

City Council Meeting, February 26, 2018

We began with a **Special Presentation** by Mark Church, San Mateo County Chief Elections Officer and Clerk/Recorder, on the Voter's Choice Act.

This was followed by a **Special Presentation** by Jessica Epstein on SamTrans bus service.

The **Consent Calendar** was next. Items on the consent calendar are thought to need no discussion and all are approved together, unless anyone has an objection or comment.

1. Approval of Disbursements for 1/16/17 through 1/31/17

Checks issued.

2. Approval of Minutes for February 12, 2018

3. Second reading of an ordinance for a General Plan Amendment and Zoning Change for the San Pedro Terrace project

This was approved two weeks ago; this is the second reading.

4. Amendment between Pacifica and WRA for an additional \$3,730

This is to complete the environmental review process for the development of 24 condos at 801 Fassler. The city will have these costs covered by the applicants.

Council voted 5-0 to approve the **Consent Calendar**.

Following Oral Communications, for members of the public to comment on items not on the agenda, Council Communications, and Staff Communications, we came to **Items for Consideration**.

5. Award of Construction Contract to Pacific Trenchless Inc. for the Wastewater Collection System Rehabilitation Project in Pedro Point

This project replaces sewer mains on Pedro Point. As in most of the rest of Pacifica, aging sewer mains contribute to inflow and infiltration during rain, which results in a much greater volume of sewage (although diluted) than our treatment plant can handle. These mains will be replaced by a trenchless method, which bursts the existing pipe at the same time as the new one is installed. Homeowners will have an opportunity to replace laterals (which also leak) leading from the mains to houses at a reduced rate.

The lowest bid was submitted by Pacific Trenchless, which has done previous satisfactory work for the city. The construction budget is \$4,195,189 (\$3,495,189 + 20% contingency).

Also, a \$74,700 amendment was approved to the agreement with Freyer & Laretta for additional design services. It has had one meeting at the Pedro Point Firehouse, and plans another to further explain how it will proceed.

Council voted 5-0 approving the wastewater rehabilitation project in Pedro Point.

6. Mid-Year Budget Update

We adopted a resolution to increase the general fund budget for FY 2017-18 to \$31,618,000 to reflect more current information, and a resolution authorizing job descriptions for a Senior Services Assistant Supervisor and a Recreation Assistant Supervisor.

Revenues are approximately \$620,696 higher (+2.0%) than projections, and expenditures will increase \$489,000 (+1.6%) from levels budgeted at the beginning of the fiscal year.

Council voted 5-0 to increase the budget appropriation and to authorize new job descriptions.

7. Long-Term Financial Plan Update, 2018-2023

The CalPERS retirement system that the city pays into will increase our pension payments by about \$800,000 annually. Also, union contracts will expire between 2018 and 2019, so salaries are projected to increase, although this wasn't factored into the analysis.

The forecast does not consider the economic impact of any future recreational-cannabis sales.

Regardless, city staff is committed to bringing balanced budgets.

8. Request for Qualifications (RFQ) and Request for Proposals (RFP) for the 2212 Beach Boulevard Site

This 3.5-acre city-owned site was formerly the wastewater treatment plant. It has been proposed that the city sell the land for a hotel development. The benefit to

the city, in addition to the sale price, would be the 12% Transient Occupancy Tax (TOT) on the rooms.

The city previously entered negotiations with a developer, but for various reasons they were never completed. This item has key criteria for the RFQ and RFP that are more specific than the criteria of two years ago.

One criterion is hotel and associated restaurant development on the whole property. A corner of the property was previously under consideration as a library site, but council recently settled on the current Sharp Park Library site for a new library.

Other criteria include an agreement to reimburse the city for its expenses during negotiations and a card check agreement allowing for a potential union workforce in the hotel.

Council was split on moving forward with the RFQ/RFP. One faction wanted more opportunity to evaluate the Pacifica Ocean Discovery Center, a nonprofit marine biology proposal. Another faction liked the RFQ/RFP as is but recognized that the public had only just learned this past Wednesday when the agenda came out that negotiations with the developer had broken down and the process restarted.

As a compromise, council voted 5-0 to revisit this issue in two weeks, when the public will have had the chance to weigh in on the new RFQ and RFP for the hotel development, and to hear a proposal for the Ocean Discovery Center.

We adjourned the meeting in honor of Charlie English, who started with the Police Department in 1966, and retired as Chief of Police in 1996.