

**REGULAR CITY COUNCIL
REDEVELOPMENT AGENCY
PUBLIC FINANCING AUTHORITY MINUTES
CITY OF IMPERIAL BEACH
September 5, 2006
CLOSED SESSION – 5:00 P.M.
REGULAR MEETING – 6:00 P.M.
CITY COUNCIL CHAMBERS
825 Imperial Beach Boulevard
Imperial Beach, California**

CALL TO ORDER

MAYOR ROSE called the Closed Session Meeting to order at 5:08 p.m.

ROLL CALL

Councilmembers present:	Janney, Winter
Councilmembers absent:	McCoy
Mayor present:	Rose
Mayor Pro Tem present:	McLean

Staff present:	City Manager Brown; City Attorney Lough; City Clerk Hald
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CLOSED SESSION

MOTION BY ROSE, SECOND BY MCLEAN, TO ADJOURN TO CLOSED SESSION UNDER:

Property: 701-7 Palm Ave., Imperial Beach, CA 91932, APN 626-250-02
Agency Negotiator: City Manager
Negotiating Parties: Parmela Sawhney S Revoc Trust 10-09-02
Under Negotiation: Instruction to Negotiator will concern price and terms of payment

Property: 735 Palm Ave., Imperial Beach, CA 91932, APN 626-250-03
Agency Negotiator: City Manager
Negotiating Parties: North Island Federal Credit Union
Under Negotiation: Instruction to Negotiator will concern price and terms of payment

Property: 741 Palm Ave., Imperial Beach, CA 91932, APN 626-250-04
Agency Negotiator: City Manager
Negotiating Parties: Sam & Sandra Dimenstein Trust
Under Negotiation: Instruction to Negotiator will concern price and terms of payment

Property: 761-779 Palm Ave., Imperial Beach, CA 91932, APN 626-250-05
Agency Negotiator: City Manager
Negotiating Parties: Sam & Sandra Dimenstein Trust
Under Negotiation: Instruction to Negotiator will concern price and terms of payment

Property: 743-849 Palm Ave., Imperial Beach, CA 91932, APN 626-250-06
Agency Negotiator: City Manager
Negotiating Parties: Sam & Sandra Dimenstein Trust
Under Negotiation: Instruction to Negotiator will concern price and terms of payment

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.

Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9:
Number of Potential Cases: 1

MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY

MAYOR ROSE adjourned the meeting to Closed Session at 5:10 p.m. and she reconvened the meeting to Open Session at 6:00 p.m. Reporting out of Closed Session, MAYOR ROSE announced Council met earlier in Closed Session, received information from staff, gave direction, and had nothing to report at this time.

REGULAR MEETING

MAYOR ROSE called the Regular Meeting to order at 6:01 p.m.

ROLL CALL

Councilmembers present: Janney, Winter
Councilmembers absent: McCoy
Mayor present: Rose
Mayor Pro Tem present: McLean

Staff present: City Manager Brown; City Attorney Lough;
City Clerk Hald

PLEDGE OF ALLEGIANCE

MAYOR ROSE led everyone in the Pledge of Allegiance.

AGENDA CHANGES

CITY MANAGER BROWN announced Last Minute Agenda Information was submitted on Item Nos. 2.5, 2.7, and 7.4; he requested Item No. 7.4 be continued to a future agenda.

MOTION BY ROSE, SECOND BY MCLEAN, TO CONTINUE ITEM NO. 7.4 - ADOPT RESOLUTION NO. 2006-6392 APPROVING A \$17,500 CONTRACT WITH TRAMUTOLA FOR CONSULTANT SERVICES TO STUDY THE FEASIBILITY OF PLACING A TAX MEASURE ON THE BALLOT, AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH A POLLING FIRM NOT TO EXCEED \$20,000, AND ALLOCATING FUNDS FROM GENERAL FUND UNDESIGNATED RESERVES FOR THESE PURPOSES TO A FUTURE AGENDA. MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY

MAYOR/COUNCIL ANNOUNCEMENTS

COUNCILMEMBER WINTER announced the recent passing of IB resident Frank Snyder; she reported on an energy savings program sponsored by SDG&E for certain qualifying people in the community; she spoke about an article that appeared in the Eagle & Times where she was misquoted and requested a retraction/correction.

MAYOR ROSE commented on the rededication of the pier after \$1.8 million of renovations were made.

CITY MANAGER BROWN added that the Port of San Diego paid for the pier improvements in its entirety.

COMMUNICATIONS FROM CITY STAFF

COMMUNITY DEVELOPMENT DIRECTOR WADE introduced Edward Wilczak as the City's new Building Official.

CITY MANAGER BROWN announced that the City Attorney would be conducting an AB1234 training session on September 13th for elected officials and appointed personnel.

PUBLIC COMMENT

SANTIAGO GARCIA spoke in support of building a BMX track in Imperial Beach; he complained about his car getting towed from the front of his house; and thanked the Mayor for her efforts in eliminating Navy flyovers.

PRESENTATIONS/PROCLAMATIONS (1.1)

1.1 METROPOLITAN WASTEWATER PRESENTATION. (0620-75)

CITY MANAGER BROWN introduced the item and noted that he would bring the item back to City Council for direction at the next meeting.

COUNCILMEMBER WINTER reported that each participating agency has been asked to consider alternatives that are to be presented by Scott Tulloch.

SCOTT TULLOCH, of the Metropolitan Wastewater Department, gave a presentation on the Point Loma Treatment Plant; he stressed that the waiver allowing modification to the NPDES permit expires on June 15, 2008; he reviewed possible options, such as reapplying for another waiver, negotiating a consent decree agreeing to implement secondary treatment within a specific timeframe or pursue both options simultaneously; he also responded to Council's concerns regarding potential costs.

CONSENT CALENDAR (2.1 - 2.6)

MAYOR ROSE announced Bob Wadham requested Item Nos. 2.7 and 2.8 be pulled for discussion at the end of the meeting.

MOTION BY ROSE, SECOND BY MCLEAN, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 THRU 2.6. MOTION CARRIED BY THE FOLLOWING VOTE:

**AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY**

2.1 MINUTES.

Approved the minutes of the Regular City Council Meetings of July 5, 2006 and August 2, 2006.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

Ratified Accounts Payable Numbers 62219 through 62352 for the period ending 08/25/06 and Payroll Register Numbers 37481 through 37544 for the period ending 08/17/06 in the amount of \$1,089,761.59.

2.3 ADOPTION OF RESOLUTION NO. 2006-6389 AUTHORIZING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF IMPERIAL BEACH AND SWEETWATER UNION HIGH SCHOOL DISTRICT FOR SERVICES OF A SPECIAL PURPOSE SCHOOL RESOURCE OFFICER. (0260-10)

Adopted resolution.

2.4 ADOPTION OF RESOLUTION NO. 2006-6391 SUPPORTING, IN CONCEPT, ANOTHER REGIONAL BEACH SAND PROJECT IN COORDINATION WITH SANDAG AND OTHER INTERESTED COASTAL CITIES. (0220-70)

Adopted resolution.

2.5 CONFLICT OF INTEREST CODE UPDATE. (0420-30)

Approved Resolution No. 2006-6390 adopting an updated Appendix to the Conflict of Interest Code as shown in Attachment 1 of the staff report.

2.6 ADOPTION OF RESOLUTION NO. R-06-108 – AUTHORIZATION TO AMEND A PROFESSIONAL SERVICES AGREEMENT WITH NASLAND ENGINEERING (NASLAND) FOR CIVIL ENGINEERING CONSULTING SERVICES. (0620-20)

Adopted resolution.

ORDINANCES - INTRODUCTION/FIRST READING (3)

None.

ORDINANCES - SECOND READING & ADOPTION (4)

None.

WRITTEN COMMUNICATIONS (5)

None.

PUBLIC HEARINGS (6)

None.

REPORTS (7.1 - 7.6)

7.1 TIDELANDS ADVISORY COMMITTEE APPOINTMENTS TO FILL UNSCHEDULED VACANCY. (0120-90)

CITY MANAGER BROWN introduced the item.

MAYOR ROSE nominated Amy Schmidt to fill the unscheduled vacancy to expire on December 31, 2006.

MOTION BY ROSE, SECOND BY MCLEAN, TO APPOINT AMY SCHMIDT TO FILL THE UNSCHEDULED VACANCY TO EXPIRE ON DECEMBER 31, 2006. MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY

7.2 PROGRESS REPORT RE: 9TH AND PALM DEVELOPMENT. (0600-20 & 0640-05)

CITY MANAGER BROWN gave a report on the item; he noted that D.R. Horton will most likely not pursue the ENA to a DDA, and the ENA with D.R. Horton ends on November 16th; he reviewed the possibilities of D.R. Horton transferring rights to another developer or the option of no interested developers and after November 16th staff would work on another request for proposal that would go out to the development community at large. If another request for proposal is necessary, a workshop would be held to review specifications and desires of City Council; he noted that D.R. Horton is withdrawing from the project due to the decline of the stock market – their stock went down 7% and they are divesting themselves of land holdings.

BRIAN JONES thanked City Council for the several meetings that were held on the project; he requested that if there are future meetings that notices be sent out to interested parties via e-mail notification.

JIM KING questioned if the City has the option to withdraw at this time, he suggested that Lennar be considered for the project and supported a larger commercial element.

BOB WADHAM supported comments of Mr. Jones and Mr. King and he questioned what studies have been completed.

RON MOODY questioned what the City's position is on the Palm and 9th project.

MAYOR ROSE responded that the property at Palm Ave. and 9th Street has been a redevelopment priority for the City for at least the past 14 years; under redevelopment law, the owners and tenants had the first option to present a development and, in this case, there were two finalists: D.R. Horton and Lennar; the City and developer went through several community meetings and considered the impacts to the surrounding neighborhood; she supported allowing D.R. Horton the time to bring in another developer.

7.3 PROJECT PROPOSALS FOR THE FISCAL YEAR 2007-2008 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM. (0620-33)

CITY MANAGER BROWN introduced the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE reported that only six applications have been received for the residential rehabilitation program and only a few have been received for the small business loan program despite staff's best efforts to market the programs; he stated that at the next City Council meeting he would like to discuss reallocation of funding.

City Council discussion ensued regarding possible projects, such as funding alley paving and unfunded projects for Teeple Park and Sports Park.

7.4 ADOPT RESOLUTION NO. 2006-6392 APPROVING A \$17,500 CONTRACT WITH TRAMUTOLA FOR CONSULTANT SERVICES TO STUDY THE FEASIBILITY OF PLACING A TAX MEASURE ON THE BALLOT, AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH A POLLING FIRM NOT TO EXCEED \$20,000, AND ALLOCATING FUNDS FROM GENERAL FUND UNDESIGNATED RESERVES FOR THESE PURPOSES. (0430-20)

Item continued to a future agenda by prior Council action.

7.5 PROGRESS REPORT REGARDING SEACOAST INN REDEVELOPMENT. (0660-43)

CITY MANAGER BROWN gave a report on the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE gave an overview of the EIR process.

7.6 SEWAGE ISSUE STRATEGY/SECONDARY TREATMENT STATUS. (0620-75)

CITY MANAGER BROWN reported the draft of the Water Quality Control Board permit has been released and is currently under review by the co-permittees.

CONSENT CALENDAR (2.7 - 2.8)

2.7 ADOPT RESOLUTION NO. 2006-6394 APPROVING REVISIONS TO COUNCIL POLICY 408: INVESTMENT POLICY. (0350-95)

CITY MANAGER BROWN introduced the item.

FINANCE DIRECTOR LADRIDO reported that the previous code is broad; the proposed revisions would bring the policy to current standards, limiting exposure, and protecting the safety, liquidity and yield; and she responded to the letter that was submitted by Bob Wadham, included as Last Minute Agenda Information.

CITY ATTORNEY LOUGH stated that Conflict of Interest issues are best addressed under the Conflict of Interest Code Policy and not under the Investment Policy.

COUNCILMEMBER JANNEY noted inconsistency with the title of Finance Director versus Director of Finance.

BOB WADHAM requested City Council retain the current policy.

COUNCILMEMBER WINTER respectfully disagreed with comments made by Mr. Wadham and stated that with the new policy, more information would be provided to the public and exposure would be limited.

MOTION BY WINTER, SECOND BY MCLEAN, TO APPROVE CITY COUNCIL POLICY NO. 408. MOTION CARRIED BY THE FOLLOWING VOTE:

**AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY**

2.8 AMENDED RESOLUTION FOR PUBLIC NUISANCE CONDITIONS REGARDING THE PROPERTY AT 905 3RD STREET PURSUANT TO SETTLEMENT AGREEMENT. (0470-20)

CITY MANAGER BROWN introduced the item.

CITY ATTORNEY LOUGH stated that the settlement will save the City money and seeking compliance with the code is a priority and he recommended approval of the amended resolution.

BOB WADHAM expressed concern about a pattern of large fines with immediate court action then settling for less.

CITY ATTORNEY LOUGH responded that with the settlement the property owner is required to stay within the law; if violations occur again the City could seek contempt immediately or file a new action with the same judge.

MOTION BY ROSE, SECOND BY MCLEAN, TO ADOPT RESOLUTION NO. 2006-6396 AMENDING PRIOR RESOLUTION NO. 2005-6142, ASSESSING ADMINISTRATIVE COSTS AND CIVIL PENALTIES IN THE AMOUNT OF \$5,000.00 FOR THE VIOLATIONS ON THE PROPERTY. MOTION CARRIED BY THE FOLLOWING VOTE:

**AYES: COUNCILMEMBERS: JANNEY, WINTER, MCLEAN, ROSE
NOES: COUNCILMEMBERS: NONE
ABSENT: COUNCILMEMBERS: MCCOY**

REPORTS OF MAYOR AND COUNCILMEMBERS

None.

The meeting adjourned at 8:30 p.m.

Diane Rose, Mayor

Attest:
Jacqueline M. Hald, CMC
City Clerk