

MINUTES

**CITY OF IMPERIAL BEACH
CITY COUNCIL
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

MAY 1, 2013

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

***CLOSED SESSION MEETING – 5:00 P.M.
REGULAR MEETING – 6:00 P.M.***

CLOSED SESSION MEETING CALL TO ORDER

MAYOR JANNEY called the Closed Session Meeting to order at 5:03 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present: Patton, Bilbray (arrived at 5:15 p.m.), Spriggs (arrived at 5:09 p.m.)
Councilmembers absent: None
Mayor present: Janney
Mayor Pro Tem present: Bragg
Staff present: City Manager Brown; City Attorney Lyon; City Clerk Hald

CLOSED SESSION

MOTION BY BRAGG, SECOND BY PATTON, TO ADJOURN TO CLOSED SESSION UNDER:

1. PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code Section 54957
Title: Interim City Manager

2. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6
Agency Representatives: City Manager and City Attorney
Unrepresented Employee: Interim City Manager

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code Section 54956.9(d)(4) (1 case)

4. CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6:
Agency Negotiator: City Manager
Employee Organizations: Imperial Beach Firefighters' Association (IBFA)
Service Employees International Union (SEIU), Local 221
Unrepresented Employees

5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957
Title: City Attorney

MOTION CARRIED BY THE FOLLOWING VOTE:

**YES COUNCILMEMBERS: PATTON, BRAGG, JANNEY
NOES COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: SPRIGGS, BILBRAY**

MAYOR JANNEY adjourned the meeting to Closed Session at 5:04 p.m. and he reconvened the meeting to Open Session at 6:03 p.m.

Reporting out of Closed Session, CITY ATTORNEY LYON announced City Council discussed Item Nos. 1 thru 4, City Council gave direction and no reportable action was taken. Item No. 5 was removed from the agenda.

REGULAR MEETING CALL TO ORDER

MAYOR JANNEY called the Regular Meeting to order at 6:04 p.m.

ROLL CALL BY CITY CLERK

Councilmembers present:	Patton, Bilbray, Spriggs (arrived at 6:05 p.m.)
Councilmembers absent:	None
Mayor present:	Janney
Mayor Pro Tem present:	Bragg
Staff present:	City Manager Brown; City Attorney Lyon; City Clerk Hald

PLEDGE OF ALLEGIANCE

MAYOR JANNEY led everyone in the Pledge of Allegiance.

AGENDA CHANGES

MOTION BY BILBRAY, SECOND BY BRAGG, TO TAKE ITEM NOS. 5.1 AND 6.4 AFTER THE CONSENT CALENDAR. MOTION CARRIED UNANIMOUSLY.

MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/REPORTS ON ASSIGNMENTS AND COMMITTEES

MAYOR PRO TEM BRAGG announced that the MTS Board extended the Taxicab contract while they decide how taxicabs will be regulated now that the City of San Diego decided not to renew their Taxicab contract with MTS.

COMMUNICATIONS FROM CITY STAFF

None.

PUBLIC COMMENT

None.

PRESENTATIONS (1.1-1.2)

1.1 PRESENTATION ON PORT DISTRICT ACTIVITIES FROM PORT COMMISSIONER MALCOLM. (0150-70)

PORT COMMISSIONER MALCOLM thanked City Manager Brown for his many years of service to Imperial Beach. He reported that the Port of San Diego is facing a \$4.7 million deficit this year, a \$4.9 million deficit next year and he discussed the ways the Port will address the matter. He noted that although the Port is funding this year's sandcastle event, the Port cannot make a commitment at this time to contribute funds towards next year's sandcastle event. He discussed and provided a handout on proposed aesthetic improvements along the frontage of Pond 20. He reported on Port wide issues including: issuance of a TMDL from the Regional Water Quality Control Board to reduce copper in the Shelter Island Yacht Basin, the Port is looking at an integrated and comprehensive planning process for a regional document that looks at the entire Port and member cities for the next 50 years, the Chula Vista Bay Front project, the Convention Center and hotel development, and the Port's development of a Climate Mitigation and Adaption Plan (CMAP) to help develop strategies to reduce greenhouse gases

and address local vulnerability to climate change such as sea level rise. He provided draft sea level rise maps for years 2050 and 2100. He thanked City Council for giving him the opportunity to represent the City of Imperial Beach.

MAYOR JANNEY expressed disappointment that Port staff did not include Imperial Beach in the discussions on sea level rise. He noted that communications were lacking on this matter and that the member cities should have been contacted and included in the discussions.

COUNCILMEMBER SPRIGGS agreed with the Mayor's comments and he encouraged the Port to collaborate with other jurisdictions.

1.2 SANDCASTLE EVENT UPDATE BY JIM HUTZELMAN, COMMUNITY SERVICES MANAGER, PORT OF SAN DIEGO. (0150-70)

COMMUNITY SERVICES MANAGER HUTZELMAN reported 3D Art Expo LLC was selected to produce and assist with a family-friendly sandcastle event on June 30, 2013. It will be called the I.B. Sun and Sea Festival, featuring Kids n Kastles. Future events for 2014 and beyond will be subject to future committee meetings and the Port's participation in the planning and production of future events is subject to budget review by the Port Board.

COUNCILMEMBER SPRIGGS expressed concern that the sandcastle event that is scheduled to take place on B Street Pier will eclipse the event in Imperial Beach. He was hopeful for maintaining a viable event in Imperial Beach and looks forward to a more robust sandcastle event in 2014.

MAYOR JANNEY thanked the Port for their efforts. He also recognized the hundreds of volunteers who made the U.S. Open Sandcastle event happen in the past.

CONSENT CALENDAR (2.1-2.2)

MOTION BY BRAGG, SECOND BY PATTON, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 AND 2.2. MOTION CARRIED UNANIMOUSLY.

2.1 MINUTES.

Approved the minutes of the Special City Council Meeting of February 27, 2013, the Regular City Council Meeting of March 6, 2013 and the Special Imperial Beach Sports Park Community Workshop Meeting of April 11, 2013.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

Ratified the following registers: Accounts Payable Numbers 82318 through 82395 for a subtotal amount of \$477,433.63 and Payroll Checks/Direct Deposit 45190 through 45207 for a subtotal of \$103,074.11 for a total amount of \$607,507.74.

PUBLIC HEARINGS (5.1)

5.1 RESOLUTION 2013-7328 FOR THE PUBLIC HEARING TO CONSIDER CONFIRMATION OF THE INTEGRATED SOLID WASTE MANAGEMENT SERVICES MAXIMUM FEE INCREASE REQUESTED BY EDCO DISPOSAL CORPORATION PURSUANT TO THE 2009 CONTRACT AMENDMENT. (0270-40)

MAYOR JANNEY announced that he would recuse himself from discussion of Item Nos. 5.1 and 6.4 due to a business conflict with EDCO Disposal Corporation. He left the dais at 7:07 p.m.

MAYOR PRO TEM BRAGG declared the public hearing open.

CITY MANAGER BROWN reported on the item, noting that there will be a 1.89% increase for basic residential service, a 1.84% increase in basic commercial service and a 2.04% increase for rolloff rates.

CITY CLERK HALD announced no public speaker slips were submitted.

MAYOR PRO TEM BRAGG closed the public hearing.

MOTION BY BILBRAY, SECOND BY PATTON, TO CONSIDER PROPOSED CHANGES TO THE MAXIMUM ALLOWABLE INTEGRATED SOLID WASTE MANAGEMENT SERVICES FEES CHARGED BY EDCO DISPOSAL CORP. BECOMING EFFECTIVE JULY 1, 2013. A 1.89% ADJUSTMENT OF THE REFUSE RATE IS BEING PROPOSED DUE TO THE INCREASED COSTS OF PROVIDING REFUSE COLLECTION AND RECYCLING SERVICES TO THE SINGLE-FAMILY RESIDENTIAL UNITS AND 1.84% FOR BUSINESS MULTI-FAMILY COMMUNITIES AND 2.04% FOR THE ROLL OFF COMPONENT. THE AMOUNT OF REFUSE BILL IS DETERMINED BY THE QUANTITY AND SIZE OF THE REFUSE CONTAINERS AND THE FREQUENCY OF COLLECTION; TO DIRECT STAFF TO MAIL OUT NOTICES TO PROPERTY OWNERS ON THE RATE INCREASE AT LEAST 30 DAYS BEFORE GOING INTO EFFECT; AND ADOPT RESOLUTION 2013-7328 THE INTEGRATED SOLID WASTE MANAGEMENT SERVICES MAXIMUM FEE INCREASE REQUESTED BY EDCO DISPOSAL CORPORATION PURSUANT TO THE 2009 CONTRACT AMENDMENT. MOTION CARRIED BY THE FOLLOWING VOTE:

**AYES: COUNCILMEMBERS: SPRIGGS, BILBRAY, PATTON, BRAGG
NOES: COUNCILMEMBERS: NONE
DISQUALIFIED: COUNCILMEMBERS: JANNEY
ABSENT: COUNCILMEMBERS: NONE**

**6.4 DISCUSSION ON CHANGES TO THE RECYCLING ALL-STAR PROGRAM.
(0270-30)**

CITY MANAGER BROWN reported on the item.

MOTION BY PATTON, SECOND BY BRAGG, TO HAVE THE YOUTH COUNCIL/COMMISSION DETERMINE HOW TO USE THE \$1,200 THAT WAS ALLOCATED ANNUALLY TOWARDS THE ALL-STAR RECYCLING PROGRAM. MOTION CARRIED BY THE FOLLOWING VOTE:

**AYES: COUNCILMEMBERS: SPRIGGS, BILBRAY, PATTON, BRAGG
NOES: COUNCILMEMBERS: NONE
DISQUALIFIED: COUNCILMEMBERS: JANNEY
ABSENT: COUNCILMEMBERS: NONE**

MAYOR JANNEY returned to the Council Chambers at 7:22 p.m.

ORDINANCES – INTRODUCTION/FIRST READING/PUBLIC HEARING (3.1)

3.1 ORDINANCE 2013-1138 ADOPTING REVISED SEWER SERVICE RATES FOR SANITARY SEWER SERVICE AND AMENDING SECTIONS OF CHAPTER 13.06 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO SEWER SERVICE CHARGES. (0830-95)

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN gave a PowerPoint presentation on the item.

CITY CLERK HALD announced no public speaker slips were submitted and no written protests were received (one written protest was submitted with the staff report).

MAYOR JANNEY closed the public hearing and called for the first reading of the title Ordinance No. 2013-1138.

CITY CLERK HALD read the title of Ordinance No. 2013-1138 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, ADOPTING REVISED SEWER SERVICE RATES FOR SANITARY SEWER SERVICE AND AMENDING SECTIONS OF CHAPTER 13.06 OF THE IMPERIAL BEACH MUNICIPAL CODE PERTAINING TO SEWER SERVICE CHARGES."

MOTION BY PATTON, SECOND BY BILBRAY, TO DISPENSE FIRST READING OF ORDINANCE NO. 2013-1138 BY TITLE ONLY AND SET THE MATTER FOR ADOPTION AT THE NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING. MOTION CARRIED UNANIMOUSLY.

ORDINANCES – SECOND READING/ADOPTION (4.1)

4.1 ORDINANCE NO. 2013-1137 AMENDING CHAPTER 13.05 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE SEWER CAPACITY FEE. (0390-55)

CITY MANAGER BROWN introduced the item.

MAYOR JANNEY called for the second reading of the title of Ordinance No. 2013-1137.

CITY CLERK HALD read the title of Ordinance No. 2013-1137 "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA AMENDING SECTIONS OF CHAPTER 13.05 OF THE IMPERIAL BEACH MUNICIPAL CODE RELATED TO THE SEWER CAPACITY FEE."

MOTION BY PATTON, SECOND BY BILBRAY, TO WAIVE FURTHER READING OF ORDINANCE NO. 2013-1137 AND ADOPT ORDINANCE BY TITLE ONLY. MOTION CARRIED UNANIMOUSLY.

REPORTS (6.1-6.4)

6.1 PROPOSED BUDGETS FOR FISCAL YEARS 2013-2015. (0330-30)

CITY MANAGER BROWN introduced the item.

ADMINISTRATIVE SERVICES DIRECTOR VONACHEN gave a PowerPoint presentation on the item. She reviewed the programs and services that were reduced over the past several years due to the downturn in the economy and other factors. She gave an overview of the General Fund Budget noting that the budget is balanced for fiscal years 2012-13, 2013-14 and 2014-15. She spoke about three new proposed fund balance reserves totaling \$4.6 million: Economic Uncertainty Reserve, Public Safety Reserve and Pension Liability Reserve. She also spoke about creating an Imperial Beach "Side Fund" with CalPERS which would save the City on the amount it is required to pay every year towards its pension liability and would diminish the impact of recent changes in CalPERS actuarial methods related to "smoothing."

MAYOR JANNEY asked staff to look into other retirement systems that fluctuate less than CalPERS as a cost saving measure.

ADMINISTRATIVE SERVICES DIRECTOR VONACHEN continued with a review of the City's proposed revenues and expenses. She cautioned City Council that beginning FY 2016 the estimated expenditures will exceed revenues and she discussed potential budget uncertainties. Adoption of the budget will be presented to City Council on May 15, 2013 and the GANN appropriation limit will be presented to City Council on June 5, 2013.

ERIKA LOWERY suggested to the City Council to review the budget based on a three list system of needs, wants, and desires.

MAYOR JANNEY suggested that the City look into charging itself internally to fund capital improvement projects for streets, sidewalks, and parks.

CITY MANAGER BROWN responded that additional funds can be set aside to meet capital improvement needs based on City Council's direction.

COUNCILMEMBER SPRIGGS stated that there needs to be a discussion on what the reserves will be used for, to develop a strategy on dealing with the crossing lines, to look into increasing the revenues and develop a plan for enhancing the community and for balancing the budget.

COUNCILMEMBER BRAGG stated that revenue enhancements are critical and supported the idea of a reserve for capital improvements.

MAYOR JANNEY questioned the possibilities for revenue sources and spoke in support for looking into marketing and economic development.

COUNCILMEMBER SPRIGGS spoke about taking action to get the 9th and Palm project moving in order to generate sales tax and increase property values, to develop strategies to solve the problems with vacant lots, to work with developers and consider joint ventures.

CITY MANAGER BROWN stated that based on City Council discussion, he will make changes to the allocation of general fund reserves.

COUNCILMEMBER BILBRAY suggested that staff look into TOT that is not being collected from Bernardo Shores.

PUBLIC SAFETY DIRECTOR CLARK stated that at the next City Council meeting, he will present a new cost recovery collection system for parking tickets. He anticipated a recovery of approximately \$100,000 with the new collection program.

MAYOR JANNEY spoke about the importance of considering compensation for City employees.

6.2 ANNUAL FINANCIAL REPORT OF THE CITY OF IMPERIAL BEACH AND IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY FOR THE YEAR ENDED JUNE 30, 2012; AND THE FORMER IMPERIAL BEACH REDEVELOPMENT AGENCY FOR THE YEAR ENDED JANUARY 31, 2012. (0310-10)

CITY MANAGER BROWN introduced the item.

KATHLEEN VONACHEN reported that the independent auditors, Lance, Soll, & Lunghard, LLP, issued an "unqualified" audit opinion, meaning that the financial statements were presented fairly and in all material respects.

CITY COUNCIL/SUCCESSOR AGENCY RECEIVED AND FILED THE INDEPENDENTLY AUDITED CITY OF IMPERIAL BEACH AND IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012, AND FORMER IMPERIAL BEACH REDEVELOPMENT AGENCY FINANCIAL STATEMENTS FOR THE YEAR ENDED JANUARY 30, 2012.

6.3 RESOLUTION NO. 2013-7327 AWARDED THE ANNUAL 5-YEAR TREE TRIMMING SERVICES CONTRACT. (0940-60)

CITY MANAGER BROWN reported on the item.

MOTION BY BRAGG, SECOND BY BILBRAY, TO ADOPT RESOLUTION 2013-7327 AWARDED THE ANNUAL 5-YEAR TREE TRIMMING SERVICES CONTRACT. MOTION CARRIED UNANIMOUSLY.

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7)

None.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

None.

ADJOURNMENT

Mayor Janney adjourned the meeting at 9:18 p.m.

/s/
James C. Janney, Mayor

/s/
Jacqueline M. Hald, MMC
City Clerk