

Minutes

Santee City Council CDC Successor Agency Santee Public Financing Authority

Council Chamber – Building 2
10601 Magnolia Avenue
Santee, California
May 10, 2017

This Regular Meeting of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority was called to order by Mayor/Agency Chair/Authority Chair John W. Minto at 7:02 p.m.

Council Members present were: Mayor/Agency Chair/Authority Chair John W. Minto, Vice Mayor/Agency Vice Chair/Authority Vice Chair Ronn Hall and Council/Agency/Authority Members Brian W. Jones and Rob McNelis. Council/Agency/Authority Member Stephen Houlahan was absent.

Officers present were: City Manager/Agency Executive Director/Authority Secretary Marlene Best, City/Agency/Authority Attorney Shawn Hagerty and City Clerk/Agency Secretary Patsy Bell.

(Note: Hereinafter the titles Mayor, Vice Mayor, Council Member, City Manager, City Attorney and City Clerk shall be used to indicate Mayor/Agency Chair/Authority Chair, Vice Mayor/Agency Vice Chair/Authority Vice Chair, Council/Agency/Authority Member, City Manager/Agency Executive Director/Authority Secretary, City/Agency/Authority Attorney and City Clerk/Agency Secretary.)

The **INVOCATION** was given by Pastor Marshall Masser of Lakeside Christian Church and the **PLEDGE OF ALLEGIANCE** was led by John Hossick.

PRESENTATION: San Diego County Library, Santee Branch

Mayor Minto introduced Santee Library Branch Manager Cheryl Cosart who provided a PowerPoint presentation on the services offered at the library.

PROCLAMATION: National Small Business Week

Mayor Minto presented the Proclamation for National Small Business Week to Chamber of Commerce Representative Kristen Dare. He also recognized Omelette Factory owner Peter Giforos who has owned a business in Santee for more than 23 years.

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA:

Council Member McNelis registered an abstention on Item 1(D) due to a conflict of interest and requested that Item 1(P) be removed for discussion.

1. CONSENT CALENDAR:

- (A) Approval of reading by title only and waiver of reading in full of Ordinances and Resolutions on the agenda.
- (B) Approval of Meeting Minutes of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority for the Regular Meetings of April 12 and April 26, 2017.
- (C) Approval of Payment of Demands as presented.
- (D) Adoption of a Resolution initiating proceedings and ordering the preparation of an Engineer's Report for the FY 2017-18 Santee Landscape Maintenance District annual levy of assessments. (Reso 033-2017) (McNelis – Abstention)
- (E) Adoption of a Resolution initiating proceedings and ordering the preparation of an Engineer's Report for the FY 2017-18 Town Center Landscape Maintenance District annual levy of assessments. (Reso 034-2017)
- (F) Adoption of a Resolution initiating proceedings and ordering the preparation of an Engineer's Report for the FY 2017-18 Santee Roadway Lighting District annual levy of assessments. (Reso 035-2017)
- (G) Authorization for an additional change order in an amount not to exceed \$20,000 to the Traffic Signal Maintenance contract with Bear Electrical Solutions, Incorporated for Fiscal Year 2016-17.
- (H) Authorization for an additional change order in an amount not to exceed \$15,000 to the Street Light Maintenance contract with Clark Telecom and Electric, Incorporated (CTE) for Fiscal Year 2016-17.
- (I) Adoption of a Resolution awarding the Citywide Roadway Striping and Marking Maintenance contract to Payco Specialties, Incorporated in the amount of \$98,231.84 for Fiscal Year 2017-18, authorizing the City Manager to execute the contract, authorizing the Director of Development Services to execute change orders in an amount not to exceed \$1,768.16, and approving a categorical exemption pursuant to the guidelines of the California Environmental Quality Act. (Reso 036-2017)

- (J) Determination that the bid from Infinite Manufacturing Group for the purchase of Litter Receptacles with Integrated Recycling Bins is non-responsive, award of the bid to Forms+Surfaces for an amount not to exceed \$27,377.38 per Bid 16/17-40005 and authorization for the City Manager to execute the contract.
- (K) Adoption of a Resolution accepting the public improvements for the Mission Trails Collection project (TM 2014-01) as complete and directing the City Clerk to release ninety percent of the Faithful Performance Bond and retain ten percent for twelve months as a Warranty Bond, and retain the Labor and Material Bond for six months. Location: Bushy Hill Drive and Simeon Drive. (Reso 037-2017)
- (L) Adoption of a Resolution appointing the City Manager as the local agency official authorized to execute Master Agreement #11-5429F15 and authorizing the City Manager to execute the Updated Master Agreement with the State of California (Caltrans) for Federal-Aid Transportation projects. (Reso 038-2017)
- (M) Adoption of a Resolution authorizing the City Manager to execute a program supplement agreement with the State of California (Caltrans) for the Mission Gorge Road Streetlight Project - HSIPL 5429 (030), appropriating Highway Safety Improvement Program grant funds in the amount of \$46,000 and finding the project exempt under the California Environmental Quality Act. (Reso 039-2017)
- (N) Adoption of a Resolution authorizing the City Manager to execute a program supplement agreement with the State of California (Caltrans) for the School Area Streetlight Installation Project - HSIPL 5429 (031), appropriating grant funds in the amount of \$51,000 and finding the project exempt under the California Environmental Quality Act. (Reso 040-2017)
- (O) Rejection of all bids for the Proposition 84 Infiltration Pilot Program (CIP 2013-23).
- (P) Item removed for discussion.

ACTION: On motion of Council Member Jones, seconded by Vice Mayor Hall, the Agenda and Consent Calendar were approved as amended with all voting aye except Council Member McNelis who abstained on Item 1(D) and Council Member Houlahan who was absent.

Item removed from the Consent Calendar:

- (P) Adoption of a Resolution authorizing an amendment to a professional services agreement with D-Max Engineering, Incorporated for water quality monitoring services in an amount not to exceed \$63,434.00 for FY 2016-17. (Reso 041-2017)**

Principal Civil Engineer Johnson responded to questions from Council regarding increasing the contract and performing additional testing due to new State mandates.

ACTION: On motion of Vice Mayor Hall, seconded by Council Member McNelis, the amendment to the professional services agreement with D-Max Engineering, Inc. for water quality monitoring services in an amount not to exceed \$63,434.00 for FY 2016-2017 was approved with all voting aye, except Council Member Houlahan who was absent.

2. PUBLIC HEARING:

- (A) Public Hearing for the Santee Townhomes Project, a General Plan Amendment (GPA2014-4) and Zone Reclassification (R2014-2) to change the land use and zone from Neighborhood Commercial to Medium-High Density Residential, Tentative Map (TM2014-2), Development Review Permit (DR2014-7), and Mitigated Negative Declaration (AEIS2014-14) and a Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act ("CEQA") for a 10-unit residential condominium development on a 0.48-acre property on the northeast corner of E. Heaney Circle and Carlton Oaks Drive (APN 380-202-08). Applicant: Heaney Properties, LLC (Cont. from 4/26/17) (Resos 043-2017 and 044-2017)**

ENTERED INTO THE RECORD:

Three letters of support and one letter of opposition received from the public after the issuance of the agenda were distributed.

The Public Hearing opened at 7:33 p.m. Director of Development Services Kush introduced the item and Associate Planner Coyne presented the staff report utilizing a PowerPoint presentation and answered Council's questions regarding the options for the proposed alternatives, access for emergency vehicles and pedestrian safety.

PUBLIC SPEAKERS:

In Support:

- Applicant Christopher D'Avignon, Land & Design, Inc.

In Opposition:

- Rick Stevens distributed photos of the current view around his home.
- Judi Stevens
- Brett Shrader

- Bree Harrison
- Rick Harrison submitted a slip, but did not wish to speak.

Council discussion ensued regarding topics such as three-story developments in Santee, options for an area for children to play, red curbing, parking space sizes and guest parking. Council Member McNelis noted his support for Alternative Three because of the higher number of guest parking spaces that option provides.

In response to Council questions regarding fencing in the BBQ area, Mr. D'Avignon confirmed that fencing to separate the street from the development is included.

ACTION: After further discussion, on motion of Council Member Jones, seconded by Mayor Minto, the Public Hearing was closed at 8:20 p.m., it was determined that the General Plan Amendment GPA2014-4, Zone Reclassification R2014-2, Tentative Map TM2014-2, Development Review Permit DR2014-7 and approval of the project will not have a significant effect on the environment with mitigation, the Mitigated Negative Declaration ("MND") prepared in accordance with the CEQA was approved and staff was authorized to file a Notice of Determination; the Resolution approving GPA2014-4 and approving and adopting the MND was adopted; Zone Reclassification Ordinance R2014-2 was introduced for First Reading and the Second Reading was set for May 24, 2017; and the two Resolutions approving TM2014-2 and DR2014-7 for Alternative Two were adopted with all voting aye, except Council Member McNelis who voted no and Council Member Houlahan who was absent.

3. **ORDINANCES:** *See Item 2(A)*

4. **CITY COUNCIL ITEMS AND REPORTS:**

(A) **Realignment of Council Member appointments to outside committees.**

Mayor Minto noted that since Council Member Jones joined the Council after the annual appointments were made, some Committees would need to be realigned. He further noted that for any Committees that receive a stipend, those appointments need to be approved separately with the City Representative abstaining from that vote. The following actions took place:

ACTION: On motion of Mayor Minto, seconded by Council Member Jones, Vice Mayor Hall was appointed as the Representative for the East County Economic Development Council and for the Metropolitan Transit Systems with all voting aye, except Vice Mayor Hall who abstained and Council Member Houlahan who was absent.

ACTION: On motion of Mayor Minto, seconded by Vice Mayor Hall, Council Member Jones was appointed as the Representative for County Service Area 69 and the Heartland Communication Facility District with all voting aye, except Council Member Jones who abstained and Council Member Houlahan who was absent.

5. **CONTINUED BUSINESS:** None

6. **NEW BUSINESS:**

(A) **Overview of Mello-Roos Community Facilities District financing and the Castlerock Community Facilities District financing proposal, and the approval of Stifel Nicolaus to serve as underwriter.**

Finance Director McDermott and Managing Director Sara Oberlies Brown of Stifel Nicolaus provided the staff report utilizing a PowerPoint presentation and answered Council's questions regarding the benefits of establishing a Community Facilities District ("CFD"), home pricing, appraised value of bonds and tax rates. Mayor Minto noted the importance of providing information to the public so they understand the purpose of a Community Facilities District and how Santee will benefit.

ACTION: After lengthy discussion, on motion of Council Member McNelis, seconded by Council Member Jones, staff was directed to proceed with the development of the various resolutions and other documents required for subsequent City Council consideration of forming Community Facilities Districts for the financing of public facilities and public services in connection with the Castlerock project, and Stifel Nicolaus was approved as the underwriter for any bonds to be issued for the Castlerock Community Facilities District with all voting aye, except Council Member Houlahan who was absent.

(B) **Authorization to execute a cooperative agreement for the State Route 67/Woodside Avenue Interchange Improvements (CIP 2015-07).**

Director of Development Services Kush introduced the item and Principal Civil Engineer Schmitz provided a staff report and answered Council questions regarding traffic flow, safety and the design of the roundabout.

PUBLIC SPEAKER:

Van Collinsworth spoke in support of the roundabout.

ACTION: On motion of Vice Mayor Hall, seconded by Council Member McNelis, the City Manager was authorized to execute the cooperative agreement with Caltrans on behalf of the City with all voting aye except Council Member Houlahan who was absent.

7. COMMUNICATION FROM THE PUBLIC:

- (A) Jeff O'Connor provided an update on the Stowe Trail.
- (B) Diana Seneca spoke regarding City policies for removing banners that do not have a permit.
- (C) Mike Root discussed his history of requests regarding enforcement of fire and vehicle codes in the Sky Ranch neighborhood.

8. CITY MANAGER REPORTS:

City Manager Best reported on upcoming community events.

9. CDC SUCCESSOR AGENCY: None

10. SANTEE PUBLIC FINANCING AUTHORITY: None

11. CITY ATTORNEY REPORTS: None

Council Members recessed at 9:40 p.m. and convened in Closed Session at 9:45 p.m. with all Members present, except Council Member Houlahan who was absent.

12. CLOSED SESSION:

(A) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government. Code Section 54956.8)

Property: 9901 & 9951 Riverwalk Drive / APN: 381-051-1400 & 318-051-1900

City Negotiator: City Manager

Negotiating Party: Sportsplex USA of Santee, Inc.

Under Negotiation: Price and terms of payment

Council Members reconvened at 10:21 p.m. with all Members present, except Council Member Houlahan who was absent. Mayor Minto reported that Council established an ad hoc committee, comprised of Mayor Minto and Council Member McNelis, and the ad hoc committee and staff were given direction to meet with Sportsplex to negotiate terms of an agreement for Sportplex's solar project with all voting aye, except Council Member Houlahan who was absent.

13. ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:22 p.m. to May 24, 2017, at 4:30 p.m. for an Adjourned Regular meeting.

Date Approved: May 24, 2017

/s/Patsy Bell

Patsy Bell, CMC, City Clerk/Agency Secretary
and for Authority Secretary Marlene Best