MINUTES OF THE REGULAR MEETING OF THE
SOLVANG CITY COUNCIL

Council Chambers
1644 Oak Street
Solvang, CA 93463

April 25, 2016
Monday
6:30 pm

CALL TO ORDER: "Mayor for a Day" Alice Olla called the meeting to order at 6:30 p.m.

ROLL CALL:

PRESENT: Mayor Richardson, Council Members Duus, Jamieson, Skytt, and Zimmerman

STAFF: Brad Vidro, City Manager; Roy Hanley, City Attorney; Matt van der Linden, Public Works Director; Sandra Featherson, Administrative Services Director; Charlie Uhrig, Community Resource Officer; Lisa S. Martin, City Clerk

PLEDGE OF ALLEGIANCE: Led by Alice Olla

Mayor Richardson returned to the dias to assume control of the meeting.

CITY MANAGERS REPORT: Informational report only

1. PUBLIC COMMUNICATIONS – WRITTEN OR VERBAL

Tracy Farhad, Executive Director, SCVB

- Solvang will be featured in USA Today as the #6 rated Best Historic Small Towns
- Solvang is also a finalist for a Sunset Travel Award for Best Wine Tasting Town
- Taste of Solvang survey found that 76% of attendees stayed overnight, 70% shopped, 77% dined, and 49% said they would attend again next year
- A diversity training will be held on May 23, 2016 at Hotel Corque

James Rhode, Solvang Senior Center Board of Directors

- Thanked the City Council for their support
- Discussed the "life issues" group session
- Center has been very active, with several new members each month
- The new Executive Director is doing a great job

Ellen Albefiori, Solvang Senior Center Executive Director

- Discussed her first 8-9 months on the job
- The Center is growing each month and now has approximately 400 members
- Tai Chi and Pilates will be offered at the new outdoor area
- Thanked the City Council for their continued support and extended a lunch invitation

Jeff Clay, ID#1

- Appreciated Matt's attendance and attitude of cooperation at their last board meeting
- Suggested that our entities band together with Buellton, Lompoc, etc. for river water rights

Fred Kovol, Resident

- Suggested reading the CCWA and DWR contracts
- Commented on the management of State water
- People are ignoring the Governor's drought order

2. COUNCIL REQUESTS

Council Member Zimmerman requested that a discussion item be added to the May 9, 2016 Council agenda regarding a potential merger with ID#1.

3. APPROVAL OF AGENDA AS PRESENTED

No changes to the agenda.

4. CITY COUNCIL MINUTES OF APRIL 11, 2016

***Motion** made by Council Member Duus to approve the minutes as written, seconded by Council Member Skytt, and **carried** with a verbal response of 5 ayes.*

5. CONSENT AGENDA

a. Receive and File Sheriff's Department Report for March 2016
b. Adopt Resolution No. 16-___ authorizing Signers to perform Investment Activities with Multi-Bank Securities (MSB)
c. Adopt Resolution No. 16-___ authorizing the City Manager to execute an FTA Section 5311 Grant Agreement with the California Department of Transportation for operations assistance for the Santa Ynez Valley Transit System

Item 5b was pulled for discussion by Mayor Richardson.

Item 5b staff report presentation by Sandra Featherson.

Mayor Richardson opened the item for public comment at 7:05 p.m.

Karen Waite, former ID#1 Board Member

- Her career is in finance and she is concerned that we have not interviewed enough companies
- Have never seen an instance where only one signer was required for City investments
- Investment of public funds should be low risk
- Is the investment properly insured?
- Would suggest the City get other bids
- Uncomfortable with online investing, too open to fraud

Item 5b closed to public comment at 7:10 p.m.

Sandra Featherson responded to public comment. MBS provided extensive information including references and ratings/qualifications of their bond managers. Initial investments would be approximately $1 million, in CDs of approximately $248,000 each. We do not have to use the online platform, a one on one approach with the bond manager could also be utilized.

Council Member Jamieson inquired as to whether other companies were interviewed. Sandra Featherson responded that she did not interview per se but that this company provided information in line with our investment policies.

Council Member Jamieson asked if staff had checked with the other municipal references provided by the brokerage company. Sandra Featherson indicated that she had.

Council Member Zimmerman questioned if there are charges or fees for the investments. Sandra Featherson answered that there are no fees charged by the company per investment, they make their money in other ways.

Mayor Richardson indicated that the Orange County fiasco has made him extremely uneasy as far as investments. Is opposed to the use of a broker.

Council Member Jamieson suggested that the selection of MBS be returned to the finance committee for additional review.

Sandra Featherson explained that the president of this securities company actually met with her in person, giving her a much higher level of trust in this company than many of the others who call or email soliciting investment. This is one of the largest securities brokers in the country. Additionally, CDs are known to be the lowest risk investment.

Mayor Richardson would like to table Item 5b until a meeting of the ad hoc committee can be held. There is consensus by Council to table and continue the item to a future meeting.

***Motion** made by Council Member Duus to approve Consent agenda items 5a and 5c, seconded by Council Member Skytt. **Motion carried** with a roll call vote of 5 ayes.*

REGULAR AGENDA

6. CENTRAL COAST WATER AUTHORITY WATER BOND REFINANCING

Staff report by Sandra Featherson, Administrative Services Director.

Council Member Skytt mentioned that ID#1 is a member of CCWA but that we are cooperating.

Roy Hanley explained that the purpose of this resolution is to certify the official statement by clarifying and updating information so that CCWA can successfully sell the bond.

Doug Brown, CCWA Bond Council, stated that the regulatory authority for municipal bonds has become more strict and that because of this, CCWA has asked all of their participants to pass the

resolution before you. Financing will be at a lower interest rate mainly due to the shorter term, and is predicted to save the City of Solvang approximately $60,000-$65,000 per year.

Mayor Richardson opened the item to public comment at 7:26 p.m.

Fred Kovol, Resident

- Pointed out a difference in the Exhibit and Appendix letters in the resolution versus the exhibit itself
- No one is certifying that the information or data provided by Solvang or ID#1 is correct

The item was closed to public comment at 7:29 p.m.

CCWA Bond Council Brown responded to public comment in reference to the appropriate Appendix identifier for the resolution. The appropriate appendix depends whether the bond is insured by a bond insurer. The underwriters have no concern relative to credit worthiness.

***Motion** made by Council Member Skytt to approve staff's recommendation and adopt Resolution 16-987, seconded by Council Member Duus. **Motion carried** with a roll call vote of 5 ayes.*

7. AWARD CONSTRUCTION CONTRACT – ALISAL BRIDGE SEISMIC RETROFIT

Council Member Jamieson recuses herself from the item and leaves the council chambers.

Staff presentation by Matt van der Linden, Public Works Director.

Council Member Duus questioned why Cushman was so much lower than the other bids.

Matt van der Linden explained that he and his staff conducted a very thorough bid analysis and that only six of the twenty-two line items analyzed were lower than the other bids. It could be related to overhead or the fact that Cushman owns the equipment necessary for the project instead of having to rent it. Staff was extremely careful during every step of the bid process because of the federal grant funding, and could not find any major flaw in the Cushman bid. The vast majority of the project is reinforced concrete, which is pretty simple.

Council Member Duus inquired if there was a particular line item (such as caissons) where Cushman was significantly lower than all of the other bids. Typically, when he analyzes a bid, he would throw out the high and the low bid. Then, if the majority of the middle bidders are much higher he would think that the low bidder missed something.

Council Member Skytt questioned where the earthquake fault was located. Matt van der Linden stated that although there are many small fault lines in the area, they do not have huge potential for ground acceleration.

Council Member Skytt asked if we have had experience working with Cushman previously.

Matt van der Linden answered that we worked with Cushman on the wastewater treatment plan bank restoration project, which they successfully completed. They are a very reputable company.

Council Member Zimmerman stated that he appreciated staff's thorough analysis of the bid.

Matt van der Linden discussed some examples of why we might need change orders. Basically they are to cover unforeseen conditions.

Mayor Richardson opened the item for public comment at 8:00 p.m. and, seeing none, closed the public comment period.

***Motion** made by Council Member Skytt to approve the construction agreement and staff's recommendations. **Motion seconded** by Council Member Zimmerman, and **carried** with a roll call vote of 4-0-1 (Council Member Jamieson does not participate).*

8. CITY OF SOLVANG GOALS UPDATE

Staff presentation by Brad Vidro, City Manager.

Council Member Jamieson would like to add a new objective for Goal 5 relative to Library Services. Objective to work together with the City of Buellton via an ad hoc committee, or to include all libraries within our same district.

Council Member Jamieson mentioned the Emergency Plan goal and the CERT Trailer. The City of Buellton will be getting another trailer because they are concerned with the citizens east of Highway 101. If the trailer is Solvang's, it should be on the East side anyway.

Discussion ensued regarding emergency supplies that are stored in several different areas. An inventory should be conducted to determine if the supplies are still good. An inventory should be added as an objective.

Council Member Skytt suggested we delete objective 1 of Goal 2 since we have completed.

Council Member Jamieson inquired as to Goal 3 (Parking) whether we ever contacted Solvang School. Brad Vidro indicated we would need to have a formal discussion and agreement, add signage to the lot, and add the lot to our insurance. Council Member Jamieson confirmed that she would like this to be added as an objective.

Council Member Duus asked if we know what the balance is of our parking in-lieu fee fund. Brad Vidro indicated that he thought it was approximately $250,000.

Council Member Zimmerman asked if we had ever conducted a study relating to metered parking. City Manager Vidro responded that it was not a popular topic in the city.

Council Member Skytt commented that one of the advantages of visiting Solvang is that you don't have to pay to park.

Council Member Jamieson commented that possibly an informal survey could be conducted by the Solvang Chamber.

Mayor Richardson suggested that we do not go down that road, and would oppose any type of study on the issue.

Mayor Richardson opened the item for public comment at 8:24 p.m.

Fred Kovol, Resident

- His suggested edits to the City's goals: Add an objective for Valley to Lompoc JPA re: water, get rid of the recycled water objective, synchronize the traffic signals, pursue economic diversity should be objective number one, focus on a technical education center, add a resident response team to the Emergency Plan goal, improve financial stability by privatizing the workforce.
- Thinks there should be a public workshop on the matter.

The item was closed to public comment at 8:29 p.m.

Council Member Jamieson asked when the last time was that we involved the public?

City Manager Vidro responded that it was about 3-4 years ago.

Council Member Duus stated that a public workshop on the City's goals should be held every five years. There was consensus to wait until after the election for the public workshop so that the new council member can be involved in the goal prioritizing.

***Motion** made by Council Member Duus to approve the staff recommendation, seconded by Council Member Skytt. **Motion carried** with a verbal response of 5 ayes.*

9. COUNCIL MEMBER REPORTS (Oral reports: Each Council Member will give oral reports on their activities in relation to the following committee or agencies. In addition, each member may report on items that will be included on the agenda for such committee or agency and seek guidance from the Council as a whole on such items, including on what position to take on behalf of the City)

- Santa Barbara County Association of Governments
  Mayor Richardson passed on information regarding the freeway service contract, the SBCAG overall work program, the Measure A Annual Report, and federal truck highways. The area of Highway 101 between San Francisco and Los Angeles has not been included. SBCAG is trying to convince the federal government that the 101 is an important truck route and should be included.

- Air Pollution Control Board
- Joint Wastewater Committee
- Finance Committee
- Chumash Tribe
- Water Committee
- Indian Gaming Benefit Committee
- California Joint Powers Insurance Authority

Council Member Jamieson commented that she attended the Buellton City Council meeting and they decided to participate on the Library Services ad hoc committee.

10. ADVANCE CALENDAR

11. ADJOURNMENT Mayor Richardson adjourned the meeting at 8:45 p.m.

Lisa S. Martin, City Clerk