



CITY OF DEL MAR
CITY COUNCIL REGULAR MEETING MINUTES
MARCH 18, 2019
City of Del Mar Town Hall
1050 Camino del Mar, Del Mar California 92014



The minutes set forth the actions taken by the City Council on the matters stated. Audio/video recordings of the City Council proceedings are retained for a period of ten years, in accordance with the City's Records Retention Schedule. Audio/video recordings, as well as written materials presented to the City Council, including Red Dots (materials provided to the City Council after the agenda has published), are available on the City's website at www.delmar.ca.us/AgendaCenter or by contacting the Administrative Services Department at (858) 755-9313.

CALL TO ORDER

Mayor Druker called the Regular Meeting to order at 4:30 p.m.

ROLL CALL

Present: Mayor Dave Druker, Deputy Mayor Ellie Haviland, and Council Members Terry Gaasterland, Sherryl Parks and Dwight Worden

Absent: None

Staff Present: City Manager Scott Huth; City Attorney Leslie Devaney; Administrative Services Director/City Clerk Ashley Jones, Public Works Director Joe Bride; Planning and Community Development Director Kathleen Garcia; Finance Manager/Treasurer Monica Molina; Environmental Sustainability/Special Projects Manager Clement Brown; Interim Management Analyst Bryce Wilson and Management Analyst Shaun McMahon.

PLEDGE OF ALLEGIANCE

Mayor Druker led the Pledge of Allegiance.

PUBLIC ORAL COMMUNICATIONS

- 1) Betty Wheeler, Seaview Avenue, Del Mar (Time donation from Lynn Gaylord) – Gave a presentation entitled Celebrating Women in Del Mar's Civic Life.
- 2) Bud Emerson, Box E, Del Mar- Asked the City Council to consider implementing the remainder of the approved hotel tax as a potential source of revenue for the City, and ear marking a portion of the funds for affordable housing.
- 3) Terri-Ann Skelly, Public Health Educator – Handed out an Federal Drug Administration Statement pertaining to Cannabidiol (CBD) products and expressed concern about the potential sale of CBD products at the Del Mar Plaza.
- 4) Judi Strang, San Dieguito Alliance for Drug Free Youth – Encouraged the Council to adopt a smoke-free policy for future affordable housing in Del Mar.
- 5) Kelly McCormick, Solana Beach - Echoed the concerns expressed about potential sale of CDB products at the Del Mar Plaza.

GOVERNING BODY ACTIONS AND COMMENTS

Council Member Parks announced that the City's Arts Committee will hold their first art show event on March 29 and 30, 2019. Council Member Worden reported on a recent San Diego Association of Governments (SANDAG) Shoreline Working Group meeting. Council Member Gaasterland reported that she and Mayor Druker attended a Smart Cities and New Technologies Conference last week and she

discussed some of the new technologies that they learned about. Mayor Druker added to Council Member Gaasterland's comments regarding the conference they attended.

CITY MANAGER'S REPORT

The City Manager reported that portions of Powerhouse and Shores Park continue to be closed in order for the newly installed turf to become established; the City was the 2019 recipient of an award for the fine wood work throughout the City Hall project; traffic impacts on Jimmy Durante Boulevard related to the pipeline repair project; and the details of a bluff collapse that occurred over the weekend.

COMMUNITY ANNOUNCEMENTS AND PRESENTATIONS

Council Member Worden announced that a workshop on Community Choice Energy (CCE) will be held at the Carlsbad Senior Center on March 21, 2019.

CONSENT CALENDAR

Administrative Services Director/City Clerk Jones read the titles and recommendations of Items 1 through 5 on the Consent Calendar. Mayor Druker opened Items 1 through 5 to public comment. There being no speakers, Mayor Druker closed the items to public comment.

IT WAS MOVED BY DEPUTY MAYOR HAVILAND, SECONDED BY COUNCIL MEMBER GAASTERLAND, TO APPROVE THE CONSENT CALENDAR ITEMS 1-5. (VOTE 5-0)

Ayes: Mayor Druker, Deputy Mayor Haviland, and Council Members Gaasterland, Parks and Worden;
Noes: 0; Absent: 0; Abstain: 0.

ITEM 1: APPROVAL OF MINUTES: FEBRUARY 11, 2019 REGULAR AND SPECIAL MEETING (CLERK'S MINUTES BOOK)

Council approved the minutes, on consent.

ITEM 2: RATIFICATION OF LIST OF DEMANDS, DATED MARCH 18, 2019 (CLERK'S FILE NO. 201-3)

Council approved the list of demands, on consent.

ITEM 3: WAIVER OF READING OF ORDINANCES ON AGENDA (CLERK'S FILE NO. 401-4)

Council waived the reading of ordinances, on consent.

ITEM 4: APPOINTMENT TO THE TRAFFIC AND PARKING ADVISORY COMMITTEE (CLERK'S FILE NO. 401-5)

Council appointed Greg Glassman to serve a second, four-year term as the commercial property representative on the Traffic and Parking Advisory Committee, on consent.

ITEM 5: APPROVAL OF THIRD AMENDMENT TO AGREEMENT WITH WHITE NELSON DIEHL EVANS, LLP FOR FINANCIAL AUDIT SERVICES (CLERK'S FILE NO. 406-1)

Council approved a Third Amendment to the Agreement with White Nelson Diehl Evans, LLP for financial audit services and authorized the City Manager to execute the Amendment, on consent.

PUBLIC HEARINGS

ITEM 6: INTRODUCTION OF AN ORDINANCE (1ST READING) TO ESTABLISH A SHARED MOBILITY PILOT PROGRAM (CLERK'S FILE NO. 401-4, 401-9)

A presentation was provided by Environmental Sustainability/Special Projects Manager Brown.

Council questions focused on clarification of the meaning of a "dockless" device; preclusions included in the ordinance; use of scooters or private bikes in Del Mar; clarification on timeframe that the ordinance would be in effect; use of Segway bikes in the City; examples of other cities that have had success with regard to similar programs; how to measure or define success of this pilot program; and what was taken into consideration during development of the program.

Mayor Druker opened the item to public comment and there were no speakers.

Council comments focused on concerns about the management of the program; potential for shared bikes to become a public nuisance; looking at what has or has not worked for other cities; next steps in the process; and use of geo-fencing.

IT WAS MOVED BY COUNCIL MEMBER WORDEN, SECONDED BY COUNCIL MEMBER GAASTERLAND TO INTRODUCE THE PROPOSED ORDINANCE WITH THE ADDITION OF THE WORD "DOCKLESS" TO THE DEFINITION OF "PROHIBITED MOBILITY DEVICE". (VOTE 5-0)

Ayes: Mayor Druker, Deputy Mayor Haviland, and Council Members Gaasterland, Parks and Worden;
Noes: 0; Absent: 0; Abstain: 0.

CITY COUNCIL OTHER BUSINESS

ITEM 7: PRESENTATION OF FISCAL YEAR 2017-2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT BY ROBERT CALLANAN, WHITE NELSON DIEHL EVANS LLP (CLERK'S FILE NO. 202-5)

Finance Manager/Treasurer Molina introduced Robert Callanan from White Nelson Diehl Evans, LLP, who provided an overview of the Fiscal Year 2017-18 Comprehensive Annual Financial Report (CAFR).

The Council questions focused on updates to the procurement guidelines and debt management policy; and clarification on the Grant Adjustment Numbers (GAN), sales tax information; and sources of statistical data included in the report.

Mayor Druker opened the item to public comment and there were no speakers.

Council discussion focused on revenue areas; roadway paving investment during the fiscal year; confirmation of grant funds received; observations about increased permit revenues; and the flow of Transient Occupancy Tax (TOT).

ITEM 8: FISCAL YEAR 2018-2019 MID-YEAR FINANCIAL REPORT AND RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 OPERATING AND CAPITAL BUDGET (CLERK'S FILE NO. 202-5)

Finance Manager/Treasurer Molina provided a presentation on this item.

Mayor Druker opened the item to public comment and the following people spoke:

- 1) Tom McGreal, Finance Committee Chair, 1135 Stratford Court, Del Mar – Provided a presentation on 2018-19 mid-year budget expenditure/revenue adjustments, and recommendations for forecasting and cost controls.
- 2) Laura DeMarco, 544 Avenida Primavera, Del Mar – Expressed concern about the City's cost for legal services, staffing, and pension liability.

Mayor Druker closed the item to public comment

Council questions focused on clarification on some of the items on the unfunded list; need for and benefit of the proposed management analyst position; Measure Q revenue; and legal fees and how those are categorized.

Council comments focused on the presentation from Tom McGreal; support for staff's recommendation and elements of the resolution; need for cost control plan as part of the two-year budget process; support for legal services provided; evaluation of claims filed and opportunities to minimize claims if possible; fixed costs that the City cannot control; and need for a better high-level evaluation of City's finances.

IT WAS MOVED BY COUNCIL MEMBER PARKS, SECONDED BY COUNCIL MEMBER GAASTERLAND TO ADOPT RESOLUTION 2019-15, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL MAR, CALIFORNIA, AMENDING THE FISCAL YEAR 2018-2019 OPERATING AND CAPITAL BUDGET." (VOTE 5-0)

Ayes: Mayor Druker, Deputy Mayor Haviland, and Council Members Gaasterland, Parks and Worden;
Noes: 0; Absent: 0; Abstain: 0.

ITEM 9: DEL MAR HOUSING CORPORATION REQUEST OF FUNDING FOR THE RENTAL ASSISTANCE PROGRAM (CLERK'S FILE NO. 401-5)

A presentation was provided by Management Analyst McMahon.

Mayor Druker opened the item to public comment and the following people spoke:

- 1) Don Mosier, Representing the Del Mar Community Connections – Spoke in support of Shared Housing Program and the Housing Corporation's funding request for the program.
- 2) Laura DeMarco, 544 Avenida Primavera, Del Mar – Expressed support for using Shared Housing Program funds to build affordable housing at the Fairgrounds; shared concerns about the relationship between the Housing Corporation and City.

Mayor Druker closed the item to public comment

Council questions focused on in-lieu housing fund generation; overhead costs for the program; clarification on whether or not General Fund funding is currently needed; and clarification on the details of each option identified by staff.

Council discussion focused on how to phase out the program if determined the best course of action; need to comply with the City's Housing Element; desire to provide some affordable housing options in the community while opportunities for development of affordable units are being pursued; affordable housing revenue generation; benefit in maintaining the program at five participants; and review of the program in more detail as part of the two-year budget process or as a separate workshop item.

IT WAS MOVED BY COUNCIL MEMBER WORDEN, SECONDED BY DEPUTY MAYOR HAVILAND TO HOLD THE PROGRAM AT FIVE PARTICIPANTS AND USE THE HOUSING ASSISTANCE FUND TO PAY FOR THE ADDITIONALLY REQUIRED SUBSIDIES AND CREATE A SEPARATE FUND TO GENERATE HOUSING IN THE FUTURE. (VOTE 5-0)

Ayes: Mayor Druker, Deputy Mayor Haviland, and Council Members Gaasterland, Parks and Worden;
Noes: 0; Absent: 0; Abstain: 0.

ITEM 10: 15-MINUTE CITY COUNCIL RECESS: The Council took a 15-Minute break from approximately 6:55 p.m. to 7:10 p.m. (The break occurred prior to Item 9 during the meeting).

ITEM 11: OVERVIEW OF PROPOSED WATER RATES (CLERK'S FILE NO. 907-4)

Public Works Director Bride provided a comprehensive presentation on Items 11, 12 and 13.

For Item 11, Council questions focused on ability to use recycled water pipelines and impacts to water use; timing for smart meter installation if not approved as part of the current rate change; voting structure for a Prop 218 challenge; and opportunities for hardship waivers.

ITEM 12: OVERVIEW OF PROPOSED WASTEWATER RATES (CLERK'S FILE NO. 906-2)

For Item 12, Council asked for clarification on the differences in number of accounts for water and wastewater.

ITEM 13: OVERVIEW OF PROPOSED CLEAN WATER RATES (CLERK'S FILE NO. 907-4)

For Item 13, Council questions focused on the purpose of subsidy program; how the billing works; why there is no reserve in the Clean Water Fund; reduction from three tiers to two tiers and affect on rate payers; and how many people will be affected.

Mayor Druker opened the item to public comment and there were no speakers.

Council comments focused on importance of including rate comparison in public information for public hearing; rate challenge that occurred in 1998; consequences of water conservation on rates; benefits of wireless automated meters including less opportunity for errors, notification of leaks, and efficiency in staff time. The consensus of the Council was to separately pursue the additional surcharge for the smart meters and for staff to bring back more detailed information for the Council's consideration.

IT WAS MOVED BY COUNCIL MEMBER PARKS, SECONDED BY COUNCIL MEMBER GAASTERLAND THAT THE CITY MAIL THE REQUIRED 218 NOTICE TO PROPERTY OWNERS, RESIDENTS, AND TENANTS. (VOTE 5-0)

Ayes: Mayor Druker, Deputy Mayor Haviland, and Council Members Gaasterland, Parks and Worden;
Noes: 0; Absent: 0; Abstain: 0.

COUNCIL PRIORITIES – REPORTS

Council Member Parks provided an update on the Parks and Recreation Committee. Council Member Worden reported on the Riverpark Joint Power Authority (JPA); Sustainability Advisory Board (SAB); San Dieguito Lagoon Committee; 22nd District Agricultural Association (DAA) Community Relations

Committee. Deputy Mayor Haviland reported on the SAB; San Dieguito Lagoon Committee; and the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor Agency. Council Member Gaasterland reported on the Finance Committee; San Diego Association of Governments (SANDAG) Shoreline Preservation Working Group; Sea Level Rise Adaptation Plan Subcommittee; Undergrounding Project Advisory Committee (UPAC); and the Del Mar Village Association (DMVA). Mayor Druker reported that the North County Transit District (NCTD) will hold a meeting in Del Mar on April 13, 2019, at 9 a.m. to tour the bluff, which will include bus service; SANDAG Transportation Committee; and the UPAC.

ADJOURNMENT

Mayor Druker adjourned the meeting at 9:15 p.m.

A handwritten signature in blue ink, appearing to read "Ashley Jones".

Ashley Jones, Administrative Services
Director/City Clerk