



California

ITEM NO. 2

CITY OF OCEANSIDE

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

JANUARY 8, 2014

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
Esther Sanchez

Councilmembers
HDB Directors
CDC Commissioners
OPFA Directors
Gary Felien
Jack Feller
Jerome Kern

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
Steve Jepsen

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, January 8, 2014.

2:00 PM - ROLL CALL

Present were Mayor Wood and Councilmembers Kern, Felien and Feller. Deputy Mayor Sanchez arrived at 2:07 PM. Also present were Assistant City Clerk Trobaugh,

City Manager Jepsen and City Attorney Mullen.

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

COUNCILMEMBER KERN stated he owns property that's within 300 feet of the Pala Road and Los Arbolitos properties.

CITY ATTORNEY MULLEN asked if it's property that's the subject of the sale.

COUNCILMEMBER KERN responded yes.

CITY ATTORNEY MULLEN recommended that Councilmember Kern not attend closed session and recuse himself from consideration on that matter.

[Closed Session and recess were held from 2:02 PM to 4:00 PM]

CITY COUNCIL, HDB, AND CDC CLOSED SESSION ITEMS

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

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

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

Discussed (OPOA); no reportable action

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

A) CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION (SECTION 54956.9(c))

Initiation of litigation by City pursuant to Subdivision (c) of Section 54956.9: One case

In closed session, Council voted 3-2, with Wood and Sanchez voting no, to participate in a legal challenge to the validity of SB 7, SB 829, and SB 922

3. CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)

A) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Oceanside Marina Suites, 2008 Harbor Drive North (portion of APNs 143-120-06 & 09); Negotiating Parties: Oceanside Small Craft Harbor District and Pacific Suites, Inc.; Negotiator for the Harbor District: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms for the lease of real property

Discussed and direction to staff; no reportable action

B) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Approximately 21 acres at Pala Road near Los Arbolitos Boulevard (APN 158-301-46 and a portion of APN 158-010-31); Negotiating Parties: City of Oceanside and Hillcrest Homes; Negotiator for the City: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms for the sale of real property

**[Councilmember Kern recused himself due to property ownership]
Direction to staff; a public meeting will be noticed in the future**

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

Discussed and direction to staff; no reportable action

4:00 PM – ROLL CALL

MAYOR WOOD reconvened the meeting at 4:00 PM. Present were Mayor Wood, Deputy Mayor Sanchez and Councilmembers Kern, Felien and Feller. Also present were City Clerk Beck, City Manager Jepsen and City Attorney Mullen.

CONSENT CALENDAR ITEMS [Items 4-11]

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.

COUNCILMEMBER FELIEN pulled Item 6 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 October 17, 2012, 2:00 p.m. Regular 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. **Removed from the Consent Calendar for discussion – Council**
7. City Council: Approval of a purchase order in the amount of \$66,005 to XYLEM, Inc., of San Diego for the purchase of one emergency pump for the La Salina Wastewater Treatment Plant; and authorization for the Financial Services Director, or designee, to execute the purchase order
8. City Council: Approval of amendment 3 [**Document No. 14-D0008-1**] to the percentage lease agreement with Ruby's Oceanside, Ltd., which provides for an additional lease extension option, construction of additional capital improvements to the building at the end of the Oceanside Municipal Pier, and amends the parking payment validation rent offset language; and authorization for the City Manager to execute the amendment
9. City Council: Approval of a professional services agreement [**Document No. 14-D0009-1**] in an amount not to exceed \$422,400 with HDR Engineering, Inc., of San Diego for the preparation of plans, specifications, and bid phase services for the Reservoir Repairs Phase 3 Project; and authorization for the City Manager to execute the agreement
10. City Council: Approval of a budget transfer in the amount of \$134,082 from the Springhill Suites Project Fire In-Lieu Fee fund to the Fire Suppression fund; and approval

of a budget appropriation of the funds for the purchase of emergency response equipment for the Fire Department

11. City Council: Ratification of the emergency repairs completed by Joe's Paving Co., Inc., of Valley Center at North River Road and Lake Boulevard, and a patch repair at Darwin Road; and authorization for the Financial Services Director, or designee, to pay invoices in the amount of \$43,313 for the repairs

DEPUTY MAYOR SANCHEZ moved approval of the balance of the Consent Calendar [Items 4-5, and 7-11].

COUNCILMEMBER KERN seconded the motion.

Motion was approved 5-0.

Items removed from Consent Calendar for discussion

6. City Council: Approval of a purchase order in the amount of \$85,465 to Industrial Design Research of Santa Ana for the purchase of two lifeguard towers; and authorization for the Financial Services Director, or designee, to execute the purchase order

COUNCILMEMBER FELIEN asked the City Manager to update Council on this item. \$40,000 for a lifeguard tower of pipes and wood seems excessive, when you can spend \$40,000 and get a car that has a lot more features. There seems to be a cost disparity that he doesn't understand. He knew the City Manager was doing some research and wanted to know where we stood on this item.

CITY MANAGER JEPSEN stated we have representatives here from Fire and Beach to address his question.

DARRYL HEBERT, Fire Chief, was also shocked at how expensive the new lifeguard towers are. We have fifteen towers: thirteen on the beach and two in reserve status. They're both almost 40 years old. The average lifespan of our towers is about 30 years. They are made of fiberglass, stainless steel and metal. There are very few manufacturers of them. They have the market cornered, which is why they're so expensive. He deferred to Captain Curtis for further information.

BILL CURTIS, Beach Lifeguard Captain, stated in regards to the lifespan of these towers, we started replacing the old wood structures back in the 1970's. The last wooden lifeguard tower was replaced in 1981. They were all from Prison Industries, made at Folsom Prison. The fiberglass towers we have now have lasted over 40 years.

The most recent towers were replaced in 1991. That was with the company we're currently going with. As Chief Hebert alluded, they do have the corner on the market. Since the towers last 30-40 years, there's not much of a demand when the only people buying them are in the coastal regions. They're not making much of a profit on just the towers.

DEPUTY MAYOR SANCHEZ moved approval [of a purchase order in the amount of \$85,465 to Industrial Design Research of Santa Ana for the purchase of two lifeguard towers; and authorization for the Financial Services Director, or designee, to execute the purchase order].

COUNCILMEMBER 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.

12. **City Council: Public meeting to hear testimony regarding the renewal of the Oceanside Tourism Marketing District pursuant to California Government Code Section 54954.6**

TRACEY BOHLEN, Economic Development Manager, stated this is the second step in a three-part renewal process for the Oceanside Tourism Marketing Assessment District. The first meeting was on November 20th, where Council adopted the Resolution of Intention to renew the Tourism Marketing District (TMD). On February 19th, Council can renew the TMD if a majority protest is not received.

Tonight, Council will hear public comment regarding the renewal of the Tourism Marketing District. No action will be taken, but any concerns that are raised will be addressed at the February 19th Council meeting.

COUNCILMEMBER FELIEN stated one of the emails Council received asked what benefit an individual vacation owner received from the marketing efforts of the City. He asked Ms. Bohlen to address that.

MS. BOHLEN stated the Visit Oceanside group uses this money to market Oceanside as a tourism destination and does market vacation rentals on their website. They send leads to vacation rentals. This is not an additional assessment; it's the renewal of the existing 1.5%. That's been confused.

LESLEE GAUL, Visit Oceanside President, stated we provide a benefit to all lodging industry store marketing efforts. From an inquiry conversion study that we do on our leisure market using an outside firm, we know that 45% of the leisure market that we impacted stayed at a vacation rental in Oceanside and 36% stayed at a hotel or motel. The remaining percentages are RV parks, private homes, etc.

We also do pick-up reports with the group business we book. A lot of our group business goes to vacation rentals, such as Beach Soccer, Ironman, RAAM (Race Across America), Life Time Tri, etc. The vacation rentals are becoming a popular market for that because when they come to train, they like to have that home-away-from-home place near the beach. They can stay there weeks and months at a time to train for RAAM. The pick-up reports show that they're using these types of properties.

The TMD is designed to do destination marketing, so we promote Oceanside as a destination. We're charged with branding and the reputation of Oceanside as a destination. Everybody benefits from all of the positive press and marketing we do. We've built compression in the area with these big events. When we have groups coming in, it raises the rates for the leisure market. All properties are impacted by that.

DEPUTY MAYOR SANCHEZ stated the hardest decision for her was not that we raised the TOT (Transient Occupancy Tax) because we probably would have been the last city to raise our TOT to what everybody else has. It was whether or not to dedicate the TOT to something like Visit Oceanside, rather than going to our General Fund to support our City as a whole.

Visit Oceanside has been doing a great job. We are getting more and more interest by sports groups to hold their special events in Oceanside. That would not be happening if it weren't for their efforts. This has been a great partnership. If we didn't have this, we would not have the kind of occupancy that we are enjoying at this time. We would not be having the interest by hotels in Oceanside. There was a time twelve

or thirteen years ago when it seemed like we weren't going to get any hotels interested in Oceanside. Now, we have a lot of great interest.

She is very supportive of this. She was looking forward to seeing what the public would tell us. We have received a few emails. The City Clerk has copies of those, but she thought we would also be hearing from people in-person. We will have one more meeting. We need to have as much possible public notice about what we're doing.

We are probably the last city to raise our TOT and dedicate it to this. Solana Beach decided to dedicate it to a sand replenishment project. We're doing it for Visit Oceanside.

COUNCILMEMBER KERN is surprised there is no public here because we received a flurry of emails, especially today. He was expecting more people to come. There is no action tonight other than to set the public hearing date. He asked if they are looking for a motion to set the date.

CITY ATTORNEY MULLEN responded there's no motion needed. It'll be noticed.

COUNCILMEMBER KERN stated we're going to set the date of February 19th for a public hearing so the public can come in and weigh in. They can also send emails to Council any time.

COUNCILMEMBER FELLER asked if somebody is tracking the emails Council has received, as far as opposition. Where is that being done?

MS. BOHLEN responded that will be accounted for on February 19th.

COUNCILMEMBER FELLER asked who is doing it.

MS. BOHLEN responded the Finance Department.

COUNCILMEMBER FELLER stated this 1.5% was not initiated by us as a City; it was initiated by the businesses themselves. Is that correct?

MS. BOHLEN responded that's right; it's the rate payers.

COUNCILMEMBER FELLER clarified that we haven't raised the TOT. The businesses initiated this 1.5%. It's benefitting all and paid for by the higher volume destinations. Everybody is sharing in their little corner of the world. They can get out of this by renting their properties for 30 days or more. Is that correct?

MS. BOHLEN responded yes.

MAYOR WOOD stated there were some people concerned about getting representation as an individual renter. Hopefully, all of their questions were answered. He agrees that we're selling Oceanside as a product for all of us. The large groups coming here benefit all of us at some point.

13. **City Council: Approval of a negotiation agreement with Swimming Hall of Fame Partners, Inc. (SHOFP), as the developer, to enter into a Development and Disposition Agreement (DDA) for the further development of El Corazon, and authorization for staff to negotiate the DDA**

PETER WEISS, Consulting Assistant, stated the item before Council started several months ago. We have an existing Development and Disposition Agreement (DDA) with Sudberry for the development of El Corazon, which gives Sudberry the exclusive right to develop the recreational and commercial components, with the

exception that there is a right of first refusal built in for the Phase 2 recreation component. We have had conversations with Sudberry in regard to this particular item. However, in order to have any further significant negotiations and discussions with the Swimming Hall of Fame Partners, which is the subject of this action, we need Council's and Sudberry's approval to enter into those discussions.

At this point, we do not have any formal proposal. We have some concepts that have been presented to us. We would like to further conversation with the Swimming Hall of Fame Partners to look at the development of the aquatics center component of El Corazon, along with a resort hotel that would help offset the operating costs of the aquatics facilities. In the staff report we have a list of what the Swimming Hall of Fame Partners would like to see included in their comprehensive development, but we have not sat down in any meaningful way to negotiate or discuss any of those options with them.

We're asking for Council's authorization, by approval of the Negotiation Agreement, to enter into a negotiating period with the Swimming Hall of Fame Partners. If it is successful, we'll come back to Council to approve a formal Development and Disposition Agreement. That's if the concepts work out and we can demonstrate that there's an ability to actually implement and finance the project.

The action we're asking Council to take today is to authorize the Negotiation Agreement so we can sit down with the Swimming Hall of Fame Partners, and ultimately with Sudberry as well, to evaluate the potential of the development as outlined in the staff report for the recreation area and part of the commercial area on El Corazon.

Public input

JOAN BRUBAKER, 1606 Hackamore Road, stated this is an astonishing thing to read. When she read about 400 hotel rooms, she wondered if they would take rooms that are supposed to go to the hotel downtown. She hopes not. The only thing she's questioning is the number of hotel rooms that are on the proposal. Thank goodness it's only a proposal and nobody has signed a thing.

SHERMAN WHITMORE, 401 East Las Olas Boulevard, Fort Lauderdale, is here to answer any questions Council has.

GEORGE McNEIL, 2153 Anda Lucia Way, is representing the Friends of El Corazon. We support the authorization for staff to negotiate a Development and Disposition Agreement with the Swimming Hall of Fame developer because there are elements in the developer's proposal that would benefit the residents of Oceanside.

There are also some elements in the developer's proposal that are not in our residents' best interests and are not part of the City's Master Plan for El Corazon. Council has a listing of the Friends of El Corazon's concerns. To highlight some of the main issues, the pool the developer proposes is designed for the training of elite athletes. The pool in the Master Plan is designed for the residents of Oceanside. Any pool at El Corazon should be available to our residents most of the day, on most days and at a reasonable fee.

The developer's proposed 40-acre waterpark doesn't make sense for this area. The Vista Waterpark is barely holding its own. Both Carlsbad and Escondido have studied and rejected waterparks as not being economically feasible.

The developer's proposed 400-room hotel and 100+ dormitories far exceeds the 150-room hotel that the Master Plan details for that site. The 150-room hotel was included in the Master Plan before the two hotels were built on Ocean Ranch.

The developer's 500-seat stadium for viewing beach volleyball at El Corazon is

not part of the Master Plan. Despite these and other concerns, the Friends of El Corazon feel that a negotiation with this developer could result in a positive outcome for the Oceanside residents.

JIMMY KNOTT, 127 Sherri Lane, would appreciate if Council would direct staff to set aside special allocations for our City's low-income children. They may be able to afford the bus fare, but not getting into the pool. It should be affordable or free for our low-income children.

Some seniors have asked Council for special time allocations. In any negotiations, please make sure there is a special time allocation set aside for this group because splashing, jumping or diving is not conducive to their activities in the pool. If there is this activity, seniors may not participate.

Public input concluded

COUNCILMEMBER KERN stated some of the comments were way ahead of what we were talking about today. Right now we're just talking about it. All of the details the speakers were talking about will come out through the Negotiation Agreement.

He **moved** approval of a negotiation agreement [**Document No. 14-D0010-1**] with Swimming Hall of Fame Partners, Inc. (SHOFP), as the developer, to enter into a Development and Disposition Agreement (DDA) for the further development of El Corazon, and authorization for staff to negotiate the DDA.

COUNCILMEMBER FELLER **seconded** the motion.

COUNCILMEMBER KERN stated there are two parts to this. There is also Sudberry's approval. Do we have that?

MR. WEISS responded yes we do. We have their approval to initiate negotiations. They will still have their rights under the DDA on the first right of refusal for any future development.

DEPUTY MAYOR SANCHEZ stated this certainly is a bit of a wish list. If we could get everything, that would be great. However, you're going to have to do serious marketing studies to see whether or not this is a project that will get a lot of public here. We've always talked about making sure that this is a place where the public will come.

That public would include Oceanside residents. She wants to make sure we're going to have public access. For example, in item 10 where it talks about the loop, road and trails to be used for triathlon training, as per the El Corazon Master Plan, she's assuming that's also for the public. The trails would be public, and the public would not be charged to use the trails.

The El Corazon dream included an Olympic-size swimming pool. In order to support something like that, there has to be some kind of economic development project associated with it. What is going to be absolutely necessary to be able to support something like that is not yet before Council. This is still in discussions.

Hotel rooms are always good. She would love to see what a 400-room hotel could look like. The meeting space is what she's really interested in. We do not have that. It is always in high demand, and she would want to make sure our public would have access to meeting spaces.

She would like to see marketing studies to see how this is going to be successful. We're all interested in making sure this is a very successful project.

MAYOR WOOD stated people who ran the Olympics in 1984 are involved. They have the ability and finances to do this. We know from the past that the list of items shrinks down to what's acceptable to the City and the surrounding neighborhood, but to him it looks very positive. We also looked at having Olympic team training here: diving, swimming, etc., with enough dorms and hotel rooms to handle those people. The whole El Corazon area was always designated to be more along the lines of support for athletic events: the soccer, fields, walking, parks, trails, etc.

He's waiting to see what it'll really be. Today, this is to talk about it and nothing more. He sees people behind the scenes that are big in the United States involved in this particular item. He hopes it goes forward. The uses for Oceanside and our citizens certainly have to be part of this. As we've seen before, the large hotel numbers are usually about half the numbers when they're finished.

MR. WEISS stated Council is quite accurate in regards to what can or cannot happen and the potential on this site. We are at the very early stages. We've not even sat down preliminarily and gotten into any discussions for what is going to be out there. As Deputy Mayor Sanchez mentioned, there is a wish list, and we'd like to see a number of those projects come to fruition. The potential is there to have a significant activity center on El Corazon. Until we get further along, it's premature to get into what it would be.

MAYOR WOOD would like to see some of the people from the former oversight group be part of this to make sure their thought process over many years is part of the input into what we're going to do.

Motion was approved 5-0.

CITY COUNCIL REPORTS

14. **Mayor Jim Wood**

MAYOR WOOD – no report

15. **Deputy Mayor Esther Sanchez**

DEPUTY MAYOR SANCHEZ attended the Grand Re-opening of the Oceanside Library Adelante Bookmobile on January 6th at Balderrama Park. It will be at Balderrama Park every Monday. She thanked staff for getting it together.

16. **Councilmember Gary Felien**

COUNCILMEMBER FELIEN was a judge at a speech contest sponsored by the American Legion. The subject was the Constitution of the United States. The winners received scholarships.

17. **Councilmember Jack Feller**

COUNCILMEMBER FELLER announced Brendan Mangan's going away celebration on January 11th at the Crown Heights Community Center; the Martin Luther King Awards Breakfast on January 20th at MiraCosta College; the Parks & Recreation Department winter recreation classes start in January; and the Friends of Oceanside Parks needing volunteers.

18. **Councilmember Jerome Kern**

COUNCILMEMBER KERN attended the Grand Re-opening of the Oceanside Library Adelante Bookmobile on January 6th at Balderrama Park.

CLOSED SESSION REPORT

19. Closed Session report by City Attorney

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

[Recess was held from 4:40 PM to 5:00 PM]

INVOCATION – Zack Beck

PLEDGE OF ALLEGIANCE – Boy Scout Troop 712

PROCLAMATIONS AND PRESENTATIONS –

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

Presentation – Honoring the Award-Winning Oceanside Pop Warner Junior Midget Cheer Squad

Presentations were made

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

20. Communications from the public regarding items not on this agenda

PETER WHITLEY, 814 North The Strand, is a life-long skateboarder and Program Director for the Tony Hawk Foundation, a non-profit organization that supports skate park creation across the world, mostly in the United States. We have 500 skate parks and counting.

In 2008, we donated \$25,000 to the new Oceanside Skate Park. It is now open and is at capacity consistently every day. It's a huge benefit to local youth. He goes there all the time to skate. There is a community of old and young people all skating together. It's an unmitigated success.

It's Oceanside's third skate park. Vista is still struggling to create one; Encinitas is creating their new one and Carlsbad's is almost open. They're popping up all over the place. Oceanside is showing leadership across the region. It's vital and important for these kids.

He thanked staff for their great work on this.

KATHY KINANE is the Race Director of the Oceanside Turkey Trot. She thanked staff for helping to make this great event possible. We had 10,000 runners and walkers that day from 43 states.

Last year we limited the field to 10,000, but we had many parking lots that were not full, so we're going to continue to let it grow over time. We had about 1,000 people take the Sprinter. We spent more than \$100,000 over a six-month period marketing the event. This event has a lot of room to grow, and we want to involve as many people as possible from Oceanside.

Hopefully, we can continue to grow and get national recognition. We were

January 8, 2014

Joint Meeting Minutes
Council, HDB, CDC and OPFA

featured in *Outside Magazine* this year for national exposure. They raised \$34,000 this year. It went to the local non-profits and schools through the Turkey Trot. That's \$134,000, including the marketing, that was invested in promoting Oceanside and North County.

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

MAYOR AND/OR COUNCILMEMBER ITEMS - None

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 5:19 PM on January 8, 2014. [The next regular meeting is scheduled for 2:00 PM on Wednesday, January 22, 2014].

ACCEPTED BY COUNCIL/HDB/CDC/OPFA:

Zack Beck
City Clerk, City of Oceanside



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CITY OF OCEANSIDE

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

JANUARY 22, 2014

REGULAR MEETING 2:00 PM COUNCIL CHAMBERS

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2:00 PM - ROLL CALL

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

and City Attorney Mullen.

City Attorney Mullen titled the following items to be heard in Closed Session:
Items 2A and 3A. [Item 1 was not heard]

[Closed Session and recess were held from 2:03 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]

No closed session held

2. CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)

A) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Approximately 0.74 acres of vacant property located on Yucca Road (APN 165-021-16); Negotiating Parties: City of Oceanside and Kukululu, Inc.; 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

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

A) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
DUNEX, INC., CAVALIER MOBILE ESTATES v. CITY OF OCEANSIDE
Superior Court Case No.: 37-2012-00055503-CU-EI-NC

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 Sanchez and Councilmembers Kern, Felien and Feller. Also present were City Clerk Beck, City Manager Jepsen and City Attorney Mullen.

CONSENT CALENDAR ITEMS [Items 4-7]

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:

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 following meetings:

November 7, 2012	2:00 p.m.	Regular Meeting
November 28, 2012	2:00 p.m.	Regular 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. 14-D0019-1**] with UNICOM Government Inc., of Herndon, Virginia, in an amount not to exceed \$54,593 to replace the existing wireless communication system located at the Oceanside Harbor; and authorization for the City Manager to execute the agreement
7. City Council: Approval of a budget appropriation in the amount of \$70,000 from Assigned Funds to the CIP Budget within the Thoroughfare Fee Funds, approval of a professional services agreement [**Document No. 14-D0020-1**] with RBF Consulting of Carlsbad in the amount of \$381,300 for the design and Mitigated Negative Declaration preparation and processing for the widening improvements of College Boulevard between Waring Road/Barnard Drive and Olive Drive; and authorization for the City Manager to execute the agreement

DEPUTY MAYOR SANCHEZ moved approval of the Consent Calendar [Items 4-7].

COUNCILMEMBER FELLER 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.

8. **City Council: Adoption of a resolution of the City Council, acting as the legislative body of Community Facilities District No. 2001-1 of the City of Oceanside (Morro Hills Development) authorizing the issuance of Community Facilities District No. 2001-1 Improvement Area No.1 Special Tax Refunding Bonds Series 2014A in a principal amount not to exceed \$8,000,000; adoption of a resolution authorizing the issuance of Special Tax Refunding Bonds Series 2014A in a principal amount not to exceed \$12,000,000; and approving certain documents and taking certain other actions in connection therewith**

MICHELE LUND, Treasury Manager, is requesting Council authorization to issue bonds to refund the Community Facilities District (CFD), otherwise known as the Mello-Roos District, 2001-1 Morro Hills Development Improvement Area Special Tax Bonds that were issued in 2004, and if market conditions permit, to advance refund the CFD 2001-1 Morro Hill Development Special Tax Bonds Series 2004. By refinancing the bonds at a lower interest rate, the debt service payments will be lower and provide special tax savings for property owners within the improvement area and the district.

As Council may recall, the Morro Hills CFD 2002 Series Bonds were refinanced this past summer, providing savings for property owners in the CFD. The Morro Hills CFD is the master planned Arrowood Community in northeastern Oceanside. The improvement area is located within the overall Morro Hills CFD and was created for the

purpose of constructing the elementary school within the community. The bonds will be issued on a private placement basis with Western Alliance Bank. The proposed terms of the Improvement Area Bonds include an estimated par value of \$7,300,000 to mature in 2033, including a 10-year call provision.

The proposed interest rate is indexed at 65% of the 20-year London Interbank Offered Rate (LIBOR) plus 2.93%. At the time of the bank's proposal, the interest rate was quoted at 4.29%. This rate was finalized and locked following Council approval to issue the bonds. If the bonds were issued at the quoted rate, the net present value savings over the life of the bonds will be approximately \$622,000, or 8.47%.

We are also seeking approval to issue refunding bonds for the 2004 CFD Series bonds, which will be refinanced as long as market conditions hold their current levels. These bonds are not callable until September 1, 2014. However, we are able to refund them on an advanced basis to achieve interest rate savings, especially during a rising interest rate market. If the net present value savings do not exceed the standard 3% savings threshold, the bonds will not be refinanced at this time.

The proposed terms of the CFD bonds include an estimated par value of \$11,000,000 to maturity in 2034, including a 10-year call provision. The proposed interest rate is indexed at 65% of LIBOR, plus 3%. At the time of the bank's proposal, the interest rate was quoted at 4.35%. If the bonds were issued at the quoted rate, the net present value savings over the life of the bonds will be approximately \$507,000, or 4.5%.

Following Council approval and executing the rate lock, which is anticipated to take place in the next few days, the documents Council is approving tonight will be finalized and executed over the next two weeks. The anticipated closing date for the bond issuance is February 14th.

DEPUTY MAYOR SANCHEZ moved approval of [adoption of **Resolution No. 14-R0021-1**, "...acting as the legislative body of Community Facilities District No. 2001-1 of the City of Oceanside (Morro Hills Development) authorizing the issuance of its Improvement Area No. 1 Special Tax Refunding Bonds Series 2014A in a principal amount not to exceed eight million dollars (\$8,000,000) and approving certain documents and taking certain other actions in connection therewith" and **Resolution No. 14-R0022-1**, "...acting as the legislative body of Community Facilities District No. 2001-1 of the City of Oceanside (Morro Hills Development) authorizing the issuance of its Special Tax Refunding Bonds Series 2014A in a principal amount not to exceed twelve million dollars (\$12,000,000) and approving certain documents [**Document No. 14-D0023-1 (Third Supplemental Bond Indenture); Document No. 14-D0024-1 (Bond Indenture); Document No. 14-D0025-1 (2004 Escrow Agreement) and Document No. 14-D0026-1 (2004 Escrow Agreement)**] and taking certain other actions in connection therewith"].

COUNCILMEMBER FELIEN seconded the motion.

Motion was approved 5-0.

9. **City Council: Approval of a purchase order in the amount of \$612,474 to Pierce Manufacturing, Inc., of Ontario, California, approval of a budget transfer and appropriation in the amount of \$400,000, for the purchase of a 1500 gallon-per-minute, triple combination fire pumper to replace an existing pumper that has exceeded its service life; and authorization for the Financial Services Director, or designee, to execute the purchase order**

DARRYL HEBERT, Fire Chief, asked for approval of the purchase of one 1,500 gallon-per-minute triple combination fire pumper, also described as a Type 1 apparatus. Prior to going any further on the staff report, it's important to update Council on action that has been taken by the City Manager and himself in formulating a plan for future

replacement of fire apparatus.

It's important to understand the types of apparatus that we have. When he speaks of apparatus, he's speaking strictly of Type 1 engines and ladder trucks. Currently in the City, we have six frontline-type engines that are in stations and respond to emergencies. We have three reserves that are usually housed in those stations if they're not in the City garage being repaired. We also have two frontline aerial ladder trucks and two cross-staffed Type 3 brush trucks. The average lifespans of the Oceanside Fire Department apparatus is anywhere from 15-20 years. Tonight, we're recommending a 17-year replacement plan.

To describe a Type 1 engine, those are our simple engines that are staffed with three personnel. They carry between 500-750 gallons of water and can pump from 1,200-1,500 gallons per minute. They also carry the essential tools for firefighting, such as hoses, axes, etc. They carry the jaws-of-life as well. Their primary use is for emergency medical services (EMS)-type calls and structure firefighting. The estimated replacement cost is \$600,000. That is without tax or any type of increase in the future.

Type 3 engines are the brush engines you see going up north or in southern San Diego to fight brush fires. They are staffed with three personnel. When we do send them out of town, we send four personnel on them because it is reimbursable through the State. The primary use is wildland fires and any other off-road emergencies. The estimated replacement of those is about \$400,000. They carry between 300-400 gallons of water. The pumps are a lot smaller; they don't have the capacity of a Type 1. They also don't carry any type of ladders other than a small twelve-foot extension ladder.

We have two aerial ladder trucks in our City. One is a 105-foot aerial truck that is staffed with four personnel. The other is our tiller truck, which we purchased in 2011. The primary use of these is for structure fires and rescue. They also respond to emergency medical calls. The replacement cost is more than \$1,000,000. They are staffed with four personnel due to the SAFER (Staffing for Adequate Fire and Emergency Response) grant. Those personnel are currently in our fire academy and will be graduating in approximately ten weeks.

The other apparatus that we have a replacement plan for in the Fleet Replacement Program are ambulances, staff cars, command vehicles, quick-attack Type 6 vehicles, lifeguard vehicles, water tender vehicles and the Office of Emergency Services (OES) Type 3 brush truck, which is funded by the State but is also maintained by our Fleet Department. That is fully reimbursable by the State.

Station 1 has one engine and one ambulance with five personnel; Station 2 has one engine and a reserve engine with three personnel; Station 3 at El Camino Real and Oceanside Boulevard has one engine, a reserve apparatus, the water tender and the quick-attack Type 6 vehicle, with three personnel; Station 4 has five personnel with an engine, ambulance and the OES Type 3 brush truck; Station 5 on North River Road has one engine; Station 6 has six personnel with one aerial ladder truck, one ambulance and a brush truck that's also cross-staffed; Station 7 has seven personnel with a tiller truck, ambulance, reserve engine, battalion chief vehicle and one Type 3 brush truck; and Station 8 has three personnel with one engine.

A computer graphic was used to show the fire apparatus replacement schedule, with a list of equipment. The letter "F" indicates the Fire Department. The numbers 79, 80, 73, etc. are the types of vehicles in our fleet. The present value of those is \$600,000. We need to start a replacement plan in 2014 and go out 17 years, which equates to 2030.

We have made mistakes in the past by purchasing more than one apparatus per year, which is not a good thing. In 2000, a replacement plan was put in place that never got fully funded. In 2007, we made another attempt, but the economy went

south. We were just hoping to keep jobs and were not really focused on apparatus.

It's important to note that today we need to start putting money aside for future replacement. We're recommending to set aside \$500,000 annually from this point on, to purchase future apparatus for the next 17 years. That would cover today's current cost of those apparatus, not including tax or any type of inflation or increase. He suggested to the City Manager that we deal with this on an annual basis, and deal with the inflation or any type of tax when those apparatus come up for replacement.

He recommended the current apparatus fee. We have the money for it, so he's asking for approval. We do need it. As soon as we have that in place, we'll be able to take our 1994 pumper out of service and put it in reserve status.

Public input

LARRY BARRY, 3973 Brown Street, asked if the helicopter, heliport, etc. will be included in this projection. He also asked what the projection is for population growth in Oceanside. Are we a community that's going stagnant or are we going to start building high-rises? How are we going to adapt to the future for the things that are going to happen in Oceanside? The Oceanside Fire Department helps the neighboring communities. Can we divert the funds to work together on certain things like that?

He understands there's a law saying we have to have an ambulance go out and help when a senior falls, but he doesn't understand why the tiller truck has to go there to assist when a senior falls.

There are a lot of things in the future that Oceanside should be looking at to see if we can save money.

Public input concluded

CHIEF HEBERT clarified that, regarding the helicopter program, the department and the City do not pay anything for REACH services. In fact, REACH pays us. It's part of our revenue. We receive over \$225,000 annual revenue from REACH. We don't have anything to do with purchasing helicopters.

Regarding the tiller truck entering the trailer parks, he's not thrilled with sending a large piece of apparatus like that on a medical aid call. However, having responded on several medical aids himself, sometimes you need more than two personnel to deal with those incidents. The tiller truck is currently at Station 7 because it's in the middle of our City. When there is any type of structure or commercial fire, that apparatus carries equipment needed to mitigate those emergencies. Because it's in the center of our City and is close to those trailer parks, that's our first responding unit.

We are currently looking at other ways of obtaining additional apparatus that would carry personnel so we could leave the tiller truck still staffed. We need it staffed to respond to commercial and other types of fires. We're not happy about driving a tiller truck on a medical aid, but it does respond to emergencies other than medical aids in the trailer parks, including fires.

DEPUTY MAYOR SANCHEZ stated what is before Council is a need to replace a critical piece of fire apparatus that has already reached the maximum years. That's 20 years from 1994, so it would be 20 years this year, right?

CHIEF HEBERT responded that is correct.

DEPUTY MAYOR SANCHEZ stated it is a 1,500 gallon-per-minute, triple combination fire pumper. Chief Hebert was asked a question regarding preparedness, in terms of getting taller buildings in Oceanside. We call them mid-sized buildings. We

previously had discussions about Fire Station 1, to talk about ensuring that we begin to prepare for the potential for fires, not only in the high-rises, but also in the parking lots that are underneath these buildings. She asked the Fire Chief to talk briefly about that kind of preparedness.

CHIEF HEBERT responded the Fire Department is excited about the growth in Oceanside. However, with the additional mid-rise hotels and buildings that are slated for downtown, additional risk comes with it. We're trying to prepare for that. One of the things we added to our fleet for the Wyndham Hotel was an underground vehicle. That was our Type 6 that can access the underground garage to fight those types of fires.

DEPUTY MAYOR SANCHEZ stated in terms of size and communications, there were some very specific needs that needed to be addressed. She applauded the Fire Department for ensuring that the City will meet every one of our potential dangers head-on and be fully prepared.

She **moved** approval of [a purchase order in the amount of \$612,474 to Pierce Manufacturing, Inc., of Ontario, California, approval of a budget transfer and appropriation in the amount of \$400,000, for the purchase of a 1500 gallon-per-minute, triple combination fire pumper to replace an existing pumper that has exceeded its service life; and authorization for the Financial Services Director, or designee, to execute the purchase order]. She is happy that the Fire Department is putting together a plan for replacing these vehicles in the future.

MAYOR WOOD seconded the motion.

COUNCILMEMBER KERN asked the City Manager if we are building the Reserve Fund into next year's budget as we go forward. It wasn't really agendized as a reserve fund.

CITY MANAGER JEPSEN responded one of his concerns when this truck purchase came up was not this truck, which we need to move forward with. The support is there, and the age is beyond what we would like to have it run. His concern has to do with our ability to meet future needs. The last few years the City has scraped together money from different sources to provide for the replacement of some of these apparatus. We need to have a sustainable amount that we're putting aside every year.

When we get together this spring to talk about priorities for expenditures, even though it's a huge amount from a capital standpoint, it's something that needs to be built into the operating budget every year. It will be one of the priorities that Council will have to consider in terms of all of the expenditures they're facing. The City needs to look at how we're going to cover not just our day-to-day operating costs for personnel, but also we need to consider things like these fire apparatus. It's very important.

He supports this purchase and will be supporting trying to find a way to build the annualized cost for apparatus replacement into our budget, if it's at all possible to do that.

COUNCILMEMBER KERN asked if this is indicative of other departments, such as the Police Department, Public Works, etc., that we don't have reserve funds for vehicle replacement.

CITY MANAGER JEPSEN responded the City puts aside money for the replacement of almost all of the vehicles in the City, except for very large pieces of equipment, which would be the fire apparatus and things like bulldozers. Even in the Fire Department we set aside money for non-fire apparatus. The Fire Chief didn't mention that we have put aside \$265,000 per year in a Community Facilities fund. We have committed a large portion of that for fire engine leases and that type of thing.

We're only putting aside something like \$65,000-\$85,000 per year, so we're woefully underfunded in being able to keep up with our needs for apparatus replacement.

That's what we intended to show here. It's not this one truck; it's our ongoing sustainable need for fire apparatus replacement. He encouraged Council to approve this, and within our ability to sustain it, to consider it with all of the other priorities this spring.

COUNCILMEMBER FELLER asked if the computer graphic showed Fire Station 5 as having five personnel.

CHIEF HEBERT responded Fire Station 5 has three personnel.

COUNCILMEMBER FELLER stated it adds up to more than the staffing we have every day. He's glad we're getting a handle on this. He thanked the Fire Chief for doing it concisely for Council so that we can understand it.

COUNCILMEMBER FELIEN has no problem with the truck purchase or the motion as it exists for the current truck; we have the cash. Regarding the \$500,000 we're planning for the future, is it an anticipated increase in the Fire Department budget, clarification of a budget item that already exists, or is it that we're setting aside some money, but not enough, so the net increase will be about \$250,000? Obviously, we'll be getting into that with our budget meeting, but he wants to make sure he understands roughly where we are.

CITY MANAGER JEPSEN responded Councilmember Felien has correctly identified the lack of clarity in his answer. The proper answer is that he doesn't know. All we can do is identify that we have an issue, the magnitude of that issue, and that we need to look at it as a priority. If we can't find the funding near-term, we need to find a way to fund long-term. Near-term, if we need another apparatus next year, we would have to take it out of the unallocated reserves or capital reserves. However, we know there's an end to that, and there's going to be a recurring cost every year. We need to plan for it.

The Fire Chief showed the cost number in present value. If you take the \$500,000 and subtract the \$85,000 we know we have, we're \$415,000 short for next year. The cost will go up because inflationary factors are not built into this. It's something we need to be diligent about. He just wanted Council to know that it's a priority that's on the horizon. It competes with everything else Council has to fund.

COUNCILMEMBER FELIEN commended the City Manager and Fire Chief for looking toward the future. We certainly don't want to be living hand-to-mouth. We know these are going to be replacement items we have to address. It makes sense that we're incorporating into our budget a known cash flow to address something that we know we're going to have to do. He looks forward to discussing it in the spring. He will vote for the motion as it exists.

MAYOR WOOD stated he and Councilmember Feller sit on the Joint Powers Authority for the North County Fire Dispatch. The cost of fire protection is a common issue for all of the cities. It seems like every 3-4 years the entire County burns from the Santa Ana winds moving to the west. During the last great fire, the evacuation area for everybody out east was Oceanside. When it does hit, it hits hard.

What he finds out each time is that the fire departments, even though all joined together, are overwhelmed by those types of fires. He understands it's hard to fight 80-foot fires with 80-mile-per-hour winds. The Fire Chief has really been a leader in the Joint Powers Authority in trying to address the issue of the whole region with regard to the fires, both in manning and the equipment. It's not something new that we're talking about tonight. The Fire Chief has covered quite extensively the issue regarding Joint

Powers Authorities for smaller cities. Some of the City's in North County have joined together to approach this issue. He asked if the Fire Chief had any comments on those issues.

CHIEF HEBERT has approached other fire departments about sharing reserve apparatus because other agencies run into the same issues we do. The trucks are very expensive, and when the truck goes down, to have a million dollar piece of equipment in reserve is sometimes unreasonable.

It becomes very territorial in some sense, and then there's the whole financial side of it. What happens if there's a truck in your city and it breaks? You're talking about an older piece of apparatus. There are some fire chiefs who are open to the idea and some who aren't. Some don't need to be open to the idea because there's a neighboring city that has more money in their reserve accounts to replace their entire fleet twice.

We do approach it as a regional issue. A lot of departments are in similar situations because of the downturn of the economy. They have to formulate plans to come up with a fund to replace future apparatus.

MAYOR WOOD stated it's something we've been discussing for years at the Joint Powers Authority.

Motion was approved 5-0.

10. **City Council: Adoption of a resolution approving and implementing the Memorandum of Understanding (MOU) between the City and the Oceanside Police Management Association (OPMA) effective January 22, 2014 through December 31, 2015**

PATRICIA NUNEZ, Human Resources Director, stated the item before Council is the approval of the Memorandum of Understanding with the Oceanside Police Management Association. It is a two-year contract approximately, starting today if approved and running through December 31, 2015. The key economic issues are: there are no salary increases; the City medical insurance contributions are capped at the current rate, so the member will absorb any future increases; it eliminates the reporting of employer-paid member contributions to CalPERS; and it reduces tuition reimbursement per member from approximately \$6,578 to \$2,000 per year, per member.

The agreement provides for a taxable, non-PERSable stipend of \$4,000 per member each year of the contract. This means it does not increase their pensionable salary for future retirement benefits. It also allows for a taxable (to the employee), non-pensionable cash out option of their accrued annual leave of up to 80 hours per year. It eliminates the computer loan program that has been eliminated throughout the City for all other employee groups. It also incorporates the Reasonable Suspicion Drug and Alcohol Testing Program.

The fiscal impact on the two-year term is that the stipend will run \$80,000 for two years. The elimination of the EPMC (Employee Paid Member Contributions) City contribution will save the City \$81,250. For the insurance savings, in the first year there will be no savings because those rates are already set, but next year it will be approximately \$15,900. For vacation cash out and tuition reimbursement, depending on the number of members using these, it will vary between a savings/cost of \$0-\$56,560 for vacation cash outs and \$0-45,780 for tuition reimbursements. It depends on how many of the members actually utilize these benefits.

COUNCILMEMBER FELLER moved approval of [adoption of **Resolution No. 14-R0027-1**, "...approving and implementing the Memorandum of Understanding

(MOU) [**Document No. 14-D0028-1**] between the City and the Oceanside Police Management Association (OPMA)], effective January 22, 2014 through December 31, 2015.

COUNCILMEMBER KERN seconded the motion.

DEPUTY MAYOR SANCHEZ feels uncomfortable because we are not coming forward with a contract with our police officers, the guys that get up every day knowing that they're going to face danger. In the last eight years we've lost two officers. She doesn't feel comfortable voting on this today. She appreciates that staff is working hard to get a contract, but it is not what she would hope for. She would hope that we would have a contract with the police officers.

Oceanside has some awesome officers who keep us safe every day, despite the fact that we have the highest crime rate in the area and that our ratio is still on the low side. We now have a fantastic police department and police officers who truly have changed the economic reality of our City. It's not now just a question of are we safe? It's the ability to attract businesses.

For her to vote on just the management contract, which is nine people, but not a contract for 175 officers is not in the spirit of what we should be about in Oceanside. She is probably going to abstain from this. It's basically a show of support for all of our officers. She appreciates that staff has been working to come up with a contract, but we have our differences on the dais as to what our priorities are.

As someone who grew up in one of these neighborhoods and had a wonderful opportunity to go to college and get a degree, come back and go to law school, work at the Public Defender's office for 20 years and then be able to serve as a Councilmember for the last 14 years, she feels pride in this City that we all love so much. Being in this situation today is not something that she ever wants to repeat again. She will be abstaining.

COUNCILMEMBER FELIEN thinks this contract, as well as the one we're hoping to negotiate, but have necessarily imposed on the Police Officer's Association, is good for the long-term health of the City. It begins a step of facing fiscal reality. In the near future we're going to have small surpluses instead of deficits.

This is in a field where we have ever-increasing medical costs. We have a pension bubble, depending on how you want to calculate it, of \$150,000,000 to \$500,000,000 that represents expenses incurred in the past without money set aside to pay in the future. For Council to ignore that mathematical reality in negotiating any of our contracts would be foolhardy. We can go down that road of paying more money for fewer government employees, but that's the model of other cities. As long as he's at the dais, it will never be the Oceanside model.

This contract, as well as all of the contracts we've negotiated, has been tough in facing the fiscal reality that the taxpayers in this City are facing too. We're still in five years of recession. The economists tell us that the recovery began in July of 2009, but he's still waiting to see the recovery and would be interested in knowing how many wage earners in Oceanside have seen a recovery. We don't need to be giving contracts like in the past where the private sector is not getting raises or seeing a recovery. We don't need to be giving raises in the public sector when we're already at number one.

We need to be fiscally prudent as a body, and this contract is a step in the right direction.

MAYOR WOOD has mixed feelings on this also. We've gone through a meet-and-confer process with all of the City employees. Because of the economy, we have to be stringent on what we want to do and what we want to give up. It's called good-faith bargaining, but he's not sure the City does it all the time, especially in this area.

As for the image of Oceanside, he has been approached a thousand times by people saying how much the City has changed for the better. It really falls on the shoulders of public safety: the fire, police, etc. They've changed the image of Oceanside. He knows the economy is tough, and you have to be smart about it. On the other hand, when you start cutting in places that have been really positive for the City, you'll get feedback that's different.

He hates to see the effect on response time and other things that come with cutting back on police, etc. Everybody knows that's very important. The seniors who rule the ballot box in Oceanside remember that the Police and Fire Departments have changed a lot of things for them.

He doesn't want to get into a long argument over money, but we have to be frugal in what we do. We sold the mobile home park for \$6,000,000 a while back, and we got about \$18,000,000 back from the redevelopment. We're looking at about \$24,000,000 that we've gotten back recently. It may be capital improvement money, but it doesn't look like the City is broke. What he looks at is trying to do the right thing for the City.

It is a little embarrassing that nobody got anything except for Police Management. They should get it, but it also sends a message to everybody below Police Management that they either didn't count or weren't looked at with an open eye. He wants Police Management to get what they deserve, but they're the only ones that look like they're getting anything from the City whatsoever. That concerns him.

Motion was approved 3-0, Wood and Sanchez – abstained.

CLOSED SESSION REPORT

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

CITY ATTORNEY MULLEN reported on the items discussed in Closed Session. See Items 2A and 3A above. [Item 1 was not discussed]

CITY CLERK ITEM

18. **City Council: Introduction of an ordinance amending Chapter 2, Article XII of the City Code by the addition of Sections 2.75-2.79 to require online or electronic filing of Campaign Disclosure Statements and Statements of Economic Interest (SEI); approval of a five-year Performance of Services Agreement with NetFile, Inc. of Mariposa, California, in an annual amount of \$18,000 to provide software and maintenance services to support the electronic filing system; authorization for the City Manager to execute the agreement; and approval of a budget appropriation in the amount of \$9,000 from the General Fund unallocated reserves to the City Clerk Elections and Political Reporting Program account for the first six-month cost of the agreement**

ZACK BECK, City Clerk, is bringing forward an item regarding electronic filing for campaign disclosure. This is a means to provide additional efficiency within our City Clerk's Department, to provide greater access to the public in regards to campaign information and make it easier for candidates to file electronically through our office.

DEPUTY MAYOR SANCHEZ stated the City Clerk left out one other thing this does, which is to go paperless. It's another reason that this is a phenomenal thing. She thanked the City Clerk for bringing this forward. She has wanted the City to move that way. One of the things she was impressed about by Portland is that they're completely paperless. If you want to submit a plan, you have to do it via email and do everything

electronically. That is our future. As we go from year-to-year there is a cost involved, but eventually it all comes back to us in terms of savings.

She congratulated the City Clerk and his staff. NetFile is the only company in town doing this. She is pleased that we're doing this. She asked where else they are doing this.

TOM DIEBERT, Vice President of NetFile, Inc., responded our nearest agency would be the City of San Diego. Between our two systems, our Campaign Statement system and our Statement of Economic Interest system, we have over 50 agencies in California using our systems.

DEPUTY MAYOR SANCHEZ asked if they anticipate any bugs.

MR. DIEBERT responded no we don't.

DEPUTY MAYOR SANCHEZ moved [introduction of an ordinance amending Chapter 2, Article XII of the City Code by the addition of Sections 2.75-2.79 to require online or electronic filing of Campaign Disclosure Statements and Statements of Economic Interest (SEI); approval of a five-year Performance of Services Agreement [Document No. 14-D0029-1] with NetFile, Inc. of Mariposa, California, in an annual amount of \$18,000 to provide software and maintenance services to support the electronic filing system; authorization for the City Manager to execute the agreement; and approval of a budget appropriation in the amount of \$9,000 from the General Fund unallocated reserves to the City Clerk Elections and Political Reporting Program account for the first six-month cost of the agreement].

COUNCILMEMBER FELLER seconded the motion. He likes having paper to look at, but this is better for the Clerk's office.

MR. DIEBERT stated the nice part about this system is that before you push the button for your electronic filing, it creates a draft form that you could download and review. After you electronically file, you could download it to paper if you decided to.

DEPUTY MAYOR SANCHEZ asked how you sign the form.

MR. DIEBERT responded the documents are handled differently. The Fair Political Practices Commission (FPPC) approves the City as a paperless filing agency. The process is approved by the FPPC, so as a filer you log in. You have secure credentials logging in, and there's a statement saying under penalty of perjury you're electronically filing the document. Then you push a button.

On the Campaign System on the electronic filing side, you have to approve a local ordinance in making the electronic filing the document record. Once you do that, a statement pops up to the filer saying under penalty of perjury you're filing on behalf of the committee, the treasurer and the candidate. You push a button, and you're filed. It's pretty easy.

COUNCILMEMBER KERN goes online to fill them out electronically anyway. He then prints them out before running to the Clerk's office to hand them in. It would save a lot of time and effort just to file electronically.

He asked when we are going to roll this out. We have a deadline coming up in a couple of weeks for our 460 forms. The next deadline is July 31st. Do we plan to have it up and running by July 31st?

HOLLY TROBAUGH, Assistant City Clerk, responded tonight Council would be introducing the ordinance. Council is going to have to adopt the ordinance, and then it would be the usual 30 days after adoption for it to be in effect. However, we can start

setting it up.

COUNCILMEMBER KERN asked if she expects July 31st to be the first time we'll be able to do that.

ASSISTANT CITY CLERK TROBAUGH responded it should be up before that so we can start with the pre-election filings.

COUNCILMEMBER KERN asked since we're filing electronically, are we going to put these up on the City website instead of having to scan them and put them up as a PDF? When he pushes the button to file, who does it go to?

MR. DIEBERT stated when you electronically file the document, it will be instantly posted into a public viewing portal. The public viewing portal looks like the City's website. There'll be a link off the City Clerk's webpage to view filings. As soon as you pull the trigger on that filing, the electronic filing is accepted. It goes through a process through a validation server to make sure the document meets all of the requirements of the electronic schema. It then instantly gets posted in redacted form over the internet. Anybody can see it, and all of the address information is redacted from the filing automatically. If someone walks into the City Clerk's office wanting to see the un-redacted portion, staff will be able to provide the person with the un-redacted portion of the filing.

COUNCILMEMBER KERN always waits for those letters from the Assistant City Clerk about three weeks after he files to know what information he missed. He asked how those mistakes are handled.

MR. DIEBERT responded the way the system works, you're using the free filer portal instead of going to the FPPC's website and filling out their PDF fill-in-the-form. The PDF fill-in-the-form doesn't do anything from a standpoint of telling you what fields are required. The NetFile system knows when you're filling out a form as a filer. If an area is required and you do not populate it, you're not able to file. The nice part about it is that it forces you to not make any mistakes. All of the document portions that are required, such as the filing period, page numbers, etc. are automatically placed in there by the system.

COUNCILMEMBER FELIEN asked in terms of the copies that are required by the State, such as the 410 forms, other agencies, etc., are those going to be automatically forwarded or do we still have to print hard copies and handle that ourselves? How will that be addressed?

MR. DIEBERT responded the current process on the 410 form, if you're going to establish a committee in the State, is a dual process. Fundamentally, what you do is file on paper to the Secretary of State. You must have your signature and the Treasurer's signature on that statement. The Secretary of State will then send you a copy with your committee ID on it. Once that process has been approved, you are a registered committee with the State of California. The only other time you have to file to the State is if you have any changes to that committee, such as name, address, if you're terminating the committee, etc.

All other filings are at the local level. The system handles all of the local level filings. You can create a 410 form in the system and file it, but you would still have the responsibility to send it to the Secretary of State. The system doesn't automatically do that. The Secretary of State, coincidentally, does not allow paperless filing at the State level. If you're running for Governor and have a 5,000-page, 460 semi-annual statement, you have to electronically file it and send them that 5,000-page document as well.

Legislation passed last year, AB (Assembly Bill) 2452, which allows a city as a

local government to go completely paperless. The first agency to go with completely paperless filing was the City of San Diego. One year ago today they made the first paperless filing ever in the State of California. The Secretary of State is still receiving both electronic and paper filings.

COUNCILMEMBER FELIEN stated it sounds like a great path to go forward and a great way for the public to have faster access. He asked if the \$18,000 cost is going to be within the existing City Clerk budget or is this an additional expense.

ASSISTANT CITY CLERK TROBAUGH responded it will be an additional budgeted item.

CITY CLERK BECK stated this is a great step for the City, so he hopes it works out.

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

[Recess was held from 4:51 PM to 5:10 PM]

INVOCATION – Zack Beck

PLEDGE OF ALLEGIANCE – Eagle Young Marines

PROCLAMATIONS AND PRESENTATIONS –

Presentation – Mayor’s Business Member Spotlight

Proclamation – U.S. Postal Service

Presentations were made

AGENDA ADDENDUM

CITY MANAGER ITEM

17.1 **Governor Brown’s declaration of a drought emergency for the State of California**

CITY ATTORNEY MULLEN stated this item was added as an addendum to the agenda within 72 hours, so it was after the agenda was originally published. Under the Brown Act, he recommended that Council take a vote to determine that there is a need to hear it. That way Council would be permitted to take discussion on it at this time.

COUNCILMEMBER FELLER moved to hear this item.

DEPUTY MAYOR SANCHEZ seconded the motion.

Motion was approved 5-0.

CARI DALE, Water Utilities Director, stated this is an informational item; there is no action being taken this evening. Last Friday, Governor Brown declared a drought emergency for the State. The Governor’s declaration officially directs the Department of Water Resources to initiate a water conservation campaign, based on Save Our Water. It also calls for a 20% water use reduction by all Californians and allows for water transfers to more easily occur throughout the State to areas where water is needed the most, in addition to many other actions.

The drought declaration is primarily being driven by persistent dry conditions throughout the southwest United States. A computer graphic was used to show today’s three-month outlook probability for precipitation, which is expected to be below normal conditions. In addition to these future dry anticipated conditions, the drought

declaration is being driven by low storage levels in the larger reservoirs in the State Water Project, such as Lake Oroville and the San Luis Rey reservoirs in Northern California, which are at 36% and 31% of capacity respectively. As well, there is low water content in the snowpack in the Sierra Mountains.

It is important to note that the impact of the drought varies considerably throughout the State, with conditions closest to supply sources, such as those in Northern California, being the most serious. In Southern California the water supply outlook appears relatively positive compared to other areas of the State, thanks to long-term planning and investments by the Metropolitan Water District (MWD), San Diego County Water Authority (SDCWA) and locally in Oceanside.

A computer graphic was used to show a map displaying Metropolitan Water District's major storage reservoirs in the Southern California area, which includes Castaic Lake, Silverwood Lake, Lake Perris, Lake Mathews, Diamond Valley Lake and Lake Skinner. Although Metropolitan receives a portion of its supplies from the State Water Project and could be subject to cutbacks, it has taken some proactive steps to bank excess water in these storage reservoirs for use during dry periods.

Of note are the water storage levels in 2006, which were the water storage levels present in those reservoirs before the last drought, which started in 2007. It shows storage levels at 2,200,000 acre feet. If we compare that to storage levels occurring in 2013 or just at the end of December, the storage is better than levels that were in the reservoirs in 2006. In fact, the storage levels are at 2,400,000 acre feet, so we could say that storage levels or the readiness for a drought is better than it was when we last experienced a drought.

The SDCWA has also been preparing for drought by constructing the Emergency Storage Project, which is a system of reservoirs, interconnected pipelines and pumping stations designed to make water available to the San Diego region. It also includes the San Vicente Dam Raise. The SDCWA has also partnered with Poseidon Resources to purchase desalinated sea water, which will be available in mid-2015. They have also secured water transfers from the Colorado River.

Oceanside is also invested in its own local supply development by developing water from the Mission Basin recycled water supplies, and we will soon be exploring indirect potable reuse. In addition, Council adopted the model drought ordinance in 2008, following a regional effort led by the SDCWA to develop a consistent ordinance format for all member agencies in San Diego. The drought ordinance provides for four drought response levels, each with increasing restrictions.

Level 1, considered the drought watch stage, is the level that the City is currently in. In this stage, water cutbacks are voluntary, and we ask that customers use water wisely. Additionally, the Department is increasing its public education and awareness campaign and also believes that supplies will be sufficient during 2014 to meet all customer demands.

Level 2 requires conservation of up to 20%, reduces watering days/times and requires that leaks be repaired within 72 hours, among other restrictions. During the last drought, which began in 2007, Oceanside was at Level 2. Other levels, such as Level 3 and 4, require increasing conservation levels and additional restrictions. Currently, we are at Level 1, which is a drought watch. At this time, there are no mandatory water cutbacks.

We also recognize that Oceanside customers have done an exemplary job in the past when we've asked them to conserve. Although we are not asking customers to cut back in a formal manner at this time, we are asking them to use water wisely. Staff also advises that we proceed slowly in response to the Governor's declaration. As she mentioned previously, there has been considerable planning and investment in

infrastructure to prepare for drought in Southern California.

That being said, with dry conditions in the north and because Metropolitan does receive a portion of its water from the State Water Project, supplies are low, and it's dry there. Metropolitan is currently drawing on the supplies she discussed earlier. If conditions worsen, the SDCWA may consider using its own local supplies in storage to offset cutbacks, if there are any, and/or implement their own drought response plan, which would be a triggering mechanism for the City to respond in kind. If that happens, we would be coming to Council for an action to go to a Level 2.

At this time, the City will be increasing its education and outreach efforts. In doing so, we have formed a drought team in the Water Department, which will collectively handle drought messaging and education. We have also tapped into the Association of California Water Agencies drought team, and they are helping with messaging statewide. In fact, we were watching a webinar this morning where they had some messages for all agencies in California. There will be some radio announcements starting tomorrow during the traffic and weather reports.

She reiterated that Oceanside is not mandating cutbacks. We are, however, promoting wise water practices at all times, regardless of the weather conditions. We will be communicating with the public frequently, as well as with Council, especially if conditions change or water supplies are decreased.

Public input

JOAN BRUBAKER, 1606 Hackamore Road, stated most people are aware of the tragedy that befell Charleston, West Virginia lately. Strangely enough, Oceanside is faced with almost the same set of conditions. There are people in this Council body who have been affirmative on the Gregory Canyon dump. This sits atop our aquifer and our river. They will call attention to the liner, but that only covers 20% at the bottom. The 80% at the top is not lined. There will never be a dump that doesn't leak. This is professed by people who work in the profession, including educators who educate our students and scientists who work along these lines.

It won't happen in our lifetimes, but the leak will occur. When it does, our water supply is going to be seriously jeopardized. It will happen either in our children's or their children's lifetime. The people who are advocating that it's a good idea will be long gone, but we need to look out for future generations.

She asked Oceanside voters to vote for those people who have not advocated for conditions that are deleterious to life. Animals and humans cannot live without water. It's one of our most important items.

Public input concluded

COUNCILMEMBER KERN sits on the San Diego Water Authority. In the last few years they've been really emphasizing the infrastructure in providing for this emergency condition that Ms. Dale alluded to. In addition to the local supplies, we have transfers from the IID (Imperial Irrigation District). The last time we were in this situation, this is what drove the agreement with the Imperial Irrigation District to get the water transfers.

We are in very good shape. We have 2,400,000 acre feet in storage. An acre foot is approximately 326,000 gallons. If you take 2,400,000 multiplied by 326,000, that's how much water we have available. It's not a dire situation. We provided for it in the long-range. We are also looking forward to guaranteeing local supply in the long run.

Tomorrow we have an item in front of the SDCWA about a grant application for

about \$1,000,000 to explore the desalinization plant at Camp Pendleton. Hopefully, we can bring that online in the near future so we get more and more weaned off the MWD supply.

All of Southern California realizes that we're in the desert. We're actually in much better shape than some of the Bay area cities, which do not have backup storage. The City of Sacramento immediately imposed water restrictions. He doesn't know how they're going to enforce it since they don't have water meters. Up there where water was so plentiful for so long, they didn't even meter water. Now they realize that this is a precious resource, and they need to keep track of it.

To reiterate what Ms. Dale said, this is something that we should have been doing all along. We should never waste water. We should be using it wisely, not just in these conditions but every day because we have a limited amount of supply even though we have a high amount of water and availability in Oceanside. Southern California is probably four times better than it was in the early 1990's or the late 1990's after the last drought. That was the wakeup call for everybody in how to use and reuse water.

We are exploring ideas about indirect potable reuse and reusing our aquifer as a sustainable yield. He commended Ms. Dale and her staff for working on this just as the SDCWA continues to work on it. He is encouraged by what we've done internally.

He is concerned about the long-range aspects of the rainfall we're going to get. Some people don't realize that if you go back and study tree rings in the Sierra's, sometimes California has had 100 years of drought. Hopefully, that's not the case this time, but it has happened in the past. We're going to have to plan accordingly.

DEPUTY MAYOR SANCHEZ attended the Utilities Commission meeting last night. Ms. Dale gave us this presentation, as well as a copy of the Governor's proclamation of state of emergency. There are a couple of "whereas" statements in it that are things we need to remember, such as 'whereas extremely dry conditions have persisted since 2012 and may continue beyond this year and more regularly into the future, based on scientific projections regarding the impact of climate change on California's snow pack.'

Another one has to do with the impacts, stating 'whereas dry conditions and lack of precipitation present urgent problems, drinking water supplies are at risk in many California communities; fewer crops can be cultivated and farmer's long-term investments are put at risk; low-income communities heavily dependent on agricultural employment will suffer heightened unemployment and economic hardship; animals and plants that rely on California's rivers, including many species in danger of extinction, will be threatened; and the risk of wildfires across the State is greatly increased.' Those are the things, in one paragraph, that really spell out what we're looking at in terms of the near-term future.

The first part of the Governor's proclamation states it is hereby ordered that State agencies led by the Department Water Resources will execute a statewide water conservation campaign to make all Californians aware of the drought and encourage personal actions to reduce water usage. This campaign will be built on the existing Save Our Water campaign and will coordinate with local water agencies. This campaign will call on Californians to reduce their water usage by 20%. That is what's happening at a statewide level. It's almost like we're away from the storm because of the preparedness we've had in the region, in terms of the storage.

We were also given a copy of the press release from the SDCWA that stated supplies remain adequate despite statewide drought. The Commissioner asked her to state that even though we're going to remain at Level 1, which means voluntary water conservation, the Commissioner has urged all Oceanside residents to conserve. It went

beyond doing it wisely; we've all been doing that for a while. We've been very conscious, not only of the fact that we live in a desert, but also because of the costs.

Water has become a premium, and we need to continue to ensure that this public resource remains public and affordable to all of our residents, be it families or seniors. Above and beyond using water wisely, the Commissioner has asked that, while we remain at Level 1, which is voluntary conservation efforts, the commissioners wish to ask our Oceanside residents to consider reducing water use.

Reduction still means that your water bills will go down. Sometimes it doesn't feel like it because the cost of water, not just based on supply, but also because of the infrastructure, causes water bills to go up even though you're using less. At this specific time, your water bills will go down. This will ensure that we won't be going to a Level 2; we will remain in Level 1.

The special thing about Oceanside is that residents come from all parts of the world because of the Marine Base. We do feel like we are related to the rest of the world and the State. She asked that we try to reduce our water consumption.

MAYOR WOOD stated we're lucky in Oceanside to have a Water Director and Council that are pretty savvy about water because we're in a desert here in Southern California. We learned from the last drought, and he hopes we learn from this one. He asked people to start conserving now; it never hurts.

He remembers when the City was asked to reduce the first time. Everybody in Oceanside did it. They were fantastic, but they were complimented later by a big rate increase after doing all that hard work. That was the MWD for Los Angeles that gave us that rate increase, not the water district down here. Everybody did their fair share and made things great.

We should consider this and lean in the direction that it might be a problem in the future. Our most valuable commodity in Southern California is water. Oceanside is unique to have desalination here for about 20% of our own water from the San Luis Rey River.

We're building a dump in the Pala Indian Reservation. If it ever leaks, that particular dump would contaminate our water supply and wipe it out completely. We have some other issues that need to be addressed by the citizens of this City and the North County.

He's gotten letters and emails saying he should take the lead on this because of the problem. What he does is turn to his City Manager, City Attorney and Water Director to ask how accurate this is. The Governor did it for a reason; it's not just for something to do. We need to keep it in mind and try to do our cutbacks. Remember, the people that don't cut back are going to be in that higher tier, paying those higher rates.

He appreciates staff's immediate involvement in this. He asked what we've heard about the lawsuit with the Metropolitan Water District.

COUNCILMEMBER KERN responded the trial was over in December. The post-trial briefings were filed with the judge. The last one was done on Friday. The judge has a session tomorrow. It's one extreme or another; he could come back tomorrow with a preliminary judgment or say he wants to take 30-60 days to think about it. The trial action has been done.

As a word of caution, the next round is appeals. If Metropolitan loses, they'll appeal. If the SDCWA feels that there was not justice in the decision they will appeal. This is just the beginning of the lawsuit saga with Metropolitan Water District.

The Mayor is referring to when we did the transfers with IID, the cost of transporting that water, or the wheeling rates, from IID down to the San Diego County Water Authority. The SDCWA feels that they are unjustly overcharged by Metropolitan on those wheeling rates. It's gets technical, but that's basically the crux of the whole issue. It'll probably wind its way through the courts for at least the next year or so and probably end up at the State Supreme Court by the middle of next year, optimistically.

MAYOR WOOD stated he, Councilmember Felien and the Water Director went in-person up to Los Angeles to express our concerns. We might as well have not shown up. That's what they thought about us and what we had to say. It is a big issue. He thanked Ms. Dale for keeping Council updated.

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**

LARRY BARRY, 3973 Brown Street, stated good for Tri-City Hospital for getting awards. They're spending hundreds of thousands of dollars on promotions. They just had a marathon in Oceanside. However, in November a lot of his friends were laid off by Tri-City Hospital. These are people who change the beds, do the laundry, etc. They were laid off because of Obamacare. They were laid off or went part-time so the hospital didn't have to pay for their health insurance. He has a problem with that.

This is the wintertime. Most of the time at this time of year we're talking about sand replenishment to restore the sand. He doesn't hear any talk about that this year. He doesn't know if it's been put off. There are no big storms out there, although the tides have been coming up from the south. Last year we spent \$600,000 to replenish the sand, but then it disappeared. He suggested holding off as late as possible because our big attraction is the beach, vacations, people visiting, etc.

We just got another report on our schools. The schools in Oceanside rank at the bottom. He's hoping the City Manager will work to improve our neighborhoods. If we can improve our neighborhoods, we'll improve our schools. That's a big thing to him. When we improve our neighborhoods, we're going to improve our schools and have a healthier city, with people paying taxes and property values going up. That's a hard thing for a lot of people to hear, that we actually want our property values to go up.

Let's improve our neighborhoods so we'll improve our schools.

AARON BYZAK, 3644 Harvard Drive, works in Leadership for UC San Diego Health System. He's here tonight on behalf of the North Coastal Prevention Coalition (NCPC). He's in his sixth year as president of NCPC. Our in-coming president, Ray Pearson, will be taking over in July. We are entering into a new era of leadership within NCPC.

Tonight he's talking about an item that is not on the agenda, which is the new Walmart that is coming across the street from Oceanside High School. We've had conversations with Council over the past number of months about our concerns relative to the Walmart. We're not against Walmart in any way, but are concerned about their sale of liquor so close to Oceanside High School. It's actually within 500 feet of the school.

We know that the alcohol density in that area is obviously troubling. There's also

a higher incidence of crime in that area, and there is a direct connection between the two. Not that Walmart is going to sell alcohol to youth, although that's always a concern with any organization that sells alcohol, but rather what security measures are they taking to make sure it's not being stolen, etc.? Also, what message are we sending to the people in the area, particularly since Walmart has publicly said that one of their goals is to make alcohol as cheap as possible so they could sell all of the other things when people come in?

We have been working with Captain Aguigui, who's now on the NCPC Board, to talk with them behind the scenes. This is approved; it's going to be opening next week. We welcome a Walmart in the area. However, we've been doing outreach to Walmart to say we'd like to meet with them to talk about some of these things. We want to make sure we're on the same page and working in conjunction to make sure the students are safe. Unfortunately, they have not returned any of our calls or emails.

He asked Council that, if they have any influence with the folks at Walmart, to please ask them to give us a call. We're more than willing to meet with them. It will not be an acrimonious discussion, but rather a public comment period. It's an opportunity to discuss how we might best work together to protect the students in the area and also to protect the community at large.

DEPUTY MAYOR SANCHEZ stated when we did have this presentation before, Captain Aguigui mentioned that Walmart was willing to meet with members of the community to discuss anything else that they could do to meet the concerns regarding putting sales of alcohol in the back. They also agreed to lock some of the hard liquor in the cabinets and use other methods like putting stops on them, etc.

She is surprised they have not been able to get ahold of Walmart. Perhaps the staff working with Walmart can get them to meet with members of the community. She's doesn't know who that would be. Apparently, they're not returning calls to Captain Aguigui either.

CITY MANAGER JEPSEN stated if he can get a business card, he'll make sure his contacts get in touch with this individual.

MAYOR WOOD stated it's something they should deal with in the community. He's not sure they'll listen to us, but it never hurts to ask.

DEPUTY MAYOR SANCHEZ stated apparently they did offer to meet. The community is definitely interested in meeting with them to address this. There are just a few remaining concerns to ensure that alcohol is not served to minors or stolen by minors.

ERICA LEARY is the Program Manager of the North Coastal Prevention Coalition and also a resident of Oceanside. Her main reason for being here is to inform the public and the viewers watching at home about alcohol coming to the location across the street from Oceanside High School. The public has not been well informed about the fact that beer, wine and liquor will soon be sold at that location.

Walmart's own promotional flyer makes no mention of the fact that alcohol will be there. We hope this will provide an opportunity to work more in-depth with the school, community, Walmart, and businesses to do all that we can to prevent underage drinking.

It's also important for the public to know that, because this area is high-crime and over-concentrated with alcohol licenses, the City needed to make a Declaration of Public Convenience and Necessity for Walmart to move forward in obtaining a license from the State Alcohol and Beverage Control (ABC). We would hope that if the City is willing to make that declaration, that they would also declare preventing underage

drinking a matter of public necessity.

A recent report to Congress in December of 2013 stated that localities which promote aggressive enforcement and emphasize a commitment to reducing underage drinking through support of policies make an incredible difference in saving young lives. There are many opportunities for us to continue collaborating and working together to prevent underage drinking.

The San Diego County Alcohol Policy on Preventing Underage Drinking has quarterly meetings. The next meeting is on February 7th. We will have an opportunity to learn from the City of Rohnert Park on the alcohol policies they implemented to reduce alcohol-related problems, as well as costs to their citizens.

We are also working on hosting an ABC LEAD (Licensee Education on Alcohol and Drugs) training program here in the Council chambers with the Oceanside Police Department (OPD) and ABC on February 20th. We will be notifying business owners and employees. This is a training program that many of our cities require. Oceanside does not at this time, but that might be a way that we could work together.

NCPC has been here for twenty years, and we hope to be here for twenty more. We hope that we can continue taking steps to prevent alcohol problems.

TIM BROOM, 1429 Papin Street, is a homeowner in Oceanside, and his business is located here. He represents the Eastside Oceanside Airport Subcommittee. On November 13th, he appeared before Council to talk about the ongoing airport issues, which have not been addressed. At the time, Deputy Mayor Sanchez asked why he was not providing the airport with noise complaints. He was further requested to provide copies of all of those written complaints to the City. He has done that.

In December he sent all of the written airport complaints to all members of Council and to airport management. To this day, he has not received a response from airport management or Council. He has not even been told that they've been received.

He was here two weeks ago presenting to the Oceanside Planning Commission. They summed it up the way he has for the past two years: this problem could be easily solved. His question is, why hasn't it?

DIANE STRADER lives in Eastside. Since the last Council meeting, this weekend the airport noise was much better than it has been in several months and maybe even years, which tells her it's possible for the pilots taking their planes out of that airport to be neighborly, friendly and stay out of the neighborhood. It's possible; if they do it for one weekend, they can do it every weekend.

If Council hasn't had a chance to look at the materials that Mr. Broom sent, the total was 288 complaints. The airplane from Tsunami Skydive accounted for 205 complaints out of that total. That represents 41.5% of all complaints coming from one aircraft.

This is a preventable noise and safety issue, since this area has a preschool and elementary school, as well as five churches. Since Tsunami tends to fly on the weekend, it affects us all. Several weeks ago she was at a neighbor's house for a party. They were outside and had to stop their conversation because of the airplanes flying over the house. It was so low that people who were not aware of what goes on in our neighborhood were shocked that they could see that.

She agrees with Ms. Brubaker and the folks at NCPC; Council should work with Walmart to prevent the underage obtaining of liquor from that particular store and all of the other stores that sell liquor in our neighborhood.

COUNCILMEMBER KERN asked if the Tsunami aircraft is flying out of the pattern.

MR. BROOM responded with that particular plane, the pilot is operating a business out of the airport. It's hit or miss with that plane. When the complaints started, which is when they began the service, they changed their approach and began to fly much higher. The response from Airport Property Ventures was that they had already been to the FAA (Federal Aviation Administration) and received special permission, but when he contacted the FAA they said that was absolute nonsense. The only permission they get is when they go above 10,000 feet and are contacting air traffic control regarding their position.

COUNCILMEMBER KERN stated they have a very loud turbo-prop airplane. If they're flying out of the pattern, that's the problem.

MR. BROOM agreed. It's a high-performance, highly reliable plane.

MS. STRADER stated when she was driving out of her neighborhood one day she saw the Tsunami plane flying toward her. When she tried to take a photo, it sped up and made a 90 degree turn, so they know.

MAYOR WOOD stated at the last public hearing for the airport, he talked to the gentleman from Tsunami and told him that he was the number one complaint that the City gets every day. Mayor Wood was down at the airport a couple of weeks ago and talked to him again, telling him that the biggest complaint is his noisy plane. When he comes in for a landing he flies high and then dives down to make a landing that's less noisy, but it doesn't matter because it's just a loud plane.

COUNCILMEMBER KERN stated their problem is on the takeoff when the plane is at full power. That's when it's the noisiest.

MAYOR WOOD agreed. He's talked to the pilot personally twice, but is not sure if he understands or cares.

CITY COUNCIL REPORTS

11. **Mayor Jim Wood**

MAYOR WOOD announced the grand opening of Walmart Neighborhood Market on January 29th at 1046 Mission Avenue. He agrees with the alcohol issue. He'd like to see Walmart at least talk to the neighborhoods. On the other hand, he hopes this is going to be a cheap, reasonable market for all of the people who live in the surrounding area. We didn't have a big market in downtown Oceanside, so he hopes it works out for everybody in the City.

He announced the ribbon-cutting ceremony for the new Naval Hospital at Camp Pendleton on January 31st and the grand opening of the North County Transit District at San Luis Rey Transit Center on February 1st.

12. **Deputy Mayor Esther Sanchez**

DEPUTY MAYOR SANCHEZ attended the Utilities Commission meeting yesterday. One of the other projects presented was reviewing an ordinance having to do with private sewer connections. Staff is working on a request that will be coming to Council to recommend adoption of an ordinance amending Chapter 29, Article 2 of Oceanside Municipal Code to clarify maintenance responsibilities of homeowners for private sewer connections.

Some of the commissioners did raise some suggestions regarding consumer

protection provisions or looking into some kind of insurance policy. Obviously, some of the homes in parts of our City are getting to be over 50-years old and maybe even over 100-years old. The City's responsibility is down the middle of the street and the lateral connections are the responsibility of the residents. She's had several emails, calls, etc. from residents who've had problems with the sewer breaking. It's a huge problem, depending on the inclination of the home and whether sewage starts to back up into the home, etc.

Staff is going to be looking into it, but this is something that is coming in March. Apparently, this came up once before, maybe ten years ago. Ms. Dale has actually looked into it for the City of Carlsbad when she worked there. Hopefully, we'll have some information to be shared with the commissioners and also with Council.

She announced the North County LGBTQ (Lesbian, Gay, Bisexual, Transgendered and Questioning) Resource Center in Oceanside is going to be having a town hall meeting with Max Disposti, the Executive Director, on January 31st. Max is doing a wonderful job in Oceanside connecting with the North County on the issues of LGBTQ.

13. **Councilmember Gary Felien**

COUNCILMEMBER FELIEN attended the Martin Luther King, Jr. Breakfast Celebration to issue the community service award. Raye Clendening was the winner. The nominees were Ethel Buchanon, Willie Buchanon, Diane Strader and Chris Gow, for their wonderful work in the community.

He also joined with Councilmember Kern to take advantage of a current tax controversy going on in the City of San Diego over their linkage fee and to bring some publicity for Oceanside. Whether they have their tax or not, Oceanside is very competitive with alternatives that are available in San Diego. It was great to be able to speak on the news last Thursday and have an article/editorial in the paper in the Logan Jenkins column on Friday. He also heard it was discussed widely on the radio.

Hopefully, regardless of what happens in San Diego, people will hear about Oceanside and find out that this City is a great place to do business. As a Councilmember, he's always happy to fight for jobs and businesses in Oceanside.

14. **Councilmember Jack Feller**

COUNCILMEMBER FELLER wished everybody a happy new year.

15. **Councilmember Jerome Kern**

COUNCILMEMBER KERN stated at the request of the North County Small Farmers, he went down to the County last Friday to testify against the changes in the winery ordinance. There are some changes that were brought forward to the winery ordinance for the boutique or small farm wineries. They just wrote the regulations in 2010, and now they want to change them. Some of the farmers asked him to speak against that. Hopefully, we can make sure it doesn't happen.

It's a complicated deal about outsourcing grapes and wine coming in from someplace else, where they can actually sell it at their small boutique wineries and get their grapes and wine online. That was an interesting two-hour public hearing.

On Saturday he and Assemblymember Chavez toured Pro Kids Golf Academy. They have 450 kids enrolled in that program. They've actually started allotting times for age groups because they are so inundated with kids at Pro Kids Golf at the municipal golf course. They are shooting for 500 kids. It's really a great program. The City partnership with Pro Kids really seemed to work out.

He attended the Martin Luther King, Jr. Breakfast. He also had an opportunity to give a speech to the Latino Business Group of North County and listen to their concerns and what's happening in North County and in business. They're pretty engaged. It represents a group from Escondido to Oceanside, what their concerns are about business and how we're going to promote Oceanside and North County so they can get more business.

He took the tour of the SpringHill Suites. It will be opening next month. It has a spectacular view on the roof by the pool. Their restaurant, Hello Betty Fish House, will open about a week after the hotel opens.

He will be working on the "Top Gun" house this weekend. The builder of SpringHill Suites will be painting the house. They will be painting it in a 1920's color. They want to get it painted before they open SpringHill Suites because people will be looking straight at it.

He will be attending a SDCWA meeting tomorrow. He is also the liaison to the Harbor and Beaches Committee. They always meet at the same time the SDCWA meets, so he's never been able to meet and be the liaison he should be to that committee. He asked if anybody would like to be on the Harbor and Beaches Committee as the liaison.

DEPUTY MAYOR SANCHEZ would be happy to take it over.

COUNCILMEMBER KERN announced the new Walmart is opening on January 29th at 7:00 AM. Ever since we've been on the Council, we've been hearing about having a full-service grocery store west of the I-5 freeway. We talked about the liquor part of that, but that's not a big part of their business model. The big part of their business model is being a full-service grocery store, which was desperately needed in this area. Hopefully, we'll get over those minor issues and work on it from there.

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

MAYOR AND/OR COUNCILMEMBER ITEMS – None

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 6:39 PM on January 22, 2014. [The next regular meeting is scheduled for 2:00 PM on Wednesday, February 5, 2014].

ACCEPTED BY COUNCIL/HDB/CDC/OPFA:

Zack Beck
City Clerk, City of Oceanside