

**MINUTES OF A
SPECIAL MEETING OF THE
CITY OF CORONADO CITY COUNCIL
Coronado Golf Course Clubhouse
2000 Visalia Row
Coronado, CA 92118
Monday, December 19, 2005**

The meeting was called to order at 11:35 a.m.

1. ROLL CALL:

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

Absent: None

Also Present: City Manager Mark Ochenduszko
City Clerk Linda Hascup
Senior Management Analyst Andrew Potter

2. COMMUNICATIONS - ORAL: None

3. CITY COUNCIL BUSINESS:

a. State Legislative Briefing with City's Lobbying firm, Carpi & Clay Government Relations. City Manager Mark Ochenduszko introduced Ben Clay, Jonathan Clay, and Erin Gilbert of Carpi & Clay.

Ben Clay provided a general overview of the 2005 political scene in Sacramento:

Jonathan Clay discussed lobbying strategies and the status of issues of particular interest to Coronado.

Airport Authority and Land Use Issues: Mr. Clay disclosed that Sacramento legislators are not happy with what is happening with the Airport Authority. The thought at this time is that legislators would like to see the outcome of certain events, such as the choice of site for airport facilities in the San Diego region and subsequently what the voters will do, before taking any action. There will be a big fight once the airport site is selected. Regarding the conflict between the outdated AICUZ and the new ALUCP Mayor Smisek advised that a way to decide which items are mandatory and which are voluntary needs to be worked out. AICUZ is voluntary, while the ALCUP is not, and the Navy is saying that the current AICUZ is appropriate for their current operations/mission.

Eminent Domain and Redevelopment: Mr. Clay explained that several initiatives have been brought forward regarding the definition of blight, the use of the antiquated subdivision map act to designate blight and redevelop, legislation regarding the life of a redevelopment agency,

etc. The State is not happy about the loss of tax revenue to schools through redevelopment agencies. City Manager Ochendusko pointed out that Coronado does not have eminent domain capability; however, we need to make sure nothing happens to erode our ability to operate the redevelopment agency.

State Lands Commission Re: Tidelands:

Ben Clay reported that Admiral Spane, Coronado's Port Commission representative, had gone to Sacramento to talk about the situation in San Diego. He reported that the State Lands staff has been very complimentary about what Coronado has done around the bay, which is in Coronado's favor. Councilmember Tanaka added that Chula Vista is attempting to change the rules on land swaps and that may provide an opportunity for flexibility for Coronado as well. Ben Clay agreed that there is an establishment of precedence. It will depend on how Chula Vista crafts their proposal.

Tunnel Action Team Meetings: Ben Clay reported meeting with the Caltrans Director in the District and the Sacramento office. His staff is also working with Senator Denise Ducheny's new chief of staff to continue to push Coronado's interests.

In response to a question from Councilmember Monroe, Ms. Gilbert reviewed the administrative processes of the lobbying firm. She explained how she analyzes information to communicate relevant information to Coronado staff to determine whether to support or not support legislation. Mr. Potter expanded on the internal staff review and decision making process. He explained that when the information is received, it is forwarded to Department Directors and reviewed by the City Manager. The Mayor is the final signatory. Generally the City doesn't take a position unless the League of California Cities has taken a position. Mr. Ochendusko added that the City limits the positions we take so they are truly meaningful. Mr. Potter explained that many of the items are on "watch" status, where staff holds off on taking any position until there are changes that Coronado might want to weigh in on. Mr. Ochendusko assured the Council that the driving document is the City Council's legislative guidelines. If there is guidance through this document, staff will proceed. If there is no guidance, staff will take it to the Council regardless of its urgency.

State Budget: Jonathan Clay reported that bonds and infrastructure are big issues in Sacramento these days. The problem is that debt service costs add up and there will be a need for increased fees or new revenue sources to cover these costs. The State will have to come up with a revenue source protected under the State Constitution to cover the bond because the general fund can't. He mentioned a Transportation Bond initiative put forward by Senator Parata, Senate Pro Tem, for \$10 to \$15 billion, maybe as much as \$20 billion. Other bond issues may be introduced by some other legislators. Carpi and Clay will keep their eyes on what is in it for Southern California and Coronado, in particular - the Tunnel, the Transbay Sewer project, Recreation, etc. He summarized that there isn't a lot of love for local government in the legislature these days, especially after the backing of the Governor's initiatives through the League of California Cities by local governments.

c. **Review and Update of City's Legislative Policy Guidelines.** City Manager Ochendusko noted the legislative guidelines had been circulated in advance of the meeting. The draft changes have been highlighted in the document. He explained that the final draft would go before the Council for approval at the first meeting in January.

Councilmember Tanaka was pleased to see the inclusion of support for reimbursement for federally mandated programs especially considering the shortfall of funding in the area of special education.

Jim Benson, Director of Engineering and Project Development suggested the addition of support for legislation regarding a utility users tax for companies such as SBC that want to use fiber optic lines to provide cable television to customers and maintain that the cable TV franchises don't apply to them. If these companies take half of Time-Warner's business, that is a loss of 50% of the franchise fee to the City of Coronado. There is nothing in the policy regarding the City's position on being opposed or in favor of a utility users tax. This could be a very large issue for the League of California Cities. In San Diego County this is one of the top revenue sources for cities. In addition, the change-over of service would mean many very big boxes in the City's right of way. Councilmember Tierney mentioned that the League is working on reforms right now. There is quite a bit of leverage to force them to underground the equipment.

Councilmember Monroe questioned whether the guidelines needed to be more specific regarding several of the areas. He felt that some of the descriptions were lacking such as those in the area of Proposition 42 transportation funding; more specificity about the opposition to the airport site selection; funding for the Bayshore Bikeway; more specific language opposing the ALUCP and retaining existing land uses; sewage issues; and the Bajagua project.

Mayor Smisek requested that Councilmember Monroe write a memo and bring it to the City Manager with suggestions for changes, modifications, or amplifications.

Ben Clay asked that the Executive Team keep their ears open at their professional meetings for issues that may be of interest and pass on the information for his group to watch. He advised that even if the ideas coming out of the professional organizations are not of the same thinking as Coronado, it is helpful to know what other agendas are out there. He disclosed the other organizations that his firm represents to be aware of potential conflicts of representation - The Port of San Diego, County of San Diego, City of Encinitas, Coronado, Scripps Health, BETA Health, the City of Imperial Beach with their grant request for sewer, and the San Diego County Water Authority.

Mayor Smisek concluded that Carpi and Clay seem to have been very diligent in representing Coronado. Mr. Ochendusko said their response and follow-up have been very effective and he appreciates that good relationship.

4. **ADJOURNMENT:** The Special City Council meeting adjourned at 12:55 p.m.

Approved: January 3, 2006

Tom Smisek, Mayor

Attest:

Linda K. Hascup
City Clerk