is a retired WM employee. The issue of franchise fees has been written up in the papers comparing the estimate of \$1,900,000 in services provided by WM with the possible income from a franchise fee, which would be indirectly imposed on the homeowners, renters and business owners of Oceanside. One small example of what happens if a franchise fee replaces the current service program is the free bulk item pick-up. When a fee is instituted for picking up an old sofa, mattress or washing machine, those items once again are going to start turning up in the alleyways and parking lots of this City, dumped by the owners who are unwilling to pay for removal service. He came to Oceanside in 1994, and parts of this City were a mess, littered with items illegally dumped everywhere. With the implementation of free bulk item service by WM, blighted alleys and parking lots were remediated.

He would also like to present a side of WM that the public rarely hears about. His job at WM primarily focused on customer relations and insuring that any customer issue was immediately resolved. 3 separate trucks go by your house 52 times every year. Employees at WM often went way beyond the scope of service that is required under the current agreement.

WM is offering the financially strapped City an annual \$1,000,000 incentive to extend the current agreement for 3 years with the stipulation that the current bulky 2-crate household recycling system be upgraded to a single-cart system. This will not only greatly increase recycling volume while decreasing disposal tonnage, it will also be much easier for folks to use. This arrangement, along with lessened labor costs, is the basis for the \$1,000,000 offer.

Lastly, it has been indicated that it would take an unbelievable 2½ to 3 years to get the complete process of writing a new proposal, along with the accompanying consultant fees and City staff time. If that is the direction the Council decides to go, say goodbye to that \$3,000,000 that WM probably would have provided in the interim. WM is certainly not reluctant to work within the competitive bidding process. We have had the solid waste contract for Marine Corp Base Camp Pendleton since 1992. Each renewal of that contract has been awarded to WM on a competitive basis.

Since both City staff and the City's Integrated Waste Commission support this amendment, he asks the Council to set aside the personal issues and political vendettas that have stymied other potential improvements for the City and make a financially positive decision for those of us who actually have to pay for it.

EDGAR ALBERRO, 5125 Frances Street, has 2 strong reasons to be here.

Number 1 it is his job and number 2 it is his City. He has lived here for about 15 years. His kids have grown up here and attend local schools.

As a WM driver he can offer a unique perspective. He is also here to represent his co-workers. He knows this is a business, but he is here to also talk about the service they provide. They do a public service and it allows him to be connected on a face-to-face basis with people. They take pride in their work and try to offer the best service possible. As an Oceanside native he believes this is the best fit for Oceanside, both short term and long term.

He doesn't want to lose his job, and his co-workers don't want to lose theirs. Most of their income stays local. About 90 of them live, rent and shop here. They want to stay here and keep providing good service with a great company. This company also supports a lot of public programs that our families count on everyday. He is not sure another company can provide the service that WM provides.

JOE GALLAGHER, 515 Vine Street, Chairman of the Integrated Waste Commission, stated that at the January 6, 2010, meeting of the Integrated Waste Commission a motion was made and passed recommending that the Council approve a revised proposal by WM, referred to on today's agenda under Item 8 as Amendment 5 to the Solid Waste Franchise Agreement. Today he is reinforcing that this recommendation be duly considered and approved by Council. The Integrated Waste Commission did not make this recommendation lightly. After significant discussion by the Commission, the initial proposal by WM was rejected. A revised proposal that included various additional benefits to the City and the rate-payers was submitted by WM. That revised proposal was received, reviewed, discussed and debated at length. Any suggestion that the proposal was not thoroughly reviewed or that insufficient time was afforded that review is incorrect. The members of the Integrated Waste Commission are a very dedicated group of citizens who demonstrated due diligence in their deliberations and took great pains to insure that the recommendation made to Council for approval was in the best interests of the City and its residents.

An article in the February 28th issue of the *North County Times* referenced an additional analysis of the WM proposal made by Sloan Vasquez, Consultants. As Chairman of the Integrated Waste Commission, he had no idea that such a review had been solicited after the Commission review and recommendation had been completed. His initial thought was that the review by Sloan Vasquez had been commissioned to countermand or discredit the review of the Integrated Waste Commission. However, he read Mr. Sloan's review and analysis.

The Sloan report implies that there may be opportunity for additional benefits above and beyond those contained in the Integrated Waste Commission recommendation. The analysis is not dramatically different from that of the Integrated Waste Commission but includes suggestions that an expedited RFP process may be feasible. He would counter that assessment based on several factors, but most notably that the Integrated Waste Commission requested an RFP for consultants to conduct a future RFP for disposal services, which has not even yet been completed. He thinks the Sloan report may be overly optimistic. He will not dismiss Mr. Sloan's analysis and recommendations, yet he stands fast in supporting the Integrated Waste Commission's recommendation to approve the WM proposal by Council today.

He has been a Federal employee for over 30 years and a City Commissioner and volunteer in Oceanside for over 20 years. He is no stranger to politics, though politics seem to get stranger to him every day. Today politics must be put aside; personal agendas and political alliances must yield to the greater needs of our City and its residents. We are facing an estimated \$8,000,000 budget shortage. Our citizens risk the loss of essential City services, library closures, employee furloughs and staff terminations, all of which impact the quality of life for Oceansiders. This is an opportunity to offset our budget shortfall in some part, to possibly continue City services, retain qualified City staff and maintain our gains in public safety. \$1,000,000

per year immediately and annually thereafter through July of 2015, and the benefit of reducing rates to the lowest rates in the County by 2013, cannot be dismissed. He hopes Council approves their recommendation.

WARD O'DOHERTY, 360 Vista Marazul, is a financial planner, as well as a candidate for City Council. In his opinion the proposed WM contract is a horrible one and not beneficial to the City. He has nothing against WM; however, they have out negotiated us for many years, and it appears that they are going to do it again. The offer on the table is for \$1,000,000 over the next 5 years. After 5 years WM will have over \$100,000,000 and the City will have a little over \$5,000,000.

Municipalities negotiate franchise fees with waste providers, expressed in percentages. For instance, Carlsbad has an 8% franchise fee. In Oceanside that contract would be worth \$1,600,000. El Cajon has a 15% franchise fee. In Oceanside that would be \$3,000,000.

The city that is not managed by WM is Chula Vista. In comparison, there are 225,000 people in Chula Vista and 185,000 here. Chula Vista has negotiated 5 revenue streams from their provider. One is a 15% franchise fee; another is the recycling program, which over the last 3 years the City has received \$1,100,000. They have also made a deal with their provider for an \$800,000 signing bonus that goes up 3% per year. The provider also gives them \$69,000 to stress the importance of environment and recycling. They have their curbside provider, and they get \$180,000 from the State.

This is a bad deal. Critics will say WM does other things like pick up bulk items. In Chula Vista that is free as well. He is not in support of the WM contract in its current form.

ZACK BECK, 2929 Fire Mountain Drive, is here to speak on behalf of WM, believing they have done an adequate job of servicing our community and serving our citizens. Now it's their opportunity to solidify their commitment.

With the upcoming WM extension moving forward, we have plenty of questions to ask before we accept their contract negotiations. The first question is whether this is the best deal for the citizens. We're facing a substantial budget shortfall, \$8,000,000, and that's going to be a significant amount of revenue that we need to generate to curb that budget shortfall. We need to look long-term. We must look at what other cities are able to receive good contracts. For instance, El Cajon had received a \$1,800,000 franchise fee last year, and we are being offered a \$1,000,000 franchise fee. It might be beneficial for us to ask if we could receive a \$1,800,000 franchise fee instead of \$1,000,000.

The review and analysis that was done by Sloan Vasquez has 3 key points and 3 key elements. The new franchise fee was unsolicited; they have offered it. If they are offering that, we might want to see what else are they willing to offer.

This comes at little or no cost to WM. They are going to actually be receiving \$1,000,000 and \$15,000 for the efficiencies that will be coming from the new processes that they will be implementing.

WM overstates their benefits. There is a risk of transport and disposal that they say will not be a risk to Oceanside, but that is a little faulty because they are thinking that the landfill in Puente Hills in Los Angeles is going to have an impact on Oceanside. It will not.

WM does not lower our rates. This contract gives the City discretionary funds of \$1,000,000 to allocate accordingly.

The Sloan Vasquez report recommends that the City enter into negotiations with WM currently. He urged that we do not accept this proposal and go into negotiations. He would recommend that Mr. Feller, who used to be an employee of WM, consider abstaining from this vote.

JOSH MARTINEZ, 3951 Sherbourne Drive, referenced a newspaper article that said WM had a plan to provide carts for recycling. He and his wife are looking forward to upgrading from the little milk crates. It's more convenient and promotes more recycling. With the little milk crates, the newspapers and papers may blow out into the street and possibly even into the storm drains. He hopes Council votes for the new WM plan; he thinks it is the right thing to do.

GEORGE BROWN, 911 Niguel Street, recommends that Council accept the offer. WM has been a long-time partner with the City, and they provide great service to the residents. They are going to provide some funding back to the City that is much needed. They want to extend it just for 3 years, not for 10 years, and they are going to give us some money back in the current contract years. They have pretty well assured us that we're going to have the lowest rates in the County. This is a really complicated issue and other municipalities get back higher transfer rates. On the surface that's great until you look into the details and find out what's involved in those transfer rates and who's paying for it. He hopes the City doesn't end up paying for it just to get a better transfer rate.

LLOYD PROSSER, 1618 Kurtz Street, is a life-long resident of Oceanside and a candidate for City Council. He respectfully requests that Council approve this offer from WM. Time is of the essence. This contract is essentially worth \$83,000 a month. Every month that we delay is an \$83,000 portion of the \$1,000,000 per year return from WM. When we are facing an \$8,000,000 budget shortfall/deficit by the end of this fiscal year; that is significant.

WM has been a strategic business partner for the City for all these years, and they have served this community very well. We don't want to lose that position with them. He noted the support of all the non-profit organizations that WM has shown over the years. It's a value added to the community.

This is a win-win. It should be a business decision, not a political decision. There is nothing wrong with WM making a profit; we want them to stay in business. We're getting \$1,000,000 per year for the life of this offer. It's a good deal.

MICHELLE BRAY DAVIS, 306 South Pacific Street, asked Council to approve the recommended contract extension for WM. It makes fiscal sense. The City is in a financial crisis. WM has promised to pay the City at least \$1,000,000 beginning immediately. That totals out to be \$5,000,000, and in addition WM has promised that the rates for the City will be the lowest in the area, and they've also offered to provide recycling carts.

WM has not only been a service provider but has been a community partner. They have given back to this community hundreds of thousands of dollars in supporting the programs of non-profits, of which she is involved in many. Why spend \$200,000 on a consulting contract that may or may not be completed in the next 2+ years when we have dedicated, educated commissioners that have reviewed thoroughly this recommended extension, as well as our City Manager and staff who are educated and understand the ins and outs of the contract. She encouraged Council to vote in favor of this. One of the reasons is because the \$83,000 per month will go a long way to this.

MIMI DeMIRJIAN, 214 South Freeman, member of the Integrated Waste Commission, has served for over 5 years on this Commission. The goings on over the past year or so regarding this issue have been very disturbing to her. There is a lot of misinformation that's going back and forth; there is some acrimony among the Commission members regarding whether this contract should be extended or not. This

contract is important to the rate payers in getting the best deal.

There are numerous collection options that we can look at when we look at the contract. We can look at the size of the recyclables. We can look at the size of the toters and the frequency of service. There are so many options that the Commission can look at that takes time, depth and analysis to evaluate. Each one of these options comes with an additional cost. Sometimes the cost is not worth it, and sometimes it is. We have to determine what's best for the rate payers. We also need to decide whether the diversion rate of the City is in compliance with State requirements, with Assembly Bill 939. There is a lot to decide; it's not something we should consider lightly.

Facts and figures have not been made available to the Commission. She has asked numerous times for information and is upset that it has not been provided. She is concerned about the bulky item cost, which is not a free service. It has cost the City over \$643,000 in one year when we did the benchmark service. From the information that has been provided, she doesn't think it's a good deal right now.

She wanted to thank the City Manager for hiring the consultant who has determined that WM is giving us \$1,000,000 a year, but the total savings to WM is \$1,015,000 per year. The consultant also feels there is an opportunity for the City to improve on WM's offer and to receive additional benefits in return for extending the contract. We should move forward with that recommendation. It's a business deal, and we represent the rate payers.

RIC WADE, 875 Oro Grande, member of the Integrated Waste Commission, thinks this is a good idea. He hears people talking about other cities' franchise fees and making more money. However, the rate payers/citizens are paying for those fees. WM has asked us to modify the contract so they can put into place what needs to be put into place so they can carve \$1,000,000 a year out and give it back to us. On top of that, they are telling us that in 3 years we are going to have the lowest rate, which means there should be a rate reduction because we're going from third to the lowest. Could we do better - probably. Is it incrementally large - probably not. Is it worth waiting - he doesn't think so. He believes we need to go forward.

NADINE SCOTT, 550 Hoover Street, former Chair of the Integrated Waste Commission for many years, said it was a source of aggravation that WM was not willing to change the contract to accommodate the rate payers. She had asked for single-container recycling over 10 years ago, but they wouldn't hear of it because it would cost too much. Now this is a magic idea they came up with. We discussed pay-per-throw that other cities have and that is successful, reduces the waste stream and makes the rates more affordable for rate payers. As a rate payer, she is paying about \$250 per year for trash and bulky item pick-up that she never uses. This year, we are at the beginning of March, she has put her trash out once. She is subsidizing everyone else who is allowed to put 10 trash cans out a week.

If WM is offering \$1,000,000, which is not a net loss to them, she would urge Council to go back to the table, demand pay-per-throw and demand smaller single trash containers because people like her are subsidizing everyone else. She would also like an explanation why this deal is not appropriate to be entered into the Enterprise Fund because other rate reductions have gone into the Enterprise Fund.

WM is a private for-profit business so why is the City doing their billing? She is against a 5-year extension. She has no problem with re-entering negotiations with them for 3 years, but she would like to see the RFP and an open and competitive process for waste haulers. If they are the best one, may the winner win.

CHARLES LOWERY, 812 Alberta, said the City is running out of money. There aren't any new funds coming in from the State and, as a result of that, we continue to cut essential services, public safety and City employees. We are so needy that we might take any offer, whether we know what it really is or not. Before we decide, we must

know if this is a good deal.

The Council hired experts in the field to analyze the proposal, and we have that report. Those consultants did the math. The citizens of Oceanside need to know what we're getting. Experts were paid a lot of money to find out the facts, and now some Councilmembers are saying the experts don't know what they're talking about. He suggests we look at the details in the consultant's report and take it back to WM and say this is what we want. We want WM to continue to work for Oceanside with certain changes to the contract proposal.

The consultant's report warned us to turn down the \$1,000,000 gift. They explained that we should get more money. If Council can get a better offer or a better deal, let's take it. The consultants said we can negotiate a new contract in less than 2 years, and they provided examples of cities in California that have done that; so there is no obvious need to extend the WM contract. We've still got enough time. The City should go back to the negotiating table and tell WM exactly what we want; we want everything the best we can get. Let's take all of the facts and use them to create an equitable deal to help the entire City. Otherwise, we can put the contract out for competitive bid. He doesn't think we or WM wants to do that. Let's negotiate this deal so that it's a win for Oceanside.

ROBERT GLEISBERG, 1936 Palmer Drive, has been a resident of Oceanside for 32 years. He is in favor of going forward with this. He is also in favor that the intangibles, the \$1,800,000 that they address as an alternate to the franchise fee, be considered as a number along with the \$1,000,000.

He showed a copy of a paper used at the City Manager's presentation on the 24th. Those numbers represent the carry-over into the current fiscal year and show a deficit of \$7,600,000. However, the beginning balance that is unfunded is also going to be spent because the ending balance will be zero. If you take the total \$8,500,000 and divide it by 12 months during the next year, unless Council makes decisions immediately, you will be spending on average \$700,000 per month. There was a community workshop last summer, and a lot of these issues should have been brought up and analyzed in detail. One of the most contentious issues was obviously labor. WM is going to take in \$1,015,000 and give us back \$1,000,000; that is a wash. That means that whatever additional money they are making by saving money, they are giving it back to the citizens. Regarding the \$20,000,000 that was quoted in the newspaper article today by Chuck Lowery, he wanted Council to look at the total pension and labor costs in 2009, which was \$19,700,000. The total contract for WM is close to the pension liabilities to take care of our labor force. If you compare these costs we need to spend more for labor than we do for collecting garbage. The growth from \$6,500,000 in 1999 to \$19,000,000+ in 2009 represents a growth in just the City's pension liabilities of more than \$13,000,000. He encourages Council to shift their focus from garbage collection to paying attention to the big costs of managing this City, and that's in labor.

BOB PICKREL, 2073 Steiger Lane, has lived in Oceanside for the past 30 years. We've had a lot of people study this and make recommendations. He's been satisfied with the excellent service he's been getting from WM for years. They have done a great job, and they are active in our community in all sorts of ways, both personally and dollar-wise. He encouraged Council to pass this contract.

LORI SOMERS, employee of WM of North County and Oceanside resident, stated WM is a company that is truly involved in the City. We have demonstrated our commitment to being a good neighbor through our ongoing support of numerous local organizations and events. We have been consistent partners for more than 20 years. We provide free services, volunteer hours and extensive funding throughout the year to support the quality of life in Oceanside.

We are a vital part of this community. The difference we make in Oceanside goes beyond our safe and reliable service and the outstanding diversion rates we help

the City achieve. Our customers count on our community involvement, as do the non-profit organizations and community events we support throughout the year.

She has attended events, HOA meetings and other community gatherings where the number one message she hears from Oceanside residents is their desire for the single-stream recycling carts. Oceanside residents care about the environment and want the opportunity to recycle more items. She is excited about the single-stream recycling cart programs that WM is offering to City residents and looks forward to the opportunity to educate residents on the enhanced recycling guidelines. She is looking forward to the increased recycling and the higher diversion from landfills that will be achieved through this enhanced program.

ELIZABETH NEWBRAND, Communication Manager for WM, is pleased to speak about WM's commitment to recognize value, safety and service to the City. It has been suggested that this decision should be based on facts, not emotion. We couldn't agree more. Some may intentionally try to mislead or confuse the issue by displaying numbers that are apples-to-oranges in comparison and not apples-to-apples numbers verified by the City's own independent consultants. In fact, tonight you may hear someone who voted to accept the benchmarking report trash it. Therefore, she presented the following facts:

WM offers recognized value to Oceanside residents. The City's independent consultant, Hilton Farnkopf & Hobson, established that WM offers low rates and value-added services that are equivalent to \$1,900,000 in franchise fees.

WM has been recognized by Cal OSHA for their world class achievement in safety. According to Michael Alvarez, the Regional Manager with Cal OSHA, WM is in the top 1% of companies in terms of stellar performance in health and safety. WM is the only company in our industry that has achieved Cal OSHA's prestigious Voluntary Protection Program certification. WM's operations in Oceanside have also achieved Cal OSHA's Sharp Award. No other company in their industry has received this recognition for safe operations in San Diego County.

To measure customer service satisfaction, WM has partnered with J.D. Power & Associates, the leader in customer feedback. With J.D. Power's help, WM is able to obtain timely objective feedback and insure that we are exceeding customer expectations. Oceanside customers have rated WM of North County services in the 93rd percentile of all waste management services in the entire western United States. We are very proud of this accomplishment. Our outstanding value, safety and service, as verified by third-party groups, are a testament to the services enjoyed by Oceanside residents. Our proposal will only enhance these benefits for the citizens of Oceanside.

CHARISSA MCAFEE, Waste Management employee, stated that in WM's proposal, we offer the City \$1,000,000 each year. This funding has been compared by some to the franchise fees collected through other cities contracts; however, this is not comparing apples-to-apples.

Typically, in other cities when there is a franchise fee, the City establishes the percentage of franchise fees that they desire. This fee is then charged on top of the hauler service rate. For example, if we were to move forward with the franchise fee that at least one Councilmember has suggested, 8% would be added to the bills of Oceanside rate payers, and then the 8% would be kept by the City. What we are offering is different; we are offering the City an additional \$1,000,000 each year in new revenues. This is not a fee that is added to rate payer bills. In fact, the proposal negotiated by the City Manager requires just the opposite. In addition to offering this \$1,000,000 to the City, WM was asked to reduce residential rates, moving them from the third lowest to the lowest in San Diego County.

The \$1,000,000 each year that WM is offering in this proposal can be used by the City for any purpose: to keep staff, maintain services, or whatever the City

determines is in the best interests of the community. Beginning the month after the extension goes into effect, this funding is available for the City to use. You can do the math. This is \$83,333 in funding to be paid out on a monthly basis. This is not a retroactive offer, so as each month passes Oceanside is losing out on another \$83,000 that could have been put to use, keeping parks and libraries open, keeping public safety services out on Oceanside streets.

In addition, the independent consultant recently established that Oceanside is currently benefitting from added value services that are the equivalent to franchise fees of \$1,900,000. These services include beach clean-ups, service to approximately 600 bus stops and household hazardous drop-offs. It's important to note that when the consultant determined that these services were valued at \$1,900,000, the equivalent of \$1,900,000 in franchise fees, this was in direct comparison to the franchise fees collected by all other cities in the County.

Finally, there has been talk about the City hiring another consultant to negotiate the extension once again. A lot has already been spent on independent consultants for the benchmarking process. Through the negotiations WM has already agreed to increase their offer from \$3,000,000 over the life of the extension to \$5,000,000 and to go from the third lowest to the lowest rate. Why continue spending money looking for a better deal when this opportunity is on the table and when \$83,000 in much needed funds is lost by Oceanside every month that the City waits.

KEN RYAN, District Manager for WM, stated we are proud of the proposal that's been talked about tonight. It was negotiated with City staff and evaluated and supported by the City's Integrated Waste Commission. He has been personally squeezed by City staff and Commissioners.

This proposal first came from WM last November. The reason is the benchmarking process conducted by the consultants was finalized this past October. Once we were aware of the results of this study, including the amount for the contractual rollback as verified by the consultants and knowing that the City faced a substantial budget shortfall, we were then in the position to offer Oceanside a proposal to improve services and provide funding to the City.

The initial proposal was brought to the City over 4 months ago. After long hours of negotiation with the City Manager and the Integrated Waste Commission, we came back in January with this improved offer - a proposal that we could offer to the City without compromising our core values of safety and fairness to our employees. Our new plan offers enhanced recycling, spreads the umbrella of lowest rates out for 5 years and \$1,000,000 to the City in new money. This is an excellent opportunity to the City.

Currently the rates for residential services are the third lowest in the County, as verified by the independent consultant. In this new plan we've offered to reduce rates, making them the lowest rates in the County through 2015. In every other city in the County, residents are being charged higher rates for similar or less service. We have also offered enhanced recycling. We've guaranteed \$1,000,000 a year. This is more than a good deal; it's a three-way win. Rate payers and the City get the financial assistance that they needed, and WM employees, who live and work here in Oceanside, get to continue to provide great service.

We are here tonight because we want to continue to provide safe reliable service. We understand that Council is seeking the best deal for the citizens of Oceanside, and we believe this proposal accomplishes that.

ADRIANA BERNAL, student, doesn't think that more jobs should be lost. We should also be thinking about the environment because lots of people don't recycle. She thinks the ocean will get more polluted.

SHELBY JACOBS, 1674 Del Mar Road, member of the Integrated Waste

Commission and also speaking on behalf of his local community, stands in support of the proposal. It provides us with an opportunity to fulfill our commitment to notify WM 2 years prior to the existing contract of our intentions to terminate and allows us ample time to thoroughly evaluate the RFP, determine all of the things we need and consider all of the competition that is in the field. It is an outstanding opportunity for us to move forward.

TONYA DANIELLY, 110 Rancho Del Oro Drive, Executive Director of Ivey Ranch Park, has been there for the past 10 years. Speaking on the community support that WM does, we see over 200 children a month, and now adults and veterans. We started a therapeutic riding program back in 2003. When she called WM about the program, they were the first ones to donate a container to store our equipment. They were also the first ones to step forward and help us with best management practices with all of our horses and the manure so we were good neighbors, and WM absorbed the cost. They also help with all of our fund-raisers, not only the financial sponsorship but making sure we have the containers for the recycling. WM's people have made themselves available to us in our construction that we are now going through. As a non-profit we make a dollar go 5 dollars, and that's what is in front of you now.

WM is stepping up and helping the City. Your staff has recommended extending this. WM is a huge partner in so many ways. Not only as members of the community, but for nonprofits that need the support. Thank you to WM for stepping up, being a partner and making it possible for entities and communities to survive in ways that we couldn't have without them.

GRAHAM FRASER, 2119 Oceanview Road, supports the extension of the contract for a couple of reasons. He's found that in business for 25 years he didn't always get the best deal. Cash has always been king, and certainly cash is king now for the City. The City needs the money. Private industry would go out of business if they didn't operate on cash flow, and that's what the City needs right now. For the next 2 years to get \$2,000,000 and then after that to go out for open competition, you may not even get a better deal at that point.

The other aspect is that a competitor to WM would need to have their own facilities. They're going to need to find a place to put all of their trucks. They're going to have to go through the process with the City of getting proper permits to do that. The City is going to have to get a consultant to figure out what the RFP is going to look like. They're then going to have to get somebody to pony up and bid on it other than WM.

JOSHUA HELMLE, 5067 Palmera Drive, member of the Integrated Waste Commission but representing himself, feels there has been a lot of misinformation tonight and that's unfortunate, but when you have 40 different points of view, there are going to be a lot of wrong things said.

Franchise fees have been a big discussion. The franchise fee is a part of the renegotiation of a contract with whatever hauler it is. It has no place in what we're talking about tonight; we're talking about a simple contract extension, which he is 100% in favor of. It's a no-brainer as a business decision for many reasons. It's not apples-to-apples, regardless of what people have said about what we pay versus the other cities in the County. There are many different variables that go into these contracts. Only because he was part of the Commission did he learn how incredibly difficult it is to even come up with a contract, so to even make those comparisons is ridiculous.

No one is questioning the service of WM, so this is obviously just an economic issue. He hasn't heard any negativity coming from the Council about the service so he assumes it's all about the money. This contract extension is going to give us 3 years of the guaranteed best rate in the County. From a financial aspect, what else could you ask for. On top of that, we're going to get \$1,000,000 per year. He looked at the numbers with the consultant who did the benchmark study and at the time, just in the last 12 months, we were 9th in terms of the best contract in terms of price in the County.

The difference between 1st and 9th is like \$20,000 or \$30,000 per month. The differences are really overblown in terms of costs. We're going to make that amount up with the \$5,000,000.

The most important thing that we aren't talking enough about is the environmental impact. The consultant that did this report said that this is going to save us 5,000 tons of landfill diversion if we get the recycling containers. He believes that is the thing that makes the deal. From a financial aspect, it is a no brainer to receive the \$5,000,000 and get the best rate, but it is the environmental impact that is the most important. You can't put a price tag on that. There are environmental benefits and ethical benefits. He urged Council to approve this.

Public input concluded

[Recess was held from 5:23 PM to 5:42 PM.]

COUNCILMEMBER KERN listened to all of the speakers, and nobody complained about the service; it is all about the money. That \$1,000,000 a year, when we are looking at an \$8,000,000 shortfall, really means a lot. He questioned if it is accurate to say that if we turn down this offer, in essence we are passing up \$1,000,000 per year and the guaranteed lowest rate in the County by 2013. Is that a fair statement?

MR. ARRANAGA responded yes.

COUNCILMEMBER KERN stated there are 2 things: the \$1,000,000 to the City but ultimately, for Council, the lowest rates in the County to the rate payers. If we take this deal, not only will we have the \$1,000,000 per year, but we'll have the lowest rates in the County.

We talk about \$1,000,000 a year, or \$83,000 per month. This summer when we go through the cuts, because we're going to have to make the cuts and this doesn't get us out of the woods, that \$1,000,000 may make the difference between closing a library or just cutting back hours. It may make the difference of restricting recreation center hours versus closing a recreation center. He wants his colleagues to be aware of that when they vote on this. They are actually voting to maybe close a library when we get to our budget cycle. If we don't do this now and kick this back, that \$83,000 per month is gone. We need a decision tonight because our budget workshop is April 28th. We need to know by April 28th what numbers we really have to work with. If we kick this down the road, we won't have that money.

The Sloan Vasquez report looks like an advertisement; it says hire me, and I'll get you a better deal on a long-term contract. But we're not here to talk about a long-term contract. The only item that was agendized tonight was the extension; the only thing that we are discussing is a 3-year extension on an existing contract. Everybody needs to be aware of that. He understands that the City could probably improve its position on a long-term contract, but that's a process. We send it back to the Integrated Waste Commission, have all the community meetings, and you're looking at January of 2013, which is actually 6 months longer than the current contract time. Come June, we're not going to terminate the contract, so the contract really is running through 2013.

If we pass this up for a year and WM comes back in a year and we lose that \$1,000,000, in order to recapture that we would have to have 35% lower rates than anybody else in the County; that's not going to happen. What we're talking about here is the cost to the rate payers and the \$1,000,000 per year that we can supply in services. That's probably 6 police officers. That's what \$1,000,000 a year is.

The Integrated Waste Commission came to a unanimous decision to do this. This wasn't rushed; they vetted it thoroughly. It went through the City Manager's office

and Mr. Arranaga's office. He's known about this since last November and has been monitoring it since then. He knew this was coming and what some of the deal points were that didn't get through.

There are a couple of other things that bother him in the Sloan Vasquez report. It makes it sound like you can just go out and find any type of hauler anywhere, and everybody is just standing by with these 40 trucks that are \$250,000 each. He doesn't think anybody has \$10,000,000 worth of inventory just standing by to pick up the pieces on a contract if we don't go forward with this tonight or in 2012. Somebody said earlier that this is a no-brainer; it should not even be controversial. One of the last Waste Commissioners got up and said it's a good deal for the citizens with the lowest guaranteed rate; it's a good deal for the City with the \$1,000,000 that we get to put toward services; and it's good for the environment. We all win by going forward with this contract.

He **moved approval** to accept staff's recommendations and the recommendations of the Integrated Waste Commission [to approve Amendment 5 to the Solid Waste Franchise Agreement with WM of North County, extending the term of the agreement from July 1, 2012, to July 1, 2015, in exchange for enhancements including: 1) a \$1 million per year franchise payable to the City effective immediately, to be adjusted annually for CPI increases, 2) amending the benchmark process to set Oceanside's rates to the lowest comparable rate in the County, effective July 1, 2013, and 3) upgrading the current crate recycling system to a toter/wheeled cart that accepts comingled/single stream recyclables; approval to transfer all franchise fees to the General Fund to offset future budget cuts; approval to allocate a small percentage of those funds to AB 939 programs; and authorization for the City Manager to execute the amendment].

COUNCILMEMBER FELLER seconded the motion but needed to clear up one thing. He did work for WM nearly 16 years ago. He had no vested interest and didn't have a pension. He doesn't have retirement from them. He asked the City Attorney for an opinion on voting.

CITY ATTORNEY MULLEN responded that this hasn't been thoroughly discussed but, based upon the information you provided, the Political Reform Act would not require an abstention.

COUNCILMEMBER FELLER hopes that's clear. It's not any different than the Mayor voting on police contracts as a retired police officer. He thinks it is important to note that he is free from WM.

He asked that the City Manager explain what the Sloan Vasquez report based their statement on that we can get a better deal.

CITY MANAGER WEISS doesn't know that he can explain their particular perspective, but if you look at their conclusions they would indicate that if we entered into negotiations on a new contract, that would be the case; he doesn't dispute that. The issue that was before us was not necessarily a new contract. The direction from Council last year was to work with the Integrated Waste Commission to develop an RFP to do a public competitive procurement process for the waste contract.

COUNCILMEMBER FELLER stated probably at the point that this contract is up for renewal, we would have a competitive bidding process. In Council's backup it says this expires on July 1, 2015, although in the Amendment to the Franchise Agreement it says June 30th.

CITY ATTORNEY MULLEN stated we'd have to go by the language of what's in the Amendment.

COUNCILMEMBER FELLER stated the reason that we are getting the \$1,000,000 is because there is added revenue from the recycling that will be done. This is new-found revenue; WM was pretty clear about that. It says we can use this money for anything that we want, but that doesn't preclude us from giving all the rate payers back \$2 a month either if that was needed. He's not sure that is the best use for it at this time, but he doesn't want to preclude that as being a possibility.

The backup talks about pay-as-you-throw. As a side note on that, going into the future in negotiations, you end up with small users going to the nearest park and dumping their trash in the trash cans, or in their neighbor's trash can, or on the side of the road, and then they pay nothing for trash. That's a serious issue to consider when we get into that process.

He spent 7 years with WM starting in 1987, and many in the room that are residents of Oceanside have benefitted from their bulky item pick up or their excellent customer service. When he was on the routes 20 years ago, they didn't have complaints then. When they did they went back and picked up people's trash. The customer service was the most important thing. The recycling and environmental issues are a very strong consideration for any type of extension, but going back and picking up someone's trash was a big factor as well. Back then they only did large item pickup twice a year. They didn't go by and pick up bulky items every week. They didn't have a hazardous waste facility or greenwaste. The recycling was a little basket on the front of the truck. WM has been on the forefront of recycling. If we didn't have these services there would be trash piled up along the roads and people illegally dumping. That is what happens when you don't provide the service that WM is providing.

WM does sweeps of neighborhoods on a monthly basis. They go in on Saturdays and drive up and down the alleys just to keep the alleys clean. That is not something that everybody gets. They get rid of the blight before it takes hold and sets in. A resident can get 52 large items picked up a year, as well as unlimited greenwaste, unlimited trash, free hazardous waste disposal and a system that they are proposing would make recycling more profitable and more difficult for the scavengers to sort through.

When he came here WM wasn't a community partner; then they started making customer service a priority. He mentioned former employees and Ken Ryan who make a difference at WM. He named some employees that still worked there. They've learned to serve the communities as well as to contribute. They volunteer their money and service for hundreds of events. They are a true community partner, not to mention the first to do recycling in North County. Their commitment is for the betterment of the earth and the citizens of Oceanside.

This isn't the largest contract we have. 80-85% of our budget goes to personnel in this City; labor is the biggest contract we have. He wholeheartedly supports this windfall at this point. We are a community that needs this \$1,000,000. Every one of the non-profit groups is looking for money, just like we are. The \$1,000,000 can go a long way. Given a certain amount of time, we could negotiate a long-term goal. Someday we're going to have to figure out how we're going to control our own destiny as related to trash and recycling. He's supporting this because it's \$3,000,000 that we won't get if we do anything else, and then \$2,000,000 beyond that.

We don't have to do anything here except extend the contract.

MAYOR WOOD stated this is not about WM; they're a part of this community, and they are a partner. The problem is that Council is supposed to represent the citizens. WM's job is to represent WM, and somewhere in the middle hopefully there is agreement.

The problem is that this has turned into something else. When he tries to explain why this is a problem, our print media doesn't seem to very accurately cover it

and the citizens rely sometimes on these meetings or the print media to update them as to what's going on. It's up to us and the local media to explain things to them. This is a large contract involving a lot of money, and we should be cautious.

The existing WM contract was done a long time ago, and they've been our waste carrier and hauler for a long time. He only got interested last year when it was time to make a decision in 2010 about our waste contract. At that time he started to look into it more. WM came to him and the other Councilmembers and talked about a transfer station, which he had some concerns about and didn't really understand.

Most people who spoke tonight have no idea about this contract even though they picked a side, either side. It's very complicated and large. Most people have no idea what this contract involves and what it is to the City and rate payers. With that in mind, he tried to find out more information about our contract that's coming up. When looking into it you find out that there's a transfer station in Carlsbad, one in Escondido, and one in Fallbrook. This issue came up regarding a transfer station, and he was concerned because it was going to take the fire department's training property. He started making calls to friends and trying to find out more. When he compared our contract to all of the other cities in San Diego there is a disparity that didn't help the citizens of Oceanside - massive disparities in amounts of money. We are talking about millions of dollars. That's what he was looking into on his own to update himself and learn about some of this for the City. It gets very complicated, and that's why experts are sometimes used to figure these contracts out.

When he found out more about waste contracts and transfer stations, he felt that Oceanside had been neglected in what we received as a City from our waste hauler and potentially what might happen if we have a transfer station. When he saw the disparities, the next thing he saw is that an item was put on the City Council agenda regarding WM by Councilmember Feller. That meeting turned into Councilmembers Feller, Kern and Chavez making a motion to give WM up to a 7-year continuance on their contract as-is. He believes the only reason they backed off is because he complained and said that he would go to the Attorney General's office or the Grand Jury because he thought it was wrong, if not criminal. They backed off their motion but pushed forward for a transfer station.

Then he did more digging into other cities. Other cities are getting large amounts of franchise fees, up to 15%, plus they get paid for all of their recyclables. Sometimes they get signing fees or contract fees. Sometimes they get money from the State. He wants to do the best he can for the citizens; however, he felt very pressured and pushed to agree to this first offer.

After that situation with the 3 Councilmembers wanting to give a 7-year contract extension with no millions in that at all, he made his complaint and at some point he went and had lunch with someone from WM. That's when we got an offer of \$1,000,000 per year. Since then he's been pressured and pushed to approve this contract when consultants that we paid said no. He gets calls and emails from people.

The issue is he wants to look into this, like anyone would regarding any contract that came in front of them, to find out what's the best and go for it. This is a great offer coming back from WM. He doesn't know if this it's the best; he hasn't looked at it. Staff and Integrated Waste looked at it, and they probably didn't have all the information either regarding other cities and their contracts. The consultant that we talked to has represented other cities and done several contracts, so they seem to know. He doesn't want to sign it until he knows what's out there and what's best for the rate payers.

Last week we had a rate reduction that helps the citizens [solid waste stabilization]. This is a long-time service provider from WM. We've become so friendly that sometimes we don't negotiate well or in good faith because we're just too friendly, but it should be what's the best deal for the rate payer for not just one year, but a long-term contract.

He thinks the best angle is not to approve this particular contract now but sit down and talk about it. He just feels pressured to make a decision now when we don't have to.

The print media should have done a better job of informing people of the details of the contract. He's talked to them, but they haven't done it

Motion failed 2-2, Wood and Sanchez – no.

COUNCILMEMBER SANCHEZ has received several communications in writing, email, telephone conversations and in person. With respect to the question asked by Councilmember Kern, she had an opportunity to do some follow-up questions of the consultants and had asked a similar question. She was very impressed with his credentials. We would not be losing any money and would be getting much more for our residents if we continue with the procurement process, especially since we will be able to get a new contract in 18 months.

The Integrated Waste Commission's decision to support staff's recommendations was not unanimous. The same people who voted to support this offer supported the previous offer of just \$1,000,000. If you recall, that was actually the follow up and then this. Also, they were advised that time was of the essence; they had to vote right then and there. They had maybe 10 minutes of discussion. Three people today would vote against this extension, especially in light of the consultant's independent assessment.

We have received copies of the hauler contracts for the cities of El Cajon, Chula Vista and Carlsbad. Pick-ups are provided free of charge 52 times a year in Chula Vista. We pay for those services here. E-waste is also a free service. These are recyclable items that have a value. Also WM did lose a contract just last year in Orange County. She is advised that whichever hauler is chosen to provide us with the best contract in the best interest of our residents and our City would be able to get the trucks and bins in quick order. WM is an international corporation with contracts even in Europe.

As to the consultants, Sloan Vasquez has negotiated contracts for over 50 cities and has over 20 years of hands-on experience, which allows them to be able to say that they are the best consultants that we could get.

Those that spoke on behalf of WM addressed the character of the business. This is not about that. They have done some very nice things in the community. This is about what is in the best interest of Oceanside; it is a business decision.

She has been attending the Integrated Waste Commission meetings for several months, including all subcommittee meetings. She attended the SWANA Wastecon Conference in September, which lasted several days. She had the opportunity to speak to several professionals in the industry. She has inquired into the contracts of other cities, which have much more favorable contracts than Oceanside; she wishes she had the Chula Vista contract. She has over 20 years of experience in negotiations, although no experience negotiating a franchise hauler agreement. Unfortunately, we don't have that experience at City Hall.

It appears that our contract is so old that it does not meet the minimum requirements for a city like Oceanside; many things have changed in the last 10 to 15 years. In addition, some cities have been collecting franchise fees for over 15 years, while maintaining lower rates than the Oceanside rate payers. According to the Technical Advisory Committee (TAC), Oceanside rate payers pay the highest in the County.

Some cities like El Cajon and National City are moving away from the solid waste management hierarchy of avoid, reduce, reuse, recycle, recover, treat and dispose. They are moving toward a policy of zero waste and have adopted resolutions with those

goals. She had a chance to look at establishing environmentally sustainable and economically efficient economies from waste management toward zero waste, a report for Oregon Pacific Northwest. The EPA lists several items that have a market value as recyclables. Besides the higher value items of plastic bottles and cans, there are also cartons, mixed paper, mixed plastics, glass, steel packaging, aluminum packaging, paper and paperboard packaging, including milk cartons, etc.

She found a report procured by the Pentagon available for public release, and it says environmental managers must make difficult decisions regarding how to manage waste generation and disposal. The primary waste management alternatives are source reduction, recycling, composting, incineration and landfill. Often waste management policies are based entirely on technical considerations and ignore that actual disposal practices depend on individuals' attitudes and behaviors. This research formulated a decision analysis model that incorporates social value measures to determine the waste management strategy that maximizes the individual's willingness to participate. Social values that were important and that were considered in the decision support model to assist with making decisions about solid waste management were convenience, feeling good about reducing waste, feeling good about leaving a good environment for future generations and the value of recreation programs that could be provided with profit from a recycling program. That is what she would like to see. Since we are having our financial difficulties and we stand to lose some funds for our recreational programs, she would like to see an all-out recycling program that includes the participation of our little leagues, soccer clubs, both the parents and the children. It is the younger generation that is going to take us to that next level of recycling.

She asked for an independent assessment of the WM offer because, as an attorney who has worked with experts, she knows when she needs one, and that is when she doesn't know what is in front of her. An independent consultant has advised that this is not the best offer that our residents could have. The consultant confirmed that in 5 years we would be in a much better financial situation and service level if we were to continue with the procurement process and enter into a long-term contract. In other words, if we were to take this \$1,000,000 a year, compare that in 5 years, we would have a much better contract if we waited and entered into a long-term contract. You get more out of a long-term contract.

The consultant further recommended that we continue negotiating with WM. She wants a better contract and a better level of service for our residents. She wants a fair franchise fee, certainly more than \$1,000,000 for the privilege of being the only hauler to pick up our residential and commercial trash. She wants true lower rates. Our residents currently pay the highest in the County.

She had the opportunity to speak with members of the Integrated Waste Commission subcommittee that had been working on recommendations for a new contract. All 4 agreed with the consultant's recommendation and were happy that we were able to get a consultant on board. Our residents deserve to stop paying the highest rates in the County, as disclosed in the TAC report.

She **moved** to direct staff, with assistance of Sloan Vasquez, to negotiate a new exclusive long-term contract with WM, that we hold a public workshop within the next 2 weeks with the Council to define solid waste service levels and report back to the Council within 90 days.

COUNCILMEMBER KERN requested a point of order. That is not an agendized item. The only thing that is agendized tonight is a 3-year extension. She is asking to come forward with a whole new set of parameters that we haven't gone out to the public and notified them. We would have a whole new set of speakers if we were talking about a long-term contract. He believes this is a violation of the Brown Act if we've started voting on things that are not agendized.

COUNCILMEMBER SANCHEZ had asked the advice of the City Attorney on

making this motion.

CITY ATTORNEY MULLEN responded if Council is to enter into a contract with Sloan Vasquez, that contract will have to be negotiated, written and then brought in front of the Council, so Council can't approve a contract tonight. In terms of giving general direction about future negotiations with WM on the contract extension, he thinks that's fair game within the scope of the notice because it was noticed for a contract amendment. The minimal requirements of the Brown Act have been met.

COUNCILMEMBER KERN said now we are going out to a single-source contract without public input. If Councilmember Sanchez wants to bring this back in 60 days, let it get vetted by the Integrated Waste Commission, have the public input, and he'd be more than happy to vote for that. The current motion may be legal, but he doesn't think it's ethical. Tonight was for a 3-year extension on an existing contract.

COUNCILMEMBER SANCHEZ had discussed this motion with members of the Integrated Waste Commission. They certainly have a list of things that they have been working on for several years. This would be a public workshop; they would be welcome to come and speak. In 90 days, we can do this. She is asking for a public workshop. There would be no decision until 90 days.

MAYOR WOOD seconded the motion.

COUNCILMEMBER KERN stated we just had a complaint tonight from the Mayor that he didn't have enough time to discuss a 3-year extension on an existing contract, and now we're going to come back in 90 days and do probably a 10-year contract with at least two 2-year extensions. Talk about being rushed. This contract doesn't expire until 2012. There is no hurry now. We were voting on an extension to a current contract which would give us \$5,000,000. Now we're going to rush through in 90 days and try to do a 10-year contract with a sole source. The whole purpose of this extension tonight is that at 2015 we go out to the public and all the haulers and do an RFP for a free, fair and open competition. Now, we're finding out we don't want to do that. We just want to negotiate with one contractor for a 10-year extension.

COUNCILMEMBER SANCHEZ thinks Councilmember Kern did not hear the last part of her motion, which is to continue with the public procurement process at the same time. They're not losing anything. We're not losing our negotiating position; we're actually negotiating with WM. Basically, this would be a counter-offer. This is what is going to get us the funds for our residents, employees, libraries and police. The other thing wasn't going to do anything at all. It was just going to put us in a bigger hole in terms of our necessities for dealing with our waste.

COUNCILMEMBER KERN stated this is an important issue for a \$20,000,000 contract. He can't vote for this motion because he doesn't think it's an ethical time to do this. 2012 is the current expiration date unless we give notice in June. If we don't give notice in June, it goes to 2013. He doesn't think that notice is going to be given in June. Right now we're looking at a 2-year extension for \$5,000,000. As we wait these 90 days, we're giving up \$83,000 per month.

If we vote this contract extension down, we might as well wait until next year to open up negotiations with WM or any other hauler. He can't see spending money we don't have on a consultant, and that's after last week when the Mayor said no more outside consultants. Let's wait until next year and maybe the economy will turn around and we can afford a consultant. He can't see trying to hire a consultant now for a contract that doesn't expire for 2 years.

COUNCILMEMBER FELLER was shocked to hear that we could maybe have an incinerator to get to zero waste. That's what it would take to get to literally zero waste. The last incinerator that was planned was built in San Marcos and is now a movie set, \$176,000,000 later.

We are talking about another contract with a consultant. We need an RFP for the consultant if we're going to actually do that. If we're going to do something like this, it needs to come back through the Integrated Waste Commission, decide what the RFP is going to be for a consultant to tell us how to get to 90 days. He can't imagine how you can negotiate such a contract in 90 days. We've heard from everybody that it's complicated. He can't support this.

CITY MANAGER WEISS stated we have issued an RFP. We have interviews scheduled within the next 1½ weeks. If we were looking at negotiating a new solid waste contract, staff wouldn't be in a position to do that. We would certainly need outside support for that. He believes that effort is there, and we would have the ability to select a consultant. We would end up needing to negotiate what those prices and terms are. Staff would not be negotiating a new contract; we'd need outside help.

MAYOR WOOD added that it's amazing that Councilmembers Feller and Kern previously wanted a 7-year extension with zero to the City and tried to push that through, and now they are feeling pressured about this one.

As Councilmember Sanchez indicated, this is like a counter-offer. Let's have the City or a consultant contact WM. No matter what happens today on this next vote, he thinks the City should continue to have open communication with WM.

COUNCILMEMBER SANCHEZ wanted to clear the record. The goals for zero waste had to do with recycling; it wasn't about incinerators. She prefers going forward with the public procurement. This was actually to see if we could do something with WM, but she would prefer just going forward. She wants to see the competition. If Councilmembers don't want to see if we can work out a deal with WM, that is fine with her. This was an effort to try to get a consensus. She is looking forward to seeing other haulers' proposals.

WM did not compete for this contract ever. They came in on the tail end of a contract; they have never gone out to bid, which is really bad. What she was told is it's not a good business decision to never have that kind of competition. You don't know what you'd be offered. Certainly it would be a lot better than this. We've lost out over \$15,000,000 by not having a franchise fee. We could have done that 15 years ago, and we didn't. We have lost in huge amounts. She has no doubt that we will have a much better contract and also a franchise fee, and we will still guarantee low rates for our residents.

Motion **failed 2-2**; Kern and Feller – no.

5:30 PM - INVOCATION – Pastor Carl Souza

PLEDGE OF ALLEGIANCE – team members

PROCLAMATIONS AND PRESENTATIONS

[Presentation – "Pet of the Month" presented by Elkie Wills of the San Diego Humane Society North Campus] - absent

Proclamation – 16th Annual Spay Day

Presentation – Update by Mandy Atkission, Executive Director, of the Trauma Intervention Program (TIP) – 25th Anniversary of TIP

Presentation – Green Week 2010

Presentation – Mayor's Youth Sports Recognition and Appreciation Award – Recreation youth basketball team

Presentations were made.

MAYOR WOOD determined to hear Item 7A at this time.

Items removed from Consent Calendar for discussion

ADDENDUM ITEM

- 7 (A) **City Council: Approval of a professional services agreement with Redflex Traffic Systems, Inc., for the maintenance and operation of red-light photo-enforcement cameras at the intersections of Mission Avenue/Canyon Drive and College Boulevard/Oceanside Boulevard; and authorization for the City Manager to execute the agreement**

Public Input

SHARON NEWBERY, 1212 Vista Way, is going to yield her time as she has spoken to a few people already.

CITY MANAGER WEISS did tell Ms. Newbery that, as staff is going to review additional intersections for potential consideration, we will include Vista Way and I-5 in that assessment.

COUNCILMEMBER SANCHEZ believes there is another person from the public that wanted to speak.

RENA WALLENIUS, 215 South Coast Highway, is an Oceanside resident and has had a law practice here for about 12 years. She is a criminal defense attorney so is in the North County Courts every day and represents a large number of drivers from the North County area. She is very familiar with the Redflex operation of the red light cameras and is here to speak in opposition to the proposal and ask Council to at least stay their decision until they've had a little more information.

Many concerns have been shared by members of the community with the fairness and the way that the cameras function. Council should take some time before making a decision to engender a lot of animosity that you're going to feel, not only from residents, but also from people who come here to visit. She has made a brief comparison of Vista versus San Marcos. Vista voted to install a large number of red-light cameras and, as a result, the commerce and revenue they expected to receive from their downtown revitalization has been very stagnant compared to San Marcos, which chose to forgo the installation of the red-light cameras and they are enjoying a vibrant, thriving redevelopment area.

In Oceanside it's been slow-going for our redevelopment. Quite a few years ago when the Regal Theater opened, there was a paid parking lot. Many of her friends used that parking lot only to find they had suffered a parking violation. They swore to never return. What we suffer with the risk of these red-light cameras is literally driving people from our city. If this is a safety issue the use of the red-light cameras will not make our intersections any safer. In fact studies have shown that the use of red-light cameras tend to cause accidents because people, in fear of being photographed, prematurely stop at the yellow light when it is safe and legal for them to enter the intersection, causing a chain-reaction of cars behind them. While these tend to be non-fatality accidents, they nevertheless drain the services of law enforcement and paramedics who might be required to come out.

She understands that at some of the intersections you believe there was an average of 2 traffic accidents that were caused at those intersections. She understands it is more than \$500,000 just to install the red-light cameras. She would urge Council to weigh the expenditure against the loss of revenue and how many accidents you would actually prevent by other measures. She would urge more investigation and research before approval.

COUNCILMEMBER SANCHEZ has 3 concerns. When this first came before Council, it was presented by a traffic engineer. They did a study of intersections to see which ones had the most accidents. She was surprised to see Canyon and Mission

Avenue was one of those because she has never seen an accident there. She agreed to it and now that we have this report that it averages 2 accidents a year that does not seem to justify having it there. The other one is at Oceanside Boulevard and College, which is a much busier intersection. Mission Avenue has not had the level of commerce since Highway 76 went in, so there is not as much traffic there; it's probably one tenth of the traffic.

Her other concern is that she has been getting complaints about the amount of the tickets, especially for people who have never had a ticket. \$300 for a ticket could make the difference in a person paying their rent, especially at this time when a lot of people are unemployed or underemployed. This is not a good time to put this kind of burden on our residents. If we were to go forward, she would like to see that go down to maybe \$100 for the first ticket, because \$300 is a huge bite.

Her third concern is that she saw one of these tickets at the beginning when this was first enforced. The first ticket was a direct here's your ticket, here's your picture and here's your court date. That person happened to not be the registered owner so he went to court, and it was dismissed. The one that she's seen lately is from a private company that's making huge amounts of revenue. They are sending out letters saying you have to sign under penalty of perjury this affidavit that if it's not you then you, have to tell us who it is. She doesn't think our residents should be doing investigations.

She is concerned about a person's right to remain silent. Someone who is a little more educated would understand that and just go to court versus someone who is not as educated, who has never been to court and would not have the wherewithal to know a lawyer who could tell me what to do. This is a heavier burden on people who can't afford it, who are poor and/or undereducated or don't have access to legal advice. To her we are unequally punishing those that can't afford the \$300. Also, she talked to the City Attorney, and he said these have been upheld. She has some concerns about what we're doing to our residents, and that it's not really for the purpose that it was meant to be, which is for public safety.

This staff report talks about other intersections, and it's not telling us where or how many. There should be a list of those intersections that are deemed to have higher levels of accidents. We should know which ones they are before we vote on this. At the very least, we should continue this to get additional information and to see if we can lower the fine to \$100 and/or just not do this.

MAYOR WOOD would like to see this continued so the police department can answer these questions.

COUNCILMEMBER FELLER noted the price of tickets has gone up; it was published just recently that the price of tickets in the State for various things has gone up. Stopping at red lights is probably important to the police. It interrupts them from actually doing the business of police work.

There are accidents at Mission and Canyon, and they have been some pretty bad ones. There are also bad accidents at Oceanside Boulevard, Vista Way, etc. He suggested when we first did this that he'd just as soon put up empty boxes all over town with signs that say the violation for running a red light is \$341; that would be more of a deterrent than anything. He doesn't feel sorry for anybody that gets a ticket. If they get a ticket for running a red light, that's against the law. Driving is a privilege not a right. He will support the delay.

CITY MANAGER WEISS stated the reason this is before you today is that the law changed. The current contract we have with Redflex allows for the firm to collect per citation, and that is no longer permissible. This contract, although it mentions other intersections, is simply for the ongoing operation at both College and Oceanside Boulevard and Canyon and Mission. At the time it was originally approved there were other intersections being evaluated. We are in the process, through traffic engineering

and the police department, to re-look at those intersections and evaluate current accident history for potential future cameras. This item before you is simply to change the way in which the revenue is generated through the City and Redflex from a per-citation issuance to a per-approach at the intersection.

He believes we don't have the ability to set the bail amount for those tickets, although staff is looking at trying to re-evaluate stop signs, speed limit and even these tickets to convert them to an Oceanside Traffic Code violation versus a Vehicle Code violation. Then we would have the ability to set the bail amounts, and we could exclude the State from being able to take that money; we would be able to keep it.

CITY ATTORNEY MULLEN concurred that the City doesn't establish the fine amount. It is within Council's discretion to continue this if more information is desired. There is a fiscal impact if those future approaches are not constructed, so the pricing for approach for the 2 red lights that are currently in existence differs if future approaches are not built on other intersections.

COUNCILMEMBER FELLER stated the contract says we can cancel it with 45 days notice.

CITY ATTORNEY MULLEN responded it's not an unrestricted right to cancel. If it's no longer economically feasible, then the parties can meet and confer for a 45-day period and attempt to work out an amendment to the agreement. That would essentially renegotiate the price per approach.

MAYOR WOOD would like to have the police department explain it. He has seen places all around California reverting from State citations to City citations where we get the entire budget profit. He'd like to see all of that come back.

COUNCILMEMBER KERN stated that the only thing we're really doing is changing how we're billing for this. This is not about whether we have them or don't; we have them. Our current billing system is no longer allowed by the law so we're changing the billing system. He doesn't think we need to continue this item for a complete explanation of red-light cameras.

Council's backup material indicates Mission and Canyon's accidents have decreased from an average of 5 per year to cameras there. To go from 5 to none means they're effective. Oceanside Boulevard averaged 2 per year and now they're down to 1. They've cut that in half. His advice to people is don't run red lights; that's the bottom line. We're not going to ignore violations because the fine is too high. The cost of not enforcing the law is higher; the cost of accidents is much higher. All we're doing tonight is changing the billing. We're not doing anything else.

He **moved approval** [of a professional services agreement with Redflex Traffic Systems, Inc.,].

COUNCILMEMBER FELLER **seconded** the motion, but he would also suggest we move into that negotiation that we just referred to.

CITY ATTORNEY MULLEN responded we wouldn't be able to take advantage of that at this time. If we're paying more than we're getting after you approve the contract, then we could trigger the 45-day renegotiation. You wouldn't be able to at this point.

MAYOR WOOD hates to vote no on something like this and kill it, but a defense attorney had some issues and a Councilmember has some issues. He would like the item continued.

COUNCILMEMBER SANCHEZ just confirmed with the City Manager that this would be the contract, so we do have a contract in front of us.

Motion failed 2-2, Mayor Wood and Councilmember Sanchez – no.

COUNCILMEMBER SANCHEZ moved to continue the item for further information.

MAYOR WOOD seconded the motion.

Motion was approved 4-0.

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.

15. **Advance written request to reserve time to speak:** 1 speaker.

Request by Leonard Busch, who was unable to attend.

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

THOMAS DEMPSEY, 3641 Esplanade Street, urged voters to vote no on the proposed City Charter. He echoes the editorials and community voices published in the *North County Times* as further reviewed.

ROSLYNN SCHAEFER, 321 North Tremont Street, brought a notice given to her by Code Enforcement to remove the radio tower pole that was formerly the Yellow Cab radio tower and before that was the Checker Cab tower. She read her letter that reads this pole is a historic piece of Oceanside that has been there for many years and is still in fine condition. This pole may be the tallest structure in downtown Oceanside and, as such, has great possibilities as further reviewed.

This pole could fly various flags. It could be the start of a beautification project in downtown Oceanside. The entire property could be a park with flags as a focal point, etc. She encouraged Council to think outside the box.

GARY FELIEN, 1189 Masterpiece Drive, announced the 100th anniversary of the Boy Scouts this year. They are having an annual fundraiser spaghetti dinner. He encouraged everyone to attend on Friday, March 5th.

MAYOR AND/OR COUNCILMEMBER ITEMS

9. Mayor Wood: Appointments to the El Corazon Commission

As noted earlier, this item was removed from the agenda by Mayor Wood for further review.

PUBLIC HEARING ITEMS – None

INTRODUCTION AND ADOPTION OF ORDINANCES – None

CITY COUNCIL REPORTS

10. **Mayor Jim Wood** – No report

11. **Councilmember Jack Feller**

COUNCILMEMBER FELLER announced there was a funeral for Alex Kapitanski last week. Long-time Pearl Harbor survivor, Jim Evans, passed away. His funeral is Saturday.

Events:

Applause for a Cause for the Women's Resource Center, a San Luis Rey Rotary Fundraiser; the Veteran's Lounge at MiraCosta College was dedicated today.

12. **Councilmember Jerry Kern**

COUNCILMEMBER KERN also attended the grand opening of the MiraCosta Veteran's Lounge today. A report came out last week that MiraCosta College is the 11th fastest growing community college in the Nation.

The Veteran's Administration Clinic on Ranch del Oro will have a soft opening on May 24th and a grand opening later.

13. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ stated that as the liaison she attended the February meeting of the Integrated Waste Commission and told the Commissioners that she had not received a copy of the second, actually third, proposal for extension from WM prior to last month's meeting. She looked at the website for the agenda and staff reports. There was no indication on the agenda that there would be a vote, nor a recommendation from staff. There was a recommendation but it was provided orally, without an advance notice.

Needless to say she was taken by surprise, especially by staff's characterization of the item as time being of the essence. As you've probably noticed, this item was not on the Council's February agenda, so staff really did have the opportunity to look at this a little longer than the 10 minutes they were given. In fact they had a whole month to look at it.

She did have an opportunity to review the second proposal, as well as discuss the matter with the City Manager and conduct her own research. She had requested copies of the waste contracts for the cities of Chula Vista, El Cajon and Carlsbad. On its face it does appear that this latest offer is possibly a starting point for negotiations but certainly not the best offer for the City. She wants to add in her comments again that 2 Commissioners she spoke with after the meeting indicated that they abstained and did not vote to support staff's recommendation.

As to whether anything written in the *North County Times* should be assumed to be accurate, she stated that through 10 years of experience mistakes always do occur, and usually not intentionally. She has received the same information regarding Chula Vista's contract, besides Carlsbad's information that she already had. Just to reiterate, Carlsbad's annual contract is 8% in franchise fees and does include both residential and commercial, which was not so stated by WM at a previous meeting. 8% for Oceanside would be \$1,600,000, not just \$1,000,000.

Chula Vista's franchise fee is 15%. In addition to that, they get an \$800,000 bonus once a year. In addition to that, they get \$188,000 for recyclables because they are designated as a State recycling operator. In addition, they get another \$69,000 that is paid by the hauler to the City for recycling education. Plus they get money for their trash recyclables. This is a very favorable contract for Chula Vista. If Oceanside was to get some of these favorable requirements, that certainly would be a much better offer. The opportunity cost in extending the time for negotiating a contract versus what we would lose would far outweigh the benefits that we are currently being offered.

[Councilmember Kern left the dais at 7:38 PM]

The City Manager has indicated to her that several cities have been able to get a contract in 12-18 months. She continues to research this issue. She wished they had

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not been told that they had to decide right then and there at the last meeting with respect to whether they thought the latest offer was acceptable. They were told by staff that time was of the essence. She learned after the meeting in talking with the City Manager and City Attorney that there were no events that would have qualified to identify the time requirement as characterized by staff.

[Councilmember Feller left the dais at 7:39 PM]

CITY ATTORNEY MULLEN announced that we lost the quorum.

COUNCILMEMBER SANCHEZ stated this is simply Council reports.

CITY CLERK WAYNE noted that without a quorum, Council must adjourn.

COUNCILMEMBER SANCHEZ asked if we can adjourn in the name of Chelsea King.

CITY CLERK WAYNE replied we are already adjourned because we don't have a quorum anymore.

MAYOR WOOD announced that Councilmembers Feller and Kern left the dais so we can't say a closing memory for the young lady. He apologized.

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 7:40 PM on March 3, 2010. [The next regularly scheduled meeting is on Wednesday, March 17, 2010, at 3:00 p.m.]

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside

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



California

CITY OF OCEANSIDE

JOINT MINUTES OF THE: CITY COUNCIL SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION

MARCH 17, 2010

REGULAR MEETING 3:00 PM COUNCIL CHAMBERS

**3:00 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**
Vacant

**Councilmembers
HDB Directors
CDC Commissioners**
Esther Sanchez
Jack Feller
Jerome M. Kern
Vacant

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

Treasurer
Gary Felien

**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 by Mayor Wood at 3:03 PM, March 17, 2010.

3:00 PM - ROLL CALL

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

City Attorney Mullen titled the following items to be heard in closed session: Item 1 and Addendum Item 1.5.

[Closed session and recess were held from 3:04 PM to 4:00 PM.]

CITY COUNCIL, HDB, AND CDC CLOSED SESSION ITEMS

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

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 (WCE), and Unrepresented

Discussed; there was no reportable action.

ADDENDUM ITEM

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

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

Brazelton v. City, Superior Court Case No. 37-2008-00100888-CU-OE-NC

Discussed; there was no reportable action.

4:00 PM – ROLL CALL

Mayor Wood reconvened the meeting at 4:03 PM. Present were Mayor Wood and Councilmembers Feller and Kern. Councilmember Sanchez arrived at 4:05 p.m. Also present were City Clerk Wayne, City Manager Weiss and City Attorney Mullen.

CLOSED SESSION REPORT

2. Closed Session report by City Attorney

CITY ATTORNEY MULLEN reported on the items discussed in closed session. (See Item 1 and Addendum Item 1.5 above for those reports).

OTHER

COUNCILMEMBER FELLER requested a point of personal privilege. At the last Council meeting 2 weeks ago, he left early. He apologized; that was very uncharacteristic, and it caused the lack of a quorum. He apologized to the public and his colleagues, saying his action was inconsiderate.

CONSENT CALENDAR ITEMS [Items 3-10]

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 Council/HDB/CDC or the public through submittal of a Request to Speak form prior to the commencement of this agenda item.

CITY CLERK WAYNE reported Item 10 has been pulled by a request from the public for discussion.

The following Consent items were submitted for approval:

- 3.** City Council/Harbor/CDC: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council of the following meetings:

October 14, 2009, 4:00 p.m. Regular Meeting
February 3, 2010, 3:00 p.m. Regular Meeting
February 23, 2010, 4:00 p.m. Special Meeting

4. 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)
5. City Council: Approval of plans and specifications for the FY 2009-10 Citywide Sidewalk Repair project for the replacement of damaged sidewalk and other concrete-related items throughout the City, and authorization for the City Engineer to call for bids
6. City Council: Approval of plans and specifications for the Rockledge Alley Improvement project located between Rockledge Street and Brooks Street, and authorization for the City Engineer to call for bids for the project
7. City Council: Approval of Amendment 1 **[Document No. 10-D0214-1]** to the professional services agreement with American Capital Enterprises, Inc., of Temecula for the provision of revenue collection services with revenue in the amount of 28 percent of collections, extending the term of the agreement from September 20, 2009, to September 20, 2010; and authorization for the City Manager to execute the amendment
8. City Council: Approval of Amendment 1 **[Document No. 10-D0215-1]** to the property use agreement with Tower Optical, Inc., for the operation of six coin-operated binocular machines on the Oceanside Municipal Pier, extending the term of the agreement from December 31, 2009, to December 31, 2010, with minimum total revenue of approximately \$4,000; and authorization for the City Manager to execute the amendment
9. City Council: Approval of an Amendment **[Document No. 10-D0216-1]** in an annual amount not to exceed \$301,975 to the agreement with San Diego County for the City's use of the Regional Communications System, extending the term of the agreement from March 6, 2010, to March 31, 2013, and authorization for the Mayor to execute the amendment
10. **Removed from Consent Calendar for discussion – public request**

COUNCILMEMBER SANCHEZ moved for approval of the balance of the [Consent Calendar Items 3-9].

COUNCILMEMBER FELLER seconded the motion.

Motion was approved 4-0.

GENERAL ITEMS

11. **City Council/CDC: Adoption of the Mission Avenue Affordable Housing Mixed-Use Development Vision and Strategic Plan for the City-owned parcel located along the 3200 block of Mission Avenue**

MARGERY PIERCE, Neighborhood Services Director, stated we hired a consultant to go through a visioning process. She knows a couple of the Councilmembers attended at least on one of those occasions to see the process. She introduced Diane Bathgate.

DIANE BATHGATE, RRM Design Group, 232 Avenida Fabricante, San Clemente, recognized other members in attendance from the team that worked on this project.

The purpose of the project was to evaluate this 14.5-acre site along Mission

Avenue. It is owned by the City and is targeted for affordable housing by the Housing Task Force. There are funding sources that are earmarked particularly for this site. The primary goal is to provide affordable rental housing that would be compatible with the existing neighborhood and the San Luis Rey Mission area. The plan contains 6 chapters, with an introduction, a summarization of the public participation process that was conducted, existing conditions and opportunities and constraints. It then goes into a definition of the vision and some key planning principles that will guide future development. The next chapter addresses development guidelines, covering a lot of different topics to ensure that it is a quality project and what the City would like to see. Lastly, there are implementation strategies for the next steps.

The planning process included an existing conditions analysis, development of opportunities and constraints and 3 community workshops. The first workshop was held on April 27th and they looked at identification of issues. We also had a visual preference survey, which was a fun participation activity. At the second workshop we reviewed 3 different alternate concepts and received feedback on what components were desirable and which ones might be moved to different locations on the site. Lastly, we presented the preferred option at the workshop in September and got additional feedback. There is general support for the concept that the plan is now based on.

The community notification included direct mail to homes within a 1,500 foot radius. We also advertised in the 2 main newspapers. For the last workshop we even had door hangers for the neighborhood immediately adjacent to the project. We tried to get as much interest and participation as we could.

After the preferred option was reviewed and presented, we prepared the document that is before Council tonight. It's also been to the Housing Commission and the Redevelopment Advisory Committee.

Most of the community input was based on good neighbor policies. They wanted to make sure that the noise, the lighting, the massing and the overall project is a good fit with the existing single-family residential neighborhood that's to the south. There is also a neighborhood to the north, the new La Mision apartment complex. The rest of the area to the north is commercial development.

Some of the additional input we received was to consider privacy. They also wanted a high quality design project. Adequate parking was an issue. They didn't want to see overflow parking into the existing neighborhoods. Also safety and security, having some community amenities and sustainability and green design were priorities.

Our opportunities and constraints exhibit highlights what some of the existing uses are in the area. There is an existing intersection at Roymar Road that made sense to tie into. There is also an existing additional parcel that the City owns to the west of the site.

Some of the key planning principles talk about insuring compatibility, providing a range of housing types to meet a number of different needs Oceanside has and applying universal design. We heard that from the Housing Commission as well as from the residents. Incorporating sustainability measures, creating a sense of neighborhood and evaluating it for economic feasibility was part of the plan. Creating flexibility in the plan to accommodate different market shifts as the plan develops over the course of several years and, at the end of the day, really providing a high quality development that Oceanside could be proud of.

She used computer graphics to show the results of their visual preference survey. The top vote-getting style was the Mission style architecture.

The overall Vision Statement is to create a new neighborhood providing affordable housing to meet the needs of Oceanside with possible supporting commercial uses. In this economic setting a lot of commercial isn't warranted, but some commercial

opportunity is provided on the site.

As part of the community outreach, folks wanted to have views through the site; not have a solid block wall of buildings facing Mission Avenue. We developed some corridors and paseos so people could look through the site and not have large expansive building frontage along the street. We also created a central park to connect different components of the project that can be developed at different times. There are about 5 different components that can be developed at that same time or different times, depending on the market and what funding is available.

She used computer graphics to show the architectural rendering of the walk-up townhomes that are proposed to face Mission Avenue. There is a little bit of a grade separation to provide more privacy for those who live on the first floor. We didn't want the project to turn its back on Mission Avenue, so it provides a nice face to the project.

She then displayed conceptual site elevations, pointing out it has a 65-foot setback from the property line to the first building. We wanted to make sure there was a pretty wide setback, creating a space between the existing single-family homes and the proposed new development that would be part of the project. There is landscaping along the property boundary and adjacent to the new structures. The location of the senior special needs housing at the east side was a preference from community input. She displayed various views of the project, including a potential commercial/retail component.

The development guidelines within the document cover a number of things: the overall architecture for the project, residential design guidelines and special needs in the senior housing guidelines. There are guidelines tailored to the commercial component and specific guidelines in sustainability, universal design and how security and safety can be incorporated into the design.

Spanish colonial architecture is proposed for the project. The building form should be broken up, with no large block structures. A variety of roof forms is encouraged. The details, such as doors, windows and entries can be a big difference on the perceived quality of the project as well. Materials and colors should be carefully selected.

Regarding sustainability, locating the project within an existing developed area is a good start on sustainability. Having well linked pedestrian routes and vehicle access contributes to neighborhood pattern and design. To encourage sustainability and green design, the project will need to be a minimum of Leadership in Energy and Environmental Design (LEED) Silver Certified. The LEAD program requires a third party to verify the point system that is submitted by the developer. It covers many different topics and areas in construction.

Regarding universal design, we have a pretty substantial section dedicated to that. Most of those components will be implemented at the construction document level. It can be details like using a lever versus a knob to open a door. What we have included in our plan at the conceptual level is trying to minimize any steps or changes in grade, using smoother surfaces that have traction. All of these details are important to make sure that people can access the site safely regardless of age and physical ability.

In the implementation chapter we talk about market demand. There are weak conditions for market-rate housing, and there is a broad demand for a variety of different affordable housing types. There is not a lot of commercial need at this time.

There are certain physical site requirements. Additional detail and technical studies will need to be prepared to move forward. We reviewed the existing technical studies that had been prepared for previous projects, and it shows that the site is developable, but more information will be required to move forward. Also the entitlements will need to be processed. Right now the site is designated for light

industrial, and it would need to be changed to a residential designation. Along with that, the California Environmental Quality Act (CEQA) documentation would need to be prepared.

Some considerations for implementation are that it's a pretty large project site and will likely need to use multiple funding sources. There are sometimes maximum subsidies and timing limits, so having it broken out into a couple of different components or phases that are flexible is an important strategy. Some of the funding that's available for the project is reviewed in the last chapter. There are local funds, State funds, Federal funds and also conventional loans and tax-exempt bonds that are summarized.

There are five components with 3 different housing types, so we can mix and match. Depending on which component might be available to move forward more quickly, it can be separated out from the rest of the project or combined, depending on the type of funding available and the developer that's selected. The goals are to spread fixed costs over time, to enhance competitiveness for funding through having smaller components with multiple funding strategies, having flexibility if the market changes, and to avoid market saturation by not having the whole project come online at once unless there is a market demand for that. Another goal is to manage the size and timing of the City's financial commitment. We have an estimate of about \$15,000,000 - \$16,000,000, or about \$3,000,000 - \$5,000,000 per component.

The next steps in the process would be to develop a Request for Qualifications (RFQ) for selection of a developer to proceed with the project. After that the site entitlements process would take place, and the additional technical studies would be conducted that would lead to the finalization of the development program. Finally, the financing applications would be submitted and reviewed.

COUNCILMEMBER FELLER asked if the park on the west end goes out onto Carolyn Circle or is an enclosed park to the facility.

MS. BATHGATE responded it is enclosed on the site.

COUNCILMEMBER FELLER asked if we are looking at making the gas station piece a bigger corner, or is that something that could be looked at down the road to add to the project.

MS. BATHGATE responded that right now it is under separate ownership. The service station recently got a new Conditional Use Permit (CUP) for improving the site, but he may be interested if the City is interested in acquiring it.

CITY MANAGER WEISS stated that particular owner has expressed an interest not too long ago in potentially doing something different with that site. Obviously, with the residential component that you have here, they're really not compatible; however, as was mentioned, there is some flexibility. Should things change with that particular owner, we would certainly keep that dialogue open with him, as we have mentioned to him in the past.

DIRECTOR PIERCE stated they did take the project to the Housing Commission and the Redevelopment Advisory Committee. Both unanimously recommended that the Council adopt the Vision and Strategic Plan and that we issue an RFQ and select a development team. Ms. Bathgate outlined what our calendar looks like to be able to enter into a Development and Disposition Agreement by the end of this calendar year.

MAYOR WOOD attended the meeting of the Housing Commission and is very enthusiastic about this. He likes the design. They pulled it away from the surrounding neighborhood, making the gaps and the space in between for the sound barriers. That along with the mixed-use aspects, the senior special needs and affordable income

makes it a very nice site plan. He knows it can always change, but it looks very nice.

COUNCILMEMBER SANCHEZ knows that those involved were hands on and understood that we were really sensitive to this neighborhood and wanted the whole thing to feel like part of the neighborhood.

Public Input

JOHN SEYMOUR, with the nonprofit National Community Renaissance, 4322 Piedmont Drive, San Diego, supports this item. He attended the workshops. Probably the best part was the visual preference survey. He mentioned that the cost of the gap does not include the infrastructure, so on the City's financial commitment of \$15,000,000 to \$16,000,000, he doesn't think that includes offsite stuff that is yet to be determined. Please keep that in mind.

Public Input concluded

MAYOR WOOD stated Oceanside has been very active in doing affordable housing, especially for seniors and special needs. It seems like when we have projects where the City had control over them, they don't turn into dumps later on. The City has control over who is in there and decides if they are going to be removed from the site. He asked Chair Parker to speak.

KAY PARKER, Housing Commission Chair, stated the Commission commented very highly on RRM. It's obvious that they did a very active community outreach, and this is the first step in the long process. This was their vision and what the neighborhood and community saw as the highest and best use and most compatible. As this moves forward to the next steps, there will be adjustments that have to be made to conform to the financing packages that are available through State and Federal programs. The Housing Commission did unanimously recommend going to the next step, which is the RFQ.

COUNCILMEMBER KERN has talked to John Seymour about my issues with the site plan. My background is in marketing, and I believe the retail should be closer to the service station. I know there has always been a problem getting the retail there, but if combined with the service station closer to that corner, that may work.

The other thing of concern is that little cut off park on the backside of the project. He knows this is a concept and not cast in concrete yet. In walking neighborhoods, tot lots are fine, but he hears a lot of complaints about tot lots because they are not supervised and are cut off from the rest of the neighborhood. Maybe it would be best to move that park space into the central park area instead of out there in the little cut off park. He approves the concept.

He **moved approval** [of the Mission Avenue Affordable Housing Mixed-Use Development Vision and Strategic Plan (**Document No. 10-D0217-1**) for the City-owned parcel located along the 3200 block of Mission Avenue].

He would also like to make sure that the back row that faces the houses aren't more than 2 stories so people aren't looking over the wall into other people's back yards.

COUNCILMEMBER SANCHEZ **seconded** the motion. She appreciated how they kept the community informed and hopes staff will continue this throughout the process, whoever is chosen.

COUNCILMEMBER FELLER commented that we are talking about 288 units, and he hopes we're all willing to shoulder the blame when we get accused of approving something that is only going to tax our water issues, etc. as we go forward adding people to our community. He approves of this.

Motion was approved 4-0.

12. **City Council: Approval of a professional services agreement with Redflex Traffic Systems, Inc., for the maintenance and operation of red-light photo-enforcement cameras at the intersections of Mission Avenue/Canyon Drive and College Boulevard/Oceanside Boulevard; and authorization for the City Manager to execute the agreement** *(continued from 3/3/10)*

FRANK MCCOY, Police Chief, reviewed that in December of 2003, the Council approved the implementation of a citywide red-light photo enforcement program. The program was implemented in December of 2004. The program emphasis has been to reduce red-light violations citywide and to reduce accident frequency and severity. The Council approved implementation of the red-light photo enforcement program in 2 phases. In phase 1 the intersections of Mission Avenue and Canyon Drive and College Boulevard and Oceanside Boulevard were outfitted with red-light photo enforcement cameras. The Council authorized implementation of up to 8 additional red-light photo enforcement intersections in phase 2. To date, phase 2 has not been implemented.

The law governing what a company can charge a city and what a city can pay for red-light photo enforcement services has changed since implementation of the program in 2004. The prior contract with Redflex was consistent with the law at the time and was predicated on the per-ticket fee structure. However, a per-ticket fee structure cannot be included in a contract entered into after January 1, 2004. The law currently allows a company to charge a city to pay for services based on a fixed dollar amount per approach. An approach is defined as the northbound, southbound, westbound or eastbound lanes leading to or from an intersection.

The proposed contract is based on this fixed-cost structure and contains 2 fee structures: one for existing intersections and another for new intersections or approaches added during the term of this agreement. For existing intersections under the proposed contract, the cost [City would pay Redflex] would be \$2,225 per approach per month. The \$2,225 amount for existing intersections is contingent upon the implementation of 2 additional intersections within 365 days of approval of this agreement. If this does not occur, the cost per approach on existing intersections will increase to \$3,050 per approach per month. The cost for additional intersection approaches added during the term of this contract will be \$6,070 per approach per month. Considerable analysis and negotiation occurred to arrive at these fees.

The contract also contains a semi-annual review provision. If the City's cost to operate and maintain the red-light camera system at the various intersections is not fully realized under the proposed fee structures, the City and Redflex are obligated by this provision to meet and confer to develop a new fee structure that meets both parties' financial needs. If one cannot be reached, the contract can be terminated by either party within 45 days.

Redflex Traffic Systems purchases, installs and maintains the equipment at no cost to the City. Based on our experience with phase 1 and the proposed contract language, the City should expect to recover its cost to operate and maintain the red-light photo enforcement program at the 2 existing intersections and any additional approaches added during the life of this contract. The City's costs include a full-time position to review and issue citations, which is approximately \$80,000 per year. Of the fines imposed by the court for the Vehicle Code violations, the City, like other municipalities in the County, ultimately receives 43% of each fine. Again, if these costs are not realized, the proposed contract includes a clause that requires Redflex and the City to renegotiate the terms of this agreement. If an acceptable financial agreement cannot be reached, we can terminate the contract with 45 days notice.

Based on the current conditions, there are 4 approaches monitored for a total cost [payable] to Redflex of \$213,600. The total cost to the City is approximately

\$293,600, which will be recovered by fine revenue. Staff recommends approval.

Public Input

JIMMY KNOTT, 127 Sherri Lane, opposes red-light cameras because they do not do what they say that they are meant to do. There are other alternatives that really do the job. These cameras are only meant for revenue enhancement; they don't increase public safety. In the report that was just given, Council did not hear statistics about how it has improved safety. In most areas and most cities where they have put in red-light cameras, it increases rear-end collisions and short stop accidents.

There are no comparisons with other cities that have actually extended their yellow light intersections and how that has prevented collisions and accidents. With minimal increased enforcements, it has actually improved public safety. We should do away with them unless there are statistics to back it up, and valid statistics should be presented every year when this comes up for renewal. If they cannot be validated, then drop the system.

In response to Councilmember Feller, **CHIEF McCOY** stated the statistical data he has been given with regard to our accident data at both of these intersections in 2009 as follows: at the intersection of Mission and Canyon we had one reportable accident, and at the intersection of College and Oceanside Boulevard we had a total of 22 collisions. The intersection at Mission and Canyon had no reported rear-end collisions. The intersection of College Boulevard and Oceanside Boulevard showed 14 collisions out of the 22 where speeding was the primary collision factor. He doesn't have each of those accident reports in front of him to tell you if those were rear-end collisions; however, in a majority of the rear-end collisions, the primary collision factor is unsafe speed.

COUNCILMEMBER FELLER asked if we can always get out of the contract with 45 days notice.

CHIEF McCOY responded yes.

COUNCILMEMBER FELLER moved approval [of a professional services agreement (**Document No. 10-D0218-1**) with Redflex Traffic Systems, Inc., for the maintenance and operation of red-light photo-enforcement cameras at the intersections of Mission Avenue/Canyon Drive and College Boulevard/Oceanside Boulevard; and authorization for the City Manager to execute the agreement].

COUNCILMEMBER KERN seconded the motion.

COUNCILMEMBER SANCHEZ appreciates the response that Chief McCoy sent in a memo. She still has issues and thinks it is the way the staff report was written; the way this was approached. It sounded like a lot of effort was made to discuss additional lights without really telling Council about it or describing locations. She has not seen a lot of accidents, and she drives around the City a lot. She needs to justify any light that they would be proposing.

The other issue she has the most problem with is that she's seen the notice that goes out. We are talking about a civil firm that is doing this; it is not an extension of the police department and yet it sounds very much like it is the police department. The questions that are presented and that you have to sign under penalty of perjury, sounds like you have to do the investigation for this civil firm in order to get some kind of conviction. It comes across as saying if this isn't you then tell us who it is. She doesn't like that the City Attorney said it's perfectly okay. She still has problems with it. She spent a lot of time in the courts and understands that people do not have to really say anything, especially hunting down an adult child or teenage child who has a license whose friend was driving. She thinks it's something that should be taken care of within the family, but to go further than that she thinks is not where we should be. She does

not support this.

MAYOR WOOD's only concern was that in the future if we have more intersection control by the red-light cameras, we look more into a local violations or codes to bring more finances back to the City and not be sent to the State. If we can write it up under a different section that would be appropriate for our City Code, we could get the finances back to the City. He realizes we can pull out of this anytime.

CHIEF McCOY wanted to state, for education purposes, that when a red-light violation is triggered, those notices are sent to the police department where an employee physically reviews each one of those potential violations. Our employee is the one that makes the decision as to whether an actual violation occurred or not. Once that decision is made, we notify the company as to which violations the police department sees as valid violations, and that's when Redflex sends out the notice on the police department's behalf.

With respect to looking at other codes, the police department is currently working with the City Attorney's office to see if there is something that we can do as a City in that regard.

COUNCILMEMBER SANCHEZ stated at the previous meeting an individual looked at what was happening with Vista and San Marcos when they looked at the cameras. Vista has implemented a lot more. San Marcos chose not to. It appears that a lot of businesses, at least empirically, went from Vista to San Marcos. If this in any way impacts our small businesses, she would also want to re-look at this.

COUNCILMEMBER FELLER asked if the penalty is imposed because it's against the law to run a red light.

CHIEF McCOY replied yes.

Motion was approved 3-1, Sanchez – no.

MAYOR WOOD determined to hear Item 10 at this time.

Item removed from Consent Calendar for discussion

10. City Council: Acceptance of the Treasurer's Report for the quarter ended December 31, 2009

JIMMY KNOTT, 127 Sherri Lane, attended the City Treasurer's Advisory Committee meeting during which there was a discussion regarding the interest gained on the portfolio. A number of communities take the interest gained on the portfolio and set it aside for a year and take the additional interest off of the interest gained and use it for other purposes, such as building up their reserve. It could also be used for a PERS differential. Then they use the interest the next year.

The staff from the Treasurer's office brought this idea up when he raised the idea of using at least ¼ of the interest gained and set it aside to build up our reserves. Pay it back through the interest gained instead of using it as part of our regular General Fund budget. The City Treasurer disagreed with me 100%. The Committee had a number of viewpoints and advised it would necessitate a change in the City Treasurer's policy.

He is recommending that we set aside 1/4 to 1/3 for the purpose of building up what we have borrowed in our reserves through the interest gained and also the PERS differential.

COUNCILMEMBER SANCHEZ would like to explore that. We have seen a steady rise in the portfolio, although not as much recently. She doesn't know if we can

give that direction at this time.

CITY ATTORNEY MULLEN stated we would need to agendaize that and bring it back because what's in front of Council is the report and whether it meets the City's requirements.

COUNCILMEMBER SANCHEZ asked if other cities do that.

MICHELE LUND, Treasury Manager, is aware of a few cities whose accounting protocol or accounting structure is different from Oceanside's and they work on a cash basis versus an accrual basis. Our investment income is reported on a full accrual. Basically, we recognize the interest income on a monthly basis. When you work on a cash basis, it's run a little bit differently. They take that interest income, and it's not part of their revenue source at the time. It builds up, and they don't allocate or appropriate it until the following fiscal year. Because we are on a full accrual basis, it would take some time to move to that level where we don't appropriate it in the following year. What we do is take the interest income, and it is part of the budget process right now. It would take some exploration and a lot of consideration before we'd do that and have it not be part of the budget process.

COUNCILMEMBER SANCHEZ asked if it would be something we would do on a short-term basis rather than as a matter of practice.

MANAGER LUND responded it would have to be explored further.

CITY MANAGER WEISS stated if you look at the tables, there is a list of different funds that are accruing interest. Currently the interest from the General Fund is actually allocated to our operating budget. If Council wants to set that aside, direction could be given to look at a reserve policy. As we bring that back we can include this as well. Council can look at some of the other funds, except those specifically restricted where the interest has to accrue back to those funds. Currently the only ones that are going to the General Fund are the General Fund. There are other funds where the Council could, by policy, direct that interest be set aside in a reserve or even go to the General Fund for operating. If that's something Council is interested in, as we develop that reserve policy, we will include this issue in that as well.

MAYOR WOOD thinks this is something that should be addressed at our upcoming budget meetings as a topic issue.

COUNCILMEMBER SANCHEZ does not want to establish this as something we would do forever unless it was something that staff thought we should do. She's talking about the short-term to get us through the next few years. We will need to make up some differences. She would like to give that direction.

COUNCILMEMBER FELLER heard that our portfolio is gaining and asked how much it's gained.

MANAGER LUND stated if you look in the report at the comparison between prior quarters, the face value of the portfolio is actually declining. That is for 2 reasons. The main reason is that there is a delay in revenue from the State, in gas tax monies, plus the decline in sales tax monies and property tax revenues. Therefore, the City is not receiving additional income to be able to invest over and above what we are spending. We are actually spending down the portfolio at a greater rate than we are taking new money in. The second reason is that interest income is declining as well because interest rates are in the lowest earning environment than we have been in for a long time.

COUNCILMEMBER FELLER asked how much that dollar amount would be if we took 1/4 or 1/3 and put it aside.

MANAGER LUND replied that we had budgeted for \$2,000,000 in estimated

revenue on interest income just for the General Fund this year, but we are not going to meet that. We are probably going to be short about \$500,000. If we took 1/4 of \$2,000,000, that would be \$500,000.

COUNCILMEMBER FELLER commented that something is going to be effected in our General Fund if we take this percentage away to build up our reserves. That could be jobs or just about anything. He **moved approval** [to accept the Treasurer's Report for the quarter ended December 31, 2009].

COUNCILMEMBER SANCHEZ seconded the motion.

Motion was approved 4-0.

MAYOR AND/OR COUNCILMEMBER ITEMS

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

MAYOR WOOD would still appreciate people putting in for some of these committees and commissions. Some of them get more than enough applications, and other don't get much attention. He distributed his list of appointments a week in advance to all of the Councilmembers. He **moved approval** of the appointments as listed.

COUNCILMEMBER KERN asked to bifurcate the vote on the appointments.

COMMUNITY RELATIONS COMMISSION
Reappoint Joseph Gibbs as Regular

TERM EXPIRES
7/1/2012

COUNCILMEMBER FELLER stated that Max Disposti had reapplied. His term was up, and he hopes we can soon reappoint him because he's been active on the Commission.

COUNCILMEMBER SANCHEZ seconded the motion.

Motion was approved 4-0.

ECONOMIC DEVELOPMENT COMMISSION
Reappoint Ric Matthews as Regular: MiraCosta College Rep.

TERM EXPIRES
9/26/2012

COUNCILMEMBER KERN **moved approval** of the reappointment of Ric Matthews on the Economic Development Commission (EDC).

COUNCILMEMBER FELLER seconded the motion.

Motion was approved 4-0.

MAYOR WOOD reminded Council that he already made a motion on all of these so all that's needed is a second.

COUNCILMEMBER KERN does not support Thomas Nunan as Manufacturer because he's not a manufacturer. He'd like to keep Kevin Stotmeister because he is a manufacturer. EDC is slotted for specific industries.

CITY ATTORNEY MULLEN stated Council could just take action where there's agreement on everything and those that have objections to you could be tabled for a moment.

Motion to appoint Tom Nunan to Economic Development Commission **failed 2-2**; Feller and Kern – no.

COUNCILMEMBER SANCHEZ seconded the Mayor's motion for the Harbor & Beaches Advisory Committee appointments as a whole.

<u>HARBOR & BEACHES ADVISORY COMMITTEE</u>	<u>TERM EXPIRES</u>
Reappoint Kevin Byrne as Reg: Non-Boat/Beach Front	2/28/2013
Appoint James Jenkins as Reg: Yacht Club Rep. (Replacing James Hawks)	2/28/2013
Reappoint Felicia Sirchia as Reg: Community at Large	2/28/2013
Reappoint Scott Townsend as Reg: Liveaboard Permit Holder	2/28/2013
Reappoint Richard Trusty as Reg: Non-Liveaboard Boat Owner	2/28/2013

Motion was approved 4-0.

COUNCILMEMBER KERN wished to separately consider the appointment of Tom Nunan - EDC, Nadine Scott - Integrated Waste, Ken Leighton - Integrated Waste, Sharon Newbery - Telecommunications and Holly Hargett - Telecommunications.

COUNCILMEMBER FELLER wished to consider the appointment of Steven Peck - Integrated Waste move to regular replacing Josh Helmle, who still wants to serve. He believes there is a vacant spot already that Steven Peck could move into.

COUNCILMEMBER SANCHEZ seconded the Mayor's motion for approval of the balance [with the exception of the above listed 6 names].

<u>INTEGRATED WASTE COMMISSION</u>	<u>TERM EXPIRES</u>
Reappoint Charles Bradshaw as Regular	7/1/2012

<u>HISTORICAL PRESERVATION ADVISORY COMMISSION</u>	<u>TERM EXPIRES</u>
Appoint Brad Hansen to Reg: Member-At-Large	7/1/2013

<u>SENIOR CITIZENS COMMISSION</u>	<u>TERM EXPIRES</u>
Reappoint Terrecita Bernal as Regular	2/10/2013
Reappoint Viessa Lyons-Ferrell as Regular	2/10/2013
Reappoint Carl J. Souza as Regular	2/10/2013
Appoint Brian Crewe as Regular	2/10/2013
Appoint Maria K. Grant as Alternate I	2/10/2011

<u>TELECOMMUNICATIONS COMMITTEE</u>	<u>TERM EXPIRES</u>
Reappoint Gerald Hampton as Regular	9/27/2012
Reappoint Jimmy Knott III as Regular	9/27/2012
Reappoint Jonathan Studer as Regular	9/27/2012

<u>UTILITIES COMMISSION</u>	<u>TERM EXPIRES</u>
Appoint Brian A. Klea as Regular	7/1/2012

Motion was approved 4-0 for the balance.

COUNCILMEMBER SANCHEZ seconded the motion for the remaining 6 appointments.

Motion failed 2-2; Feller and Kern – no.

COUNCILMEMBER KERN suggested that there is a vacant spot that the Mayor could move Tom Nunan to and Man Lai Tam from Marriot would probably be a good addition to the EDC.

Motion to appoint Nadine Scott to Integrated Waste **failed 2-2;** Feller and Kern – no.

Motion to appoint Ken Leighton to Integrated Waste **failed 2-2**; Kern and Feller – no.

Motion to move Steven Peck to regular on Integrated Waste **failed 2-2**; Kern and Feller – no.

Motion to appoint Sharon Newbery to Telecommunications **failed 2-2**; Kern and Feller – no.

Motion to appoint Holly Hargett to Telecommunications **failed 2-2**; Kern and Feller – no.

CITY COUNCIL REPORTS

14. **Mayor Jim Wood**

MAYOR WOOD noted the annual Soroptimists Salad Luncheon was outstanding.

He wished everyone a great Easter and Passover holiday.

15. **Councilmember Jack Feller**

COUNCILMEMBER FELLER also attended the Salad Luncheon, and it was great.

The Transportation Commission met last night regarding the draft Environmental Impact Report (EIR) for the extension of Melrose. There were 10 speakers who were primarily opposed to the extension of Melrose. The EIR comment period goes until April 19th.

16. **Councilmember Jerry Kern**

COUNCILMEMBER KERN attended the Green Fair last Saturday. Within an hour they had 4 pallets of electronic waste. If that is any indication of how much electronic waste is out there, then we should have these more often.

17. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ also attended the Transportation Commission meeting last night and one of the items was the extension of Melrose. There was a slide presentation. A couple of things presented gave her pause regarding possible impacts: 1- there would be an increase in traffic on College Avenue with the extension; 2 - a question asked about whether they studied the future impacts of the new high school and that is completely being left out. That is a huge piece that was not included in the study. She urged staff to include that in the study. There is not going to be bussing, and she had heard that it is a possibility that Vista High School would be closed and all of those students would be coming to that site. The public comment period ends April 19th. The draft EIR will be on the website. It is 4 volumes, but it has an executive summary.

At the end of last month she received calls from residents in Jeffries Ranch that Caltrans had taken out the landscaping. Caltrans' response was this is part of the widening of Highway 76, and they're going to actually close Jeffries Ranch Road. She was taken by surprise because at every meeting she attended, staff was echoing the concerns of the community when Secretariat was deleted that Jeffries Ranch was to remain right turn in/right turn out because there is such limited to Jeffries Ranch.

She had discussions with staff, and they have gotten Caltrans to restudy the closure. In the meantime it is slated for closure in August. We're doing everything

possible to stop that closure as she feels it is a public safety issue. She contacted Caltrans, and they have a new Executive Director, Laurie Berman. She has agreed to come out and talk to the community. That will be next Thursday, March 25th at the San Luis Rey Valley United Methodist Church. She has asked the Mayor and City staff to be there. We need to insure access for Jeffries Ranch residents.

Some residents of Rancho del Oro have been having problems with their street lights. The City took down some street lights. She stated the City Manager is going to address this tonight.

[Recess was held from 5:16 PM to 5:38 PM.]

5:30 PM - INVOCATION – Pastor Carl Souza

PLEDGE OF ALLEGIANCE – Team members

PROCLAMATIONS AND PRESENTATIONS

Proclamation – American Cancer Society's "Relay for Life"

Presentation – California Parks & Recreation Society's "Award of Achievement"

Presentation – Mayor's Youth Sports Recognition and Appreciation Award—Oceanside National Little League "AA Padres" team

Presentations were made.

6:00 P.M. – PUBLIC HEARING ITEMS

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.

20. **City Council: Approval of the FY 2010-2011 Community Development Block Grant Program budget; approval to allocate funding to various housing and community development activities, planning and program administration; and approval to allocate grant funding for various public services and homeless programs**

- A) Mayor opens public hearing – hearing was opened.
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Mayor Wood and Councilmembers Sanchez, Kern and Feller reported personal contact, telephone calls, emails, public applicants and staff.
- C) City Clerk presents correspondence and/or petitions – None.

JOHN LUNDBLAD, Management Analyst, stated this year's process has been simpler for everyone than it has been in years past. This is the approval of the budget and the allocation of funds, following Council's decision in March to limit the allocation of funds to agencies that are operating in our resource centers, recreation centers, neighborhood revitalization areas and other places. The budget doesn't show that much difference.

We don't have our appropriation amount from HUD yet. We do not expect it to be any less. If it is substantially more, we will come back to Council. If it's a minor adjustment, we will just adjust everybody accordingly.

In light of the budget challenges that we are all facing, we've added the area of community resource centers as a public service. That's a minor item in this year's CDBG budget. It goes up substantially for next year. We are able to do that by 2 other funding sources. The Emergency Housing Programs – Casa de Amparo, Fraternity House, Women's Resource Center and the YMCA Oz North Coast Shelter – qualified for funds

out of the Mortgage Revenue Bond available balance, and we are recommending funding to come to those agencies from that source. That is not an endless supply of money. We've got money for this year and maybe a couple of more years, but we do have to watch how much we spend out of that source.

We have submitted the Neighborhood Revitalization Strategy Area Plan that you approved about a month ago to HUD. If they approve that, and we are confident that they will, we are able to exceed the 15% cap on public services for agencies operating in the Revitalization Area, and that would be specifically in Crown Heights - North County Lifeline Youth Programs and Campfire USA. By taking 6 programs out of the normal funding and finding other sources of funding, we've found the money to keep between the Chavez Resource Center and the Crown Heights Resource Center, and be able to spend more of our CDBG money there.

We're also looking at a substantial increase for Code Enforcement programs, funding 2 officers fully for next year to cover all of the CDBG eligible neighborhoods.

Administration and planning is limited to 20%, which covers a number of us in the Housing office so that all costs related to the financial management, oversight, program planning and monitoring of CDBG is covered by those costs. There is no General Fund money supporting CDBG program activities. Likewise our planning and Fair Housing activities and a number of other things come under the administration and planning aspects. We are still putting money into the Housing Rehabilitation Program, especially into the grant for rehabilitation of mobile homes for very low income seniors. We have the 108 loan payment for paying off the loan for Fire Station 7.

There is a little bit of money we anticipate being left over. We don't know how much because we don't know our beginning figure. We will come back to Council when we ask for approval of the action plan for next year in May and be able to hopefully give you final figures at that time.

COUNCILMEMBER FELLER asked when we are going to start this re-allocation; is this the same allocation as last year?

MR. LUNDBLAD replied yes, with some adjustments based on moving funds around. It's basically the same as you asked us to do in March, with the approval on limiting funds to particular agencies.

COUNCILMEMBER FELLER asked when we start the process for approval.

MARGERY PIERCE, Neighborhood Services Director, responded Council did a 2-year program and that 2 years ends June 30, 2010. This is your next allocation, but it's only a one-year budget to coincide with the one-year budget that the City will be bringing forth.

Public Input

DONALD STUMP, North County Lifeline, 707 Oceanside Boulevard, thanked Council for their continued support of North County Lifeline and their partnership with the community resource center. Last year we served more than 220 kids, with more than 19,000 service contacts in our after school programs and community development programs.

MARIA YANEZ, Vista Community Clinic, thanked the Council for their continued support throughout the years. With all of the cuts we've had, we have been able to keep our programs, especially in the Libby Lake Community Center, with all of the kids that we've had there; well over 85 to 90 kids that are registering with our program every year.

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

MAYOR WOOD stated all of our nonprofits that work in the area have been doing an excellent job considering funding sources are drying up. Economy-wise Statewide it's tough to pick the ones that funds go to. About 75% don't get the money anymore because of the economy. Staff has done an excellent job of trying to get to the most number of people with the dollars we have coming in.

COUNCILMEMBER SANCHEZ moved approval of the FY 2010-2011 Community Development Block Grant Program budget; approval to allocate funding to various housing and community development activities, planning and program administration; and approval to allocate grant funding for various public services and homeless programs [and authorize the Neighborhood Services Director to execute agreements].

COUNCILMEMBER KERN seconded the motion. Define what "appreciably more" would mean to bring it back. Is it more than 5% or 10% of what we're getting?

MR. LUNDBLAD responded that if it were a 10% increase, our Public Participation Plan would require staff to come back to Council.

Motion was approved 4-0 [including the following:

FY 2010-2011 Community Development Block Grant Program

Document No. 10-D0219-1	Fair Housing Programs	\$10,000
Document No. 10-D0220-1	Angel's Depot Food for a Week	\$8,540
Document No. 10-D0221-1	Brother Benno Foundation	\$14,148
Document No. 10-D0222-1	Boys & Girls Club Gangbusters	\$22,308
Document No. 10-D0223-1	Boys & Girls Club Senior Fitness	\$9,176
Document No. 10-D0224-1	Boys & Girls Club Libby Lake	\$12,000
Document No. 10-D0225-1	Interfaith Community Services	\$7,804
Document No. 10-D0226-1	Ivey Ranch Park Association	\$7,542
Document No. 10-D0227-1	North County Health Services	\$15,000
Document No. 10-D0228-1	Senior Citizens Association Senior Nutrition	\$34,400
Document No. 10-D0229-1	Vista Community Clinic Teen REACH	\$23,600
Document No. 10-D0230-1	Community HousingWorks NRSA Implementation	\$25,000
Document No. 10-D0231-1	Casa de Amparo	\$7,500
Document No. 10-D0232-1	Fraternity House	\$7,600
Document No. 10-D0233-1	Women's Resource Center Emergency Shelter	\$11,820
Document No. 10-D0234-1	YMCA Oz North Coast Shelter	\$17,800

21. City Council: Declaration of the results of the majority protest proceeding, and adoption of a resolution to establish an Oceanside Tourism Marketing District

- A) Mayor opens public hearing – hearing was opened.
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Mayor Wood and Councilmembers Feller, Sanchez and Kern reported staff, public, telephone calls and emails.
- C) City Clerk presents correspondence and/or petitions – none

JANE McVEY, Economic and Community Development Director, stated this is the last action that is needed to create the Oceanside Tourism Marketing District (TMD), which is the declaration of the results of the majority protest proceedings and to approve a resolution creating the district.

To get to this point, there have been 2 major mailings to all of the hotels and vacation rentals and this is the 3rd public hearing or meeting that we've held. In addition, the Economic Development Commission has recommended this action, and the

Redevelopment Advisory Committee (RAC) has also reviewed it.

The effect of the TMD is that the hospitality industry will self-assess themselves a fee, calculated at 1.5% of their gross room rental revenue. The City acts as a pass-through of this money to a new organization called Visit Oceanside (VO). The TMD fee is going to be paid at the same time and in the same manner as the Transient Occupancy Tax (TOT). The VO will have a Board of Directors of up to 17 people, mainly in the hospitality industry. They will also be developing an annual marketing program and directing that program.

The affirmative vote as of today at about noon was 81.13% in favor and 0.69% opposed. The remainder did not respond. Therefore, there is overwhelming support from the industry to create this district. However, at the conclusion of this presentation there is an opportunity for anyone who chooses to protest with re-tabulation of the votes. Again, we are currently at 81.13% positive.

In addition, should Council pass this resolution tonight, staff has prepared a letter to all of the affected parties that would go out tomorrow, inviting them to an informational meeting on March 25th at 9:00 a.m. to go over the new forms and any questions that they might have in complying with this new fee that they are proposing to assess themselves.

Staff recommends that Council certify the results of the majority protest proceeding and then approve the resolution.

Public Input

DAVID NYDEGGER, President and CEO of the Oceanside Chamber of Commerce thanked staff for all of their hard work. The brains behind this whole thing is Leslee Gaul. She has championed this program.

The industry is here to support this. It's a wonderful opportunity for the City. The Chamber of Commerce has been operating the Visitor's Center since 1988. This is a new change in our business model, and we are excited about it.

LARRY BARRY, 3973 Brown Street (non-hotel industry), stated we're going to tax the people that come to Oceanside. He fears this will just give tax to some bureaucrats who are going to somehow bring more business to Oceanside. He owns a business and has spent thousands of dollars advertising his products. Advertising is 100% deductible, and he doesn't see why they keep coming to the City to fund these programs to bring people to Oceanside. It has been a failure over the last 10 years. We have done a lousy job in telling people how great Oceanside is and telling them to come here and spend their dollars.

He doesn't know what will be done with these funds to attract people because there is no accountability. We need to have some accountability. Nobody is going to spend a week in Oceanside. The hotels and timeshares are not going to be the prize. He believes this is another waste of money to try to talk up Oceanside, and we get nothing back on our return. We should be targeting those here on day trips, and the local hotels should be doing this.

Every time you raise the rates on a hotel room, you decrease the amount of people that are going to stay here. If we tax people to come here, we're going to lose business.

NADINE SCOTT, 550 Hoover Street (non-hotel industry), supports this 100%; it's a great idea. People from all over the world come here to the Surf Museum. She looks forward to more promotion of the City.

LESLEE GAUL, California Welcome Center, 928 North Coast Highway, stated

last year they generated \$3,100,000 in hotel tax. That's the highest hotel tax that's been generated in Oceanside's history. We are excited about the industry coming together to create a district because it's the ultimate in accountability. She is accountable to the industry now and the Councilmembers with an annual report.

There are 35 districts in the State. We are excited to have the means to be able to remain competitive in the State. There is a lot of competition; funding is down; and this provides the industry a way to compete and bring visitors here. We appreciate the partnership with the City. She would like to thank the industry for their partnership. It will save the City money, give the district money for marketing, and it's great for the small businesses. A lot of our hotels are small businesses, and it gives them the opportunity to have marketing programs out there working for them.

With no one else wishing to speak,

CITY CLERK WAYNE asked if there are any final protest letters from anyone present. With no additional protest letters, the final results are 81.13% in favor of forming the District and 0.69% in protest.

The Mayor closed the public hearing.

COUNCILMEMBER SANCHEZ moved approval [and adoption of **Resolution No. 10-R0235-1**, "...declaring the results of the majority protest proceedings and establishing the Oceanside Tourism Marketing District"].

COUNCILMEMBER KERN seconded the motion.

COUNCILMEMBER SANCHEZ stated that this is not a TOT, so it's actually the industries themselves. It's not an additional tax. This is actually the industry taxing themselves. Marketing does work. She sees people on the beach and in the restaurants that are from different parts of the world, and it's exciting.

There are some things in the staff report that talk about the continuing commitment of the City. Our budget is coming forward, and we may not be able to do it. That's why this is coming at a really good time. She looks forward to a very successful district. Accountability is there; she knows that.

COUNCILMEMBER KERN commented that there are a lot of people who stay a week or more in Oceanside. Last time he was at 333, he met 2 clinical psychologists from Michigan. We see things from inside the bubble, and they see things from outside. Oceanside is a great place to come and stay for a week.

We market to Arizona and Las Vegas. Those people, in the summertime when it's really hot, come down here. The snowbirds also come here during the winter months. We need to reach those markets.

COUNCILMEMBER FELLER had a call from somebody involved with the taxpayers association. As explained to him, this goes to the Visit Oceanside group, which is primarily going to spend that extra money on tourism. They are going to put the dollars into the advertising to get more people here. He's talked himself into this, although he is going to be on the other side most of the time (against taxes). This is something that's going to generate from the efforts of the Visit Oceanside group. It helps us with our budget of \$108,000, divided up a couple of different ways. He's comfortable with what they are trying to do to help Oceanside move forward in this troubling time.

MAYOR WOOD stated with the economy and the State, if you don't sell yourself, nobody else will be doing it. We appreciate that you're out there trying. He's down at the Wyndham and 333 all the time, and every week he meets people that are from everywhere who stay for at least a week. We'll keep selling our City. He's on the

phone all the time talking to businesses and trying to get them to come here. People are still interested in coming, but they can't get the money to do it.

CITY MANAGER WEISS clarified this is an assessment that the industry is imposing on itself. If the Council were interested in a TOT increase, it would require a citywide vote.

COUNCILMEMBER FELLER commented that the assessment is an additional fee that is going to appear as TOT.

CITY MANAGER WEISS responded it will show as a separate assessment.

CITY ATTORNEY MULLEN stated that is correct; it is collected in the same manner as the TOT, but it's an assessment and is distinct from taxes. Under the law, it's an assessment and not a tax.

Motion was approved 4-0.

INTRODUCTION AND ADOPTION OF ORDINANCES

The Council/HDB/CDC have adopted a policy that it is sufficient to read the title of ordinances at the time of introduction and adoption, and that full reading of ordinances may be waived. After the City Attorney has read the titles, the Council may introduce or adopt the ordinances below in a single vote. There will be no discussion of the items unless requested by members of the Council or the public.

22. **City Council: Adoption of an ordinance of the City Council of the City of Oceanside amending Section 6A.4 of Chapter 6 of the Oceanside City Code to add an exemption from the alarm monitoring prohibitions contained in the ordinance for police facilities** (introduced 2/24/10, 4-0 vote)

Following reading of the title, **COUNCILMEMBER KERN** moved approval [of adoption of **Ordinance No. 10-OR0236-1**, "...amending Section 6A.4 of Chapter 6 of the Oceanside City Code to add an exemption from the alarm monitoring prohibitions contained in the ordinance for police facilities"].

COUNCILMEMBER SANCHEZ seconded the motion.

Motion was approved 4-0.

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

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

CITY MANAGER WEISS wanted to take a few minutes to provide Council and the community an update, as we are getting a number of letter, emails and correspondence regarding the street lights in the Rancho del Oro neighborhood.

Starting about 1 ½ years ago, there were several street lights that, due to some rust, had fallen down. The City had notified the management company for the homeowner's association and, essentially over some time had some discussions beginning last November. Due to some additional safety concerns and in consultation with the City Attorney's office, the City went out following some discussions with the management company and, in order to protect public safety, removed approximately 132 street lights. Since that time we have been in discussions with the management company. We have now entered into discussions with the homeowner's Board of

Directors directly. We are making progress in that regard in looking at who is responsible. There is still some disagreement in that regard, but we are working cooperatively to come up with some type of resolution.

Although the lights are not back on yet, there is not an overall public safety issue in regard to the lights not being there, although he does recognize and support the neighborhood's need to have some lighting. We are working with the Board of Directors to come up with a solution. Hopefully within the next several weeks we will be able to announce that the solution has been negotiated to the mutual benefit of both parties.

MAYOR WOOD stated that Council wanted to get this out tonight with the print media and KOCT because we've received a lot of emails and phone calls; we wanted people to get the status.

JIMMY KNOTT, 127 Sherri Lane, doesn't like it when an organization brings up a false analysis of his city's finances and the way his city operates. He was asked to review a document: The City of Oceanside's Municipal Analysis by the San Diego County Taxpayers Association. He prepared a 12-point, 4-page review of that document. He found that the San Diego County Taxpayers Association selectively included certain dates when it benefited them to show certain results; when it didn't benefit them, they excluded certain dates/timelines or included timelines/assumptions that were to their benefit. It made no scientific or economic sense. The validity of the document is not worth the paper it is written on. He thinks the City needs to respond to this organization.

KATHLEEN TALLEY, 55 Hummingbird Lane, asked that Council remove Greg Root from the Historic Preservation Advisory Commission (OHPAC). Mr. Root and Mr. Savo, the Director of the Fellowship Center in Escondido, committed a conflict of interest per our City Attorney and many people in Oceanside.

She believes there should be more investigation into this unethical behavior and that both of these gentlemen should be reprimanded or have consequences for their actions. The public expects ethical and transparent behavior of all of its representatives. The behavior of both of these men has caused a lack of confidence in our local government; it has tainted the way some people see our representatives. Restoring confidence would be a significant move on Council's part.

She understands that Mr. Root got \$750 from Mr. Savo. Mr. Root told at least 2 people of the community that he was a long-time friend of Mr. Savo and that he was employed by him. Yet, they deny it. She reviewed items she has heard about and other allegations. She hopes Council will consider her request.

THOMAS DEMPSEY, 3641 Esplanade Street, encouraged all registered voters to vote no on the proposed City Charter. He referenced newspaper letters against the Charter.

NADINE SCOTT, 550 Hoover Street, was disappointed tonight that Councilmembers Kern and Feller elected not to put her on the Integrated Waste Commission. She is extremely qualified and would have an open and fair mind when it comes to the Waste Management contract. She sat on that Commission for many years and forwarded all of the recommendations to Council. She does believe we need open competition. Obviously we don't agree on many issues, but it is very short-sighted of the City when you have a highly qualified person that you won't put on this Commission. It seems to be personal rather than professional.

She had written a letter to the Editor after Council's last meeting when Councilmembers Feller and Kern left the dais early. They failed to stay and honor the memory of Chelsea King.

LARRY BARRY, 3973 Brown Street, wanted to say that whenever you are

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taking money out of his pocket, it's a tax.

He has been a loyal member of the San Diego County Taxpayers Association for the last 5 years, and he thinks it's a great organization. It keeps people accountable. He will fight to keep his view of what the City is going to be.

To the previous speaker, he hates with a passion when people use a dead person for their self-political reasons. He can't stand when the Mayor uses the murdered police officers for personal profit in a political campaign. It's disgusting and disgraceful. Let this young 17-year-old girl go. Do not use for political gain this type of arrogance and disgraceful attitude.

POLICEWATCH.ORG [no name given] feels it is a disgrace that twice he has been removed from Council meetings, and Mr. Higdon has been removed once because of free speech. He defended his right to say anything he wants. He commented on everyone's right to free speech no matter what they are saying. He informed the Mayor that he would use any words he feels like using [profanity used].

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 6:56 PM on March 17, 2010. The next meeting is Wednesday, March 24, 2010, at 3:00 PM.

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside