

MINUTES

City Council Regular Meeting
2212 Beach Boulevard
Pacifica, CA 94044

March 26, 2007

Mayor DeJarnatt called the meeting to order at 6:00 p.m., stating that all councilmembers were present and announced that the Council would meet in Closed Session. City Attorney Quick announced the business to be discussed:

1. Pursuant to Government Code Section 54956.9(b): Conference with legal counsel-anticipated litigation. Two potential cases.
2. Pursuant to Government Code Section 54956.9(c): Conference with legal counsel-initiation of litigation. One potential case.
3. In accordance with Government Code Section 54956.8: Conference with real property negotiator. Discussion concerns price and terms of payment. Agency negotiator attending session: William C. Norton. 1) Property: APNs 023-073-010 and 012-073-080; APN 023-740—030 and unknown APN land owned by the California Coastal Conservancy within the County of San Mateo; Negotiating Parties: City of Pacifica and Magrin Properties, LLC; Theodore and Martha Tronoff, Trustees of the Revocable Trust of Theodore V. Tronoff and Martha Jane Tronoff; State of California Coastal Conservancy; 2) Property: 5460 Coast Highway, Pacifica, CA. Negotiating Parties: City of Pacifica and Pacifica Beach View Company.

Mayor DeJarnatt called the meeting to order at 7:05 p.m.

Present:	Councilmembers:	Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.
Excused:	Councilmembers:	None.

Staff Present: William C. Norton, Interim City Manager; Cecilia Quick, City Attorney; Maureen Lennon, Finance Director; Ann Ritzma, Human Resources Director; Michael Crabtree, Planning Director; Scott Holmes, Public Works Director; Mari Brumm-Merrill, PB&R Director; Jim Saunders, Police Chief; Kathy O’Connell, City Clerk.

Councilmember Digre led the Salute to the Flag.

Commission Liaison:	None.
Chamber Liaison:	None.

CLOSED SESSION:

None.

CONSENT CALENDAR:

Councilmember Lancelle moved approval of the Consent Calendar, as amended, as follows: Approval of disbursements dated 03/01/07 to 03/16/07 in the amount of \$373,619.65, regular and quick checks numbered 115402 to 115589, as set forth in Item #1; Approval of Minutes of special

City Council meeting of March 7, 2007 and regular City Council meeting of March 12, 2007, as set forth in Item #2; Authorize Staff to Enter Into Agreement with Thomas Reid and Associates for Calera Creek Wetlands Compliance Monitoring Report for \$15,310.00, as set forth in Item #3; Approve Second Amendment to Agreement for Contract Services with Christopher A. Joseph, Associates, for Environmental Review Services in Connection with the Proposed Project of 34 Residential Condominium Units at 801 Fassler Avenue, known as "The Projects," as set forth in Item #4; Notice of Intention to Advertise a Bid for the Construction Portion of the Digester Modification Project, as set forth in Item #5; Approve Contract for Legal Services with Hanson, Bridgett, Marcus, Vlahos & Rudy, LLP, as set forth in Item #6; seconded by Mayor pro Tem Vreeland.

Councilmember Hinton stated that, on page 8 of the minutes, his comments stating "... waiving the \$40 towing fee" should be "... waiving the \$40 **release fee**."

Councilmember Lancelle asked him if he was referring to the minutes of March 12.

Councilmember Hinton responded affirmatively.

Mayor DeJarnatt requested that the record show he would be abstaining from voting on the minutes of March 12, 2007.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, and Vreeland.

Noes: Councilmembers: None.

Abstain: Mayor DeJarnatt.

Motion carried: 4-0-1.

SPECIAL PRESENTATION:

Lynn Adams made a presentation regarding the cleanup for Earth Day, specifically mentioning the number of sites involved in the annual cleanup. She had some pictures to show the wonderful efforts going on in Pacifica by the community and the Beach Coalition with the City's support. She mentioned that the litter was apparently coming from our streets, into our storm drains, out to the ocean and coming back onto the beach, prompting them to initiate a program to inform and educate people about the litter on our streets.

Mayor DeJarnatt asked if some of it washed in from the ocean.

Ms. Adams responded that he was correct and stated that some was also probably coming from the Bay with a lot of it accumulating at Mori Point. She again stated that they needed to educate the volunteers and the community about the sources of litter, what can be done to minimize our contribution to the litter, and about stewardship. She stated that their goal was to expand their cleanup efforts to more community groups, as well as businesses, and that they were asking the community to get involved by cleaning up as a group or as individuals, at a beach, street, creek or on your own block.

Mayor DeJarnatt asked her how individuals network with her and the Beach Coalition for Earth Day.

Ms. Adams stated that she could be contacted at Lynn4promos@aol.com or at 355-1668. She stated that *Pacifica Tribune* also had information on Earth Day, April 21. She then narrated along

with her slide presentation which showed the work of volunteers in various areas of Pacifica. She asked the citizens of Pacifica, as well as the City Council, to support the Coalition and other groups financially.

Mayor DeJarnatt stated that they couldn't talk about that at this meeting, but he felt they got the message. He reiterated that the paper would have the times and places for groups to meet on Earth Day.

Councilmember Lancelle stated that one source of litter was the plastic grocery bags, mentioning that they might get support from the stores to help out. She encouraged everyone to buy canvas bags to use when going to the grocery store. She stated that they were grateful and appreciative for all their hard work and encouraged people to be attentive to their actions as well as the actions of others.

Ms. Adams added that people who participated in a cleanup were astounded at the number of toxic cigarette butts and the amount of plastic which didn't decompose. She reiterated that they needed to educate people.

Councilmember Digre stated that coastal cities were under scrutiny by the world, and she thanked them for helping. She also stated that Hetch-Hetchy water was among the cleanest water in the world, and she recommended using that water rather than bottled water.

Mayor DeJarnatt again thanked her for her efforts, as well as the Beach Coalition, Jerry Flinn and other individuals.

Ms. Adams introduced Paul Hurley who has cleaned up Linda Mar State Beach with several others for the past ten years.

COUNCIL COMMUNICATIONS:

Councilmember Digre mentioned that she wasn't able to attend the Women's Hall of Fame but May Gee and Kristin Castillo, student, received awards. She also mentioned that Mike Crilly, Superintendent of the Jefferson Union High School received an award as Superintendent of the Year. She stated that Senator Yee would be visiting Pacifica on Wednesday, March 28 and the Peninsula Democrats were hosting Senator Dennis Kucinich, who was running for President, at the Sanchez Cultural Center on Saturday. She informed parents of children with developmental disabilities about a carnival Saturday at Notre Dame University in Belmont and at Stanford, Kids with Dreams was having a fun day in April, both of which will be on the website.

Councilmember Hinton attended the Mosquito Abatement Board in March, stating they were working on the budget. He also stated that they were concerned about the mosquitos and were going to start their abatement process soon. He reassured the public that all the insecticides used were species specific. He then reported on the final plans for honoring Pacifica on its 50th anniversary, specifically that they would have a formal dinner on November 17 at the Community Center for 200 and would also have an informal dinner modeled after the Taste of Pacifica program on November 18 at Nick's.

Councilmember Lancelle stated that she and the police chief had met with the tobacco access group which was addressing the problem of underage smoking, adding that the teens had presented some good suggestions on which they would be following up. She reported on the shuttle meeting which she had attended, explaining that the schedule would be revised in

response to people's needs. She attended the Pacifica Historical Society's 50th anniversary event, which was a well attended, wonderful event. She stated that the study session with PB&R Commission was very productive. She stated that the County Bicycle/Pedestrian advisory committee met and she reported on the recipients of funding for a variety of pedestrian and bicycle projects in the county. She also attended the County Literacy breakfast, mentioning that the speech from Assemblywoman Jackie Speier was excellent. She reported that the Chamber of Commerce networking luncheon was coming up on Wednesday and suggested that people attend it if they wanted to share ideas. She also reported on a meeting of the GGNRA Committee, as well as a parent education event by the Partnership for a Safe and Healthy Pacifica at Vallemar School. She mentioned an upcoming meeting by the Council and the North Coast Water District in April.

Mayor pro Tem Vreeland stated that he had received a magazine which reported on 16 amazing coastal communities, including Pacifica. He then read a portion of the write-up, mentioning that he hoped to contact them about reporting on the City's 50th anniversary. He stated that it pointed out that Pacifica was a very special place.

Mayor DeJarnatt stated that he had been attending Fog Fest meetings for the past several years, but he had another meeting that same night and suggested sharing the representation if any other Councilmember had room on their calendar on that date.

ORAL COMMUNICATIONS

Mayor DeJarnatt opened Oral Communications.

Anna Boothe, 1060 Terra Nova Boulevard, thanked the Council and City staff for the beginning of repairs on the pier. She reminded the Council about her previous request to reinstate the Cultural Arts Commission, and stated that she discovered that it was established by resolution of the Council in May 1990 and was never disbanded so it still existed and should be reactivated. She asked that they reestablish the Commission as soon as possible, mentioning that there were people ready to assume positions on the Commission.

Mayor DeJarnatt stated that he had talked to PB&R Director Brumm-Merrill about it, and would make sure she talked to Anna Boothe.

Tod Schlesinger, Victoria Way, stated that the Council had mentioned their phone numbers were in the directory and he didn't see Councilmember Lancelle's.

Councilmember Lancelle stated that it was in the Pacifica directory.

Tod Schlesinger asked about the Linda Mar Beach parking lot and why they were talking about spending money when they couldn't generate money. He commented on several houses which fell into the ocean on Esplanade, serious problems on Shore View, Beach Boulevard caved in, the pier which wasn't long for this world, then asked Councilmember Digre about her comment about "drooling" to buy Sharp Park Golf Course from the City of San Francisco.

Councilmember Digre stated that she was misquoted.

Tod Schlesinger asked if everyone knew the golf course was below sea level, floods every winter and didn't bring in any money. He then asked if the Council was trying to irritate everyone, adding that it was the stupidest thing he had ever heard. He suggested that the public do

something about it because it was their public process and they were entitled to it. He asked if any Councilmember wanted to respond.

Councilmember Digre stated that she would expound later.

Frank Winston, 555 Crespi Drive, Historical Society, thanked the Council for the use of the chambers on March 17. He stated that it was a great event, with the reminiscences by the founders of Pacifica now being recorded on tape. He stated that, as a result of not having a database on former officers, Councilmembers and Commissioners, the Historical Society pledged to have a database for the City by the end of the year. He stated that they also hoped to have an event later in the year honoring all citizens who had been residents for over 50 years. He commented on the Giants game coming up as part of the celebrations. He mentioned the upcoming meeting with the Presidential candidate, reminding everyone that in 1984 Walter Mondale appeared at the pier. He stated that he would be back at the next meeting with another update.

Fred Howard, 1230 Glacier, stated that the article read by Mayor pro Tem Vreeland also mentioned the Fog Fest. He was asking that the Council place the New Year's dinner on the agenda at their next meeting. He thought there were things to be discussed for the involvement of the City in that dinner. He mentioned organizations in Pacifica celebrating their various anniversaries, and he thought they should look at a venue to celebrate all of them.

Pete Pereira, 16 Ortega Court, passed a picture around from 1929, then commented on the various processes he has been involved in while trying to unmerge his lots and what it was costing him. He asked that the Council see through this and work on it.

Mayor DeJarnatt asked the City Manager to contact Mr. Pereira after the meeting and talk to him.

City Manager Norton stated that he had contacted him, had the file and information and would look into it.

William Bradford, Ridgeway Drive, of the Pacifica Library Foundation, stated that a great city deserved a great library, because they provided a tool for governing our free and democratic society. He stated that the libraries needed our help. He encouraged everyone to pick up a copy of a report on libraries, as well as look at great libraries in other cities, and then build a great library here. He concluded that a great library was essential for a great community.

Therese Dyer, 1408 Crespi Drive, asked if a handicapped placard superseded Municipal Code Section 471203 because she got a ticket and had a placard on the car. She explained that she didn't get the ticket where she parked, but discovered it in her driveway the following day and she was going to appeal the ticket. She discovered that the lights at the beach were electric and she asked how much the City's electric bill was. She added that we should be trying to save all the power we can and she asked if they could give her an answer.

Mayor DeJarnatt stated that the lighting to which she referred cost \$215 a year.

Therese Dyer asked if he was referring to \$250 for the electric.

Mayor DeJarnatt stated that he didn't know what it was referring to because he didn't know to which lights she was referring.

Therese Dyer responded that it was cheaper than her bill. She was also pleased to see the members attending different meetings. She stated that she had attended the fire suppression tax meeting and asked Councilmember Digre about her plan to send someone to the meeting. She asked to be informed on the status.

City Manager Norton stated that he had researched the question Ms. Dyer brought up at the last meeting and had sent her a letter with that information.

Mike Bell, Sharp Park, read his comments, specifically, that the wall protecting Beach Boulevard from collapsing into the ocean was deteriorating. He then stated that, if the wall collapsed in a storm, huge sections could take on the consistency of oatmeal and slowly slide into the ocean. He was asking the Council to investigate the risks they faced along Beach Blvd. and then convince the Coastal Commission to let the City protect what was built even if they didn't like it, and he was asking the Council to begin repairs immediately.

Councilmember Hinton asked if they were expecting a report on Beach Boulevard at the next meeting.

City Manager Norton stated that they could get them a report, but that they were waiting for a Coastal Commission permit.

Councilmember Hinton thought they should because it was information for the public, as well as the Council.

Mayor DeJarnatt also thought it was a good idea.

Mayor pro Tem Vreeland asked the City Manager to put the 50th anniversary celebration on the next agenda.

Mayor DeJarnatt closed Oral Communications.

PUBLIC HEARINGS:

- 7. Appeal of Planning Commission Approval of Coastal Development Permit, CDP-275-06, Site Development Permit, PSD-757-06, Use Permit, UP-965-06 and Tentative (Condominium) Subdivision Map, SUB-211-06 to Develop Property Located at 1567 Beach Boulevard (APN-016-011-190) with nine (9) Condominium Units.**

Planning Director Crabtree stated there was no staff report, but they had a request from the applicant to continue the item to the April 9 meeting. He stated that they didn't have a problem with that continuance, but they had doubts as to whether they would be ready on the 9th, which was why they recommended a continuance to the April 23 meeting.

Mayor DeJarnatt opened the Public Hearing.

Donna Rogers, stated that she disagreed with the mitigated declaration which stated there would be no impact on the environment by this project. She felt proper attention had not been paid to the serious issues pertaining to the project. She felt that approval was given too quickly by the

Planning Commission. She urged the City Council to not approve the project and require that an EIR be done for any development on the site.

Nancy Merchant, 77 Paloma, pointed out some of the matters that made it inappropriate for this project to be approved. She stated that the Planning Commissioners were apparently not aware of a boundary dispute. She questioned the appropriateness of paving in the right-of-way, and she thought it was premature to approve the project. She also urged the Council to require an EIR, further explaining her various specific concerns.

Roberta Schuler, 244 Shoreview Avenue, gave the specifics for her adjoining property to this project, specifically, the Coastal Commission's approved access way for permanent repair work for Beach Boulevard. She felt these issues needed to be resolved before work begins.

Karen Rosenstein, Rockaway Beach, stated that she also had concerns about this project. She thought the developer had failed to establish clear title to the property. She also thought building an underground garage was asking for trouble. She asked that the Council approve the appeal and return it to the Planning Commission for further review.

Patrick Rentsch, 1581 Beach Boulevard, appellant, stated that this project morphed through the planning process and a couple of things weren't addressed. He pointed out some problems on an overview, and suggested some restrictions.

Councilmember Hinton moved that the City Council **CONTINUE** the appeal of Planning Commission approval of Coastal Development Permit, CDP-275-06, Site Development Permit, PCD-757-06, Use Permit, UP-965-06, and Tentative (Condominium) Subdivision Map, SUB-211-06, and Adoption of the Mitigated Negative Development to the April 23, 2007 meeting; seconded by Mayor pro Tem Vreeland.

City Manager Norton asked if Mayor pro Tem Vreeland wanted to know if he had spoken to the applicant.

Mayor pro Tem Vreeland responded affirmatively.

City Manager Norton stated that he had, including telling the applicant's attorney that, if they had the necessary information, they would make an effort to get it ready by April 9, but they had not gotten the information.

Councilmember Lancelle asked what the motion was.

Mayor DeJarnatt stated that it was to continue the item to the second meeting in April.

Councilmember Lancelle asked if it was continued without any additional comments.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

8. Adoption of Inclusionary Zoning Ordinance.

Planning Director Crabtree presented the staff report.

Commissioner Ranken stated that both the staff report and the minutes were excellent and he didn't have a lot to add, but he did want to mention a couple of things. He stated that there were a lot of comments directed toward the people of Peninsula Interfaith Action regarding the perseverance they showed and the Commission appreciated that perseverance and willingness to continue. He mentioned that the Planning Commission vote was 6-1, with his vote being the one no vote. He explained that his only reason for voting no was because he didn't agree with how the in lieu fees were calculated. He stated that the legal staff had addressed the issue to his satisfaction which was why he was present to state that he was now in favor of the proposal.

Mayor DeJarnatt opened the Public Hearing.

Dan Murphy, Pacifica, developer, stated that he was familiar with this type of ordinance and acknowledged staff because this ordinance was extremely well put together. He stated that everyone supported this type of ordinance, but he stated that there was a cost for this type of legislation. He encouraged the Commission and the public to step up to the plate to share the burden.

Fred Howard, 1230 Glacier, stated that this would be one of the best things that could happen to Pacifica, commenting on how difficult it was for young people to make enough money to buy a house, and he also was pleased that the ordinance protects the Hillside Preservation District.

Bob O'Donnell, 1319 Aspen Drive, stated that he was in support of the ordinance, and mentioned that a healthy community provided opportunity for all citizens. He commented that so many young people have to go further out into the Valley and other outlying areas and he felt this provided a real opportunity to help the entire spectrum of the community. He asked if he could ask everyone in the audience in support of this ordinance to stand up.

Mayor DeJarnatt stated that the Council appreciated asking them to stand up.

Bill Moore, 23 Spruce Ct., acknowledged the people from PIA, stating that he had never worked with a more dedicated group of people and was proud to be part of that group. He thanked the Council for taking the time to meet with them one on one, and they appreciated the effort to hammer things out. He felt it would help at least some young people to afford a house. He also thanked Commissioner Ranken for changing his mind.

George Caughman, 912 Lincoln Place, stated that he was proud to be part of the PIA group at St. Peter's Church, and was pleased to be present to speak in favor of this ordinance. He explained that they felt it was important for people at all income levels be able to live in the community. He echoed Bill Moore's comments, and also thanked Planning Director Crabtree, the Planning staff, and the Planning Commission for all their time and effort. He felt it was not a big deal for Pacifica, but it would be a huge deal for the affected families. He felt this ordinance was our generation's legacy to his new grandson and his generation. He hoped they would approve it unanimously.

Mayor DeJarnatt closed the Public Hearing.

Councilmember Lancelle thanked everyone from the PIA group and expressed her appreciation for their effort and perseverance over the past five years. She stated that she was on the County Subregional Needs Assessment Committee as the Council's representative, stating that they were looking at the ABAG growth projections for the county which made her think that the City's 15%

was a start but she wasn't sure it was enough to meet the requirements of the future. She wondered if it was possible to change the ordinance on the night they would be approving it. She asked staff to reiterate the basic framework of density bonus so she could understand how that works.

Planning Director Crabtree explained that the density bonus had different categories but, if they provided affordable housing, they would get additional density above and beyond what the zoning or general plan would allow. He attempted to explain how the bonus was calculated, stating that they would allow additional units that would offset the cost of affordable housing.

Councilmember Lancelle hoped that the calculations for the in lieu fee were not going to be a disincentive. She thought the decision to require units to be built versus in lieu fees was made by the Planning Commission, and she asked for confirmation that she was correct.

Planning Director Crabtree stated that she was correct.

Commissioner Ranken added that one issue before the Commission was the practice in some cities of allowing a developer to give money and escape the obligation but in this case it did have to go through the Planning Commission and, with an appeal, through the Council.

Councilmember Lancelle asked a question about the calculation of the difference in price, stating that she was just trying to make sure they had enough money to subsidize if they took the in lieu fee. She asked if they discussed that at all or if the attorneys had any comments on that.

Planning Director Crabtree stated that, while not speaking for the attorneys, they would have the information in front of them when they adopt the resolution. He stated that, if they were unhappy with the formula at that time or if they wanted to build something in, they would have the opportunity to do that and were not putting any of that in stone at this time.

City Attorney Quick added that the fee was paid at the time the building permit was issued and she then explained the structure.

Councilmember Lancelle stated that she wouldn't belabor the point now, but could discuss it at another time. While she felt it was an issue, she didn't want it to stop any progress. She thought they might want to increase the percentage to meet upcoming demands.

Councilmember Digre stated that she agreed with the Commission regarding the 99 years, adding that, after reading the document and discussing the matter with the City Manager, she understood there were checks and balances along the way. She thanked the PIA group for taking time to address the issues of their fellow citizens. She also gave credit to staff. She felt they were making this easy for her because she was in favor of affordable housing.

Councilmember Hinton stated that this had been a long time coming, recalling prior meetings and trips. He felt it was a worthwhile project and they needed to do it to allow family members to be able to live and grow in this community. He thought it was a good start, but only a start. He mentioned a meeting he attended with the Finance Director and Councilmember Digre in San Mateo regarding an opportunity to join a program to buy homes in existence as well as the new homes, which would help more than just one person. He encouraged PIA to look into this opportunity.

Mayor pro Tem Vreeland asked Planning Director Crabtree about his comment that the density bonuses were something the Planning Commission would approve.

Planning Director Crabtree asked if he was asking about a density bonus ordinance.

Mayor pro Tem Vreeland stated that Planning Director Crabtree said the density bonus incentives were approved by the Planning Commission.

Planning Director Crabtree responded affirmatively.

Mayor pro Tem Vreeland asked why it was the Planning Commission and not the City Council.

Planning Director Crabtree stated that the ordinance was set up for the Planning Commission to make that call as the land use body.

Mayor pro Tem Vreeland asked if that was consistent with other cities.

Planning Director Crabtree responded that it was with the ones that he had seen, but he acknowledged that there might be variations in other ordinances. In the ones he had seen, the Planning Commission made the call and the City Council was the appeal body.

Mayor pro Tem Vreeland asked the City Attorney if she would like to comment on that, and then stated that it appeared to be discretionary action on the Council at this point.

City Attorney Quick responded affirmatively.

Mayor pro Tem Vreeland asked if they were doing it that way because they needed the Council to be the appellant.

City Attorney Quick responded affirmatively. She added that, in Section 4710, Subsection B, the Council was the appellate body.

Mayor pro Tem Vreeland reiterated that the first level of approval was the Commission so that the Council would be the backstop for appeals.

City Attorney Quick responded affirmatively, adding that part of the idea was that this fee versus dedication issue would come up when a project was coming up before the Planning Commission. With the other approvals pending before them, there was a logical consistency in having that as a part of the whole package with the Council being the appellate body, adding that it could be structured any way the Council wished.

Mayor pro Tem Vreeland stated that, while he didn't mind, he thought it was an important enough issue that the Council needed to be involved in those types of discussions, whether as an appeal or a Councilmember could ask that it be brought to the Council.

City Attorney Quick responded affirmatively.

Mayor pro Tem Vreeland also stated that, as far as HEART was concerned, it would be good during budget discussion to look at whether they could be part of HEART now that they had inclusionary zoning, giving them another opportunity to think about.

Councilmember Hinton stated that he neglected to mention two important things. He stated that they were presented with a trust fund at the meeting in San Mateo, which gave an excellent opportunity for the in lieu fees to be used, as well as redevelopment fees set aside for affordable housing. He stated that there were revenues and grants available through the state for a trust fund, but the details escaped him. He was happy to yield to Mayor pro Tem Vreeland for the motion.

Councilmember Lancelle asked staff if their research found cities with inclusionary zoning higher than 15%.

Planning Director Crabtree stated that, in his research, only one city was higher than 15%, with most of them being in the 10% to 15% range. He stated that staff's original recommendation was to go with 10%, and the Planning Commission felt 15% was a better number, and they then increased from staff's original recommendation.

Councilmember Lancelle stated that, given the trend and concern for affordable housing in California, she asked the Council to consider 20%.

Councilmember Digre stated that she was ready to second the motion but she was not sure if someone had made the motion yet.

Mayor pro Tem Vreeland understood Councilmember Lancelle's concerns, but he felt it was too late in the process. He felt this was a very inclusive group that went through all the state codes involved, and changing at this late hour was not the best policy choice. He thought it was already a giant first step.

Mayor pro Tem Vreeland moved that the City Council **APPROVE** the attached Negative Declaration and that the attached ordinance entitled "An Ordinance of the City Council of the City of Pacifica adding Article 47, entitled 'City of Pacifica Below Market Rate (Inclusionary) Program' to Title 9, Chapter 4 of the Pacifica Municipal Code," be read by title only and that further reading be waived; seconded by Councilmember Digre.

Councilmember Hinton acknowledged that it was wonderful to suggest 20%, but he was concerned that they not "kill the goose that lays the golden egg." If it was made too prohibitive, they might not have any building at all and no inclusionary ordinances. He stated that it wasn't written in stone and, if they felt it was important, they could move ahead. He agreed with Mayor pro Tem Vreeland that they had a lot of discussions over the years and this was a reasonable compromise.

Councilmember Lancelle stated that she appreciated his comments.

Mayor DeJarnatt stated that he wasn't sure he would want to go with 20%, but he definitely wouldn't go for it at this time.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

Mayor pro Tem Vreeland moved introduction of the ordinance; seconded by Councilmember Hinton.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

Mayor DeJarnatt thanked all the people who did all the work, and he felt it was nice to see it come to fruition.

CONSIDERATION

9. Appointment of Citizens to Fill Vacancies on the Planning Commission and Parks, Beaches and Recreation Commission.

Mayor DeJarnatt opened it to the public, but there were no comments.

City Clerk O'Connell presented the staff report, then started the nominations for the Planning Commission.

Councilmember Digre commented that there were nine candidates, and she encouraged all of them to stay involved. She chose Ron Maykel and Joanne Wilson.

Councilmember Hinton chose Michael Bell and Jeffrey Simons.

Mayor DeJarnatt chose Richard Campbell and Ron Maykel.

Mayor pro Tem Vreeland chose Ron Maykel and Richard Campbell.

Councilmember Lancelle chose Richard Campbell and Barbara Arietta.

City Clerk O'Connell then started nominations for the Parks, Beaches and Recreation Commission.

Councilmember Digre chose Bruce Banco and Julie Hartsell.

Councilmember Hinton chose Bruce Banco and Julie Hartsell.

Mayor DeJarnatt chose Bruce Banco and Julie Hartsell.

Mayor pro Tem Vreeland chose Bruce Banco and Julie Hartsell.

Councilmember Lancelle chose Bruce Banco and Julie Hartsell.

City Clerk O'Connell gave the tally for the Planning Commission.

Mayor pro Tem Vreeland moved that the City Council **APPOINT** Ron Maykel and Richard Campbell to the Planning Commission; seconded by Councilmember Lancelle.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

Mayor pro Tem Vreeland moved that the City Council **APPOINT** Bruce Banco and Julie Hartsell to the Parks, Beaches and Recreation Commission; seconded by Councilmember Lancelle.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

Mayor DeJarnatt thanked everyone who applied and encouraged those who weren't appointed to apply again. He thought there were seats coming up on PB&R.

10. Introduction of the ordinance titled "An Ordinance of the City Council of the City of Pacifica, Amending Chapter 6 of Title 6 of the Pacifica Municipal Code Relating to Sewer Service Charges."

City Attorney Quick presented the staff report.

There were no public comments.

Councilmember Lancelle moved to read ordinance entitled "An Ordinance of the City Council of the City of Pacifica, amending Chapter 6 of Title 6 of the Pacifica Municipal Code relating to sewer service charges" by title only and waive reading beyond the title" and move introduction of the ordinance; seconded by Councilmember Hinton.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

11. Authorize the City Manager to Negotiate Exclusively with Whole Energy for a Lease Agreement for Bio-diesel Production Facility at Calera Creek Water Recycling Plant.

City Manager Norton presented a brief staff report in the absence of Public Works Director Holmes.

Councilmember Hinton asked if the purpose of developing a biodiesel program was to reduce electrical costs by using the diesel generators during peak cost hours.

City Manager Norton stated that the objective was to produce biodiesel for use by the plant and for possible resale to others. He stated that the biodiesel for the plant would be to generate electricity and lower the cost of electricity at the sewer plant.

~~Commissioner~~ Councilmember Hinton mentioned that there was a requirement for approval from the Air Quality Control Board to use diesel generators during high cost periods.

City Manager Norton agreed that it was one agency they would have to satisfy.

Councilmember Hinton asked if they had done that yet.

City Manager Norton stated that it would be part of the permitting process, and they would have to submit the application to the Bay Area Quality, as well as other regulatory agencies.

Councilmember Hinton asked if they would start construction of the refinery prior to getting the permit.

City Manager Norton stated that they would not.

~~Commissioner~~ Councilmember Hinton asked confirmation that they had not intended to have a retail sales operation at the waste water treatment plant.

City Manager Norton stated that he was not aware of that, although he thought there had been consideration/discussion about that possibility. He deferred to the Public Works Director.

Public Works Director Holmes apologized for having stepped out and stated that they hadn't planned to have retail sales at the waste water treatment plant.

~~Commissioner~~ Councilmember Hinton stated that retail was highly inappropriate for the facility.

Public Works Director Holmes stated that a key issue was an agreement that didn't have traffic impacts on the intersection at Reina del Mar. He stated that they were negotiating for a processing plant to process the feed stock hauled in, in large quantities, not individual grease trucks.

Councilmember Hinton asked explanation of individual what.

Public Works Director Holmes stated that they were grease trucks from restaurants. He stated that they would have it located off site where traffic was not a concern, specifically a transfer station at Mussel Rock. He was looking at a land lease for power through a co-generation system. He stated they changed to a process easier to permit, specifically a unit to be a process component of the biodiesel plant, explaining the details. They hoped to improve energy usage, hoping to get 200 kw out of the co-gen unit. He explained the qualifications of the companies, mentioning that Whole Energy hoped to make this a model plant for the peninsula. He stated that their goal was to make sure they were working together. He gave specifics of their goals. He stated that he would be coming back to the Council several meetings from now to discuss the logistics and how to proceed with the permit issues.

Councilmember Hinton asked clarification that a private contractor would build the plant, operate it and provide biodiesel at no cost.

Public Works Director Holmes stated that, for the co-gen units, it would be at no cost.

Councilmember Hinton asked clarification that he would take the biodiesel that the City didn't need and sell it retail.

Public Works Director Holmes stated that they were also looking to buy fuel at a reduced cost.

Councilmember Hinton clarified that he was referring to the City.

Public Works Director Holmes reiterated that they would have to buy that fuel, but they would not have to buy it for the co-gen unit.

Mayor pro Tem Vreeland acknowledged that they were just starting down this path, but he asked why they weren't going for the demonstration air permits for the standby generators.

Public Works Director Holmes stated that they would have to permit the co-gen unit, but it would be part of the biodiesel plant, explaining some further details.

Mayor pro Tem Vreeland stated that they needed to have further discussion on that, because he thought it was a unique part of the concept.

Public Works Director Holmes stated that they were still doing that.

Mayor pro Tem Vreeland stated that it was with the co-gen plant.

Public Works Director Holmes stated that they were still doing that, but through a 200 kw generator, which was a lot easier.

Mayor pro Tem Vreeland stated that he would let it go for now, but he wasn't completely convinced on that aspect and wanted to talk more about it.

Public Works Director Holmes stated that it was a big subject, and they could talk more.

Councilmember Hinton asked if there would be an odor from this generator.

Public Works Director Holmes stated that he felt they were getting closer to addressing that with the digesters. He stated that the generation of biodiesel was enclosed, and it was odor similar to fryer oil, and would smell like whatever product was cooking in the oil. He stated that it would actually not be exposed to the air, and he didn't see it remotely as an issue.

Councilmember Hinton stated that he would write down that he said not remotely an issue.

Mayor DeJarnatt opened public comments.

Nancy Hall, Vallemar, stated that the process was exciting by the ability to bring people from the larger biodiesel community, and mentioned a trade magazine with a map showing dots where biodiesel plants in the country were currently operating or will be operating in the future. She stated that our project was unique because of processes already in place. She mentioned there were individuals of the highest quality on the panel, and stated that she was very happy with the credibility and know-how.

Mayor DeJarnatt closed public comments.

Mayor pro Tem Vreeland echoed Ms. Hall's comments, stating that he had been talking about this project for approximately six months, and people across the county were extremely excited about the possibilities we were putting together, and that we would be considered as being ahead of our times. He was excited that Whole Energy wanted to be part of this. He asked Public Works Director Holmes if he would be coming back with a number of documents and actions.

Public Works Director Holmes stated that it would hopefully be in about a month.

Mayor pro Tem Vreeland moved to **AUTHORIZE** the City Manager to Negotiate Exclusively with Whole Energy for a Lease Agreement for Bio-diesel Production Facilities at the Calera Creek Water Recycling Plant;" seconded by Councilmember Lancelle.

ROLL CALL VOTE:

Ayes: Councilmembers: Digre, Lancelle, Hinton, Vreeland, and DeJarnatt.

Noes: Councilmembers: None.

Motion passed: 5-0.

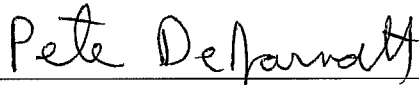
Mayor DeJarnatt adjourned the meeting at 9:30 p.m.

Transcribed by Barbara Medina, Public Meeting Stenographer.

Respectfully submitted,

Kathy O'Connell, City Clerk

APPROVED: As Amended; 5-0 4/9/07



Pete DeJarnatt, Mayor