# MINUTES OF A
# REGULAR MEETING OF THE
# CITY COUNCIL OF THE
# CITY OF CORONADO
## Coronado City Hall
## 1825 Strand Way
## Coronado, CA 92118
## Tuesday, June 20, 2006

Mayor Smisek called the meeting to order at 3:02 p.m.

**1. ROLL CALL:**

**Present:** Councilmembers Downey, Monroe, Tanaka, Tierney and Mayor Smisek

**Absent:** None

**Also Present:** City Manager Mark Ochenduszko
City Attorney Morgan Foley
City Clerk Linda Hascup

**2. INVOCATION AND PLEDGE OF ALLEGIANCE.** Dr. Jim Eischen, Sacred Heart Church, provided the invocation and Mayor Smisek led the Pledge of Allegiance.

**3. MINUTES:** The minutes of the Regular Meeting of June 6, 2006, a copy having been provided Council prior to the meeting, were approved as amended. The reading of the minutes in their entirety was unanimously waived.

**MSUC** **(Tanaka/Downey) moved that the City Council approve the minutes of the Regular Meeting of June 6, 2006, as amended.**

**AYES:** **Downey, Monroe, Tanaka, Tierney, and Smisek**
**NAYS:** **None**
**ABSENT:** **None**

## 4. CEREMONIAL PRESENTATIONS:

**4a. Proclamation: Parks and Recreation Month.** Mayor Smisek presented the Proclamation to Linda Rahn and the Recreation Services staff members. He announced the upcoming one-year anniversary of the new Glorietta Bay facilities in July. Linda Rahn, Director of Recreation Services, recognized the community and her staff for a successful first year.

**5. CONSENT CALENDAR:** The City Council approved, adopted and/or accepted as one item of business Consent Agenda Items 5a through 5f, 5h and 5i with the addition of Item 11d.

Councilmember Tierney requested the addition of Items 11c and 11d. Mayor Smisek asked to remove Item 5g. He also asked that Item 11c be removed so that the City Manager can make a presentation prior to the City Council taking action.

Councilmember Downey asked if the City Attorney could clarify her eligibility to vote on Item 5g due to the location of her office and her handicap placard. She said she was not the requestor of the handicap space, but being eligible to use it, she wanted to know if she should recuse herself from that discussion. City Attorney Morgan Foley explained that she would not need to recuse herself unless she felt there is a financial advantage to her one way or the other of $500.

Councilmember Monroe commented on Item 5h regarding the 2005 Annual Traffic Report. He said that traffic has increased from about 30,000 to 99,000 trips per day since the City has been keeping this record. He said he had made this request previously; he would like to see a separate line in the report for "work day trips" as opposed to "average daily trips." The number of trips is significantly different on weekends than on workdays. The average doesn't show what the population is subjected to the majority of days in the week. Regarding the number of intersections where there have been five or more accidents per year, this year only three intersections were noted. One was at 3rd and C, which is interesting because usually people have slowed down by this point. The other intersections were at Orange and 4$^{th}$ and in the 900 block of Orange Avenue. He wanted to note that this is the first year there haven't been five accidents at the intersections of 4th and A, B, and C.

City Manager Mark Ochenduszko responded that staff would be willing to take a look at the traffic statistics for work days versus weekends for next year's report.

Councilmember Tanaka commented regarding Item 5f that if the initiative petitions had enough signatures to qualify for the ballot that the Council should try to accommodate it moving forward in the process, and would look for an agreement by the Council members to have a special meeting if one is needed to do the Council’s part in meeting deadlines.

Councilmember Tanaka also commented regarding Item 5f. He feels that it is important that staff do everything possible so that the citizen's initiative will reach the November election and avoid the cost of a special election if it were to qualify. Mayor Smisek pointed out that the petition would need 15% of the Coronado registered voters' signatures to qualify for a special election and he didn't believe that this initiative has that many. City Clerk Linda Hascup added that the petitions themselves must also contain wording asking for a special election if there are

enough signatures and these particular initiative petitions did not contain that wording. Mayor Smisek pointed out that the hold up currently is the certification of the signatures at the San Diego County Registrar's office. They have several statewide initiatives to deal with so we will have to wait to see when they complete their part.

Mayor Smisek announced that Items 5g and 11c would be heard separately from the Consent Calendar. Item 5f would be taken on Consent.

**MSUC** **(Downey/Tanaka) moved that the City Council approve the Consent Calendar Items 5a through 5f, 5h and 5i with the addition of Item 11d – Adoption of Resolution Approving the Community Development Agency Budget for Fiscal Year 2006-07 and Authorizing a Loan to the Community Development Administrative Fund.**

**AYES:** **Downey, Monroe, Tanaka, Tierney, and Smisek**
**NAYS:** **None**
**ABSENT:** **None**

**5a.** **Approval of Reading by Title and Waiver of Reading in Full of Ordinances on this Agenda.** **The City Council waived the reading of the full text and approved the reading of the title only.**

**5b.** **Approval of Warrants.** The City Council ratified payment of warrants Nos. 10051372 thru 10051590 audited and approved by the Audit Committee, provided there are sufficient funds on hand. **The City Council approved the warrants.**

**5c.** **Adoption of an Ordinance of the City of Coronado Amending Chapters 2.02 and 2.03 of Title 2 of the Coronado Municipal Code Providing for Reimbursement to Members of the City Council and the Coronado Mayor for Actual and Necessary Expenses.** This ordinance was introduced at the City Council meeting of June 6, 2006. **The City Council adopted AN ORDINANCE OF THE CITY OF CORONADO AMENDING CHAPTERS 2.02 AND 2.03 OF TITLE 2 OF THE CORONADO MUNICIPAL CODE PROVIDING FOR REIMBURSEMENT TO MEMBERS OF THE CITY COUNCIL AND THE CORONADO MAYOR FOR ACTUAL AND NECESSARY EXPENSES.** The ordinance, having been placed on First Reading on June 6, 2006, was read by Title, the reading in its entirety unanimously waived and adopted by the City Council as **ORDINANCE NO. 1979.**

**5d.** **Consideration of Retaining an As-Needed Civil Engineering Consultant Firm.** Fourteen civil engineering firms submitted qualification packages. Five short-listed firms were interviewed. The short-listed firms were rated according to experience, understanding, scheduling, responsiveness and organization.

| Submitted | Interviewed | Recommended |
|---|---|---|
| BDS Engineering | | |
| Boyle Engineering Corporation | X | |
| David Evans and Associates, Inc. | | |
| Dudek & Associates | X | |
| Harris & Associates | X | X |

| | | |
|---|---|---|
| Infrastructure Engineering Corp. | | |
| J.C. Heden and Associates, Inc. | | |
| Kimley-Horn and Associates, Inc. | X | |
| Metcalf & Eddy | | |
| Nasland Engineering | | |
| Parsons Brinkerhoff | X | |
| Richard Brady & Assoc | | |
| Tetra Tech, Inc. | | |
| Winzler & Kelly | | |

**The City Council authorized staff to contract with Harris & Associates for as-needed civil engineering services.**

5e. **Approval of Request from Coronado Optimist Club to Hold Its 35th Annual Sports Fiesta from July 24-30, 2006.** The Sports Fiesta has been held in Coronado for the past 34 years without incident. This has been a very organized and well-run event. Staff will continue to work closely with the Optimist Club to evaluate event and location changes and to coordinate and finalize the plans. **The City Council approved the event with the listed conditions and that the City provide personnel and services as outlined in the staff report.**

1. **That the routes for the 10K and triathlon be approved by the Police, Fire and Recreation Departments.**
2. **That the scheduling of the diving events be coordinated with and approved by the Recreation Department.**
3. **That the ocean swim events adhere to established procedures for beach/ocean events and coordination of the events be approved by the Lifeguard Captain. This includes holding a pre-event meeting with the Lifeguard Captain.**
4. **That the scheduling of the golfing events be coordinated with and approved by Golf Services.**
5. **That the scheduling of the skateboard competition be coordinated with and approved by the Recreation Department.**
6. **That placement of barricades and signs be approved by the Police Department and removed from the streets immediately after the scheduled event. "No Parking" signs are to be placed 72 hours in advance.**
7. **That no permanent markings be made on the sidewalks or roadways.**
8. **That all areas used for events be cleaned at the conclusion of each event.**

5f. **Consideration of Adoption of Resolutions (1) Calling and Giving Notice of Holding a General Municipal Election on November 7, 2006 for the Election of Certain Municipal Officers, and (2) Requesting the San Diego County Board of Supervisors to Consolidate the City's General Municipal Election with the Statewide General Election to be Held on the Same Date.** Two city council seats' terms expire in November 2006. Under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election shall be held for the election of two city council members, each to a full four-year term. In order to hold the General Municipal Election and to consolidate the election with the Statewide General Election, certain actions must be taken, including city Council adoption of the attached resolutions.

A citizen initiative effort is currently pending; however, the initiative petitions were submitted to the City Clerk's office too late for the full, legally prescribed process to take place to allow the initiative to go on the November 7, 2006 ballot. The proponents were advised that the deadline to turn in the initiative petitions to the City Clerk's office was May 8. At that time they felt they had not collected enough signatures to qualify for the ballot measure and waited until May 24 to submit the petitions. For this reason there may not be sufficient time to qualify this matter for the ballot. **The City Council adopted A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 7, 2006, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES and A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 7, 2006 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE DATE PURSUANT TO § 10403 OF THE ELECTIONS CODE. The Resolutions were read by Title, the reading in their entirety unanimously waived and adopted by Council as RESOLUTION NO. 8153 and RESOLUTION NO. 8152. The City Council also directed the City Clerk to file copies of the appropriate resolutions with the San Diego County Board of Supervisors and the San Diego County Registrar of Voters.**

**5g. <u>Recommendation from the Traffic Operations Committee to Adopt a Resolution to Install a Handicap Blue Curb Zone in Front of the Professional Offices Located at 1317 Ynez Place.</u>** Mayor Smisek commented that this property has no on site parking except for five or six unobvious parking spaces that are accessed off of Tenth Street and are utilized by employees of the building. He asked if any of those spaces are designated? He said he would not like to take out a good parking place for this when there is no way to assure that the person who needs it will be able to do so.

Councilmember Downey explained that the request was brought about by the users of the building. The parking spots in the rear of the building do not have access for someone who is handicapped to get from there to the entrance in the front. There is no walkway or other alternative. Ms. Downey explained that she researched this issue when she learned of it. There are two issues. One is compliance with handicap regulations for businesses. This is a building that has been around since the 1920s and while there is a handicap space across the street at the post office, the concern is that the owners could all be held noncompliant. No one lives in these offices. The post office across the street has two spots, but there are many users of those spots.

Councilmember Monroe said he shared Mayor Smisek's concerns about someone being able to come in and park in that spot all day. He reminded the public that people with a handicap sticker can park in any parking spot in the City, all day, for free. He would have a hard time supporting this request.

Councilmember Tanaka wondered if putting in one spot would make the building ADA compliant or if a 15 minute loading zone would be more helpful, compliance aside. He is trying to help the people who do business there.

Ms. Downey responded that the TOC recommended this because there are no ADA spots for the building. She thinks that the City Council needs to figure out if it wants to support compliance with the ADA for the City's businesses. There aren't many older office buildings in this situation. Many of the newer buildings have a blue zone.

**MSF (Downey/Tierney) moved that the City Council adopt A RESOLUTION TO DESIGNATE A BLUE CURB ZONE ADJACENT TO THE PROPERTY AT 1317 YNEZ PLACE.**

**AYES: Downey, Tierney**
**NAYS: Monroe, Tanaka and Smisek**
**ABSENT: None**

**5h. Review and Acceptance of the 2005 Annual Traffic Report.** The Annual Traffic Report compiles statistical information on traffic volumes and accidents in the City. **The City Council reviewed and accepted the Annual Traffic Report for 2005.**

**5i. Award of Contract for the Bahama Pump Station Repair Project.** The project was advertised for bidding beginning May 31, 2006 and bids were publicly opened on June 14, 2006 with the following results:

| BIDDER | Total |
|---|---|
| Newest Construction Company, Inc. | $49,495 |
| Elken Contracting, Inc. | $49,700 |
| El Cajon Grading | $100,203 |

**The City Council awarded a contract to Newest Construction Company, Inc. in the amount of $49,495 for the construction of the Bahama Pump Station Repair project and approved a construction budget of $54,000. The funds are available in the Wastewater Master Plan Program (Account #510781-9862-WWWMPBIIMA-8040).**

## 6. ORAL COMMUNICATIONS:

**a. Dale St. Denis, 710 Adella Avenue,** explained that he brought forth information to the Planning Commission where he is a Commissioner, on a roundabout that several neighbors asked him to investigate. This item was specific to Pomona Avenue but it would work in other parts of the City as well. The information was fowarded to the Engineering Department. He said that many traffic calming measures that were suggested some years ago have been implemented and are effective. This was when Homer Bludau was City Manager and there was a different council. The City of La Jolla put in a roundabout that was funded by the State and it has been so successful that they are now putting in another roundabout. He suggested that it might be possible to have a study funded for a roundabout at 7th and Pomona. He urged the Council to look into this further.

**b. Jennifer Luther, 640 Pomona Avenue**, spoke regarding roundabouts for calming traffic in difficult intersections. She said she attended the Planning Commission a couple of months ago for the discussion on traffic issues. She provided a book from the Department of Transportation 4 or 5 years ago and a pamphlet. Dale St. Denis gave the Planning Commission a copy of a plan that she had made at least 4 years ago of a solution for the intersection at Pomona, 7th, and Adella. She said this plan was approved by the City Council about five years ago when Homer Bludau was City Manager to reconfigure that intersection but then nothing was done. She wants to get it into the budget so something gets done about it. Her thought is to begin with this one, then do another at the tennis courts, and then consider roundabouts in other areas as well. Roundabouts can be decorative as well as functional and they will help us take our island back from all the commuters who are passing through.

**c. Bill Burke, 714 Adella Avenue,** with daughter Chloe, spoke in favor of the use of roundabouts in Coronado as a much safer solution to what exists now.

**d. Tom Dawson, 708 E Avenue,** spoke against the use of leaf blowers in Coronado. He asked if the City Council would look at this issue and make some decisions to stop the pollution of the City with leaf blowers.

**e. Councilmember Downey** said that she wanted to clarify her comments from the June 6th meeting. She had said that she appreciated the involvement of all the members of the public on the several controversial issues that were discussed, including the siting of the animal care facility and that she was happy it occurred on Election Day and that many folks had voted. She did not mean to imply that if they didn't vote she didn't want to hear their opinions, as that was not the case. She heard that there was some concern about the comment and she wanted to clarify it. She is always happy that the people show up and get involved because that is how it is done in Coronado.

**f. Councilmember Monroe** commented that he appreciated that the record of the last meeting accurately portrayed his comments regarding the City's role in denying or approving CDA projects for the school district. He felt it was very important to have it in the record. Regarding the Pomona Avenue roundabout information, he would like to see if the City Council could get a copy of the minutes and of the plan mentioned by Ms. Luther. He also wanted to commend the Police Department for the use of the trailer placed on Pomona that alerts people to the speed limit and their current speed. It seems to be very effective.

**g. Steve Bruce, 564 1/2 I Avenue,** invited the listeners to help in the effort to raise awareness of the situation in Darfur.

## 7. CITY MANAGER:

**7a. Update on Council Directed Actions and Citizen Inquiries.** City Manager Mark Ochenduszko responded to the question from Joe Delasalis under Oral Communications at the June 6th City Council meeting regarding the closure of Island Market. Despite the extensive

remodeling that took place in the market, the owners determined that they couldn't make a go of it and they closed the facility. At this time there are no plans for a replacement business.

**8. PUBLIC HEARINGS:** None.

**9. ADMINISTRATIVE HEARINGS:** None.

**10. COMMISSION AND COMMITTEE REPORTS:**

**10a. Report from the Port Commissioner Concerning Port Activities.** No report.

**11. CITY COUNCIL BUSINESS:**

**11a. Council Reports on Inter-Agency Committee and Board Assignments.**

**Councilmember Monroe** attended the Tunnel Team meeting, an MTS Board meeting, SANDAG Board and Transportation Committee meetings, the Labor Council dinner, a meeting of the SDREDC, a Port Royale Village meeting regarding changes to the Cays Specific Plan, and a South County EDC "In the Know" lunch.

**Councilmember Tanaka** attended the grand opening of Amadeus at the Lambs Players' Theater, the Islander Awards at the High School with Mayor Smisek, he briefed the Chamber of Commerce and reported that all the City Council members are now at least 30 years old.

**Councilmember Tierney** reported on a League of California Cities meeting, took the AB 1234 training for ethics, attended the San Diego Regional Economic Corporation dinner, a PUC Advisory Committee meeting, and a meeting of Metropolitan Wastewater.

**Councilmember Downey** took a tour of the Village Theater with the Mayor and City Manager, thanked the Golf Course staff for their efforts on the Father/Daughter tournament where she had the opportunity to play as a substitute dad, and attended the Middle High School Awards Ceremony.

**Mayor Smisek** attended the Relay for Life, met with Mayor Padilla of Chula Vista and hotel representatives along with the City Manager to discuss the Coastal Commission issue for funding of the North Village the Hotel Del wants to put in. Mayor Padilla, a member of the Coastal Commission, will support it. He also attended the Islander Awards ceremony, toured the Village Theater, attended a Library Board meeting, toured the superfund toxic waste removal sites on the Amphib Base and at North Island, and welcomed the a Port staff to Coronado for a retreat they were holding at the Community Center. He also thanked them for their partnership.

**11b. Review and Approval of Fiscal Year 2006-07 Update to the Capital Improvement Program.** Items 11b and 11c were heard together. Leslie Suelter, Director of

Administrative Services, gave the staff presentation on Item 11c. Andrew Potter provided the CIP presentation.

City Manager Mark Ochenduszko explained that this is the second year of the two-year budget cycle and the two-year capital improvement plan cycle, both of which operate together. Staff will provide an overview of the budget process, review the current year, what it proposes as next year's work plan, provide an update for the operating budget and a six-year financial projection, provide an opportunity for the City Council to discuss and consider any special requests from community organizations, review the CIP and provide comments or ask questions from staff. Staff's mission for FY '07 has three components. The first is to continue with the development of an aggressive public facilities and infrastructure rebuilding program. That process had just begun when Mr. Ochenduszko became City Manager in 1999. He anticipates a focus on this for the next two to three years. The other direction he has given to his staff is to contain operating expenditures in view of the capital program and the economic climate, which is not particularly positive for cities at this point in time in California, and for staff not to add programs and services but to look for ways to continuously improve given the resources that have been allocated to the City. This budget has been developed with those things in mind.

Mr. Ochenduszko went on to review the '05/06 Work Plan and the projects that were accomplished:

- The City Hall and Community Center were opened.
- The Promenade and Park were completed.
- The November '05 CDA Debt Issuance deadline was resolved. The CDA bond issuance was completed, including an additional $10 million in escrow bonds.
- The DDA was finalized and the conceptual design for the Senior Housing project was completed.
- The first term Owner Participation Agreement for the hospital was completed and just recently the second term was completed.
- The City also completed the Memorandum of Understanding for the CDA with CUSD that determines the future tax increment funding allocation for the life of the Redevelopment Agency.
- The schematic design of the marina remodel was completed.
- The schematic and facade design of the marina building was completed.
- The City trained employees and implemented the RSIP.
- Mayor Smisek monitored and represented the City in the airport site selection process by SDCRAA.
- The City completed the R-4 standards review which is now at the Planning Commission level.
- The City completed the review process and design for the beach facilities which will have construction begin in September.
- Progress continued on the Tunnel PR and ED. The seismic review was completed and Alternative 5B was added.
- The Glorietta Boulevard rehabilitation was completed.
- The review for joint paramedic services with the City of Imperial Beach was completed. Imperial Beach declined to move further with that study.
- Plans were developed for golf course improvements.
- The golf course fencing was completed in June.

- The new library facility was opened.
- The site selection for temporary and permanent Animal Care Facilities was completed.
- The refurbishment of Bayview Park was completed in June.
- The City refunded 1996 and 2000 CDA Tax Allocation bonds to reduce debt services which was a savings of $2 million over the life of the bonds.

Mr. Ochenduszko thanked the City Council and staff for all the hard work that went into the completion of these many projects. He went over the '06/07 projects that staff will focus on aside from the 90% of staff's work which is to continue to provide the programs and services for the community. They include:

- Begin rehabilitation of housing project on 500 block of Orange Avenue.
- Initiate construction of Senior Housing project.
- Complete and open temporary Animal Care Facility in August.
- Complete environmental review and design of permanent Animal Care Facility.
- Monitor and represent the City in the Navy's preparation of NASNI ALCUP for the airport at North Island.
- Complete the General Plan Housing Element.
- Construct the Lifeguard Tower and North Beach restrooms.
- Prepare and implement the financing plan for the Marina project.
- Initiate construction of the Marina and Marina building.
- Complete the Village Theater rehabilitation and Operation Study and determine participation level.
- Coordinate the November 2007 election.
- Complete and implement C-CORE program.
- Determine and implement the financing strategy for Transbay Sewer project.
- Initiate construction of Transbay Sewer line.
- Coordinate required SB1234 training for elected and appointed officials.
- Complete review and permits to participate in Opportunistic Sand Program.
- Complete specified Cays drainage repairs.
- Complete design of Boathouse/Clubroom.
- Design and construct the Yacht Club Promenade.
- Complete environmental review and design of Lifeguard Service Building.
- Represent the City and participate in design of the Third Street Gate, assuring that it serves the City well.
- Provide NIMS (National Incident Management System) and Emergency Plan training for appropriate emergency management staff.
- Install the Children's Library portal.
- Prepare library information documents to serve as a guide to Library use.
- Install new parking meters.
- Evaluate proposal for alternate type Reverse 9-1-1 System (Connect CTY).
- Rehabilitate Glorietta Bay Boat Dock.
- Implement new requirements of NPDES permit.
- Evaluate and report on Recreation Facility use and activity fees.
- Complete Seventh and D Open Space review.

Leslie Suelter, Director of Administrative Services, provided the City Council with an update of the two year budget. Her staff has reviewed with all the departments possible new information or operational changes that might require an immediate adjustments. Revenue projections have been reviewed and updated and there are some changes in Capital Improvement Program. Ms. Suelter also explained that there will be some modest adjustments in projections related to the new facilities. She displayed a slide that gave a snapshot of the City's Operating Budget for FY 2006-07 with respect to the General Fund and all funds for both revenue and expenditure growth.

The General Fund FY 2006-07 revenue figures include and are based on:

- Property taxes projected at 5% above current year
- Adjustments in revenue from new facilities/programs-projections based upon current levels
- Projections of 1% to 2% on all other revenues
- No ERAF III - last contribution to State in FY06 resulting in an increase of $578K to property tax revenue.
- Personnel
  - Pending final negotiations with all bargaining groups
  - Other personnel adjustments
    - Adjustments in CalPERS rates
    - Limited Term Accountant (3 year appointment)
- Non-personnel
  - Fuel and utilities
  - Miscellaneous department adjustments

Ms. Suelter reviewed the departmental budget highlights. They include:

- City Clerk
  - Election costs budgeted in odd fiscal years
- City Manager
  - Savings due to some funding shift of Redevelopment Director to CDA
- Administrative Services
  - Limited Term Accountant Position
  - CalPERS for Contract IT position
- Police Services
  - Minor adjustments to contracts for dispatch equipment maintenance, crossing guards, HVAC maintenance, use of Navy Small Arms shooting range
  - Replacement security camera
  - Fuel
- Fire
  - Seasonal lifeguard - CalPERS
  - ALS Billing with offsetting revenue
  - Budget correction related to Heartland Dispatch
  - Replacement radio equipment for fire and beach lifeguards (4 units)
  - AED replacement (5 units)
  - Fuel
- Public Services
  - Water usage (Parks division)
  - Equipment maintenance cost for older vehicles

- Fuel

- Community Development
  - Housing Element - contract with SANDAG for data gathering (Mr. Pena, Director of Community Development, answered a question from Mr. Monroe about this. SANDAG prepares a Regional Housing Needs Assessment and one of the fundamental components of the Housing Element is a Housing Needs Assessment for the City. Probably most of the cities in the County are using consultants to prepare that Needs Assessment because it is a very specialized document that most staffs, including Coronado's, don't have the expertise to prepare. City staff is proposing a contract with SANDAG to carry out what they did with the Regional Needs Assessment to prepare Coronado's local Needs Assessment which the staff will build all the City's requirements on for the Housing Element.)
  - Opportunistic Sand Program consultant
  - Digitizing building plans (offset by revenue)
- Recreation Services
  - Seasonal aquatics/recreation staff - CalPERS
  - Utilities
  - Adjustments for maintenance of co-generation equip, kitchen equipment
  - Increase in custodial services needed
  - Revenue reduction for banquet facility based upon current experience

In other funds, the budget overview included:

- Wastewater/Storm Drain
  - Loan for ongoing NPDES requirements shifted from Wastewater to General Fund. City Manager Mark Ochenduszko commented that this is a big adjustment. The City has been loaning money from the Wastewater Fund to the Storm Drain Fund to pay for the storm drain operations that are required by the NPDES permit. The Clean Water Act and the Regional Water Quality Control Board's increasing requirements on the City for Best Management Practices for the City storm drains are expensive, and in all cities in California, is an unfunded mandate, so there isn't a funding source. This is going to have to solve out at one time or another because the costs are very high and there is no clear source to pay for those costs. The City has been loaning the money from the Wastewater Fund but staff believes it cannot continue doing that so the costs have been shifted to the General Fund which will increase General Fund expenditures but over the long run staff will be looking for a better solution and, in time, Mr. Ochenduszko believes that there will be a state-wide solution. Councilmember Tierney asked if Wastewater Funds are enterprise funds. He was told that they are. He asked if such funds are able to be loaned. Ms. Suelter explained that there was a legal loan document between the Storm Drain Fund and the Wastewater Fund. Mr. Ochenduszko explained that this was legal but the City is going to discontinue this practice. Councilmember Downey asked why the City doesn't create a specific fund to pay those increased NPDES costs. Mr. Ochenduszko reiterated that there is a Storm Drain Fund and money is being transferred from the General Fund into the Storm Drain Fund and the City will be tracking it, but the fact of the matter is that there is no revenue source to pay for the requirements the City has to meet. This will be tracked as of the current budget. Ms. Suelter added that the City does have a Storm Drain Fee that is devoted to paying off bonds that were previously issue. It is anticipated that at some point those bonds will be paid off and

those fees would then be used to pay for other operating expenditures, however that is some time off and between now and then this is the situation.

- Gas Tax
  - Projected funding is insufficient to cover all costs previously budgeted in this fund. Transfer from General Fund to cover difference. Gas Tax grows at a very slow, near flat rate. This year the expenditure growth has exceeded the growth in revenue and in order to make that fund whole, the City will transfer approximately $75,000 from the General Fund to the Gas Tax Fund. The Gas Tax Fund pays for ongoing, day to day operations in the streets department.

Ms. Suelter explained that the General Fund projection beyond 2006-07 is broken down in the staff report and contains data on the current FY 06, original FY 07, proposed update FY 07 and projected figures for FY 08 through FY 12. The summary reflects that the City has a balanced General Fund financial position. The City is absorbing some costs into the General Fund related to the Storm Drain and Gas Tax funds. Personnel adjustments are pending completion of negotiations and a contingency has been established to cover the General Fund.

Ms. Suelter moved on to discuss the community organization funding in the budget. The budget amount for these groups is $867,208. All groups were notified of their budgeted amount. The only item identified as pending was pertaining to the Art Walk. She had included that funding in the budget, however in reviewing the minutes from last year she noticed that the City Council expressed an interest in having an evaluation of the program before approving any additional funding. Since the program has not taken place yet and is scheduled for September, the City Council may want to defer a decision on that until a future date. Very recently a letter came in from the Coronado Memorial Day Committee requesting an additional $500. The proposed budget will need to be adjusted by that amount if the City Council wants to approve that request.

Ms. Suelter concluded her presentation by mentioning that the resolution included in the staff report includes the funding for the programs she had discussed including the capital projects that the City Council will review next. Any changes to the operating or capital budget will be reflected in the resolution the City Council approves.

Andrew Potter, Senior Analyst in the City Manager's office, provided an update to the FY2006 through 2012 Capital Improvement Program. He explained that the update is divided into three sections. The first section shows the funds schedule which shows the capacity for funding capital projects. The next section is a Master Capital Projects list which shows all of the existing, and projects that have been postponed. Finally, there is a description of each project detailing the project and its current status. This update to the six- year CIP was developed with input from the City Council, staff and the community. The programming is based on funding availability and staff work load. The CIP Subcommittee reviewed a Draft CIP at their meeting on May 22 and recommended some changes that have been incorporated into the CIP before the City Council. The funding for the CIP is included in the City and CDA budgets, as Ms. Suelter had explained.

There are 19 existing projects totaling $13.9 million that are scheduled for FY2006-07. They include:

- Boat house/Clubroom
- Glorietta Bay Marina support building
- Glorietta Bay Marina dock redevelopment
- Yacht Club Promenade
- Animal Care Facility
- Rotary Plaza
- Sidewalk and Alley Improvements
- SR75/282 Congestion Relief and Corridor Enhancement Project
- SR75/282 Traffic Corridor Project (tunnel)
- Street, Curb and Gutter Improvements
- Transbay Sewer Force main
- Wastewater Master plan projects
- Beach public safety (tower) and restroom project
- Beach public safety service building
- Library park restoration
- Spreckels Park (West Plaza) irrigation renovation project

There are two new projects for FY2006-07. They are:

- Golf Course improvements for holes 12 and 13
- Temporary Animal Care Facility (previously budgeted)

The newly funded projects for each fiscal year are listed in the staff report. These lists do not include projects that have been previously funded in prior fiscal years.

Mr. Potter moved on to discuss some of the projects in the major project categories.

- Glorietta Bay Master Plan
  - Yacht Club Promenade and Marina redevelopment construction to begin in the coming year
  - Boathouse/clubroom will be the last phase to be completed. Construction is anticipated in FY 2007-08
- Transportation
  - Miscellaneous congestion relief measures for SR75/282 programmed in FY07
  - Future contributions from Caltrans and SANDAG for congestion relief not yet confirmed
  - Work continues on Project Report and Environmental Document for Traffic Tunnel
  - Begin to receive Fed SAFETEA-LU funds in FY07
  - Slurry Seal for FY07 deferred and combined with FY08 program
  - Continued work on street, curb, gutter and sidewalk repair/rehab
  - Design of Rotary Plaza in FY07
- Wastewater
  - Transbay Sewer Force Main
    - Construction programmed in FY07
    - Federal funding not yet available
    - Evaluating viability of debt financing

- Storm Drain
  - Projects funded through loans from General Fund

- Work continues on Cays Storm Drain rehabilitation
- Programming for rehab of Coronado Ave Perf Pipe in FY08/FY09.

- Beach, Park and Recreational Facilities
  - Beach projects split into two components
    - Tower/Restroom - construction in fall 2006, and
    - Safety Service Building - construction in FY08
  - Programmed funds for Golf course hole refurbishment (Holes 12, 13, 16, 17)
  - Design of Library Park restoration in FY07
  - Tennis Center FY2007-08 and FY2008-09

Mr. Potter went on to review the budgeted funding for these projects. He also provided the City Council with a list of potential projects for future consideration, or the unfunded list. There are four new projects on this list that include the Community Center pool shade structure, the Nature's Bridge to Discovery on the Strand, the power access doors at City facilities and the Seventh/Adella/Pomona intersection improvements. These unfunded projects total approximately $4.6 million. Staff has recommended, along with the CIP Subcommittee, that these projects remain on the unfunded list.

Mayor Smisek commented that the driving force in this year's CIP Subcommittee meetings, unlike those in the past, was staff work load. Many staff members are allocated at over and above the 2,080 hours/year that is the standard. The question became whether to hire temporary personnel to cover the workload or whether certain project don't have to be built or completed right away. The latter was the option that the Subcommittee chose. The projects on the "unfunded" list are projects that there are not the man-hours to complete at this time. Rotary Park is a project that was supposed to be done three years ago and kept sliding and has now found a slot. Another project is the Boathouse and Clubroom that was in the original plan and will now be built in Glorietta Park. The Animal Care Facility has moved ahead of others projects on the list due to necessity. It wasn't a project that was anticipated three or four years ago, but now is needed because of the Senior Housing project that is set to begin.

Councilmember Tanaka echoed the Mayor's comments. He agreed that staff's plate is full. There was a struggle to prioritize what would go first. There are several projects that had to be pushed back a year. Hopefully, next year, when some of these projects are complete there will be more room to add projects.

Mayor Smisek added that the City Manager stated that a goal of his, and the City Council's for many years, is to have a stable work force in Coronado. Temporary help has been brought on in the past at great expense, but it is better when that is not needed.

Councilmember Tierney stated that he feels very strongly about providing power access doors for City facilities and sees this as a requirement so that each citizen in this community, regardless of his abilities, has an equal opportunity to access City facilities. He believes the cost is small peanuts and thinks the City Council has a responsibility to allow them the entitlement so they can come and go out of public facilities with the same ease as anybody else. He said he realizes there are a limited amount of hours, but the small cost and the fact that projects can be contracted out should allow this to be an exception. To him the lack of access is not acceptable.

Mayor Smisek stated that the City Council is not voting to deny anyone anything. The City is in full compliance with ADA throughout its facilities. This is a new issue Mr. Tierney has just brought up. He reiterated his opening remarks that if there is an opportunity to fit more projects in other projects that will be done.

Councilmember Monroe said he appreciates the work Mayor Smisek, Councilmember Tanaka, and the staff have done on this program. His experience from sitting on various boards with council members from other cities is that they would love to have this problem. Coronado is a very fortunate and privileged City and a lot is still going to get done. He has a few preferences of projects he would rather have seen on the list. He asked for clarification on the Golf Course improvements. One slide talks about holes 16 and 17 and another talks about holes 12, 13, 16 and 17. He wondered which slide is correct and how was the decision made to put those improvements ahead of the maintenance facility. He wanted to go on record as saying that the Golf Course really needs a new maintenance facility.

Mayor Smisek explained that the decision was more related to costs at this time because the maintenance facility has not been designed and no one knows how big it is going to be. This can be fit in within the Enterprise Fund of the Golf Course without much impact. The maintenance facility is going to have a large impact.

Mr. Tanaka added that it isn't that the four holes on the Golf Course are a higher priority than other things on the list, but work load wise, Dave Jones will be in charge of that and there aren't other CIP items on his plate so this wouldn't impact City staff further. The maintenance facility will balloon the work load on City staff.

Mr. Monroe said he could understand that. He said that he would try to do a better job of lobbying the CIP Subcommittee next year for the medians outside the City Hall and Community Center. The City has beautiful medians all the way down to the Bay and to the Amphibious Base except for in front of the beautiful, new City Hall. He mentioned that there are two projects being worked on for the Silver Strand and grants are being sought for those.

**MSUC** **(Monroe/Tierney) moved that the City Council approve the Capital Improvement Program FY06-07 Update to the FY 2005/06 to 011/12 Capital Improvement Program, as recommended by the Capital Improvement Program Subcommittee.**

Councilmember Downey asked about the Library Park restoration that was scheduled originally for FY05-06 and has moved to FY06-07. She requested an explanation of how that fits into the list because it wasn't previously there.

Mr. Ochenduszko explained that the Library Park restoration from FY05-06 was postponed because of the discussions about the location of the Animal Care Facility. Now that those discussions are completed, the project returns and it will be addressed in the coming fiscal year both for funding and completion.

Mayor Smisek invited public comment.

Lew Barnun, 1710 Avenida del Mundo, thanked Mayor Smisek and the entire team and said that Coronado is way ahead of everybody else. He suggested that fixing the median in front of the new Glorietta Bay buildings would be nice. He said it is wonderful to be a citizen in this community with the budget and reserves that exist.

Mayor Smisek complimented Mark Ochenduszko and the entire City staff for making this happen. It takes a lot of hard work, long hours and effort.

**AYES: Downey, Monroe, Tanaka, Tierney and Smisek**
**NAYS: None**
**ABSENT: None**

**11c. Adoption of Implementing Appropriation Resolution Approving the FY 2006-07 Financial Plan Including Operating and Capital Improvement Budgets.** This item was heard jointly with Item 11b.

**MSUC (Monroe/Tierney) moved that the City Council adopt A RESOLUTION FIXING AND DECLARING THE BUDGET ALLOWANCES OF THE CITY OF CORONADO AND THE VARIOUS DEPARTMENTS THEREOF FOR THE FISCAL YEAR 2006-07, INCLUDING CAPITAL IMPROVEMENTS, AND APPROPRIATING MONEY FROM THE TREASURY FOR SUCH PURPOSES, The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8155. This includes approval of the request for an increase of $500 in funding from the Memorial Day Committee.**

**AYES: Downey, Monroe, Tanaka, Tierney and Smisek**
**NAYS: None**
**ABSENT: None**

**11d. Adoption of Resolution Approving the Community Development Agency Budget for Fiscal Year 2006-07 and Authorizing a Loan to the Community Development Administrative Fund.** CDA staff prepared the CDA budget for the Fiscal Year 2006-07. Review of this budget is listed on today's CDA agenda.

According to the Agreement for Cooperation entered into by the City of Coronado, the Coronado Unified School District and the Community Development Agency, the general administrative costs incurred by the Agency shall be charged one-third to the City Debt Service Fund and two-thirds to the School District Debt Service Fund. The administrative expenses of the Agency are paid from tax increment revenues.

To provide the mechanism with which the CDA can implement this charge system and establish the indebtedness required to receive tax increment, it is necessary that the City make a $372,583 loan (the FY 2006-07 budget amount for Administrative Fund) to the Agency's Administrative Fund. The loan will carry an interest rate equal to the average rate of interest the City receives on investments. As the Agency receives its tax increment payment from the County and after the 20% portion is set-aside for the Housing Fund, the District's share will be used to repay two-

thirds of the principal and interest accrued on the Administrative Loan from the City; the City's share will be used to repay one-third of the principal and interest on the FY 2006-07 Administrative Loan from the City.

The City Council has authorized and the Agency accepted prior loans for administrative expenses as needed to meet budget obligations in prior fiscal years. The Agency's auditor, Diehl Evans & Co. has recommended continuation of this practice as it clearly established the Administrative Loan as a debt of the Agency and confirms eligibility for the use of tax increment revenues to repay that debt to the City in conformance with redevelopment law requirements. **Under Consent, the City Council approved the budget of the CDA and adopted A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, SAN DIEGO COUNTY, CALIFORNIA, APPROPRIATING MONEY TO THE COMMUNITY DEVELOPMENT AGENCY ADMINISTRATIVE FUND. The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8156.**

**11e. Adoption of Personnel Authorization and Compensation Plan for Fiscal Year 2006-07 (Salary Resolution).**

**MSUC** **(Downey/Tanaka) moved that the City Council adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO ADOPTING PERSONNEL AUTHORIZATION COMPENSATION PLAN FOR FISCAL YEAR 2006-2007 (SALARY RESOLUTION). The Resolution was read by Title, the reading in its entirety unanimously waived and adopted by Council as RESOLUTION NO. 8154.**

**AYES: Downey, Monroe, Tanaka, Tierney and Smisek**
**NAYS: None**
**ABSENT: None**

**12. CITY ATTORNEY:** No report.

**13. COMMUNICATIONS - WRITTEN:** None.

**14. CLOSED SESSION:**

**14a. CLOSED SESSION: CONFERENCE WITH CITY'S DESIGNATED NEGOTIATOR**
AUTHORITY: Gov. Code §54957.6
CITY NEGOTIATORS: Mark Ochenduszko, City Manager; Leslie Suelter, Director of Administrative Services
EMPLOYEE ORGANIZATION: American Federation of State, County, and Municipal Employees (AFSCME)

**14b. CLOSED SESSION: CONFERENCE WITH CITY'S DESIGNATED NEGOTIATOR**
AUTHORITY: Gov. Code §54957.6
CITY NEGOTIATORS: Mark Ochenduszko, City Manager; Leslie Suelter, Director of Administrative Services
EMPLOYEE ORGANIZATION: Coronado Firefighters' Association (CFA)

**14c. CLOSED SESSION: CONFERENCE WITH CITY'S DESIGNATED NEGOTIATOR**
AUTHORITY: Gov. Code §54957.6
CITY NEGOTIATORS: Mark Ochenduszko, City Manager; Leslie Suelter, Director of Administrative Services
EMPLOYEE ORGANIZATION: Coronado Police Officers' Association (CPOA)

**14d. CLOSED SESSION: CONFERENCE WITH CITY'S DESIGNATED NEGOTIATOR**
AUTHORITY: Gov. Code §54957.6
CITY NEGOTIATORS: Mark Ochenduszko, City Manager; Leslie Suelter, Director of Administrative Services
EMPLOYEE ORGANIZATION: Self-Represented Employees

**The City Council resumed the regular meeting at 5:44 p.m.**

City Attorney Morgan Foley reported that the action on Item 14d was taken up by Item 11e. On Items 14a to 14c the City Council gave direction to the City's negotiators.

**15. ADJOURNMENT:** The meeting was adjourned at 5:54 p.m.

Approved:

_____
Tom Smisek, Mayor
City of Coronado

Attest:

_____
Linda K. Hascup
City Clerk