



# CITY OF SANTA BARBARA CITY COUNCIL MINUTES

## REGULAR MEETING September 23, 2014 COUNCIL CHAMBER, 735 ANACAPA STREET

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### CALL TO ORDER

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance Committee met at 12:30 p.m. The Ordinance Committee, which ordinarily meets at 12:30 p.m., did not meet on this date.)

### PLEDGE OF ALLEGIANCE

Mayor Schneider.

### ROLL CALL

Councilmembers present: Gregg Hart, Frank Hotchkiss, Cathy Murillo, Randy Rowse, Bendy White, Mayor Schneider.

Councilmembers absent: Dale Francisco.

Staff present: City Administrator James L. Armstrong, City Attorney Ariel Pierre Calonne, City Clerk Services Manager Gwen Peirce.

### CEREMONIAL ITEMS

**1. Subject: Proclamation Declaring September 2014 As Suicide Prevention Month (120.04)**

Action: Proclamation presented to Jina Carvalho, representing the Glendon Association and the Santa Barbara Response Network.

### PUBLIC COMMENT

Speakers:

- Staff: Community Development Director George Buell.
- Members of the Public: Joshua Canada, United Way; Wayne Scoles; Scott Wenz, Cars Are Basic; Phil Walker; Sal Cisneros, Channel Islands YMCA; Lee Moldaver; Jeffrey Young; Barbara Wishingrad, Sweetwater Collaborative.

Councilmember Francisco arrived at 2:17 p.m.

## **CONSENT CALENDAR (Item Nos. 2 – 12)**

The titles of the resolution and ordinances related to Consent Calendar items were read.

Motion:

Councilmembers Rowse/Francisco to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

### **2. Subject: Minutes**

Recommendation: That Council waive further reading and approve the minutes of the special meeting of September 11, 2014.

Action: Approved the recommendation.

### **3. Subject: Adoption Of Ordinance Authorizing Approval Of Clean Water State Revolving Fund Financing For Air Process Improvement Project (540.13)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the Approval and Execution by the Public Works Director of an Installment Sale Agreement in Connection With the Air Process Improvement Project Clean Water State Revolving Fund Project No. 7857-110.

Action: Approved the recommendation; Ordinance No. 5667; Agreement No. 24,985.

### **4. Subject: Introduction Of Ordinance For Amendment To Mercury Air Center - Santa Barbara, Inc. Fuel Storage Facility Lease (330.04)**

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the Airport Director to Execute an Amendment of Agreement No. 19,528, Dated April 15, 1999, Between Mercury Air Center - Santa Barbara, Inc., dba Atlantic Aviation, a California Corporation, and the City of Santa Barbara for Operation of a Fuel Storage Facility, Amending Article V, "Rent" (B)(1) and (2) to Allow for the Collection of Fuel Flowage Fees for Fuel Dispensed to the Commercial Air Carriers at the Santa Barbara Airport.

Action: Approved the recommendation (September 23, 2014, report from the Airport Director; proposed ordinance).

**5. Subject: Introduction Of Ordinance For Amendment To Signature Flight Support Corporation Fuel Storage Facility Lease (330.04)**

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving and Authorizing the Airport Director to Execute an Amendment of Agreement No. 18,538, Dated March 14, 1997, Between Signature Flight Support Corporation, a Delaware Corporation, and the City of Santa Barbara for Operation of a Fuel Storage Facility, Amending Article IV, "Rent" (B)(1) and (D) to Allow for the Collection of Fuel Flowage Fees for Fuel Dispensed to the Commercial Air Carriers at the Santa Barbara Airport.

Action: Approved the recommendation (September 23, 2014, report from the Airport Director; proposed ordinance).

**6. Subject: Introduction Of Ordinance For Assignment And Amendment To Power Purchase Agreement For Cogeneration Project (540.13)**

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Authorizing the City Administrator to Execute a First Amendment to the Power Purchase Agreement (City Agreement No. 23,630) Between the City of Santa Barbara and California Power Partners, Inc., to Extend the Term of the Agreement to July 1, 2024, and Further Clarify Section 8.4 of the Agreement; and Authorize the City Administrator to Consent to the Assignment of Agreement No. 23,630, as Amended, from California Power Partners, Inc., to California Power Partners Santa Barbara, LLC.

Action: Approved the recommendation (September 23, 2014, report from the Public Works Director; proposed ordinance).

**7. Subject: Fiscal Year 2015 Agreement For Countywide Library System (570.04)**

Recommendation: That Council approve and authorize the City Administrator to execute an agreement between the County of Santa Barbara and the Cities of Santa Barbara, Santa Maria and Lompoc for the operation of a Countywide Library system for Fiscal Year 2015.

Action: Approved the recommendation; Agreement No. 24,986 (September 23, 2014, report from the Library Director).

**8. Subject: Contract For Construction Of The La Colina Force Main No. 2 Project (540.13)**

Recommendation: That Council:

- A. Award a contract with J&H Engineering General Contractors, Inc., waiving minor irregularities, in their low bid amount of \$515,730 for construction of the La Colina Force Main No. 2, Bid No. 3960; and authorize the Public Works Director to execute the contract and approve expenditures up to \$51,573 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment; and
- B. Authorize the Public Works Director to execute a contract with MNS Engineers, Inc., in the amount of \$14,840 for construction support services, and approve expenditures of up to \$1,484 for extra services that may result from necessary changes in the scope of work.

Action: Approved the recommendations; Contract Nos. 24,987 and 24,988 (September 23, 2014, report from the Public Works Director).

**9. Subject: Contracts For Construction Management Support Services Of The Mason Street Bridge Replacement Project (530.04)**

Recommendation: That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Filippin Engineering in the amount of \$1,215,003 for construction management services for the Mason Street Bridge Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$60,750 for extra services that may result from necessary changes in the scope of work;
- B. Authorize the Public Works Director to execute a City Professional Services contract with Bengal Engineering, Inc., in the amount of \$138,760 for engineering (design) support services for the Mason Street Bridge Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$6,938 for extra services that may result from necessary changes in the scope of work;
- C. Authorize the Public Works Director to execute a City Professional Services contract with Rincon Consultants, Inc., in the amount of \$164,725 for environmental coordination and biological monitor services for the Mason Street Bridge Replacement Project, and authorize the Public Works Director to approve expenditures of up to \$8,236 for extra services that may result from necessary changes in the scope of work;
- D. Increase appropriations and estimated revenues related to the Federal Highway Administration Grant by \$383,365 in the Fiscal Year 2015 Streets Capital Fund for the Mason Street Bridge Replacement Project; and

(Cont'd)

**9. (Cont'd)**

- E. Authorize an increase in appropriations and estimated revenue of \$298,622 in the Streets Capital Fund from revenues anticipated through the future sale of surplus properties acquired for current bridge replacement projects to cover the City's share of the cost of construction.

Action: Approved the recommendations; Contract Nos. 24,989 – 24,991 (September 23, 2014, report from the Public Works Director).

**10. Subject: Amendment To The Position And Salary Control Resolution (410.06)**

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Amending Resolution No. 14-046, the Position and Salary Control Resolution for Fiscal Year 2015, Affecting the City Administrator's Office, Effective October 4, 2014.

Action: Approved the recommendation; Resolution No. 14-064 (September 23, 2014, report from the Administrative Services Director; proposed resolution).

**NOTICES**

11. The City Clerk has on Thursday, September 18, 2014, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
12. A City Council site visit is scheduled for Monday, September 29, 2014, at 1:30 p.m. to the property located at 215 La Jolla Drive, which is the subject of an appeal hearing set for September 30, 2014, at 2:00 p.m.
13. Receipt of communication advising of vacancies created on the Santa Barbara Youth Council with the resignation of Rachael Diaz, and the Downtown Parking Committee with the resignation of Bill Collyer. The vacancies will be part of the current City Advisory Groups Recruitment.

This concluded the Consent Calendar.

**REPORT FROM THE FINANCE COMMITTEE**

Finance Committee Chair Dale Francisco reported that the Committee met to discuss a proposed Ordinance to amend Municipal Code Title 5 pertaining to Business License Taxes to add an exemption for Artists with annual gross receipts of less than \$5,000, which the committee will be recommending to the Council. He also stated that the Committee received a review of the Financial Statements for the Fiscal Year Ended June 30, 2014, which will be considered by the Council as Agenda Item No. 15.

## CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

### FINANCE DEPARTMENT

**14. Subject: Adoption Of Resolutions Increasing The City Administrator's Contracting Authority And Establishing Policies Related To The City Council Budgetary Level Of Control For Capital Projects (210.01)**

Recommendation: That Council:

- A. Adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Authorizing the City Administrator to Bind the City for the Acquisition of Certain Items and Rescinding Resolution No. 96-045; and
- B. Adopt, by reading of title only, A Resolution of the City Council of the City of Santa Barbara Establishing the City Council Budgetary Level of Control for Capital Projects.

Documents:

- September 23, 2014, report from the Finance Director.
- Proposed Resolutions.
- PowerPoint presentation prepared and made by Staff.

The titles of the resolutions were read.

Speakers:

Staff: Finance Director Robert Samario, City Administrator Armstrong.

Motion:

Councilmembers White/Hart to approve recommendations A and B; Resolution Nos. 14-065 and 14-066.

Vote:

Unanimous roll call vote.

**15. Subject: Financial Statements For The Fiscal Year Ended June 30, 2014 And Recognition Of A Loss On A Loan Tied To The Employee Mortgage Loan Assistance Program (250.02)**

Recommendation: That Council:

- A. Hear a report from staff on the status of revenues and expenditures in relation to budget for the fiscal year ended June 30, 2014;
- B. Accept the Interim Financial Statements for the Fiscal Year Ended June 30, 2014;
- C. Approve the proposed adjustments to Fiscal Year 2014 budget as detailed in the attached schedule of Proposed Budget Adjustments; and (Cont'd)
- D. Approve the recognition of a \$96,230 loss in connection with an outstanding loan executed with a former City employee through the Employee Mortgage Loan Assistance Program.

(Cont'd)

**15. (Cont'd)**

Documents:

- September 23, 2014, report from the Finance Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Finance Director Robert Samario, Treasury Manager Genie Wilson.

Motion:

Councilmembers Francisco/White to approve recommendations B, C and D.

Vote:

Unanimous voice vote.

PUBLIC WORKS DEPARTMENT

**16. Subject: Authorize Actions And Adopt A Resolution For Reactivating The Charles E. Meyer Desalination Facility (540.10)**

Recommendation: That Council:

- Adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving the Design-Build-Operate Procurement Method for the Contract to Reactivate and Operate the Charles E. Meyer Desalination Facility;
- Authorize staff to prepare and present an Enabling Ordinance to the Ordinance Committee for a Design-Build-Operate contract;
- Authorize staff to release a Request for Proposals to prospective contractors to design, build, and operate the Desalination Facility;
- Authorize staff to submit a Repair and Maintenance Coastal Development Permit application as needed to reactivate the Desalination Facility; and
- Authorize the City Attorney to amend Professional Services Agreement Number 24,835 to increase the not to exceed amount from \$25,000 to \$100,000 for legal support services related to contracting for services to design, build, and operate the Desalination Facility, and other contractual requirements as needed.

Documents:

- September 23, 2014, report from the Public Works Director.
- Proposed Resolution.
- PowerPoint presentation prepared and made by Staff.

The title of the resolution was read.

(Cont'd)

**16. (Cont'd)**

Speakers:

- Staff: Public Works Director Rebecca Bjork, Acting Water Resources Manager Joshua Haggmark.
- Consultants to the City: Tom Secord, Carollo Engineers; Joe Monaco, Dudek.
- Members of the Public: James Hawkins, Heal the Ocean; Brad Smith, Sweetwater Collaborative; Robert Sulnick; Phil Walker; Kira Redmond, Santa Barbara Channelkeeper; Ms. Hamilton.

Motion:

Councilmembers Francisco/Rowse to approve recommendations A – E; Resolution No. 14-067; Agreement No. 24,835.1.

Vote:

Unanimous roll call vote.

Motion:

Councilmembers Hart/Murillo to direct staff to return to the City Council after the contract decision is made in April to begin exploring a range of alternatives, including subsurface intake and potable reuse options.

Vote:

Unanimous voice vote.

**17. Subject: Reserve Management Policy Direction For The Stage Three Drought Water Rate Study (540.05)**

Recommendation: That Council receive a presentation and provide direction on assumptions for the Stage Three Drought Water Rate Study, specifically for the assumed repayment term of debt needed to finance the Desalination Project and the planned reserves management during drought conditions.

Documents:

- September 23, 2014, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

Staff: Acting Water Resources Manager Joshua Haggmark, Water Resources Supervisor Kelley Dyer.

The Council concurred to direct staff to utilize the 10-year payback period with the operating cost assumption of one year at full production and thereafter, operating in standby mode.

(Cont'd)

**17. (Cont'd)**

Motion:

Councilmembers Rowse/Hart to approve Scenario 2 for Reserve Management, which would involve some use of Reserves.

Vote:

Unanimous voice vote.

**COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

Information:

- Councilmember Hotchkiss reported on his attendance at a recent meeting of interested parties and stakeholders in the Funk Zone regarding parking concerns.
- Councilmember Murillo spoke regarding the Library's launch of another phase of fundraising for the Children's Library. She also thanked the United Way "Day of Caring" organizers and participants.
- Councilmember Hart reported on the successful Police Activities League (PAL) car show event he attended in Montecito.
- Mayor Schneider spoke regarding the PAL Car Show and other related events.

**RECESS**

The Mayor recessed the meeting at 5:38 p.m. in order for the Council to reconvene in closed session for Agenda Item Nos. 18 – 20. She stated that no reportable action is anticipated.

**CLOSED SESSIONS**

**19. Subject: Conference With Labor Negotiator (440.05)**

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristine Schmidt, Administrative Services Director, regarding negotiations with the Treatment and Patrol Bargaining Unit.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Documents:

September 23, 2014, report from the Administrative Services Director.

Time:

5:40 p.m. – 5:47 p.m.

No report made.

**18. Subject: Conference With City Attorney – Pending Litigation (160.03)**

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (d)(1) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is *Frank Banales, Sebastian Aldana, Jr., Jacqueline Inda, Cruzito Herrera Cruz, and Benjamin Cheverez, v. City of Santa Barbara, et al.*, SBSC Case No. 1468167.

Scheduling: Duration, 60 minutes; anytime

Report: None anticipated

Documents:

September 23, 2014, report from the City Attorney.

Time:

5:48 p.m. – 5:58 p.m.

No report made.

**20. Subject: Conference With City Attorney - Anticipated Litigation (160.03)**

Recommendation: That Council hold a closed session to consider anticipated litigation pursuant to subsection (d)(4) of Section 54956.9 of the Government Code and take appropriate action as needed (one potential case).

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

Documents:

September 23, 2014, report from the City Attorney.

Time:

6:00 p.m. – 6:44 p.m.

No report made.

**ADJOURNMENT**

Mayor Schneider adjourned the meeting at 6:44 p.m., to Monday, September 29, 2014, at 1:30 p.m. at the property located at 215 La Jolla Drive.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

\_\_\_\_\_  
HELENE SCHNEIDER  
MAYOR

ATTEST:

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GWEN PEIRCE, CMC  
CITY CLERK SERVICES MANAGER