

**MINUTES OF A
SPECIAL MEETING OF THE
CITY OF CORONADO CITY COUNCIL
Coronado City Hall
1825 Strand Way
Coronado, CA 92118
Tuesday, December 3, 2007**

The meeting was called to order at 12:10 p.m.

1. ROLL CALL:

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

Absent: None

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

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 provided an introduction and overview of the purpose of the legislative update meeting. He introduced Ben Clay and Jonathan Clay of Carpi & Clay Government Relations.

Ben Clay thanked Mayor Smisek and the City Council for their cooperation on various issues and Andrew Potter for providing timely and useful information. He went on to provide a general overview of the 2007 political scene in Sacramento. He explained that there is a lot of disunity between the Senate and the Assembly this year, much more than in prior years. They do not agree over strategy, who takes the lead, etc.

Regarding the upcoming legislative year, Mr. Clay explained that it will be a defensive year for local government and will take all of us to work together. This is due to the State's budget problems. The budget problems are unbelievably difficult, with structured deficits and reduced revenue. Added to the mix is a change of leadership in both houses, with the pro-tem and speaker being termed out. He commented that election years are not usually very productive and there are several elections this year. It will also be a bad year in terms of coming up with money.

Jonathan Clay summarized the various issues of the past legislative session and how the new session is shaping up. He explained that the next legislative session will be much like the past year; a lot of bangs with a fizzle at the end, but this will depend on the new leadership. There will be more discussion on redevelopment agencies, on transportation, and special sessions on water and health care. He said that he and Erin attend weekly lobbyist meetings with the League of California Cities and debrief with City staff to keep the City up to date. He explained that his firm is very careful to take positions due to the City's particular exposure and there is a very select list of bills on which they take positions according to the Council's direction through the guidelines.

Councilmember Monroe added that the League has come a long way over the years. It wasn't even recognized in Sacramento in years past, but has become a force to reckon with. He commented that it is good that the City is able to take advantage of collaboration through the League.

Ben Clay said that regarding the Silver Strand State Beach cottages, there were good meetings with Assembly member Salas and Senator Ducheny who have both committed to helping Coronado. The bottom line is there is no master plan for what the State wants to do. Senator Ducheny will support getting a master plan and looking at what the locals have concerns with and have a process to bring in the locals, even though he isn't sure what the means yet. Ms. Salas will be putting something in writing, a bill possibly, and won't go anywhere but to push things in the right direction. There was also a sit-down with the State staff to help them to understand a way to get out of this in a more positive way, and to help them to understand that they can't shove this down people's throats.

Councilmember Tanaka agreed with that tactic and that they need to know that our reasoning is that there should be more access, rather than saying we are only looking out for ourselves.

Councilmember Monroe said it should be the type of process that was done on the Estuary.

Going back to the 2008 State budget, Ben Clay explained that there is an \$8 billion deficit for the State and they will have to cut a solid 10% out of the budget? Mr. Clay stated that it is unclear where the cuts might come from at this point. One place they will be looking at for additional revenue is local government. The Senate and Assembly have put language on the table to repeal portions of Prop 1A (protecting local revenues) to make the local government responsible for future cost. This may trigger the mechanism to raid local funding (with a pay-back option). There may be other ways around Prop 1A. He summarized that 2008 will be contentious and ugly, with no tough decisions to be made due to the fact that it is an election year. However, they will be coming after local government.

DISCUSSION

Councilmember Tanaka asked where the 10% budget cut would come from and what they will cut in their own budget. Jonathan Clay responded that the Governor's budget must have a plan. The easiest targets are Health and Human Services. In Education they can take the growth.

Councilmember Monroe commented that they have also robbed highways and transit, and expects to see bigger cuts in future.

Ben Clay added that Special Districts are also a target. Encumbering unencumbered funds would be a good plan. The fight begins after the budget is released.

Mayor Smisek asked if we should be nervous about ERAF protections. Ben Clay agreed that is a possibility. It could buy them some time, even if it isn't proper. In Sacramento, anything is on the table. He provided some discussion about possible leadership that will emerge next year.

Director of Administrative Services Leslie Suelter asked where the governor will be padding his revenue projections. Jonathan Clay said that projecting more income tax than is really coming in has been done already – so not sure where it can come from this year. Revenue projections are usually as good as they can get them. It's the assumptions they come up with that are interesting.

He concluded that there will be a flurry of bills and his firm will pay attention for the City.

b. Review and Update of City's Legislative Policy Guidelines.

Andrew Potter, Senior Management Analyst, explained that the primary focus of analysis of the current guidelines was on bills that directly affect Coronado or local government. He went over the major amendments as provided in the agenda, adding that most of the changes were simple clarifications.

Regarding the item to add supporting legislation to continue advanced primary treatment at the Point Loma Sewer Treatment Plant, Director of Public Services Scott Huth added that there could be some modifications in the State Ocean Plan. The concern is that Point Loma will receive the last waiver and it is definitely a target. If the State Ocean Plan changes it might thwart the ability to get a waiver and will be supported by the environmental groups.

Councilmember Ovrom stated that we will need to keep a watch on the ocean plan.

Mayor Smisek commented regarding retaining the language about BRAC and Naval Air Station North Island. He said there is never an end to BRAC. He suggested the wording should be changed to read "future BRAC".

Mr. Monroe asked if there should be something specific in the guidelines about the state park and the cabins, since no strategy is listed. City Manager Ochendusko said that some wording could be added to articulate the City's position.

After some discussion as to whether a position should be stated regarding appointment of Coastal Commission staff, the Council decided that there didn't need to be a formalized policy at this time. Mr. Ochendusko added that the Council can be assured that any significant changes at the Coastal Commission will be on our radar screen.

Mr. Monroe brought up the issue of how goods are being moved through the region and the inequitable distribution of funding, with Los Angeles getting the majority. He believes it would be a good idea to support SANDAG and MTS on this. Ben Clay said that the Port of San Diego and SANDAG have been working together. One strategy is for San Diego to join with Northern

California and the Central Valley on an approach to counter the speaker from Los Angeles. Jonathan Clay added that it has been a fight with Los Angeles all year on this.

Mayor Smisek inserted the thought that we get into fights on money on many different issues and wondered if taking a stand on this could hurt us. Perhaps it would be better to take it under advisement at this time and consider what the risk is.

Councilmember Tanaka agreed with Mayor Smisek that we could be sticking our necks out. Councilmember Ovrom added that he isn't sure what we can add to that fight.

Mr. Monroe mentioned the new strategy of SANDAG related to the regional bike route network. There were four pilot projects that went to four regions to expand bikeways and promote bikeway use. A group has been formed here to look at safety for the Bayshore Loop and is looking at funding for that. He would like to propose that Coronado should support SANDAG to promote and enhance the regional bikeway network.

Councilmembers Downey and Tanaka voiced their support for the proposal. Mr. Monroe said he would work with Mr. Ochendusko on language.

Mr. Ochendusko advised that staff would complete the final draft of the guidelines for the City Council's approval at the next meeting.

4. **ADJOURNMENT:** The Special City Council meeting adjourned at 1:18 p.m.

Approved: December 18, 2007

Tom Smisek, Mayor

Attest:

Linda K. Hascup
City Clerk