

MINUTES

**Regular Meeting of the Lompoc
City Council and Lompoc Redevelopment Agency
Tuesday, December 6, 2011
City Hall, 100 Civic Center Plaza, Council Chambers**

CLOSED SESSION**OPEN SESSION – 5:30 P.M. – Council Chambers**

Council/Agency Members Present: Ashley Costa, Cecilia Martner, Dirk Starbuck, Mayor Pro Tempore/Vice Chair Bob Lingl, and Mayor/Chair John Linn.

Staff Present: City Administrator/Executive Director Laurel Barcelona, City Attorney/General Counsel Joe Pannone, City Clerk/Secretary Stacey Alvarez.

ORAL COMMUNICATIONS: None

CLOSED SESSION – Utilities Conference Room

BUSINESS ITEM:

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Property: 112 No. H Street, 203 No. N Street, 709-713 No. E Street, 501-513 No. S Street, 508 No. T Street, and 500-504 North T Street, Lompoc, CA. City negotiators: Laurel Barcelona, City Administrator and Joseph W. Pannone, City Attorney. Negotiating parties: Steve Taber. Under negotiation: Price and terms of payment.
2. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION
(Subdivision (a) of Section 54956.9) Pacific Western Bank etc v. Lompoc Housing Community Development Commission et al, Case No. 1389106 and Citibank NA etc v. Lompoc Housing Community Development Commission et al, Case No. 1389696.
3. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: One matter regarding LHCDC.

OPEN SESSION - 7:00 P.M. – Council Chambers

Council/Agency Members Present: Ashley Costa, Cecilia Martner, Dirk Starbuck, Mayor Pro Tempore/Vice Chair Bob Lingl, and Mayor/Chair John Linn.

Staff Present: City Administrator/Executive Director Laurel Barcelona, City Attorney/General Counsel Joe Pannone, City Clerk/Secretary Stacey Alvarez, Economic Development Director/Asst City Administrator Teresa Gallavan, Recreation Manager JoAnne Plummer, Senior Civil Engineer Michael Luther, Aviation/Transportation Administrator Richard Fernbaugh, Parks, Recreation & Urban Forestry Director Dan McCaffrey, Fire Battalion Chief Mark Bray, and Acting Fire Chief Jeffrey States.

Other Present: Robert Cuthbert, Martin Schaefer, Lauren Pressman, Mary Saladino, Fred Bittle, Joyce Howerton, and Carol Benham.

REPORT ON ACTION TAKEN DURING CLOSED SESSION:

City Attorney/General Counsel Joseph Pannone stated the City has not received formal notification from the Lompoc Housing and Community Development Corporation (LHCDC) regarding intent of dissolution of the non-profit group.

Mayor John Linn gave the invocation and led the **Pledge of Allegiance**.

PRESENTATIONS:

Susan Williams, Principal of the Lompoc Unified School District (LUSD) Adult Education gave a Powerpoint presentation regarding the Vocational Nursing Program offered through Adult Education.

Council Member Costa asked how this program is integrated into the LUSD High Schools. Ms. Williams stated this program is one that requires the enrollees to possess a current certificate as a California CNA, Medical Assistant, or EMT thus requiring a separate educational program after completing high school.

CITY ADMINISTRATOR/EXECUTIVE DIRECTOR'S STATUS REPORT: (Information only)

City Administrator Laurel Barcelona requested Council to approve two future dates for "Special Meeting" to review the Phase 1 General Plan Update.

Mayor Linn requested Council direct Staff to return at the December 20, 2011 Council Meeting with a recommendation of how the Phase 1 General Plan Update will be presented to Council for review, discussion, and action at future meetings. The motion was seconded by Council Member Lingl and carried by Council Member Starbuck.

STAFF REQUESTS AND ANNOUNCEMENTS:

ORAL COMMUNICATIONS:

1. Robert Cuthbert distributed a letter to Council, thanked Council Member Lingl for attending a meeting and invited all interested parties to attend the **Occupy Lompoc** public gatherings at the Sculpture Park on the corner of H Street and Ocean Avenue every Saturday.

Mayor Linn thanked Mr. Cuthbert and the **Occupy Lompoc** participants.

2. Martin Schaefer spoke about his membership with **Occupy Lompoc** and reiterated Mr. Cuthbert's invitation to the Saturday public gatherings and announced an upcoming event on Friday, December 9, 2011 at the Valley of the Flowers Church.
3. Lauren Pressman spoke about the **Occupy Lompoc** organization also inviting the public to the Saturday public gatherings, the event at the Valley of the Flowers of Church, to a non-violent communication training to be held at the Lompoc Library on Saturday, December 17, 2011, she spoke about a **free market** that was held on Saturday, December 3, 2011, and then suggested Council speak to the **Occupy Lompoc** group to hear suggestions regarding ideas for a City identity.

Council Member Lingl commented on the **Occupy Lompoc** meeting he attended and stated he was impressed by the level of concern for the health and success of the community and nation.

4. Mary Saladino asked Council to preserve the quality of this community while encouraging smart growth and suggested Council speak with the Lompoc Hospital District to help accommodate mutual growth between that entity and the City and future use of the previous hospital building and to contact the Lompoc Unified School District for possible ideas of how to preserve the City's agriculture industry.

Mayor Linn stated the Lompoc Healthcare District has submitted architectural plans for the remodel of the old hospital at 508 E. Hickory Avenue, Lompoc and WalMart has submitted plans for the approved expansion of their Lompoc store.

5. Fred Bittle spoke as a representative of the Lompoc Valley Association of Realtors and its affiliates and expressed concern about the upcoming Phase 1 General Plan Update suggesting Council reach out to the Association for input.

Council Member Costa requested members of the public as well as members of the Association of Realtors attend the meetings in which the Phase 1 General Plan Update will be discussed.

ORAL COMMUNICATIONS: (cont'd)

6. Joyce Howerton asked Council to move Agenda Items # 12 and #13 closer to the beginning of the meeting.

Council Member Costa motioned to change the order of the meeting to be heard in a revised order, Agenda Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 10, 11, 14. The motion was seconded by Council Member Martner and approved by a unanimous vote.

CONSENT CALENDAR:

Mayor Linn announced Agenda Item #1 has been withdrawn, is abstaining from voting on any check issued to Speedy Lock and Safe and asked Staff to comment on Agenda Item #3 and if the use of the kitchen at the Community Center by Valley Haven would preclude another company, individual, or entity from using the kitchen facilities. Recreation Manager Mario Guerrero stated Valley Haven has always been very flexible and willing to work with others when necessary.

Council Member Lingl commented on Agenda Item #7, stating his preference to have all items with a total expenditure of \$250,000.00 or more to not be listed on the Consent Calendar and spoke about previous experiences with Valley Haven and the flexibility of that organization to help accommodate other organizations or individuals when sharing facilities. Council Member Costa requested the expenditure amount be \$500,000.00 or more, Council Member Lingl concurred with Council Member Costa's suggestion.

Council Member Starbuck asked Staff to clarify how Staff calculated the rental amount in the lease agreement in Agenda Item #3. Mr. Guerrero explained the rental cost is based on a standard schedule and on the time and facility requests from Valley Haven.

All items listed under Consent Calendar are considered to be routine and will be enacted, after one motion, in the form listed below. There will be no separate discussion of these items unless good cause is shown prior to the Council/Agency vote. Any items withdrawn from the Consent Calendar for separate discussion will be addressed immediately before the second Oral Communications, near the end of the meeting.

ACTION: Motion/Second: Costa/Lingl. By a 5-0 vote the City Council/Agency Board:

CITY/RDA 1. **Pulled for consideration at a future meeting.**

CITY 2. **Approved the expenditures for:**

Payroll of 11/09/2011- \$1,169,931.67
Voucher Register of 11/04/2011- \$615,658.39
Voucher Register of 11/10/2011- \$725,146.34
Voucher Register of 11/18/2011 - \$390,941.54
Credit Refunds of 11/07/2011 - \$2,779.56

CITY 3. **Valley Haven Adult Day Program Lease Agreement.**

Council authorized the City Administrator to sign a lease agreement with Valley Haven to operate an Adult Day Program for Seniors located at the Dick DeWees Community and Senior Center. The Valley Haven lease agreement will be for a term of four years which includes an option to renew for one term of an additional four years.

CITY/RDA 4. **Investment Policies of the City of Lompoc/Lompoc Redevelopment Agency.**

City Council adopted City Resolution No. 5759(11) and Agency Resolution No. 11-149, approving the Investment Policies for the City of Lompoc/Lompoc Redevelopment Agency.

CITY 5. **Amendment to City Council Handbook – Preparation of Minutes.**

Council approved the proposed amendment to the Council Handbook by adopting Resolution No. 5756(11).

COUNCIL/REDEVELOPMENT AGENCY REQUESTS AND ANNOUNCEMENTS:

(cont'd) Item No. 12

Council Member Starbuck commended the professionalism and diligent work on this item.

Council Member Costa agreed with Council Member Starbuck's comments and stated she would like for the City to begin discussions on how to provide for a permanent service provider for Marks House and other shelter services for the Lompoc area.

Public Comment: None

ACTION: Motion/Second: Martner/Starbuck. By a 5-0 vote the Council approved the recommendation of the Human Services Commission to designate Good Samaritan Shelter (GSS) as an interim shelter provider for the Marks House, should the current operator no longer be able to operate the shelter.

Mayor Linn thanked the Human Services Commission for the work on this matter and asked Council Member Costa to clarify her request. Council Member Costa motioned for Council to direct Staff to contact and meet with the City and County Human Services Commission and local area foundations to begin the process of preparing an overall future use plan for homeless services for the Lompoc area. The motion was seconded by Council Member Martner and after a short discussion Mayor Linn requested the motion be revised to direct Staff with a report at a future meeting outlining a plan of action and giving the public the opportunity to comment and give input before Council takes action. Council Member Costa agreed to Mayor Linn's request and Council Member Martner seconded the motion and it was carried by Mayor Linn.

CITY 13. **Outstanding Loans Made to the Lompoc Housing and Community Development Corporation.** *(Requested by Council Member Martner)*

Community Development Program Manager Dinah Lockhart presented the Staff report and recommendations.

Mayor Linn asked City Attorney Joseph Pannone to speak about the properties currently in receivership with Pacific Western Bank and if a covenant would be able to be removed from a property if that property goes into the foreclosure process. Mr. Pannone stated no, if a HOME or CDBG covenant is recorded in first place, but the covenants that are shown in first place are RDA, there is a slight risk.

Council Member Martner expressed disappointment in the presented information, stating she does not agree with the Staff's assessment of the risks and possible liabilities. Staff stated the report presented includes any and all outstanding loans to any properties owned by LHCDC and the possible liabilities to the City regarding those loans as requested by Council, and the risks and liabilities shown are from Staff's professional analysis of those loans.

The Council discussed the presented report, the properties owned by LHCDC, the outstanding loans to LHCDC, and previous and closed loans and grants to LHCDC.

Public Comment:

1. Carol Benham stated she agrees with Council Member Martner that the report would be more complete with additional information of covenants, it is her understanding LHCDC has not filed annual financial reports for the past five years and asked Council to pursue an independent financial audit of LHCDC's financial records.
2. Joyce Howerton expressed confusion in understanding this report, stated this issue has been questioned for 10 years, suggested a public meeting be scheduled to discuss the entire issue and encouraged Council to continue asking tough questions.

In response to Public Comment by Joyce Howerton, Mayor Linn stated he has never given a pass to LHCDC regarding their obligations to be compliant with all requirements and as an illustration to how complex this issue has become, he held up his papers and notebook binder that hold his Closed Session notes and paperwork regarding LHCDC.

COUNCIL/REDEVELOPMENT AGENCY REQUESTS AND ANNOUNCEMENTS:

(cont'd) Item No. 13

Council Member Lingl declared this City Council is holding LHCD to higher standards and asking questions previous Council have not done, the presented report is a good beginning, and then proclaimed it is his belief that the Council's first priority is to ensure the public is protected, the second goal is to protect the City's liabilities and the third goal is to hold any criminally negligent individuals or companies accountable for their actions.

Mayor Linn requested Council provide a list of specific information it wants to be included on a revised report.

After some discussion, Mayor Linn motioned to direct Staff to present a list to Council at the December 20, 2011 City Council Meeting to include the following information:

How long have properties been out of compliance with affordability covenant(s) which includes compliance with tenant income reporting and compliance with rental limits; How long have properties been out of compliance with property maintenance; What covenants are on each property (*i.e.*, Federal, State, County, City, Redevelopment Agency (RDA)); When was the covenant recorded on a property; How long is each covenant requirement; Termination date of the covenant; All Federal and State loans controlled by the City that were ever provided to LHCD and the time sequence on when loans were provided to a property, and other subsequent loans made to the property which paid off earlier loans. The source of any payoff funds; The inclusion of all loans made to the T Street, College Park Apartments and K Street properties on the chart provided to Council on December; Will HUD accept the RDA's covenant as meeting the Federal requirements for affordability compliance; A listing of all properties that received Federal and State loans controlled by the City that were ever provided to LHCD which have been refinanced and whether public funds were used in the refinancing of properties and if equity was taken out by LHCD, if so the amount of equity taken out, and if known, what was the equity used for and were those refinancings allowable under Federal regulations; Actions the City can take to prevent the potential repayment to HUD of Federal funds expended on the Lompoc Theater acquisition; The potential amount of City-controlled and Agency-controlled loan funds that will be lost in foreclosure actions by private lenders; The potential amount of Federal funds that may be required to be repaid to HUD due to noncompliance.

The motion was seconded by Council Member Martner and carried by Council Member Starbuck.

PUBLIC HEARING:

CITY 10. Resolution of Intent to Prepare a Groundwater Management Plan.

Senior Administrative Analyst Susan Segovia presented the Staff report and recommendations.

Council Member Starbuck asked Staff to confirm that this plan is a requirement to be eligible for funding and grants from the California Department of Water Resources (DWR) and that those funds are in excess of the cost of the consultant that will prepare this plan. Ms. Segovia answered yes, this is a requirement to receive funding from the California DWR and she believes the grants offered will more than cover the cost of the consultant.

Council Member Costa thanked Staff for this report, asked if the cost of the consultant was a budgeted amount and if the City has the expertise to compose this Plan in house. Ms. Segovia stated the expenditure listed for the consultant was an approved budgeted item approved by Council in the 2011/13 FY Budget and confirmed the preparation of a Groundwater Management Plan is very complex and the City does not currently have an employee with the expertise to successfully complete this Plan.

Public Comment: None

ACTION: Motion/Second: Starbuck/Costa. By a 5-0 vote Council adopted Resolution No. 5751(11), which notifies interested parties of the City's intent to prepare a Groundwater Management Plan.

PUBLIC HEARING: (cont'd)

CITY 11. **Renewable Energy Resources Procurement Plan and Renewable Portfolio Standard Enforcement Program.**

Electric Utility Division Manager Marty Hostler, P.E. presented the Staff report and recommendations.

Council Member Lingl asked Staff to confirm the Energy Council has decided to not allow energy produced by hydroelectric plants be included as renewable energy and if the City receives Renewable Energy Credits (REC) for privately installed and owned solar electric units. Mr. Hostler answered yes to both questions.

Council Member Starbuck thanked Staff for this detailed report and asked to clarify Exhibit 2 on page 2 of the Staff report, the City's list of Renewable Energy Resources, specifically the Drive-In site and Ken Adam Park and why the Lompoc Airport is not listed as a potential project site for a solar energy producing site. Mr. Hostler explained the Federal Aviation Administration restricted the placing of solar panels at the Lompoc Airport and the City is in discussions with a consultant about using the Drive-In and Ken Adam Park sites further explaining the consultant would be responsible for installation of a solar energy producing unit and the City would enter into a purchase agreement with that consultant and company for the energy produced.

Council Member Costa asked for Staff estimate the length of time the City's RECs will be available to the City for its use in attaining the State's requirement for a percentage of Renewable Energy, what is the estimated value of a single REC, and if the City has explored the idea of selling RECs. Mr. Hostler replied the City estimates approximately thirty (30) years of RECs will be available to keep the City in compliance with this requirement; the estimated value of a single REC is between \$5.00 per Mhz and \$50.00 per Mhz; and stated Staff would caution the selling of RECs before the end of a reporting period to avoid a shortfall in the City's required renewable energy resource reportings.

Council Member Costa moved to extend the meeting past 11:00 P.M.; the motion was seconded by Council Member Starbuck and then carried by a unanimous vote.

Public Comment:

ACTION: Motion/Second: Costa/Lingl. By a 5-0 vote Council approved Resolution No. 5754(11), adopting a Renewable Energy Resource Procurement Plan; and approved Resolution No. 5755(11), adopting a Renewable Portfolio Standard Enforcement Program.

COUNCIL/REDEVELOPMENT AGENCY REQUESTS AND ANNOUNCEMENTS:
(cont'd)

CITY 14. **Review of the City Administrator Job Description.** (*Requested by Council Member Martner*)

Mayor Linn began discussion of this item and stated the focus should be if the current job description which was written in 1982 is still relevant to the City Administrator's position.

Council Member Martner and Council Member Lingl distributed separate copies of drafted revised job descriptions for the City Administrator position.

Council discussed the current job description, the draft revisions provided by Council Members Martner and Lingl, other Cities' current City Administrator job descriptions, and the Council's requests for the format for Staff to return a draft revision to the job description.

ACTION: Motion/Second: Martner/Lingl. By a 5-0 vote Council directed Staff to return to Council at a future date with a draft of a revised City Administrator job description for consideration that will include all of the information provided by Council Members Martner and Lingl and if Staff recommends additions or deletions to the provided information there will be a clear alteration in the font style that indicates Staff's suggested addition or deletion to the job description.

WRITTEN COMMUNICATIONS: None

ORAL COMMUNICATIONS:

1. Carol Benham reiterated her earlier request that Council pursue action that would require an independent audit of the financial records for the Lompoc Housing and Community Development Corporation.

COUNCIL/REDEVELOPMENT AGENCY REQUESTS, COMMENTS, AND MEETING REPORTS:

Council Member Starbuck motioned to have Staff present the description of a Single-Purpose Committee's membership, function and duration, to review future uses of the "Old" Municipal Pool, and present to Council for consideration at the December 20, 2011 Council Meeting. The motion was seconded by Mayor Linn and carried by Council Member Lingl.

Council Member Martner requested the permission of the Council to report on the Closed Session discussions regarding the Lompoc Housing and Community Development Corporation. With a general consensus, Council decided to discuss this in Closed Session on December 20, 2011 and come to an agreement at that time as to what will be appropriate for public discussion.

Council Member Lingl announced he attended a meeting in Roseville, CA, asked the City Administrator to send the Council Member's compliment to the Electric Division on their professionalism while replacing an electric pole in his neighborhood.

Council Member Costa stated she attended a fundraiser for the Muscular Dystrophy Association (MDA) on November 16, 2011 held at the Red Zone in Lompoc, CA, was a guest speaker at a Regional Occupational Program (ROP) class Righetti High School in Santa Maria, CA and announced the Lompoc Master Chorale will be performing a Christmas program on December 16 & 17, 2011 at the First United Methodist Church, 925 No. F Street, Lompoc, CA.

Council Martner announced Good Samaritan is hosting a photo exhibit **Faces of Homelessness** at the D'Vine Wine Bar on Thursday, December 8, 2011 beginning at 5:00 P.M.

Council Member Starbuck complimented everyone involved in the 2011 Children's Christmas Season Parade and the installation and dedication of the clock on H Street and Ocean Avenue.

Mayor Linn stated he attended 32 meetings and events over the last three weeks which included the opening of the Youth Basketball season. He thanked the Street Division for the recent slurry seal work in the City; announced the City of Lompoc Customer Service Charter of Excellence pamphlet is available for distribution; and motioned Council approve an agenda item for the December 20, 2011 Council meeting to discuss possible support from the Council to the Chumash Band of Indians' request to annex land located in Santa Ynez, CA to their reservation. After some discussion from Council regarding the Mayor's motion, Council Member Lingl seconded the motion and Council Member Costa carried it through.

ADJOURNMENT:

At 12:00 A.M. Mayor/Chair Linn adjourned the Lompoc City Council/Redevelopment Agency to a Regular Council Meeting at 7:00 P.M. on December 20, 2011.

John H. Linn Mayor/Chair
City of Lompoc

ATTEST:

Stacey Alvarez
City Clerk
December 16, 2011