

CITY OF SAN DIEGO COUNCIL DOCKET



COUNCIL PRESIDENT

Myrtle Cole • Fourth District

COUNCIL PRESIDENT PRO TEM

Mark Kersey • Fifth District

COUNCILMEMBERS

- Barbara Bry • First District**
- Lorie Zapf • Second District**
- Christopher Ward • Third District**
- Chris Cate • Sixth District**
- Scott Sherman • Seventh District**
- David Alvarez • Eighth District**
- Georgette Gomez • Ninth District**

**Andrea Tevlin
Independent
Budget Analyst**

**Mara Elliott
City Attorney**

**Liz Maland
City Clerk**

Council Chambers, 12th Floor, City Administration Building

Tuesday, March 14, 2017

**AGENDA FOR THE
REGULAR COUNCIL MEETING OF
TUESDAY, MARCH 14, 2017, AT 10:00 AM
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act (ADA), by contacting the City Clerk at (619) 533-4000 or <mailto:cityclerk@sandiego.gov>. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters, require different lead times. Please keep this in mind and provide as much advance notice as possible in order to ensure availability. Assistive Listening Devices (ALDs) are available in Council Chambers upon request.

Pursuant to California Senate Bill 343 (Section 54957.5(b) of the Brown Act), late-arriving documents related to City Council meeting agenda items which are distributed to the legislative body prior to and during the Council meeting are available for public review in the Office of the City Clerk on the second floor of the City Administration Building, 202 C Street, San Diego, CA 92101. This relates to those documents received after the agenda is publicly noticed and during the 72 hours prior to the start of the meeting. Please note: Approximately one hour prior to the start of the Council Meeting, the documents will be available just outside Council Chambers in the lobby of the 12th floor of the City Administration Building in a binder labeled “SB 343.” Late-arriving materials received during the City Council meeting are available for review by making a verbal request of City Clerk staff located in Council Chambers.

NOTE: The City Council will meet in a Special Closed Session this morning immediately upon the conclusion of the 10:00 a.m. Council Session. (Public Comment on Closed Session items will be taken during the 10:00 a.m. Council session.) Copies of the Closed Session agenda are available in the Office of the City Clerk. (Rev. 3/10/17)

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

APPROVAL OF COUNCIL MINUTES

The Council Minutes of the following meetings will be approved by Unanimous Consent unless pulled for discussion:

02/13/2017
02/14/2017

ADOPTION AGENDA, CONSENT ITEMS

The Consent items are considered to be routine, and the environmental documents have been considered. These items are indicated on the docket by a preceding asterisk (*). Because these items may be handled quickly, if you wish to be heard submit your Request to Speak from prior to the start of the meeting.

ADOPTION AGENDA, CONSENT ITEMS

ORDINANCES TO BE INTRODUCED:

- * ITEM-50: Dedicating City-owned land within the Linda Vista Community commonly referred to as Morley Green Mini Park as a public park. (Linda Vista Community Area. District 7.)

ITEM DESCRIPTION:

Dedicate approximately 1.25 acres of City-owned land in the Linda Vista Community as parkland. The property to be dedicated is commonly known as Morley Green Mini Park with a legal description of Linda Vista Unit 1, Block 53, Lots 2 and 3.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2017-104)

Introduction of an Ordinance determining that there are no unusual circumstances which indicate dedication consideration of Morley Green Mini Park should be deferred;

Declaring that the City-owned land known as Morley Green Mini Park, a description of which is attached hereto as Exhibit A and incorporated herein by this reference, is set aside and dedicated in perpetuity for park and recreation purposes;

Declaring that the Council of the City of San Diego hereby specifically reserves the right to establish underground public service easements under, through and across the dedicated property so long as the construction and maintenance of the subject easements do not substantially negatively impact the availability of the property for use for park and recreational purposes;

Authorizing and directing the City Clerk to record in the office of the San Diego County Recorder a certified copy of this Ordinance.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Morley Green Mini Park maintenance is included in the current Park and Recreation Department Annual Budget as a General Fund contribution to the Linda Vista Maintenance Assessment District (MAD). No additional fiscal impacts would be associated with this action.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Public Safety and Livable Neighborhoods Committee meeting on February 8, 2017.

ACTION: Motion by Councilmember Bry, second by Councilmember Ward, to recommend Council introduce the Ordinance.

VOTE: 3-0; Cate-yea, Bry-yea, Ward-yea, Zapf-not present.

Field/Graham

Primary Contact\Phone: James Winter\619-235-5257, MS 35

Secondary Contact\Phone: Andrew Field\619-235-1110, MS 37C

City Attorney Contact: Powell, David L.

* ITEM-51: Sewage Transportation Agreement with City of Poway and Poway's Reciprocal Sewage Transportation Agreement with the City of San Diego. (Citywide.)

ITEM DESCRIPTION:

This item is to renew expired Agreements for transportation of sewerage between the City of San Diego and the City of Poway.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2017-111)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute, for and on behalf of the City of San Diego, an Agreement with the City of Poway for the transportation of wastewater through the City of San Diego's municipal sewer system, under the terms and conditions set forth in the Sewage Transportation Agreement;

Authorizing the Chief Financial Officer to receive an estimated amount of \$550,000 annually from the City of Poway for sewage transportation, operation, and maintenance expenses, and additional funds for Poway's proportionate share of future capital improvement costs, if any, under the Agreement;

Authorizing the Mayor, or his designee, to execute, for and on behalf of the City of San Diego, an Agreement with the City of Poway for the transportation of wastewater through the City of Poway's municipal sewerage system, under the terms and conditions set forth in the Sewage Transportation Agreement;

Authorizing the Chief Financial Officer to expend an estimated amount of \$50,000 annually from Fund 700000, Muni Sewer Revenue Fund, for sewage transportation, operation, and maintenance expenses in the City of Poway's municipal sewerage system, and additional funds for the City of San Diego's proportionate share of future capital improvement costs, if any, under the Agreement, provided that sufficient funding is approved in the City's Budget each fiscal year and that the Chief Financial Officer first furnishes one or more certificates demonstrating that the funds necessary are, or will be, on deposit with the City Treasury.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Sewage Transportation Agreement with City of Poway: The estimated annual revenue from the Transportation Agreement with the City of Poway is about \$500,000 as reimbursement for operations and maintenance charges and about \$50,000 for sewerage transportation charges through City of San Diego's collection system. The revenue received will be deposited in the Muni Sewer Revenue Fund 700000.

Poway's Reciprocal Sewage Transportation Agreement with the City of San Diego: The estimated annual expenditures from Poway's reciprocal Transportation Agreement with the City of San Diego is about \$50,000 for sewerage transportation charges through City of Poway's collection system. The expenditures will be made in the Muni Sewer Revenue Fund 700000.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Sherman, to recommend Council introduce the Ordinance.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Jones-Santos/McCartney

Primary Contact\Phone: Seth Gates\858-614-4030, MS 901A

Secondary Contact\Phone: Edgar Patino\858-292-6121, MS 901A

City Attorney Contact: Zeleny, Thomas C.

- * ITEM-52: Clean Water State Revolving Fund (SRF) loans to the Wastewater System for Pure Water Planning and Design projects: North City (NC) Morena Blvd Pump Station; NC Water Reclamation Plant Expansion; and NC MBC. (Citywide.)

ITEM DESCRIPTION:

Authorization for Clean Water State Revolving Fund (CWSRF) planning and design (P&D) loans, not to exceed \$25,900,000, to fund the various Pure Water Wastewater Systems projects. The Pure Water Program P&D loans accrue no interest during the P&D phase, which is up to three years. It is the intention to repay the P&D loans in full prior to the start of the construction period or refinance the loans with SRF construction loans or bonds. This is a companion item to other State Revolving Fund (SRF) loan actions.

STAFF'S RECOMMENDATION:

Introduce the following ordinances:

Subitem-A: (O-2017-110)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the Pure Water North City Morena Boulevard Pump Station and Pipeline Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

Subitem-B: (O-2017-112)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the Pure Water North City Water Reclamation Plant Expansion Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

Subitem-C: (O-2017-113)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the Pure Water North City Metropolitan Biosolids Center Improvements Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:**FISCAL CONSIDERATIONS:**

If the loan applications are approved by the State Water Resources Control Board (SWRCB), in accordance with the loan criteria, repayment of the Pure Water planning and design (P&D) loans will be deferred and combined with future construction financing for these projects which the department plans to secure from various sources in late 2017. P&D funds may be drawn for up to 3 years at zero interest. It is the intention to repay the P&D loans in full prior to the start of the construction period or refinance the loans with State Revolving Fund (SRF) construction loans or bonds. If not refinanced by the time construction begins, the SWRCB allows for a 10 year repayment term at the prevailing Clean Water State Revolving Fund (CWSRF) interest rate, which most recently was 1.7%.

CWSRF Financing Agreements are treated as "Parity Obligations" whereby repayment will be in the same lien position as the Sewer Revenue Fund outstanding senior obligations. The City also dedicates net revenues of the Sewer Revenue Fund for repayment of CWSRF financing on the aforementioned projects, which is the same source of repayment for other outstanding parity and subordinate bond obligations, and outstanding CWSRF obligations of the Sewer Revenue Fund. The City also agrees to an aggregate debt service coverage ratio of 1.1x.

Based on a financing amount of \$9,800,000 for the Pure Water North City Morena Blvd Pump Station and Pipeline Project, the annual debt service in FY18 is \$0. If the Project is not refinanced with long term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of estimated \$1,000,000 to be programmed in the Wastewater System.

Based on a financing amount of \$9,900,000 for the Pure Water North City Water Reclamation Plant (NCWRP) Project, the annual debt service in FY18 is \$0. If the Project is not refinanced with long term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of \$1,000,000 to be programmed in the Wastewater System.

Based on a financing amount of \$6,200,000 for the Pure Water North City Metropolitan BioSolids Center (MBC) Project, the annual debt service in FY18 is zero. If the Project is not refinanced with long term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of \$680,000 to be programmed in the Wastewater System.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Resolution No. 304316, adopted November 13, 2008, authorized the Mayor, or his representative, to submit applications for financial assistance from the SWRCB for wastewater projects.

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Ward, to recommend Council introduce the ordinance.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Kommi/Lewis

Primary Contact\Phone: Chris Gehrki\619-533-6223, MS7B

Secondary Contact\Phone: Brian Mandell\619-533-7549, MS7B

City Attorney Contact: Chung, Walter

NOTE: See Items 53, 54, 101, and 102 on today's docket for companion items.

* ITEM-53: Clean Water State Revolving Fund (SRF) loans to the Water Utility for Pure Water planning and design projects: North City (NC) Morena Blvd Pump Station & Pipeline; NC Pure Water Facility; and NC Pure Water Pipeline. (Citywide.)

ITEM DESCRIPTION:

Authorization for Clean Water State Revolving Fund (CWSRF) planning and design (P&D) loans, not to exceed \$45,300,000, to fund FY18 P&D costs for four Pure Water, Water Utility projects. The P&D loans accrue no interest during the P&D phase, which is up to three years. It is the intention to repay the P&D loans in full prior to the start of construction period or refinance the loans with State Revolving Fund (SRF) construction loans or bonds. This is a companion item to other State Revolving Fund (SRF) loan actions.

STAFF'S RECOMMENDATION:

Introduce the following ordinances:

Subitem-A: (O-2017-114)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the Pure Water North City Morena Boulevard Pump Station and Pipeline Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

Subitem-B: (O-2017-115)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the North City Pure Water Facility Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

Subitem-C: (O-2017-116)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with planning and design of the North City Pure Water Pipeline to Miramar Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:**FISCAL CONSIDERATIONS:**

If the loan applications are approved by the State Water Resources Control Board (SWRCB), in accordance with the loan criteria, repayment of the Pure Water planning and design (P&D) loans will be deferred and combined with future construction financing for these projects, which the department plans to secure from various sources in late 2017. The current estimated construction start for the above listed projects is FY19 with the estimated end to be FY22. P&D funds may be drawn for up to 3 years at zero interest. It is the intention to repay the P&D loans in full prior to the start of the construction period or refinance the loans with State Revolving Fund (SRF) construction loans or bonds. If not refinanced by the time construction begins, the SWRCB allows for a 10 year repayment term at the prevailing Clean Water State Revolving Fund (CWSRF) interest rate, which most recently was 1.7%.

CWSRF Financing agreements are treated as "Parity Obligations" whereby repayment will be in the same lien position as the Water Utility Fund's outstanding senior obligations. The City is also required to dedicate net revenues of the Water Utility Fund for repayment of CWSRF financing on the aforementioned projects, which is the same source of repayment for other outstanding parity and subordinate bond obligations, and outstanding CWSRF obligations of the Water Utility Fund. The City will be required to maintain aggregate debt service coverage ratio of 1.1x for the Water System and agree to a rate covenant to maintain Water System rates to support this coverage level.

Based on a financing amount of \$3,000,000 for the North City Morena Blvd Pump Station & Pipeline Project, the annual debt service in FY18 is zero. If the Project is not refinanced with long-term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of \$300,000 to be budgeted in the Water Utility Fund.

Based on a financing amount of \$35,400,000 for the North City Pure Water Facility Project, the annual debt service in FY18 is zero. If the Project is not refinanced with long-term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of \$3,800,000 to be budgeted in the Water Utility Fund.

Based on a financing amount of \$6,800,000 for the North City Pure Water Pipeline to Miramar Project, the annual debt service in FY18 is zero. If the Project is not refinanced with long-term construction financing, CWSRF provides option to repay the P&D loan over 10 years beginning at the start of construction resulting in annual debt service of \$700,000 to be budgeted in the Water Utility Fund.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Ward, to recommend Council introduce the Ordinance.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Kommi/Lewis

Primary Contact\Phone: Chris Gehrki\619-533-6223, MS 7B

Secondary Contact\Phone: Brian Mandell\619-533-4519, MS 7B

City Attorney Contact: Palmucci, Ray C.

NOTE: See Items 52, 54, 101, and 102 on today's docket for companion items.

* ITEM-54: Clean Water State Revolving Fund (SRF) loan to the Sewer Revenue Fund for Pump Station 2 Power Reliability and Surge Protection Construction Project. (Citywide.)

ITEM DESCRIPTION:

Authorization for a Clean Water State Revolving Fund (CWSRF) construction loan, not to exceed \$70,000,000 for the PS2 Project (representing an increase of \$27,000,000 from prior approval of \$43,000,000). Construction loans carry an interest rate fixed at closing; the most recent CWSRF rate is 1.7%. The repayment term is 30 years with annual payments to be made from the Sewer Utility. Companion item to other State Revolving Fund (SRF) loan actions.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2017-101)

Introduction of an Ordinance authorizing financing through the Clean Water State Revolving Fund and taking related actions in connection with Sewer Pump Station No. 2 Power Reliability and Surge Protection Project.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Clean Water State Revolving Fund (CWSRF) construction loans carry an interest rate fixed at closing; the most recent CWSRF interest rate is 1.7%. CWSRF Financing agreements are treated as "Parity Obligations" whereby repayment will be in the same lien position as the Sewer Revenue Fund's outstanding senior obligations. The City also dedicates net revenues of the Sewer Revenue Fund for repayment of CWSRF financing on the aforementioned projects, which is the same source of repayment for other outstanding parity and subordinate bond obligations, and outstanding CWSRF obligations of the Sewer Revenue Fund. The City also agrees to an aggregate debt service coverage ratio of 1.1x.

Repayment of the PS2 construction loan includes the interest-only payment during construction (estimated at 42 months), followed by a 30-year repayment term beginning one year from project completion. Interest will accrue on all disbursements as of the date of each disbursement.

Based on a financing amount of \$70,000,000 for the PS2 Project, annual debt service (interest only) during the construction period is estimated to be up to \$272,000 in FY18, \$724,200 in FY19, \$969,000 in FY20, and \$1,190,000 in FY21. Once construction is complete, annual debt service is estimated at \$2,900,000 over the 30 year repayment period. Costs will be budgeted in the Wastewater System.

Reimbursement Resolution:

Payments for various construction project costs are expected to occur prior to receipt of loan disbursements subject to the Installment Purchase Agreement. The City then expects to reimburse itself periodically. In order to do that, the City must adopt a reimbursement resolution in accordance with Section 1.150-2 of Treasury Regulations (“Regulations”). By adopting a Reimbursement Resolution the City will satisfy the Official Intent Requirement under the Regulations and be able to reimburse construction project costs using funds available from the Installment Purchase Agreement with SWRCB. Adoption of the Reimbursement Resolution will not obligate the City to expend any funds; it merely enables the City to reimburse itself for all qualified construction project expenses the City fronts while completing the construction project.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Resolution No. 304316, adopted November 13, 2008, authorized the Mayor, or his representative, to submit applications for financial assistance from the SWRCB for wastewater projects.

Ordinance No. 20549, adopted August 8, 2015, authorized the Mayor, or his representative, to submit an application for financing assistance from the State Water Resource Control Board (SWRCB) for the PS2 Project in an amount up to \$43,000,000.

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Ward, to recommend Council introduce the ordinance and adopt the resolution.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Kommi/Lewis

Primary Contact\Phone: Chris Gehrki\619-533-6223, MS 7B
Secondary Contact\Phone: Brian Mandell\619-533-4519, MS 7B
City Attorney Contact: Zeleny, Thomas C.

NOTE: See Items 52, 53, 101, and 102 on today’s docket for companion items.

- * ITEM-55: First Amendment to the Agreement with Infrastructure Engineering Corporation (IEC) for professional services for the design and construction support of Upas Street Pipeline Replacement Project (H115374). (Greater North Park, Uptown, Midway-Pacific Highway Community Areas. Districts 2 and 3.)

ITEM DESCRIPTION:

Council authorization to execute the First Amendment of the Agreement (H115374) with Infrastructure Engineering Corporation (IEC) for the design and construction support services of Upas Street Pipeline Replacement Project. This First Amendment provides additional funds of \$128,094 to allow IEC to design for the additional scope of work.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2017-100)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute, for and on behalf of the City, a First Amendment to the Agreement with Infrastructure Engineering Corporation (IEC) for professional services for the design of Upas Street Pipeline Replacement, in CIP S-11022, Upas Street Pipeline Replacement, in an amount not to exceed \$128,094, contingent upon the adoption of the Appropriation Ordinance for the applicable fiscal year, under the terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to expend funds under the established Contract funding phases in an amount not to exceed \$128,094 for phase 3 from CIP S-11022, Upas Street Pipeline Replacement, Fund 700010, Water Utility CIP, for the purpose of executing this First Amendment to the Agreement, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasury;

Authorizing the Chief Financial Officer, upon advice from the administering department, to transfer excess funds, if any, to the appropriate reserves.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The total estimated consultant design cost of this Project is \$1,654,899. Funding of \$1,526,805 was previously authorized by Resolution No. 307277. Additional funding of \$128,094 is available in CIP S-11022, Upas Street Pipeline Replacement Project, Fund 700010, Water Utility CIP, for this purpose. No future funding is anticipated in this First Amendment to the Agreement.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The total amount of \$1,526,805 was previously authorized by R-307277 dated February 22, 2012, and approved by the Natural Resources & Culture Committee on February 1, 2012.

This item was heard at the Infrastructure Committee meeting on February 1, 2017.

ACTION: Motion by Vice-Chair Ward, second by Councilmember Zapf, to recommend Council introduce the Ordinance.

VOTE: 4-0; Kersey-yea, Zapf-yea, Ward-yea, Gomez-yea.

Gibson/Gomez

Primary Contact\Phone: Mark Nassar\619-533-6600, MS 908A
Secondary Contact\Phone: Iraj Asgharzadeh\619-533-5105, MS 908A
City Attorney Contact: Mercer, Mark M.

ADOPTION AGENDA, CONSENT ITEMS
ORDINANCES INTRODUCED AT A PREVIOUS MEETING, READY FOR DISPENSING
WITH THE READING AND ADOPTION:

- * ITEM-56: Acceptance of Coastal Commission Amendments to the City's 10th Update Ordinance. (Coastal Overlay Zone.)

ITEM DESCRIPTION:

A request to amend sections of the Land Development Code previously adopted by the 10th Update to the Land Development Code (Ordinance O-20634) with respect to utilization of a development permit for Capital Improvement Projects (10th Update Issue No. 7) and encroachments into the right-of-way (10th Update Issue No. 8). City acceptance of the California Coastal Commission's "suggested modifications" (pursuant to Coastal Commission action on September 8, 2016) is necessary in order for the 10th Update ordinance to become effective in the Coastal Overlay Zone.

CITY COUNCIL'S RECOMMENDATION:

Adopt the following ordinance which was introduced on 2/27/2017, Item 200.
(Council voted 7-0. Councilmember Zapf and Councilmember Alvarez not present.)

(O-2017-99)

Amending Chapter 12, Article 6, Division 1 of the San Diego Municipal Code by amending Section 126.0108 and amending Chapter 12, Article 9, Division 7 by amending Section 129.0710 all relating to accepting the California Coastal Commission's suggested modifications required for certification of the utilization requirement of development permits for capital improvement program projects and encroachments in the public right-of-way as part of the 10th Update to the Land Development Code.

ADOPTION AGENDA, CONSENT ITEMS

RESOLUTIONS:

- * ITEM-100: Consultant Agreement with Towill, Inc., to provide as-needed Aerial Surveying Services (Contract No. H166783) for the Transportation and Storm Water Department.

ITEM DESCRIPTION:

This is a request for Council approval to award a contract for professional services for as-needed Aerial Surveying, Photography, Mapping and Digitizing for the Transportation and Storm Water Department to Towill, Inc. The consultant will provide as-needed professional services to support the needs of the Department which may include aerial surveying, map digitizing, terrestrial laser scanning and airborne LiDAR (Light Detection and Ranging).

STAFF'S RECOMMENDATION

Adopt the following resolution:

(R-2017-397)

Authorizing the Mayor, or his designee, to execute the Agreement with Towill, Inc., for as-needed Aerial Surveying, Photography, Mapping and Digitizing Services to provide such services for the Transportation and Storm Water Department in an amount not to exceed \$4,500,000, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that funds necessary for expenditures are, or will be, on deposit with the City Treasurer;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$4,500,000 over five years, for the purpose of funding the Agreement with Towill, Inc., contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$1,000 from Fund 200217, Underground Surcharge Fund, for the purpose of executing this Agreement, and meeting the minimum contract requirements.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The City agrees to issue a task order(s) with the minimum aggregate value of \$1,000 to Towill, Inc. Funding for this minimum guaranteed amount of \$1,000 is from Fund 200217, Underground Surcharge Fund. The maximum contract amount for as-needed aerial consultant services shall not exceed \$4,500,000 and the contract length is five years. Funding for future tasks will be provided by the Transportation and Storm Water Projects requiring these services.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Sherman, to recommend Council adopt the resolution.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

McFadden/Gomez

Primary Contact\Phone: Nabong James\619-533-3721
Secondary Contact\Phone: Sameera Rao\619-533-3718
City Attorney Contact: Gerrity, Ryan P.

* ITEM-101: Application for financial assistance from the State Water Resources Control Board for water projects. (Citywide.)

ITEM DESCRIPTION:

Authorization for the Mayor, and/or designee, to submit applications for financial assistance from the State Water Resources Control Board (SWRCB) for water projects. This is a companion item for other State Revolving Fund (SRF) loan actions.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2017-396)

Authorizing the Mayor, or his designated representative, to sign and submit applications for financial assistance from the State Water Resources Control Board for planning, design, and construction of water projects;

Authorizing the Mayor, or his designated representative, to provide any assurances, certifications, and commitments required to apply for financial assistance from the State Water Resources Control Board.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Clean Water State Revolving Fund (CWSRF) Financing agreements are treated as "Parity Obligations" whereby repayment will be in the same lien position as the Water Utility Fund's outstanding senior obligations. The City also dedicates net revenues of the Water Utility Fund for repayment of CWSRF financing on the aforementioned projects, which is the same source of repayment for other outstanding parity and subordinate bond obligations, and outstanding CWSRF obligations of the Water Utility Fund. The City also agrees to an aggregate debt service coverage ratio of 1.1x.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Ward, to recommend Council adopt the Resolution.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Kommi/Lewis

Primary Contact\Phone: Chris Gehrki\619-533-6223, MS 7B
Secondary Contact\Phone: Brian Mandell\619-533-4519, MS 7B
City Attorney Contact: Palmucci, Raymond C.

Note: See Items 52, 53, 54, and 102 on today's docket for companion items.

* ITEM-102: Application for financial assistance from the State Water Resources Control Board for wastewater projects. (Citywide.)

ITEM DESCRIPTION:

Authorization for the Mayor, and/or designee, to submit applications for financial assistance from the State Water Resources Control Board (SWRCB) for wastewater projects. The SWRCB requests an updated Resolution from the 2008 approved Resolution. This is a companion item for other State Revolving Fund (SRF) loan actions.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2017-369)

Authorizing the Mayor, or his designated representative, to sign and submit applications for financial assistance from the State Water Resources Control Board for planning, design, and construction of wastewater projects and recycled water projects;

Authorizing the Mayor, or his designated representative, to provide any assurances, certifications, and commitments required to apply for financial assistance from the State Water Resources Control Board.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Clean Water State Revolving Fund (CWSRF) Financing agreements are treated as "Parity Obligations" whereby repayment will be in the same lien position as the Sewer Revenue Fund's outstanding senior obligations. The City also dedicates net revenues of the Sewer Revenue Fund for repayment of CWSRF financing on the aforementioned projects, which is the same source of repayment for other outstanding parity and subordinate bond obligations, and outstanding CWSRF obligations of the Sewer Revenue Fund. The City also agrees to an aggregate debt service coverage ratio of 1.1x.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Resolution No. 304316, adopted November 13, 2008, authorized the Mayor, or his representative, to submit applications for financial assistance from the SWRCB for wastewater projects.

This item was heard at the Environment Committee meeting on February 16, 2017.

ACTION: Motion by Councilmember Cate, second by Councilmember Ward, to recommend Council adopt the Resolution.

VOTE: 4-0; Alvarez-yea, Cate-yea, Ward-yea, Sherman-yea.

Kommi/Lewis

Primary Contact\Phone: Chris Gehrki\619-533-6223, MS 7B

Secondary Contact\Phone: Brian Mandell\619-533-4519, MS 7B

City Attorney Contact: Zeleny, Thomas C.

Note: See Items 52, 53, 54, and 101 on today's docket for companion items.

PROCLAMATIONS/CEREMONIAL ITEMS

NOTE: The following Proclamation will be presented in Council Chambers and approved by Unanimous Consent unless pulled for discussion.

ITEM-30: 100th Anniversary of Girl Scouts San Diego Council.

PRESENTED BY COUNCILMEMBER ZAPF AND COUNCILMEMBER CATE:

Proclaiming March 14, 2017, as the "100th Anniversary of Girl Scouts San Diego Council" in the City of San Diego.

SPECIAL ORDERS OF BUSINESS

None.

NON-AGENDA PUBLIC COMMENT

This portion of the agenda provides an opportunity for members of the public to address the Council on items of interest within the jurisdiction of the Council. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Per Section 22.0101, Rule 2.6.2, of the San Diego Municipal Code, comments are limited to two minutes per speaker. Speakers may not allocate their time to other speakers. If there are eight (8) or more speakers on a single issue, the maximum time allotted for that issue will be sixteen (16) minutes. Non-Agenda Public Comment is limited to 30 minutes during the Tuesday morning Council session. Any remaining speakers will be given an opportunity to speak after Council concludes the remaining agenda items for that day. Speaker order will generally be decided on a first-come, first-served basis. However, in the event that there are more than 15 Non-Agenda Public Comment speakers on a particular Tuesday, priority may be given to speakers who have not addressed the legislative body during "Non-Agenda Public Comment" at the last regularly scheduled Council meeting.

MAYOR, COUNCIL, INDEPENDENT BUDGET ANALYST, CITY ATTORNEY, CITY CLERK COMMENT

UPDATES ON PENDING LEGISLATION (MAYOR'S OFFICE)

REQUESTS FOR CONTINUANCE

The Council will consider requests for continuance in the morning or afternoon, based on when the item was noticed to be heard.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-330: FY16 Facilities Condition Assessment (FCA) Report for Leased General Fund (GF) Facilities and Proposed Service Level for City-Occupied and Leased GF Facilities. (All Districts.)

ITEM DESCRIPTION:

This item provides a status update of the three Facilities Condition Assessment Agreements approved in December 2013 and the findings for the 133 Leased General Fund facilities that were assessed in FY14 through FY16. In order to assist with establishing a city-approved Service Level standard for Leased General Fund Facilities, a proposed Service Level Option is provided to illustrate the effect of funding level on condition and reliability. The proposed service level for 133 Leased GF facilities is combined with the 560 City-Occupied GF facilities (presented at City Council on April 12, 2016) for a summary of the entire GF inventory of 693 facilities.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2017-407 Cor. Copy) (Rev. 3/10/17)

Declaring that the City supports the recommended goal Facility Condition Index (FCI) score of 15 for public and semi-public general fund facilities;

Declaring that the City supports the recommended goal FCI score of 20 for office, work yard and operations general fund;

Declaring that the City supports the recommended goal FCI score of 20 for commercial, residential leased general fund facilities.

STAFF SUPPORTING INFORMATION:**FISCAL CONSIDERATIONS:**

The proposed FY16 Service Level (15/15/20/20) outlined in this report requires approximately \$829M for the 693 City-Occupied and Leased General Fund Facilities assessed in FY14 through FY16. Six buildings in the City Concourse (CAB, COB, City Concourse Event Center, Parkade, Theatre/restrooms, and restaurant) make up \$321M which is 39% of this proposed reinvestment amount. As future assessments are completed, projected funding requirements will be revised. The FY16 Proposed Service Level (15/15/20) of \$403M for 560 city-occupied GF facilities is included in the FY17 - FY21 5-Year Capital Asset Planning Outlook as unfunded needs.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTIONS:

City Council 12/9/2013 Resolution 308581; FCA Consultant Agreements

Infrastructure Committee 1/21/2015; FY 2016 - 2020 Consolidated Multi-Year Capital Planning Report

Infrastructure Committee 6/3/2015 and City Council 7/13/2015; FY14 FCA Update

Infrastructure Committee 12/9/2015; FY17 - FY21 5-year Capital Asset Planning Outlook

Infrastructure Committee 3/16/2016 and City Council 4/12/2016; FY16 FCA Update

This item was heard at the Infrastructure Committee meeting on December 7, 2016.

ACTION: Motion by Vice-Chair Cole, second by Councilmember Zapf, to adopt the resolutions.

VOTE: 4-0; Kersey-yea, Zapf-yea, Cole-yea, Emerald-yea.

Nagelvoort/Gomez

Primary Contact\Phone: Richard Leja\619-533-5112, MS 908A

Secondary Contact\Phone: Leigh Ann Sutton\619-533-3427, MS 908A

City Attorney Contact: Mercer, Mark M.

ADOPTION AGENDA, DISCUSSION, HEARINGS

NOTICED HEARINGS:

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-331: Appeal of T-Mobile San Carlos Recreation Center, Project No. 417126. (Navajo Community Plan Area. District 7.)

ITEM DESCRIPTION:

T-Mobile San Carlos Recreation Center is a Wireless Communication Facility consisting of a 48-foot tall clock tower concealing nine panel antennas with associated equipment located in the base of the tower. The project is located at the San Carlos Recreation Center at 6445 Lake Badin Avenue in the Navajo Community Plan.

TODAY'S ACTIONS ARE:

Take the following actions:

According to San Diego Municipal Code Section 112.0508(e), Power to Act on Appeal, the City Council may:

- (1) Affirm the Planning Commission's decision to approve the permits; or
- (2) Affirm the Planning Commission's decision to approve the permits with modifications; or
- (3) Reverse the Planning Commission's decision if the City Council makes written findings based on substantial evidence that the approval is not authorized by state or local zoning law.

Directing the City Attorney to prepare the appropriate Resolutions according to Section 40 of the City Charter.

NOTE: This item is not subject to the Mayor's veto.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

None with this action. All costs associated with the processing of this project are paid from a deposit account maintained by the applicant.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

None.

Graham/kl

Primary Contact\Phone: Karen Lynch\619-446-5351, MS 501

Secondary Contact\Phone: Simon Tse\619-687-5984, MS 501

City Attorney Contact: Thomas, Shannon

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-332: Creation of Utilities Undergrounding District for Residential Project Block 2BB (Pacific Beach.) (Pacific Beach Community Plan Area. District 2)

NOTE: First heard at the meeting of February 14, 2017, Item 332.

ITEM DESCRIPTION:

In accordance with San Diego Municipal Code (SDMC), Chapter 6, Article 1, Division 5, Underground Utilities Procedural Ordinance, this action will create a new Underground Utility District. The Resolution will provide for undergrounding all overhead utilities within the newly created District.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2017-361 Cor. Copy)

Adoption of a Resolution finding and determining that creation of the above described District is in the general public interest because: such undergrounding will avoid or eliminate an unusually heavy concentration of overhead facilities; the street or road or right of way is extensively used by the general public and carries a heavy volume of pedestrian or vehicular traffic; the street or road or right of way adjoins or passes through a civic area or public recreation area or an area of unusual scenic interest to the general public; or the street, road, or right of way is considered an arterial street or major collector;

Finding and determining that the public health, safety, or general welfare requires the removal of poles, overhead wires, and associated overhead structures and the underground installation of wires and facilities for supplying electric, communication, community antenna television or similar or associated service within the Districts set forth above and that pursuant to Chapter VI, Article One, Division Five of the San Diego Municipal Code, the above Districts are hereby declared to be underground utility districts in the City of San Diego, and any maps and document referred to above are hereby incorporated as a part of this Resolution;

Authorizing the Mayor, or his designee, to establish schedules (District Schedules) for the underground conversion of all poles, overhead wires, and associates structures in the District;

Instructing the Mayor, or his designee, to notify, within fifteen calendar days of the effective date of adoption of the District Schedule, all affected Utility Companies and all Affected Persons as defined in Chapter VI, Article 1, Division 5 of the San Diego Municipal Code, of the provisions of the District Schedule, of the date by which all poles and related overhead structures shall be removed, and of the applicable date by which all work required to convert the facilities shall be accomplished. The Mayor or his designee shall further notify said affected persons as defined in Chapter VI, Article 1, Division 5 of the San Diego Municipal Code that if they desire to continue to receive electric, communication, community antenna television or similar or associated service they shall permit installation of all necessary facility changes on their premises, or provide such changes at their own expense, so as to receive underground service from the supplying utility company's relocated underground lines, subject to applicable rules, regulations and tariffs of the respective utility company on file with the Public Utilities Commission of the State of California (as of the date of adoption of this Resolution) and subject to all other applicable requirements of State law and City Ordinances;

Declaring that the Mitigated Negative Declaration (MND), Project No. 511042, on file with the Office of the City Clerk, has been completed in compliance with the California Environmental Quality Act of 1970 (California Public Resources Code Section 21000 et seq.), as amended, and the State guidelines thereto (California Code of Regulations Section 15000 et seq.), and that the final MND, together with any comments received during the public review process has been reviewed and considered by this City Council in connection with approving the District, and that this declaration reflects the independent judgment of the City of San Diego as Lead Agency;

Adopting the Mitigation Monitoring and Reporting Programs, or alterations to implement the changes to the District as required by the City Council in order to mitigate or avoid significant effects on the environment, pursuant to California Public Resources Code Section 21081.6, which is attached hereto as Exhibit A;

Directing the City to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego regarding the District.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The estimated project cost of \$12,545,549 will be funded through the use of Undergrounding Surcharge Fund 200217. This estimate includes a construction cost of \$9,731,509 for electrical utility work within the public right-of-way and private property, and other indirect costs such as administration, archaeological monitoring, street light replacement, street resurfacing, and other related work estimated at \$2,814,040. These expenditures have been approved or will be approved by subsequent actions.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Item R-310557/R-2016-709 on June 21, 2016, regarding the Status of the Utilities
Undergrounding Program which authorized staff to begin working on the Districts in this item.

McFaden/Gomez/jn

Primary Contact\Phone: Jim Nabong\619-533-3721, MS 608

Secondary Contact\Phone: Breanne Busby\619-533-4526, MS 608

City Attorney Contact: Ryan P. Gerrity

NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT