



**CITY OF PACIFICA  
CITY COUNCIL MINUTES**

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

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

**May 29, 2018 (TUESDAY)  
www.cityofpacifica.org**

Mayor John Keener called the meeting to order on May 29, 2018 at 7:05 PM

**CLOSED SESSION - NONE.**

**7:00 PM OPEN SESSION**

Call to Order

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

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
John Keener	Mayor	Present	
Sue Vaterlaus	Mayor Pro Tem	Present	
Sue Digre	Councilmember	Present	
Mike O'Neill	Councilmember	Present	
Deirdre Martin	Councilmember	Present	

Staff Present: Kevin Woodhouse, City Manager; Michelle Kenyon, City Attorney; Lorenzo Hines, Asst. City Manager; Van Ocampo, Public Works Director; Luis Sun, Wastewater Dep. Dir.; Tina Wehrmeister, Planning Director; Joe Spanheimer, Police Captain; Mike Perez, PB&R Director; Kathy O'Connell, City Clerk.

Salute to the Flag led by Councilmember Digre

Closed Session Report - None.

**SPECIAL PRESENTATIONS**

511.org Presented by Rachel Zack and Gabrielle Brazzil

**Rachel Zack** stated that they encouraged an engaged audience but asked that they hold questions to the end to be helpful for Gabrielle Brazzil to get through the interesting bits. She gave a brief description of the initiation of their car pooling program. She then turned the presentation over to Ms. Brazzil.

**Gabrielle Brazzil** then gave specifics regarding their partnerships, such as with Scoop, etc., and the process in participating in car pooling.

Rachel Zack continued with more data on using the apps, such as WAZE app, parking options, options when rides are cancelled, incentives, etc., and they were working on outreach in Pacifica.

Councilmember O'Neill stated that he saw the parking preferences for Daly City and Colma Bart, and he asked if there were any ideas to move this to Caltrain, as a large number of Pacificans use that option, specifically mentioning Gilead.

Rachel Zack stated that she has worked with Caltrain and there was interest, but she felt the issue was whether there was appetite on the app side to roll out another station, as they are focused on their core growth. She stated that there were differences in parking enforcement at Caltrain versus Bart and it wouldn't be an easy transition. She stated that Caltrain looked at performance at the Daly City station to determine whether they will consider this as a method for increased parking. She stated that she wasn't familiar with efforts for Gilead. She stated that one reason they were adamant for outreach in Pacifica as there were a lot of other cities taking advantage of the \$2.00 incentive and they were seeing a lot more uptake in the apps. They see Pacifica with a lot of cross county traffic and could be taking more advantage of the offerings.

Councilmember Martin thought it was a great and informative presentation. She was excited that they were giving this presentation, and one of her first questions was questioning the goal of their marketing campaign. She stated that she likes their ideas and she was going to suggest a few more as Pacifica has a big online presence and has seen Scoop advertised on Nextdoor but she thought marketing programs would be helpful. She also recommended Facebook and Instagram to get the younger crowds. She asked if they have any statistics on the usage in Pacifica.

Ms. Zack stated that she didn't come with any statistics but they met several enthusiastic Scoop drivers in their early research and they mentioned that there were a ton of people on the app which they needed to know. She stated that commute.org was looking at the data closely and encouraged them to come to Pacifica.

Councilmember Martin thought she probably knew the Scoop drivers. She stated that the Pacifica Climate Committee has also been a proponent of pushing this and she encouraged them to connect with that group.

Ms. Zack agreed, adding that they met with them originally and they were trying to come up with a joint event. She stated that they were going to do a bicycle ride and they would like to be at the finish to have an endorsed meet and greet and walk through the apps. She stated that the committee was very enthusiastic.

Councilmember Martin then referred to the San Mateo County reimbursement, and asked if it was an easy online tool to submit an expense report.

Ms. Zack stated that she has never submitted for San Mateo but she didn't think it was complicated with all the instructions on the commute.org's website with questions and answers for any situation around when it applies and not.

Councilmember Digre liked the focus and appreciated it.

Mayor Keener referred to Councilmember Martin's question on how pervasive this was in Pacifica, and he thought it wasn't very pervasive. He stated that Pacifica has one of the lowest rates in the county so far. He thought their presence and effort to market Scoop was really terrific. He stated that one of the primary difficulties in commuting to San Francisco was getting to Bart. He stated that they can take the bus but it will take an extra half hour, and Scoop should be the way to go. They hope their efforts will bear fruit.

Ms. Zack stated that with the carpool program, they are often put in situations where there isn't a lot of market uptake and they are asked to make it happen. She stated that they are good at seeing a community's assets such as a tightknit community in Pacifica. She stated that, if they can get them onto the applications, there was a lot of potential. She stated that, as mentioned by Ms. Brazzil, getting on both was going to be really important as they see a lot of people using them to match with one as well as add another in the car. She stated that living closer together in Pacifica makes it less of a burden to drop two people off.

Mayor pro Tem Vaterlaus thanked them. She felt that with more people who learn about it, more will use Scoop, adding that it was a great system.

Councilmember Martin stated that they had a progress seminar in April and they met the director of development for Scoop and she had a sidebar with him to promote Scoop in Pacifica. She stated that he was more than willing to talk to us. She hasn't reached out, but she was open to assist with them and she can let him know they met him.

### **CONSENT CALENDAR**

Mayor Keener stated that they will have to pull Items #6, 8 and 9.

1 - O'Neill  
2 - Vaterlaus

5-0

Mayor Keener stated that, on Item #8, they can have a vote as Councilmember Digre voted against the ordinance originally and he asked that they have a motion on Item #8.

1-O'Neill  
2-Vaterlaus

Councilmember Digre asked, if she wants to give her reason for voting no, does she do it before the vote or after the vote.

City Attorney Kenyon stated that before.

Councilmember Digre explained that her reason for voting no was from the existing General Plan, page 12, second paragraph, which she felt they were not paying much attention to regarding the assets of the city and the character and essential qualities.

4-1

Mayor Keener then referred to Item #6, stating that he wants more detail about the amendment to the agreement between the city and 4LEAF because it was \$600,000 plus versus an original amount of \$950,000. He asked for an explanation on why they need the extra amount.

PW Dir. Ocampo stated he was present with Wastewater Dep. Dir. Sun. He stated that amendment #1 to the contract between the city and 4LEAF, after they brought them as the consultant to manage the project, they have been shepherding the project from the time they committed to doing it through the environmental process and construction and completion of the project. He stated that there was additional work along the way in order to push the project forward, including the processing of an amendment for the CEQA document for this particular project. In addition to that, he stated that there were a number of meetings not included in the original scope of work that necessitated 4LEAF to spend more time for the project. He stated that, when they are doing such a very complex project, it takes a lot of time when they have a contractor that is very challenging regarding managing and a tight schedule, which explains the change order request. He added that there was also an additional inspector they felt was needed during the time that they will be constructing the work within the local streets. He stated that, instead of the inspector going from the equalization basin and out, they want to be sure there is an inspector there because of the sensitive nature of access to private property during the course of the construction.

Mayor Keener stated that it sounds like the inspector is one thing and the best reason he heard was that what the contractor is dealing with is somewhat challenging.

PW Dir. Ocampo agreed that it was challenging given the complexity of the project itself as there are a lot of requests for change orders that are reviewed prior and they fight the change orders to reduce them to what is fair for both the city and contractor. Mayor Keener concluded that 4LEAF was involved in that.

PW Dir. Ocampo agreed, stating that they are working for the city.

Councilmember Martin asked if they mentioned that they were still within the budget.

PW Dir. Ocampo responded affirmatively.

Mayor Keener then referred to Item #9 which was the General Fund reserve policy. He stated that he has a speaker card, but he will first outline what it is. He stated that it was establishing some reserve funds for the General Fund that will eventually be populated with the General Fund balance commitment which is 6.6% of General Fund expenditures eventually and the General Fund economic stabilization fund balance is 3.3%, eventually, but not at this time. He stated that there was also a compensated absences fund balance for paying the balance of leave when employees retire or separate. He stated that it was necessary as the city doesn't specifically budget for these payments which are difficult to budget, adding that it wasn't terribly large, and added the facility maintenance and replacement fund balance was designed for future city facilities, relocation, reconstruction, emergency repairs, etc. He stated that most of the city facilities are old and in challenging conditions, adding that they didn't currently have a maintenance and replacement plan, and it was meant to deal with emergencies that come up regarding the facilities.

Mayor Keener asked for a motion on Items #6 and 9.

1-O'Neill

2 -Vaterlaus

5-0

<b>RESULT:</b>	<b>ADOPTED [4 TO 1]</b>
<b>MOVER:</b>	Mike O'Neill, Councilmember
<b>SECONDER:</b>	Sue Vaterlaus, Mayor Pro Tem
<b>AYES:</b>	Keener, Vaterlaus, O'Neill, Martin
<b>NAYS:</b>	Digre

1. Approval of Disbursements for 04/16/18 through 04/30/18.  
**PROPOSED ACTION:** Move to approve attached list of disbursements for 04/16/18 through 04/30/18.
2. Approval of Minutes  
**PROPOSED ACTION:** Move to approve the minutes of the special City Council meeting held on April 24, 2018.
3. Approval of Contract Change Order Nos. 1 & 2 to the Construction Contract Between the City of Pacifica and C2R Engineering, Inc. for the Collections System Project FY 2017-18 Crespi Drive at Highway 1 C005F  
**PROPOSED ACTION:** Move to approve Contract Change Order Nos. 1 & 2 to the Construction Contract between the City of Pacifica and C2R Engineering, Inc. (Attachment 1) for the Collections System Project FY 2017-18 Crespi Drive at Highway 1 C005F in the amount of \$83,560; approve \$50,000 in additional budget authority from Wastewater Enterprise Fund 34 for this project; and authorize the City Manager to execute all documents associated with this project
4. Notice of Completion for the Wastewater Collection System Project FY 2016-17 C005D Sewer Line Replacement at Lockhaven Drive, Juanita Avenue, and Linda Mar Boulevard  
**PROPOSED ACTION:** Adopt the resolution next in order A Resolution of the City Council of the City of Pacifica Accepting Completion and Directing the City Manager to file the Notice of Completion for The Wastewater Collection System Project FY 2016-17 C005D Sewer Line Replacement at Lockhaven Drive, Juanita Avenue, and Linda Mar Boulevard; and Authorize the City Manager to release the retention money to the contractor.
5. Extend the Expiration Date of Four (4) Residential Development Allocations Issued Under the City's Growth Management Ordinance for 4009 Palmetto Avenue (APN: 009-402-270).  
**PROPOSED ACTION:** Move that the City Council extend the expiration date of the four residential development allocations issued for 4009 Palmetto Avenue to June 30, 2019.
6. Approval of Amendment No. 1 to the Consultant Agreement Between the City of Pacifica and 4LEAF, Inc (4LEAF) for additional Project Management and Inspection Services in the Amount of \$642,539 and Amendment No. 3 to the Consultant Agreement Between the City of Pacifica and Freyer & Laureta, Inc. (F & L) for additional Engineering Design

and Construction Support Services in the Amount of \$153,300, both in connection with the Wet Weather Equalization Basin Project (EQ Basin)

**PROPOSED ACTION:** Move to approve Amendment No. 1 to the Consultant Agreement Between the City of Pacifica and 4LEAF, Inc (4LEAF) for additional Project Management and Inspection Services in the Amount of \$642,539 and Amendment No. 3 to the Consultant Agreement Between the City of Pacifica and Freyer & Laureta, Inc. (F & L) for additional Engineering Design and Construction Support Services in the Amount of \$153,300, both in connection with the Wet Weather Equalization Basin Project (EQ Basin); and authorize the City Manager to execute the amendments.

7. Quarterly Investment Reports, Dated 12/31/2017 and 03/31/2018  
**PROPOSED ACTION:** Review and accept the Quarterly Investment Reports dated 12/31/2017 and 03/31/2018.
  
8. Adoption of Ordinance entitled “An Ordinance of the City Council of the City of Pacifica Approving Development DP-75-14 and Rezoning RZ-75-14 to Establish a Planned Development (P-D) Zoning District with Development Plan at 801 Fassler Avenue (APNs 022-083-020 and 022-083-030), and Repealing Ordinance No. 753-C.S.” (Second Reading) Adoption of this Ordinance constitutes the legislative actions required to approve construction of a 24-unit condominium development at the referenced location.  
**PROPOSED ACTION:** Move to adopt the ordinance entitled "An Ordinance of the City Council of the City of Pacifica Approving Development DP-75-14 and Rezoning RZ-75-14 to Establish a Planned Development (P-D) Zoning District with Development Plan at 801 Fassler Avenue (APNs 022-083-020 and 022-083-030)
  
9. General Fund Reserve Policy - 2018 Revision  
**PROPOSED ACTION:** Adopt Revised General Fund Balance Commitment Policy

### **ORAL COMMUNICATIONS**

**Bill Collins, Pacifica**, stated that he wanted to suggest changes to the code enforcement process. He stated that they have very uneven enforcement as the code is enforced only upon complaint. He stated that, if the code enforcement officer is driving down the street and there is a house with 5-foot tall weeds, sofas in the front as he has in his neighborhood, it is ignored. However, if someone complains about another house with similar or a lesser problem, code enforcement descends on them with a letter that is pretty threatening and meant to be intimidating. He stated that it warns that, if they don't do something within ten days, they will be fined. It comes by certified mail with no mention of an appeals process. He stated that there appears to be an appeal process but is a secret. He felt that it was fair to say that no one uses the appeals process if you don't know about it. He felt the notice of violation should be toned down and be more respectful and he also felt it should include reference to the appeals process. He stated that the notice of violation comes cold in certified mail and was a change from the past where someone would knock on your door and say that they are with code enforcement and have a complaint and suggest that they show the resident what they need to do. He mentioned that it happened the previous year. A man came to his house and asked him respectfully to trim some bushes and you want to cooperate with someone who addresses you with respect. He stated that now, there was no prior notice but just a cold, nasty letter from the city and he feels that is not a credit to the city to threaten people. He also thought some of the code sections were a little vague or iffy. He referred to someone taking garbage bins back in to

the side of the house but still visible from the street, you could possibly be fined for that. He stated that, when you notify code enforcement, you think you have made the change they want and you done and they should get back to you and let you know they agree providing closure. He stated that he didn't get that when one of his neighbors complained about him. He stated that they only complain about neighbors with whom they do not get along and he thought the city is taking sides in the neighborhood disputes. He felt it would be nice to get a phone call, email, letter, etc., that says you're done and thank you for doing it. He asked that they consider a task force to look into improvements in the process and make it more friendly to the neighborhoods.

## **COUNCIL COMMUNICATIONS**

Mayor pro Tem Vaterlaus stated that she attended the two state talks where the city manager talked at the chamber. She stated that he had a lot of good questions. She stated that the Council of Cities was quite interesting with a presentation on China and the number of people who walk in China is 90% of the public. She stated that their walking deaths in one year are 400,000 whereas ours in the United States in 2017 was 5,000. She stated that, at the end of the speech, the man said the moral of this was don't walk. She thought it was interesting to see and it was a per capita amount about 100 times the deaths that we have, mainly because people do not pay attention. She thought that was happening a lot in the United States when walking with people on phones walking out in front of cars, and she suggested that they try to pay attention. She stated that there was also a presentation on a Japanese style high speed rail going from San Bruno to Stockton with a total of 24 minutes. She stated that the reason for Stockton was the cost of housing in Stockton is very small, and they have a huge amount of land and are willing to build. She stated that it was a proposal. It was a quite interesting video. She attended the Breakfast of Champions, put on by Horace Hinshaw yearly, for student athletes who are high grade achievers who are nominated by their high schools. She then referred to the Democrat meeting where Mayor Keener and City Manager Woodhouse both spoke. She attended the Pacifica Resource Center volunteer appreciation event where they honored several people who have given many hours to the Resource Center. Following that, the Pacifica School Volunteers appreciation event. She read out loud to students but a lot of people work every day or several days a week. She stated that the reading aloud is fulfilling as you are reading to kids who look at you like you are special. She attended Home for All, along with the City Manager. She stated that it was about transportation and housing. She stated that some of it Pacifica could use but some of it only related to the large transportation corridors where they have Bart putting housing in the transportation corridors. She attended the HEART event that was honoring Wendy Tukloff for the start of the district building 45 units for workforce housing. She stated that they are working with her and everyone was happy to see that project is hopefully moving forward.

Councilmember O'Neill stated that he attended the American Legion Memorial Day observance the previous day to honor people from Pacifica who died in Vietnam and all veterans. He also attended the Library JPA where they had a report on the summer program so the kids do not have loss of knowledge or reading skills during the summer. He stated that they were compiling the statistics as lots of times the teachers almost have to teach the first two or three weeks to make up for what the kids lost or forgot during the summer. He stated that this was a program to stop that as well as a program funded by the county, called the Big Lift and every third grader in San Mateo County will be able to read at the third grade level. He stated that President Trump cut quite a bit of the funding so San Mateo County has stepped up with some other funding, but they did have to cut back some programs. He stated that it included the kids who qualify for free lunches at school and get their free lunches during the summer. He stated that

we don't have the facilities in Pacifica to offer that. He attend Pacifica Democrats where he heard the mayor and city manager speak. He went to ethics training. He stated that this was an annual event for city and employee recognition and they honor all the employees who have been, 5, 10, 15, 20, 25 and 35 years. He was a judge for the Boys and Girls Spelling Bee from second grade to seventh grade. He stated that, if one missed a word, they all missed the same word and they all got to start over again. He stated that it was supposed to end at 6:00 and went on until 7:30 with the middle schoolers tripping out on the same word. He stated that he enjoyed it. He was at the Chamber were the city manager spoke to the Chamber membership.

Councilmember Digre reminded everyone that June was a few days away and elections are different this year, and they are not going to precincts as usual. She stated that you can mail them in or turn them in at City Hall or the library.

City Clerk O'Connell stated that City Hall has a ballot dropbox. She stated that a voting center was at the Pacifica School District office and St. Peter's Catholic Church from June 2 through June 5, 2018.

Councilmember Digre stated that she already felt a little odd and was worried that she may not be able to vote if she doesn't do it right. She then stated that she attended a meeting at Samtrans regarding Terra Nova and Oceana schools. She stated that it was very well attended with the important individuals who knew the data, mostly Brisbane parents having issues. She stated that it was a very good meeting to be sure we didn't mess things up even more. She thought there was no longer any school bus. She stated that we weren't allowed to do some things with Samtrans because of school bus laws, and as far as she knows, there are not as many school buses in the nation as there were. She was trying to figure out how that was affecting things, adding that it didn't affect so much in Pacifica as far as she can tell, but it might. She stated that there was another sea level rise meeting coming up on Thursday, May 31, at the community center. She stated that we were meeting with the Fire Department annually with Pacifica, Brisbane, and Daly City, held in Daly City Hall on June 5. She stated that it was a short meeting but did not see the full agenda on the notice in email. She stated that the meeting usually goes very quickly and, if interested, check it out.

Councilmember Martin also mentioned the sea level rise meeting at the community center. She asked that Pacificans get engaged and remind their neighbors and friends that it was important to show up and learn more about it, since it will affect us all no matter where you live. She attended the CCAG Bike and Pedestrian, adding that there was no call for projects this year. They were looking at revising the application process and getting it ready when they have some extensions for funds. She stated that they decided not to have a call for projects this year because there wasn't a ton of money. They were waiting to save money for next year.

Mayor Keener mentioned the Pacifica-Day City Democrats where he and the city manager spoke on the budget. He attended the Pedro Point Headlands dedication of the completion of the trails and rehabilitation which he thought was wonderful. He attended the employee recognition lunch. He attended the pre-emergency board meeting which was the group that coordinates the electronics in the ambulances that respond to various medical emergencies. He attended the Peninsula Clean Energy Board. He was also at the volunteer lunch for the Pacifica Resource Center at the American Legion Hall. He stated that he stuck around afterwards for his monthly stint with the harvest baskets where they give food away to clients of the Pacifica Resource Center. He spoke at the Memorial Day service for Pacifica which he thought was uplifting.

Mayor pro Tem Vaterlaus reminded people that the Chamber has their big event of the year which was the Taste of Pacifica on Saturday at the Moose Lodge with various restaurants and breweries who will give samples of food and drinks.

### **STAFF COMMUNICATIONS**

City Manager Woodhouse stated that at the last City Council meeting they honored Police Officer Joe Gomez for his activity in saving a life at the San Bruno YouTube shooting. He stated that, on Tuesday, June 12, at 7:00 p.m., at the San Bruno City Council meeting, they will be honoring a number of officers from San Bruno, Burlingame, as well as Officer Joe Gomez from Pacifica. He stated that they sent an additional followup letter to the FAA that they sent to them in March regarding aircraft noise. He stated that, in this case, because they did not receive a response or acknowledgment to the initial letter, Congresswoman Speier has promised to help us in ushering the followup letter through to the FAA and followup with them. He continues to encourage Pacifica residents to take the county's Get us Moving survey which relates to every resident in Pacifica giving their opinion about how potential sales tax revenues put on the ballot in November would be used for transit infrastructure. He stated that they have been pushing hard on that to get as many Pacificans to take the survey which will make a difference in the process. He also mentioned that they had the employee recognition event recently which was very important event to the organization to acknowledge the dedication and long service that employees have provided. He enjoyed it and was his first employee recognition event for Pacifica.

Councilmember O'Neill stated that one of the recipients was present, Captain Spanheimer, with 25 years.

City Manager Woodhouse asked Planning Director Wehrmeister if the sea level rise meeting on Thursday was 6-8 or 6-9 p.m. He acknowledged that she confirmed it was 6-8 p.m., a two-hour meeting.

### **PUBLIC HEARINGS**

10. Consideration of an Ordinance Establishing Regulatory Authority over Short Term Rentals and -Implementation of a Short-Term Rentals Regulation Program.  
**PROPOSED ACTION:** Move to approve implementation of a Short-Term Rental Regulation Program and introduce, waive the first reading, and read by title only the Ordinance entitled "An Ordinance of the City Council of the City of Pacifica adding Article 49 to Chapter 4 of Title 9 of the Pacifica Municipal Code relating to Short-Term Rentals.

Asst. City Manager Hines presented the staff report.

Mayor Keener referred to a slide, and asked why it doesn't add up to 100%. He asked if there was some category they were missing.

Asst. City Manager Hines thought there was some other category that was other. He then continued the staff report.

Councilmember Digre asked if multiple listings means there is more than one host.

Asst. City Manager Hines stated that it was one host but listings on Airbnb, VRBO.

Councilmember Digre asked what one host referred to.

Asst. City Manager Hines stated one home.

Planning Director Wehrmeister thought it also refers to the fact that they may be what was considered a professional host and they have multiple income properties which they are putting up on the platforms.

Councilmember Digre asked if what she said was referring to Airbnb and the other names on the screen.

Planning Director Wehrmeister stated that the host is an individual and it means that there was someone who was using it as a business and they have bought multiple properties, in San Mateo County, not necessarily Pacifica. She stated that they have multiple homes they are putting up on one of the platforms for rent.

Councilmember Digre concluded it was a person who has all of them rather than a corporation.

Planning Director Wehrmeister stated that the owner could be a corporation.

Asst. City Manager Hines continued with the staff report.

Councilmember Martin asked if he was talking about Memorial Day or Labor Day.

Asst. City Manager Hines stated it was Labor Day, asking if he said Memorial Day.

Councilmember Martin stated that he did say Labor Day but she wanted to be sure he wasn't talking about Memorial Day.

Asst. City Manager Hines continued with the staff report.

Councilmember O'Neill mentioned to the city manager that he was disappointed that they didn't touch on conversions or and street issues and he said they will come back in the future with that information.

Asst. City Manager Hines agreed, adding that he would like to come back with specifics. He stated that they are now making the decision to go with the third party and they will issue an RFP to bring in someone who can give them these specifics. He stated that, once they have specifics, they will know where the dwellings are and will be able to talk with the Police Department to see if they have an excessive amount of calls with issues in those neighborhoods and they will have data for the Council to react on when putting the regulations together.

Councilmember O'Neill referred to enforcement with a lot of proactive things, such as register, etc. He asked if there was an enforcement mechanism if they see a listing and the city is not collecting the TOT.

Asst. City Manager Hines stated that both the companies to which he spoke have the ability to reach out to those who are driving the listing. He stated that they will look into enforcing those measures with the city attorney, adding that they were being optimistic that everyone will comply.

City Attorney Kenyon clarified that the city has the authority to enforce regulations if adopted by Council but the question is what staff resources they have to implement enforcement.

Councilmember O'Neill thought they were self-auditing.

Asst. City Manager Hines stated that they were now, but we were just starting. He was looking to gather data for Council to react and it will also be useful for income tracking purposes as well. He stated that once they can track and match the listings with certain addresses, that will lead to estimates of income flow and estimate what the city should have gotten versus what was received. He concluded that, if the two are the same, there is no issue.

Councilmember O'Neill assumed they will be subject to the same fire inspection fees that any other business would have, such as smoke detectors. He asked if they were sending an inspector out there.

Planning Director Wehrmeister stated that they were not at this point, but she didn't know if the Fire Department would either. She stated that will need to come up if they determine that they have professional listers. She thought anecdotally there may be a family that goes on vacation and rents out their house while they are gone but they aren't necessarily a professional business. She stated that they will find out by starting this registration process to determine if they have someone with income property through Airbnb that may need more inspection and regulation.

Councilmember O'Neill asked if the city will be licensing and keeping track of professional managers that might go in such as the maid at a hotel.

Asst. City Manager Hines stated that they will be able to track whomever is driving the listing and behind the listing, whether a manager, corporation or individual. He then referred to a prior question, stating that short term rental operator permit is now priced at about \$150 annually but that is subject to change based on how much it costs to process it. He stated that they are asking the operators to ensure that they are maintaining their smoke detectors and carbon monoxide detectors and making sure that their residences are safe. He reiterated that once they get more data, they can move to whether the need for a fire inspection is the appropriate next step.

Councilmember O'Neill stated that people do this professionally the entire year and he asked if they fall under the same business requirements of ADA, parking requirements, or is that an enforcement thing coming down the road.

City Attorney Kenyon stated that it was up to the city in terms of how they want to adopt a more comprehensive regulatory program. She stated that they will be returning with a much more comprehensive regulatory program that will discuss and give Council options on how they want to regulate short term rentals and how extensive they want them to be, such as including regulations related to conversions. She stated that there are a lot of models out there. She stated that she didn't know of many communities that are doing exactly the same thing, but doing different things depending on what they want for their community and explains why staff is going to be getting more outside assistance to give them an idea of what is happening in Pacifica and the impacts which may be different from another community. She stated that the point of bring this expedited ordinance was because of the fact that we have short term rentals

operating now and we are not collecting any revenue from that ongoing business and doing that sooner rather than later was the most optimal way to approach it.

Councilmember O'Neill asked if passing this ordinance to collect the revenues does not preclude them from doing any sort of enforcement or regulations down the road.

City Attorney Kenyon stated that it does not, and is specifically set forth in the ordinance.

Asst. City Manager Hines referred to the slide where they are making it clear that the short term rentals will be subject to further regulations and prohibitions by the city. He stated that they were looking to work with an outside entity to track these and they were also watching the other cities. He mentioned a discussion with a planning staff from Redwood City to see how they are managing their program, adding that their ordinance was similar to Pacifica's. He mentioned that Millbrae and San Mateo are going through this as well and they are growing together.

Councilmember Martin apologized to Planning Director Wehrmeister for sending an email today about the accessory dwelling units. She mentioned that you sometimes look hard for something and completely miss it, and she missed it. She stated for the benefit of the public that accessory dwelling units do not apply here. She stated that accessory dwelling units can be attached or detached.

Planning Director Wehrmeister responded affirmatively.

Councilmember Martin concluded that detached accessory dwelling do not apply.

Planning Director Wehrmeister stated that any type of accessory dwelling unit.

Councilmember Martin concluded that it might be hard to monitor if it was an attached dwelling unit, adding that they would have a permit for it.

Planning Director Wehrmeister agreed, explaining that they would have a permit to create a new kitchen, close off walls, and they still get a building permit even though it may be within the footprint of the existing home and staff should be aware that there is an ADU at a unit. She stated that through this process they will be able to cross check to see if they are possibly getting a permit for a short term rental that is at a site where there is an ADU and be able to communicate with the owner regarding the rules.

Councilmember Martin stated that they are encouraging accessory dwelling units for longer term stays, with nothing under 30 days. She referred to a section stating that the Coastal Commission has to approve this, and she was confused, asking, if the Coastal Commission says no, does it just apply to the houses within a certain distance from the coast.

Planning Director Wehrmeister stated that the Coastal Commission would only be acting on this ordinance as it relates to the coastal zone. She clarified that, because this ordinance was consistent with their guidelines or direction, they don't anticipate that they will have any issue and thus far they have not communicated any issue with this ordinance.

Councilmember Martin stated that, if someone has their permit revoked, she wanted the city to think about how people can complain and making sure we have an appeal fee listed as well. She thought that was for later. She thought it sounded as they will go with a third party vendor

to help manage the implementation and possible longer term maintenance of this. She asked if there were any preliminary budgeted numbers on this such as a half staff.

Asst. City Manager Hines stated that he has one organization that is providing a number of services, approximately between \$15,000-\$20,000 a year, and another organization offering to take over the entire TOT collections process from the city at roughly \$750 per organization and with the short term rental administration, they were willing to do that for 15% of the collected revenue.

Councilmember Martin thought there were a lot of different rules going on and you have your work cut out for you.

Mayor pro Tem Vaterlaus stated that she tried looking it up and thought it was very complicated. She looked up Airbnb, and the fifth house down is in South San Francisco and comes out in Pacifica. She tried comparing the houses on VRBO which is exactly the same as Home Away and a third one which they own, and you will get the same listings. She tried to compare VRBO and Airbnb and you can't do it because even the prices vary with one telling you the full price including all fees and the other just the base price without the fees and you can't compare the two. She stated that they don't give addresses and it was difficult. She stated that she found 20 on VRBO that were actually in Pacifica, as she was doing the mileage. She stated that she has an Airbnb in Arizona and, if she wants to go there, she blocks it out. She stated that you can see that as being a tenant there even though she blocked it. She stated that she also blocks it out when she has family staying there, adding that she would not want to pay tax on times when she is not collecting any money and they will need to look at blocks versus actual rentals.

Asst. City Manager Hines thought, when the establish contact with the short term rental operators, that was a conversation they can have. He thought they will raise that concern as you did, and that will be what they bring back to Council for their reaction. He thanked her for that perspective.

Mayor pro Tem Vaterlaus thought it was a little different.

Mayor Keener opened the public hearing and seeing no one, closed the public hearing.

Councilmember O'Neill moved to approve implementation of a Short-Term Rental Regulation Program and introduce, waive the first reading, and read by title only the Ordinance entitled "An Ordinance of the City Council of the City of Pacifica adding Article 49 to Chapter 4 of Title 9 of the Pacifica Municipal Code relating to Short-Term Rentals; seconded by Mayo pro Tem Vaterlaus.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Mike O'Neill, Councilmember
<b>SECONDER:</b>	Sue Vaterlaus, Mayor Pro Tem
<b>AYES:</b>	Keener, Vaterlaus, Digre, O'Neill, Martin

## **CONSIDERATION**

11. Introduction of an Ordinance of the City Council of the City of Pacifica Amending Chapter 8, "Tow Services," Within Title 4 of the Pacifica Municipal Code, Relating to the Rotational Tow Program

**PROPOSED ACTION:** Move to waive the first reading and introduce by title an Ordinance of the City Council of the City of Pacifica amending Chapter 8, within Title 4 of the Pacifica Municipal Code, relating to the Police Department rotational tow program.

Police Capt. Spanheimer presented the staff report.

Mayor Keener asked how much the fee for the tow and storage of the vehicle was.

Capt. Spanheimer stated that he takes an average of what the CHP allows within the county which is typically \$250 for the tow and daily storage is \$80 and the gate fee after hours or on a holiday weekend is \$125. He stated that there was an extra fee of \$75 if a dolly has to be used.

Mayor pro Tem Vaterlaus asked how many tow companies we have in Pacifica now.

Capt. Spanheimer stated that we currently have three.

Mayor pro Tem Vaterlaus assumed the three will likely be the three if they pass.

Capt. Spanheimer stated that most likely, as they have all been operating in good standing. He stated that, in his 25 years of service, they have only had three.

Councilmember O'Neill thanked Capt. Spanheimer and the City Manager, stated that the \$50 release fee seemed small to him after doing research with San Francisco outrageous at \$250, Half Moon Bay at \$90, Millbrae at \$130 and then Capt. Spanheimer researched it and found we have a \$138 release fee plus the \$50 making us at \$188.

Capt. Spanheimer stated that, what we could potentially get cost recovery from a tow by adding the two together, would be accurate.

Councilmember O'Neill asked if it covers the cost of the tow.

Capt. Spanheimer stated that it did the last time a survey was done in 2011 and that was what was recommended as a reasonable fee. He stated that he talked with the tow company operators on an annual basis and they talk about the cost of scrap metal and what it costs. He felt \$50 reasonable as it is not money making but cost recovery.

Councilmember O'Neill stated that in the report it is \$50 but he thought it was a fee to the city to cover the paperwork and the vehicle release fee.

Capt. Spanheimer stated that the franchise fees due to the city from the tow company for every vehicle they tow was intended to cover officer time in the field. He referred to a DUI arrest and the vehicle is impounded by the officer to ensure there was no danger to the tow company and it takes time. That would be the franchise fee. The \$138 was for the front office during processing for the supervisory staff, etc.

Councilmember O'Neill asked, if it is about an hour with a car that needs to be towed, if the officer spends more than an hour.

Capt. Spanheimer stated that it varies as some vehicles were more intensive than others.

Councilmember O'Neill asked if the average was 45 minutes to an hour.

Capt. Spanheimer thought it was more 30-45 minutes with a required response time was 30 minutes for the tow operators. He stated that the officer will be stay with the vehicle, completing the form and when reasonable they will call the tow company and they will respond within a half hour.

Councilmember O'Neill asked if there was one or two officers present.

Capt. Spanheimer stated that most times it was just one officer but sometimes depending on the circumstances, they can have two officers there for safety purposes, sometimes even with three officers because it was necessary.

Councilmember O'Neill asked, if they are looking for cost recoveries, whether the \$50 really covers it. He didn't know if they want to talk about it or not.

Councilmember Martin stated that the question was whether that covers the cost recovery and she doubted that \$50 covers that. She asked if they were looking to also make money. She thought, if they want to split even, they would do an equation.

Councilmember O'Neill stated that the code says we can't make money out of a service which this is. He didn't think the code says they have to subsidize it.

City Attorney Kenyon agreed, stating that they can charge the reasonable cost of providing the service.

Councilmember O'Neill stated that with the cost of salary, benefits, etc., he thought it was more than \$50 an hour.

Councilmember Martin thought an argument could be made to do an equation of the average salary and benefits and increase that. She stated that, if there was interest, she would support it but otherwise was okay with this.

Councilmember O'Neill didn't want to go the San Francisco route.

Councilmember Martin thought it was \$500 because she got towed the previous year and it cost her \$500 to get her car out.

Councilmember O'Neill asked if it included storage fees.

Councilmember Martin stated that it included a dolly lift.

Capt. Spanheimer stated that the dolly lift would be a fee that the owner/operator would pay to the tow company, not to the police department.

Councilmember Martin agreed that it was all inclusive, but it did cost her \$500 to get it back.

Mayor Keener thought the \$50 was not mentioned in the ordinance but it would be part of the fee schedule they pass every year with the budget.

Capt. Spanheimer agreed, stating that the \$50 fee is mentioned in the franchise agreement which is an attachment and he thought Chief Steidle also attached it to the fee schedule that would be approved. He stated that he and Chief Steidle felt \$50 was satisfactory. He added that there may be instances where it is exceeded by the time officers spend in the field but, in general, he thought it was fair.

Councilmember Martin asked if they vote on it.

Mayor Keener stated that they do and there were no public comments.

Councilmember Martin moved to waive the first reading and introduce by title an Ordinance of the City Council of the City of Pacifica amending Chapter 8, within Title 4 of the Pacifica Municipal Code, relating to the Police Department rotational tow program; seconded by Councilmember Digre.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Deirdre Martin, Councilmember
<b>SECONDER:</b>	Sue Digre, Councilmember
<b>AYES:</b>	Keener, Vaterlaus, Digre, O'Neill, Martin

12. Proposed 2018-19 General Fund Budget - Departmental Briefings  
**PROPOSED ACTION:** Receive presentations on the proposed 2018-19 General Fund Budget for the Public Works Department, Wastewater Enterprise Fund, Parks, Beaches & Recreation Department, the 2018-19 Capital Improvement Program Budget, Other Funds, and related Budget Strategies.

Asst. City Manager Hines presented the staff report.

Mayor Keener thought, in the future, department programs should be separated out into grants and cost recovery fees.

Asst. City Manager Hines was in agreement, then continued the staff report.

PB&R Dir. Perez gave the PB&R annual report.

Asst. City Manager Hines continued the PB&R annual report.

PW Dir. Ocampo added to the PB&R annual report.

Councilmember Digre stated that she had a question about the audits, whether they were talking about a third party or brainstorming within house.

PW Dir. Ocampo stated that it will be a combination and they are bringing in an expert that will audit the existing play structure, note deficiencies, which structures need to be replaced, and they will put together a list of the projects they have and evaluate them by staff and the PB&R Commission to come up with a list of projects.

Councilmember Digre asked if it provides liability protection, as well as thoroughness.

PW Dir. Ocampo stated one of the goals of the audit was to identify where they are deficient and no longer meet the standards and those are what they will note as part of the audit.

Councilmember O'Neill referred to the fibar surfacing material and stated that he thought the school district uses the rubberized mats and they seem to last quite a bit versus the wood chips, etc. He asked if the city has looked into changing it to rubber mats and does it meet the needs of the insurance company.

PW Dir. Ocampo stated that they thought about it before coming before them at this time, and they will evaluate as part of the audit but, for now, they have existing play structures that do not comply for conditions of the fibar and it was important for them to keep that up while they work on how they are going to remodel the parks they have. He stated that they don't want to not spend money now and expose themselves to the liability in the event someone gets hurt.

Councilmember O'Neill understood that, mentioning that they had to tweak it every year to get into compliance and it reached the point where they could not tweak it anymore and they spent money for new play structures for all the schools. He also encouraged to see if it was time for them to do it, they could see about getting quantity discount. He stated that the PPIA at the Pedro Point Firehouse has a play structure.

PW Dir. Ocampo stated that they are looking into that as part of the remodeling project. He stated that it was also part of the recommendation of the auditor as to which play equipment can be put together as part of a cost saving measure.

Councilmember O'Neill stated that he would like to see them look at the surfacing material instead of the wood chips, adding that the rubber works for the school district. He thought it might be more expensive but the life expectancy is longer.

PW Dir. Ocampo agreed and stated that they will look into that.

PW Dir. Ocampo presented the PW Dept. annual report.

Mayor pro Tem Vaterlaus referred to the Highway 1 InSync project, asking if after turning off the InSync project they were reevaluating what they are going to do with the InSync lights or the next projected step.

PW Dir. Ocampo stated that the InSync traffic system was not the solution towards the peak hour traffic congestion but it improves the flow of traffic before and after peak hour etc. He stated that the adaptive system had minor tweaks or adjustments and they observed the previous two weeks with a lot of complaints that they are trying to investigate. There are no malfunctions for InSync but looking at Caltrans' advanced detector that has malfunctioned. He stated that part of why it was turned off was the paving project which will be ongoing until August 1 and they will enable InSync back at that time.

Asst. City Manager Hines completed the PW annual report.

PW Dir. Ocampo presented the Wastewater Treatment Plant annual budget.

Asst. City Manager Hines completed the Wastewater Treatment Plant annual report.

Mayor Keener asked where the revenue was coming from for 2018-19.

Asst. City Manager Hines stated that it will be a combination of the proceeds from the 2017 sewer bond as soon as he and PW Dir. Ocampo determine what was left. With whatever void there is, they will use the fund balance.

Mayor Keener asked if \$24.5 million is the total amount and it was a matter of what was left over from that.

Asst. City Manager Hines agreed, adding that they were gauging to see where they are at the end of 17-18, and for the wet weather equalization basin was priority one, they scheduled 16.3 and they think it will be about 13.2 but they will see. He stated that whatever is not spent this year will be routed toward the \$9.30 million seen in 18-19. He stated that the money was also available for other capital projects outside the wet weather equalization basin but now the focus is the equalization basin. As soon as the numbers stop moving around, he will tell them how they fund it, but there are a few things in flux now.

Mayor Keener asked what he estimates the fund balance will be in both funds, and will they combine them.

Asst. City Manager Hines stated that, when they close the 16-17 fiscal year, the combined fund balance was about \$25 million.

Mayor Keener concluded that it did not include the proceeds from the sewer bond.

Asst. City Manager Hines didn't think it did. He stated that he was confident there were funds there, but he can't tell him whether it is \$9 million, \$8 million or \$13 million, but he will by the time they finalize the budget. He continued with the parking enterprise fund budget.

Councilmember Digre referred to beach parking, asking if it was because of the construction going on that they can't use the available beach parking and they aren't getting revenue and that was part of why they were losing revenue.

Asst. City Manager Hines stated that was part of it.

Councilmember Digre asked if there was more besides that.

Asst. City Manager Hines thought that was the main issue.

PW Dir. Ocampo agreed. He stated that he talked about the sewer main line through the parking lot that occupied half of it for quite some time, as well as the southern parking lot near the pump station which had a variety of projects with few revenue coming in because of them.

Councilmember Digre forgot when they estimated that they would be finished and we would be back to normal.

PW Dir. Ocampo stated that they identified a need for increase and it would be coming up following the presentation by Asst. City Manager Hines.

Councilmember Digre stated she was referring to all the construction impeding getting funds which she thought would be over within a year.

PW Dir. Ocampo agreed, and the two projects mentioned earlier were already complete, but during this current fiscal year it did have an impact for a period of 6-7 months.

Asst. City Manager Hines stated that they will talk more about her questions as they move forward. He then continued the parking budget.

Mayor Keener questioned whether increasing the parking fees would reduce the violations. Asst. City Manager Hines stated that they have to try.

Mayor Keener stated that, if you want to have an effect, they need to increase it to \$250.

Asst. City Manager Hines stated that he will mention that to Chief Steidle and see how he reacts.

Mayor Keener thought a \$7 increase was not going to have any effect at all.

Asst. City Manager Hines stated that they will take his opinions under consideration. He stated that all of these items will appear on the fee schedule and they can have further discussion at that point in time. The felt the increases will generate enough revenue to allow the city to take care of the fund balance that will drop into the negative at the end of this year and he was projecting a \$9300 deficit and with the additional revenues they can address the deficit and the capital projects that Dir. Ocampo needs to accomplish at the state beach.

PW Dir. Ocampo continued the beach parking enterprise fund annual budget.

Councilmember Digre stated that, as they are talking about the state beach items, she asked Senator Hill's associate to look into whether there was anything the state could do to help us, but she would like to see the city approach the senator and assemblyman because we were a coastal asset for the state with the beach and pier and she felt they should consider assisting Pacifica to make sure that they have dignity to continue to do well and provide for county and state income and not just accept that they can't help us.

Mayor pro Tem Vaterlaus concluded that we break even with the charges but because we have rangers who do cleaning, etc., that we would have other staff doing and she didn't think it was as bad as it looks on paper.

Asst. City Manager Hines stated that they were getting quite an offering of services for the dollars that come in. He agreed that, as long as we are breaking even or creating enough revenue to provide the services and allows Dir. Ocampo to make all the capital replacements he has to make which are expensive processes. He stated that this is an enterprise fund and a business unto itself and it can charge anything needed to support itself. He then concluded the parking enterprise annual report and continued with the staff report.

Councilmember O'Neill asked if they have \$100,000 pre-allocated ERAF funds every year.

Asst. City Manager Hines thought they have \$88,000 for non-governmental organizations.

Councilmember O'Neill stated that last year the ERAF was 1.8 and they were going to have Fund 38 paid off in two years.

Asst. City Manager Hines stated that was the intent.

Councilmember O'Neill asked if there was any of the "infamous" \$4 million left afterwards.

Asst. City Manager Hines stated that, after they take care of Fund 38, the remainder of the "infamous" \$4 million still resides in Fund 22.

Councilmember O'Neil asked how much that was.

Asst. City Manager Hines stated that he still had to determine that and was why Fund 22's estimated ending balance is to be determined as he has to ferret out all the construction projects and figure out what was supported by revenue and see if there was anything that added to the deficit. He stated that last year they were sitting at about \$1.5 million.

Councilmember O'Neill stated that it makes perfect sense accounting wise but in conversations with Jackie Speier's office, her rep said that in order to fix the sea wall they were patching the roof all the time but they need to get a new roof and the city would be required to put up some matching funds. He thought, if the ERAF funds were put in the disaster funds, they would not want to draw down again to deficit.

Asst. City Manager Hines agreed that they would want to keep a cash balance because they need a cash balance for matching but also for a cash flow tool as they have a lot of work they have to do and pay for it and wait for reimbursement. He stated that was the beauty of the second step in the process that wants the General Fund to receive its dollars and can then send the money back to Fund 38.

Councilmember O'Neill stated that Foster City has a measure on the ballot to rebuild their levies. He stated that if we tried to get the "whole new roof" we would have to do some sort of assessment district and structure it such in a way that West Sharp Park pays more than Park Pacifica because they are impacted more.

Asst. City Manager Hines didn't know about the equity arrangement but they have to figure out a mechanism to allow them to have the capital to do what needs to be done.

Councilmember O'Neill stated that his only concern is when are they going to get the new roof. He stated that unfortunately, all the disasters have been on a credit card and they are just paying it off with a fund that could stop next year.

Asst. City Manager Hines agreed.

City Manager Woodhouse stated that one of the major Council prioritized projects this year relates to the Beach Blvd. sea wall and the grants they are applying for related to the design of the sea wall and figuring out the updated cost estimate and the other part of the project was continuing to explore with meetings of the Army Corp about what all the financing options and funding options in different potential sources of other state funds, etc.

Councilmember O'Neill stated that most of the money will require local matching funds.

City Manager Woodhouse stated that there definitely will be a local piece needed for that but he can't say how much.

Councilmember O'Neill understood but there will be a requirement for local matching funds. He stated that one concern he has is that they are not building any sort of matching fund for any potential new roof, sea wall, etc. He stated that it makes sense from an accounting point of view, and it gets their fiscal house in order and he commended him for coming up with the idea.

Asst. City Manager Hines stated that the City Manager deserves a fair amount of credit for this also.

Mayor Keener asks what happens after 2020 when they have paid off the negative balance in the disaster accounting fund and you have left a positive balance to work with. He asked where the ERAF Funds go when that is completed.

Asst. City Manager Hines stated that perhaps the second part of the "infamous" \$4 million issue.

Councilmember O'Neill stated that was Fund 22.

Asst. City Manager Hines agreed, stating that the receivable has been out there since 2003 and gaining interest and accruing interest every year.

Councilmember O'Neill asked if it was a bond debt.

Asst. City Manager Hines stated that it was a receivable and when set up in 2003 there was an interest rate attached to it.

Councilmember O'Neill concluded we borrowed from ourselves and are charging an interest rate to the money.

Asst. City Manager Hines agreed.

Councilmember O'Neill asked what the interest rate was.

Asst. City Manager Hines stated he could not remember.

Mayor Keener thought it was 3%.

Asst. City Manager Hines thought it was 2% annually.

Councilmember O'Neill asked if they have to charge an interest rate.

Asst. City Manager Hines stated he was following the Council's directive at that time.

Councilmember O'Neill stated that was a different Council. He asked if they have to charge an interest rate on a fund.

City Attorney Kenyon stated that, in her experience, that was fairly normal.

Councilmember O'Neill stated that this was Pacifica.

Councilmember Digre stated that it was 11:00 p.m.

City Attorney Kenyon stated that it was usually a LAIF rate which was the local agency investment fund and was the standard rate city's use to charge themselves interest when they owe themselves money.

Councilmember O'Neill stated that in 2003 but now the LAIF rate was somewhere around .5 or .3.

City Attorney Kenyon stated that she did not know.

Asst. City Manager Hines stated that he can find out but it was probably the LAIF rate.

Councilmember O'Neill stated that they would save money if they lower the interest rate to the current market.

Asst. City Manager Hines agreed.

Mayor Keener stated that they weren't saving money but just shuffling it around.

City Attorney Kenyon stated that staff could certainly look into that and bring it back.

Asst. City Manager Hines discussed Packet page 174.

Councilmember O'Neill referred to the bond one.

Asst. City Manager Hines stated it is Fund 40.

Councilmember O'Neill asked if he has looked at all the covenants and restrictions on the actual contracts from the bonds and priced them out.

Asst. City Manager Hines stated that they will be fine as the covenants can also be covered by the balances in the funds and as long as the General Fund remains healthy or Fund 9 or 10 remains healthy, they will be fine.

Councilmember O'Neill stated that he got our credit rating raised and he wants to keep it up there. He clarified for the public and Council that this was the cupboard where they found money and now the cupboard is bare and it is one time money to balance this year's budget.

Asst. City Manager Hines agreed.

Councilmember O'Neill concluded that it won't be there next year to balance the budget.

Asst. City Manager Hines agreed.

Councilmember O'Neill concluded that they will have to look at other alternatives.

Asst. City Manager Hines agreed. He stated that, as they pass the 18-19 budget, the work then begins as they have the 19-20 budget and they have seen the five-year forecast and they know that the PERS dollars are going to go up another \$600,000 in the General Fund and that is when the work begins.

Councilmember O'Neill asked if he was correct that it was \$900 this year and will go up another \$600 to \$1.5.

Asst. City Manager Hines stated that, for the General Fund, it was roughly between \$600 and \$700 and it will go up another \$600-\$700 next year.

Councilmember O'Neill concluded it will be about 1.2.

Asst. City Manager Hines agreed, adding that the work begins then.

Councilmember Digre referred to page 176, and asked if they get any help from the school district regarding a pedestrian crossing for a school.

PW Dir. Ocampo stated that the answer was no and that was because these improvements are within the street right-of-way. He stated that they have gone into a partnership with them with the previous grant and they supplied the city with letters of support for grant opportunities but this work was totally within the city right-of-way.

Mayor Keener referred to the Cattle Hill trailhead and parking lot, he asked what the \$50,000 estimate cover, everything or just the design, etc.

PW Dir. Ocampo stated that they estimated a 2500 square foot area and they will see what they come up with beginning with the environmental phase and see what it can cover and they will look for grant opportunities toward the construction.

Councilmember O'Neill asked how many parking spaces would 500 square feet be.

PW Dir. Ocampo stated that 2500 square feet would be around 4-5 with a handicapped space. He stated that you have to consider that when you build the parking lots, that is not just like stalls but to make sure there is the alleyway coming in and out for access and turning around of vehicles, in addition to the stripping.

Mayor Keener concluded that additional funding will be required beyond the \$50,000 to build the parking lot.

PW Dir. Ocampo agreed, adding that they will look for grants that can pay for that.

Mayor Keener thought one thing that should come out of the \$50,000 is roughly how much the rest of it will be.

PW Dir. Ocampo stated that it depends on the environmental phase and they don't know what they will encounter during that and you go into the preliminary design which includes how much grading is involved.

Asst. City Manager Hines stated that concludes their presentation for this evening.

Mayor Keener called a five-minute break then reconvened the meeting.

<b>RESULT: NO VOTE REQUIRED</b>
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- 13.** Consideration of Forming a City Council Ad Hoc Subcommittee Regarding Aircraft Noise  
**PROPOSED ACTION:** 1. Consider whether or not to establish a City Council Ad Hoc

Subcommittee of two Councilmembers related to aircraft noise issues; 2. If established, specify the purpose of the Ad Hoc Subcommittee and appoint two Councilmembers.

City Manager Woodhouse presented staff report.

Councilmember O'Neill stated that he had a conversation with the City Attorney and asked if she would share that with the Council.

City Attorney Kenyon stated that she talked with Councilmember O'Neill that she got a call from the Brisbane City Attorney who had been given direction from his Council along the same lines as they directed her to do and he came to the same conclusion that she did and wanted to reach out to see if there had been any additional updates. She told him about this agenda and he mentioned that he had not heard about that but knew from his Council's perspective this was something that has come up to a higher priority for their Council.

Councilmember O'Neill stated that when he proposed this, which was subject to Council input, he was hoping to have Councilmembers from Brisbane and Pacifica meeting with the FAA individually and build a relationship for a sympathetic ear and see if they can do something. He stated that, according to the City Attorney's report, that was what successfully worked in Southern California and he looked at this as a second prong to get relief from the airplane noise for the citizens.

City Attorney Kenyon stated that what she discussed in her staff report was that what they had done in Southern California was to form smaller subgroups of the Roundtable to focus on issues that were more focused on communities that were more similar in their concerns and problems with aircraft noise. They could join forces and have conversations with legislatures or coordinate more with the FAA itself.

Councilmember O'Neill thought it was indicative that they sent a letter and didn't even get a response for the letter and they sent the second letter with a Congresswoman to get a response to the first letter. He was looking to see a way to build a relationship with the FAA to benefit Pacifica.

Councilmember Digre referred to her statement that the Roundtable was broken into smaller groups, asking if the Roundtable dissolved itself.

City Attorney Kenyon appreciated that she brought that up as she forgot to say that the subgroups worked in coordination with the Roundtable in terms of accessing the information and resources that they get from the Roundtable such as technical assistance. She told the City Manager that it was important to have an ad hoc committee member who was also on the Roundtable because there will most likely be coordination with the Roundtable.

Councilmember Digre asked if she knew if all Roundtables have as part of their code that they don't push for anything that moves the noise from one community to another community.

City Attorney Kenyon stated that she discussed that with the attorney from Southern California who had worked with Southern California Roundtables and she didn't think there was a written rule but thought it was an issue that she felt required focusing efforts among communities that had similar issues or could focus more on an isolated issue or a single issue because that was what seemed to be able to get enough momentum and support from legislatures and

receptiveness from the FAA to make progress. She didn't know how much progress they made but they felt that was a productive way for them to proceed.

Councilmember Digre stated that she has no problem with creating relationships but with their Roundtable that was one of the prerequisites that you don't work to push noise to another city but that didn't mean you can't work together to have the FAA behave itself and go back to what they have already messed up. She stated that noises in Pacifica deal with departures and Brisbane would be one and she thought Daly City would be another one. She stated that we are also affected by arrivals and that would be different cities. She was learning from the Valley residents that the backlash from the planes on the ground before they get up such as in Millbrae comes to Pacifica violently and those three don't work together from departure.

Councilmember Martin asked what backlash she was talking about.

Mayor Keener stated that it was backwash.

Councilmember Digre stated that it was backwash and you were starting the airplane to get ready to go.

Councilmember Martin asked if that was pollution.

Councilmember Digre stated that it was noise. She wasn't trying to discourage what they were talking about but saying that it was complicated because of the way our geography was.

City Attorney Kenyon stated that this fork that the Council may take wasn't going to solve all of the issues. She stated that will be a decision the Council will have to consider at some point when the ad hoc committee brings the report back to the full Council as the idea is the Roundtable currently addresses all of the issues and there is an inability to focus on one issue that affect one or two communities.

Mayor Keener disagreed. He thought the Roundtable was focused on all of the issues around SFO and Pacifica was interested in departures but where they can go is limited by where the arrivals are coming in and limited where the departures from Oakland go. He stated that air space was complex and close to maxed out in terms of where they can go. He stated that one place that was open was out over the ocean and there was some hope at the Roundtable meeting that they might be able to get more space out over the ocean. He stated that was limited by military air space. He didn't think they can expect the FAA to make decisions about departures in a vacuum without considering arrivals, etc.

City Attorney Kenyon agreed that it was complex.

Councilmember Digre thought everyone wants a solution and they have brought it out before that noise was not a congressional mandate for priority. She stated that FAA has to obey their mandates and there wasn't a mandate. She stated that getting Congress across the nation to adopt noise into a mandate would be one way. She referred to saying the airport at SFO was maxed out, but they keep adding new flight paths to already existing airlines and bringing in new airlines with their flight paths. She stated that there was no demand that it be stopped. She stated that Brisbane, Pacifica and Daly City would probably be comfortable talking about departures. She asked if all Pacifica would benefit from that and didn't think they realistically would.

Councilmember O'Neill stated that he was not advocating that the FAA do anything in a vacuum or endanger anyone, but he stated that they don't return letters, nothing has happened in years and to try something different and new and go with several cities. He stated that it doesn't hurt to ask or try another method.

Councilmember Digre stated that they weren't saying it won't work, but trying to be sure that the public knows what they are talking about and not give false hope that by talking to several other cities that all Pacifica will receive a remedy even if they get one. She didn't see a problem with several communities talking together and hopefully get somewhere.

Councilmember O'Neill stated that they need to limit the number or they become a second Roundtable which he thought was pointless. He stated that it would be two or three. He stated that benefitting anyone in Pacifica was a win. He agreed that not everyone will want what comes out.

Mayor Keener opened public comments.

**Tygarjaz Bigstycyk, Pacifica**, stated that he was listening and echoing what he hears but maybe different phrasing that may be helpful. He stated that Southern California models an approach they haven't tried, it seems worth trying it if a slightly different approach. If what they tried hasn't worked, they have to try everything including a different approach. He heard the term two-pronged and what he was hearing was that it was more personal. He stated that when he reaches out to someone at the Resource Center for donations, he wants to make eye contact with the person, speak from his heart and give them the idea of what he was saying. He stated that it was easy if on the phone or a letter to brush someone off, but talking to someone physically present changes things and having a smaller group approach would allow flexibility of having opportunities that a larger Roundtable might not offer. He thought talking personally has more potential to talk to someone else and was more effective than reading a letter.

**Sue Beckmeyer, Pacifica**, thought this ad hoc committee should happen and a new approach was needed. She thought some of the issues that Councilmember Digre outlined should be an area to focus on such as the endless addition of flight path patterns. She stated that there was a 60-day period during which they could file a lawsuit and she thought it was a moving target. She stated that the conditions three years ago when they were allowed to file a lawsuit are not the same conditions today. She thought the issue of providing feedback to our elected representative who do have some input over what the FAA should be worried about in elevating the conversation to a different place which she felt was needed. She stated that their attention would be sharper if there was a recognition that there was another entity that was forming to address this from a different angle.

Mayor Keener closed public comments.

Councilmember Martin asked Councilmember O'Neill if he had an interest in being on the ad hoc committee.

Councilmember O'Neill stated that he would volunteer.

Councilmember Martin stated that her concern would be that it was not a city supported committee. She stated that they don't have the staff capacity to have a supported committee.

City Attorney Kenyon stated that it would be an ad hoc committee not a Brown Act Committee.

Councilmember Martin stated that she has a tendency to project manage things and she would be sending out all sorts of reminders, etc., and other city Councilmembers don't need that from her. She stated that, if they have good relationships with them, she would fully support him if he was OK as she thought it was a good idea in theory and she wasn't against it.

Councilmember O'Neill understood her concern. He thought it will be minimal staff support with the initial letter to Brisbane and Daly City. He stated that one Half Moon Bay councilmember mentioned it as well. He thought an initial letter to each of them to say that Pacifica voted to have an ad hoc committee and were inviting them to be part of it, set up a time to meet and talk about their goals and then contact the FAA and set up a meeting. He would be more than happy to report.

Mayor pro Tem Vaterlaus would like to go forward and move that they go ahead with the ad hoc committee, naming Sue Digre and Mike O'Neill to serve on the committee.

City Attorney Kenyon assumed that the motion would include that it be an ad hoc committee of limited purpose and duration.

Mayor pro Tem Vaterlaus agreed. She stated that the purpose was to appoint two councilmembers and she already said that and the purpose was to meet with other cities to determine the benefits for each other in the airport noise issues.

Mayor Keener asked the duration.

City Attorney Kenyon stated that it will be less than 12 months and will be brought back before 12 months but at least at 12 months to dissolve the subcommittee and perhaps create a new one.

Councilmember O'Neill thought they could extend it if they are making progress.

City Manager Woodhouse stated that the purpose would be to form the committee to inquire to the other cities if they want to participate and take steps within that 12-month period to advocate and reach out for solutions related to the mutual interests of the cities. He stated that they have position statements that convey Pacifica's interests.

Councilmember O'Neill stated that it needs to have a second and he will second it.

Mayor Keener asked if everyone understood what her motion was.

Councilmember Martin did, but asked that it be clarified.

City Attorney Kenyon understood the motion is to create an ad hoc subcommittee comprised of Councilmembers Mike O'Neill and Sue Digre for a limited duration of less than 12 months for the purpose of working with other local communities, primarily Brisbane or Daly City or possibly Half Moon Bay to see if there are common interests among the cities to work together to address aircraft noise issues.

Mayor pro Tem Vaterlaus stated that sounded good.

Councilmember Digre stated that she had one concern. She had a problem to the community because they are not dealing with cities that suffer from backwash that a significant area of Pacifica may feel that they were eliminating them.

Councilmember O'Neill thought the main concern of most of Pacifica at this point was noise and she just has to go down the list and see what you can do about noise and then the backwash.

Councilmember Digre stated that she has no problem with the first part but they might start hearing something and they can deal with that.

Councilmember O'Neill agreed that they deal with it, since he felt they have to stay focused on one issue to get it going.

Councilmember Martin stated that she would like to propose that the ad hoc committee goes into it with a unified vision of the purpose that they just stated. She stated that it sounds like there might be some push and pull but she wanted to be sure that when they are talking to other communities that they have the same messaging with each other.

Councilmember Digre stated that they were basically doing departures.

Councilmember Martin stated that she has the experience to know that is probably a good start and she would defer to her.

Councilmember Digre stated that the three communities mentioned were all departures.

City Attorney Kenyon stated that was not part of the motion.

Councilmember Digre referred to departures.

City Attorney Kenyon stated that to be that specific with the role of the ad hoc subcommittee. She stated that the role of the ad hoc subcommittee to glean interest from other neighboring communities to work towards common goals to address aircraft noise issues.

City Manager Woodhouse stated that one of the position statement document was a unifying statement that the Council has adopted about aircraft issues because it is more than noise and they already have direction to advocate.

Councilmember Digre stated that she assumed that Council would want them to report back on a regular basis.

Councilmember O'Neill stated that he would be happy to do that.

City Attorney Kenyon stated that they need a second on the motion.

Councilmember O'Neill stated that he seconded it. He stated that he had no problem doing a report, as simple as they haven't had a meeting in two weeks.

Councilmember Digre asked if there was something wrong with saying that they will report back the first meeting of every month so they are consistently accountable.

Councilmember O'Neill asked if they need to get that detailed.

Councilmember Martin suggested it be in Council Communications.

Councilmember O'Neill agreed. Council Communications and if there is no meeting you say didn't have any meeting.

Councilmember Digre stated that was what she was saying so it isn't out there in limbo. She stated that if they start something they should be responding back on a regular basis.

Councilmember Martin stated that was what she was talking about when she asked to go into these meetings with a unified vision so they were not having these types of discussions.

Mayor Keener stated that they have four minutes until 11:00 p.m. and called for the vote.

<b>RESULT:</b>	<b>ADOPTED AS AMENDED [UNANIMOUS]</b>
<b>MOVER:</b>	Sue Vaterlaus, Mayor Pro Tem
<b>SECONDER:</b>	Mike O'Neill, Councilmember
<b>AYES:</b>	Keener, Vaterlaus, Digre, O'Neill, Martin

**ADJOURN**

Mayor Keener adjourned the meeting at 11:00 p.m.

Transcribed by Barbara Medina, Public Meeting Stenographer.

Respectfully submitted,

Kathy O'Connell,  
City Clerk

APPROVED: 5-0; 6/11/18

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John Keener, Mayor