

An adjourned joint meeting of the City Council, Planning Commission, Parks & Recreation Commission, Traffic & Parking Commission, Cultural Heritage Board, Design Review Committee, and Golf Course Committee at the Ole Hanson Beach Club, 105 Avenida Pico, Wednesday, February 29, 1984, at 7:00 P.M., Mayor G. Scott Diehl presiding.

CALL TO ORDER AND ROLL CALL

(City Council)

PRESENT: Council Members - KOESTER, LIMBERG, MECHAM, AND DIEHL  
ABSENT: Council Members - CARR

(Planning Commission)

PRESENT: Commissioners - DANIELSON, SAUNDERS, AND WILSON  
ABSENT: Commissioners - ABRATE, AND KWESKIN

(Parks & Recreation)

PRESENT: Commissioners - ARROWSMITH, HEDBORG, VEALE, AND MITCHELL  
ABSENT: Commissioners - BRADSHAW

(Traffic & Parking Commission)

PRESENT: Commissioners - JOHNSON, DURKIN, AND WOHLFARTH  
ABSENT: Commissioners - DAUER, AND PELTIER (arrived at 7:20 P.M.)

(Cultural Heritage Board)

PRESENT: Board Members - LANDEN, OLIVER, AND WELTON  
ABSENT: Board Members - COFFIN, AND KEMPTON

(Design Review Committee)

PRESENT: Committee Members - L. DAVIS, McADOO, STOVALL-DENNIS, AND T. DAVIS  
ABSENT: Committee Members - STEVENS

(Golf Course Committee)

PRESENT: Committee Members - DUNN, EINSELE, AND SMITH  
ABSENT: Committee Members - SADELL, AND SCHAAR

Also Present: George A. Carvalho, City Manager; Max L. Berg, City Clerk;  
and certain other members of the City Staff.

OPENING REMARKS

Welcoming remarks were made by Mayor Diehl.

ANALYSIS OF RELOCATING THE SEWAGE TREATMENT PLANT

The City Manager presented a background report on the sewage plant issue and history of the extensive studies and chain of events over several years leading to the decision and motion of the City Council on 12-7-83 to approve new treatment plant at middle Pico site and authorize Staff to finalize agreement with back country ranchers to construct said new plant at a maximum City cost of \$9.5 million, said motion having carried by a 4-1 vote.

Following the City Manager's explanation and summary, the Community Development Director gave a slide presentation of the following comparison:

Initiative -  
Staying at the Existing Sewer Plant Site

City Council Policy -  
A New Sewer Treatment Plant

1) Existing Facility and Location:

Operated by the City at its present location -- all raw sewage is pumped into the plant. There is an immediate need to upgrade and rehabilitate the electrical system, since it is in dangerous condition and current reclaimed water does not meet new public health standards and will have to be upgraded. Expansion needs will also have to be addressed to meet the new residential construction needs in the existing city and back country, increasing beach usage, State Park needs, and new business needs.

1) New Plant Facility and Location:

Located to the northeast of the freeway and Avenida Pico in a large, permanent open space area substantially hidden from view, the plant will be owned and operated by the City. It will be built by private enterprise. It will not be accepted by the City until all start-up problems are resolved. It will be a co-generation/energy-efficient plant receiving a substantial amount of raw sewage by gravity -- not pumped. No increased energy costs are anticipated over existing costs. Reclaimed water would meet current standards for use.

## 2) Economic Benefits of No Relocation:

A recent economic study shows that this area with the sewer plant will generate \$2.2 million in new City revenues over the next 16 years, which will be used to fund City-wide Police, Fire, Paramedic, Street, Parks, Recreation, and other essential services.

## 3) Costs:

The required improvements from the City's consultant for upgrading and rehabilitating the existing 4.0 million gallons per day (MGD) plant are now estimated in 1983 dollars to cost \$9.5 million, not including legal and administrative costs. This does not include costs for capacity expansion.

## 4) City Share of Costs:

The City is responsible for total costs of \$9.5 million for construction and engineering, plus legal and administration costs, which are subject to inflation and changes in State and Federal requirements.

## 5) How Would the City Pay for the \$9.5 million for Rehabilitation?

Only one-half million in depreciation reserves could be used for rehabilitation. The remaining \$9 million or more could be raised as follows:

- A) increases in the bi-monthly sewer bill
- B) from new existing City area sewer connection fees as they are received
- C) a new revenue bond issue requiring financing and interest costs

## 6) Would the Bi-monthly Sewer Bill be Increased to Pay for Improvements?

Most likely. The City has insufficient funds to pay for upgrading.

## 7) How Would the Remaining \$1.5 million Bond Issue for the Existing Plant be Paid?

The City would continue to pay off the bonds at the rate of approximately \$160,000 annually.

## 2) Economic Benefits of the Relocation:

A recent economic study shows that this area without the sewer plant will generate \$16.9 million in new City revenues over the next 16 years, which will be used to fund City-wide Police, Fire, Paramedic, Street, Parks, Recreation, and other essential services.

## 3) Costs:

A new plant of 6.8 million gallons per day (MGD) capacity will cost \$28.4 million, not including engineering, legal, and other administrative costs. All these costs related to the new plant shall be paid by the back country ranchers subject to partial reimbursement by the City.

## 4) City Share of Costs:

The City would enter into a contractual agreement to reimburse only construction costs for a not-to-exceed sum of \$9.5 million. There would be no reimbursement for engineering, legal and other administrative costs.

## 5) How Would the City Pay for its \$9.5 million Share?

\$2.0 million in sewer connection fees collected for plant expansion and depreciation reserve is now available; the existing plant salvage would contribute \$300,000; and \$4 million would be paid from connection fees collected over the next 15 years. Studies have shown that \$3.2 million would be provided through annexation fees, lease, or other profitable use of all or portion of the vacated sewer plant site. No financing and no interest costs will be involved.

## 6) Would the Bi-monthly Sewer Bill be Increased to Pay for Relocating the Plant?

Current engineering and financial studies indicate no need for sewer rate adjustment.

## 7) How Would the Remaining \$1.5 million Bond Issue for the Existing Plant be Paid?

The City would continue to pay off the bonds at the rate of approximately \$160,000 annually.

Following the presentation, a lengthy question and answer period took place with comments and questions voiced by members of the audience, certain members of the various Commissions, Boards, and Committees, and proponents of the treatment plant initiative designated as Proposition "A" on the 4-10-84 ballot. During the discussion period Mayor Diehl fielded and responded to most of the questions and also explained the rationale of the majority of Council in favoring plant relocation. Councilwoman Koester also voiced her reasons why she voted against the proposal.

COMMISSION, BOARD, AND COMMITTEE ISSUES FOR 1984-85

During opening remarks, Mayor Diehl urged the various Commissions, Boards, and Committees to make their wishes known through the appropriate Department Heads so that consideration can be given during the forthcoming budget process.

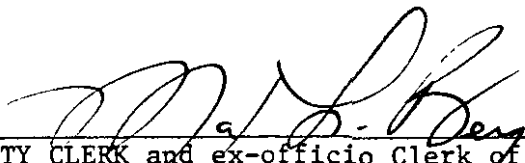
A general discussion period ensued with comments from various Commission, Board, and Committee members covering a multitude of items and issues. Some of the items discussed concerned implementation of sign design guidelines; consideration of architectural guidelines; implementation of Plan 2000; need for improvement in exchanging information, philosophies, and ideas between the various bodies; lack of communication and need for feedback from Council to their appointed bodies; suggested meetings of the chair persons of each of the bodies to discuss issues and goals; suggestion that each of the bodies prepare an agenda listing their goals and objectives for submission to the Council; need for more Staff support recognizing they are already burdened with assigned priorities; and many related comments.

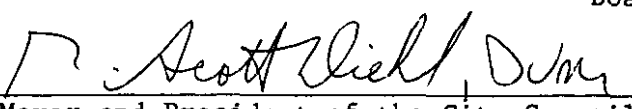
Board member Welton brought up certain issues of concern to the Cultural Heritage Board which were briefly discussed.

The lengthy discussion was concluded with acknowledgement that there needs to be improvement in the communication between the Council and the various bodies with suggestion that concerns, issues, ideas, goals, objectives, and recommendations be communicated in writing. In regard to Plan 2000 the Mayor suggested the Chairpersons and Vice Chairpersons, through coordination by the Community Development Director, meet and prepare recommendations for implementation. The City Manager also suggested a meeting to conceptualize how the implementation might be developed and carried out.

ADJOURNMENT

There being no further business, the Mayor and Chairpersons of the various Commissions, Boards, and Committees declared the meeting adjourned at 10:05 P.M.

  
 CITY CLERK and ex-officio Clerk of the  
 City Council and for and on behalf of  
 Secretaries of the various Commissions,  
 Boards, and Committees

  
 Mayor and President of the City Council

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 Chairman of the Planning Commission

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 Chairman of the Parks & Recreation  
 Commission

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 Chairman of the Traffic & Parking  
 Commission

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 Chairman of the Cultural Heritage  
 Board

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 Chairman of the Design Review  
 Committee

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 Chairman of the Golf Course Committee