

MINUTES OF THE REGULAR MEETING OF THE SOLVANG CITY COUNCIL

Council Chambers
1644 Oak Street
Solvang, Ca. 93463

August 8, 2011
7:00 p.m.

CALL TO ORDER Mayor Richardson called the meeting to order at 7:00 p.m.

ROLL CALL

PRESENT: Mayor Richardson, Council Member Duus, Jamieson, Palmer and Wood

STAFF: Brad Vidro, City Manager; Roy Hanley, City Attorney; Matt van der Linden, Public Works Director; Arleen Pelster, Planning/Community Development Director; Lt. Julie McCammon; Mary Ellen Rio, City Clerk

PLEDGE OF ALLEGIANCE Led by Council Member Palmer.

CITY MANAGER'S STATUS REPORT

No report tonight.

1. PUBLIC COMMUNICATIONS - WRITTEN OR VERBAL

None.

2. COUNCIL REQUESTS

Council Member Duus requested the Council to send a letter to local elected officials asking them to quit posturing for the next election and do what is best for America. A consensus of Council was received and the City Manager offered to draft the letter.

3. APPROVAL OF AGENDA AS PRESENTED

After receiving requests and polling the number of those in attendance, it was agreed to hear items 9 and 10 immediately following item 6.

4. JULY 25, 2011 CITY COUNCIL MINUTES

Motion was made by Council Member Duus, seconded by Council Member Wood to approve the minutes as presented. **Motion carried** with a verbal response of 5 ayes.

5. CONSENT AGENDA

Consent Agenda read by City Clerk.

- a. Approval of pre-issued warrants dated July 19, 20, 22, 25, 27, and August 2, 2011
- b. Approval of warrant register dated August 8, 2011
- c. Award maintenance contract to Valley Crest Landscape Maintenance for Solvang Mesa Lighting and Landscape District
- d. Receive and file Santa Barbara County Fire Department report for the month of June 2011

Motion was made by Council Member Wood, seconded by Council Member Duus to approve the Consent Agenda as presented. **Motion carried** with a roll call vote of 5 ayes.

REGULAR AGENDA

6. LETTER OF NECESSITY TO ALCOHOL BEVERAGE CONTROL FOR VALLEY VINO, 1557 MISSION DR.

Staff report by City Manager

- At the request of the Council, all Letters of Necessity are to be brought before Council as a regular agenda item
- This request for Valley Vino is a type 42 requiring this letter
- Location had previously been occupied as a wine tasting facility
- Asking for Council approval for this new business

Public Comment:

John Martino & David Brents

- Have been a resident of the valley for the past 30 years and am very familiar with tourist industry
- Looking forward at providing a new venue of food, wine and enjoyment of locals and tourists
- Bringing our expertise of hospitality to this business
- Thankful for the opportunity of starting this new business venture

Motion was made by Council Member Duus, seconded by Council Member Jamieson to authorize the Letter of Necessity for Valley Vino. **Motion carried** with a roll call vote of 5 ayes.

9. BMX BICYCLES USING THE SOLVANG SKATEPARK

Council Member Duus left Council Chambers due to a potential conflict of interest.

Staff report by Parks & Recreation Director

- Request from BMX bikers for shared use of skatepark
- Pointed out potential problems such as damage to cement surface, monitoring, legal matters, and danger to users
- Received input from other skatepark operators
- Mixed use would require \$25,000 for retrofitting
- Current ordinance would require updating for mixed use

Public Comment:

Cody Zavalla and Josh Silva

- Nowhere for BMX bikers to ride in the City
- Don't know why skateboarders are complaining, we all get along well and don't mind riding at the same time
- A lot of bike riders come here to ride, there are about 30 riders in all

Mary Harris

- As a mother of a BMX rider, donated money to help build the skatepark
- These are nice kids
- Believe in this wholeheartedly and hope you give the kids fair consideration

Council Members discussed the fact that the skatepark was built with donations by a group of skateboarders and offered a suggestion for the BMX riders to seek funding for the \$25,000 retrofitting and then return to Council for further discussion.

City Attorney offered legal advice that hiring a monitor would increase liability for the City and asked that Council keep that in mind in future discussions.

Council Member Duus returned to Council Chambers.

10. 2012 AMGEN TOUR OF CALIFORNIA HOST CITY PROPOSAL

Staff report by City Manager

- Currently staff is not recommending submitting a proposal for 2012
- AEG has added additional requirements which will increase costs; if the fund raising does not meet the costs, the City would be responsible
- Local Organizing Committee Co-Chair that has been most instrumental in raising the funding does not wish to take part next year
- Looking to Council for direction

Public Comment:

Bill Phelps

- On behalf of the Hotel Association, we hope that you will consider submitting the proposal
- Perhaps resubmit a proposal similar to ones we have done in the past
- Cycling is such a big deal here; Amgen helps to promote it, it is a great activity

John Padfield

- I have been involved in the LOC for the past few years and would love to see the event here again
- In these tough economic times I feel AEG is strong arming the City; maybe we can still leave the door open but maybe negotiate
- Many times they make a lot of demands and then back down on some of them
- They too are hurting and I feel we could play a little hard ball and perhaps they will back down on some of their demands

After Council discussion a consensus was reached for the City Manager to meet with the LOC and come up with a more suitable proposal for submission.

7. **WATER AND WASTEWATER RATE MODIFICATIONS AND INCREASE**

Staff report by City Manager

- After previous discussions on rates Council requested the consultant make revisions to the 5/8 meter fixed fee and the tiered cubic feet amount
- Reviewed the revised charges
- Comfortable now with the revenue numbers which seem to meet the City's needs

Public Comment:

Richard Christensen

- Protest the water rate increase and propose an alternative
- The current water rate study has many inconsistencies; it has many flaws
- Why is this community's rate so high as compared to other communities; this issue is ignored in the study
- The report does not reference as to how capital costs will be paid; they should be amortized over many years as the benefits will be over many years.
- A study of the financing needs to be a part of this consideration
- Water supply agreement of 1991 is also deeply flawed, prior City Council made a serious governance decision which was subject to litigation which the City lost and resulted in burdened water rates due to a large debt
- Consider funding the debt payment as part of property taxes, or issue a new bond
- A careful study of the operations and maintenance costs needs to be done
- Establish a committee to study this report and report back to the community; there is great confusion. These numbers are very confusing and need explanation
- These rates will cause our area to become a brown belt

Council discussed decisions for looking into alternate and less expensive water supplies however at this time the increase is necessary to handle the operating deficit. Unfortunately this was not dealt with few years ago and has gone on much too long.

Motion was made by Council Member Duus, seconded by Council Member Wood to:

1. Direct staff to mail the Notices of Intent
2. Set date of public hearing as October 10, 2011
3. Direct staff to proceed with an ordinance to effectuate the rate changes

Motion carried with a roll call vote of 5 ayes.

8. **CAPITAL IMPROVEMENT PROJECTS – 10 YEAR PLAN**

Staff report by Public Works Director

- Tonight's meeting is the Public Hearing
- Initial Capital Improvement Program was a 5-year plan approved in 2006
- A 10-year program gives a longer term look of capital needs for budgeting purposes
- The Planning Commission found the plan to be consistent with the updated General Plan

Public Comment: None

Council Members Duus and Palmer responded that while they support the basic plan they do not approve of some if the water improvement plans. Mayor Richardson inquired if those items could be removed from the plan however the City Attorney recommended against that stating that the removal would result in having to start over. Including those improvements does not mean that they will be completed and staff is now aware of Council's concerns.

Motion was made by Mayor Richardson, seconded by Council Member Jamieson to:

1. Adopt Resolution No. 11-_____, a resolution of the City Council of the City of Solvang approving the updated 10-Year Capital Improvement Program
2. Direct Planning Department staff to issue Notice of Exemption for all applicable projects that are scheduled to begin in Fiscal Year 2011-12

Motion carried with a roll call vote of 4 ayes, 1 no with Council Member Palmer voting no.

11. **COUNCIL MEMBER REPORTS (Oral reports: Each Council Member will give oral reports on their activities in relation to the following committee or agencies. In addition, each member may report on items that will be included on the agenda for such committee or agency and seek guidance from the Council as a whole on such items, including on what position to take on behalf of the City)**

- **Centennial Organizing Committee**

Council Member Jamieson reported that the Denmark trip was sold out, reported on the opening night event for My Fairy Tale, scheduled visit by the Mayor of Aalborg during Danish Days, unfortunately Ambassador Fulton is unable to

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attend. A party, to be announced later, will be held for all the visiting dignitaries.

- Santa Barbara County Association of Governments
- Air Pollution Control Board
- Joint Wastewater Committee
- Finance Committee
- Water Committee

12. CLOSED SESSION

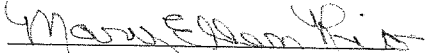
Public Comment: None

Council entered closed session at 8:58 p.m.

GC 54956.9 (b) (3) potential litigation

Council adjourned to open session with Mayor Richardson announcing no reportable action.

13. ADJOURNMENT Mayor Richardson adjourned the meeting at 9:08 p.m.


Mary Ellen Rio, City Clerk