

**MINUTES OF A
REGULAR MEETING OF THE
CITY COUNCIL
OF THE
CITY OF CORONADO/
THE CITY OF CORONADO ACTING AS THE SUCCESSOR
AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF CORONADO
Coronado City Hall
1825 Strand Way
Coronado, CA 92118
Tuesday, May 20, 2014**

CALL TO ORDER / ROLL CALL 3:31 p.m.

**Present: Bailey, Ovrom, Tanaka, Woiwode
Absent: Denny**

ANNOUNCEMENT OF CLOSED SESSION

**1. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING
LITIGATION**

AUTHORITY: Government Code Section 54956.9(a)

NAME OF CASE: Perry Peake v. City of Coronado

WCAB No.: ADJ9345145

2. COMMUNICATIONS - ORAL: None.

The City Council adjourned to Closed Session at 3:31 pm.

The City Council reconvened at 3:34 pm. Mayor Tanaka announced that direction was given to staff.

Mayor Tanaka called the regular meeting to order at 4 p.m.

1. ROLL CALL:

Present: Council Members/Agency Members Bailey, Ovrom, Woiwode and Mayor Tanaka

Absent: Councilmember Denny

Also Present: City Manager/Agency Executive Director Blair King
City Attorney/Agency Counsel Johanna Canlas
City Clerk/Agency Secretary Mary Clifford

2. INVOCATION AND PLEDGE OF ALLEGIANCE. Floyd Ross provided the invocation and Mayor Tanaka led the Pledge of Allegiance.

3. MINUTES: Approval of the minutes of the Regular Meeting of the City Council/the City Council Acting as the Successor Agency of May 6, 2014.

MSUC (Woiwode/Ovrom) moved to approve the minutes of the Regular Meeting of the City Council/the City Council Acting as the Successor Agency of May 6, 2014, as submitted. The minutes were so approved. The reading of the minutes in their entirety was unanimously waived.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny

4. CEREMONIAL PRESENTATIONS: None.

5. CONSENT CALENDAR: The City Council approved, adopted and/or accepted as one item of business Consent Agenda Items 5a through 5i with the exception of Item 5i.

Michael Schmid requested the removal of Item 5i.

Councilmember Woiwode commented on Item 5g.

MSUC (Woiwode/Bailey) moved that the City Council approve the Consent Calendar Items 5a through 5i with the exception of Item 5i. On Item 5g, both options are included, with the possibility of decrementing as needed.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny

5a. Approval of Reading by Title and Waiver of Reading in Full of Ordinances on this Agenda. The City Council waived the reading of the full text and approved the reading of the title only.

5b. Review and Approve that the Warrants, as Certified by the City Treasurer, are all Correct and Just, and Conform to the Approved Budget for FY 2013-2014. The City Council approved payment of City warrant Nos. 10100916 thru 10101097. The City Council approved that the warrants as certified by the City/Agency Treasurer.

5c. Authorization for the City Manager to Execute a Lease Renewal Agreement, for \$36,000 Annually, with Hawthorne Machinery Company for a Caterpillar Wheel Loader for Beach Maintenance. The City Council authorized the City Manager to execute a lease renewal agreement for \$36,000 annually, with Hawthorne Machinery Company for a Caterpillar wheel loader.

5d. Authorization for the Director of Engineering and Project Development to Issue Encroachment Permit No. E1404-003 to Allow the Construction of an Overhead Canopy at 1111 Ninth Street to Encroach along the Front of the Property into the City Right-of-Way. The City Council authorized the Director of Engineering and Project Development to issue Encroachment Permit No. E1404-003 to the owners of the property located at 1111 Ninth Street for the construction of an overhead canopy.

5e. Award of Contract to American Asphalt South, Inc. in the amount of \$177,765 for the Street Preventive Maintenance FY 13-14 Project. The City Council awarded a contract to American Asphalt South, Inc. in the amount of \$177,765 for construction of the Street Preventive Maintenance FY 13-14 project (Contract No. 14-CO-ES-531).

5f. Authorization for the City Manager to Execute a Purchase Agreement with Motorola Inc. in the Amount of \$44,228.99 for the Purchase of 14 Portable Police Radios. The City Council authorized the City Manager to execute the purchase agreement with Motorola Inc. in the amount of \$44,228.99 for the purchase of 14 portable police radios.

5g. Authorization for the City Manager to Execute a Professional Services Agreement with RBF Consulting in the Amount of \$76,000 for the Conceptual Design of and Community Outreach for the SR 75 Coronado Gateway Project. The City Council authorized the City Manager to execute a professional services agreement with RBF Consulting in the amount of \$76,000 for the development of a conceptual gateway design.

Councilmember Woiwode reported that he and Councilmember Bailey are the subcommittee working on that. In this proposed contract are two options. He would like to propose that the Council approve that with the option of decrementing them if we see that they are not needed. That saves the Council the problem of having to come back.

Councilmember Bailey agreed with that proposal.

5h. Acceptance of Disbursed California Board of State and Community Corrections (BSCC) Police Grant Funds in the Amount of \$14,319. The City Council accepted and appropriated grant funds in the amount of \$14,319 received from the Board of State and Community Corrections (BSCC).

5i. Prepare a Request to Install Pedestrian Activated Hybrid Beacons (Also Known as HAWK Signals) Within the State Highway Right-of-Way at Third and Fourth Streets. City Manager Blair King introduced this item.

Ed Walton, Director of Engineering and Project Development, provided a staff report on this item.

Mayor Tanaka clarified that even though the request is for HAWK, if discussions come up for some alternative, there is flexibility.

Mr. Walton agreed that HAWK is just one type of pedestrian signal. There is also the rapid flashing beacon that exists at Fifth and Glorietta. There are flashing pedestrian crossings like the yellow light that you'd see in a school zone. There are options available that staff could work with Caltrans to install.

Councilmember Ovrom asked if it was in the tunnel study that there was a suggestion for lights on Third and Fourth at B.

Mr. Walton responded that there have been a couple of studies that have recommended signals at Third and Fourth and B.

Mr. Ovrom asked for the reason that was never done.

Mr. Walton seems to recall that the City Council suggested concentrating on Alameda signals.

Councilmember Bailey asked if the Third and Fourth Street study is looking at items such as this.

Mr. Walton explained that there is a study going on looking at traffic calming methods on Third and Fourth Streets. Signal strategy is one of the strategies that the consultant will be looking at.

Mr. Bailey asked if they would be looking at this intersection in particular.

Mr. Walton responded that they will look at all intersections but this would be one that they would focus in on.

Mayor Tanaka reported that Mr. Tato sent the City a letter. His concern was that if we go after this, singularly, by itself, and then later come up with a more comprehensive package of proposals that this might hurt the momentum on that.

Mr. Walton commented that if the City goes forward with this there is a need to work with Caltrans. If the Third and Fourth Street study comes up with some sort of signal or other thing, he thinks we will have an upper leg on that by already engaging Caltrans so that they are aware of the situation in that they will be working with the City.

The Mayor invited public comment.

Michael Schmid commented that something needs to be done there. He has watched people trying to cross Fourth all the time and it is bad. He does not think a traffic signal is going to help in the long run. It will cause more hazard further downstream. He thinks that as soon as possible studies need to be done or action needs to be taken.

Sheree Segura thinks that most people are aware of what happened on Saturday morning when there was a young man heading up to the Base. He fell asleep as he was heading up. He went up on the sidewalk, knocked down a steel sign, knocked over a power booth. It seems like there should be some studies and some cameras for at least a month period to watch that traffic going by. It is just incredible. They are going 90 mph. It is very dangerous. In Nevada when the guys for the test site were going up to the mountain, they simply had a place for those men to park and they took them up in huge buses. That sounds very simplistic but there should be a way that downtown there could be a place to park and they could get on the buses on the other side of the Bridge. Think how many cars that would save from going up that street and down Fourth as well. She knows it would take a lot of collaboration between the City and the Navy.

John Tato referred to his email and is also a member of the Transportation Commission. He is opposed to engaging Caltrans at this point in time for a variety of reasons. One is that it is preempting the Third and Fourth Street study. There was a kick off meeting for that study this morning. Traffic signals will be addressed as part of that study. Pedestrian activated beacons will be addressed as part of that study. The intent of the study is to quantify, to analyze these different alternatives, and quantify the benefits associated with them. It would be better to let that study run its course to identify what is most appropriate to be done at that intersection in conjunction with other intersections along Third and Fourth and to go to Caltrans with an integrated and comprehensive set of recommendations that would not only take into account the particular study of Third and Fourth Street but the other study that he believes is going to be awarded in the near term to look at the toll plaza because there is an overlap between what that study will address and what the Third and Fourth Street study will address. Both of them are going to require engaging Caltrans on a variety of improvements that are going to be proposed and he just thinks it makes more sense for the City to do it in an integrated and organized fashion rather than on a piecemeal basis. Another outcome of this could be that the City would go forward at this point, discuss with them the HAWK beacons, come back at a later point and say that, subject to further study, we no longer want to do that but want to do something else as part of this more comprehensive package and that has consumed resources within the City, within Caltrans to study the proposal to put in the beacons, and it detracts from the City's credibility in the long run. The Transportation Commission has brought along the community with what is being planned and he has received questions about how this impacts what has been briefed to them as the study that is going forward and what is going to be addressed as part of that study. It does introduce a level of confusion in the public's mind about what exactly is being proposed and what will be done. For those reasons, he would propose that the City hold off at this point. These studies are not going to take an enormous amount of time. That gives the staff the opportunity to come forward or to develop a comprehensive strategy for how to approach Caltrans in a more organized fashion.

Floyd Ross is in agreement with Mr. Tato's comments.

Fern Nelson is also in agreement with Mr. Tato's comments. We certainly need a comprehensive system. She is part of the TAF community group that meets regularly to look into this as well. There are two other issues that she has heard are being considered. One is considering the Avenue of Heroes which is Third and Fourth Street. Another that she has heard up is a "Surf's Up, Slow Down" concept and all of these need to be taken into account when we decide what is best for the City.

Toni McGowan is also part of the TAF group and also agrees with Mr. Tato. She wanted to say that some of their members went to the workshop that SANDAG held on complete streets at the Caltrans office. The firm that the City has hired to do the study on Third and Fourth presented that program; she wants the City to consider that they already have a pretty good relationship working with both Caltrans and SANDAG. Maybe trying to get all of those people working together rather than someone working on this project and that project is a good idea. Perhaps they could meet together to come up with some uniform and consistent plans for the City.

Councilmember Bailey thinks this is a suggestion that the City Council should certainly consider. His preference would be for the second recommendation, to consider alongside the comprehensive study that is currently underway.

Councilmember Woiwode commented that the idea of pedestrian activated signals on Third and Fourth is not new. It has come up time and again and Caltrans has said no time and again. The purpose of this agenda item was not to introduce something new. The purpose of this agenda item was to impress on Caltrans the urgency of coming to the City with solutions rather than simply saying no, which is what they have done so far. He did clarify that he did not specify a HAWK in the motion that was passed at the last Council meeting. It is one of the possible approaches but there are others. The concept he had in mind was that the City would go to Caltrans and say that something has to be done about this intersection. Caltrans could consider this idea and offer some other ideas. Now those would be on the table. That is still really important to do. It is not incompatible with proceeding with the Third and Fourth Street study in his view. We don't know when the answer will come on any of these things. If we get an answer on the pedestrian activated signal to Third and Fourth and B and at that point review where we are with the traffic calming on Third and Fourth, there is no reason that can't be integrated at that point. Conversely, if the study on traffic calming on Third and Fourth comes up with other approaches that cause the City to say those are really not such good ideas, then that too can be accommodated. We are talking about the same people in both cases who are fully aware of all the things that are going on. The issue here is impressing Caltrans with a sense of urgency that we need help with safety. He would like to continue on this path and believes the item was incorrect in specifying a HAWK. He does believe we need to put the ball in Caltrans' court as soon as possible to help the City with solutions to crossing Third and Fourth.

Councilmember Ovrom doesn't have much faith in Caltrans. Their idea of traffic is to push as much through as quickly as possible. He would love to be wrong. Although he hears Mr. Tato and he is being very logical, Mr. Woiwode is the one who talks to Laurie Berman, the head of Caltrans, and in this particular case, he will stick with Mr. Woiwode.

Mayor Tanaka is also going to stick with Mr. Woiwode on this. He thinks he makes a good argument to move forward and he thinks that the most persuasive element of Mr. Woiwode's argument is that we know we lose if we do nothing. We know we lose if we don't make it clear

that this is important to the City. Talking now does not preempt us from having a discussion later. Getting started with the discussion with Caltrans on this issue now will be beneficial rather than confrontational or something else.

MSUC (Woiwode/Bailey) moved that the City Council direct staff to prepare a request to Caltrans for pedestrian improvements with clarification that a HAWK is not specified as the sole solution.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	Denny

6. ORAL COMMUNICATIONS:

a. Ella Croshier wanted to talk to the Council about the vote that is coming up on Prop E. It is in about two weeks. She wanted to respond to the remark Mr. Ovrom made to her that he is pretty much aware of everything that is going on over at the School Board. After he put out his dissertation that was on email, she believes that he knows very much about what is going on in the City and on the School Board as he served on both. The thing that disturbs her is so much of the things that have been said are not true. The public has been misled on the basis of why they want this proposition to go forward. The elected representatives of the people in the City should know that she does not approve of having her taxes raised for something that maybe is not needed. We don't know if it is needed if we don't have the right information. The right information means we should have the right to look at the books to see where the money goes – how much money comes in, how much money goes out. That has not been able to be obtained. She was at the court hearing and it appears that the School Board says they don't have any bank statements and yet we know that money comes in, money comes out and you can't derive exactly what has been done by looking at a list prepared by someone of warrants. That does not give the real picture. If the public goes to vote, they are not going to have the knowledge they need to make a decision, a proper decision, based on the true facts. Mr. Keith Butler told her that there was no school bonds or indebtedness and yet she knows from the statement Mr. Ovrom put out that school bonds were there and there is bonded indebtedness but it doesn't show up in the warrants. Apparently it shows up somewhere else. This is what we need to know. Even so, lately we see that the State has also approved a lot of money lately to come to the schools which is going to help out a lot and with that and other resources we need to look at that before we decide we are going to increase people's taxes. By putting it out there and saying to those who have come up and spoken out that we are bad people, that we don't like schools, is not right. Citizens who come forward and ask for proper information should be given that information.

b. Lance Mann spoke on behalf of animals worldwide. The City of Coronado should outlaw plastic bags in major grocery stores, restaurants and hotels. It would be a huge step forward in the trending ecofriendly movement and he has found that more than 95 cities and counties in California have already taken this step. Some include Los Angeles, San Francisco, San Luis Obispo, Santa Clara counties and the City of Solana Beach. He was inspired after a recent trip to Bali where he witnessed the extraordinary amount of plastic bags littering the streets, beaches and floating in the water. More than 100,000 animals die every year from eating or

getting tangled up in these disgusting things. If a population of just 23,000 could just stop using plastic bags, the death toll of animals would go down and the beauties in nature will become more beautiful. The City of Coronado should take part of this movement and be leaders and pass an ordinance to ban plastic bags in our fine City. His sisters and parents join him in this recommendation and look forward to the Council's consideration.

c. Rich Brady spoke representing CoSA and announced that they cut the ribbon this morning on the new renaissance of Channel 19, Coronado TV. He thanked the City for stepping up and the School District for working with the City and then with CoSA to make it happen. He also addressed Ms. Croshier's comments. For anyone that has not read it, the court case went on for a long, long time and just two weeks ago it was dismissed by the judge because he didn't see any validity in the information presented by the plaintiff. One thing that has been missing in this whole thing is the facts. For anyone to say that the School District hasn't provided facts doesn't keep up with the idea that it was presented, it went to court, it was a law suit, and it was dismissed.

d. Michael Schmid spoke regarding the division of lots where they are putting two homes on one lot. It seems like with all the traffic issues we are experiencing he was wondering if there is any consideration of stopping that or slowing it down.

e. Virginia Callahan-Bayer asked a question about the order of the meeting.

f. Carolyn Rogerson addressed the topic of safety. In 2012 and 2013, objections were raised at both City Council and Coronado Cays Homeowners meetings to the removal of bicycle path stop signs at the entry to the Coronado Cays and replacing them with yield signs. The yield signs have done nothing to lessen the confusion as to whether autos crossing Highway 75 into and out of the Cays or bicyclists on the bike path crossing the Cays have the right of way. The proposed construction and redesigning of the entry and bike path crossing must include signal lights clearly indicating right of way. This should serve to avoid further lawsuits, expenses brought against the City of Coronado such as the March 25, 2014, Underwood vs. City of Coronado Cays, the Coronado Cays Homeowners Association and private individual. The City is responsible for maintaining the integrity of bike paths in Coronado. The City can choose to add signal lights at Highway 75 crossings and alleviate all of the confusion as to who has the right of way. It is a ridiculous amount of money to waste on lawsuits when lights will definitely help alleviate that. Tune into Channel 19. It is a wonderful opportunity to find out information on how to donate to the Coronado school systems on that channel but we do not need an increase in property taxes. Vote no on E.

7. **CITY MANAGER/EXECUTIVE DIRECTOR:**

7a. Update on Council Directed Actions and Citizen Inquiries. City Manager Blair King provided the Council and the public with updates on previous Council direction. In April, the City Council asked that staff secure additional security for the fire rings. That has been done. The City has secured the services of Elite Security. They were the vendor selected and they have been providing security officers the last two weekends. Beginning this Friday, they will have a security officer there seven days a week through the first of September. The security officer will go on at 5 p.m. and be there until 11 p.m. After September 1, the security will be provided on the weekends through November 1. The total cost for that is about \$16,000. Information on the

additional ferry route is being provided at the ferry and to the Naval Base. That service will commence June 30 and will leave Broadway Pier at 5:55 a.m. and will arrive at the Ferry Landing at 6:10 a.m. It will leave the Ferry Landing at 6:15 a.m. and arrive at Broadway Pier at 6:30 a.m. That is an additional free commuter ferry. A new fire hydrant has been installed at Fourth and C and is operational. A second new fire hydrant is being installed at Third and C. The 30 test parking meters will be installed within the next three weeks and they will be evenly split with 15 being on the west side of the 900 block of Orange Avenue and 15 being on the east side of the 800 block of Orange Avenue. The RSIP workshop is tomorrow at 6 p.m. Last year at this time, there were two items that the Council discussed. One was the additional beach security and the other was a school resource officer. He reminded the Council that in the past year staff stayed within the allocation of 44 sworn officers. One officer was reassigned from a special duty assignment, maritime task force, and have created a position and assigned an officer as a school resource officer. That officer will really begin her duties with the beginning of the next school year.

8. **PUBLIC HEARINGS:** None.

9. **ADMINISTRATIVE HEARINGS:** None.

10. **COMMISSION AND COMMITTEE REPORTS:** None.

11. **CITY COUNCIL BUSINESS:**

11a. **Council Reports on Inter-Agency Committee and Board Assignments.**

Councilmember Woiwode attended the ribbon cutting for Coronado TV; attended a Naval Complexes meeting where the Navy briefed the City on their attempts to promote iCommute at regional events and their commitment to expanding their on base shuttle service during the rush hours; attended a SANDAG Transportation Committee meeting.

Councilmember Ovrom submitted his report in writing.

Councilmember Bailey will submit his report in writing but did want to mention that he attended a Third and Fourth Street meeting where there were representatives from the Police Department present to answer questions.

Mayor Tanaka met with a Red Chair, which originates from a Bed and Breakfast on the East Coast and is part of a blog where it goes to different B&Bs. The 1906 Lodge was lucky enough to have the chair last week. He attended the Change of Command for USS CORONADO; attended the Mayor's Bike Ride; attended the Hospital Foundation Gala; had a chance to be a Ghostbuster; the Mayor's Movie of the Month was "Pretty Woman" and the next will be "Top Gun" on June 12; attended the Naval Complexes meeting.

11b. **Workshop on the Proposed Financial Plan for Fiscal Year 2014-15, Including Operating and Capital Improvement Program Budgets; Proposed Interfund Transfers and Loans; and Consideration of Community Organization Requests.** City Manager Blair King introduced the item. Leslie Suelter, Director of Administrative Services, provided the staff report for it. Ed Walton, Director of Engineering and Project Development, reported on capital projects.

Mayor Tanaka is very pleased with the report that was given to the City Council. The things that matter to him the most are accurate forecasts in terms of what our revenue is going to be and to be accurate in the sense of being conservative. Naturally, if we get more revenues than projected that is okay but he does not want to be surprised in the other direction. Staff has been delivering that sort of performance on revenue projections for over a decade. The same would be true of the expenditures. He is pleased with the plan. He does not have any modifications to recommend.

Councilmember Ovrom pointed out to the public that in the front of the document it said that our bond rating went to AAA. There are 482 or 483 cities in the State of California. There are 8 that have that bond rating – we're number 9. Sometimes you hear that we are in this big terrible trouble. We are not. We have some issues but we are not in terrible trouble. The other thing that has happened in the past is that some of the numbers get cherry picked and used the wrong way. He reiterated that the General Fund, in this budget, is scheduled for an income of \$43.9 million while expenditures are expected to be \$42.7 million for a plus of \$1.2 million. In all funds, the income was \$59.8 million and expenditures of \$55.5 million, or a plus of \$4.7 million. As long as people keep those numbers straight and don't try to criss cross them, you'll get the information that is out there that is correct. Staff is doing a great job. Receiving the report is not a problem. He would like the Council to consider, if Ms. Suelter's number is correct or going to be correct, there is going to be a couple million dollars left over this fiscal year. One of the areas that always concerns him is a "rainy day fund" as the Governor says. He would like to use the vehicle replacement fund or the replacement building fund for those types of surpluses. He also referred to the safety PERS mentioned by Mr. King and it is a pool for which we don't know our liability.

Ms. Suelter responded that we do have a number in the actuarial that identifies what our share of it is but it is part of a whole big pot.

Mr. Ovrom commented that we have an issue there that says that if we want to pay it down, we will have to figure out if they are going to change the rules so we can do that. Another place to put some of this extra money would be to create another line item in here and put that aside just as the City did for the rest of the employees to pay down some of that debt. It is also prudent for the City to pay down the debt for the safety employees. His suggestion is that as the Manager is putting these things together for the final cut that he take a look at, if we are going to have that extra money, maybe putting some of the money aside to do those.

Councilmember Bailey is pleased with the report and could support the suggestion that Mr. Ovrom made. From a presentation standpoint, he really appreciated the bar charts that were used for the last ten years with the revenue on Slides 26-28. They do a really good job of painting the picture of what the revenues were prior to the recession and how we are coming out of it. For Admim Services, as Ms. Suelter mentioned, we are expecting an extra \$500,000 in expenses. He would encourage City staff to look into – there are a variety of third party applications that are available and are relatively new in the last couple of years. A lot of these third party applications can provide similar functionality to what the City is currently looking for but they are extremely cost effective. They are affordable. They allow users a great deal of flexibility. When the City is looking into upgrading some of its software, he would encourage them to look into some of these other third party providers. He would be happy to give a list for consideration. The Asset Management Plan that will be coming before the Council shortly, provided that the Council does approve that, and we get the results back, we should keep in our minds that we might want to change the funding formula for the building replacement fund, depending on the outcome of that. Lastly, if he recalls

correctly, back when the Council reviewed the budget last year, the point was made that the Recreation Fund is heavily supported by the General Fund. There was some talk of trying to reduce the amount of General Fund support. He doesn't see that happening in this budget. It looks to him that the gap has actually gotten larger. Part of this is because of the one-time expenses that the Rec Center will be going through this year. He learned that the City has an 18-month waiting period for Saturday wedding venues at the Community Center. He thinks that is a sign that the service we are providing at the Rec Center is maybe below market as far as our pricing standpoint goes.

Mayor Tanaka asked if Mr. Bailey wants to charge more for Coronado residents. This was done deliberately. Does he really want to raise the rates to the point where we don't have a wait.

Mr. Bailey doesn't expect to go to where we don't have a wait. He is not expecting the Rec Center to completely cover its costs but since the point was made that we want to reduce the level of General Fund support and knowing that many of the people that use that venue aren't Coronado residents, if there is an opportunity there to reduce the level of General Fund support while still providing our residents a great venue at a low cost, that is something he would like the City to look into.

Councilmember Woiwode feels this is a good news story and he is very happy to see it. He likes the idea of taking the balance at the end of the year and mitigating risk in the risk areas that have been talked about already. He believes those are wise investments that will pay dividends in future generations and that ought to be a high priority. He would prefer not to refer to extra money but would rather look at opportunities to mitigate future risks.

Mayor Tanaka understands Mr. Ovrom's recommendation to give the Manager latitude. There is not direction to do one or the other. Mayor Tanaka comes from a slightly different approach than what he heard his three colleagues talk about. To him part of this discussion is that there are different piggy banks that the City can save money in. If we are talking about the General Fund in broad terms and we say that there is \$39 million, he would like to think that is something that the public understands. City Councils for well over a decade have talked about our General Fund reserve in those terms. He feels an obligation to continue to speak to it in those terms. Mr. Ovrom brought up the \$1.2 million. His experience has been that every time the City has had \$1.2 million left over, the Council has put it in that piggy bank. He is not opposed to looking at other ways to disperse that money or to save it. But to the extent that we are putting it in the facilities replacement fund or other funds – those are just different labels for where we are parking money. The point Mr. Ovrom made in terms of whether we want to then earmark some of that money to pay down pension debt – those are decisions the City Council should make when the cash is in hand. Rather than when we are forecasting that we are going to be flush, he doesn't like to do that. He wants to find out whether or not the forecasts were accurate and find out exactly how much we are to the good and then we can decide where we want to park that money. He agrees with the things that have been said as long as we are not directing the Manager specifically on how to approach those ideas other than to consider them and then to bring back his recommendations.

Mr. Ovrom has no problem with that. He doesn't agree with Mayor Tanaka on keeping it necessarily just in the General Fund reserve but there are at least three possibilities. As Mr. Woiwode pointed out, there will be some extra money at the end of the year and paying down or at least putting it aside for some of these risk elements is very prudent.

Mayor Tanaka thinks those discussions will be had. He feels like there is consensus on how to move forward on receiving this report and providing direction for modification.

MSUC (Ovrom/Bailey) moved that the City Council receive the report and direct the City Manager to review any excess monies that are left over this fiscal year to see if there is some way to use those monies to reduce risk in some of these other pools.

Mr. King commented that in September staff will bring forward the audited year end results for FY 13-14. The Council has a policy that at that time it would take a look at the use of excess revenues over expenditures.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	Denny

Community Grant Funding Requests

Coronado 4th of July Committee

FY 14-15 Request: \$25,000

Coronado Chamber of Commerce

FY 14-15 Request: \$112,200

Coronado Community Band

FY 14-15 Request: \$5,670

Coronado Floral Association

FY 14-15 Request: \$35,000

Coronado Historical Association

FY 14-15 Request: \$381,350

Coronado MainStreet

FY 14-15 Request: \$103,765

Coronado Memorial Day Committee

FY 14-15 Request: \$1,600

Coronado Playhouse

FY 14-15 Request: \$21,000

Coronado Promenade Concerts

FY 14-15 Request: \$0

Coronado SAFE

FY 14-15 Request: \$130,000

Coronado Senior Association

FY 14-15 Request: \$34,220

Coronado's Healthy Children's Initiative

FY 14-15 Request: \$330,590

Miss Coronado Pageant

FY 14-15 Request: \$1,560

Navy League Sea Cadet Program

FY 14-15 Request: \$2,500

MSUC (Woiwode/Ovrom) moved that the City Council approve community groups 2-14 and 16 and 17 at the requested amounts.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	Denny

Camp Able

FY 14-15 Request: \$8,448

FY 13-14 Amount: \$0

Virginia Callahan-Bayer, Camp Able Board of Directors, spoke on behalf of the funding request for Camp Able.

Jeffrey Felix spoke in support of the funding request for Camp Able.

Toni McGowan spoke in support of the funding request for Camp Able.

Carolyn Rogerson spoke in support of the funding request for Camp Able.

Rachel McNatty spoke in support of the funding request for Camp Able.

Jessica Nasciemento spoke in support of the funding request for Camp Able.

Mayor Tanaka was happy to support the recommendation last year and he appreciates how itemized this request is. He appreciates that they have fulfilled all of the questions that were asked of them. He found no problem with the request.

Councilmember Woiwode believes Camp Able to be a worthy organization as are many other organizations who are not here today. His concern is the public purpose and the expenditure of the City's tax money for the support of a nonprofit. That is merited when it is a public purpose that is something that the City wants done. That isn't how Camp Able came about. It didn't come

about because the City wanted it done. It came about because a San Diego State person decided to do this and landed it on the State Beach that happens to be in Coronado. What he would like to propose is an alternative to this grant. It would be a scholarship program for Coronado attendees of Camp Able. That way the City can say that there is a public purpose for this and that is to provide recreation to those who are not served by the City's Recreation Department and it is our public purpose and not simply a grant to a nonprofit.

Councilmember Bailey explained what he likes about what Camp Able did between last year and this year. Last year, they were seeking \$20,000, largely for the refurbishment of several of their boats. Their grant application was denied. They went out into the community to find a different way to meet that need. They met that need. He really appreciates that as a Council member. This year they did a great job itemizing all of the expenses that they are requesting the City to fund. From a community standpoint, he can't believe how many of his friends have volunteered their time at Camp Able. To be able to provide the opportunity for people in the community to serve Camp Able seems to be a valid community purpose and he would be happy to support the grant. The concern he has with what Mr. Woiwode proposed is that if the scholarship money is just to be used for Coronado residents, if there is only a handful of Coronado residents that only subsidizes their operations to the tune of a few hundred dollars. That would be his concern.

Mayor Tanaka thinks there are two ways the Council can proceed. First there is a need to hear what Mr. Ovrom's preference is. Mayor Tanaka would prefer to just fund the request. He thinks Mr. Woiwode's approach is perfectly rational.

Councilmember Ovrom thinks both sides of the argument are valid. He looks at the request and they are all things that the children need and Mr. Woiwode's comment is also appropriate in that this is like many not for profits that do services all over the San Diego area. The question is whether the Council wants to support that or not. In his particular case, he is going to err on the side of supporting the request on the premise that there are some one time things the City can help with. He would hope that would suffice.

MSC (Bailey/Ovrom) moved that the City Council approve the Camp Able funding request of \$8,448.

AYES:	Bailey, Ovrom, Tanaka
NAYS:	Woiwode
ABSTAINING:	None
ABSENT:	Denny

Lamb's Players Theatre
FY 14-15 Request: \$113,988
FY 13-14 Amount: \$94,985 (+\$19,003)

Robert Smyth spoke in support of the request for Lamb's Players Theatre.

Floyd Ross spoke in support of the request for Lamb's Players Theatre.

Mayor Tanaka has supported funding increases to Lamb's on two different occasions. He thinks the funding requests he has supported in the past have brought something from like \$30,000 to

\$60,000 to now over \$90,000. There are two reasons he is not supporting this request. One is because the Council has asked for the reasoning behind the extra amount. The reason given was 20%. The reason was that they are working on their fundraising. He understands that but it is not specific enough for him. The second reason he is going to say no is because the City has asked every other group not to do that. Every other group has been asked to come up with what their number is and to stick to that number. The Council has made it clear to other groups that if and when you need to ask for a new number or a bigger one, make sure you mean it. He does not believe that Lamb's request has raised itself to that level. They have been broad and they have a fundraising goal and this will help them. The comment that they are asking all of their donors for another 20% is just not a very convincing argument.

Councilmember Bailey agrees.

Councilmember Ovrom is looking at the grant request. Mr. Smyth pointed out that the City supports a lot of educational performances at Strand and Village Elementary. They are very good and are in keeping with the City's mission. They are talking about doing some other things with youth in the community which keeps them out of trouble which is part of the City's mission but they didn't define the relationship between the things that they do which are part of their mission versus just the things that they do to put on the entertaining show. He is going to have to agree with Mayor Tanaka. Perhaps next year they can come back and be more specific with how this money is going to be spent on the mission of the City.

Councilmember Woiwode thinks he agrees with Mayor Tanaka's comment that it is hard to figure out what this additional \$19k gets. He thinks the write up does address much, in a general sense, of why the City should support Lamb's. He agrees with the argument that he does not know why \$19k more.

MSUC (Ovrom/Bailey) moved that the City Council approve the community grant funding requests with the addition of Camp Able's request for \$8,448 and maintaining the Lamb's Players amount of \$94,985.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny

MSUC (Ovrom/Woiwode) moved that the City Council direct staff to return on June 3, 2014, with an implementing appropriation resolution.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny

12. **CITY ATTORNEY:** No report.

13. **COMMUNICATIONS - WRITTEN:** None.

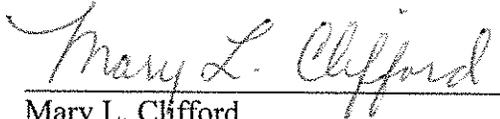
14. **ADJOURNMENT:** The meeting was adjourned at 6:09 p.m.

Approved: June 3, 2014



Casey Tanaka, Mayor
City of Coronado

Attest:



Mary L. Clifford
City Clerk