



**CITY OF PACIFICA
CITY COUNCIL MINUTES**

**Council Chambers
2212 Beach Blvd
Pacifica, CA 94044**

Mayor Mike O'Neill
Mayor Pro Tem John Keener
Councilmember Sue Digre
Councilmember Sue Vaterlaus
Councilmember Deirdre Martin

December 11, 2017 (MONDAY)

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Mayor Mike O'Neill called the meeting to order on December 11, 2017 at 7:15 PM

5:30 PM CLOSED SESSION.

Mayor O'Neill called the meeting to order at 5:30 p.m., stating that all councilmembers were present and announced that the Council would meet in Closed Session. City Attorney Kenyon announced the business to be discussed.

PURSUANT TO GOVERNMENT CODE SECTION 54956.8 Conference with real property negotiators. Property: 2212 Beach Blvd., Pacifica, CA Agency negotiator: Kevin Woodhouse, City Manager; Michelle Marchetta Kenyon, City Attorney; Tina Wehrmeister, Planning Director; Pat O'Keefe, Consultant. Negotiating parties: City of Pacifica and Friend Development Group LLC, a Delaware Limited Liability Company. Under negotiation: Instruction to negotiators regarding price and terms of payment.

PURSUANT TO GOVERNMENT CODE SECTION 54956.8 Conference with real property negotiator. Discussion concerns price and terms of payment. Agency negotiator: Kevin Woodhouse, City Manager; Tina Wehrmeister, Planning Director; Property: A portion of 540 Crespi Drive, Pacifica, CA APN 022-162-420. Negotiating parties: City of Pacifica and Brendan Murphy.

PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1) Conference with Legal Counsel - Existing Litigation. Pacificans for a Scenic Coast v. California Department of Transportation, et al. San Mateo Superior Court Case No. DIV523973

7:00 PM OPEN SESSION

Call to Order

Mayor O'Neill reconvened the meeting to order at 7:15 p.m.

| Attendee Name | Title | Status | Arrived |
|----------------------|---------------|---------------|----------------|
| Mike O'Neill | Mayor | Present | |
| John Keener | Mayor Pro Tem | Present | |
| Sue Digre | Councilmember | Present | |
| Sue Vaterlaus | Councilmember | Present | |

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| Deirdre Martin | Councilmember | Present | |
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Staff Present: Kevin Woodhouse, City Manager; Michelle Kenyon, City Attorney; Lorenzo Hines, Asst. City Manager; Van Ocampo, Public Works Director; Tina Wehrmeister, Planning Director; Ray Donguines, Asst. Engineer; Christian Murdock, Assoc. Planner; Dan Steidle, Police Chief; Mike Perez, PB&R Director; Kathy O’Connell, City Clerk.

Salute to the Flag led by Councilmember Digre

Closed Session Report

City Attorney Kenyon stated that there was no reportable action.

SPECIAL PRESENTATIONS

HIP Housing - Alie Sobczak

Alie Sobczak, HIP Housing, thanked mayor and City Council for continued support of their organization. She then gave a report on how HIP Housing creates housing solutions for low income families, seniors and workers in the community to live closer to where they work. She gave specifics of help provided for Pacificans. She then presented the Council with their 2018 calendar which also has information on their organization as well as art work from students in kindergarten through 5th grade. She asked that we spread the word on their homesharing program which is the last chance for many to find affordable housing in San Mateo.

Mayor O’Neill stated that he referred some people to HIP Housing and they were pleased with the arrangement they were able to make.

Councilmember Digre stated that she looked to see if there was a Pacifica student’s work in the calendar. She asked how people interested in opening up their homes could find out how it works.

Ms. Sobczak stated that anyone interested in using home sharing can call their main office and set up an appointment. She stated that the process was straightforward. They have an interview with a coordinator who will gather information on what they are looking for in a housemate.

Councilmember Digre stated that she wanted information on the other direction of some who have housing that they could open up.

Ms. Sobczak stated that it was the same process both ways. They are interviewed to see what kind of person they would like to have move in, and they do the background check, references, safety and security measures. They then put the information in the database and will contact them with options that could be a good fit.

Councilmember Digre thought, if it doesn’t work out, they would facilitate the cordial separation. Ms. Sobczak agreed, explaining that they work on the lease and after the person moves into the home they stay involved as long as they would like them to if they have questions or concerns that need mediation.

Councilmember Vaterlaus stated that it was a great service and is needed at this time.

Mayor O'Neill stated that it was a great service for seniors to be able to stay in their house and can help them with cooking.

Beautification Advisory Committee Mayors' Awards

David Martinez, Beautification Advisory Committee, invited the recipients of the Mayor's Beautification Awards and committee members to come up and made the presentations to the recipients. They then gathered to take a picture.

Mayor O'Neill thanked the recipients for making Pacifica more attractive with pretty neighborhoods.

Mr. Martinez concluded by stating that he hoped these winners will make some recommendations and nominations for next year.

CONSENT CALENDAR

Mayor O'Neill stated that a member of the public asked to speak on Item #10.

Councilmember Digre stated that she had corrections to the minutes on pages 40 and 43, asking for clarification that the "they" and "their" be specific that it refers to the Coastal Commission and that Alan Hale's name was spelled incorrectly. The correct spelling is "Allan".

Mayor pro Tem Keener stated that he would like to pull Item #11 and had a question and comment about Item #8.

Mayor O'Neill asked if that was directed to PW Dir. Ocampo.

Mayor pro Tem Keener stated that either him or Brian Martinez.

Mayor pro Tem Keener referred to Item #8 and the change order of \$131,000 because we don't have plans or record drawings of the original construction. He asked if it was around the Linda Mar pump station.

PW Dir. Ocampo responded affirmatively.

Mayor pro Tem Keener asked when this would have been built.

Director Ocampo stated that it was probably built around the 1950s.

Mayor pro Tem Keener thought it was understandable why they might not have drawings of that which he thought was a shame. He stated that he had a call from a constituent who was shocked that they could not find drawings anywhere. He stated that he would give them a pass but concluded that they keep all the drawings of the current construction.

Dir. Ocampo responded that they will.

PW Dir. Ocampo stated that they keep them in two ways. They have the printed copies, and they also do electronic.

Mayor pro Tem Keener asked if they checked with the county drawings of this area.

PW Dir. Ocampo stated that, when the city was incorporated in 1957, it was a total turnover and all their improvement plans, even for subdivisions done prior to incorporation that were supposedly turned over. He stated that they will check on that.

Mayor O'Neill opened comments for Item #10 on the consent calendar.

Bill Collins, Pacifica, stated that he discovered this item this evening and thanked Councilmember Digre for sending him the agenda or he wouldn't have known about it. He stated that this was the Manor interchange. He stated that it looks like a big project. He thought it might have been around a while and he missed it but if not, he thought Pacifica had a strange way of introducing a major construction project without the community seeming to know about it. He stated that he lived there and didn't know of any neighbors who are aware of it either. He referred to having it on consent in the middle of December, and stated that he didn't know where it came from. He asked how it got here. He stated that it was quite a surprise to see it. He has a problem understanding what the project is and he was concerned about the process. He stated that, if a neighbor is going to cut down a tree, he gets a letter from the city. He stated that they have no letters on this project of freeway on ramps/off ramps in residential neighborhoods. He thought it could be a good thing, but he again asked for the explanation of it and asked for public input so they know what is going on. He thought it may be premature to do this without input from the neighborhoods. He did acknowledge the contrived deadlines about telling the TA you need money. He stated that he didn't have a chance to talk to Public Works.

Mayor O'Neill asked clarification if this item can be on the consent calendar if a public comment was made on this item.

City Attorney Kenyon stated that it can be part of the consent calendar and they can ask staff if they have any comments on that.

PW Dir. Ocampo stated that this project has been going on since 1984 when the Council passed the ordinance to create developer fees specifically for this project. Every year they report the status of the project as part of the AB1600 and also the Capital Improvement Project. He stated that every time they try to apply for grants with the TA, and this was not the first time. They have done this in 2015. They went to Council asking for adoption of a resolution, which the Council did, specifically for this project. He stated again that this project has been going on for years.

Councilmember Digre agreed that it has been going on and on, and she sent the agenda today. She also sent a notice to the City Manager asking about the intelligent traffic signals as they were talking about signals at that place. She stated that, if traffic signals could be there, they sense pedestrians, cyclists, cars, and they don't have to sit and wait for timed signals. She asked if that was part of that.

PW Dir. Ocampo stated that, if she was talking about the intersections of Oceana and Manor at the same time, the answer is yes. As they design the project, they will definitely incorporate all the modern technologies available to us and see which one can be used so they can facilitate traffic through the intersection much faster.

Councilmember Digre agreed that it has been around and she thought the residents need to take a look at it so they know what is coming. She thought it was surprising that it seems brand new, as they have talked about this numerous times.

Councilmember Vaterlaus moved to approve the consent calendar without Item #11.

Councilmember Martin asked PW Dir. Ocampo for the public if he could give an “elevator pitch” on what the actual project was.

PW Dir. Ocampo assumed she was talking about the Manor Drive overcrossing. He stated that it was an improvement project where the intent was to widen the overcrossing and install traffic signals both at the intersection of Oceana and Manor and also at Palmetto and Manor. He stated that the goal was for them to eliminate the four-way stop they have in order for the traffic to be facilitated through the overcrossing much faster. He stated that the additional goal was to flare the edges of the intersection so that, when Samtrans goes through the intersection, they don't have to veer to the opposite lane and be able to do it safely. He stated that they were also providing a much better pedestrian and bicycle sidewalk so it is safer. He stated that if anyone went to the overcrossing, they would notice that at the corners, particularly at the curve turn, they will see how many times buses have hit that corner and they can see the concrete falling. He added that it was a safety, as well as a traffic congestion project.

Mayor O'Neill thought another aspect of that project was the Milagra Drive on ramp.

PW Dir. Ocampo agreed, adding that a part of the project was the construction of the on ramp at Milagra and Oceana utilizing the existing bus pullout. He stated that the reason for doing that was that a lot of the traffic northbound on Oceana has to go through the intersection to get on to Highway 1 northbound at Monterey. He stated that, if you have the on ramp there, they don't have to go through the intersection of Oceana and Manor in order to get to Highway 1 northbound.

Mayor O'Neill stated that in the funding source it was all one project.

PW Dir. Ocampo agreed, adding that they have applied through the SMCTA for highway projects specifically for the preliminary planning phase. They were going to use the developer fees as a match to that so the funding is 90% SMCTA and 10% developer fees, which was the reason why they have the developer fees.

Mayor pro Tem Keener seconded the consent calendar minus Item #11.

Item #11

Mayor pro Tem Keener referred to the report on development fees and Fund 12 for Highway 1 as the example.

Asst. City Manager Hines asked him what packet page he was on.

Mayor pro Tem Keener stated that it was page 5 of the annual report, Highway Improvement Fund 12. He stated that his problem was that he feels the Municipal Code wants them to track

the mitigation fees or improvement fees better than they do now. He stated that they have \$117,000 in improvement fees revenue and spent \$17,000 for engineering services with \$100,000 remaining. He stated that they have no beginning balance of the improvement fees and no ending balance, and he thought the fund was established to accommodate the improvement fees and not the other grant funds such as for the San Pedro Creek bridge, etc. He would be happy if they maintain the current status quo except have a beginning and ending balance for the improvement or development fees as he thought it would be clear how much in mitigation or improvement fees they have and how they are spending them. He thought this problem goes back 12 years or more so he planned to vote no on this item.

Councilmember Digre stated that she would like to see the breakdown as mentioned by Mayor pro Tem Keener.

Councilmember Vaterlaus moved to approve Item #11 on the consent calendar; seconded by Councilmember Martin.

4-1 (Keener)

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| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | Sue Vaterlaus, Councilmember |
| SECONDER: | John Keener, Mayor Pro Tem |
| AYES: | O'Neill, Keener, Digre, Vaterlaus, Martin |

1. Approval of Disbursements for 11/01/17 through 11/15/17.
PROPOSED ACTION: Move to approve attached list of disbursements for 11/01/17 through 11/15/17.

2. Approval of Minutes
PROPOSED ACTION: Move to approve the minutes of the regular meeting held on November 27, 2017.

3. Proclamation Confirming Existence of Local Emergency of the Pacifica Coastline from Westline Drive to the End of Beach Boulevard.
PROPOSED ACTION: Accept current photos as of December 6, 2017 and move to continue proclamation confirming the existence of local emergency.

4. Cancellation of December 26, 2017 City Council Meeting
PROPOSED ACTION: Move to approve cancellation of the December 26, 2017 regular City Council meeting.

5. Adoption of an Ordinance to Establish Zoning Regulations to Limit the Number of Alternative Financial Services (AFS) Businesses and to Establish a Use Permit Requirement for Operation of an AFS Business (Text Amendment TA-110-17), and Finding Adoption of the Ordinance Exempt from the California Environmental Quality Act (CEQA) (Second Reading)
PROPOSED ACTION: Move to adopt the ordinance entitled "An Ordinance of the City Council of the City of Pacifica Adding Sections 9-4.205.1, 9-4.208.1 and 9-4.239.1 Relating to Alternative Financial Services and Amending Article 2 of Chapter 4 of Title 9 of the Pacifica Municipal Code, and Adding Section 9-4.2317 To Article 23 of Chapter 4 of Title 9 of the Pacifica Municipal Code To Regulate Alternative Financial Services (Text

Amendment TA-110-17), and Finding Adoption of the Ordinance Exempt from the California Environmental Quality Act (CEQA)

6. Adoption of an Ordinance Amending Section 2-2.801 of Article 8 of Chapter 2 of Title 2 of the Pacifica Municipal Code Relating to Increasing the Membership of the Emergency Preparedness and Safety Commission (Second Reading)
PROPOSED ACTION: Move to adopt an ordinance entitled "An Ordinance of the City Council of the City of Pacifica Amending Section 2-2.801 of Article 8 of Chapter 2 of Title 2 of the Pacifica Municipal Code To Increase the Number of Regular Members on the Emergency Preparedness and Safety Commission"
7. Adoption of Resolution Declaring Results of the Consolidated Municipal, School and Special District Election of November 7, 2017
PROPOSED ACTION: Move to adopt the resolution entitled "A Resolution of the City Council of the City of Pacifica Declaring the Results of the Consolidated Municipal, School and Special District Election Held on November 7, 2017".
8. Contract Change Order No. 1 to the Construction Contract Between the City of Pacifica and C2R Engineering, Inc. for the Collections System Project FY 2016-17 C005D
PROPOSED ACTION: Move to approve Contract Change Order No. 1 to the Construction Contract between the City of Pacifica and C2R Engineering, Inc. (Attachment 1) for the Collections System Project FY 2016-17 C005D in the amount of \$131,938.65; approve \$60,000 in additional budget authority from Wastewater Enterprise Fund 34 for this project; and authorize the City Manager to execute Contract Change Order No. 1
9. Approval of Consultant Services Agreement with Eisenberg, Olivieri & Associates Inc. for Commercial and Industrial Stormwater Inspections and Related Services.
PROPOSED ACTION: Move to Approve the Consultant Services Agreement (Attachment 1) between the City of Pacifica and Eisenberg, Olivieri & Associates Inc. for Commercial and Industrial Stormwater Inspections and Related Services and authorize the City Manager to execute the Agreement.
10. A Resolution of the City Council of the City of Pacifica Supporting the Manor Drive Overcrossing Improvement Project and Authorizing Submittal of an Application for Measure A Highway Program Funding
PROPOSED ACTION: Move to Adopt A Resolution of the City Council of the City of Pacifica Supporting the Manor Drive Overcrossing Improvement Project and Authorizing Submittal of an Application for Measure A Highway Program Funding, and authorize the City Manager to execute any document/s required for the grant application
11. 2016-17 Mitigation Fee Act Development Fee Review
PROPOSED ACTION: Move to approve the City of Pacifica 2016-2017 Mitigation Fee Act Annual Report of Development Fees as of June 30, 2017.

ORAL COMMUNICATIONS

Greg Brown, stated that he was representing the Intl Assn of Machinists and Aerospace Workers which represents several airline workers at the airport, including United, American, etc., and has been working with them for a long time. He mentioned that the cost of living in the Bay Area was incredibly high so that most of them are having to hold two jobs. With those who have a spouse, one has to hold one job and the other holds two jobs to get by. He stated that the customer service job attracts single moms, adding that the world has not advanced that much so they are working two jobs to get ahead. He stated that he also has grandparents who are raising their grandchildren. He mentioned a car accident where the parent was incapacitated and the grandparents have to raise the children. He stated that he would like to see the city adopt a minimum wage similar to those adopted in San Mateo and other cities on the peninsula, adding that it won't indent the cost of living but he knows students who are trying to earn money to go to school and pay the college cost. He stated that most people holding second minimum wage jobs were in their 30s and 40s. He mentioned that a member who was making decent money mentioned to him that the cost of living was so high and he had high drug costs because of a serious illness and had to live in his car. He had rented a room for \$1200 a month but his medical costs were so high that he could not do that and spends time living in his truck and staying in a hotel every 4th day to get a clean shower. He stated that it was not unusual. He asked Pacifica to consider raising the minimum wage. He stated that he has a lot of members who work a second job and live in Pacifica. He stated that others work part time at the airport and full time in Pacifica because they get medical benefits. He reminded them that Franklin Roosevelt said the purpose of a minimum wage was to provide a living so people can live on 40 hours a week.

Nicole Segura, Pacifica, stated she was speaking on behalf of PCT Television. She invited everyone to their holiday party on December 14, 7:30 p.m., at Longboard Margarita Bar in Eureka Square.

Thursday Roberts, Pacifica, thanked Mayor pro Tem Keener for his commitment to Pacificans. She acknowledged that he spends time and research in his job of managing the city and she appreciated that he cares. She thanked him for working to help the most vulnerable in our community. She stated that society will be judged on the basis of how it treats its weakest members. She hoped that, as they enter the holiday season, Pacificans, the U.S., and the world will stop to think about others, be empathetic and work to help our weakest members of our community. She stated that he gives them hope in Pacifica.

Tygarjas Bigstyk, Pacifica, stated that it has been a long, heavy year and felt his comments came from a happy place. He wished everyone happy holidays and wished them peace, productivity, joy and successful collaboration among our community. He thanked them for doing public work.

Amy Caplan, Pacifica, stated that she was driving around the previous night and could not see the street signs or even house numbers and she questioned how first responders find houses in emergencies. She stated that the street signs are small, green, fading and the writing is hard to see. She mentioned that, while we don't have the money Milpitas has, they have enormous street signs that are backlit which are great for seniors and people with vision problems or new visitors. She hoped Pacifica might get money to improve the size, contrast and reflectivity of the street signs and where trees might be obscuring the signs. She then mentioned the fires in both Southern and Northern California and she asked Council to continue to focus on sea level rise

but added that they address fires that are a more immediate threat. She asked that they keep that in mind when they are having discussions on climate change.

Anita Rees, Pacifica, stated that the Pacifica Resource Center had 102 families sign up for the adopt a family program with 213 children under the age of 18. She stated that they have been successfully matched with generous donors throughout the community including several city departments, i.e., Police, Public Works and PB&R staffs, who adopted families, as well as businesses, community groups and families. She stated that it is fun and a lot of work, but they don't see what the Resource Center sees when they distribute the gifts starting on Wednesday at the American Legion Hall where they stored the gifts. She asked them to refer anyone who needs assistance to the Resource Center. They won't turn anyone away and will at least give gift cards in time for the holidays. She asked those who still want to donate to get gift cards for the last minute families that might not have realized that they needed help until now. She mentioned the mailer that went out from PRC that included a golden ticket in a select few random envelopes. She stated that there were 20 days left to find the golden ticket and claim the surprises.

COUNCIL COMMUNICATIONS

Councilmember Vaterlaus stated that she attended a chamber mixer with multiple peninsula cities with YouTube. She attended her third Home for All community meeting which is a group of peninsula for sustainability regarding housing. She stated that they discuss something different each month. She attended the Labor Counsel lunch, Pacifica tree lighting, Rockaway tree lighting. She stated that Kevin Mullin gave a talk on his impression of what was happening in peninsula politics. She reminded people to apply for the Local Coastal Plan Committee if interested in participating in the local coastal plan decisions which was important for Pacifica.

Councilmember Digre stated that she entered the SF Airport Roundtable meeting extremely upset that they aren't making much progress. She stated that a representative for Traycon which covers the operations in the area encouraged them with their issues of the SSTIK and the gap to not give up. She found that encouraging after entering the meeting frustrated and upset. She added that the airport director made an encouraging statement regarding insulation which was no topic before but they will know more in July. She alerted the city manager about areas that had that insulation previously, stating that it wasn't going to be to everyone in the city but at least something is coming out. She attended a meeting with Assemblyman Mullin and brought up the empty commercial sites, with other cities agreeing that it was a big issue. She stated that he gave them some suggestions to see what he can possibly put together in Sacramento to help the situation. She thanked the community members regarding the numerous activities, such as the tree lighting, singalongs, etc. She wished everyone happy holidays, Merry Christmas.

Mayor pro Tem Keener echoed Councilmember Vaterlaus' call for citizens to sign up for the sea level rise component of the local coastal plan, with applications due on Wednesday.

Mayor O'Neill attended the presentation by the FogFest Committee to the numerous non-profits. He stated that 52 non-profits hauled ice, sold churros and made cocktails and each got about \$2,300 for their weekend's work. He stated that, since FogFest has been in existence, they have passed out over \$1 million to non-profits. He mentioned Peter Loeb who was present, adding that he was president of the FogFest for probably 25 of the 30 years in existence. He thought it was a very valuable resource to Pacifica and deserve a good "yeah". He thanked the recipients and the committee members. He stated that he was an MC on TV for the Pacific

Coast Television auction fundraiser on Sunday night. He attended the Kevin Mullen event that Councilmember Digre attended and he thought it was interesting that they moved the state presidential primary up to super Tuesday and California will be with all the other states doing super Tuesday. He concluded whoever wins that day will be the nominee. He stated that they also moved up any financing state bond measures, etc. to the March primaries. He stated that will happen in 2020. He mentioned that a couple of sales tax measures will be on the ballot, the electrification of Caltrain and the San Mateo Transit Authority for freeway maintenance repairs, etc. Mr. Mullen congratulated him when he discussed attempts to speed up the process for teacher housing and took that idea and passed a state bill declaring school district surplus land be used for teacher housing.

Councilmembers Digre thought they all feel for the firefighters and the victims of the various fires, with some Pacificans having relatives and friends involved, and she mentioned the video of a fireman who was overcome with the flames.

STAFF COMMUNICATIONS

City Manager Woodhouse stated that there was no staff report.

PUBLIC HEARINGS

12. 2018 Recology of the Coast Rate Adjustment
PROPOSED ACTION: Move that the City Council adopt a Resolution of the City of Pacifica Confirming the 6.66% rate adjustment per Recology of the Coast's Rate Application for the Period of January 1, 2018 to December 31, 2018.

Asst. City Manager Hines presented the staff report.

Mayor pro Tem Keener referred to packet page 150 with lifeline rates available only for 20-gallon cart customers. He stated that this was the first he heard of this, which mentioned there was no change for 2017 and 2018 and they don't know what the charge is. He asked if Chris was here.

Asst. City Manager Hines asked what section it was in packet page 150.

Mayor pro Tem Keener stated that it was below the extra charge for collection of private driveways. He wondered what they were and to whom they applied.

Chris Porter, Recology General Manager, stated that the lifeline rate was 15% less than the 20 or 32 gallon rate if you subscribe to the PG&E care program.

Asst. City Manager Hines stated that was one of the questions Council submitted earlier asking for any help for those who have hardship, and Ms. Porter gave the answer.

Councilmember Digre asked how well the 15% discount for customers who subscribe to the PG&E Care program was advertised.

Ms. Porter stated that it is in all the brochures mailed out that the discount was available. She was 90% sure it was also on the website.

Councilmember Digre asked that they add that to the document so they recognize it. She stated that some people may be able to apply but don't know about it.

Ms. Porter stated that they have quite a few customers who utilize that program.

Asst. City Manager Hines stated that he would consult with the City Attorney as he thought this form meets the specification that was in the franchise agreement and was why it didn't deviate from it.

Mayor pro Tem Keener asked how many residential customers they have.

Asst. City Manager Hines stated that it was 11,797, adding that they had to mail them notice of this public hearing.

Mayor O'Neill opened up public comments.

Rick Benito, Pacifica, read a letter addressed to the City Council regarding the proposed refuse collection fee which stated that he objected to the proposed fee, which represents a 6.66% increase while not providing for a corresponding increase or improvement in service. He felt their service has been mediocre at best and he asked that the City Council agree to no more than a 1.9% increase in refuse collection fees as that is tied more closely to the average yearly inflation rate. He then added that an extra \$3 a month will not bankrupt him or his neighbors but he referred to the accumulation of fee increases from the water fee that are going to double and to Recology and everything else that goes up and asked that they consider in the future no increases if the service doesn't warrant it or should not exceed the annual inflation rate. He felt it was not a good enough excuse to tell us that the cost of living goes up. He agreed with that, but he mentioned that one homeowners' association in Pacifica lowered their HOA fees two years in a row and he felt it was possible to not reduce services and provide good service to customers with basic needs. He felt there were options so we don't have to accept annual increases because they say they are necessary.

Rick Zipkin, Pacifica, stated that he is a senior who has lived in Pacifica for 15 years. He stated that this was just one more "knock on the bridge." He agreed with the previous speaker that everything was going up. He felt that he thought he heard that it was going up 6 3/4% and the cost of living is at 1.92% and it was going up three times more. He would ask that it only go up as far as the cost of living so we can try to remain stable as every little bit hurts. He stated that the garbage was not as bad as water, but it was another thing on top and making a dent. He felt it and assumed other also felt it as bad if not worse. He asked that they take into consideration that, while things are going up, wages are not going up that fast and cost of living is lower than the increases. He felt it was getting to be too much. He thanked them for the opportunity to speak and wished everyone happy holidays. He requested that they keep it as low as they can.

Tygerjas Bigstyk, Pacifica, stated that he didn't have the numbers but he thought Recology actually lowered the rates a few years ago and he wasn't sure if the proposed rate increase brings them back to the level it was before the rate decreased. He stated that, if it does, it can't be by much. He stated that there has been a downturn in people buying the recycling, adding that he thought it had to do with China. He understood that Recology was not recouping as much from losses as it has become more difficult to sell the recycling. He thought California did some sort of tax thing with the gas prices so that gas prices increased which would directly affect the amount of money necessary to conduct business without noticing Recology's

philanthropy which he acknowledged had nothing to do with rates but he felt they were incredibly good stewards of our community. He thought \$3 a month might be a lot for some but it sounds like it is possible to help them with that. He thought the people most in need won't be affected at all with something in effect with a 15% decrease from what is going to be and he felt it looked good from his perspective.

Linda Prisagni, Pacifica, agreed with the two previous speakers. He was talking about an HOA that decreased prices because of a lot of volunteerism and creative thinking. She stated that there were a lot of seniors and people on fixed incomes and a lot of renters. She agreed that the increases hit people in the pocketbooks and the decreases in homeowners' dues has been to keep people from losing their homes. She stated that they have had a lot of foreclosures and short sales during the difficult times. She stated that they have been working to keep costs down and the Councilmembers are aware of these issues, but she stated that when costs go up, landlords pass costs on to their tenants and they like to keep people in their homes. She stated that they add up and affect the bottom line. She stated that she agrees with the customer service being sometimes good but she wished it would improve and she cannot see the need for that large of an increase when the cost of living hasn't gone up that much. She hoped that they will be more cautious in the future since once it goes up it doesn't come down. She stated that their homeowners association dues did but she didn't think utilities ever do.

Mayor O'Neill closed public comments.

Mayor pro Tem Keener thought all Councilmembers were aware of rate increases. He stated that Recology has two things that justify their increase. They worked out a new labor agreement and it went up 4.4%. He stated that part of the significance is that many of the garbage collectors live in Pacifica so the wages are paid to people who live here and that has to enter into the discussion also. He stated the other cost driver was the price of fuel as the state increased taxes on gasoline and especially on diesel and that was another cost. He felt there was something to be said on that other side.

Councilmember Vaterlaus agreed with Mr. Bigstyk that they did drop the rates 9.3% several years ago and haven't raised them since they dropped them. She stated that, if they did it gradually it would be considerably less than the 6% raise now. She stated that, with only 27 or 30 protestors out of the 5,000, it was a small number.

Councilmember Martin stated that Recology did add the recycle pickup the opposite week and we now have recycle pickup every week. She felt the increase was still less than what it was in 2015 and we were still ahead.

Ms. Porter stated that it was 2.5% less than 2015.

Councilmember Martin stated that she supports the increase.

Mayor pro Tem Keener referred to the city franchise. He stated that cities find it practical to give a franchise to a single garbage collection company. He stated that the city had an opportunity several years ago to put the garbage collection services out to bid and they chose not to. His vote against putting it out for bid was that we have a lot of local people who work for Recology and it was costly just to come up with the bids and go through the process and he wasn't convinced that any other service would offer better service than Recology.

Mayor O'Neill stated he would repeat what other Councilmembers said, specifically that with this increase they were 2% less than we were several years ago when Recology had cut it. He stated that to do an RFP to get a new provider would be over \$500,000. He referred to a staff report in October that goes into a lot of the detail that they are mentioning now. Because it was still a decrease from what we paid in 2015, he has to support it. He stated that their employees get medical and dental. He added that it was employee owned.

City Clerk O'Connell stated that they need to state the tabulation of the protest letters which to date is 28 received.

Asst. City Manager Hines asked if they want to count the two orals.

City Clerk O'Connell stated that made it 30 protests and there was no majority protest.

Mayor pro Tem Keener moved that the City Council adopt a Resolution of the City of Pacifica Confirming the 6.66% rate adjustment per Recology of the Coast's Rate Application for the Period of January 1, 2018 to December 31, 2018; seconded by Councilmember Martin.

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|------------------|---|
| RESULT: | ADOPTED [UNANIMOUS] |
| MOVER: | John Keener, Mayor Pro Tem |
| SECONDER: | Deirdre Martin, Councilmember |
| AYES: | O'Neill, Keener, Digre, Vaterlaus, Martin |

CONSIDERATION

None.

13. CITY COUNCIL REORGANIZATION

Mayor O'Neill asked if he was chair for all of this.

City Attorney Kenyon stated he was until the new mayor is elected.

Mayor O'Neill asked if there was no public hearing.

City Attorney Kenyon stated he may take public comments.

Mayor O'Neill opened public comments, and seeing no one, closed public comments.

Mayor O'Neill stated that he did not have much to say as the outgoing mayor except "that's all folks."

Mayor pro Tem Keener presented outgoing Mayor O'Neill with a gavel mounted on a plaque.

Councilmember Digre highlighted something he did that the community will appreciate more than they will realize because it will be effective. She stated that they talked about the HOT where a team gets together if there is a mental issue with someone and the police is called. Mayor O'Neill upped it so there is a registry. She felt that will become more robust as they move forward. Whether it was mental health issues or other disabilities, and people can sign up for the registry so the police department knows more about the individuals. She thanked the mayor for pushing for that.

Councilmember Digre nominated Mayor pro Tem John Keener as Mayor; seconded by Councilmember Martin.

5-0

Councilmember O'Neill nominated Councilmember Vaterlaus as Mayor pro Tem; seconded by Councilmember Digre.

5-0

Mayor Keener stated that he will be brief. He stated that one thing that has struck him over the last three years was the amount of volunteers in Pacifica, whether they are volunteering for a cause they believe in or the Senior Center, beach cleanup, etc., there were a lot of people in Pacifica volunteering. He stated that they could not offer the services the city offers without the volunteers, such as those in Parks & Rec. He stated we also wouldn't have many other services from organizations. He recognized that we have a tremendous resource of volunteers and there are those who have no time to volunteer because of all their responsibilities and they try to hear them as well. He stated that everyone knows the city government has been strapped for revenue for a long time and getting a few new businesses in town won't make very much difference because we don't make much on sales tax. He stated that they have two potential sources of revenue coming that he sees, the excise tax on marijuana and the TOT tax on hotel rooms. He stated that they were in early stages of negotiating with a developer for the Beach Boulevard site and, if it goes through and they build a hotel on the site, it would be welcome income. He thought that was more distant into the future than the excise tax. He stated that we also have increased expenses, primarily the Calpers retirement system. He thought that will probably eat up most of the increased revenue, concluding that the city is staying even. He stated that was a shorthand view of the City Manager's budgets and Asst. City Manager's projections. He stated that they were moving on a number of issues that don't cost very much money with some support from outside, specifically our local coastal plan, the equalization basin which is required to stop sewage spills into the ocean. He stated that as a byproduct they will stop sewage spills in lower Linda Mar. He also thought they will make some progress on the new library this coming year, such as figuring out the site. He didn't see grandiose plans for the next year but seeing us keeping our heads down and working with what we have got which will be quite good enough.

Mayor O'Neill thanked Councilmembers and staff for his year as mayor.

Councilmember Vaterlaus wished everyone Merry Christmas and Happy New Year and whatever they celebrate.

Councilmember Digre thanked Councilmember O'Neill and Mayor Keener.

- a. Outgoing Mayor's Remarks
 - b. Presentation to Outgoing Mayor

 - c. Selection of New Mayor

d. Selection of New Mayor Pro Tem

e. Incoming Mayor's Remarks

14. Adjournment Followed by Refreshments

Mayor Keener adjourned the meeting at 8:50 p.m., in recognition of Ed Vandehey's mother who passed away suddenly.

Transcribed by Barbara Medina, Public Meeting Stenographer.

Respectfully submitted,

Kathy O'Connell, City Clerk

APPROVED: 1/8/18; 4-0

John Keener, Mayor