



MINUTES OF THE REGULAR MEETING OF THE
SOLVANG CITY COUNCIL

Council Chambers
1644 Oak Street
Solvang, CA 93463

June 13, 2016
Monday
6:30 pm

CALL TO ORDER: Mayor Richardson 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; Sandra Featherson,
Administrative Services Director; Matt van der Linden, Public Works
Director; Arleen Pelster, Planning & Economic Development Director; Lt.
Shawn O'Grady; Lisa S. Martin, City Clerk

PLEDGE OF ALLEGIANCE: Led by Council Member Jamieson

CITY MANAGERS REPORT: Informational report only

1. **PUBLIC COMMUNICATIONS – WRITTEN OR VERBAL**

Tracy Farhad, Solvang Conference and Visitors Bureau (SCVB)

- Solvang had a record number of Memorial Day visitors
- On June 22 from 2:00-6:00 p.m. CVB staff with hold a Yelp Help open house to teach how to keep a positive online reputation
- LGBT diversity training was held at Hotel Corque with 39 attendees and 8 hotels represented

Greg Corso, SCVB

- Has attended travel trade shows and made several new tour operator contacts
- His goal is to secure more midweek tours and hotel stays

Chuck Stacy, Solvang Resident

- Dissatisfied with the Skytt Mesa development
- Has been dealing with dust from the development for the last two years

Hank Homburg, Solvang Resident

- Discussed the Skytt Mesa development and the French Country designs on lots 159-169
- Would like a response from City staff as to what the allowed heights of the homes will be
- The developer deposited more dirt on lots 164-166 just today

Fred Kovol, Solvang Resident

- Discussed water and the barge being moved at Lake Cachuma

- July will be the last downstream water release
- ID#1 had a closed session on Thursday and they discussed Solvang's water permit 15878
- Yorba Linda is experiencing a Proposition 218 referendum

2. **COUNCIL REQUESTS**

None.

3. **CORRESPONDENCE RECEIVED BY COUNCIL**

Information only – no discussion.

4. **APPROVAL OF AGENDA AS PRESENTED**

No changes to the agenda.

5. **CITY COUNCIL MINUTES OF MAY 23, 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.*

6. **CONSENT AGENDA**

- a. Approval of Warrant Register
- b. Adopt Resolution No. 16-___, a Resolution of the City Council of the City of Solvang Amending the Appropriation Limit for Fiscal Year 2016-2017 pursuant to Article XIII of the California Constitution
- c. Approve reappointment of Shirley Stacy to the Library Advisory Committee

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

REGULAR AGENDA

7. **GRANT APPLICANT AGENCY PRESENTATIONS**

Introduction by Sandra Featherson.

Council Member Skytt mentioned that he would like each agency applicant to state what percentage of their budget these grants represent.

Carey McKinnon, Solvang Library

- Thanks the Council for their previous support and would like to answer any questions. A grant of \$88,000 would be 43% of the operating budget. They have applied for a range of grant amounts, the highest being \$138,000.

Eileen Albertoni, Solvang Senior Center

- The center has approximately 400 members and is currently looking to increase its hours of operation. \$40,000 would be approximately 25% of their total budget and would provide about 2,000 meals.

Art Kaslow, Elverhoj Museum

- The museum is requesting \$30,000 to aid in the replacement of the air conditioning system and maintain exhibits. This amount would represent 10% of their total budget.

Hans Birkholm, Danish Days Foundation

- Asking for \$27,500 which would represent 15-20% of the total budget. Sorry the Danish Maid couldn't be here, she is in Denmark. This is Solvang's biggest Danish party and it brings thousands of visitors each year.

Dean Palius, SY Valley People Helping People

- Their request represents about 4% of the "basic needs" budget which provides food, housing, etc. SY Valley has the fastest growing number of seniors. Additional funding is needed to help with this demographic.

Tracy Beard, Solvang Chamber of Commerce

- Are asking for this grant money to help get advertising out to tourists to help them shop in Solvang. The \$20,000 would be approximately 11% of their budget.

Lisa Mesa, Solvang Third Wednesday

- This is the eighth year of the Third Wednesday program, an all volunteer run program. Without the support of Council and the local community these small businesses would not survive.

John Matthews, Solvang Festival Theater

- The theaterfest is a beautiful community asset. It was built over 40 years ago, and as an outdoor facility, it requires a lot of maintenance. This year or in the near future, the poles that support the lighting equipment need to be replaced. This grant will help with this project. The request of \$15,000 represents about 22% of their total budget.

Kris Kerston, Rotary Club of Santa Ynez Valley

- Puts on the 4th of July fireworks show each year. The show costs about \$23,000. Profits from the 4th of July event go to local students. This \$7,000 grant would be about 12% of their budget.

Terry Delaney, Santa Ynez Valley Fruit & Veggie Rescue

- In their 6th year of operation. Their focus is on the Santa Ynez Valley. Have saved food providers approximately \$650,000 so far this year, and delivered approximately 10,000 pounds of produce to beneficiaries, including the Senior Center, Solvang School, and the Friendship House. There will be a Farm to Table fundraising event in August.

Robin Serritslev, Solvang School Education Foundation/Solvang Arts & Music

- Their \$4,000 request would provide a new kiln for the ceramics and other program supplies. The grant amount would be 6% of their budget.

Chris Parker, Atterdag Village

- This grant request would represent approximately 1% of their total budget. It will help fund the Meals on Wheels program which they would like to expand.

Stacey Otte, The Wildling Museum

- The grant would help buy art supplies and fund community events. The amount requested would reflect about a 0.5% of their operating budget, but would have a big impact.

Steven Shulz, SY Valley Botanic Garden

- The botanic garden is a passive recreation area off of River View Park. This grant money would buy native plants, and would constitute about 2% of the budget.

Felix Fisher, Valley Wind Ensemble

- Have lost some donors this year. Appreciate the funding that the city has provided in the past and would love to be able to keep this group of amateur artists performing. The \$1,000 requested would be approximately 12% of their budget.

Mayor Richardson opened the item to public comment at 7:51 p.m.

Fred Kovol

- Some of these monies should be used to provide “stem” education for kids in school or to create a wi-fi hotspot in the city for the tourists

Shirley Stacy

- The library reflects the image of this city, it is time for the city to invest in the library. It is a very important resource. The library should not have to request grant money as a non-profit, it is a public resource and should be provided for as a line item in the city’s budget.

The item was closed to public comment at 7:58 p.m.

Informational reports. No action taken.

8. PRELIMINARY BUDGET HEARING

Staff report by Sandra Featherson, Administrative Services Director

Council Member Skytt commented that the SYV Community Services District is proposing to annex areas in Santa Ynez. How will that affect the budget? Treatment costs will be higher. Will they cover that expense?

Brad Vidro, City Manager, indicated yes, their cost is based on their flow.

Mayor Richardson opened the item to public comment at 8:22 p.m.

Tracy Farhad, Susan Williams, and Ken Harwood, SCVB

- SCVB is the City’s marketing agency whose sole mission is to drive visitor desire and demand for the city’s number one economic benefit, tourism. Transient Occupancy Taxes

are at an all time high. Will focus on hotel stays that are mid-week, off season, and more than two nights in length. These funds will go towards marketing and operations.

The item was closed to public comment at 8:26 p.m.

Council Member Skytt recuses himself from the SCVB funding vote, and exits the council chambers.

Council Member Duus does not feel that the SCVB should be cut by 5%. What they are doing is working, would like to see the entire \$735,000 funded especially since they are taking the trip to China. This is our money maker, it would be a mistake to reduce. Cut funding somewhere else.

Council Member Zimmerman stated that it is actually not a reduction since we granted them \$700,000 last year also.

Council Member Jamieson agrees with Council Member Duus, but wonders why our sales tax is so flat. Discussion ensued relative to sales tax revenues.

***Motion** made by Council Member Duus to fund the Solvang Conference and Visitor's Bureau (SCVB) at \$735,000, seconded by Council Member Jamieson. **Motion fails** with a roll call vote of 2-2-1 with Council Member Zimmerman and Mayor Richardson voting No and Council Member Skytt not participating.*

***Motion** made by Council Member Jamieson to fund the SCVB at \$720,000.*

Council Member Zimmerman would consider \$715,000. Council Member Jamieson does not feel like that is enough, but would be willing to split the \$35,000 in half.

*Substitute Motion made by Council Member Jamieson to fund the SCVB at \$717,500, seconded by Mayor Richardson. **Motion fails** with a roll call vote of 2-2-1 with Council Members Duus and Zimmerman voting No and Council Member Skytt not participating.*

Council Member Zimmerman asked the other council members what they think the extra \$35,000 will give them.

Council Member Duus would like to hear from Tracy as to what the difference would mean.

Tracy Farhad, SCVB, reported that one single ad in Westways magazine costs \$6,500. The difference between \$700,000 and \$735,000 means having a sales team or not, or going to a new market or not. You have to maintain a presence on multiple markets.

***Motion** made by Council Member Jamieson to fund the SCVB at \$720,000, seconded by Council Member Duus. **Motion carries** with a roll call vote of 3-1-1 with Council Member Zimmerman voting No and Council Member Skytt not participating.*

Council Member Duus recuses himself from the vote for the Atterdag Village grant funding due to a conflict. Council Member Skytt retains his recusal from this item as well due to a conflict.

Council Member Jamieson would not like to reduce the Atterdag funding from the requested \$4,000 to \$2,500 because they do so much for the community. Mayor Richardson responded that the Finance Committee thought long and hard about each agency and decided that \$1,500 was not a lot of money for the Atterdag Village to lose considering that their total budget is actually greater than the City of Solvang's, and the funds might be more beneficial elsewhere.

***Motion** made by Mayor Richardson to fund the Atterdag Village as recommended at \$2,500, and seconded by Council Member Zimmerman. **Motion carries** with a roll call vote of 2-1-2 with Council Member Jamieson voting No and Council Members Duus and Skytt not participating.*

Mayor Richardson announces that he will abstain from the vote for the Solvang Chamber of Commerce grant funding due to a personal family connection. It is noted that he does not have to step down or recuse because it is not a political conflict of interest and not required by the FPPC.

Mayor Richardson asks if he can get a motion for the recommended amount. It is discussed that there are actually two funding requests for the Chamber and that they will be combined into one decision/motion.

***Motion** made by Council Member Duus to grant a total amount of \$20,000 to the Solvang Chamber of Commerce (\$16,400 for the Solvang Chamber and \$3,600 for Solvang Third Wednesday), and seconded by Council Member Skytt. **Motion carries** with a roll call vote of 3-0-1 with Mayor Richardson abstaining.*

Council Member Skytt would like to raise the recommended amount of funding for the Solvang Library by \$12,000 for a total grant of \$100,000. He would like to get the additional money for the increase by reducing the SYV People Helping People grant by \$12,000 since the grant constitutes a much smaller percentage of the PHP budget.

Council Member Zimmerman indicated he did not want to reduce People Helping People's grant amount.

Council Member Duus would like to hear from Carey McKinnon of the library as to what the additional \$12,000 would buy us.

Carey McKinnon responded that she was not sure, although it would likely enable library services to remain at the status quo without having to go into reserves.

Council Member Skytt stated that the ad-hoc committee has not come to an equitable split with Buellton. The Solvang Library is facing a dire situation. Tourists also utilize the library for internet services.

Council Member Zimmerman stated that we should not cut from one community service to give to another. Our raising the grant to the SCVB should generate the dollars.

Council Member Skytt added that he agreed that the library should be a line item in our budget instead of having to request grant funds. Thinks that People Helping People has a healthy budget and doesn't need the money as much.

Motion made by Council Member Skytt to grant a total amount of \$100,000 to the Solvang Library, and seconded by Council Member Duus. Motion carries with a roll call vote of 4-1 with Mayor Richardson voting No.

Council Member Jamieson commented that as far as funding for the Animal Rescue Team, she cannot see giving her \$7,500 at this time. Council Member Skytt suggested cutting the amount in half.

Motion made by Council Member Jamieson to grant \$3,750 to the Animal Rescue Team, and seconded by Council Member Skytt. Motion carries with a roll call vote of 3-2 with Mayor Richardson and Council Member Zimmerman voting No.

Motion made by Council Member Jamieson to fund the balance of the remaining grant applications as recommended, and seconded by Council Member Duus. Motion carries with a roll call vote of 4-1 with Council Member Zimmerman voting No.

Mayor Richardson opened the item to public comment at 9:17 p.m.

Karen Waite, Solvang Resident/BAR Member

- Other organization she's been a part of have not granted monies to an agency who did not appear to explain what their organization does. The Council is very generous to donate funds to an applicant that did not appear and apparently did not have a complete application.

The public comment period was closed at 9:18 p.m.

9. **BI-ANNUAL REVIEW OF CONFLICT OF INTEREST CODE**

Staff report by City Attorney Hanley.

No questions from Council.

Mayor Richardson opened the item to public comment at 9:19 p.m. and, seeing none, closed the item to comment.

Staff is given direction to make no changes to the Conflict of Interest Code.

10. **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
- Air Pollution Control Board
- Joint Wastewater Committee
- Finance Committee
- Chumash Tribe

- Water Committee
- Indian Gaming Benefit Committee
- California Joint Powers Insurance Authority

No council member reports.

11. ADVANCE CALENDAR

Information only, no action.

12. CLOSED SESSION

Government Code Section 54957.6 Conference with Labor Negotiators – Agency designated representative, Brad Vidro, City Manager – Employee Organization Teamsters Local 986

Government Code Subdivision (a) of Section 54956.9 Existing Litigation – Amendment to Permit 15878 in front of the State Water Resources Control Board

No reportable action taken.

13. ADJOURNMENT

Mayor Richardson adjourned the meeting to closed session at 9:22 p.m. and adjourned the City Council meeting at 9:48 p.m.

Lisa S. Martin, City Clerk