

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



MINUTES

Joint REGULAR Meeting

Wednesday, February 13, 2019 * 6:00 p.m.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- City Council meetings are video recorded and archived as a permanent record. The [video](#) recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

CITY COUNCILMEMBERS

David A. Zito, Mayor

Jewel Edson, Deputy Mayor

Judy Hegenauer, Councilmember

Kristi Becker, Councilmember

Kelly Harless, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

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

Present: David A. Zito, Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless

Absent: None

Also Present: Greg Wade, City Manager
Johanna Canlas, City Attorney
Angela Ivey, City Clerk,
Dan King, Assistant City Manager
Mo Sammak, City Engineer/Public Works Dir.
Marie Berkuti, Finance Manager
Joseph Lim, Community Development Dir.

CLOSED SESSION REPORT: No reportable action.

FLAG SALUTE:

APPROVAL OF AGENDA:

Motion: Moved by Deputy Mayor Edson and second by Councilmember Harless to approve. **Approved 5/0.** Motion carried unanimously.

ORAL COMMUNICATIONS: None

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no

action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.6)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. SKIPPED NUMBER

A.2. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for January 5 - 25, 2019.

[Item A.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

A.3. General Fund Adopted Budget for Fiscal Year 2018-2019 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2018-2019 General Fund Adopted Budget.

[Item A.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

A.4. Fletcher Cove Park Trash Enclosure Removal and Parking Pavement Project, Bid No. 2018-06. (File 0730-40)

Recommendation: That the City Council

1. Adopt **Resolution 2019-016:**

- a. Awarding the construction contract to BellaKai Construction in the amount of \$22,200 for the Fletcher Cove Park Trash Enclosure Removal & Parking Pavement, Bid 2018-06.
 - b. Approving an amount of \$3,330 for construction contingency.
2. Authorizing the City Manager to execute the construction contract on behalf of the City.

[Item A.4. Report \(click here\)](#)

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Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

A.5. Stormwater Program Management Services Agreement. (File 0850-40)

Recommendation: That the City Council

1. Adopt **Resolution 2019-012** authorizing the City Manager to sign the amendment to the Professional Services Agreement with Mikhail Ogawa Engineering for Stormwater Program Management Services to increase the total cost of the agreement by \$45,000 for an amount not exceed \$130,000.

[Item A.5. Report \(click here\)](#)

[Item A.5. Updated Report #1 \(2-13-19 at 5pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

A.6. Fiscal Year (FY) 2017-18 Community Grant Expenditure Report. (File 0330-25)

Recommendation: That the City Council

1. Accept the Solana Beach Civic & Historical Society request for an extension to expend the remaining \$942.40 from the \$5,000 awarded to them in the 2017-18 Community Grant period.
2. Accept and file this report.

[Item A.6. Report \(click here\)](#)

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Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

B. PUBLIC HEARINGS: (B.1.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designee(s) for a private

development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Public Hearing: Solana Energy Alliance (SEA) Rate Schedule, Quarterly Update, and Collections Policy (File 1010-40)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Adopt **Resolution 2019-017** amending the rate schedule for Solana Energy Alliance.
3. Receive and file report on Solana Energy Alliance (SEA) Activities and Operations and provide comment and/or direction
4. Adopt **Resolution 2019-020** Approving SEA-04 Collections Policy

[Item B.1. Report \(click here\)](#)

[Item B.1. Updated Report #1 \(2-13 at 5pm\)](#)

[Item B.1. Supplemental Docs \(2-12 at 12pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item and presented a PowerPoint (on file).

Barb Boswell, consultant, continued the PowerPoint (on file) reviewing the quarterly update, first rate update, and collection policy consideration.

Jeff Fuller, consultant, continued the PowerPoint (on file) regarding the financial outlook.

Ty Tosdal, Special Counsel for SEA, continued PowerPoint (on file) reviewing regulatory proceeding updates.

Dan King, Assistant City Manager, continued the PowerPoint (on file) reviewing regional JPA discussions.

Greg Wade, City Manager, continued the PowerPoint (on file) reviewing the summary of goals, rate savings, budget adjustments to align the lock box fund with the enterprise fund, Climate Action Plan goals, resources to meet the reserve requirements, and summarizing the purpose of the actions requested at this time.

Mayor Zito opened the public hearing.

Council disclosures.

Council, Consultants, and Staff discussed the central buyer concept that would centralize the buying of the resource adequacy for all other entities and charging a fee, that resource

adequacy would be intended to ensure all providers had adequate power during peak demand time, the current and revised bond requirement increase, that rates would be decreasing for the majority of users and some would be affected by an increase,

Alan Barnebey spoke about the problem with the statements being sent to net energy metering customers, that last quarterly update reported that SDG&E would resolve the issue in February, and that nothing had changed with the billing statements.

Greg Wade, City Manager, spoke about SDG&E's communication to the City that the February deadline for sending statements to net metering customers would not be met and the new target date would be March 17th, that a mailer was sent by SEA to all net energy metering customers to show account balances and credits and that they would be sent out again.

Al Evans spoke about his comparison of his bill, while not participating in the SEA program, with his neighbor's bill, who was in the SEA program, both stating a cost of 27 cents per kilowatt hour (kWh), and that he could not see the 3% savings for SEA participants.

Council, Consultants, and Staff discussed past due bill payment options that were available to SEA customers the same as SDG&E customers, a customer would be sent to collections only if the account was closed and a balance was never paid, the current net position of approximately \$1.1 million, the projected position at mid fiscal year could be lower, the plan for SEA paying back the City in full, the projected balances showing either enterprise fund balance on an accrual basis and one is showing SEAs position on a cash basis, making a conscious decision to build cash reserves, future years could present different scenarios, having the choice to make efforts towards more renewables, and defining surplus funds.

Council discussed organizing a subcommittee of Councilmembers to act as point persons to speak to CCA and JPA issues with other elected officials and Mayor Zito and Councilmember Hegenauer would represent the Council.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Becker to close the public hearing. **Approved 5/0.** Motion carried unanimously.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

C. STAFF REPORTS: (C.1. - C.6.)

Submit speaker slips to the City Clerk.

C.1. Fiscal Year 2018-19 Mid-Year Budget Amendments. (File 0330-30)

Recommendation: That the City Council

1. Adopt **Resolution 2019-019** revising appropriations in the Fiscal Year 2018/19 Budget.

[Item C.1. Report \(click here\)](#)

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Greg Wade, City Manager, introduced the item.

Marie Berkuti, Finance Manager, presented a PowerPoint (on file).

Council and Staff discussed the Fire Department's Staff overtime, that shifts contained a 6-person crew at all times and backfilled with other Staff working overtime, the Fire Department vehicle maintenance increase from the past, costs for payments to the North County Dispatch JPA (NCDJPA) for pension costs, the Santa Fe Hills municipal improvement district funds, and that uncollected funds were published once efforts to reach the payees had failed.

Motion: Moved by Councilmember Harless and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

C.2. La Colonia Skate Park – Construction Update No. 2. (File 0720-30)

Recommendation: That the City Council

1. Receive this update on the La Colonia Skate Park;
2. Provide feedback on:
 - a. The area between the Skate Park and basketball court that would allow for a walking path to the recently purchased lot on the north end of the existing park; and
 - b. Proposed water filling station; and
 - c. Proposed fence around the basketball court; and
 - d. Proposed date for ribbon cutting ceremony for the La Colonia Skate Park.

[Item C.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Mo Sammak, Public Works/Engineering Dir., presented a PowerPoint (on file).

Mitch Phillippe, Van Dyke Landscape, spoke about the north side of the basketball court and suggesting maintaining the fence at 8 ft. to prevent basketballs from going over the fence, and on the east side the fence could be lowered.

Council and Staff discussed moving a water filing station.

Council, Staff, and Consultant discussed ideas for benches, removing the concrete wall and adding landscaping instead to leave the area between the skate park and the basketball court more open and using it was a walkway path, that the skate park could be opened officially on Memorial Day, to open it earlier than the anticipated ribbon cutting

ceremony, that skateboarding was currently restricted until the skate boarding ordinance was effective 30 days following the ordinance adoption, and minimal maintenance costs of the water system.

Cindi Clemons spoke about concerns of flyaway basketballs hitting the museum building.

Council and Staff discussed that there was a good distance between the new basketball court and the existing museum, considering whether to lower the fences or keeping them high, changing the material of the chain link fence, the two bench design options which would face the basketball court, and the side fence on the outer side along the basketball court was standard safety.

Council consensus was reached to select the water fling station to accommodate dogs as well, fence around the basketball court would be 8 ft. on north side and 4 ft. on the east side, use the Solana Beach bench, and the ribbon cutting ceremony date options.

C.3. San Onofre Nuclear Waste Storage Solutions. (File 0220-40)

Recommendation: That the City Council

1. Provide input on the draft letter and authorize the distribution of the letter to Senators Feinstein and Harris and to Congressman Levin in support of immediate federal action to find both an interim and a permanent nuclear waste storage solution for the waste currently stored at SONGS and advocating for the safe storage and removal of waste from the coastline as quickly as possible.

[Item C.3. Report \(click here\)](#)

[Item C.3. Updated Report #1 \(2-13 at 5pm\)](#)

[Item C.3. Supplemental Docs \(2-13 at 5pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Dan King, Assistant City Manager, presented a PowerPoint (on file).

Jim Jaffe, co-chair of Beach Preservation Committee of the San Diego Chapter of the Surfrider Foundation, and Mandy Sackett, California Policy Coordinator with the National Surfrider Office, presented a PowerPoint (on file), and spoke about focusing on a long term solution removing the waste off of the coast, working with the federal government takes much more time than expected, to get that process started now, that the waste had to cool until 2030 before it could be moved, that Sufrider opposed permanent storage of the radioactive waste at the SONGS location, that they advocated for the safe and quick removal from the coast, the area was subject to coastal hazards due to climate change and sea-level rise, a federal repository did not yet exist, the short term storage of southern California Edison's canister design was the industry's norm, that the long term repository was at the federal level for Congress to address and the canister issue would be at the NRC (National Regulatory Commission) level, requested that two letters be sent regarding the two different issues to the relative parties, and that they provided proposed correspondence.

Council and Ms. Sackett discussed focus on a permanent repository, the urgency of incorporating an earlier short-term solution for safety purposes, relying on NRC to ensure the type of canister for safety, handling or moving fuel increases risk factors, and a clearing pool onsite to address a potential leaking canister.

Torgen Johnson (time donated by Dave Clemens, Cindi Clemons) spoke about the problem created by internal failures of engineering, practices, calculations, and management, ending the loading of this defective system that was prone to accidents and would damage the canisters making it impossible to move them to another location, potential loss of containment on a system that was the only one of its kind in the entire country sitting in a salty environment, cracks that begin on these canisters as early as 17 yrs. old and these canisters were already 15 yrs. old, and not postponing a long term position.

Council and Mr. Johnson discussed the industry's blind spot due to its self-regulation, that Edison would like to push the canisters into the ground, many high level experts input and concerns, support for a letter stating the facts and expert's recommendations for this national security threat, the slightest move of the canisters can activate the radioactive material, the two near miss drops without any emergency plan, having Mike Levin reach out to public groups, to get the material off of the coast immediately, the recommended handing was being ignored by Edison, and advocating for a temporary and permanent solution in one or two different letters.

Council reached consensus to appoint Mayor Zito as the lead to draft a letter with Staff and the public to send to the relative elected officials to express the City's concerns and recommend ways to address them.

C.4. Lomas Santa Fe Corridor Improvement Project - Phase III Agreement.

(File 0820-15)

Recommendation: That the City Council

1. Consider adoption of **Resolution 2019-011**:
 - a. Authorizing the City Manager to sign a Professional Services Agreement with Michael Baker International, in an amount not to exceed of \$684,500, for the Lomas Santa Fe Corridor Improvement Project – Phase III.
 - b. Appropriating \$616,050 to the SANDAG Grants revenue account and Professional Services expenditure account for the Lomas Santa Fe Corridor Improvement Project – Phase III in the Capital Improvement Program for FY 2018/19 (9382.03) in the Miscellaneous Grants fund.
 - c. Authorizing the City Treasurer to amend the FY 2018/19 Adopted Budget accordingly.

[Item C.4. Report \(click here\)](#)

[Item C.4. Updated Report #1 \(2-11 at 530pm\)](#)

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Greg Wade, City Manager, introduced the item.

Mo Sammak, Public Works/Engineering Dir., presented a PowerPoint (on file).

Council and Staff discussed conducting some public workshops, adding an update to the website once 30% construction design was reached, that the scope was based on no roundabouts with 4 lanes of traffic as a starting point, there would be no taking of property by the City, and the 18 mos. Grant.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Hegenauer to approve. **Approved 5/0.** Motion carried unanimously.

C.5. Adopt (2nd Reading) Ordinance 498 adopting Official City Insignia for the Solana Energy Alliance (SEA) (File 0160-30)

Recommendation: That the City Council

1. Adopt **Ordinance 498**, amending the Solana Beach Municipal Code (SBMC) Section 1.08.010, to include the official insignia for the Solana Energy Alliance.

[Item C.5 Report \(click here\)](#)

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Motion: Moved by Deputy Mayor Edson and second by Councilmember Becker to approve. **Approved 5/0.** Motion carried unanimously.

C.6. City Council Monthly Compensation Consideration – Ordinance 485 Introduction (1st Reading). (File 0520-10)

Recommendation: That the City Council

1. Discuss and consider changes, if any, to Councilmember compensation.
2. If desired, introduce **Ordinance 485** amending Solana Beach Municipal Code (SBMC) section 2.04.020 to reflect the compensation adjustment to take effect when a new term of office commences in December 2020.

[Item C.6. Report \(click here\)](#)

[Item C.6. Updated Report #1 \(2-13 at 5pm\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Johanna Canlas, City Attorney, presented a PowerPoint (on file).

Council and Staff discussed ensuring a salary increase was in line with other small cities and that the Mayor position in some cities receive approximately \$75-100 more a month.

Motion: Moved by Deputy Mayor Edson and second by Councilmember Harless to approve. **Approved 5/0.** Motion carried unanimously.

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

Councilmembers disclosed reimbursements.

COUNCIL COMMITTEE REPORTS: [Council Committees](#)

REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

STANDING COMMITTEES: (All Primary Members) (*Permanent Committees*)

ADJOURN:

Mayor Zito adjourned the meeting at 9:36 p.m.

Angela Ivey, City Clerk

Approved: April 10, 2019