



California

CITY OF OCEANSIDE

JOINT MINUTES OF THE CITY COUNCIL SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION OCEANSIDE PUBLIC FINANCE AUTHORITY

OCTOBER 16, 2013

REGULAR MEETING 2:00 PM COUNCIL CHAMBERS

2:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB)
COMMUNITY DEVELOPMENT COMMISSION (CDC), AND
OCEANSIDE PUBLIC FINANCE AUTHORITY (OPFA)
- REGULAR BUSINESS

Mayor
HDB President
CDC Chair
OPFA Chair
Jim Wood

Deputy Mayor
HDB Vice President
CDC Vice Chair
OPFA Vice Chair
Jerome Kern

Councilmembers
HDB Directors
CDC Commissioners
OPFA Directors
Gary Felien
Jack Feller
Esther Sanchez

City Clerk
HDB Secretary
CDC Secretary
OPFA Secretary
Zack Beck

Treasurer
Gary Ernst

City Manager
HDB Chief Executive Officer
CDC Executive Director
OPFA Executive Director
Peter Weiss

City Attorney
HDB General Counsel
CDC General Counsel
OPFA Legal Counsel
John Mullen

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

For this regular and joint meeting, the Council sat as all 4 governing bodies [Council, HDB, CDC and OPFA] 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), Community Development Commission (CDC) and Oceanside Public Finance Authority (OPFA) was called to order by Mayor Wood at 2:00 PM, October 16, 2013.

2:00 PM - ROLL CALL

Present were Mayor Wood, Deputy Mayor Kern and Councilmembers Feller and Felien. Councilmember Sanchez arrived at 2:12 PM. Also present were Assistant City

October 16, 2013

Joint Meeting Minutes
Council, HDB, CDC and OPFA

Clerk Trobaugh, City Manager Weiss and City Attorney Mullen.

City Attorney Mullen titled the following items to be heard in Closed Session:
Items 1, 2A and 3A.

[Closed Session and recess were held from 2:01 PM to 4:02 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

Item discussed (OPOA, OPMA and Unrepresented); no reportable action

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

A) City Manager

Item discussed; no reportable action

3. CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)

A) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: 4.86 acres at northeast corner of Rancho Del Oro Drive and Oceanside Boulevard (APN 160-680-33); Negotiating Parties: City of Oceanside and R. D. Olson Development; Negotiator for the City: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms for the sale of real property

Item discussed; no reportable action

4:00 PM – ROLL CALL

MAYOR WOOD reconvened the meeting at 4:02 PM. Present were Mayor Wood, Deputy Mayor Kern and Councilmembers Sanchez, Felien and Feller. Also present were City Clerk Beck, City Manager Weiss and City Attorney Mullen.

CONSENT CALENDAR ITEMS [Items 4-14]

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

CITY CLERK BECK announced Item 14 has been pulled for discussion by Council and the public.

COUNCILMEMBER SANCHEZ pulled Item 13 for discussion by Council.

The following Consent Calendar items were submitted for approval:

4. City Council/Harbor/CDC/OPFA: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission, City Council, and Oceanside Public Financing Authority of the August 22, 2012, 2:00 p.m. Adjourned Meeting
5. City Council/Harbor/CDC/OPFA: 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)
6. City Council: Approval of a professional services agreement [**Document No. 13-D0677-1**] with John S. Meek Company, Inc., of Gardena in an amount not to exceed \$100,000 to replace twenty-nine (29) steel pipe braces on the Oceanside Municipal Pier; and authorization for the City Manager to execute the agreement
7. City Council: Approval of a professional services agreement [**Document No. 13-D0678-1**] with HB&A Architects, Inc., of Escondido in the amount of \$212,275 for design services for the Mission Basin Groundwater Purification Facility Operations Building Project; and authorization for the City Manager to execute the agreement
8. City Council: Approval of a professional services agreement [**Document No. 13-D0679-1**] with Infrastructure Engineering Corporation of Oceanside in the amount of \$97,928 for design services for the South Oceanside Waterline Replacement Project; and authorization for the City Manager to execute the agreement
9. City Council: Approval of a 3-year water sales agreement [**Document No. 13-D0680-1**] and [**Document No. 13-D0681-1**] with the Vista Irrigation District for first-year revenue in the amount of \$462,000 for the sale of treated water from the Weese Water Filtration Plant; appropriation of \$83,800 to the Weese Plant Budget; approval of increases in the amount of \$83,800 to certain purchase orders; and authorization for the City Manager to execute the agreement
10. City Council: Approval to accept \$125,000 in grant funds from the Metropolitan Water District of Southern California awarded to the City for the Foundational Actions Funding Program; approval to appropriate the funds to the Water Utilities Department; and authorization for the City Manager, or designee to execute the grant documents [**Document No. 13-D0682-1**]
11. City Council: Approval to accept \$218,578 in grant funds from the California Office of Traffic Safety awarded to the City for DUI Checkpoints and Traffic Enforcement Programs; approval of the grant budget; approval to appropriate the funds to the Police Department; and authorization for the City Manager, or designee, to execute the grant documents [**Document No. 13-D0683-1**]
12. City Council: Adoption of **Resolution No. 13-R0684-1**, "...approving and authorizing the forgiveness of one-fifth of the \$606,380 forgivable loan made by the former Redevelopment Agency of the City of Oceanside to the California Surf Museum to renovate the building at 312 Pier View Way and provide community activities for the benefit of the citizens of Oceanside," reducing the balance by \$121,276, from \$242,552 to \$121,276.
13. **Removed from the Consent Calendar for discussion – Council**
14. **Removed from the Consent Calendar for discussion – Council and Public**

COUNCILMEMBER SANCHEZ moved approval of the balance of the Consent Calendar [Items 4-12].

DEPUTY MAYOR KERN seconded the motion.

Motion was approved 5-0.

Items removed from the Consent Calendar for discussion

13. **City Council/HDB/CDC/OPFA: Adoption of four resolutions establishing the 2014 meeting schedule dates and times for regular meetings of the City Council, Small Craft Harbor District Board, Community Development Commission, and Oceanside Public Financing Authority** *(Continued from September 25, 2013)*

COUNCILMEMBER SANCHEZ thanked staff for outlining the additional requirements Council has and the Mayor's Washington, D.C. trip, as well as the League of California Cities. We're still missing the SANDAG (San Diego Association of Governments) retreat. There are two days that the Coastal Commission meets on the same day as Council. In September, it's usually in Eureka, and it's usually a two-day meeting. Even though there's overlap, she doesn't anticipate it will be a critical day for Council. There is also one time in May that the Council meeting overlaps a Coastal Commission hearing. There are two other Wednesdays that we could have a Council meeting.

She **moved** approval of [adoption of **Resolution No. 13-R0685-1**, "...(City Council) establishing the dates and times of regular meetings and establishing the regular meeting schedule for Calendar Year 2014", **Resolution No. 13-R0686-2**, "...(Small Craft Harbor District Board) establishing the dates and times of regular meetings and establishing the regular meeting schedule for Calendar Year 2014", **Resolution No. 13-R0687-3**, "...(Community Development Commission) establishing the dates and times of regular meetings and establishing the regular meeting schedule for Calendar Year 2014", and **Resolution 13-R0688-OPFA**, "...(Oceanside Public Financing Authority) establishing the dates and times of regular meetings and establishing the regular meeting schedule for Calendar Year 2014]", **with the modification** to have the May meetings be May 7th and May 28th.

DEPUTY MAYOR KERN seconded the motion.

Motion was approved 5-0.

14. **City Council: Adoption of a resolution approving an employment agreement between the City of Oceanside and Steven R. Jepsen, City Manager**

Public input

PATRICIA A. McFARLANE, 3538 Pear Blossom Drive, represents the Democrats of Carlsbad/Oceanside Club. We've been wondering about the hiring process that was used for Mr. Jepsen. It seems there's been no nationwide attempt to see who might be available for this job, who's qualified and would be a good person. Apparently, Council is looking at someone who's had a checkered past in Oceanside. We question what Council is doing and wonder if it might be wise to see what else can be done in the selection process. This is probably one of the most important jobs in Oceanside. We've had a very competent person doing it and would want to replace him with the best possible candidate we can find.

BOB SPENCER, 1202 North Pacific Street, questioned the appointment of Steven Jepsen as City Manager. He's doesn't know him or have any preconceived feelings on his personality. He has three concerns, the first being the process. He understands that staff initiated a national search but then abbreviated it. The most important hire is the City Manager position. He would hope staff would keep the talent pool open and look throughout the country, not at somebody who used to be here and may have had ties earlier. The process is very important to keep clean, and he has concerns about that.

Secondly, if we hire Mr. Jepsen, does Oceanside incur all of the pension liabilities when he retires or is it spread out to each of his previous employers? If we had to do another contract, how would that relate? Lastly, why start with a City Manager that has an aura of cloudiness as to why he left?

ROBERT MARKLEY, 200 North El Camino Real, stated Oceanside is the 35th largest city in the State, yet the contract proposed for the City Manager is going to be paying him more than the Governor gets. In fact, it would pay him over \$100,000 per year more than the average of all governors in the United States. This man was not hired as a result of a thorough executive search, although there was enough time for it. We could have found and hired the most qualified person available, yet we hired a man who left under a cloud of suspicion, and the cloud is still there.

Was this done because Deputy Mayor Kern wants someone to take the blame for trying to replace our paramedics with less trained and skilled EMT's (Emergency Medical Technicians)? If so, Council will have to vote to do so and pay the political price, which will be severe and swift. Could it be because four years ago Deputy Mayor Kern was in regular email contact with Mr. Jepsen on the subject of how to limit firefighter compensation? This was done even though Mr. Jepsen was supposed to be working full-time for Yuba City.

Now, what schemes will Mr. Jepsen be working on back in Yuba City after he starts working here? This subject is not over.

JOAN BRUBAKER, 1606 Hackamore Road, echoes all of the things that have been said previously by the other speakers. It is a dereliction of duty to avoid using a nationwide search if necessary for the filling of this position. Staff should be able to sample the courage, integrity and abilities of the candidates. To bring in someone that has a cloud is discouraging. It just doesn't speak well of the three Councilmembers who are always voting in the majority. They will have the helm when Mr. Jepsen comes in. They can sway him in any way they want, and he can sway the Council majority because they are tied together.

She strongly suggested that Council reconsider this arrangement, although the final agreements have been made. This is a cloud on the character of each Councilmember and for the citizens of Oceanside.

LARRY BARRY, 3973 Brown Street, stated the only cloud is the same old politics that we have in Oceanside. Steve Jepsen taught City Manager Weiss a lot of things about how to be a City Manager because he followed in his footsteps. He liked a lot of things that Steve Jepsen did in the City, such as the cleaning up of Oceanside and College Boulevards, putting in plants, etc. for the beautification of the City. He did a lot downtown. He was a visionary with a lot of good things he was trying to bring to the City. This is a fiscally conservative person who is going to run the City to the best of his ability.

He hopes that Mr. Jepsen will live in the City. In the past there were City Managers who didn't live in the City. He didn't agree on the Collins property sale. The City bought it for \$2,000,000 and sold it for \$6,000,000 or \$8,000,000 to help build the Senior Center. He was hoping the City would have waited longer on the Senior Center, to build it with a kitchen.

We should give Mr. Jepsen a chance; he's a good man. There are great opportunities to progress this City to bigger and better things and help get tax revenues. He wants the City to shrink the ghettos. There's a perception that Oceanside is a cop-killer city and that it's gang related. The City has so much more to offer its citizens and tourists. The City needs to look at more code enforcement. He sees several families living together in single-family houses and hopes that can be alleviated.

Public input concluded

COUNCILMEMBER SANCHEZ was not happy when Peter Weiss submitted his resignation because he's been doing such a wonderful job. We obviously have differences on the Council dais, but we've all had confidence in Mr. Weiss. Mr. Weiss submitted his resignation, stating that December 27th would be his last day. He suggested that we take this as an opportunity to get someone from the outside or at least see who's out there. He likened the process to what the Vista School District just went through and how they found someone phenomenal. He also suggested that we look at different ways of going forward as a City to make it more livable and profitable.

We all met with a consultant, got our criteria together and were in the process of getting the ads published in professional circulations. She was shocked when all of a sudden there was a name thrown out, and they cut out the entire process. She had asked for a community panel because this is the person who would be running the City. We're a strong City Manager form of government. She hoped they'd be able to have public panels, with people from the community, organizations and non-profits to participate and buy off on the person who would be taking this position.

Then Steve Jepsen's name came up. Mr. Jepsen left under a cloud, and she has no confidence in him. She's still shocked that this is before Council. Two of us cannot work with this man. She had hoped that, at the very least, we would have set a super-majority requirement on who the next City Manager would be, requiring at least four out of five Councilmembers.

During the time that Mr. Jepsen was the City Manager, a lot of bad things happened. We had millions of dollars in internal lawsuits, had the \$2,200,000 giveaway to Manchester, and practically lost El Corazon, which we now are hailing as a phenomenal piece of land within Oceanside. Mr. Jepsen is responsible for spiking the pension of about half a dozen employees who worked about a year and then retired to be able to get the extremely lucrative higher level of pension. We had a Grand Jury investigation after we provided about \$5,000,000 without requiring receipts or explanations on how the money was spent. We hired a Fire Chief with the understanding that he would be receiving full-time pay and pension, but he was only working 60% of the time.

Mr. Jepsen promoted people into management with no discernable experience or expertise, resulting in the biggest scandal to hit Oceanside involving a Traffic Engineer. This person had a business with another City employee who was not qualified to sign off on engineering plans, but was signing off as an engineer. This created a conflict of interest, with a full-time City employee establishing a small business, both working with and getting money from the City. Allowing a non-engineer to sign off on engineering plans was fraud.

The City had to redo the work on several intersections and other road projects to avoid liability. That was a lot of money spent, along with these two people leaving under an extreme cloud. Mr. Jepsen also signed off on the transportation of contaminated dirt from the Shell Oil property to residential property on a Sunday. We don't have City employees working on a Sunday from the Planning or Building Departments. It included unpermissible stockpiling.

This is a very controversial person, not just for members of the public who had to deal with him and suffer the impacts, but also with City employees and the private sector. This is not a good idea. The only two opportunities we have as a Council are to hire the City Attorney and City Manager. We have been requiring a second-tier lowering of employees' pay. We have treated employees like they were the cause of our financial ills. They have not been the cause, yet we've required a second tier and are cutting back on pension hits for the City.

Instead of being the fiscal people they've been talking about, the Council majority made an offer Mr. Jepsen couldn't refuse. His entire package is \$317,600 per year, including \$51,000 per year for City pension obligations. He is getting a 12-month severance package. The Council majority knows Mr. Jepsen may be out the door in a year.

Mr. Weiss had indicated that his last day would be December 27th, so we were looking to hire someone by January 1st. Now they're trying to back that date up so that Mr. Jepsen can have a full year to be able to qualify for this new, higher pension. He's supposed to start November 18th instead of January 1st. This smacks of corruption.

This is nothing more than the golden handshake for someone that the Council majority feels can be their yes-man. She doesn't know how anyone would be willing to accept an offer when they know there are two people on the Council, including the Mayor, who are not able to work with him. How can you have a Mayor, who has gotten the highest number of votes in the history of Oceanside, not be able to work with the City Manager? She received the most votes as a Councilmember, and yet she is being bullied by these three people.

We have a tremendous opportunity to get someone who will work with all of Council and the citizens of Oceanside and who will not be doing things like looking at alternative delivery for fire services. We're looking at a year of cutting out public input and participation, as well as excluding two people on this dais. This is an explanation of her no-vote. She is still shocked that we would even entertain this.

Mr. Jepsen gets a \$10,000 travel expense with no receipts required. He already has a house in Oceanside. She asked the residents to just say no, to write Council and say we cannot have someone who we aren't able to work with and don't have confidence in to be the City Manager. Let him finish out his time in Yuba City; that's where he is now. Let him retire from there and not here. As soon as he comes in, he'll be considered a 20-year employee for purposes of vacation time. All of the things offered to him are not even in the realm of possibilities for our current employees.

This is a bribe to get a man here who is going to be a yes-man for the Council majority to push through projects in the next year. She says no.

COUNCILMEMBER FELLER stated this man that we hope to have is a very smart and ethical man. He's a man of God, a straight-shooter, and he has family here. People did not get what's actually happening here. Both the City Manager and City Attorney have one-year severance packages. That's nothing new.

Mr. Weiss' total package is \$296,000, so \$317,000 to bring Mr. Jepsen back is probably a fair amount considering we would have to pay that no matter who we brought in from the outside. The City Manager has done a commendable job. Councilmember Sanchez voted against Mr. Weiss too, so it goes with the territory.

City Managers are responsible for 900-1,000 people at any given time. If somebody takes off on a tangent and does something not on the up-and-up, there's no way that Mr. Weiss or anybody is going to know everything that's going on in every department in the City. It's his job to try to know those things, but we have department directors that do those very things. People say that he left under a cloud, but he left us with a General Fund reserve of about \$30,000,000. That disappeared in these last years, but we've built it back up in the last couple of years under Mr. Weiss' leadership. Steve Jepsen is a great guy.

He **moved** approval of [adoption of **Resolution No. 13-R0689-1**, "...approving an employment agreement [**Document No. 13-D0690-1**] between the City and Steven R. Jepsen]".

DEPUTY MAYOR KERN seconded the motion. Steve Jepsen and his team were successful in attracting the former Biogen/Idec to Oceanside to build a \$500,000,000 facility here. They're going to do another \$130,000,000 expansion. It's a lot of high-paying jobs in Oceanside, and Steve Jepsen was directly responsible for that. He assisted in the development of the 440-acre Ocean Ranch facility, which is the industrial park where Genentech sits. We have the potential of adding more high-paying jobs.

Mr. Jepsen developed the public selection process for the current Pier Hotel. He set the framework, and hopefully it'll start getting built in the next 18 months. He also initiated the development of the Green Waste Composting Center on El Corazon, which provides environmentally-friendly business services. Oceanside was awarded the League of California Cities' Helen Putnam Award for this effort. He also developed the community process for the El Corazon visioning and planning. We're going to build 22 soccer fields that will hopefully be up and running by next May or June. Steve Jepsen was directly responsible for that.

He also initiated the new police headquarters and branch library out of an old shopping center. If you go there today you will see a library in the center of the City next to the Police Department. He was also instrumental in the Oceanside Museum of Art. If you add up all of the other projects, that is the one thing that's going to make us different from any other city. Every city has police departments, but not many cities have a museum of art like Oceanside has. Steve was directly responsible for working out the deal for that.

He implemented focus programs that coordinated City services in economically challenged neighborhoods, including streets, alleys, lighting and sidewalks. He was responsible for the SHINE (School and Homes in Education) Critical Hours program in conjunction with OUSD (Oceanside Unified School District) and the County Office of Education to establish school programs in select elementary and middle schools, which brought together tutoring, sports programs and most importantly, transportation services.

There were a couple of questions asked. Mr. Jepsen will live in the community. Deputy Mayor Kern asked the Human Resources Director to explain how the pension works when working in multiple agencies.

PAT NUNEZ, Human Resources Director, stated the time spent at each agency and the contributions made by those agencies contribute to his ultimate pension. Mr. Jepsen's time previously in Oceanside was paid by Oceanside. The other city is paying for him now. When he returns, he will be paying his share of his pension here. His ultimate pension is a combination of all of his different services.

DEPUTY MAYOR KERN stated that's not unusual. We have police officers who come from other agencies. They start their retirement in Stockton or Sacramento, for example, and then they can come here as long as they're within the PERS (Public Employees Retirement System) system. Yuba City is going to pick up a share, and Oceanside is going to pick up a share, so we're protected in that way.

This is a good fit. Everybody he's talked to internally is happy to see Mr. Jepsen come back. The business community is ecstatic. All the business members that he has talked to over the last three weeks are extremely happy that Mr. Jepsen is coming back. His experience with Mr. Jepsen was not as a Councilmember; it was when he was president of the Oceanside Chamber of Commerce. We worked well together. We tried to bring together the community in order to bring in more jobs. Mr. Jepsen is well-suited to continue to do that. He whole-heartedly supports this.

He corrected Councilmember Fellers' statement that the City Attorney gets a

one-year severance package; it's a six-month severance package.

COUNCILMEMBER FELIEN whole-heartedly supports Steve Jepsen coming to the City. When he worked at Far West Savings and Loan he was told by his supervisor that the Board of Directors was looking at the superstars that were within the company rising up through the ranks. They identified the ten up-and-coming employee superstars. When they looked at their background, they found that Mr. Jepsen had hired nine out of those ten individuals. Through his interview process, he was able to identify the executive talent that helped move that company forward.

We did start off wanting to do a general search. It was recommended because that's the procedure that you follow. At the same time, Steve Jepsen's name came up. We agreed to go on a parallel course and explore the possibility of whether Mr. Jepsen was interested in coming back to the City. At the same time, we continued moving forward with the option of having a general executive search if that was the direction we wanted to go or if there wasn't going to be an agreement with Mr. Jepsen.

He had an opportunity to speak with Mr. Jepsen and was extremely impressed. They spoke for four hours, and he felt that he was speaking to the type of City Manager he would want to come to this City at the end of a national search. Mr. Jepsen had the attitude of fiscal responsibility that he wanted, combined with the ability to bring a vision to the City. The only supposed cloud over his background is the dishonest claims being made by some of the Councilmembers regarding the pension. Mr. Jepsen is simply getting the pension that CalPERS (California Public Employee's Retirement System) entitles him to get.

There was no extra bonus tossed in by Council. In fact, one of the main criteria, which possibly was going to interfere with Mr. Jepsen being interested, was Council's demand that his total pay package be no more than what our current City Manager receives. We held to that line. The only expenses are ones that relate to his transfer down here. The moving expenses were confirmed by our Human Resources Director as being a reasonable expense. We see a standard package being distorted into being something dishonest.

Oceanside, on a per-capita basis, pays far less for our City Manager than several other cities in North County that have smaller populations. We are being just as fiscally prudent with our City Manager as we've been with all our labor contracts. Because of the financial challenge we face in our City, we were absolutely determined that we weren't going to be making demands on one group of employees and then have a separate special package for the City Manager. Mr. Jepsen, because of his history with the City and his desire to return, was willing to come back within those parameters. A deal came together, and he's happy that it did.

There has been tremendous support for Mr. Jepsen coming back to the City. Deputy Mayor Kern made an excellent case with all of the excellent projects Mr. Jepsen was involved in. We can look forward to more of the same. He will be proud to cast a yes vote for this motion.

COUNCILMEMBER SANCHEZ stated what she talked about has all been documented. Most of the positive things attributed to Mr. Jepsen were done by a previous City Manager. We had the worst time in terms of our crime rate. There were two police officers killed. There were so many things that happened during the realm of Mr. Jepsen. He requested to be considered a 20-year employee and that he not have to provide receipts for his \$10,000 in travel expenses, which the three Councilmembers approved. How many employees can do that and not have to provide receipts?

She is appalled that we have someone with the kind of history that Mr. Jepsen has. He became a City Manager just before she got on Council, so she has known him almost the entire time he was a City Manager. He's been offered a severance package,

knowing that there are two people who adamantly oppose him. It's a 12-month severance package plus three months' notice, for a total of 15 months in severance pay, which is over \$250,000. During that time he would have full health benefits. How many of us can do that?

This is the end of his realm as a City Manager. He's coming back here to retire, and he's getting a phenomenal package that we should not be saying yes to. She will swear under penalty of perjury as to Mr. Jepsen's response regarding having a Fire Chief who is gone 75% of the time. She couldn't understand how we had a Fire Chief who wasn't doing his job. This is a travesty for Oceanside.

MAYOR WOOD doesn't need to go into great detail because anything he says or does will still result in a 3:2 vote. There are only three Councilmembers who were able to work with Mr. Jepsen. When Mr. Jepsen left, there was a dark cloud. Toward the end of Mr. Jepsen's tenure with us, Mayor Wood got to the point where he didn't believe Mr. Jepsen anymore and felt uncomfortable as to whether he was giving factual information to Council. That's not a good thing when you're a City Manager.

One of the reasons he is voting no is that we had a chance to get a candidate through a nationwide search, someone who maybe all five on the Council would agree with, but we're not going to do that. Most people would not come to a Council where it's split 3:2 because they know in an election they might lose their job. If Mr. Jepsen loses his job he gets a year's pay, over \$250,000 to leave after only being here one year. He doesn't think that's right for the citizens of Oceanside.

Mr. Jepsen shouldn't be coming back. The consultant we hired to look into a new City Manager doesn't remember any place where a City Manager came back to a city. He has concerns. He'd rather pick a candidate that we all agree on, to have a chance to talk to the person and get citizen input. If Mr. Jepsen comes here as City Manager, he's going to be leaning toward the direction of the voting majority of the Council, and we know how that has been for the past year.

Motion was approved 3-2, Wood and Sanchez – No.

[Recess was held from 4:51 PM to 5:07 PM]

INVOCATION – Zack Beck

PLEDGE OF ALLEGIANCE – Eagle Young Marines

PROCLAMATIONS AND PRESENTATIONS –

Proclamation – White Cane Days
Proclamation – Red Ribbon Week
Presentation – Mayor's Business Member Spotlight

Presentations were made

CLOSED SESSION REPORT

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

CITY ATTORNEY MULLEN reported on the items discussed in Closed Session:
See Items 1, 2A and 3A above.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the City Council/HDB/CDC/OPFA 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

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

ALAN LAUER, 3407 Soyla Drive, addressed Council approximately three months ago concerning the pending shutdown of the Bread of Life Rescue Mission due to the lack of funds. Thankfully, tonight's message is considerably more upbeat. Due to an outpouring of support, particularly the generous support of one family, Bread of Life will continue to operate at least through this calendar year and into the winter shelter season. This is a huge relief. It doesn't solve our ongoing money challenges, but at least we have a reprieve.

In order to meet the large and growing demand for Bread of Life services, we need to establish substantial, sustainable funding sources. We're working diligently to do just that. Our first significant step is a fundraising campaign, which we started in August called "Commerce with Compassion." This campaign is a highly coordinated appeal to the business community in North County. We are excited about this effort. He left Council a copy of a two-page description of what their Commerce with Compassion campaign is about.

There are a lot of things people think of when they think of a rescue mission. The rescue mission of the days when the terms "bums" and "hobos" came out is no longer what a rescue mission is about. As to the demographics of Bread of Life, yes there are those who are living under bushes and in their cars, but we are dealing primarily with the working poor, single-parent households, seniors and veterans. Any help that the community can give to reach this community with food products is appreciated. We have over 1,400 people who come by our kitchen every month and pick up bread and produce. We serve mobile home parks and also give out 800 food packages each month.

RANDY WALSH, 3245 University Avenue, San Diego, is with San Diego Energy Desk. He's here to raise the profile of Energy Star for commercial buildings. Energy Star is a program that's available through the Environmental Protection Agency (EPA). It's free to use. There's a learning curve, but it's a robust tool. He encouraged the use of the Energy Star platform for the reporting, measurement and verification of the City's energy use, water use and greenhouse gas emissions at all City-owned properties, and hopefully in the neighborhoods and communities also.

You can track energy, water and greenhouse gas emissions. There are a number of space-use types that are eligible for the Energy Star label. Some that might be of interest to Council are courthouses, office buildings, K-12 schools and wastewater treatment plants, which are large energy users. This is a more cost-effective means of understanding the energy performance of a building before doing an audit.

San Diego was in 15th place in 2012. According to the EPA, San Diego includes the metropolitan statistical area used in the census, so Oceanside is included in that tally. He wants to believe that there are more energy-efficient buildings in this area. We also have a legacy with Energy Star in that the very first building that received an Energy Star label is in the City of San Diego at the Ridgehaven building.

He encouraged Council to take a fresh look at the program.

JOHNNY SWANSON, 5155 Mercury Point, San Diego, is representing the Iron Worker's Local 229 of San Diego. With the passing of SB 7, we are looking forward to working with the community, especially when it comes to the local workforce in Oceanside. The Marriott Hotel was built with out-of-state contractors and workers. It was sad to see all of the money that was generated in this City go to Arizona to supply their economy, when it could have been used in this community.

When people have money, it's a win-win situation for all of us. With the passing of SB 7, he hopes it can be utilized for the benefit of the local community. The iron workers are here to help, and we want to work with the City. Let's build this City up together.

SCOTT HUTMACHER represents Lifetime. Lifetime is a health club company that has 105 locations across the country. Part of our mission is to inspire people to be healthy and make better decisions in their lives. As part of the health club, there's an extension that he is a part of in the athletic events world. We have a triathlon series of which Oceanside is now our championship race. We have eleven other races across the country, starting in South Beach, Chicago, New York Minneapolis, etc. The culmination of this series is now here in Oceanside.

The race is Sunday and we couldn't be more excited to promote this destination. He's been working with the Tourism Commission. We have a lot of things happening and great beneficiaries, such as the Oceanside American Little League, Oceanside Swim Club, etc. With all of the Marines and other volunteers who will be onsite, we are ecstatic about what's about to happen. Our goal is at least 500 registered athletes. In the next two years that we're contracted with this event, we want to grow to 2,000 athletes. The economic impact we want to bring to Oceanside is going to be huge.

GINA THOMAS, Oceanside resident, stated the triathlon is our championship series race. The swim will be in Oceanside Harbor and the bike course will be on the 76 Highway westbound. A computer graphic was used to show the bike race route.

A week ago we had a group of Marine volunteers and the volunteer coordinator hand out flyers to each house to let them know about the race. We are going to have volunteers at each exit point, in case somebody doesn't have the flyer or they accidentally go down the bike route. We will be able to guide them out.

MAYOR WOOD asked if they are notifying the military about the event, since they are usually big participants.

MS. THOMAS responded yes. We have a military division for them.

COUNCILMEMBER SANCHEZ had asked the City Manager to have Ms. Thomas present because they had to petition Caltrans (California Department of Transportation) for the 76 highway. She asked if this is the third triathlon in a series.

MS. THOMAS responded yes. It's actually a couple of different events within one. It is the finale of an eight-race series in which the prize money is \$200,000, and the Toyota Triple-Crown Challenge, which is the final of a three-race series.

COUNCILMEMBER SANCHEZ asked if there are other cities involved.

MS. THOMAS responded Chicago and Minneapolis are the other two.

COUNCILMEMBER SANCHEZ stated there is also a fitness expo on Saturday at the pier. They're inviting the public to come out and watch the event. She asked if the finish is at 11:00 AM.

MS. THOMAS responded we should have the last athlete cross the finish line at around 11:00 AM-11:15 AM.

COUNCILMEMBER SANCHEZ asked if this is going to be a tradition in Oceanside.

MS. THOMAS hopes so.

COUNCILMEMBER SANCHEZ stated on their website they listed ten great things about Oceanside. That's great public relations for our City. She loves the pictures and hopes they will continue this relationship with the City.

DEPUTY MAYOR KERN acknowledged the Special Events Coordinator for Oceanside and the Executive Director of Visit Oceanside. They work very hard to bring all of these events to the City, and it's very beneficial to us.

MS. THOMAS added if it wasn't for our volunteers, these races wouldn't happen.

COUNCILMEMBER FELLER stated when we did the first triathlon at Camp Pendleton, there weren't 3,000 participants when that began either. He hopes they don't give up after one year. The Turkey Trot started out with 1,200-1,500 participants, and it'll be 10,000 this year.

5:00 P.M. – PUBLIC HEARING ITEMS - None

GENERAL ITEMS

General Items are normally heard after any 5:00 p.m. Public Hearing Items. However, if time permits, some General Items may be heard prior to any 5:00 p.m. Public Hearing Items, following the Consent Calendar.

15. **Harbor: Adoption of a resolution authorizing the issuance of Refunding Revenue Bonds, Series 2013, in an aggregate principal amount not to exceed \$2,000,000, and approving the execution and delivery of certain documents in connection therewith; approval of a budget appropriation in the amount of \$9,900 from Harbor Fund 751 Unassigned Fund Balance to the Harbor Fund Interest Account for the FY 2013-14 debt service payment**

MICHELE LUND, Treasury Manager, is seeking approval to refinance three Harbor District loans through the issuance of up to \$2,000,000 in Revenue Refunding Bonds on a private placement basis. Over the past year, the Treasurer's Office examined the City's outstanding long-term debt portfolio, looking for refinancing opportunities to lower debt service expenses in this current historically low interest rate environment. During our analysis, we found that by refinancing the Harbor District loans, we would produce some cost savings for the Harbor District.

The outstanding Harbor District debt consists of three loans with the California Department of Boating and Waterways, totaling an outstanding par value of \$1,860,000. The interest rate on the three loans is currently 4.5%. Two loans were issued in the mid-1980's to rehabilitate and construct docks and piles. The third loan was issued in 1991 and was used to modify the Harbor entrance. Because of the relatively small outstanding par amount, and with a maturity date of just under ten years, the decision was made to issue the new refunding debt on a private placement bank-qualified basis.

An RFP (Request for Proposal) was issued in August to five banks. The City received one very favorable response from Compass Bank, and we accepted the proposal. The City executed a commitment letter with the bank on September 24th, locking in an interest rate of 2% with an interest rate lock of 60 days. The basic terms of the Revenue Refunding Bonds are an estimated par value of \$1,960,000, which includes the \$1,860,000 outstanding par, accrued interest and closing costs. It's a 2% fixed-rate interest locked until November 25th and a maturity date on the bonds of August 1, 2023. There is no reserve fund, and there is not an early prepayment option.

The estimated net present value savings over the life of the refunded loans is just over \$100,000, or approximately 6%. We have an anticipated closing date of October 31st following Board approval.

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COUNCILMEMBER SANCHEZ stated it looks like it will cost us a \$50,000 fee to do this. The savings would be \$117,690 minus the \$50,000.

MS. LUND clarified the \$100,000 is inclusive of the cost of issuance.

COUNCILMEMBER SANCHEZ asked if the \$50,000 would be on top of that.

MS. LUND responded it's included in the net present value calculation. It's based on the par value of \$1,900,000, so the savings are inclusive of the cost of issuance.

COUNCILMEMBER SANCHEZ stated that's better because it sounded like we were only saving \$67,000. It's going to be \$117,690. Is that correct?

MS. LUND responded yes, over the life of the loan.

COUNCILMEMBER SANCHEZ asked is there any possibility that something could go astray?

MS. LUND responded no.

COUNCILMEMBER SANCHEZ moved approval of [adoption of **Resolution No. 13-R0691-2**, "...authorizing the issuance of Refunding Revenue Bonds, Series 2013 in an aggregate principal amount not to exceed \$2,000,000 and approving the execution and delivery of certain documents [**Document No. 13-D0692-2**] in connection therewith"]; approval of a budget appropriation in the amount of \$9,900 from Harbor Fund 751 Unassigned Fund Balance to the Harbor Fund Interest Account for the FY 2013-14 debt service payment.

DEPUTY MAYOR KERN seconded the motion.

COUNCILMEMBER FELLER asked if it's like when you refinance a house.

MS. LUND responded correct.

COUNCILMEMBER FELIEN stated the only risk of having no prepayment option would be if interest rates dropped even lower than they are now, which seems very unlikely over a long period of time in which there's only a window of a few years. That doesn't seem to put us in any risk. He asked if Ms. Lund agreed.

MS. LUND responded yes, she does agree with that point.

COUNCILMEMBER FELIEN thanked Ms. Lund and staff for taking advantage of these opportunities so that the City gets a chance to refinance and save money.

Motion was approved 5-0.

16. **City Council: Approval to hold a Fireworks Event on July 3, 2014, at El Corazon**

MARGERY PIERCE, Neighborhood Services Director, stated at the August 7th meeting, Council asked staff to determine the costs of the fireworks event that was held this year on July 3rd in celebration of the City's 125th birthday. Staff was also asked to put together what the costs would be to have fireworks in 2014. We've done that, and it's a cost in the \$50,000 range to have the same type of fireworks display that we had this year, assuming that we wouldn't have to supplement the Oceanside Police Department with outside agencies.

The other thing Council asked us to do was to survey the local businesses in

Rancho del Oro. She sent Council an email yesterday correcting the staff report; the businesses in the Rancho del Oro area all prefer the July 3rd date versus the July 4th date.

Staff is recommending that if Council desires to have a fireworks display in 2014, that it be held on July 3rd. If so directed, the respective departments would put that in our budgets for Fiscal Year 2014-2015.

Public input

LARRY BARRY, 3973 Brown Street, asked if the \$50,000 includes the fireworks.

MS. PIERCE responded yes.

MR. BARRY stated usually it's half, at about \$20,000-\$25,000. He asked what day July 3rd falls on this year.

MS. PIERCE responded Thursday.

MR. BARRY thinks July 3rd gives the City an optimal opportunity to showcase Oceanside before the fireworks on the weekend. He was surprised that so many people showed up. 15,000 people were there, and the projection was 5,000-7,000 people. At MiraCosta College there were about 500 people. There were also people watching at McAuliffe Elementary School, Industrial Park and the neighborhoods around El Camino Real. It was a great community effort.

Since Rancho del Oro Road will be closed off at that time, he asked if vendors could be put in to help pay for that. Another big issue is the cleanup. He went by there the next morning, and there was a lot of garbage. The dumpsters were overfilled. If we work with North County Transit and the Sprinter and we have vendors there with food, people will come and spend more time. We can make the event pay for itself.

He understands that the Fire Department is going to be the same cost whether there are 50,000 or 5,000 people there; however, the police will probably have to be more for traffic control. The crowd was pretty good, and there weren't any fights. For years going down to the beach there were crashes; traffic was a mess; and there were fights, drunks, etc. Now it's a good family event, and it's good for people to get involved.

He emphasized having more vendors to create a carnival-type event. With the roads wide open, music and people coming together, it would be great.

Public input concluded

COUNCILMEMBER SANCHEZ stated it was a great family event, and staff put it together on a shoestring budget. Staff hadn't anticipated that so many people would come out. We had four food trucks, and they all ran out of food. The businesses loved it, but they were also starting to run out of food.

We have to make sure that the sprinklers don't go on. We also definitely need more porta potties. What we're looking to do is to start a new tradition for Oceanside. We've outgrown the old tradition because of our size. We're united on the dais to get a family event that will celebrate our City and Country's birthdays. This is a very patriotic city, and the residents love this place.

She had talked to some businesses and asked what they thought about the fireworks, and they loved it. She also asked about their preference. The hotels and a couple of the restaurants said they preferred July 3rd.

On July 3rd we would have the Sunset Market until 9:00 PM. We would also have activities at El Corazon. Hopefully, we'll have parking set up, depending on where we'll be in terms of the process for the 20 soccer fields. It looks like it's going to be a much better and bigger event, and July 3rd is probably the best day.

She **moved** approval to hold a Fireworks Event on July 3, 2014, at El Corazon. She asked if this is going to be a partnership with anyone else, or is this still going to be Oceanside as we move forward.

MS. PIERCE responded we brought this forward as Oceanside, but the Friends of Oceanside Parks and Recreation did participate this year.

COUNCILMEMBER FELIEN asked in terms of the cost of the fireworks, is there a difference between having them on the 3rd versus the 4th?

MS. PIERCE responded no, there's no difference. They're committed to doing the same event. They told her they had upped the ante because they wanted to get Oceanside's business back. They're committed to having it at the same level for the same cost as they did for this year.

COUNCILMEMBER FELIEN thinks the 4th of July would be in demand for having fireworks companies come in, whereas the 3rd would be a day of low business, and we'd be able to get a much better deal.

MS. PIERCE responded since everybody thought we got a spectacular show this year, that's what we benchmarked it on.

COUNCILMEMBER FELIEN agreed that it was great. His only recommendation is that they shoot them higher. He asked the Police Chief for more detail on the issue of the personnel expense on the 3rd versus the 4th. He asked if the beach issue goes on into the night as well, so we're overlapping on the 3rd, or is it just the issue of hiring people on the 4th versus the 3rd.

FRANK McCOY, Police Chief, responded having the fireworks, preferably on the 3rd, is a staffing issue for us. Obviously, July 4th is a much-attended beach day for our residents, as well as citizens from different communities that come to our beach. That's always been a heavy staffing day. The issue of adding fireworks on that particular day at El Corazon would present some staffing challenges for us. A majority of our staff is going to be down at the beach, and obviously the fireworks would be up in the El Corazon area. It's not that we couldn't do it; we could make anything work that Council wanted us to do. However, if you're asking our preference, it would be more manageable for us to have the fireworks on July 3rd. That would have less impact on our staffing capabilities for both days.

COUNCILMEMBER FELIEN stated there's a lot of attraction to having it on the 3rd because it's Oceanside's birthday. His concern, one that he hopes we monitor, is that if we're the only fireworks display on the 3rd we're going to have everyone in North County coming to Oceanside as the word goes out. That's going to impose a huge cost of its' own. He wants to see if there's a way to make sure that what we're gaining on one end, we're not losing on the other.

The other issue that made El Corazon such a great idea was that people would be able to view it from multiple points throughout the City if they didn't want to come directly to ground-zero. It was spectacular with the bands and vendors, and it worked out great. It's a great appeal to be able to drive to some park knowing you're going to be able to pull in, set up your chairs, then watch the fireworks and go home. He asked if we've done any kind of analysis of where the fireworks were visible from, so when we advertise the event in the coming year we can point out multiple options of where the fireworks will be visible from.

MS. PIERCE responded we haven't done an analysis, but we did receive a lot of anecdotal information from neighborhoods throughout the City, even down to Jeffries Ranch, Oceana, Eaton Street and all over.

COUNCILMEMBER FELIEN stated one thing that will make the event better over the years is to create subsidiary locations, so that people with different events going on can watch the fireworks as well. His sentiment is to have them on the 4th with the nation's birthday, but if it makes a big improvement for the City to have them on the 3rd, then we can advertise to see the first 4th of July fireworks in the nation, come to Oceanside on the 3rd. It has its own marketing appeal. He supports staff's recommendation.

COUNCILMEMBER FELLER seconded the motion. You can say come celebrate the City's birthday and the Country's birthday on the 3rd. The feedback he got was that they could see it from just about everywhere, maybe not laying on the beach, but certainly in many of the neighborhoods that are on the crest of the hills as far away as Horne Street.

We had a great event. The good viewing areas will evolve into gathering places. The gatherings away from ground-zero were unbelievable. People made a big deal out of it. The people in Oceana thought it was the best thing they've ever had. He's happy we're going to do it again.

DEPUTY MAYOR KERN stated during the fireworks he got a call from Carlsbad Mayor Matt Hall thanking us for doing the fireworks, which he could see from Carlsbad. Where will we be as far as the El Corazon grading and parking? Where they shot them off is going to be graded, and it may be a grass field by then.

CITY MANAGER WEISS responded there will be plenty of room for them to shoot off the fireworks. It will not interfere with the grading. However, as of June or July of next year, it is unlikely that we will be able to use that site for any parking or use. The fields will not be in a condition where we will be able to use them.

DEPUTY MAYOR KERN asked if the traffic plan is the same as last year.

CHIEF McCOY responded we did have larger crowds than we anticipated. Our traffic plan may be modified because of those crowds, but we will project that and have a good traffic plan in place for this event.

DEPUTY MAYOR KERN complimented Councilmember Feller for being the driver on this. He really pushed to bring fireworks back. Deputy Mayor Kern was skeptical about El Corazon, but it seemed to work out well. It's going to be a great event going forward, especially once we start all of the other activity at El Corazon. He supports the motion.

MAYOR WOOD thanked all of the people that got involved, including all of the volunteers and everybody that attended and turned it into a great first-year event. He had a great time. The fireworks were outstanding.

The catering trucks ran out of food, and the restaurants were running out of food. They didn't expect the turnout. Like all big events in Oceanside, it's great until it's over and everybody tries to leave at the same time. That's when the Police Department got involved. The Fire Department was at every corner of Rancho del Oro making sure there weren't any fires.

His only concern is that we have the event on the 3rd, and other people show up from other counties. We don't need a big problem crowd. That's what we're going to have to monitor to make sure it doesn't start off like it used to at the beach. That has

caused us some problems. Closing the road to allow people to sit in the road, which was mainly families, was fantastic.

COUNCILMEMBER FELLER added last year when we had the discussion about the fireworks, the fireworks company really wanted the event. They were the ones that put on the Big Bang in San Diego, and they really wanted our business. They've committed to having a great show for us every year.

Motion was approved 5-0.

17. **City Council: Adoption of a resolution declaring a Temporary Shelter Crisis from December 1, 2013, through April 15, 2014, and suspending the zoning ordinance requirement to allow public facilities and churches to shelter up to 50 homeless persons without obtaining a conditional use permit**

MARGERY PIERCE, Director of Neighborhood Services, stated staff is recommending that Council adopt a resolution declaring a temporary shelter crisis and allow churches to shelter up to 50 persons from December 1st through April 15th without obtaining a Conditional Use Permit (CUP). For several years Council has done this. Last year we did not do it, but we allowed churches to still provide sheltering. We had some concerned citizens contact us about some churches that weren't monitoring, providing the necessary services or implementing good neighbor policies.

This year she is recommending that any church wanting to provide sheltering services follow the rules that are required of the Alliance for Regional Solutions, of which the City is a member. That would include specific security case management, operation/maintenance/good neighbor plans, a fire safety inspection and a zero tolerance policy for drugs and alcohol use.

She is recommending that the City allow churches to house homeless persons from December 1st through April 15th and not require them to get a Conditional Use Permit. However, they will have to get an operating permit from her after she consults with her colleagues, such as the Fire Department, Code Enforcement, Police Department, etc. before we would sign off on a permit.

Public input

PHIL WOELFEL, 1726 Old Mill Road, Encinitas, is an elder at First Christian Church. Last year we had the shelter program, and he was in charge of it. We had about 8-12 people per night. The shelter program ran really well, and we want to do it again. We support the proposal and have no problems with all of the provisions that were stipulated. We reach out to the homeless at our church, and many of these people have become members of our church. We've gotten a number of them off the street, and we're very proud of what we've done.

We look forward to having the shelter program this year. We plan on implementing a good neighbor policy and all of the recommendations that were suggested. Please vote in our favor.

AN UNIDENTIFIED FEMALE thanked Council and staff for the opportunity to do this. We've seen lives changed, and it's a marvelous experience.

MAYOR WOOD remembers that a lot of the homeless people were doing a lot better. He thanked the shelter volunteers for having big hearts.

MIMI DeMIRJIAN, 214 South Freeman Street, stated she and two of her neighbors are very much in favor of helping out homeless people. There's no reason why they should be denied a place to sleep, with clothes and food. It's just part of our responsibility as citizens. However, the issue is not a homeless issue; the issue is an

enforcement issue and how this has affected neighboring properties in the community.

As she looks at the staff report, she finds that a lot of things are faulty and not worthy of Council approving at this meeting. The background information is false regarding the resolution. There was a resolution in 2009 that allowed temporary shelters on an emergency basis. Since then, there is no other resolution, and we've experienced problems relating to that. Why in four years has there been no progress made in moving forward on the shelter? Why do we still have the same emergency crisis?

As far as the approach goes, it's flawed, vague and inadequate. She referred Council to the analysis section of the staff report, paragraph two, stating that the shelter operators will be required to obtain approval of its management and operation plan. Where is the management and operation plan, the guidelines, enforcement, etc.? It's not mentioned.

The section also states that the plan from the City Neighborhood Services Director shall include a security plan. There is no security plan mentioned. Where is this going to come from? Aren't there other agencies that we can take guidelines from?

On what basis does the Neighborhood Services Director approve people's operational and management plans? Is it based on their ability to provide services or whether she likes them or not? How do you define adequate facilities? There's no definition of adequate facilities. There are no written guidelines. There's no substance to this staff report.

Why was all this done without public review and comment? It's certainly going to affect the neighborhoods and the public; it's a community issue. She showed a resolution done by someone in the Planning Department regarding permanent shelters. It's a model document, with all of the background information and pages of support materials. The current resolution is two pages. The only enforcement you see in this document is that panhandling can result in denial of services. Where is the rest of it?

It is disgraceful to put this in front of Council and the citizens of Oceanside, and to call this dealing with the homeless issue. This should not be approved tonight. This needs to go back and be totally thought-out, with input from the community and OPD (Oceanside Police Department). She can't say how many times she's called OPD. Why weren't they asked to give input on this? We oppose this.

KEN McCORMACK, 218 South Freeman Street, owns a fourplex two doors down from a church. He bought the property in 2011. He lives in one of the units and rents out the other three. He's been through two winters where there was housing at the church. When he first moved in, there were some issues with people drinking behind the garage area and blocking the garages of the residents. He was new to the area when he bought the property, so he tried to go along with it. He thought it was great to have a shelter and put up with a little inconvenience initially, but then came the urinating on the garages, leaving beer bottles, defecating in the bushes and using the garden hoses for a shower. He's here to represent his tenants because they pay good money to live on the property, and they have a right to enjoy the property. He's concerned about the enforcement of this resolution.

There was a temporary resolution in 2009-2010, which was then carried over by the churches, even though there was no temporary resolution for the following two years. This has been going on for three years on a temporary resolution to avoid the Conditional Use Permit, which would have to take into consideration the effect on the neighborhood. At some point it goes from a temporary to a permanent issue and now here's another temporary resolution.

In the actual resolution, it states that many churches that would otherwise

temporarily house homeless families and individuals are unable to process Conditional Use Permits in time for the inclement weather. They really had three years. At some point you have to take into consideration the impact on the neighborhood. Does the City want to do another temporary resolution, and is that going to carry over? When do the residents have some say in the enforcement of the resolution?

There are 384 churches in Oceanside. If you're going to make it temporary, why not rotate once every four years, for example, so you don't impact the same residents all the time. His residents have told him they are burdened by it without proper enforcement. Maybe also decreasing the number from 50 people would help. For example, if there are only twelve people showing up, limit it to twelve people per church.

CLAUDIA EBNER, 213 South Freeman Street, lives across the street from the parking lot, which is kitty corner from the church. For years this neighborhood has been flooded with the homeless. It gets worse when the churches feed them. They come like a magnet and hang out in front of her property all day long. As a result, we have to put up with the effects. There's a lot of debris and trash put on our properties. We have to put up with a lot of inebriated behavior and verbal altercations. She's had transients sleeping on her property.

They defecate and urinate on your property, almost to the point that it smells like a sewer. That's a health problem. She's been a nurse all her life and knows there are a lot of communicable diseases that are spread through feces. Homeless people have a high percentage of TB (tuberculosis), hepatitis and other communicable diseases. It's a health issue for everybody involved in this environment.

She also wonders about the rule that says they can have up to 50 people. She's been in that room, and it doesn't seem like it could comfortably sleep 50 people. She's not sure if they sleep on the floor or on cots. How are they handling that? Also, what are the hours of operation? From sunset to sunrise, that could be 12-13 hours during the wintertime. Are they going to have dinner served? How are they going to keep these people entertained and maintain the behavior situation?

The resolution also says they are going to have drug and alcohol testing to be allowed to stay there. It doesn't mention what tests. You can't take blood or urine from somebody without their written consent. Are these people going to give consent for drug testing? Who's paying for this and who's taking it? They say they're going to have medical supervision. Is that a doctor, nurse or EMT? It doesn't say. Many of these people are mentally ill and not taking their prescribed drugs; they're prone to psychotic behavior. Who's going to manage this? It's only going to get worse with felons being released from prison.

Public input concluded

DEPUTY MAYOR KERN agrees with Ms. DeMirjian that we have to do something about this population. The church on South Freeman has not been a good neighbor. He saw the Code Enforcement pictures and talked to the neighborhoods, but it is a need in the City. In the last couple of weeks, we got more complaints about the transients downtown. He and Councilmember Feller were having lunch last week, and one of the business people went out of his way to come in and complain about the transients downtown. We're creating an attractive nuisance here.

As far as housing these people, he's going to support this resolution with the exception that we exclude everything north of Wisconsin and west of I-5. We need to move them out of the downtown area. The shelters at St. Anne's and the Presbyterian Church will accommodate those people, but he's not going to support any shelter going into that area north of Wisconsin and west of I-5. We have a city of 42 square miles; excluding 4-5 miles is not that bad.

He **moved** approval [of adoption of **Resolution No. 13-R0693-1 with modification**, "...declaring a Temporary Shelter Crisis and suspending the zoning ordinance requirement to allow churches to shelter up to 50 persons from December 1, 2013 through April 15, 2014 without obtaining a conditional use permit (to exclude everything north of Wisconsin and west of I-5)"].

COUNCILMEMBER FELIEN seconded the motion.

COUNCILMEMBER SANCHEZ heard that there are some issues with the shelters. The homeless are going to be in the downtown area regardless, so it would be better to have something organized with rules, background checks, etc. that we can help to accommodate. To just say we're not going to have a homeless shelter in the downtown area doesn't make sense, in terms of addressing what she just heard. This resolution is through April, and she just heard that a problem was felt this past week, which has nothing to do with the shelter. Every city has an issue with homelessness.

In terms of being a regional player, we as a City decided that we would get more permanent solutions by partnering. The project we've been supporting is in Vista. We're trying to come up with what Vista can't handle, especially during a time when it's very cold, and especially when we realize that most of our homeless at this point are families. We're talking about kids. We're talking about people who actually work, but can't afford to have a place. We've been doing this since 2002; it's been a long time. To hear that these are the problems happening right now or have been in the last few years, this is the first time she's hearing about it. She would prefer to see if we can work out a way to address whatever problems have been felt by the communities.

We can't fix every problem with the homeless within the Constitution. You can't just arrest someone because they look like they're homeless. We're talking about families and very young kids. We have people who spoke this evening saying this is a work of love. They feel that they help a lot of people and turn their lives around. However, as a Council we're not willing to put our own efforts into creating a solution. We're passing the buck to our churches to see which churches will stand up and help on this issue of caring for our brothers, sisters and kids. Then we say we can't accommodate every request to help the City because we're trying to get rid of the homeless downtown. We'll never be able to do that. All we're doing is making it even harder for families to get through this next cold winter.

She's hearing these complaints for the first time. She would prefer to work with staff to see what we can do to minimize that, but it isn't going to take care of the problem. We don't have a homeless shelter situation right now and it sounds like they're having problems without having the shelters. Obviously, the problems that are being described are outside of what is being presented tonight, so she won't be able to support the motion.

MAYOR WOOD stated we all know that we can't fix the homeless problem because the economy has been terrible. A lot of people that aren't normally homeless are families with children. The Bread of Life and Brother Benno's tries to help, but we get complaints from every one of those shelters too. The surrounding neighborhoods and businesses complain, but we try to ask what we can do as a City. A while back, we found out from the State that we can't monitor shelters going into industrial areas or neighborhoods. It was a mandatory situation from the State, which ties our hands to some extent.

He asked Ms. Pierce if she has any recommendations. He'd rather have the experts in Neighborhood Services be involved in trying to resolve this problem. What we've voted on in the past is to say that when it's cold outside, we'd like to see somebody else other than the City step up and give the homeless some shelter. If the neighbors are having problems, he can relate to that too. Nobody wants them in their

neighborhood, but somewhere we're going to have to try to help them. The warm weather in Southern California brings an abundance of homeless people to our area because they can sleep outside, except in the winter.

We also have a handful of homeless people who have mental or drug problems. They're not going to cooperate with us, the church or anybody else. Those are the people you see living out in the forest or the riverbed. We can't do much about it. He asked Ms. Pierce if she and staff can take time to work on this with the church or the neighborhoods.

MS. PIERCE responded in the past when we adopted the resolutions, there was an inclination to say that this is what churches do, so let them do the good works to feed and provide for the homeless. We didn't have any parameters other than that they couldn't shelter more than 50 people. We didn't go in and inspect. We didn't talk about whether they could perform religious services, etc. It was really a hands-off approach.

We did get complaints, and we had one other local church where we had people living in what might not have been safe conditions. When we wrote this resolution, we decided that we needed to put in enforceable guidelines. The idea was that a church that wished to do this would present to us a proposal of their plan. She would then get a fire inspector to go check it out. Obviously, if they can only house twelve people, it would be twelve people. She kept it in line with the ARS (Alliance for Regional Services), which has a sheltering network in North County that has been successful, and we haven't received complaints. Bread of Life houses 50 people every night at their site.

The only other shelter that was within the Alliance is Interfaith's Rotational Shelter that four churches in Oceanside participate in. That program is where 12-14 homeless folks would stay. They're cream-of-the-crop homeless people in that program because they are supervised by church members. They rotate through the shelter system and spend 2-3 nights at each one of those churches. They will start to do that in one month. We've never received any complaints about the rotational shelter; they're very well managed. It's just recently that we've had complaints.

We didn't have any enforceable guidelines. When Code Enforcement went to the church, by the time they got the notice March 30th had come around. They were closing their operation at that time anyway. She did her best to put in some teeth that would be enforceable. If they didn't cooperate, weren't a good neighbor, didn't have a good management plan, security or case management, we wouldn't approve them. We wouldn't give them a permit to operate.

MAYOR WOOD asked what her feelings were on the recommendation from Council for a particular zone.

MS. PIERCE is happy to implement whatever Council directs her to do.

COUNCILMEMBER FELLER stated we all know that when towns were founded they were built around the churches. That's why those churches are the first churches in town after the mission. Everything was built around the mission for a while as well. We're singling out 3-4 churches in that general area. What we're trying to do as a City is have churches do the responsible thing. He appreciates what Deputy Mayor Kern said, but there may be a way around it. Maybe the churches downtown can plan around families and not just anybody. That might be better because he hates to turn anybody away if people are willing to do the work. Maybe their plan in the downtown area is to house 2-3 families and get on that list ahead of time.

Bread of Life has 50 beds. He's had many complaints about Bread of Life, but they're doing what needs to be done to handle the situation, and he appreciates that. He doesn't know what Calvary of the Coast does, or if Grace Chapel or the church on

Tremont and Seagaze does anything. If their proposal could be restricted to something more along the lines of families only, it's a better solution. Then you don't have homeless people coming in and not being governed in any way. Councilmember Sanchez talked about the children, and it struck a chord with him because it's something that's happening. We have enough inviting places already for families to hang around, such as St. Mary's. He doesn't think they house them, but they do feed them.

He's at a loss because he understands what the members of the church stand for and are trying to do. It sounds like they're willing to work and maybe that's the compromise; that they can still contribute, yet select families. We've gone through this for years with Brother Benno's. He doesn't know if there's ever going to be a way to solve some of these problems.

If Deputy Mayor Kern could amend the motion, maybe we can include families. That's how he'd like to approach this.

MAYOR WOOD stated we have a problem in Oceanside. We're trying to be big-hearted and help, but we're also putting the burden on the churches. He doesn't know how to fix the problem. He doesn't think any city knows how to fix the problem. The church will have to be responsible for the surrounding area. If they bring people into the church, they're going to have to be responsible in how they impact the neighborhoods when people go outside the property. That means they're going to have to tell them about drinking, drugs and all of the things they can't do if they come in.

The number one complaint he is getting from the neighborhood is about the defecation. People have suggested if there was a porta potty outside that the transient-type people could use, they won't go over to somebody else's yard. That's something the churches may have to get involved in, having a porta potty on the premises to be used after-hours.

He doesn't have an answer, which is why we're talking. He has compassion both ways. We have to come up with a solution. He doesn't like closing out the churches in a zone in the downtown area, but it's a possibility. However, we're coming up with more stringent requirements with permits, inspections, etc. The Police Department and Code Enforcement don't have the time to investigate these issues at churches, but something has to be done to help the neighbors. He doesn't want to say they can't take in people because we're the ones that said please do the job.

COUNCILMEMBER SANCHEZ stated the need is great. There's always going to be a greater need than there are people to help. The recommendation from staff is that Council adopt a resolution declaring a temporary shelter crisis in Oceanside from December 1, 2013, through April 15, 2014, suspending the Zoning Ordinance requirement to allow churches to shelter up to 50 homeless persons without obtaining a Conditional Use Permit. With incorporating the new rules that have been described by staff, and also incorporating the concerns raised by Councilmember Feller, she would be willing to support that motion if the current one fails or is not modified.

DEPUTY MAYOR KERN stated we're here to protect the neighborhoods. That's always been his concern. Obviously, this one facility has not been a good neighbor. He's talked to the neighbors; they came to him about four months ago about this issue. They have been talking to the City, and we've been working with Code Enforcement and police officers. He's asked for police reports, etc. He understands the compassion and so do the neighbors, but we can't allow our neighborhoods to get run down because a church in the neighborhood is compassionate.

When he first saw this he went to the City Manager and City Attorney about the Conditional Use Permit. Why don't we make them get a Conditional Use Permit and have a set of conditions? The next thing he talked to the City Attorney and City Manager about was if we can exclude them out of residential neighborhoods. How can

we protect our neighborhoods from this? With Bread of Life and Brother Benno's, people don't live there. Those are industrial areas. This is not your home that you have to worry about in the morning when people are hanging out in front or when you're trying to get into your garage. That's different. That's why the State has designated industrial areas for this type of activity.

It's a compromise that we took this one zone out of downtown. Will it solve our problem? No. Will it start to solve our problem? Maybe. We have a new hotel going in, and he's getting a lot of complaints about transients in the downtown area. He doesn't want to create an attractive nuisance downtown. There is adequate bedding right now at St. Anne's, Presbyterian Church, Bread of Life, etc. There are adequate facilities for sheltering, but he can't see causing a detriment to a neighborhood in order for a church to do this. If it was in his neighborhood, his neighbors would be upset too.

He hasn't seen the plan and doesn't know how stringent it is. They may not qualify or come up with a plan. Are we going to write the plan here tonight about certain areas having just families or young children? That's the problem we're having now. We're going to try to rewrite this from the dais, and that's not the way we should be doing this. His solution was to exclude one area and keep the rest wide-open. 40 square miles of the City is wide-open, and we're just closing off 4 square miles. That's a good compromise, and people will be served.

We ought to think about our neighborhoods and the people who pay our taxes and actually live in our neighborhoods year-round versus those who are passing through. How do we protect our neighborhoods? That's his concern.

He hopes Council will support the motion this year. Next year we can figure out some solution on a permanent basis. Nobody is saying let's solve this problem. We declare an emergency every year. We've had three years to come up with a plan, but nobody wants to come up with a plan. This year we can start the process, and then next year maybe we can start some type of a plan in conjunction with Carlsbad and Vista about how we do these shelters in the wintertime.

He can't see changing his motion because it's the best motion we have right now for the neighborhood and the people who actually live there.

COUNCILMEMBER FELIEN stated it's a very tough decision. He has participated as a volunteer for many years in a rotating shelter with his church. He thanked the volunteers who help the members of our community who need it. They commit their time and resources to make that happen. We also have to acknowledge the detrimental effects that are taking place outside the shelters with a certain segment of the homeless population. You have people with substance abuse and mental health issues, as well as economic refugees who are good people who hit hard economic times.

His church couldn't solve every problem, so they focused on families. They were tested for drugs and alcohol, and we made sure they were not mentally ill. The church did not make that determination; they weren't experts in that field. They got referrals for families from either a Countywide or North County organization. They did the testing and interviews, and the church took referrals. Maybe having the church on Fremont hook up with that organization might solve the problem. When we had families without substance abuse or mental illness issues, we did not have a single complaint of problems going outside into the neighborhood that he can recall. It was strict monitoring.

He agrees with Deputy Mayor Kern that we can't write that procedure tonight from the dais. He hopes Council can vote on the motion on the floor as it is and address Councilmembers Sanchez and Feller's concerns by inviting staff to work with the neighbors who have issues and the church that wants to provide a service. Then see if we can come up with a framework that says this church will only focus on families, and

this is how we will prevent spillover outside the church and the neighborhood. If that can be worked out, we can all move ahead and will have done our best to address the concerns. If it can't be worked out, then we have the motion that has been passed and can try again next year.

We can't ignore the legitimate complaints that have come from residents. We have to address that. His hope is if we're not able to work the larger issue that the local church would link up with the church outside of the downtown area to work on a shelter that exists somewhere else in the City. Then they can still make a charitable contribution that has an impact on people in need. There is a way out, but we're not going to be able to figure it out tonight. He supports the motion.

COUNCILMEMBER FELLER asked how many churches Oceanside has.

MS. PIERCE responded we've never required a church that is providing any type of sheltering service that we aren't financially supporting to register with us. She can't say how many churches out there may be only housing one family. She's heard that has occurred on occasion at Calvary Church and Grace Church. In the winter sheltering system with the Alliance, there are four coastal churches in Oceanside that are on the rotational shelter, including Councilmember Felien's church. We also have the Bread of Life, which is supported by the ARS.

COUNCILMEMBER FELLER asked for the names of the four churches.

MS. PIERCE responded St. Anne's, First Presbyterian, the one on Kelly Street, King of King's Lutheran, and she can't remember the name of the fourth church.

COUNCILMEMBER FELLER asked if all four churches are in neighborhoods.

MS. PIERCE responded that's correct.

COUNCILMEMBER FELLER asked if there have been a lot of complaints.

MS. PIERCE responded they've been operating here for years, and she has never gotten one complaint.

COUNCILMEMBER FELLER asked if there is a way for First Christian to get in that system.

MS. PIERCE responded that could definitely be explored. That's with the Interfaith Shelter Network. They may be looking for additional churches to extend the period of time that they can house people.

COUNCILMEMBER FELLER will go with the motion and task Ms. Pierce with trying to figure out a spot for First Church in the rotation, if it's a no-complaint type system. He hopes they can make the effort to get involved with that. His guess is that those other churches are probably more family-oriented, except for Bread of Life. He supports Councilmember Felien's comment that staff will have to work on it.

Motion was approved 3-2, Wood and Sanchez – No.

MAYOR AND/OR COUNCILMEMBER ITEMS

25. **Request by Deputy Mayor Kern to review questions concerning Fire Department overtime and provide direction to staff**

DEPUTY MAYOR KERN stated all of this started with a memo by the City Manager about the overtime budget. It deeply concerned all of us on the Council. He wants to figure out where we are and where we can go. He asked the City Manager to

explain the reason behind the memo, why he sent it and his recommendation at that time.

CITY MANAGER WEISS responded the memo was the year-end financial report that we provided Council. In that report, we went over the status of not just the General Fund, but all of the Enterprise Funds, and the status within the General Fund of all of the various departments' revenues and expenditures. On a good note, the City as a whole ended the year with a surplus. However, there was an issue in regards to several departments spending more than their allotted budget.

For the Fire Department, that amounted to slightly over \$300,000 in expenditures above their budgeted amount. In prior years, even though the Fire Department's overtime budget fluctuated, the overall budget for the Fire Department was under the appropriated budget. This past year the overall budget, even with consolidating all of the various revenues, expenditures and additional revenues that were received, was actually over budget.

The concern was that as the year started, the ability to take corrective action grows significantly the longer you delay in implementing some type of corrective action. Council's direction in the past has been that on the quarterly budget updates, he was tasked with coming to Council with a corrective action plan for any department that looked like they were exceeding their budget. Even though this was the year-end report, at the three-quarter mark the department had been targeted to be at or under budget. At that time, the recommendation was based on a need to take corrective action so that they did not get halfway or all the way through this year and see the same action take place.

Since then, there was a separate memo and Council did approve the SAFER (Staffing for Adequate Fire and Emergency Response) Grant, which will provide for additional staffing that will reduce the overall amount of overtime. The estimate of the overtime reduction on an annualized basis is approximately \$350,000. The basis for the memo was that whenever he brought Council the quarterly updates, for any areas there was an issue of concern, Council expected him to provide a recommendation on how to offset that correction.

DEPUTY MAYOR KERN stated one of the things Council does is control the budget. That's probably the most important thing that we do. This year's budget passed 4:0. Everybody was onboard with the understanding that everyone would meet their budget numbers, just like the previous year. When he sees that it's so far out of whack, he's very concerned. He talked to Dave Overton, who represents the bargaining unit, and he also talked to the Fire Chief about his concerns. Mr. Overton was perplexed; he didn't understand how they could be over budget, but he is digging into the numbers too.

He doesn't want to go off the deep-end and make all of the corrections right away. He supports the City Manager in his attempt to bring those recommendations forward to correct the problem. In talking to the Finance Director, the Fire Chief and Mr. Overton, the best course of action is to monitor this closely. The Finance Department sends the overtime numbers every two weeks. He requested direction to the City Manager that Council and Mr. Overton get those numbers too, so that we're all looking at this issue.

In his previous life in education, when presented with a problem like this, the first thing they would do is observe and monitor. Our course of action until January 15th is that we observe and monitor until that time and then see where we are at. If we have to take corrective action, it gives us six months to bring it back in line. He knows there are some reimbursement issues. That's what Mr. Overton and the Fire Chief have discussed about the crews that the City sends on State fires and about the billing and reimbursement. They're not quite matching up because of time.

Hopefully, the fire season will be over by the end of October. By January 15th we should have a good handle on what those overtime numbers are.

Public input

JOAN BRUBAKER, 1606 Hackamore Road, appreciates Deputy Mayor Kern looking over the budget and being conscious of it. However, she shudders when she hears talk of overtime. In spite of the fact that the City has employed more firemen, the City has not augmented proportionately to the growth of the population. They're asking the firemen to serve a lot more people, with no more cost. If they're helping with fires that are burning rampant in the forest, obviously we have no control over that. She urged Council to consider very carefully how the Fire Department personnel numbers have grown in proportion to the population.

Recently, there was talk of a brown-out at one fire station each night. That's not a good idea. It will burden the other cities in the cooperative agreement, which will cause a problem. The perfect resource for this in most people's opinion is outsourcing, but outsourcing is awful in comparison to our Fire Department. Those are premier people.

She urged Council to consider very carefully any reduction or browning-out, and to be patient because the personnel has not developed as much as the population.

Public input concluded

COUNCILMEMBER SANCHEZ stated prior to our current Fire Chief, we had a Fire Chief who was talking about how to cut public safety before he left. This is something that is very difficult to do. It's not like another department where you can say you won't answer the tenth call or purposely lower the level of service so that residents will have to wait an extra 5-15 minutes. This is not how we operate as a City. Our citizens have an expectation that when they call 911 someone will answer and help will arrive, whether or not it's saving a life, a structure or getting to that person before something dreadful happens such as a stroke.

Going back to the previous Fire Chief, about that time we started talking about cutting our Fire Department budget. We have a system that has been working. We have not hired more Fire personnel than when we were a City of 130,000 people. We're now at about 180,000 and we still have the same number of personnel and may have a few vacancies. We can't hire the number of personnel needed for our worst day in Oceanside. We've got to come up with a way of addressing the costs that take into consideration overtime.

Somehow overtime has gotten a bad name, but that's how we handle our responses in the most effective, ethical way. We don't hire additional personnel to add to the burden of our pension obligations. In fact, we are very cost effective because we handle this through overtime. Fire Chief Garrison said that Council was asking him to cut when they were already cutting to the bone. He couldn't tell Council anywhere else to cut. We had studies done, which said that Oceanside is doing a phenomenal job, and the only place to cut is into the bone. As for browning-out an ambulance, she doesn't know which neighborhood with a fire station is going to volunteer to have their neighborhood not have an ambulance respond. It's not going to happen.

She doesn't agree with the statements made about how we're all very concerned about the budget for the Fire Department. She's not concerned because there is no way that we're ever going to control who gets sick, what fires start or what accidents happen within our City borders. Browning-out an ambulance means that our dropped borders do back up. That means our residents will have an impact, and there will be a cost. She doesn't agree with the presentation that was made. She believes that we are doing

the best job we can. In fact, we have unplanned revenues. We have several departments that come in under budget, including the City Council, yet we continue to have calls for service. These are real. We have fires going on. Our Fire personnel responds to State requirements. She asked if the City has a State apparatus in Oceanside.

DARRYL HEBERT, Fire Chief, responded yes.

COUNCILMEMBER SANCHEZ stated we still have that responsibility to respond. She complimented the Fire Department for the good job they do in maintaining a level of service. This is a budget that is not within our control, in terms of the number of emergency calls that we get. We can't cut it like an after-school program.

She watches every budget. She knows there's nothing fishy going on in the Fire Department's budget because it's very transparent. They respond to calls. She has five generations of family in Oceanside. If a family member falls or stops breathing, she wants to feel that she can pick up the phone, call and have a firefighter paramedic there within five minutes or less.

There is no direction other than watching the budget. What is being said by Deputy Mayor Kern is basically just picking on the Fire Department.

MAYOR WOOD asked the Fire Chief to address the issue. He looks at the same paperwork and sees a Fire Department that's undermanned. The City doesn't give them the budget to do an appropriate job. The Police and Fire Departments use overtime to keep from hiring people at a higher rate with their retirements. It has always worked in every other city. If you get \$5,000,000 cut out of your budget from 2006 to now, you're going to be short in your budget. If you have a growing population and you can only have so many people working, you're going to use overtime.

He wants people to understand what overtime is. We don't have enough people hired, yet we don't want to hire more people and give them full pay, benefits and retirement. That's expensive. We have police officers and firemen fill in on the days that we need them. It's a lot cheaper than hiring more personnel. He looks at the paperwork and sees that budgets have been cut so much over the years. It's no wonder they're using overtime.

CHIEF HEBERT stated when questions were asked about why they were over budget he went to the budget and looked at it historically. Since he's been the acting Fire Chief from December of 2009, they had an original budget of \$26,421,000. Today their budget is \$22,988,000. Historically, the budget has gone down. As far as overtime expenditures, those have stayed consistent and have not gone up. They run about \$3,000,000 per year. The most expensive part of a fire department is personnel. When the policy makers determine that percentages of budgets need to be cut, there's not a lot of money other than personnel that he can go to in the Fire Department budget.

With overtime expenditures staying consistent and his budget going down, he's fortunate that the revenue side has gone up. They've been doing better with revenue in their Prevention Bureau. The out-of-county responses are all reimbursable. Sometimes we even make additional money on it with the administrative and vehicle pay.

The bottom line is that the Fire Department needs more money in their budget. He is prepared to provide three options to Council. First, if you want to eliminate the overtime, then hire a bunch of extra personnel and we'll run it that way. That's going to cost money. The second option is to fund the budget appropriately. That would be asking for additional money. He's happy to give it some time and do further analysis, but it certainly is underfunded. The last option would be to brown-out a unit or shut

down a station or an ambulance, which he would not recommend.

With the SAFER Grant, the Federal government recognizes that we're understaffed. We have three studies, ESCGI, Citygate and TriData, that state that we're understaffed. We barely meet NFPA (National Fire Protection Association) 1710 with the current staffing that we have. He would not recommend browning-out any station or ambulance at this time, but that is an option for the policy makers.

MAYOR WOOD stated we just had a study. He asked what the cost was.

CHIEF HEBERT would have to refer to the City Manager about the TriData study. The Citygate study was \$78,000 and the ESCGI study was about \$38,000.

CITY MANAGER WEISS stated it was approximately \$75,000.

MAYOR WOOD stated we have three different groups telling us we're short-handed, and we're complaining about overtime. We're supposed to monitor the budget. That's our job and we will, but we're trying to address the issues of public safety. Everybody knows that overtime is how you run public safety without hiring more people. It's the cheapest way to go.

He doesn't want to constantly see a memo on his desk addressing the Fire Department and its issues. Are we good stewards of the City's money? In his opinion, yes, so to constantly harp on the Fire and Police Departments on overtime is silly at best. Any politician knows that one of the top three issues for the constituents is public safety. That means fire and police. Overtime is something you can't predict, but it's the cheapest way for police and fire to handle the job when something special comes up. Without hiring more people, you can fill the gap with people you already have.

Overtime in the Fire Department is not going away because we're getting to be a big City. He asked how many calls for service they get per year in Oceanside.

CHIEF HEBERT responded 17,800 calls last year.

MAYOR WOOD stated that's a lot of calls for the Fire Department. We've worked hard to do boundaries with the other cities. We'll drop the boundaries and come into a city, and that pays off for the citizens. Somebody will be there. He heard that we might brown-out an ambulance, but what part of the City or neighborhood are we going to take that ambulance out of and say it's not going to run for a while? That's not the way to do it for public safety; overtime is.

A few years ago, the Fire Department was getting \$3,000,000-\$5,000,000 more in their budget. Now they've been cut that amount of money. If they're getting those kinds of cuts, he's not shocked that they're using overtime. If they had their original budget back, that would be an extra \$3,000,000, and they wouldn't be using a dime in overtime because it's the same amount.

The Fire Department is getting picked on, and he doesn't want to hear it anymore. We always monitor what's being spent within the City. It's the job of the City Manager and Council. We're \$7,000,000-\$8,000,000 over-budget right now and doing well. Being a good steward of money is nice, but not in this area.

COUNCILMEMBER FELIEN stated the issue isn't any attack on the Fire Department or anything like that. When he went on a ride-along he had nothing but respect for what he saw, the work that was being done and the commitment to the City. It's not his desire to micromanage the Fire Department, having never spent a day holding a fire hose. He's not going to pretend to be an expert, but budgeting does allow a non-expert to make an attempt to analyze whether or not we're controlling our costs because the initial budget comes from the Fire Department itself.

The issue of overtime has lots of moving parts, one of which is the decision to deliberately incur overtime, as opposed to hiring personnel, because the pension expense is actually more expensive than the overtime expense. That is the reality we live in. The decision and desire to have overtime instead of hiring extra people benefits the City and is requested by the personnel themselves as a chance to earn overtime. Everyone's onboard, but if you reach a point where people are incurring too much overtime, you are wearing out the personnel and you have to bite the bullet and hire additional people. That issue is factored in already when we're looking at the overtime.

The issue of out-of-area service, where we expect to be reimbursed, causes overtime budgets to go up and down. That, too, is already factored out when we're looking at this budget. While it's true that you cannot predict in any given year what the events are going to be, if your budgeting procedure is accurate, you should have some years where you're slightly above and some years where you're slightly below. It should average out over time. When we see that we're overshooting our budget and the surprises are always on the upside, it's reasonable for Council to raise their hands and ask the City Manager and Fire Chief to explain this to us. That's the only process that's going on here.

Part of the recommendation is to brown-out an ambulance during what we believe is a low-service time. It makes him very uncomfortable, and it's not a road that he wants the City to go down. When he was discussing this issue with the Fire Chief, he asked him to put together some figures. The ambulance is not the first responder, it's the second responder. The fire truck shows up first with the paramedics, who provide the initial service. That is not going to be impacted by any decision related to ambulances. The ambulance then comes as a follow-up to provide transport to a medical facility. The issue is whether there's any risk in lowering the number of ambulances that are available. He asked the Fire Chief to research his records and see if he could tell us how many times that all four ambulances were in use during the service time we're looking at.

CHIEF HEBERT responded he ran some numbers between July 1, 2012, and June 30, 2013. Between the hours of 7:00 PM and 12:00 AM, two ambulances were busy 10.4 times each night, three ambulances were busy about four times per night and all four ambulances were busy one time per night. Our primary downtime seems to be between the hours of 1:00 AM-5:00 AM, when there's nothing going on.

COUNCILMEMBER FELIEN asked if they have to have a full shift, and during the time that the shift would take place, are all four ambulances in service on a fairly regular basis?

CHIEF HEBERT responded correct.

COUNCILMEMBER FELIEN asked if we were to brown-out an ambulance, how does that affect the no-drop zones and our relationships with the surrounding cities? Are we obligated to maintain a certain number of ambulances that are available or are they happy to come into our City and get the revenue for the transport? Do our surrounding cities care one way or another, in terms of what we decide to do regarding ambulances?

CHIEF HEBERT responded the boundary drop is an informal agreement between Vista, Carlsbad and Oceanside. Currently, the ambulance boundary drop between Carlsbad and Oceanside is suspended so that we could do some research on revenue. There is talk about opening that boundary drop back up. He got a phone call from the Vista Chief two days ago when he heard word of this. He wants to meet tomorrow to discuss discontinuing the ambulance boundary-drop agreement, due to the fact that we possibly could brown one out. In essence it would affect our boundaries.

COUNCILMEMBER FELIEN asked in terms of having three ambulances in service and waiting for the fourth to come from another location, is there any medical risk in terms of the average delay? Are we talking about a minute, two minutes, etc., with it being a transport issue and not a first response issue?

CHIEF HEBERT responded there certainly could be a delay. The majority of our calls are medical-related. More of a concern he has as a Fire Chief is the fire response side, the sheer number of how many firefighters we have on duty per day. NFPA 1710 requires 14-15 firefighters on a first-alarm assignment. We run anywhere from 300-400 fires a year in our City. It's important that we get the correct number of firefighters on that fire.

The other night we had a second-alarm fire at North Coast Village and simultaneously had a fire at the tomato packing plant off of North River Road. The first responding unit to that tomato packing plant was one of our ambulances, with two firefighter paramedics on it that could start flowing water with a Vista engine at the same time. His concern is the sheer numbers. As far as the medical response, there certainly could be a problem, based on the fact that between 7:00 PM and midnight all four ambulances could be tied up. There could be a delay in response in getting that patient to the hospital.

Transport is a key part of treatment. We need to get those patients to the hospital. There are a limited amount of things that a paramedic can do, so transport is the key. Those ambulances do become a factor.

COUNCILMEMBER FELIEN stated we had some comments regarding our budget vis-a-vis our population. He's hoping that as part of the new City Manager coming onboard and taking a fresh look at this through the budget process for next year, he and the Fire Chief will do a thorough analysis of how our fire budget compares to equivalent communities, based on the number of calls we have. It was January when we addressed this issue. He wants real numbers. He's willing to make hard decisions as to how we allocate our budget. If we're short on a realistic basis compared to how other fire services are provided in other communities, he's willing to bite that bullet, but we're going to want to see a thorough review in that regard before we go in that direction.

Whatever the budget is that we vote on in June, Council has a reasonable expectation that we'll come close to that budget. Some years will be slightly up and some slightly down, but we should be closer to the mark than we've been in the past. He invited the labor representative to add any comments that'll help Council to get their arms around this.

DAVE OVERTON, Fire Captain and Union Representative, echoes the sentiments of the Fire Chief. We had talked about the overtime. The overtime budget for this side of the City is what it is. It has gone slightly up and slightly down over the past 6-8 years. Recently, the Fire Department has given up a holiday. There have been changes in the sick leave use, which causes those vacancies to go down. This is a smaller cost for the City.

The City Manager had also mentioned the SAFER Grant coming in and eliminating one shift, or approximately \$350,000 a year. The Firefighters Association takes pride in the City. They understand that their well-being is tied up in the well-being of the City. Although we don't like it, we understand where that comes from. What we don't understand is that on the heels of that comes a possible brown-out.

COUNCILMEMBER FELIEN stated public safety is the primary service we need to provide to our residents as a city. He wants Oceanside to be second-to-none in having those services available. He looks forward to working with the Fire Chief and City Manager to make that happen. He supports Deputy Mayor Kerns' effort to have us

get more information so that we can monitor this issue. It's a long-term process; it's not going to be instantaneously decided in one night. As part of our job of looking at our budget, we need to look at the areas where it's popping up and see if there's a way to push it down. There's nothing sinister or representing an attack on City employees in that process. It's part of the management oversight that Council is supposed to provide. That's all that's taking place here.

COUNCILMEMBER FELLER stated if we just give up our legislative Aides, we could give that money to the Fire Department. He asked if false alarms are included in the 17,000 calls.

CHIEF HEBERT responded yes.

COUNCILMEMBER FELLER asked what's the percentage?

CHIEF HEBERT responded he doesn't have those numbers in front of him, but a false alarm would be wheels turning. Those were included. The ones where we don't turn any wheels aren't included. He could get that number.

COUNCILMEMBER FELLER would like to know the number. He knows that the new City Manager has a city of 70,000, with five or six stations for that amount of people. They don't have their own ambulance service. He's made the statement that Oceanside is underserved by the Fire Department. Councilmember Feller is looking forward to managing the budget and also figuring out how to remain number one.

There are opportunities for all of us to cut. The Fire Department has brought their budget down considerably in the last few years. It's creeping back up to where it was before the "great depression." We're getting up to \$121,000,000 for the budget. We were down as low as \$109,000,000 not too long ago. We just need to keep our eyes on these things all the time.

MAYOR WOOD stated Council was sent a list of the Fire Department costs, how much money they had, etc., starting in 2006 up until now. He asked the Fire Chief if he had that list in his folder.

CHIEF HEBERT asked if the Mayor meant the memo that he sent out.

MAYOR WOOD clarified it showed a \$27,000,000 budget in 2006 that is now \$22,000,000.

CHIEF HEBERT doesn't have it, but asked if he had a question regarding that.

MAYOR WOOD stated sometimes it's nice to see it on the wall or in writing. When he sees a \$27,000,000 budget in 2006 that is about \$22,000,000 today, that's almost a \$5,000,000 separation from what the Fire Department used to get.

CHIEF HEBERT responded there's a document that was provided from Finance. He'd rather use their numbers. He had provided Council with some numbers from the website and the studies that were incorrect. This other one was directly from the Finance Manager. It describes the budget.

MAYOR WOOD stated what he's getting at is that over a few years' time, the Fire Department has taken about a \$5,000,000 hit in their budget. That will impact overtime. He understands there's a budget crisis that the whole world is in, and we needed to make cuts. The Fire Chief is managing the Fire Department and getting the job done. We're one of the busiest cities. He and the Fire Chief sat on the Joint Powers of Authority for all fire dispatch in North County. Oceanside is the big boy in the room for service calls and activity. Those drastic cuts have hit everybody, including our Fire Department.

He doesn't like to see a \$3,000,000 overtime cost that is the same amount of money we had in the budget a few years ago. He gets worried when he hears about browning-out ambulances. The Fire Chief gave us three options. He asked to hear the options again.

CHIEF HEBERT responded the first option would be to fund the budget appropriately to cover that cost. The second option would be to hire additional personnel and eliminate overtime, which would be a cost to the City. The third option would be browning-out the station.

MAYOR WOOD doesn't want to hear about browning-out; it's unbelievable. We really watch the budget, and overtime is for situations that come up in tight economic times. Some of that is our problem because we cut their budget. We haven't managed it well as a Council or City Manager when we made cuts. Everybody understands the cuts, but that's part of the problem.

COUNCILMEMBER FELLER stated we just approved the SAFER Grant. He asked isn't that eleven new officers?

DEPUTY MAYOR KERN responded you can't use all of them for back-fills.

CITY MANAGER WEISS reminded Council that their direction to him was to come with an Action Plan when we do the quarterly updates. Our first quarterly update is scheduled for the first meeting in November. Based on the input tonight, any corrective actions we need to take for all of the other departments we will present to Council, with the exception of the Fire Department since we're delaying this until January.

He also reminded Council that they adopted a budget this year with about a \$160,000 surplus. If the goal is to add additional resources, whether it's personnel or funding to the Fire Department for overtime that's beyond the \$160,000, Council will have to take it from somewhere. Council's financial policies do not permit them to take one-time monies, such as the sale of the mobile home park, and apply it to the operating budget. If Council wants to look at adding, then he needs to know that so he can look at presenting some other options that would save money in other departments to offset that increase.

For the first meeting in November for the first quarter Action Plan, Council will not see any corrective actions, even if there are issues with the Fire Department.

DEPUTY MAYOR KERN asked the Fire Chief to explain the SAFER Grant and how that works with the overtime.

CHIEF HEBERT responded we were awarded six positions that are slated to staff the trucks. For those six positions, if they call in sick or take a day off, we will not be back-filling them. Our trucks will just drop down to three persons. Three of the positions out of the eleven will be used to back-fill for firefighters who take leave time. The other two positions will be used to up-staff engine companies in whatever we determine to be the most needed area. That'll be eleven positions.

He reminded Council that they are provisional positions, meaning that once the grant runs out they will not remain as Oceanside employees. They'll be released and hopefully will find jobs in other places. We could apply for another grant and certainly will. Hopefully, through attrition we'll be able to pick up the majority of them. That's his hope.

There was something that happened in the Federal government back in October of 2011, with Assembly Bill 678, which now has changed to GEMT, or Ground

Emergency Medical Transport. This is basically a certified public expenditure that was put together by the State to try to reimburse some of the cost for Medi-Cal transports that occur. Our City is a high user of Medi-Cal patients. We transport quite a number of them. Through the Fire Department's initiative in jumping onboard with Finance, we're estimated to get, since 2009 all the way up to 2013, about \$990,000 in reimbursables that are coming from the Feds. That will be coming back to the City from Fire Department transports.

DEPUTY MAYOR KERN stated a lot of this has to do with when the money comes in and when it goes out and things like that. Looking at the budget now, the Fire Department is right on track for total budget for the year. They're at about 25%, and we're a quarter of the way through the year. They're over on the overtime, and his concern is that they're cannibalizing other parts of their budget to pay for overtime. The total budget is at the right level, so they're taking money from someplace and putting it in overtime. He knows they can't do that all year long. At a certain point in time, we're going to have to figure out what to do. That's why he'd like to get on top of it now and monitor it.

He agrees with Councilmember Sanchez that the citizens have a high expectation for all of our services, including parks, recreation, libraries, etc. If we take money out of one department to pay the overtime budget to back-fill somebody else's budget, we may have to cut parks, recreation facilities or library hours. We've done that in the past few years, and it's just as unpopular as browning-out ambulances. There's only a finite amount of money; that's why we have to manage this. That's why he brought this forward, so that everybody understands that we're watching this.

He did not make any suggestions tonight other than let's monitor this. He didn't talk about service adjustments for ambulances or anything else. He and the labor representative had a long, wide-ranging conversation. He is as concerned about the City as anybody else he's talked to. They have a good leader at the bargaining unit, and he's thankful that he reached out and they talked about that. As we go forward, we will work this out, but at a certain point in time we're going to have to make a hard decision. Is it that we shorten library hours and take those monies to pay the Fire Department?

There was some talk about how we reduced the budget. That was Council policy. That was everybody up here saying we don't want to cut one department completely to keep the other departments whole. We wanted to shrink the whole pie so that it wasn't just the Fire Department that got shrunk. It was the Police Department, Parks, Neighborhood Services, etc. We have fewer recreational facilities today than we did five years ago. Landes Center is gone and so is the one on Vandergrift Boulevard. We had to make the hard decisions as we went along.

He knows that the Fire Chief has been working on it, but we've had to work on it too because we had a restricted budget. Hopefully, as times get better, we can do these adjustments. The Fire Chief is focused on revenue enhancements, and that's very important to manage the whole budget. That's what we're trying to do. This was not a firefighter issue. If this was Parks and Recreation, the Police Department or Water and Sewer, we would have this conversation if they were over budget. It just happens to be the Fire Department. Hopefully, we can get it back in line.

If we give the Fire Department more money, then we have to decrease services someplace else. He would love to keep the Marshall Street pool open. People demanded that, but if we don't have the money to keep it open because we're paying that money to another department, then so be it. People have to understand why that pool is closed: we ran out of money in our budget. Other departments work hard to come under budget. They wouldn't be thrilled about coming under budget to give money to a different department.

One comment was made that we should be good stewards of the money in every

area but this. We should be good stewards in every area. Maybe it just came across wrong, but we are trying to be good stewards of every area. Every person up here is concerned about the budget. A \$371,000 overrun is a significant amount of money. The only direction he asks is that we monitor this. With everybody focused on this, we can actually get a handle on it. With a little adjustment now we won't have to make a big adjustment at the end of the fiscal year.

CITY MANAGER ITEMS

26. **Consideration to allocate \$30,000 to perform a preliminary engineering evaluation for proposing beach nourishment and its retention from Tyson to Eaton Streets**

CITY MANAGER WEISS stated at the last meeting Council had a presentation by Deputy Mayor Kern in regards to an item that was brought up at the Harbor and Beaches Advisory Committee meeting. Council had asked that we agendaize the item for this Council meeting. In Council's backup material is the proposal for \$30,000 to update studies. There are two studies in Council's packet that were done in the early 1980's, addressing a series of beach sand retention structures. He asked for Council's direction in regards to either updating those studies or looking at some alternate direction to staff.

Public input

CAROLYN KRAMMER, 904 Leonard Avenue, represents Citizens for the Preservation of Parks and Beaches (CPPB), which objects to consideration of a study for sand retention and wants to place their objections on the record. The CPPB is adamantly opposed to the placement of any sand retention devices, such as groins, jetties or other hard structures in Oceanside. That mistake was already made when the Oceanside Harbor was constructed and blocked the natural flow of sand between our rivers and lagoons. Our coastline from Camp Pendleton to San Diego has been impacted with a loss of sand and its natural flow due to the construction of the harbor jetties. We have already received letters from Coast Law Group, representing the Coastal Environmental Rights Foundation. Today Council received one from the Surfrider Foundation stating their opposition to such structures.

In the surfing world, Oceanside is considered among the best and most consistent surfing breaks on the Southern California coastline. Surfing is an integral part of Oceanside's culture and tourism. Oceanside waves play host to some of the best surfers in the world and some of the most prestigious surfing events. Placing hard structures on our beaches to the south, from Tyson Street to Eaton Street, which means the lagoon, would obliterate our sandbars that create our awesome waves. Say goodbye to our surfing events, including the World Bodysurfing competition, the Oceanside Longboard Surfing contest and the ASP Supergirl Women's Pro event, which is one of the highest-rated in professional surfing events, as well as a multitude of amateur surfing events.

These events bring competitors from around the world and up and down the California coast. These competitors and spectators help our local merchants fill their coffers. Watching the best surfers in the world is an awesome spectator draw. Hard structures on beaches do exactly what they are supposed to do, trap sand while destroying sandbars and waves. She has been a surfer in this community since 1975 when she first visited Oceanside competing in the Women's International Surfing Association. She and her family fell in love with the waves of Oceanside and made this their home.

Our harbor waves have already seen changes when the extension was placed on the end of the southerly north jetty and again when the groin jetty was placed for the sand bypass system. These two hard structures changed the way the waves broke and

created very forceful riptides that changed the sandbars and the shape of the way the waves broke. Many stories are told by the local surfers who, like her, were fortunate to be able to surf these waves before these hard structures changed them forever. Sand replenishment is one thing, but to armor the beach with hard structures is not acceptable and will end up in violation of the Coastal Act and a long fight all the way to the Coastal Commission.

She is sure that Oceanside can find a better way to spend their money, like the \$30,000 that the Fire Department could use for their budget. She is sure that Mr. Noble from Noble Consultants, who did the study, would love to take our money, but he even stated that though traditional coastal structures such as groins and breakwaters have been used effectively to stabilize beaches in the past, their use now is unlikely to be favored.

KEVIN BYRNE, 4444 Point Vicente, stated we talked a lot about ways to spend money tonight, but he wants to talk about making some money. Tourism has long been Oceanside's draw. It's a proven fact that our beaches make money. However, they're deteriorating. There's been a huge study done by SANDAG, talking about the benefit-to-cost ratios of beaches. They're all positive for this community.

He's a longtime surfer in Oceanside. Oceanside is a unique community, and our beaches are unique as well. We can't paint all beaches with the same brush. We can't compare our beach to Encinitas or Del Mar. Oceanside and North Carlsbad have the same beach structure. We need to make money for this community. The return on the investment is there, but it takes initiative and planning to do it. We have to make an investment in this process to get a return on the value of tourism.

There are other factors in having a sound beach system as well. That's the hundreds of millions of dollars in homes and infrastructure along 2-3 miles of beach. They have to be protected, and engineering is going to be one method of doing it. It's not the only answer, but we have to plan. You need experts to do that. \$30,000 is a good start against future projects that are being planned now.

Public input concluded

COUNCILMEMBER SANCHEZ has been the Councilmember on the Shoreline Preservation Working Group for SANDAG. Putting groins on the beach is not even on the horizon. This got to Council via a member of the public, who happens to be a chair of the advisory committee for the harbor and beaches, speaking on items not on the agenda after having received a letter from a consultant and then having it somehow calendared. It's really unusual to have this. Usually there's a discussion, staff involvement and a staff recommendation. We don't even have a staff report for today and we're being asked to spend money.

She doesn't know how Mr. Noble was reached out to because he isn't one of the consultants that has been used in San Diego County for the beaches. While he may be qualified, he has not been working with us on the sand replenishment projects that we've had for the last fifteen years. She is concerned about how this got here. She strongly suggests that we stop this and go back. We do have studies that we've paid for. It's over \$100,000 in studies, even recently with the sand replenishment project. We also had a groin study. There are a lot of studies that are gathering dust on shelves. This is very old technology.

In fact, at the Shoreline Preservation Working Group Committee, we've been looking at Solana Beach as a pilot city for doing some kind of artificial turf. It's something that is highly technical. You can't just go out and put it in. If we're talking about tourism, it will destroy tourism in Oceanside to have groins. We do have an existing sand replenishment program partnership with the Army Corps of Engineers in the annual dredging of the harbor. That has worked very well for us, in terms of getting

sand north and south of the pier. We are talking more about going down farther than The Strand.

This past year was a highly unusual year because grunion tends to run at a certain time of the year. That's when we anticipate they are going to run, so we avoid putting sand on the beach during that time period. Unfortunately, the last time that the sand was to be placed on the beach from the harbor dredging, the grunion somehow got out of synch with time and that's why you don't see sand out there now. She asked staff when was the last time we had this problem, and nobody remembers when that happened before.

We already have a Council item that was approved to move sand that we have at Lake Whalen. It's being studied. Hopefully, the grain is acceptable and of the quality needed to be placed on our beach. Because there are so many studies for that, we're waiting for the second round. She asked the City Manager when that will start.

CITY MANAGER WEISS responded it was scheduled to start in the spring, but with the government shutdown, it's now being delayed.

COUNCILMEMBER SANCHEZ stated everything is somehow connected. Earlier this evening, Council approved to refinance a debt in the harbor. We're saving \$117,000. Now we're talking about spending \$30,000 of it. We know that the study is going to go nowhere. She has asked people who were involved and have much more expertise than she does, and they said that the sea level rise will have impacts on our coastline. Therefore, as a City we should be evaluating where we may be vulnerable to potential damages.

Oceanside should conduct a vulnerability impact study of impacts resulting from sea level rise: identify the level and location of potential damages and impacts; propose and analyze potential solutions to those areas; and then prioritize those projects. They may find other areas along the coast, or even inland, that may need more immediate solutions to minimize future impacts. What we thought was going to be a study on sea level rise, which is appropriate to go forward on, turned into doing groins in Oceanside. That is not going to be approved by the Army Corps of Engineers or the Coastal Commission. It's an old, outdated method of addressing this kind of situation.

Solana Beach is a smaller city with a smaller Council. They embrace their surfing, as do we. We've got the California Surf Museum. They passed a TOT (Transient Occupancy Tax) increase to be able to pay for periodic sand replenishment projects. They have teamed up with the federal government to do this study. They're very worried that something could happen to their surfing with this notion of an artificial reef.

This has been studied. We're trying to do something that is going to be the best for Oceanside. Putting groins in is not a good idea at all. She doesn't like how this got to Council without a staff recommendation, with one consultant saying they'd like to do this study for \$30,000. The consultant is saying we won't get very much out of this, but he's still willing to do this study. That's how the report reads.

She would appreciate getting staff more involved in a recommendation that is going to be based on sound facts, what is happening in the region and how we can partner with the region. This is not just an Oceanside problem; this is a regional problem. It's a quality of life problem. We've been talking at SANDAG about doing a quality of life initiative that is going to hopefully include the notion that, while our beaches are wonderful and a huge economic boost to tourism, it is in fact a free resource. You can't make people pay \$25 if they want to go to the beach.

We pick up all the trash and keep it clean. We're very proud of our beaches. We're redoing the rest of the pier. Maintenance is a high cost, and we have to come up

with that. In terms of coming up with a sound plan going forward, this is not it. She recommended that Council and staff look at the sea level rise study. That's something we haven't done in Oceanside. With the groin study, we've been there, done that. She doesn't want to venture a guess on how much money we spent on that, but it was probably about \$200,000.

We have money in the budget, and it gets put into different accounts, like the reserves. We come up with a new policy once every three or four years. Then we put money here and there, which makes the pot smaller, so anything that gets spent is going to hit one other program. For this \$30,000, the boaters would not be happy about seeing their money go down the drain. The boaters are paying for the harbor to be what it is, and this is not fair to them.

She would prefer to do a study having to do with climate change.

DEPUTY MAYOR KERN stated this item came to us because he's the Harbor and Beaches liaison. Harbor and Beaches had a meeting and this was brought up. It wasn't in time to agendaize for the last meeting. He asked Mr. Byrne to present it during his Councilmember items as the liaison to the Harbor and Beaches Committee. That's how the committee system works. This worked the way it's supposed to work. He wishes the liaisons to the other committees would be more in tune with this.

He got the letter from the Surfrider Foundation. He read it as permanent hard structures. He doesn't know if we should have a temporary structure in the wintertime when we lose our sand. He's very cognizant of the fact that \$30,000 to spend on this is something that may go down the drain. He doesn't mind allocating the money. He just doesn't think we should spend the money until we get a read from all of the groups. To run something by the Surfrider Foundation and the Coastal Commission, such as doing a pilot project for winter sand preservation. We spend a ton of money trying to replenish sand. If we can spend a little money on preserving the sand, we'll be money ahead in the long run.

Going forward blindly on a full study about permanent groins isn't going to fly. After spending all of this money for sand replenishment, is there some way that we can do something for sand preservation? He's trying to figure out a way to approach this. He would like to do some type of study for temporary sand retention because it's about tourism for us. People come to Oceanside because of the name and the sand. If you're talking about the preservation of sand, the best beach in Oceanside is between two jetties at Harbor Beach. If you go out there you will see surfing at both ends of those at the north and the south, close to the jetties. He's not an expert on surf and how it changes on the bottom, etc., but it makes sense to put in more jetties for better surf. He will defer to the experts on this, but he does walk the beach and observes what's going on.

The other part is the surfing around the pier, which is also kind of a jetty in how it changes the surf. It's an attraction. It seems odd that the places that attract a lot of the surfers are those places that have something out in the surf-line that creates the waves.

He **moved** [to allocate \$30,000 to perform a preliminary engineering evaluation for proposing beach nourishment and its retention from Tyson to Eaton Streets], but not to spend the money until we get a clear read from the agencies and the communities to see if we can go forward.

If there's another suggestion from his colleagues he's open to it. We could do the questioning first or direct staff to contact everybody first before we start spending money. He's not going to throw money away.

CITY MANAGER WEISS clarified that staff has not solicited a proposal from

Noble Consultants. It was actually addressed to Mr. Byrne. The studies that were attached from the 1980's dealt with the groin fields. Those were included in the information we did receive from the Harbor and Beaches Advisory Committee. However, in the proposal itself they recognize that some form of structured sand retention, including groins, is going to be a very difficult one to get approved and permitted.

The \$30,000 is not to do a groin study; it's to look at other alternatives that would be beneficial to the Oceanside coast and that would be successful in receiving some type of regulatory permits. He doesn't know what that means, other than that they're going to look at options that would work, and possibly be approved, through the various stakeholders in the permitting process. There must be some other options that he's not aware of. The proposal itself is not necessarily to do groins; it's to look at other alternatives that would provide some type of sand retention, but also be able to be permitted through some regulatory process.

DEPUTY MAYOR KERN agrees with Councilmember Sanchez to send this back to Harbor and Beaches and have a full presentation by Mr. Noble of what he's really proposing to see if it's something that we can get behind. He doesn't want to spend money unnecessarily, but he is very concerned because of the things that Mr. Byrne brought up about this being our driver. Our economic driver in Oceanside is tourism, and it's becoming more and more so. We have a hotel that's going to come online in February and another two hotels that will come online within the next two and a half years. Those people are coming to the beach to lie on the sand. There have been years in the past when there was no sand, so we really need to address this problem as a long-term issue.

He's willing to listen to anybody on how we can actually keep sand on the beach, instead of spending money to keep dropping sand on the beach. He **withdrew the motion**. He will listen to what his colleagues have to say.

COUNCILMEMBER FELLER stated we were supposed to go further south with the dredging, but the grunion stopped us. We lost another 300-400 feet of sand down the beach because of that. The Surfrider letter suggests the restoration of the coast to its natural unarmored state, including the landward migration of the shoreline due to the natural geology of the San Diego coast and sea level rise. If you don't believe in global warming, the sea level is not going to rise anyway.

What they're saying is it's unarmored. They don't want anything that will save any of the properties that have been built anywhere on the coast. They would like to see those homes crash into the ocean. It also says that projects should provide maximum benefit for the beach-going public, but there's no way they're going to the beach if we don't put sand there. He's in support of trying to figure out something for this.

He researched the Tweed River project in Australia. They pumped sand continuously as needed from offshore. Maybe that's something we could study for the future. He doesn't know how much something like that would cost. Maybe Mr. Noble can look into that too. We're at the mercy of people that don't want anything, anywhere. The public that they're trying to protect isn't going to have a beach to lie on.

If Council wants to set aside \$30,000 for the future he supports that. If Council wants to wait, he'll support that too.

DEPUTY MAYOR KERN suggested waiting until we get more information before we start allocating money. That's probably the best way to do this. Harbor and Beaches is the best place to do that, with the presentation before we advise Council on how to go forward. Then we can have it open to the public and have their comments.

COUNCILMEMBER FELIEN agrees. He doesn't think we need to allocate any

money because we don't even have our arms around an amount to talk about. He's not an expert in the field, but he likes to go to the beach and ride a wave. He wants to preserve our waves in Oceanside, but it's not much of a beach if you don't have any sand on it. It would be nice if we could defer this back to staff with instructions to study the issue. Get all of the stakeholders in the room and find out what approach is going to be acceptable by State/Federal regulators and everyone else that has a finger on the issue to see if we can come up with some approaches that all the parties will agree are non-controversial.

He's always open to seeing if there's a cheaper way to retain sand rather than to replace sand, that doesn't harm the surf action or anything like that. With all of the beaches in the world, every conceivable possibility has been tried somewhere. We should have a good amount of data to look at to see what works and what doesn't, what the tradeoffs are, what the expenses are, etc. He favors going forward with this idea. Then we'll get a much better grip on what the structure of a study should be and what we're going to try to accomplish. This is direction to staff that he will be glad to support.

MAYOR WOOD thanked the people who brought this forward. They're like everybody else in the past that has tried to come up with a solution to fix this. He's been on the Council for eleven years and for most of those years he's gone back to Washington, D.C. because our problem is caused by the jetty, which is a joint military/civilian harbor. If you want to see a nice beach, go to the north side of the big, sweeping jetty. It's called Camp Pendleton and they've got beaches like you see in Miami.

The government admitted that it's their problem. That's why we dredge and put sand on our beach and don't get charged for it. We shouldn't be the biggest complainer because we get the best results with getting the Harbor dredged at least every year to put sand out there.

The best person he's seen that knows about this is Don Hadley. Mr. Hadley went back to Washington, D.C. every year before he retired. He was up on this more than anybody else. The problem is that when we go back every year to tell the Army Corps of Engineers and everybody else that they have a problem they need to fix, they never have money to fund the study that they promised us. It's been at least eleven years, and it still hasn't been done. They've continued to delay it.

Spending \$30,000 is going to be a waste. No matter what the study says, there's no way we're going to get it past the Coastal Commission, SANDAG, the Federal government, etc. without studies that we probably won't be around to see when they finally finish them. \$30,000 isn't going forward for a cause that SANDAG and everybody else is aware of. There are other agencies out there that would block anything we tried to do without some sort of long study. All we're going to get for \$30,000 is maybe they'll go on the Web and find out what other people did around the world to save sand.

He remembers back when Melba Bishop and the Florida Mayor tried putting big underground rubber buoys in the surf. It was supposed to make the sand stay on the beach, but that didn't work either. Even if we came up with the right idea, the solution would cost so much money that we wouldn't be able to touch it unless the State or Federal government wanted to do it.

A while back \$600,000 had been set aside by Councilmember Feller in case we wanted to move the sand from Whalen Lake down to the beach. The cost is not for the sand, but to bring it down to the beach. The last time we put sand on the beach from SANDAG, it didn't last very long. They put it on the beach at the wrong time of the year during the stormy surf. We were going to do another dredging to put sand on this area, but it doesn't go all the way down to Eaton from end-to-end.

He has beaten his head against the wall like everybody else. If tomorrow he was handed a study that said this is how to fix it, it would cost millions and there would be several groups filing litigation against it, which would tie it up for the next 3-5 years. He doesn't have a solution. If we want to spend \$30,000, we could do more by having our staff call other agencies and countries to find out how they fixed it, what it would cost and if it's feasible. For a City like Oceanside, \$30,000 is not a lot, but you may not get a lot from \$30,000 either.

DEPUTY MAYOR KERN stated Harbor and Beaches is the way to do that.

CITY MANAGER WEISS stated we're going to invite Noble Consultants to make a presentation to the Harbor and Beaches Advisory Committee. He reminded Council that there is a consultant selection policy stating that, if this is something that Council would like to pursue, we generally will do an RFP to qualify consultants. We certainly can include Noble, but generally we don't just pick somebody. We would have to define a scope-of-work and do an RFP. Following that presentation, if it's something Council is interested in, we could pursue it.

CITY COUNCIL REPORTS

18. **Mayor Jim Wood**

MAYOR WOOD announced the Elks National Foundation Youth Scholarship fundraiser on October 18th at the Oceanside Elks Lodge; the 17th Annual Gentlemen's Gourmet, hosted by the North County African American Women's Association, on October 19th at St. Margaret's Parish Hall; and the Oceanside Museum of Art honoring Carolyn Nicholson for her dedicated work in our community on October 19th.

19. **Deputy Mayor Jerome Kern**

DEPUTY MAYOR KERN attended the Eagle Scout Court of Honor for Vida Murrell's son with the Mayor and Councilmembers Feller and Felien. He and Councilmember Feller attended a mosquito control meeting in South Oceanside with people from Vector Control and Supervisor Horne's office, to hear neighborhood concerns about the mosquitos in the lagoon. He also attended the Pride on the Beach event and the Boys and Girls Club Circus Under the Stars fundraiser. He and Councilmembers Feller and Felien were at the Police Officer swearing in this morning, in which they swore in four new police officers. He will be attending a Water Authority meeting next week.

20. **Councilmember Gary Felien**

COUNCILMEMBER FELIEN attended the Police Officer swearing in ceremony, in which City Clerk Zack Beck performed his first swearing in. He also attended the Eagle Scout ceremony of Arvin Trey Murrell. He and the Mayor attended an event honoring former Congressman Ron Packard, who was recognized as Scout Leader of the Year.

21. **Councilmember Jack Feller**

COUNCILMEMBER FELLER commented on personal items.

22. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ attended the open house at Fire Station 1. She also attended the jazz program at the library Community Room. She attended the Pride at the Beach event; the luau at St. Mary's; and the NAACP (National Association for the Advancement of Colored People) Freedom Dinner.

October 16, 2013

Joint Meeting Minutes
Council, HDB, CDC and OPFA

She announced the California Friendly Plant Fair at the Home Depot off Highway 76 on October 19th; the used oil recycling collection event at O'Reilly Auto Parts store on October 19th; the Howling Halloween Party at the Library on October 19th; the Tri Oceanside Triathlon on October 20th; the "Popcorn Night" screening of Edward Scissorhands at the Library on October 24th; the world premiere of the play, "Light Falling Down," at the Brooks Theater from October 26th through November 3rd; the "Once Upon a Time: The Art of Storytelling" event at the Library on October 26th; the Dia de Los Muertos event on October 27th at Mission San Luis Rey; the Haunted Market at the Sunset Market on October 31st; and the Day of the Dead "Art After Dark" event at the Oceanside Museum of Art on November 1st.

INTRODUCTION AND ADOPTION OF ORDINANCES - None

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission, Small Craft Harbor District Board of Directors and Oceanside Public Finance Authority at 8:53 PM on October 16, 2013, to a workshop on October 23, 2013, at 2:00 PM [The next regular meeting is scheduled for 2:00 PM on Wednesday, November 6, 2013].

ACCEPTED BY COUNCIL/HDB/CDC/OPFA:

Zack Beck
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 OCEANSIDE PUBLIC FINANCE AUTHORITY

NOVEMBER 6, 2013

REGULAR MEETING 2:00 PM COUNCIL CHAMBERS

2:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB)
COMMUNITY DEVELOPMENT COMMISSION (CDC), AND
OCEANSIDE PUBLIC FINANCE AUTHORITY (OPFA)
- REGULAR BUSINESS

Mayor
HDB President
CDC Chair
OPFA Chair
Jim Wood

Deputy Mayor
HDB Vice President
CDC Vice Chair
OPFA Vice Chair
Jerome Kern

Councilmembers
HDB Directors
CDC Commissioners
OPFA Directors
Gary Felien
Jack Feller
Esther Sanchez

City Clerk
HDB Secretary
CDC Secretary
OPFA Secretary
Zack Beck

Treasurer
Gary Ernst

City Manager
HDB Chief Executive Officer
CDC Executive Director
OPFA Executive Director
Peter Weiss

City Attorney
HDB General Counsel
CDC General Counsel
OPFA Legal Counsel
John Mullen

For this regular and joint meeting, the Council sat as all 4 governing bodies [Council, HDB, CDC and OPFA] 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), Community Development Commission (CDC) and Oceanside Public Finance Authority (OPFA) was called to order by Mayor Wood at 2:03 PM, November 6, 2013.

2:00 PM - ROLL CALL

Present were Mayor Wood, Deputy Mayor Kern and Councilmembers Sanchez, Feller and Felien. Also present were Assistant City Clerk Trobaugh, City Manager Weiss

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

and City Attorney Mullen.

City Attorney Mullen titled the following items to be heard in Closed Session:
Items 1, 2A, 2B and Addendum Item 2C.

[Closed Session and recess were held from 2:05 PM to 4:01 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

Item discussed (OPOA, OPMA); no reportable action

2. CONFERENCE WITH REAL ESTATE NEGOTIATOR

A) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Portion of Rancho Del Oro Drive right-of-way north of State Route 78, portion of Haymar Drive right-of-way west of College Boulevard, portion of Ron Ortega Park (APN 148-260-28), and portion of APN 148-340-26; Negotiating Parties: City of Oceanside and BGT Media LLC, CBS Outdoors, ClearChannel Outdoor, Inc., and Lamar Outdoor Advertising; Negotiator for the City: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms of property use agreements

Item discussed and direction given; no reportable action

B) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: 76-acre Center City Golf Course (APN 151-011-11); Negotiating Parties: City of Oceanside and Goat Hill Partners, LLC; Negotiator for the City: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms for the lease of real property

Item discussed; no reportable action

AGENDA ADDENDUM

C) CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8) - Property: Property bounded by Pacific Street, Myers Street, Seagaze Drive, and Civic Center Drive (APN 147-261-01 through 147-076-1, 2, 3, 10, 11, 12); Negotiating Parties: SD Malkin Properties; Negotiator for the City: Peter Weiss, City Manager, and John Mullen, City Attorney; Under Negotiations: Terms of Disposition Agreement and Lease

Item discussed; no reportable action

4:00 PM – ROLL CALL

MAYOR WOOD reconvened the meeting at 4:01 PM. Present were Mayor Wood, Deputy Mayor Kern and Councilmembers Sanchez, Feller and Felien. Also present were City Clerk Beck, City Manager Weiss and City Attorney Mullen.

CONSENT CALENDAR ITEMS [Items 3-9]

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

The following Consent Calendar items were submitted for approval:

3. City Council/Harbor/CDC/OPFA: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission, City Council, and Oceanside Public Financing Authority of the August 29, 2012 2:00 Regular Meeting
4. City Council/Harbor/CDC/OPFA: 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 amendment 3 [**Document No. 13-D0715-1**] to the CPI property lease agreement with Manheim Investments, Inc., for the property located at 4691 Calle Joven, increasing the square footage of the premises and increasing the annual rent from \$144,456 to \$179,515; and authorization for the City Manager to execute the amendment
6. City Council: Approval of a five-year managed services agreement [**Document No. 13-D0716-1**] with Xerox Corporation of Monroe County, New York, in an amount not to exceed \$1,935,300 for lease payments for 43 Xerox machines, services of a full time Xerox employee to manage toner replacement, machine maintenance, automated monitoring and repairs of the leased Xerox fleet and 248 City-owned printers; and authorization for the City Manager to execute the agreement
7. City Council: Approval of budget transfers in the amount of \$40,000 from various Library Department personnel budgets and \$20,000 from the City Building Service Fund to the Library Department Operations Fund for the Mission Branch Carpeting/Flooring Project
8. City Council: Acceptance of improvements constructed by J. R. Filanc Construction Company, Inc., for the 511 Pump Station improvements located at the Mission Basin Desalting Facility; authorization for the City Clerk to file the Notice of Completion [**Document No. 13-D0717-1**] with the San Diego County Recorder; approval of amendment 1 [**Document No. 13-D0718-1**] in the amount of \$88,232 to the professional services agreement with Infrastructure Engineering Corporation of Oceanside for quality assurance engineering support services; and authorization for the City Manager to execute the amendment
9. City Council/Harbor: Approval of a request by Mr. Stout to extend the term of the sublease of his Harbor slip from December 1, 2014, to November 30, 2015, which will allow him to perform maintenance and upgrades on his vessel, then embark on an extended cruise of coastal Mexico

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

DEPUTY MAYOR KERN seconded the motion.

Motion was approved 5-0.

GENERAL ITEMS

General Items are normally heard after any 5:00 p.m. Public Hearing Items. However, if time permits, some General Items may be heard prior to any 5:00 p.m. Public Hearing Items, following the Consent Calendar.

10. **City Council: Approval of budget appropriations from the Unallocated General Fund Reserve in the amount of \$40,000 to the Public Works Division for the maintenance of Ron Ortega Park and \$10,000 to the Parks and Recreation Division for the cost of electricity for the lights at Ron Ortega Park**

DOUG EDDOW, Real Estate Manager, stated this item is to recommend approval of a budget appropriation in the amount of \$50,000 to help fund the maintenance of Ron Ortega Park, including the lights in the event that we do not get enough reimbursement money from the participants at the park. In budget year 2010-11, we had some budget cuts and one of them was to eliminate \$40,000 for the maintenance of the park by the Public Works Department. We've tried to privatize the site by getting the Oceanside American Little League, who were the only ones really using the fields, to maintain the park. They agreed to do that and signed a 5-year property use agreement. Unfortunately, due to their dwindling participation, they are no longer able to afford the maintenance of the park and have terminated that agreement as of last August.

We're asking for \$50,000 for the lights and maintenance in order to keep that park open. The Oceanside American Little League would no longer have the exclusive rights to use those fields. They would have to get in line like anyone else.

COUNCILMEMBER SANCHEZ moved approval [of budget appropriations from the Unallocated General Fund Reserve in the amount of \$40,000 to the Public Works Division for the maintenance of Ron Ortega Park and \$10,000 to the Parks and Recreation Division for the cost of electricity for the lights at Ron Ortega Park].

DEPUTY MAYOR KERN seconded the motion. He asked if Oceanside Little League will now pay for use when they want to use it on a per-field, per-use basis.

MR. EDDOW responded yes.

Motion was approved 5-0.

CITY MANAGER ITEMS

23. **City Council: Quarterly Budget Update**

MICHAEL BLAZENSKI, Interim Financial Services Director, stated the first quarter is where we are just completing year-end. Most of the revenues come in the second half of the year more than the first half.

The original budgets for revenue and expenditures were \$121,000,000 with a minor surplus in the budget. Council has made some budget adjustments, which were the carry-forwards from last year of money we had from projects that we did not complete. That's the reason for the increases. There was also the REACH program that Council approved, which brought in revenue and expenditures as well. We're basically staying where we are. In revenues, we've only collected \$15,000,000, but that happens every year.

The City Manager mentioned that we have a couple of adjustments, which are all the result of increased building activity in the City. We have taken in a lot of fees for building that's taking place. The expenditure requests are all related to providing services for us to move more quickly through the building and fire inspections so these

buildings can go up faster. At mid-year, staff will give a more complete analysis.

The expenditures are about the same. We've got a \$313,000 increased revenue budget, and a \$363,000 increased expenditure budget.

We have no corrective budget actions, but we would like Council to approve the recommended revenue and expenditure adjustments just mentioned.

DEPUTY MAYOR KERN moved approval of the recommended revenue and expenditure adjustments.

He wants to make sure that all of this money we're putting into the Planning/Building Department actually relates to better service. There have been some bottle-necks, so he wants to make sure the process gets done in a timely manner and that the Fire Marshall assigned to this works full-time on this project and not some other item inside the Fire Department.

If that doesn't work, then by the end of the year we'll ask for reallocation of maybe moving the Fire Marshall into Building. We have to get this stuff done.

COUNCILMEMBER FELIEN seconded for discussion.

COUNCILMEMBER SANCHEZ is ready to approve the corrective action that is being recommended. Since she is not the Fire Chief, she would be loath to suggest that assignment be dictated to him. It should be based on what needs to be done within the department. Emergencies come up, and she doesn't want to dictate to the Chief how he needs to get the assignments done, as long as they get done.

COUNCILMEMBER FELIEN asked if all the positions are related to the expansion of the building, including the Fire positions.

CITY MANAGER WEISS stated all, with the exception of the Senior Property Agent position, are related to increased building activity and trying to provide services that are fee-for-service based.

COUNCILMEMBER FELIEN asked what the need is for the Senior Property Agent.

CITY MANAGER WEISS responded we have been put on notice that the gentleman currently occupying that position has given his intent to retire. We're trying to get that filled so there will be an effective transition. Long-term it will be cost-neutral; we will not be replacing his position once he leaves.

COUNCILMEMBER FELIEN stated it's restructuring an existing position so it's not a net gain of employment. Are the other positions temporary?

CITY MANAGER WEISS responded some are permanent employees. It's based on current and projected workload and revenues coming in. Some are hourly extra help positions. They are all subject to development activity picking up and an expectation to provide those services. If development activity takes a downturn, they would not be needed. We've seen this in the past with cuts to personnel.

COUNCILMEMBER FELIEN recalls the cuts. This is building back up in that department. The Fire Plans Examiner is expected to be a permanent position but will be justified based on the increased workload, and that workload relates to Development Services.

CITY MANAGER WEISS stated it is completely offset by additional revenues.

Motion was approved 5-0

MAYOR AND/OR COUNCILMEMBER ITEMS

- 21. **Request by Mayor Wood to make appointments to or motions for removal from some or all of the City's Advisory Groups**

MAYOR WOOD put this out last week to everybody on the Council. There are three positions. He **moved** approval of the following positions:

Term Expires

ARTS COMMISSION

Appoint Joanne Tawfilis as Regular (Replacing Eugenia Bizzaro)	7/1/2015
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ECONOMIC DEVELOPMENT COMMISSION

Appoint Mike Moore as Reg: Community at Large (Replacing Maria Russell)	9/26/2016
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HARBOR & BEACHES ADVISORY COMMITTEE

Appoint Kevin Witowich as Reg: Chamber Representative (Replacing Karin Spink)	2/28/2015
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DEPUTY MAYOR KERN seconded the motion.

Motion was approved 5-0.

CLOSED SESSION REPORT

- 16. **Closed Session report by City Attorney**

CITY ATTORNEY MULLEN reported on the items discussed in Closed Session: See Items 1, 2A, 2B and Addendum Item 2C above.

CITY COUNCIL REPORTS

- 11. **Mayor Jim Wood**

MAYOR WOOD requested a moment of silence at the end of the meeting for Angela Lawrence Stonebaker who passed away recently.

- 12. **Deputy Mayor Jerome Kern**

DEPUTY MAYOR KERN stated he and the Mayor attended a ceremony for Carolyn Nicholson, who was honored by the Oceanside Cultural Foundation for her work for the City and the Cultural Foundation. He attended the Brother Bennos Annual Luncheon and the Dia De Los Muertos at the Mission.

Tomorrow he is going to a Water Conference about water re-use and recycling. The Excellence in Education Awards Dinner is tomorrow night for Oceanside Unified School District. His son is up for Administrator of the Year.

Next week we have the Airport Master Plan workshop. We have the Veteran's Day Presentation on November 11th. The Friends of the Library Book Sale is November 16th.

13. **Councilmember Gary Felien** – no report

14. **Councilmember Jack Feller**

COUNCILMEMBER FELLER recognized Sam and Marsha Williamson at the meeting tonight. Sam is a former Councilmember for Oceanside.

We lost Dave D'Andrea. He'd like to remember him at the end of the meeting as well. Bob Krammer died a month ago, and his celebration of life is Saturday.

El Camino plays Oceanside Friday night.

15. **Councilmember Esther Sanchez**

COUNCILMEMBER SANCHEZ stated this was a tough week. We had 3 elders in the Eastside community pass away.

She attended Dia De Los Muertos and the Oceanside High School Hall of Fame. Monday Oceanside will honor our veterans.

[Recess was held from 4:24 PM to 5:00 PM]

5:00

Mayor Wood reconvened the meeting at 5:00 PM.

INVOCATION – Zack Beck

PLEDGE OF ALLEGIANCE – Brother Bennos

PROCLAMATIONS AND PRESENTATIONS –

Proclamation – 30th Anniversary of Brother Benno's

Proclamation – Honoring Jack White

Presentation – "Pet of the Month" presented by Elkie Wills, San Diego Humane Society & SPCA

Presentation – Mayor's Youth Sports Recognition and Appreciation Award

Presentations were made

MAYOR AND/OR COUNCILMEMBER ITEMS - Continued

22. **Request by Deputy Mayor Kern to present acknowledgements to Ms. Jackie McCoy, 2013-2014 Oceanside Veteran of the Year, and to the Military Outreach Ministry-Camp Pendleton as the 2013-2014 Oceanside Veteran Organization of the Year**

DEPUTY MAYOR KERN stated every year we try to recognize our veterans and those who support veterans in our community. We select one outstanding veteran and one veteran's organization. He introduced Chuck Atkinson from Veteran's Association of North County (VANC).

CHUCK ATKINSON stated these volunteers and organizations do a lot of good for the active duty and veterans in the community in Oceanside. VANC has been under construction for several months now to provide for more room at the facility. The contractors have said it will be finished for Veteran's Day. He listed services provided by VANC.

DEPUTY MAYOR KERN read the proclamation honoring Jacqueline "Jackie" McCoy, U.S.M.C. Sargent, Retired, as 2013-14 Oceanside Veteran of the Year. Ms. McCoy served in the Marine Corps from 1950-1953.

TOM GARCIA, Representative for Assemblymember Rocky Chavez, presented Ms. McCoy with a Certificate of Recognition from Mr. Chavez.

DEPUTY MAYOR KERN presented the Organization of the Year award to Military Outreach Ministry (MOM).

FAY BELL, Chief Executive Office of MOM and Commander of the U.S. Navy, Retired, thanked Council for the award on behalf of MOM. We receive a lot of City support and volunteers from Oceanside. We depend on the individuals in the community to support the families by bringing food, household and baby items, etc. They help us honor the military for their service and their families for the sacrifices they make.

PROCLAMATIONS AND PRESENTATIONS – Continued

Off agenda – Presentation to City Manager Peter Weiss

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the City Council/HDB/CDC/OPFA 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

17. **Communications from the public regarding items not on this agenda** - None

5:00 P.M. – PUBLIC HEARING ITEMS

Public hearing items are "time-certain" and are heard beginning at 5:00 p.m. Due to the time-certain requirement, other items may be taken out of order on the agenda to accommodate the 5:00 p.m. public hearing schedule.

18. **City Council: Introduction of an ordinance amending Chapter 6, Articles I, II, III, IV, VI, XII, and XIII; and Chapter 11, Article II, of the Oceanside Municipal Code to reflect adoptions of the 2013 Edition of the California Building Standards Codes; Building, Fire, Plumbing, Mechanical, Electrical, Residential, Energy, Historic, and Green Building Codes, with certain local amendments, additions and deletions; and adoption of a resolution of express findings supporting the local amendments**
- A) Mayor opens public hearing – hearing was opened.
 - B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Mayor Wood and Councilmembers Kern and Feller reported contact with staff; Deputy Mayor Kern reported contact with staff and public; Councilmember Sanchez reported no contact.
 - C) City Clerk presents correspondence and/or petitions - none
 - D) Testimony, beginning with:

RICK BROWN, Chief Building Official, stated this is the adoption of the latest additions of the California Building Standards Codes, which occurs every 3 years as they are updated statewide. Tonight we bring forward a combined adoption of both Building and Fire regulations. This is the first time that Fire and Building have come together before Council on this.

We focused our efforts on modernizing the Municipal Code, eliminating outdated and poorly worded code amendments and trying to cut out some of the clutter in the areas we could. By adopting these codes, we will keep Oceanside in conformance with the State laws and maintain our better standing with the insurance industry, as they grade us on our addition of codes as well. That affects our flood insurance and property insurance rates.

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

DEPUTY MAYOR KERN asked when these will go into effect.

MR. BROWN responded the effective date statewide is January 1, 2014. These combined regulations will be applicable statement for the next three years after that.

DEPUTY MAYOR KERN asked how we let people know that the new codes are coming in.

MR. BROWN responded we speak to our customers and post the information on the City's website. We do our best to make the public informed. It's generally known in the development/construction industry as this 3-year cycle has been around for decades.

DEPUTY MAYOR KERN moved to introduce the ordinance of the City Council of the City of Oceanside, "...amending Chapter 6 and Chapter 11, Article II, of the Oceanside Municipal Code by the adoption of the 2013 Editions of the California Administrative Building, Fire, Plumbing, Mechanical, Electrical, Energy, Residential, Historical, and Green Building Codes", with certain local amendments, additions and deletions; and adoption of **Resolution No. 13-R0719-1**, "...setting forth express findings for required amendments to the 2013 California Building Standards Code relative to local climatic, topographical and geological conditions", supporting the local amendments].

COUNCILMEMBER FELLER seconded the motion.

After titling of the ordinance, the **motion was approved 5-0.**

19. **City Council: Introduction of an ordinance amending Articles 4a and 12 of the Downtown Zoning Amendment (RZA12-00001 REVISION); and adoption of a resolution approving Local Coastal Program Amendment (RLCPA12-00002 REVISION) to allow for retail sales, drive-through restaurants, fuel pumps at mini-marts, disallowing the permit process for offices from "Conditional Use" to "Permitted" within Subdistrict 6A, and changing the zoning designation of the area located north of the intersection of Highway 76 and North Coast Highway from the 7B Subdistrict to the 6A Subdistrict**
- A) Mayor opens Public Hearing – hearing was opened.
 - B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Mayor Wood and Councilmembers Sanchez, Feller and Felien reported contact with staff; Deputy Mayor Kern reported contact with staff and public.
 - C) City Clerk presents correspondence and/or petitions - none
 - D) Testimony, beginning with:

JOHN HELMER, Downtown Area Manager, stated last November the Council approved changes to the Downtown Zoning Ordinance as outlined in the title, changing some of the uses allowed in the downtown area. This will allow as a permitted use more retail uses, mini markets with fuel pumps and drive-thru restaurants. This also changed the area to be rezoned from 7B, which is a recreational/commercial/mixed-use area, to 6A. That area includes the Carrows Restaurant, the California Visitor's Center and the former Motel 6.

A computer graphic was used to show the zoning map of the area that would be changed. This use is proposed to allow more visitor-serving uses, retail sales and drive-thru restaurants. Because it's part of the Local Coastal Program, it had to go to the Coastal Commission, who made a couple of modifications that need to be affirmed by the Council in order to become part of the Certified Local Coastal Program.

Those modifications are very minor. One is that the definition of convenience markets and drive-thru restaurants was submitted to them in the wrong Article. It was submitted in Article 12, which is the regulator part. It should have been submitted in 4a, which is the definitions part. Also, one of the proposals that the City approved that the Coastal Commission is disallowing is changing office uses from a conditional use to a permitted use. There are no other modifications suggested by the Coastal Commission. If Council approves these modifications, we will send it back to the Coastal Commission and upon receipt of that it will become part of the Certified Local Coastal Program.

Staff recommends that Council introduce the ordinance and adopt the resolution approving the Local Coastal Program revision.

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

COUNCILMEMBER SANCHEZ moved introduction [of an ordinance amending Articles 4a and 12 of the Downtown Zoning Amendment (RZA12-00001 REVISION); and adoption of **Resolution No. 13-R0720-1**, "...to amend the Local Coastal Program (RLCPA12-00002 REVISION) related to amending the zone text for Subdistrict 6A in the Downtown Project Area and to request California Coastal Commission certification of said amendment", to allow for retail sales, drive-through restaurants, fuel pumps at mini-marts, disallowing the permit process for offices from "Conditional Use" to "Permitted" within Subdistrict 6A, and changing the zoning designation of the area located north of the intersection of Highway 76 and North Coast Highway from the 7B Subdistrict to the 6A Subdistrict].

DEPUTY MAYOR KERN seconded the motion.

COUNCILMEMBER FELIEN asked what the Coastal Commission's concern was on office use and the significance of them going from a permitted use to conditional.

MR. HELMER believes they felt that in those visitor-serving commercial areas, if it was to be an office use, which is not a visitor-serving commercial use, it should be a conditional use that would be approved by the CDC. However, in those areas where they have restaurants and gas stations, we don't believe offices would be proposed in those areas anyway. Staff had no objection to that change.

COUNCILMEMBER FELIEN asked the significance of changing the section of the wording.

MR. HELMER responded the only significance was there was a clerical error in the submission to the Coastal Commission in that those definitions were in the regulatory section, which is Article 12, when they should have been in Article 4a, which is the definition section. It's the same definition, it's just moved from one Chapter to

another.

DEPUTY MAYOR KERN asked, since this sounds like it's going to go through, when it goes back before the Coastal Commission to get their approval.

MR. HELMER will send them a letter as soon as he gets a signed ordinance and resolution from the City Clerk. They typically calendar it for a Concurrence with Executive Director's Determination. That could happen as early as December, but it will more likely happen in January.

After titling of the ordinance, the **motion was approved 5-0.**

20. **City Council: (1) Introduction of an ordinance amending Chapter 29 of the City Code by establishing wastewater user rate increases; and (2) introduction of an ordinance amending Chapter 37 of the City Code by establishing water user rate and external water provider charge increases**

- A) Mayor opens Public Hearing – hearing was opened.
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence - Mayor Wood, Deputy Mayor Kern and Councilmembers Feller, Felien and Sanchez reported contacted with staff and public.
- C) City Clerk presents correspondence and/or petitions – correspondence and petition received have been distributed to Council.
- D) Testimony, beginning with:

CARI DALE, Water Utilities Director, stated this evening we are holding a majority protest public hearing for water and sewer rate increases. A computer graphic was used to show a calendar of milestones related to the rate development, approval and effective date of the rates should they be passed.

One of the areas requiring a significant effort is the noticing of customers, which occurred September 3, 2013, through September 19, 2013, via mailers. At the recommendation of the Utilities Commission, the Water Department went above and beyond the requirement to notice by mail by including notices at the Oceanside libraries, the Clerk's office, the Cashier's office, our Water counter at conservation public community events, the KOCT bulletin announcements and the City's Twitter and Facebook pages.

During on the workshop on October 23, 2013, staff from Carollo Engineers discussed the costs of service study process, the purpose and its objectives, the findings and the differences in rate structure alternatives. Carollo also discussed the rate structure objectives of equity, transparency, stability and sustainability, and administrative burden, as well as legal compliance.

At the workshop, staff requested guidance from Council on the rate structure alternatives, and Council advised they were in favor of the option that implemented the cost-of-service study. Those recommendations are being presented this evening.

Regarding wastewater, the cost-of-service findings resulted in the reallocation of fixed capacity costs, reducing the burden on single-family residential accounts. Last year at Council's direction, the winter quarter average for single-family residential accounts was revised, which causes a significant shift in the number of accounts in each tier on each of the low, medium or high sewer classifications.

For a single-family residential customer with low sewer use, which is up to 5 units of water use, the recommended sewer rate increases .8% from \$40.14 to \$40.46. For a medium sewer use customer, using between 5.1 and 10 units of water per month, the recommended sewer rate decreases 0.8% from \$56.76 to \$56.28. For high sewer use customers using more than 10 units of water per month, the rate is recommended

to decrease 7.3% from \$86.26 to \$79.92.

For multi-family customers, a low sewer use group of multi-family customers with 23 dwelling units and 3.5 units of water use each month per dwelling unit would realize a 15% increase from \$453.00 to \$521.00 per month. A medium sewer use group of multi-family customers with 23 dwelling units and 9 units of water each month per dwelling unit would realize a 12% increase from \$575.00 to \$647.00. A high sewer use group of multi-family customers would realize a 9% increase from \$901.00 to \$982.00. It should be noted that the high sewer use group of multi-family customers would still pay less per customer than medium-use single-family residential customers.

Commercial customers would realize increases of 11%, 10% and 9% according to water use every month. A computer graphic was used to show examples.

Single-family residential sewer rates were compared against other sewer agencies' rates in the San Diego area. A computer graphic was used to show that comparison. Oceanside's single-family residential, medium sewer flow recommended rate is \$56.28, which is below the regional average of \$61.96. The effective overall increase for the sewer fund is 2.15% over last year's revenues.

Regarding water, the cost-of-service study looked at how different customer classes utilize the system in a different and unique manner. The cost-of-service study reflects the shift in water use by customer class, especially in the single-family residential customer class where water usage has decreased since 2007, as compared to other customer classes. The monthly meter charge was also noted as not distinguishing by customer class and is being changed.

The implementation of the cost-of-service findings result in impacts to water rates, such as the reduction in fixed charge for single-family residential customers; an increase in fixed charges for all other customer classes; changes to commodity charges, or the charge which is associated with the amount of water used; and pass-thru charges to reflect the cost of purchased water.

A computer graphic was used to show various scenarios. For single-family residential customers, on a bill for a customer using 6 units of water per month, the existing bill would be \$41.06. The proposed bill, using the same 6 units of water per month, would be \$40.38. This is a 1.7% reduction in costs. A medium water customer using 12 units of water per month has an existing bill of \$62.84. The proposed bill using the same 12 units per month would be \$62.88, which is a .1% increase in cost, or 4¢ per month. A high water use customer using 24 units of water per month has an existing water bill of \$109. The proposed bill would be \$113, which is a 3.6% increase in cost.

For multi-family residential customers, on a bill for a group of customers using 3.5 units of water per month have an existing bill of \$405. The proposed bills would be \$461, which is a 13.7% increase. A group of customers using a medium amount of water, or 5 units per month per dwelling, have an existing bill of \$525. The proposed bill would be \$590, which is a 12.4% increase. High water use multi-family customers using 9 units of water per month have an existing bill of \$857. The proposed bill would be \$956, which is an 11.5% increase in cost. All of the rates in these examples are less than the medium-use single-family residential rate on a per-dwelling-unit basis.

For commercial customers, a commercial customer using 10 units of water has an existing bill of \$79 per month. The proposed bill would be \$91 per month, which is a 16% increase in cost. A commercial customer using a medium amount of water of 25 units per month has an existing bill of \$136. The proposed bill would go to \$150, which is a 10% increase in costs. A commercial customer using a high amount of water of 40 units per month has an existing bill of \$193. The proposed bill would be \$208, which is

an 8% increase in cost. At Council's request, staff prepared and distributed a memo and additional bill examples for this and other commercial customer classes.

Oceanside's single-family residential rate is the fourth lowest in San Diego County at \$62.88, which is \$11.81 below the regional average of \$74.69. It is also lower than Vista, Fallbrook, Rainbow, Carlsbad and others. The rates meet the Department's strategic goal to maintain utility rates at or less than the average as compared to all other agencies in the County. The overall increase for the water is 2.9% above last year's revenues.

The Department completed a new comparison this year called the Water Affordability Index, which is an indicator of water affordability. It's used by the Pacific Institute and is measured by the percentage of medium household incomes spent annually on water services. Typically, the Water Affordability threshold is measured at 2% of the median household income. Under the proposed rates for single-family customers using 12 units of water, the Affordability Index is 1.26% for Oceanside, indicating that water services are affordably priced compared to other agencies in the County.

This evening's recommended actions are to introduce an ordinance amending Chapter 29 by establishing wastewater user rate increases, and to introduce an ordinance amending Chapter 37 by establishing water user rate and external water provider charge increases.

Public input

JIMMY KNOTT, 127 Sherri Lane, Vice-Chairman of the Utilities Commission and a member of the Budget Committee, let Council know that the Commission and the Committee have investigated the staff and consultant's proposal, accounting for every dime to be spent appropriately, toward the goal of stabilizing rates, providing equity for all with regard to infrastructure, and making sure the individuals pay for the commodity they use at an appropriate cost and value for the service and the commodity itself. We have unanimously endorsed this proposal.

He has asked both Metropolitan Water District (MWD) and San Diego County Water Authority (SDCWA) for help for our ratepayers. They both said no. He also went before the State Water Resources staff in Temecula to see if they could help with our low- or fixed-income citizens. They advised that due to Proposition 218 they could not help.

GERALD LIGHTSEY, 3702 Southridge Way, member of the Ocean Terrace/Spinnaker Ridge Homeowner's Association, has a letter asking that the change from a flat fixed service charge per meter of \$97.63 to a proposed \$137.75, as it specifically applies to our homeowner's association, be rescinded for reasons we believe are justified.

The approximate annual additional cost to our association when the proposed service charge is applied in 2012's water bill is \$3,450. We as a Board are elected to manage the affairs of our association under Article 3 of its bylaws and the declarations of the Covenants, Conditions and Restrictions (CC&Rs) for Southridge Trails Unit 11 as filed on August 3, 1987. The City has a copy of those CC&Rs. The City and Council are party to these covenants through reference. Several restrictions we are not permitted to do without prior consent of Council for 60 years. Those restrictions are listed in the letter previously provided to Council.

Essentially, we are locked into doing what we were expected to do in 1987 in terms of maintenance and watering of this land. It does not seem fair since we are not quite at the halfway mark of those restrictions that how we are treated is being

changed, as if our use of the water is not current with the way Oceanside thinks it should be used now. We believe it should be as originally agreed upon and kept in the same kind of organization as it has been all along.

ANGELA McMILLAN, 3603 Surfline Way, feels as though she has already received an increase in her water bill. She opposes the increase. In December of 2012, she wrote to the Mayor and the Code Inspector because she was gone for about 20 days, and her water bill was almost \$500. She doesn't know what happened during that time, but in the 16 years she's lived there, it has never been almost \$500. She owns the property and has never rented it out while she was gone. Only she and her son are there. There are 4 units on the property, and her neighbors run water all the time. Why should she get an increase when the neighbors are using more water than she is? She protests this increase. She filed a letter with the Council.

FEMALE SPEAKER read from a letter she previously submitted. The only notice she received was a notice of today's hearing. That denied them the opportunity to address this in a public forum where members of the community had a voice prior to making this decision. It violated California Brown Act Section 54953.3 and 54954.3.

The computer graphic being used tonight is flawed because you're comparing yourself to other cities. However, these other cities don't have a tier system; they have a fixed rate. They don't have a tier system because it's illegal and unconstitutional. By having the tier system, you are in violation of the California Constitution, Article 12d, Section 6; and other articles of the constitution. This has already been resolved in a court forum against the City of San Juan Capistrano. She cited case numbers of other cases.

Everything that has been presented here is flawed and unconstitutional, and it's time for the citizens of Oceanside to get a class action lawsuit against the City. This must stop.

MICHELLE CASTELLANO KEELER, 734 Wilshire Road, is here on behalf of her family, the Mellanos. We are cut flower growers, and we'd like a little more clarity to understand why there is a different class system. If there is going to be, how is it that commercial and agriculture are separated out and agriculture is paying the highest rate in these areas? We are opposed to this unless we can get a better understanding as to why agriculture is singled out to pay the highest rate. It's a difficult time to be a farmer anyway.

LOUISE BALMA, 745 Sleeping Indian Road, lives in the South Morro Hills area, in our agricultural region. Her family has been farmers as far back as they can trace and has been farming in California since 1911. She and her husband wanted to continue this legacy when they bought their grove 19 years ago and began growing avocados. At that time, water was a little over \$1 per unit. Today with all of the fees attached, it's about \$3.35 per unit. It doesn't sound like much, but when you factor in how many units it takes to grow avocados, along with the infrastructure costs, surcharges, Clean Water Act and everything else that gets tacked on, our water bill is \$66,000 a year to water 1,600 trees on 25 acres. We're a small farm compared to other growers in the area.

South Morro Hills grows more than avocados. It produces strawberries, tomatoes, herbs, nursery stock, fresh flowers and wine grapes. The growers and farmers are working to bring more value to our City by promoting agri-tourism. We're doing wine tasting, farm tours and farm-to-table dinners. We need the City's support to make agricultural more viable. The land does more than just grow food. It also provides animals, birds and insects with a place to live, cleans our air and water and gives our human neighbors a visual place to rest. We need the land to keep us all healthy.

The residents and our Council want to help the local Oceanside farmers to continue producing local food. Our farm will only survive if we can receive more favorable water rates. We currently receive a discount of 26% from the SDCWA and are thankful for that. She believes that the California State law allows all City water districts, including Oceanside, to discount water rates up to 70% of the domestic rates. Escondido recently approved a pipeline extension to bring recycled water in to their citrus and avocado growers. This will help their farmers survive. She would hope that Council will consider granting us more favorable water rates for agriculture and consider extending the recycled water pipeline adjacent to South Morro Hills. This would help our local farms survive, and we can continue to provide local healthy food.

NANCY WHITE has lived in Oceanside for 15 years. She is protesting the water increase for many reasons. She's just an average resident. The water increase would be brutal at this time. We're living in an unstable economy. It's difficult for those who are unemployed and the elderly who live on their Social Security and pension. Many families are struggling. We do have a lower rate than most local cities, but perhaps we can look at alternative ways to meet the residents' needs as well. She's not sure how much more water she can save. She changed everything and does everything in her power to conserve, but it's almost useless because it's becoming an annual event to come and speak to Council about finding alternative ways to cut corners a different way.

LUPE BISHOP, 4925 Colusa Drive, has been here for 7 years. She came back here to retire. Her water bill when she first moved here was \$60.89. Her bill last month was \$153.39. This represents an increase of over 100%. She is still on low flow and Tier 1. Where she lived previously her water bill was just over \$40 for 2 months. Here it is \$153.00 for one month. She doesn't even have a back yard. She has a small front yard. This is getting ridiculous. She's retired and on a fixed income. Is she supposed to stop showering? This is like being charged to breathe the air.

YOLANDA PHILLIPS asked if on the single-family residential and multi-family residential, if one person lives in each home, one will be charged differently. For agriculture, she doesn't want her food prices to increase. It's seems like a big jump from single-family to agricultural prices.

San Juan Capistrano's tiered water system was viewed illegal by a judge. She doesn't want to vote on anything illegal. If it's not illegal, can we have a 6-month trial period? That way people can see how much water they're using and if this really works.

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

ROB GRANTHAM, Carollo Engineers, stated when we looked at the cost-of-service analysis, we looked at the existing rate that was implemented in 2007 as part of a citizen's advisory committee process. We believe that the rate structure meets the legal requirements for cost-of-service. It is a tiered rate structure similar to many communities and surrounding areas such as Carlsbad, Del Mar, San Diego, etc.

One change we recommended as part of this structure is to change the fixed charge. The fixed charge, under the current structure, is commensurate between all customer classes. Single-family, multi-family and commercial pay the same charge based on meter size. However, the use of water by customer class is different. For example, irrigation customers have a large demand in the summer and a smaller demand in the winter, relative to a single-family customer. The cost for the utility, from a cost-of-service perspective, is we're building infrastructure, an excess capacity that's available to meet that demand in peak summer. The fixed charge adjustment is intended to better reflect the cost of providing that increased capacity for peak summer. Therefore, our recommendation was to adjust that component of the rate structure to better reflect the cost of service by customer class.

Another component to the increase is a pass-thru from SDCWA and their increase from MWD in terms of purchasing the water. Much of the increase, in terms of usage, is directly attributable to our cost of purchasing water from a wholesale agency.

Regarding the agricultural rate being very high compared to other rates, **MS. DALE** responded there was a program that MWD had implemented in the past to offset costs for agricultural users. As a result of getting that lower rate, agricultural users were subject to cutbacks. For instance, during our recent drought when there were cutbacks, agricultural was the first customer class to be cut back.

The SDCWA was approached by the Farm Bureau a few years ago to continue that program after MWD ceased the program, and collectively the SDCWA voted to adopt a transitional special agricultural water rate, which is \$1.71 per unit of consumption compared to the commercial agricultural rate of \$2.36. It is the lowest rate per unit compared to all customer classes. There are eligibility requirements to meet that. We send out letters every year to agricultural customers to see if they are interested in joining that program.

We have been very active in developing recycled water, especially near the Morro Hills area at the back gate. We've been talking with Camp Pendleton about bringing 1,000,000 gallons of recycled water into the City from the back gate area. The targeted users are the Morro Hills community, as well as Arrowood and the surrounding area. That is in the works.

We have a free water smart check-up program that any user can take advantage of. The SDCWA has contracted with a service provider that will come and do an audit inside and outside your home. It's amazing some of the things they'll find. In some cases, even if you have reduced your water usage inside, you may be experiencing a leak. People can call the Water Department and be directed to that service.

Regarding bringing the recycled water in from Camp Pendleton, **CITY MANAGER WEISS** stated in order to provide that access, it's going to require the City, along with others, to spend money to build the infrastructure necessary to provide the water. One of the biggest drivers of your rate increases going forward are going to be these capital projects. Council has identified a need to be 50% water independent by 2030. In order to do that, it's going to cost us money to build the necessary infrastructure to allow that to happen.

At the workshop, Council agreed that we would come back in the January/February timeframe to go over all of the long-term capital projects so we can demonstrate to the public what those projects of significance are that will be coming forward over the next 5-15 years, which is a driver of these rates. In reality, if we look at finding another source of water, and we've been looking at an additional desalinization plant near the coast, that is going to drive future rate increases as well.

Even though there are some questions about equity, one of the biggest drivers is going to be finding a way to get additional water that will end up in the long-term being less expensive than what we're going to be paying to MWD. However, to build that infrastructure is going to cost people money. It's going to come from all of the ratepayers, not just one single customer class. Finding some way of building equity in the system has been a challenge, but Council has that in front of them. Obviously, it doesn't meet everyone's need, but there will be ongoing needs to increase rates to provide that backbone infrastructure and replace some of the failing infrastructure moving forward.

There will be a workshop in the January/February timeframe and we will advertise so the public can see some of these longer term capital projects and their cost.

CITY ATTORNEY MULLEN stated there were a couple of references to the San Juan Capistrano case. To clarify, that involved a trial court decision involving San Juan Capistrano's tiered rate structure, as well as their recycled water fee. The trial court in that case did invalid the fees in question. That case is on appeal now, so the trial court's Statement of Decision that we have reviewed is not what's known as binding legal authority until it's decided by the Appellate Court. More importantly, even if it were, what the trial court was stating in that case is that for the tiered rate structure at issue, there was no evidence in the record that the agency could point to that it was based on cost-of-service principles. In this case, Mr. Grantham has done the cost-of-service analysis; we discussed it at length at the workshop and it's part of the administrative record. That was a publicly noticed workshop, contrary to an earlier suggestion.

CITY CLERK BECK agreed it was publicly noticed.

CITY ATTORNEY MULLEN stated we think that our water rate structure is defensible, even if the San Juan Capistrano case were to be validated by a Court of Appeal. There are other Appellate Court opinions that essentially stand for the proposition that a tiered structure is a legitimate structure, provided that it's predicated on cost-of-service principals, which he believes is what Council has before them now.

MAYOR WOOD stated if people have issues on water, they can get with the Water Department staff for assistance. The rates have gone up over 100% since 2006, all because of MWD. SDCWA is suing MWD over the water rate increases. As for the agricultural areas, he doesn't know how they survive with the cost of water. He doesn't know how to fix that problem. Everybody on the dais is compassionate about the rates and how they affect people. We pay them as well.

In order to get more water to the public, including recycled, we have to get the pipe systems in and that costs money. A lot of us have gone to MWD in person, and they didn't care at all about what we had to say. Water is probably the most valuable commodity in Southern California, and for agricultural in particular. He doesn't know how to fix this. The rates keep going up. Then there's the Delta Smelt that comes first before getting water to Southern California. That's part of the problem.

We don't want to increase rates, but this is a pass-thru. Somebody is telling the City we have to pay this. His family is suffering from this as well. We're all going to have to let our yards die, and that's not right. When there was a water shortage, everyone in Oceanside did what they had to do to conserve water. After all of that, the rates went up. That's because of MWD, not the City.

COUNCILMEMBER SANCHEZ stated this is a public institution. We're not private, and we're not trying to make a profit. We're trying to provide water, which includes getting it, to the public. Staff is trying to do a pay-as-you-go to determine how much water you use and then be able to charge accordingly. It's not the complete story because there's a lot more behind that. We tend to want to think about water as being a free resource, but we know it's not. It takes money to have that infrastructure and transport it here. It's getting those pipelines in and maintaining them. It's insuring that we're not going to have breaks in the system and that we're going to have a dependable source of water for the future. We have set a lot of goals to become more independent. We are participating in a lawsuit against MWD, who we believe is charging us more than they should for the transportation costs. We believe they are giving a big discount to Los Angeles, and it's not equitable.

CITY ATTORNEY MULLEN stated that case is going to trial in December of this year. The briefs have been filed, and there is a Summary Judgment motion pending for early December.

DEPUTY MAYOR KERN stated the first hearing was on Tuesday about what will and will not be allowed. There were several motions, and the judge ruled in favor of the SDCWA in about 90% of those. It looks very good.

COUNCILMEMBER SANCHEZ is hoping we will be victorious because it seems clear that it has been inequitable. However, that isn't going to make anyone feel better because we still have to pay the costs to get the water to you.

This is a new system. When we had the workshop she asked staff to come back with an explanation of what this really means because we were talking in theoretical terms. The public has been conserving water. It is still critically important that we continue that, even though it seems like your water bill is still going up despite conserving. The water bill is going up because SDCWA is passing on their costs, but it's also us trying to maintain our system. Since we are looking at a different way of paying, which is a pay-as-you-use, she doesn't think that everyone has done all they can about conserving water. Maybe homeowners associations can look at less water dependent landscaping and use native plants that use a lot less water.

She reviewed Mr. Lightsey's letter and consulted with the City Attorney about it. She understands how it sounds equitable on paper, but in application it sounds like they're being treated differently. How can we do this so it feels fair? Can we do this in steps? We have been very supportive about our plans for agricultural in terms of the recycled water. It is going to be a cost that we have to figure out how we're going to pay for. How do we do this in-between thing for all of us, especially for our multi-family/homeowners association situations. Maybe they need more time to transition into using less water for their landscaping and creating less of a demand. In the past, we've done increases in steps.

Last week at the workshop was the first that people knew it was going to come to Council. We need to give our residents time to adjust to see how they can use less water. Single-family residents are going to get charged less in some situations. This really affects multi-family and homeowner's associations. Ocean Hills has been working very diligently to change their landscaping to drought resistant landscaping that still looks nice but requires a lot less water.

She asked staff if this is something we can do in steps. If so, how do we do it?

MR. GRANTHAM responded the primary increase is on the pass-thru of the purchase of the water. Today we've talked about the reduction of water. San Diego County reduced water consumption by 25% over a 5-year period.

In terms of the fixed charge, we've applied it based on cost-of-service. We've tried to better tie the cost of having the capacity to the cost paid. In terms of a phased-in approach, we have tried to take that into consideration already. One gentleman talked about a \$3,500 increase for 200 units. That's basically \$15 per year for each unit at that association. That's not a significant increase in terms of the fixed charge to individual customers, but it does better associate with cost-of-service and the system for that customer.

Regarding going into a phased approach on this, **MS. DALE** responded at this time we don't have anything prepared that we could offer. We could have that discussion when we have the workshop on the infrastructure in January/February. That is some of the feedback that we want to get from Council: what is the pace that Council wants to implement some of these programs? Those are the things that are driving the rates: the infrastructure improvements as well as expansion of the system and recycled water systems.

COUNCILMEMBER FELIEN stated it seems that the annual ritual is raising the water and sewer rates. Some of those things are out of our control. The issue of the lawsuit and the transportation surcharge was mentioned. Many of us went to MWD, and our pleas fell on deaf ears. Some of the issues are beyond the control of MWD. A water operation is overwhelmingly fixed costs. You have to spread those fixed costs over whatever volume of water comes through your system. As we conserve for environmental reasons and to try and get our water bills down, the water district more or less has the same fixed costs so next year when they see that everyone has conserved water, they have to raise the per-unit rate to cover their fixed costs, which they then pass on to us without hesitation.

MWD has its own issues. They've been extravagant with their salaries, labor packages and pension packages because they're immune to public pressure. They pass it on to us, and we hear from the public when they're impacted by the bills that we have to pass on to them. One of the reasons the water volume is so low is because of the water blockade in the Sacramento Delta. That's the result of judges who are appointed by politicians. Voters need to take into account the people they are voting for and the type of philosophy they have in terms of whether or not they're going to balance out the needs of residents over the needs of some extreme interpretations of environmental law. The cost of that comes down to us, and we have to pass it on.

In terms of what we can control, he asked the City Attorney or City Manager if there is anything we can be doing related to the interpretation of homeowners associations and the requirement to maintain landscaping to allow for low water use plants and landscaping.

CITY MANAGER WEISS stated we have programs where we will work with homeowners associations to reduce the amount of water used to convert what has historically been turf areas to more drought tolerant, which would result in the reduction of meter sizes as well. There are costs involved with that, and we did have grant opportunities that would allow that to happen. Even single-family residents have the ability to come in and work with Water. We will do water audits as well to look at ways of reducing costs and overall use. That will result in the reduction of meter size as well.

CITY ATTORNEY MULLEN stated to the extent there are CC&Rs, he has not reviewed those in quite some time so he doesn't know exactly what they say with regard to landscaping. We can always agree to modify them.

COUNCILMEMBER FELIEN would assume that there would be support from the City to clear away any impediments that people feel they are required to do. The environment that we're in today is different than it was in 1987, or when a lot of homeowners associations were created, in our attitude toward green plants and lawns.

The issue is our capital expenditures. It's important that the public understand that we received projected rate increases from MWD. It just keeps going up. One of the positive aspects of your government in Oceanside over the years is that the Councils have been unified on the issue of developing our own domestic water supplies, recycling and trying to get out from under the thumb of MWD. However, the short-term cost of that is we have to put in the infrastructure. That means for the short-term, rates will be higher than they otherwise would be if we just bought the water from MWD. Once that infrastructure is in place, our unit rates can be flat. We will eventually cross the line where, for the long-term, our rates will be much cheaper than what we would be getting from MWD.

He supports going down that course, but he wants to make sure we get the maximum bang for our buck from our capital projects. He would like to make sure that our Water Department, when we do our workshop in January/February, has a side-by-side comparison for design, build and operate versus the traditional acquiring of water

bonds and doing the work on an item-by-item basis. We have to look at every option to save money. The La Salina Sewage Plant would be an ideal one for the type of comparison. We owe it to our ratepayers to make sure we're looking at every option to get the maximum use out of their tax dollars.

COUNCILMEMBER FELLER stated we are and always will be a desert. If we don't water it, it will look like it did 200 years ago. He's heard some discussion comparing the number of units. Low units are being described as 5 units, and it used to be 10. Is that new?

MS. DALE responded the tiers that define the sewer classifications have not changed. They were defined in 2012 so that by ordinance when we said 5 units as the end of one tier, it was being interpreted as up to 5.9, so we defined it as 5.0. That was the only change. That was the intent of the tier levels when they were first adopted. It was implemented a little differently because it wasn't defined well in the ordinance. They haven't changed.

COUNCILMEMBER FELLER asked if a unit is 748 gallons.

MS. DALE responded yes.

COUNCILMEMBER FELLER asked how much one unit of water costs.

MS. DALE responded for residential it's \$2.15, which is the same cost that it was last year. The first tier is not being raised.

COUNCILMEMBER FELLER stated that's a pretty good deal. Los Angeles is a lot closer to the source, so they probably do get a better deal than we're getting down here.

One speaker suggested we have more creative ways of doing this, but it sounds like staff has already worked out some creative ways to get to where we are. He asked staff to expand on what might be more creative. He doesn't see us not having an increase in water with the way the environment side of things are going.

MS. DALE responded if you are referring to water sources as being creative ways to deliver water, one of the very innovative things that Oceanside has done is the groundwater facility. The Mission Basin facility is a very successful facility that extracts the groundwater, purifies it and delivers it. It accounts for about 15% of the water that Oceanside uses and is the cheapest source of water. When it was first constructed, it was probably a very expensive source of water, but over time it's paid back. We're seeing dividends now for an investment made in the past.

The Department has been working diligently at planning infrastructure that would deliver recycled water supplies at various locations around the City. There is a price tag to that. Some other things we've been investigating are expansion of the Mission Basin facility at the harbor or coastline, as well as embarking on a study this winter that will look at supplementing the recharge of the aquifer to increase the volume that is extracted from it. There are a lot of opportunities out there. They take time, but there are quite a few on our radar. They all have a price tag associated with them.

COUNCILMEMBER FELLER stated the pipe breaks cost a lot of money. Our most recent one could have cost us a lot more than it did. It's important for everyone to know the price of fixing these things when we're trying to sop up the mess after they break.

MS. DALE responded if Councilmember Feller is referring to the reservoir repair, we estimated that repair to be about \$75,000. Any repair that occurs under an

emergency condition is going to cost more than if it was a planned repair.

Haymar was a sewer line break that occurred as a result of severe flooding evacs. That not only cost the City to repair the pipe, but we also had fines and other remediation that we needed to do. There were other infrastructure projects required as part of that fine, which far exceeded the cost of having repaired the pipe in the first place. Being proactive on our repairs and replacements is definitely cheaper for the ratepayers in the long-term.

COUNCILMEMBER FELLER stated agricultural would prefer to stay in business, but if we price them out then he hopes we have solution for their immediate needs.

MS. DALE stated the rate that's available now is a rate that's available through the SDCWA. It's subsidized by all of the other agencies in the County because the Board felt that agriculture was an important thing to maintain in the County. The rate is \$1.71 per unit compared to the commercial agriculture rate of \$2.36, or the irrigation rate of \$2.37. Most people who are eligible are already on that rate.

CITY MANAGER WEISS stated part of what you're dealing with is there is a specific amount of revenue that's needed to purchase water, use our own water and deliver it. If Council is interested in a reduced rate for agricultural, we can look at that, but the result will be that you still need to raise the same amount of money, so you would be redistributing the cost to other user groups. Staff can look at that if it's something Council is interested in. He would not recommend it for this rate increase, but if it something they are interested in, we should know that well in advance of the next series.

COUNCILMEMBER FELLER thinks the most critical thing said is the availability of the recycled water coming in the back gate. We should do our utmost to strike that deal.

DEPUTY MAYOR KERN sits on the SDCWA as the City's representative. As far as the rate litigation with MWD, it's about the wheeling rate. That's the transportation charge. MWD has, over the last few years, overcharged San Diego to the benefit of the other member agencies in the Los Angeles basin. Water is free. The cost comes in getting it to where it needs to be. The State Water Project is 440 miles of canal, from the Delta to MWD. We're at the end of the pipeline, so it's very costly for us to get water into this region.

He's been working on water issues since 1991. One of the portions of the rate litigation against MWD is that they never give us a cost-of-service. The arrogance at MWD is very frustrating. We ask them to tell us the cost-of-service when they charge us for the water, and they say they don't have to because they're MWD. They've actually said that in the litigation. They're overcharging us probably a couple of hundred million dollars over the next 10 or 15 years. If we can get that money back, our costs will go down.

Camp Pendleton sends 2,000,000 gallons of recycled water out to the ocean every day because they have no place to put it. We can capture that water, and we're going to try to for agricultural use, but the cost is going to be to deliver that water, to build that infrastructure and those pipelines to get the water to the end users. The availability will be there and some of the variability of cost will be diminished, but the cost is going to be significant.

Agricultural areas are doing the same things people in their homes are doing: converting from high water usage plants to less water usage plants. Some are converting to grapes because they use less water than avocado. That might be the

trend now. The imports from Mexico are so much cheaper that it's hard to compete anyway growing avocados.

He is going to Newport Beach for 2 days to attend a conference for water reuse. We're going to talk about how we get direct potable reuse water. We need to start looking at wastewater as a resource to create water that we can use, either through purple piping or by converting it to drinking water. We use water that's gone through at least 4 wastewater treatment plants before it gets to us because we are at the end of the pipeline. We are looking at being creative, not so much to guarantee a lower price, but to guarantee our supply. We are very exposed to the variability of water.

The number one water storage in the State is the snow pack in the Sierras. From year to year that varies widely. If we have a dry year this year, we will be in drought mode next year, and we'll have to adjust things.

He understands everyone's concerns, and we tried the best we could. The Utilities Commission wrestled with this for quite a while to come up with this.

He **moved** introduction of an ordinance amending Chapter 29 of the City Code by establishing wastewater user rate increases; and introduction of an ordinance amending Chapter 37 of the City Code by establishing water user rate and external water provider charge increases

COUNCILMEMBER FELIEN seconded the motion.

DEPUTY MAYOR KERN stated there were some questions about homeowners and as far as he knows the SDCWA still has a water audit program. If you're a big water user, the SDCWA will come out and walk you through how to cut back on your water usage. Also, we are encouraging drought-tolerant plants. We are in a desert and have to adapt to living in a desert. As everybody understands, when you deal with water it's always expensive. The Poseidon Project is going to produce 50,000,000 gallons a day of water from the ocean. They're building the pipeline now, but we don't know what the true cost of that is going to be at the SDCWA yet. We haven't determined what that rate will be to pass through to our users. But we'll have a guarantee of supply. It's not going to be cheap.

We've been using Proposition 218 for years and tier-grades actually encourage water conservation. The reason part of this is tiered is to encourage people to conserve water.

CITY ATTORNEY MULLEN stated there's nothing inconsistent about tiered rate structure as long as it's based on cost-of-service principles. The cost-of-service principles have been established in the Carollo study.

MS. DALE stated the tiered structure is the best management practice that is highly encouraged to be implemented by the California Urban Water Conservation Council. The State is now threatening to withhold any sort of grant funds for agencies that do not comply with these best management practices.

DEPUTY MAYOR KERN stated the opening of the trial for our rate litigation against MWD went before the judge 2 days ago. The full trial starts in December. The judge said it would take 12-13 days, so we should have some preliminary decision in January. Knowing how the legal system works, no matter what the decision is, it will be appealed. We'll probably have at least 2 more steps before it ends up before the State Supreme Court.

We've done everything we can to try and hold water costs down. We're going to move forward to make sure we do have water now and into the future.

MAYOR WOOD stated people can go on our website or talk to staff if they don't understand what is going on. You don't have to wait for this to come to a Council meeting.

CITY ATTORNEY MULLEN asked the City Clerk to confirm that we have no majority protest for either the water or sewer rates.

CITY CLERK BECK responded that's correct.

After titling of the ordinance amending Chapter 29 of the City Code by establishing wastewater user rate increases; the **motion was approved 4-1**, Sanchez – no.

After titling of the ordinance of an ordinance amending Chapter 37 of the City Code by establishing water user rate and external water provider charge increases, the **motion was approved 4-1**, Sanchez – no.

INTRODUCTION AND ADOPTION OF ORDINANCES - None

ADJOURNMENT

After a moment of silence for Angela Lawrence Stonebaker, Dave D'Andrea, Bob Kremer, Vicenta Escobedo, Jose Garcia and Alberta Duarte, who passed away, **MAYOR WOOD** adjourned this joint meeting of the Oceanside City Council, Community Development Commission, Small Craft Harbor District Board of Directors and Oceanside Public Finance Authority at 7:28 PM on November 6, 2013 to a workshop on at 2:00 PM on Wednesday, November 13, 2013. [The next regular meeting is scheduled for 2:00 PM on Wednesday, November 20, 2013].

ACCEPTED BY COUNCIL/HDB/CDC/OPFA:

Zack Beck
City Clerk, City of Oceanside