

**AVALON CITY COUNCIL MEETING WILL ALSO INCLUDE A MEETING OF THE  
CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE  
AVALON COMMUNITY IMPROVEMENT AGENCY  
TUESDAY, SEPTEMBER 20, 2016 – 6:00 P.M.  
CITY COUNCIL CHAMBERS  
410 AVALON CANYON ROAD, AVALON  
A G E N D A**

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the City Council. Such records shall be available at City Hall located at 410 Avalon Canyon Rd.

**CALL TO ORDER / PLEDGE OF ALLEGIANCE / INVOCATION / ROLL CALL**

**ANNOUNCEMENTS / WRITTEN COMMUNICATIONS**

**CITY MANAGER REPORT / CITY ATTORNEY REPORT**

**COUNCILMEMBER REPORTS / MAYOR REPORT**

**PRESENTATIONS**

1. Proclamation in honor of National Museum Day, September 24, 2016.

**ORAL COMMUNICATION**

Members of the public may address the City Council at this time. No action will be taken on non-agenda items at this meeting. Speakers should limit comments to three (3) minutes each.

**CONSENT CALENDAR**

All items listed on the Consent Calendar are considered to be routine by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a specific item is removed from the Consent Calendar for further discussion and possible action.

1. Actions  
Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.  
Recommended Action  
Approve actions from the September 6, 2016 regular City Council meeting.

**CITY COUNCIL AGENDA  
SEPTEMBER 20, 2016  
PAGE 2**

2. Expenditures Submitted for Approval

- Warrants in the amount of \$1,535,236.88.
- Two payrolls in the amount of \$467,113.48.
- Fice electronic fund transfers totaling \$163,492.25.

Recommended Action

Approve total expenditure amount of \$2,165,842.61.

3. Community Digital Signage at Vons Supermarket

In November of 2014, City Council approved a one-year trial use of the Community Digital Signage at Vons Supermarket on Metropole Avenue. It is used exclusively for the communication of city, school and non-profit programs and events.

Recommended Action

Approve that the Community Services Department continue to administer the Community Digital Signage at the Vons Supermarket.

4. Contract Temporary Accounting Help

The FY16-17 Budget provides \$8,000 per month for the payroll and related expenses of a Senior Accountant/Finance Analyst. The City has been actively soliciting applications, and has not yet been able to fill the position. Staff recommends contracting qualified temporary help until the position is filled, for a monthly amount, not to exceed \$8,000.

Recommended Action

Authorize the City Manager to contract temporary accounting help to assist the Finance Director with monthly accounting tasks and with the preparation of the FY15-16 Audit, until the Senior Accountant position is filled, for a monthly amount not to exceed \$8,000.

5. City Leases Held by the Santa Catalina Island Company

In November, 2014 the Santa Catalina Island Company (SCI Co.) presented the City with proposals for lease agreements on properties that the City occupied or maintained for the community benefit. Since January 2016 the City and SCI Co. started to earnestly negotiate each property. Through a mutual goal, a final resolution has been reached.

Recommended Action

Authorize the City Manager to enter into the lease agreements on the listed properties and approve the expenditures from FY 15/16 and amend FY 16/17 budget to reflect the accurate expenditures.

**\*\*\*The following item on the Consent Calendar is the City of Avalon City Council acting as Successor Agency.**

6. Amended Recognized Obligation Payment Schedule (ROPS) 16-17B

The Successor Agency to the Avalon Community Improvement Agency, Oversight Board, and the Department of Finance approved a Recognized Obligation Payment

**CITY COUNCIL AGENDA  
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PAGE 3**

Schedule for the July 1, 2016 through June 30, 2017 period ("ROPS 16-17"). The ROPS lists each of the Successor Agency's enforceable obligations and approved payments for each item in Fiscal Year 2016-17. The Successor Agency is permitted to amend the amounts requested for approved enforceable obligations in the January to June 2017 period if necessary to make required payments. Staff has determined it is necessary to amend the ROPS to make payments on one enforceable obligation.

Recommended Action

Adopt resolution of the Successor Agency to the Avalon Community Improvement Agency approving an amended Recognized Obligation Payment Schedule 16-17B.

**GENERAL BUSINESS**

7. Water Presentation by the City Attorney

Presentation on water options and direction to Staff to implement action to address the water shortage and drought restrictions.

8. CPUC Request to Direct SCE's Support for City Application for Sustainable Year-Round Water Supply for Avalon- City Manager

The City of Avalon has been seeking the cooperation of Southern California Edison to collaborate and cooperate on a joint venture. The City would seek State of California funds to build new storage facilities, construct new water wells and refurbish or replace existing salt water wells in Pebbly Beach to create adequate fresh water storage from existing desalinization units in place.

Recommended Action

Direct the City Manager to file a request with the California Public Utilities Commission (CPUC) to issue and order Southern California Edison to cooperate with and support the City of Avalon's request to the State of California for funds to build fresh water storage, construct new salt water wells and refurbish or replace existing salt water wells to create a sustainable year-round supply of fresh water to Avalon.

**ADJOURN**

**NOTICE OF POSTING**

I, Denise Radde, declare that the City Council Agenda for September 20, 2016 was posted Friday, September 16, 2016, on the City's website [www.cityofavalon.com](http://www.cityofavalon.com), and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall.



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Denise A. Radde, City Clerk/Chief Administrative Officer

**CITY OF AVALON CITY COUNCIL**

**MEETING DATE:** September 20, 2016  
**ORIGINATING DEP:** City Clerk  
**PREPARED BY:** Denise Radde, City Clerk  
**SUBJECT:** City Council Actions

**AGENDA ITEM:**  
**CITY MANAGER:**



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**RECOMMENDED ACTION(S):** Approve actions from the September 6, 2016 regular City Council meeting.

**REPORT SUMMARY:** Although the live recording is the official record of public meetings, actions are prepared for the Council's approval.

**FISCAL IMPACTS:** N/A

**GOAL ALIGNMENT:** Not aligned,

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** N/A

**FOLLOW UP ACTION:** File Actions in the City Clerk's office.

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda pursuant to the Brown Act.

**ATTACHMENTS:** Actions

**CITY OF AVALON CITY COUNCIL,  
SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY,  
AND THE AVALON HOUSING AUTHORITY  
TUESDAY, SEPTEMBER 6, 2016  
ACTIONS**

**CITY COUNCIL CALL TO ORDER 6:00 p.m.**

**ROLL CALL** - Mayor Anni Marshall, Mayor Pro Tem Oley Olsen, Councilmembers Cinde Cassidy, Richard Hernandez, and Joe Sampson. Also present City Manager David Jinkens, Chief Administrative Officer/City Clerk Denise Radde and City Attorney Scott Campbell.

**PRESENTATIONS**

1. A proclamation in honor of Constitution Week, September 17 through 23, recognizing the two hundred twenty-ninth anniversary of the drafting of the Constitution of the United States of America was read by Mayor Marshall.
2. Certificates of Completion were given to local youth who competed the five week B.E.A.R. (Bicycle Education And Registration) program course.

**CONSENT CALENDAR**

There were four items on the regular Consent Calendar and one item as the City Council acting as the Successor Agency to the Avalon Community Improvement Agency and Avalon Housing Authority. Motion to approve Items 1-5 by Joe Sampson, seconded by Richard Hernandez. (All Ayes)

1. Actions  
Approved actions from the August 2, 2016 and August 16, 2016 regular City Council meetings.
2. Resolution Approving the Application for the Annual Allocation for Transit Funds Under Article 8 of the Transportation Development Act  
Adopted Resolution 16-33 approving the annual application for TDA Article 8 funds for the current Fiscal Year.
3. Waterside Permit Application: Temporary Underwater Sculptures installed in Casino Dive Park  
(1) Approved a Waterside Permit to the Parley Foundation for the placement of three temporary underwater sculptures in the City's jurisdictional waters in the Casino Dive Park; (2) Approved an agreement with the Parley Foundation for the terms and conditions of the installation of the underwater sculptures and authorized the City Manager to execute the agreement; and (3) Approved the design of the installation of the underwater sculptures and authorized the City Manager or his designee to approve any future revisions to the design.

**CITY COUNCIL ACTIONS**  
**SEPTEMBER 6, 2016**  
**PAGE 2**

4. Lease Purchase Agreement for the Joe Machado Field Artificial Turf Project  
Authorized the City Manager to execute the lease purchase agreement subject to review and approval from the City Legal Counsel and adopted Resolution 16-34 approving the lease purchase agreement for the Joe Machado Field Artificial Turf Project.

**\*\*\*The following item on the Consent Calendar was the City of Avalon City Council acting as Successor Agency to the Avalon Community Improvement Agency and the Avalon Housing Authority**

5. Extend Agreement with RSG for FY16-17 for Successor Agency and Housing Authority Consulting Services  
Authorized the City Manager to extend the professional service agreement with RSG to (1) provide redevelopment dissolution services and (2) provide Housing Authority annual reporting and strategic planning for a not to exceed amount of \$37,500.

**GENERAL BUSINESS**

6. Extension of Lease For Catalina Island Yacht Club (CIYC)  
City Manager David Jinkens gave a summary of the item. CIYC is requesting three (10 year) extension on their lease. Before proceeding forward on this item Cinde Cassidy made the motion to discuss publicly what was previously discussed in Closed Session, seconded by Anni Marshall. (All Ayes)

City Council discussed the item and after consideration, Staff was directed to bring this item back at a future meeting and provide a list of the pros and cons of providing a longer lease. Additionally:

- Can we sell CIYC the building if we only "own" the building because of the Tidelands.
- What rents do other Yacht Clubs pay on the mainland?
- Get a detail list of the improvements made on the building.

7. Item of Discussion: Vacation Rentals and Transfers  
Many comments were received from the audience. After much discussion, City Attorney Scott Campbell summarized that we have two legal issues: 1) Going forward, if licenses are issued rather than CUPS, will this prevent such licenses from running with the land? 2) Is it possible to consider a CUP or license and set a ceiling or floor on this use of such CUP or license? Legal counsel will look into these issues. After that the Planning Commission will vet the issues outlined. Councilmember Cassidy emphasized that this was just a starting point and encouraged the public to email the Council with any thoughts, comments and concerns.

**CITY COUNCIL ACTIONS**  
**SEPTEMBER 6, 2016**  
**PAGE 3**

8. Discussion of Potential Growth Management Ordinance  
After a summary by City Attorney Scott Campbell, comments were received from the audience. Staff was directed to have the Planning Commission study this item and provide feedback to the City Council, addressing the City's role in who receives water and guidelines on permits that would require a water allocation.

**CLOSED SESSION 9:17 – 9:34 p.m.**

Following the appropriate announcement of the Closed Session items the City Council went into Closed Session to discuss the following:

1. **LIABILITY CLAIM**  
Claimant: Ryan Ramming  
Agency Claimed Against: City of Avalon

Following Closed Session Legal Counsel announced that there was no reportable action.

**ADJOURN**

Mayor Marshall adjourned the City Council meeting at 9:35 p.m.

I, Denise Radde, City Clerk of the City of Avalon, do hereby certify that the DVD videotape of the City Council Meeting on September 6, 2016, is the official record of that Council Meeting and is on file and maintained in City Hall.



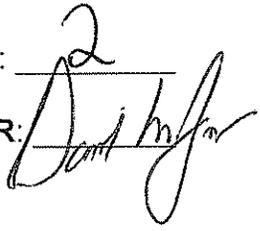
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Denise A. Radde, City Clerk / Chief Administrative Officer

CITY OF AVALON CITY COUNCIL

**MEETING DATE:** September 20, 2016  
**ORIGINATING DEP:** Finance  
**PREPARED BY:** Robert Mescher, Finance Director  
**SUBJECT:** Warrants

**AGENDA ITEM:** 2

**CITY MANAGER:** 

**RECOMMENDED ACTION(S):** Approve the total disbursements from August 12, 2016 to September 9, 2016 totaling \$2,165,842.61.

**REPORT SUMMARY:** These disbursements from August 12, 2016 to September 9, 2016 are comprised of warrants totaling \$1,535,236.88, two payrolls totaling \$467,113.48, and five electronic funds transfers totaling \$163,492.25.

US Bank Warrants #22939-23015 - \$511,298.49 – August 12, 2016 FY 17
US Bank Warrants #23016-23018 - \$75,220.59 – August 12, 2016 FY 16
US Bank Warrant #23019-23020 - \$684.00 – August 12, 2016 FY 17
US Bank Warrant #23021-23076 - \$412,772.30 – August 26, 2016 FY 17
US Bank Warrants #23077 - \$614.10 – August 29, 2016
US Bank Warrants #23078-23146 - \$534,647.40 – September 9, 2016
Payroll - \$242,343.51 – August 19, 2016
Payroll - \$224,769.97 – September 2, 2016
EFT – CALPERS Retirement - \$2,600.00 – August 16, 2016
EFT – Board of Equalization - \$9,001.00 – August 18, 2016
EFT – CALPERS Retirement - \$31,523.23 – August 19, 2016
EFT – CALPERS Retirement - \$33,596.93 – September 6, 2016
EFT – CALPERS Health - \$86,771.09 – September 6, 2016

Expenses that have been reimbursed through payroll totaled \$581.24.

**GOAL ALIGNMENT:** Ongoing meeting of City obligations.

**FISCAL IMPACTS:** There are sufficient funds available, and the expenditures are included in the adopted FY 2015-2016 budget and the adopted 2016-2017 budget.

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** N/A

**FOLLOW UP ACTION:** N/A

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** Pursuant to the Brown Act.

**ATTACHMENTS:** Audit Certificate and Warrant List

CITY OF AVALON  
DISBURSEMENTS FOR MONTH OF AUGUST & SEPTEMBER 2016  
SEPTEMBER 20,2016

DESCRIPTION	YEAR	AMOUNT	DATE
US BANK WARRANTS CK# 22939-23015	FY 17	\$ 511,298.49	8/12/2016
US BANK WARRANTS CK# 23016-23018	FY 16	75,220.59	8/12/2016
US BANK WARRANT CK #23019-23020	FY 17	684.00	8/12/2016
US BANK WARRANT CK# 23021-23076	FY 16	412,772.30	8/26/2016
US BANK WARRANTS CKS# 23077	FY 17	614.10	8/29/2016
US BANK WARRANTS CK# 23078-23146	FY 16	534,647.40	9/9/2016
PAYROLL		242,343.51	8/19/2016
PAYROLL		224,769.97	9/2/2016
EFT - CALPERS RETIREMENT GASB 68		2,600.00	8/16/2016
EFT - BOARD OF EQUALIZATION		9,001.00	8/18/2016
EFT - CALPERS RETIREMENT		31,523.23	8/19/2016
EFT - CALPERS RETIREMENT		33,596.93	9/6/2016
EFT - CALPERS HEALTH		86,771.09	9/6/2016

TOTAL DISBURSEMENTS

\$ 2,165,842.61

EXPENSES REIMBURSED THROUGH PAYROLL  
AND INCLUDED IN THE ABOVE TOTAL

\$ 581.24

CERTIFICATE

IN ACCORDANCE WITH SECTION 32702  
OF THE GOVERNMENT CODE, I CERTIFY  
THAT THE ABOVE DEMANDS ARE ACCURATE  
AND THAT FUNDS ARE AVAILABLE FOR  
PAYMENT.

APPROVED AND AUDITED  
THIS 20TH DAY OF SEPTEMBER 2016

I CERTIFY UNDER PENALTY OF PERJURY  
THAT THE FOREGOING IS TRUE AND  
CORRECT.

AUDIT COMMITTEE - RICHARD HERNANDEZ

EXECUTED THIS 20TH DAY OF SEPTEMBER 2016

AUDIT COMMITTEE - CINDE CASSIDY

FINANCE DIRECTOR - ROBERT MESCHER

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

**FY 17**

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22939	8/12/2016	52,903.48	AAA OIL, INC	FUEL - RESALE
22940	8/12/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22941	8/12/2016	11,402.27	AMERICAN EXPRESS	CREDIT CHRGS - RADDE
22942	8/12/2016	35.00	AMERIFLEX	FEES - FINANCE
22943	8/12/2016	78.82	AT & T LONG DISTNACE	LONG DISTANCE - ALL
22944	8/12/2016	245.00	AVALON BOAT STAND	SUPPLIES - GARAGE
22945	8/12/2016	122,618.01	AVALON ENVIRONMENTAL SRVCS	CONTRACT SVCS 07/16
22946	8/12/2016	512.70	AVALON FREIGHT SERVICES	FREIGHT - ALL DEPTS
22947	8/12/2016	7,769.93	AVALON MOORING & DIVING	SERVICE - HARBOR
22948	8/12/2016	400.00	BARLOW, BRYAN	REIMB O/P COSTS
22949	8/12/2016	4,720.50	BEYON SOFTWARE SOL	CONTRACT SVCS - IT
22950	8/12/2016	8,291.01	BORDIN MARTORELL, LLP	LITIGATION COSTS
22951	8/12/2016	295.49	BOUND TREE MEDICAL	SUPPLIES - FIRE
22952	8/12/2016	367.15	CAMERON, SCOTT	LASD SUBSISTENCE
22953	8/12/2016	1,920.72	CARUSO, FORD	SUPPLIES - GARAGE
22954	8/12/2016	1,808.86	CATALINA BEVERAGE CO	SUPPLIES - ALL DEPTS
22955	8/12/2016	1,946.78	CATALINA BROADBAND SOLUTION	INTERNET - ALL DEPTS
22956	8/12/2016	240.00	CATALINA CHAMBER OF COMMERCE	CHAMBER MIXER FEES
22957	8/12/2016	216.00	CATALINA EXPRESS	TRAVEL - RECREATION
22958	8/12/2016	48,500.00	CATALINA ISLAND MEDICAL CENTER	SALES TAX PASS THRU
22959	8/12/2016	636.19	CATALINA ISLAND PLUMBING	SERVICE - P/W
22960	8/12/2016	325.00	CATALINA STEAM CLEANING	SERVICE - HARBOR
22961	8/12/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22962	8/12/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22963	8/12/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
22964	8/12/2016	1,342.09	CHETS HARDWARE	SUPPLIES - ALL DEPTS
22965	8/12/2016	298.28	CHROMIAK, ALLEN	LASD SUBSISTENCE
22966	8/12/2016	1,836.99	COMPOSITES ONE LLC	SUPPLIES - FUEL DOCK
22967	8/12/2016	528.54	COOPERATIVE PERSONNEL SER	SERVICE - ADMIN
22968	8/12/2016	443.83	DAHL , TOM	LASD SUBSTINENCE
22969	8/12/2016	4,770.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVCS - ADMIN
22970	8/12/2016	4,860.00	CONSTRUCTORS PLUS C/O DEN	CONTRACT SVCS - ADMIN
22971	8/12/2016	476.00	DEWEY PEST CONTROL	SERVICE - ADMIN/HRBR
22972	8/12/2016	762.23	DON MILLER & SON'S	SUPPLIES - RESTROOMS
22973	8/12/2016	4,653.10	EDISON	UTILITIES - ALL DEPTS
22974	8/12/2016	105.00	EMS SAFETY SERVICES	SUPPLIES - FIRE
22975	8/12/2016	147.84	ENNIS PAINT, INC	SUPPLIES - P/W
22976	8/12/2016	98,160.08	ENVIRON STRATEGY CONSULT	CONTRACT SVCS - JULY 16
22977	8/12/2016	2,270.00	ESG ENGINEERING	CONTRACT SVCS - JUNE 16
22978	8/12/2016	182.13	FIE ACE INC.	SERVICE - FIRE
22979	8/12/2016	244.76	GALLIVER, JIM	LASD SUBSISTENCE
22980	8/12/2016	40.85	GALLS, LLC	SUPPLIES - HARBOR
22981	8/12/2016	428.26	ARIENS SPECIALTY BRANDS L	SUPPLIES - GARAGE
22982	8/12/2016	1,272.76	GRAINGER	SUPPLIES - HARBOR
22983	8/12/2016	1,125.00	HDL COREN SERVICE	SERVICE - FINANCE
22984	08/12/16	3,308.86	HOME DEPOT CREDIT SERVICE	SUPPLIES - P/W
22985	08/12/16	846.72	HOTEL METROPOLE	LODGING - LASD SUBSISTENCE
22986	08/12/16	360.18	IDEXX DISTRIBUTION, INC	SUPPLIES - CDO
22987	08/12/16	5,480.33	IDR ENVIRONMENTAL	HHW - GARAGE
22988	08/12/16	268.50	ISLAND EXPRESS	FREIGHT - ALL DEPTS

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

**FY 17**

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
22989	08/12/16	210.16	JUDICIAL DATA SYSTEMS	PARKING CIT - 06/16
22990	08/12/16	192.61	KAHA, STEVE	LASD SUBSTINENCE
22991	08/12/16	2,106.41	MAID IN AVALON	CONTRACT SVCS 07/16
22992	08/12/16	286.00	MANAGED HEALTH NETWORK	SERVICE 08/16
22993	08/12/16	1,749.16	MCMASTER - CARR	SUPPLIES - HARBOR
22994	08/12/16	51.43	MED - TECH RESOURCE, INC	SUPPLIES - HARBOR
22995	08/12/16	2,197.35	NAPA AUTO PARTS	SUPPLIES - GARAGE
22996	08/12/16	4,469.09	NORTHQIND REFRIGERATION	SERVICE - WWTP
22997	08/12/16	8,052.00	ON THE WING FALCONRY, INC	CONTRACT SVCS - ADMIN
22998	08/12/16	1,113.00	PEBBLY BEAVH BUILDING SUP	SUPPLIES - ALL DEPTS
22999	08/12/16	2,264.44	PORT SUPPLY	SUPPLIES - ALL DEPTS
23000	08/12/16	64.13	PRAXAIR	SUPPLIES - GARAGE
23001	08/12/16	23,142.05	MICHAEL BAKER INT.	CONTRACT SVCS - PLANNING
23002	08/12/16	266.60	RICOH AMERICAS CORP	COPIER LEASE - PLANNING
23003	08/12/16	663.91	RICOH USA , INC	COPIER LEASE - PLANNING
23004	08/12/16	3,642.16	SANTA CATALINA ISLAND RES.SER	PROP TAX PYMTS
23005	08/12/16	437.50	SUPERIOR COURT OF CAL. CO	PARKING CITATIONS - 6/16
23006	08/12/16	48.50	UNITED PARCEL SERVICE	FREIGHT - ALL DEPTS
23007	08/12/16	189.85	UNIVERSAL RADIO, INC	SUPPLIES - FIRE
23008	08/12/16	9,525.00	VEGA, EDMUNDO	CONTRACT SVCS - 09/16
23009	08/12/16	164.00	VEGA, EDMUNDO	RFND - PLANNING FEES
23010	08/12/16	660.72	WESTERN METER EXCHANGE	SERVICE - FUEL DOCK
23011	08/12/16	64.55	WITMER PUBLIC SAFETY GROUP	SUPPLIES - FIRE
23012	08/12/16	457.99	WL CONSTRUCTION SUPPLY, INC	SUPPLIES - FIRE
23013	08/12/16	182.00	ZAVIN'S UNIFORMS	UNIFORMS - HARBOR
23014	08/12/16	1.99	AVALON FREIGHT SERVICES	FREIGHT - ALL DEPTS
23015	08/12/16	49,650.65	PARKING CONCEPTS , INC	CONTRACT SVCS - JULY 16

**\$ 511,298.49**

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

**FY 16**

<u>CHECK NUMBER</u>	<u>DATE ISSUED</u>	<u>AMOUNT</u>	<u>PAYEE</u>	<u>DESCRIPTION</u>
23016	8/12/2016	38,895.34	BEST, BEST & KRIEGER,	CONTRACT SVC - JUNE 16
23017	8/12/2016	5,983.25	ENVIRON STRATEGY	EMERGENCY RPR WK
23018	8/12/2016	30,342.00	MICHAEL BAKER INT	CONTRACT SVCS - P/W

\$ 75,220.59

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

FY 17

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
23019	8/12/2016	208.00	CATALINA PEST CONTROL	SERVICE - HARBOR
23020	8/12/2016	476.00	DEWEY PEST CONTROL	SERVICE - ADMIN/HARBOR
23021	8/26/2016	51,556.85	AAA OIL, INC.	RESALE FUEL - FD
23022	8/26/2016	249.40	AMERIFLEX	FSA ADMIN FEES - AUG 16
23023	8/26/2016	905.47	ARAMARK	UNIFORMS - PUBLIC WORKS
23024	8/26/2016	1,089.43	ART, CAPS N' DESIGN	UNIFORMS - HARBOR
23025	8/26/2016	41.51	AT & T	COMMUNICATIONS - ALL DEPTS
23026	8/26/2016	14.85	AVALON FREIGHT SERVICES	FREIGHT - HARBOR
23027	8/26/2016	4,646.98	BEYOND SOFTWARE SOLUTIONS	CONTRACT SVC - IT
23028	8/26/2016	426.73	BOUND TREE MEDICAL	SUPPLIES - FIRE
23029	8/26/2016	4,999.00	CAROLLO ENGINEERS, INC.	SERVICE - ADMIN
23030	8/26/2016	495.28	CATALINA BEVERAGE	SUPPLIES - ALL DEPTS
23031	8/26/2016	100,067.00	CHAMBER OF COMMERCE	TOT - SEPTEMBER 2016
23032	8/26/2016	30,559.20	CATALINA EXPRESS	1ST HLF AUG 16 - SUBSIDY
23033	8/26/2016	64,700.00	CIMC	SALES TAX PASS THRU
23034	8/26/2016	9,035.35	CHARLES ABBOTT ASSOCIATES	SERVICE - PLANNING
23035	8/26/2016	2,023.57	COMMUNICATIONS USA	SUPPLIES - FIRE/HBR
23036	8/26/2016	1,843.00	CORE COMMUNICATIONS	REFUND - PLANNING FEES
23037	8/26/2016	6,890.68	DENTAL DENTAL	DENTAL - AUG 2016
23038	8/26/2016	4,590.00	CONSTRUCTORS PLUS	CONTRACT SVC - ADMIN
23039	8/26/2016	4,500.00	CONSTRUCTORS PLUS	CONTRACT SVC - ADMIN
23040	8/26/2016	563.95	BAY AREA TRENCHERS, INC	SUPPLIES - PUBLIC WORKS
23041	8/26/2016	40,362.32	EDISON	UTILITIES - ALL DEPTS
23042	8/26/2016	69.40	EDISON	UTILITIES - PROPANE
23043	8/26/2016	3,302.15	EDD	QTRLY PAYMENT - ALL DEPTS
23044	8/26/2016	4,887.50	ENVIRON STRATEGY CONSULTANTS	SERVICE - ADMIN
23045	8/26/2016	1,025.03	FIDELITY SECURITY	VISION - AUGUST 2016
23046	8/26/2016	243.57	GALLS, LLC	UNIFORMS - HARBOR
23047	8/26/2016	389.48	GRAINGER	SUPPLIES - FIRE
23048	8/26/2016	625.00	HAMILTON, KATHERINE	CONTRACT SVC - ADMIN
23049	8/26/2016	82.18	HD SUPPLY FACILITIES MAINT.	SUPPLIES - HARBOR
23050	8/26/2016	2,848.98	HEATH CONSULTANTS INC.	SUPPLIES - PUBLIC WORKS
23051	8/26/2016	3,949.84	INDUSTRIAL METAL SUPPLY	SUPPLIES - PUBLIC WORKS
23052	8/26/2016	582.00	KATIE'S KITCHEN	SENIOR MEALS - JULY 2016
23053	8/26/2016	761.25	LEAGUE OF CALIF CITIES	ANNL DUES - 2016-2017
23054	8/26/2016	4.50	MATTHEWS	SUPPLIES - CEMETERY
23055	8/26/2016	1,033.18	MCMASTER-CARR	SUPPLIES - WWTP/HARBOR
23056	8/26/2016	121.80	MONTAGUE, STEVE	RETIREE MEDICAL REIMB.
23057	8/26/2016	76.75	MOUSER ELECTRONICS	SUPPLIES - HARBOR
23058	8/26/2016	660.00	MR. NING'S	SENIOR MEALS - JULY 2016
23059	8/26/2016	4,622.48	PHILLIPS STEEL COMPANY	SUPPLIES - RECREATION
23060	8/26/2016	2,291.79	QUILL CORP.	SUPPLIES - ALL DEPTS
23061	8/26/2016	7,559.64	MICHAEL BAKER INTERNATIONAL	CONTRACT SVC - PLANNING
23062	8/26/2016	671.20	REGIONAL GOVERNMENT SVC	REIMB TRAVEL COSTS - ADMIN
23063	8/26/2016	904.75	RICOH AMERICAS CORP.	COPIER LEASE - PLANNING
23064	8/26/2016	663.91	RICOH USA, INC	COPIER LEASE - PLANNING
23065	8/26/2016	944.28	ALBERTSONS SAFEWAY	SUPPLIES - ALL DEPTS
23066	8/26/2016	716.70	SHERWIN-WILLIAMS	SUPPLIES - HARBOR
23067	8/26/2016	9,795.00	SIRIA'S CLEANING SERVICE	CONTRACT SVC - JULY 16
23068	8/26/2016	1,278.36	SOUTH COAST A.Q.M.D.	PERMIT FEES - FUEL DOCK

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

**FY 17**

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
23069	8/26/2016	2,257.09	SUNGARD PUBLIC SECTOR	SOFTWARE LEASE - FINANCE
23070	8/26/2016	16.55	UNITED PARCEL SERVICE	FREIGHT - HARBOR
23071	8/26/2016	984.45	USA BLUE BOOK	SUPPLIES - PUBLIC WORKS
23072	8/26/2016	894.00	WILMINGTON PROPELLER SERVICE	SUPPLIES - HARBOR
23073	8/26/2016	1,300.00	WITTMAN ENTERPRISES, LLC	CONTRACT SVC - JULY 16
23074	8/26/2016	21,055.42	CATALINA TRANSPORATION	CONTRACT SVC - JULY 16
23075	8/26/2016	5,000.00	GATEWAY CITIES COUNCIL OF GOVT	ANNL DUES - 2016-2017
23076	8/26/2016	1,593.50	AMMA TRANSIT PLANNING	CONTRACT SVC - TRANSP.
23077	8/29/2016	614.10	ANTHEM BLUE CROSS	REIMB TRAVEL COSTS - ADMIN

**414,070.40**

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

FY 17

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
23078	9/9/2016	2,025.56	AAA OIL, INC.	FUEL - ALL DEPTS
23079	9/9/2016	67.70	AIR SOURCE INDUSTRIES	SUPPLIES - FIRE
23080	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23081	9/9/2016	41,927.44	AMERICAN EXPRESS	CREDIT CARD CHGS - ALL DEPTS
23082	9/9/2016	612.00	ANTONIO'S	SENIOR MEALS - JULY 2016
23083	9/9/2016	156.79	ARAMARK	UNIFORMS - PUBLIC WORKS
23084	9/9/2016	399.02	ART, CAPS N' DESIGN	UNIFORMS - HARBOR
23085	9/9/2016	1,888.85	AT & T	COMMUNICATIONS - ALL DEPTS
23086	9/9/2016	38.59	AT & T LONG DISTANCE	LONG DISTANCE - ALL DEPTS
23087	9/9/2016	279.12	AVALON FREIGHT SERVICE	FREIGHT - ALL DEPTS
23088	9/9/2016	5,080.33	B & H PHOTO	SUPPLIES - IT
23089	9/9/2016	2,389.33	BAZLEY, TIM	REIMB PERMIT FEES - FD PROJ.
23090	9/9/2016	960.00	BEYOND SOFTWARE SOLUTIONS	CONTRACT SVC - IT
23091	9/9/2016	97.10	BOUND TREE MEDICAL	SUPPLIES - FIRE
23092	9/9/2016	229.41	BRIMAR INDUSTRIES	SUPPLIES - PUBLIC WORKS
23093	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23094	9/9/2016	9,758.04	CATALINA BEVERAGE	SUPPLIES - ALL DEPTS
23095	9/9/2016	1,946.78	CATALINA BROADBAND SOLUTIONS	SERVICE - ALL DEPTS
23096	9/9/2016	6,702.62	CATALINA CANYON HOTEL	LODGING - LASD SUBSISTENCE
23097	9/9/2016	29,151.50	CATALINA EXPRESS	2ND HLF 7/16 - SUBSIDY
23098	9/9/2016	1,008.00	CIMC	EMPLOYEE IMMUNIZATIONS
23099	9/9/2016	1,351.69	CATALINA ISLAND PLUMBING	SERVICE - CITY RESTROOMS
23100	9/9/2016	1,331.55	CATALINA ISLANDER	ADVERTISING - ALL DEPTS
23101	9/9/2016	516.71	CDW GOVERNMENT	SUPPLIES - IT
23102	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23103	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23104	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23105	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23106	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23107	9/9/2016	2,898.61	CHET'S HARDWARE	SUPPLIES - ALL DEPTS
23108	9/9/2016	110,164.68	CO. OF LA SHERIFF'S DEPT	RESIDENT DEPUTY - JULY 16
23109	9/9/2016	179,184.50	CO. OF LA FIRE DEPARTMENT	QTRLY PARAMEDIC PAYMENT
23110	9/9/2016	2,914.34	CREATIVE SCREEN ART	SUPPLIES - ADMIN
23111	9/9/2016	172.55	DAHL, TOM	LASD SUBSISTENCE
23112	9/9/2016	107.50	DAPEER, ROSENBLIT & LITVA	CONTRACT SVC - ADMIN
23113	9/9/2016	79.00	DEPARTMENT OF JUSTICE	SERVICE - HARBOR
23114	9/9/2016	9,880.59	EDISON	UTILITIES - ALL DEPTS
23115	9/9/2016	5,000.00	EMERGENCY COMMUNICATIONS	REVERSE 911 RENEWAL
23116	9/9/2016	2,630.00	ESG ENGINEERING	SERVICE - PLANNING
23117	9/9/2016	101.01	GALLIVER, JIM	LASD SUBSISTENCE
23118	9/9/2016	400.00	GARCIA, ALEX	SERVICE - FIRE
23119	9/9/2016	0.00	VOID - MULTI STUB CHECK	VOID - MULTI STUB CHECK
23120	9/9/2016	12,515.24	ARIENS SPECIALTY BRANDS	UNIFORMS - PW/HBR MAINT.
23121	9/9/2016	1,309.84	HINDERLITER, DE LLAMAS	SERVICE - FINANCE
23122	9/9/2016	334.44	HOME DEPOT CREDIT SERVICE	SUPPLIES - PUBLIC WORKS
23123	9/9/2016	31,076.70	IDR ENVIRONMENTAL SERVICE	HHW DISPOSAL - ALL DEPTS
23124	9/9/2016	507.00	JOBS AVAILABLE, INC.	ADVERTISING - ADMIN
23125	9/9/2016	64.35	JP COOKE	SUPPLIES - FINANCE
23126	9/9/2016	658.64	JUDICIAL DATA SYSTEMS	PARKING CITATIONS - 7/16
23127	9/9/2016	2,106.41	MAID IN AVALON	CONTRACT SVC - AUG 16

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

**FY 17**

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
23127	9/9/2016	1,350.00	MAID IN AVALON	SERVICE - CITY HALL
23128	9/9/2016	256.30	MATTHEWS	SUPPLIES - CEMETERY
23129	9/9/2016	500.00	MYGOV	SERVICE - AUG/SEPT 16
23130	9/9/2016	4,468.91	NORTHWIND REFRIGERATION	SERVICE - WWTP
23131	9/9/2016	2,737.50	OPENGOV, INC.	SERVICE - IT
23132	9/9/2016	488.55	PEBBLY BEACH BUILDING SUPPLY	SUPPLIES - ALL DEPTS
23133	9/9/2016	125.00	PINS ADVATAGE, INC.	SERVICE - ADMIN
23134	9/9/2016	131.32	QUILL CORP.	SUPPLIES - ALL DEPTS
23135	9/9/2016	19,646.73	MICHAEL BAKER INTERNATIONAL	CONTRACT SVCS - ADMIN
23136	9/9/2016	375.00	REGISTRAR RECORDER/COUNTY	FILING FEES - PLANNING
23137	9/9/2016	1,025.00	RIPPETOE LAW, P.C.	LITIGATION FEES - ADMIN
23138	9/9/2016	134.05	SHERWIN WILLIAMS	SUPPLIES - PUBLIC WORKS
23139	9/9/2016	9,240.00	SIRIA'S CLEANING SERVICE	CONTRACT SVC - AUG 16
23140	9/9/2016	63.60	UNITED PARCEL SERVICE	FREIGHT - HBR/PLANNING
23141	9/9/2016	1,042.27	VERIZON WIRELESS	COMMUNICATIONS - ALL DEPTS
23142	9/9/2016	1,625.00	WITTMAN ENTERPRISES	SERVICE - AUGUST 2016
23143	9/9/2016	203.96	WURZ, THOMAS	LASD SUBSISTENCE
23144	9/9/2016	12,120.68	WALTERS WHOLESALE ELECTRIC	SUPPLIES - EBUS PURCH.
23145	9/9/2016	4,410.00	CONSTRUCTORS PLUS	CONTRACT SVC - ADMIN
23146	9/9/2016	4,680.00	CONSTRUCTORS PLUS	CONTRACT SVC - ADMIN

**534,647.40**

AVALON CITY COUNCIL  
MEETING OF SEPTEMBER 20, 2016

FY 17

CHECK NUMBER	DATE ISSUED	AMOUNT	PAYEE	DESCRIPTION
18284	8/19/2016	\$ 131.50	DAVID CHRISTENSEN	REIMBURSE - SAFETY WEAR
18284	8/19/2016	\$ 89.67	DAVID CHRISTENSEN	REIMBURSE - TRAINING
18292	8/19/2016	\$ 32.64	BRIAN BRAY	REIMBURSE - TRAVEL/MEETINGS
18343	8/19/2016	\$ 12.45	JENNIFER MONROE	REIMBURSE - TRAVEL/MEETINGS
18347	8/19/2016	\$ 52.13	CINDE MACGUGAN-CASSIDY	REIMBURSE - TRAVEL/MEETINGS
18355	9/2/2016	\$ 140.54	CHRISTIAN CISNEROS	REIMBURSE - TRAVEL/MEETINGS
18380	9/2/2016	\$ 89.67	DAVID CHRISTENSEN	REIMBURSE - TRAVEL/MEETINGS
18388	9/2/2016	\$ 32.64	BRIAN BRAY	REIMBURSE - TRAVEL/MEETINGS

\$ 581.24

CITY OF AVALON CITY COUNCIL

**MEETING DATE:** September 20, 2016  
**ORIGINATING DEP:** Community Services  
**PREPARED BY:** Dan Huncke, Community Services Director  
**SUBJECT:** Community Digital Signage at Vons Supermarket

**AGENDA ITEM:** 3  
**CITY MANAGER:** 

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**RECOMMENDED ACTION(S):** City Council approve that the Community Services Department continue to administer the Community Digital Signage at the Vons Supermarket that was voted on, and in favor of, at the November 4, 2014 City Council meeting, 4 – 1.

**REPORT SUMMARY:** In November of 2014, City Council approved the use of Community Digital Signage at Vons Supermarket on Metropole Avenue to be used exclusively for the communication of city, school and non-profit programs and events.

The initial “start-up” was funded by a donation that Mayor Marshall was able to secure from the Catalina Island Yacht Club Foundation in the amount of \$6,500.00. The very generous donation by the CIYCF covered the hardware, software and installation costs for the program.

The Digital Signage Program at Vons has been in place for over a year and we have yet to hear of any negative feedback from the management or staff at Vons. In speaking with the manager at Vons, he personally endorses the program and has committed to assisting the program be moved (within his sphere of influence) to the new Vons location.

The program has served as a vehicle for the City along with the school and non-profit community to promote their programs and events. This is not an avenue for businesses to promote themselves but a community board for information. The signage board currently has 25 slides on display with 18 of those being City-generated for our programs and events (Fall Festival, Gymtastic start, thanking community sponsors, etc.) and the additional 7 for community and school programs.

The operating cost for the program is \$60.00 per month, \$720.00 annually, to the City for internet access. Vons does have internet for the building, but due to keeping their network secure they requested the City provide its own access.

To off-set the cost of internet service for the program, the City instituted a \$5.00 per slide for two-week promotion. The City did not incur much in the way of demand for that program and more recently added a \$60.00 annual fee, giving these organizations the ability to provide as much content as they would like to promote for the annual fee. We currently have 5 paying the annual fee, the remaining two paying the \$5.00 for two-weeks, generating approximately

\$400.00 to date in fees. The goal, if approved by City Council, would be to get 12 organizations paying the \$60 per month to cover the ongoing cost of the program.

**GOAL ALIGNMENT:** Create an opportunity for the City of Avalon, the Avalon school and non-profit organizations in the City of Avalon to promote community programs and events to the citizens and visitors of Avalon.

**FISCAL IMPACTS:** The program costs \$60.00 per month, \$720.00 per year, for internet service to operate the Community Digital Signage at Vons with an opportunity to off-set those costs with organizations paying the annual fee for their postings.

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** The Community Digital Signage at Vons is removed, taking away an opportunity to get program and event information out to the community.

**FOLLOW UP ACTION:** If approved, continue to promote the opportunity to the community of placing program and event content on the Community Digital Signage Board at Vons.

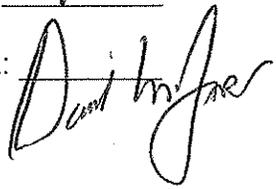
**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda pursuant to the Brown Act.

**ATTACHMENTS:** None.

CITY OF AVALON CITY COUNCIL

**MEETING DATE:** September 20, 2016  
**ORIGINATING DEP:** Finance Department  
**PREPARED BY:** Robert Mescher, Finance Director  
**SUBJECT:** Contract Temporary Accounting Help

**AGENDA ITEM:** 4

**CITY MANAGER:** 

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**RECOMMENDED ACTION(S):** Authorize the City Manager to contract temporary accounting help to assist the Finance Director with monthly accounting tasks and with the preparation of the FY15-16 Audit, until the Senior Accountant position is filled, for a monthly amount not to exceed \$8,000.

**REPORT SUMMARY:** The adopted FY16-17 Budget provides \$8,000 per month for the payroll and related expenses of a Senior Accountant/Finance Analyst. Despite the City actively soliciting applications, it has not yet been able to fill the position. The Finance Department requires this position to ensure financial reporting remains current, internal controls continue to strengthen, and responses to audit data requests are timely. Staff recommends contracting qualified temporary help until the position is filled, for a monthly amount not to exceed the budgeted \$8,000. The City will continue its solicitation of Senior Accountant candidates.

**GOAL ALIGNMENT:** To foster effectiveness within the Finance Department.

**FISCAL IMPACTS:** The adopted FY16-17 Budget of the Internal Service Fund provides for this administrative expense through payroll and related expenses. The proposed savings in payroll and related expenses due to the unfilled Senior Accountant position will more than offset the proposed additional cost of temporary accounting help coded to 101-30-5005.

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** The City's financial reporting may be delayed.

**FOLLOW UP ACTION:** None.

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda pursuant to the Brown Act.

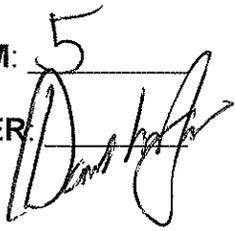
**ATTACHMENTS:** None.

CITY OF AVALON CITY COUNCIL

MEETING DATE: September 20, 2016

AGENDA ITEM: 5

ORIGINATING DEP: Administration

CITY MANAGER: 

PREPARED BY: Denise Radde, Chief Administrative Officer/City Clerk

SUBJECT: City Leases Held by the Santa Catalina Island Company

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**RECOMMENDED ACTION(S):** Authorize the City Manager to enter into the lease agreements on the listed properties, to approve the expenditures for FY15-16 and FY16-17.

**REPORT SUMMARY:** In November, 2014 the Santa Catalina Island Company (SCI Co.) presented the City with proposals for lease agreements on properties that the City occupied or maintained for the community benefit. All leases had expired or were non-existent. The City's annual rent to SCI Co. in 2014 for all leases was approximately \$30,000 per year. The new proposal from SCI Co. was to increase the rent due for all properties to \$775,887 per year (Exhibit A). The subject was intermittently discussed with SCI Co. since 2014 with no formal resolution.

In January, 2016, the City and SCI Co. started to earnestly negotiate each property, eliminating any parcel that City Staff believed were no longer needed and working toward an agreed upon amount that was acceptable to both sides for vital properties. SCI Co. has been accomodating the City by not pursuing the unpaid back rents until an agreement is reached.

After intense negotiations between SCI Co. and the City Staff, with a mutual goal of finding a resolution to this long standing issue, Staff is happy to report that a final resolution has been reached subject to City Council approval.

Location of leased properties:

1. City Park - "Machine Gun Park"- SCI Co. is charging \$1 for this public use space, plus property tax.
2. Casino Fuel Dock – This leased space was the most contentious during negotiations. The originally proposed rent went from approximately \$30,000 to \$194,000 per year. Offering fuel is a vital public service offered to all boaters and commercial entities. City Staff and SCI Co. have come to an agreeable amount of \$50,000/year for FY15-16 and FY16-17 and then increase over a five year period to reach a cap of \$135,000/year. It is anticipated this additional cost would be offset by a tenant in the café and therefore not need to be passed on to the boating public through fuel purchases, which was the City's main concern.

3. Casino Point Pump-out – This is used by the boaters to pump out their holding tanks. This is a vital service to provide to the boating public.
4. Casino Point Bathrooms – These are the port-a-potties at Casino Point offered for divers and visitors alike.
5. Vons Express Alley – This is where the dumpster and compactors are located in the alley. This cost will be passed along to the commercial businesses that use the trash receptacles.
6. Field of Dreams – This property was relinquished back to SCI Co. in May, 2015 and is currently being used as a temporary staging yard.
7. Tremont Hall – Originally SCI Co. was proposing to increase the rent at Tremont Hall but has graciously left it at \$1 for this public use space, plus property tax.
8. Falls Canyon, City yard encroachment - This area is in the lower section of the warehouse area, down by the Public Works garage and runs parallel to the ditch. City Staff and SCI have come to an agreeable amount on this parcel.
- 9 and 10. Falls Canyon, Mechanic garage, driveway, and surrounding area – City Staff is not aware of this property having a previous lease and has agreed upon an amount.
11. Falls Canyon, Corner lot encroachment - City Staff removed equipment from this area.
12. Riley's Pond – This has been taken off the list because we resolved the encroachment issue.
13. Vehicle Charging Station – The past City Manager had approached SCI Co. about the possibility of having a charging station for the E-buses. This was removed from the list.

The SCI Co. and City Staff resolved the issues with the Field of Dreams Properties.

Impound Yard, Field of Dreams – City Staff had several conversations with SCI Co. about the problem of abandoned vehicles, etc. A possible location for an impound yard was offered to the City at the Field of Dreams. The City has removed this from the list.

City Vehicles, Field of Dreams – The City had many pieces of equipment on the Field of Dreams. The City Manager made the decision to pay the rent for the month of August and to have all equipment removed.

The final proposal, subject to City Council approval is Exhibit C.

City Staff negotiated with SCI Co. for multi-year leases (3-5 years) with CPI increases (1.5% minimum and 5% maximum).

**FISCAL IMPACTS:** Exhibit C reflects the fiscal impact Staff is recommending: For FY15-16 and FY16-17, \$136,663.00, plus property tax of \$7,909.00. Please note that the property tax for Machine Gun Park is unknown at this time, but is anticipated to be less than \$2,000. The FY16-17 Budget provides sufficient funds for these proposed rents.

**GOAL ALIGNMENT:** Not aligned.

**FOLLOW UP ACTION:** Implement City Council direction and if leases amounts are approved direct the City Manager to execute the leases and direct the payment of said leases.

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda pursuant to the Brown Act.

**ATTACHMENTS:**

Exhibit A – rent comparisons for 2014 and proposed 2015. (It should be noted that the City did not pay \$36,000 for Tremont Hall though, only the property tax.)

Exhibit B – Negotiated reductions in rent amounts and counter offers. (Side comments reflect the properties that the City would propose paying in good faith for FY 15/16 and property that was still in question.)

Exhibit C – Most current proposal with an agreed amount between SCI Co. and the City.

Exhibit A

CITY LEASES - RENT COMPARISON

LOCATION	SUBJECT SITE SIZE (lsf)	2014 ANN. RENT PER SF	2014 ANN. RENT TOTAL	2015 ANNUAL RENT PER SF	2015 ANNUAL RENT TOTAL	PER LEASE	PROPERTY TAXES ACTUAL PD.	PROPOSED
1, Avalon Bowl City Park	19,166	\$ 0.00	\$ 1.00	\$ -	\$ 1	\$ 1,538	\$ -	\$ 1,538
2, Casino Fuel Dock	4,987	\$ 6.02	\$ 30,000	\$ 39.00	\$ 194,493	\$ 2,728	\$ 2,728	\$ 2,728
3, Casino Pt Pump	48	\$ -		\$ 39.00	\$ 1,872	\$ 46	\$ 46	\$ 46
4, Casino Pt. Bathrooms (1)	2,000	\$ -		\$ 39.00	\$ 78,000			
5, Vons Express Alley	280	\$ 0.00	\$ 1.00	\$ 39.00	\$ 10,920	\$ -	\$ -	\$ -
6, Field of Dreams	103,743	\$ -		\$ 2.63	\$ 272,844	\$ 5,988	\$ -	\$ 5,988
7, Tremont Hall	21,369	\$ 1.68	\$ 36,000	\$ 1.69	\$ 36,156	\$ 1,750	\$ 1,750	\$ 1,750
8, Falls Cnyn - City Yard Encroach. (1)	6,640	\$ -	\$ -	\$ 3.96	\$ 26,294			
9, Falls Cnyn - Garage	3,721	\$ 0.00	\$ 1.00	\$ 12.00	\$ 44,652	\$ 3,385	\$ 2,540	\$ 3,385
10, Falls Cnyn - Garage (adj lot) (1)	2,476	\$ 0.00	\$ -	\$ 6.00	\$ 14,856	\$ -	\$ -	\$ -
11, Falls Cnyn - Corner Lot	1,500	\$ 0.00	\$ -	\$ 7.20	\$ 10,800	\$ -	\$ -	\$ -
12, Riley's Pond Encroachment	30,400	\$ -	\$ -	\$ 2.50	\$ 76,000	\$ -	\$ -	\$ 60
13, Vehicle Charging Station (1)	3,000	\$ 0.00	\$ -	\$ 3.00	\$ 9,000	\$ -	\$ -	\$ -
	199,330	\$ 0.33	\$ 66,003	\$ 3.89	\$ 775,888	\$ 15,435	\$ 7,064	\$ 15,495

(1) Either proposed sites or sites without documentation

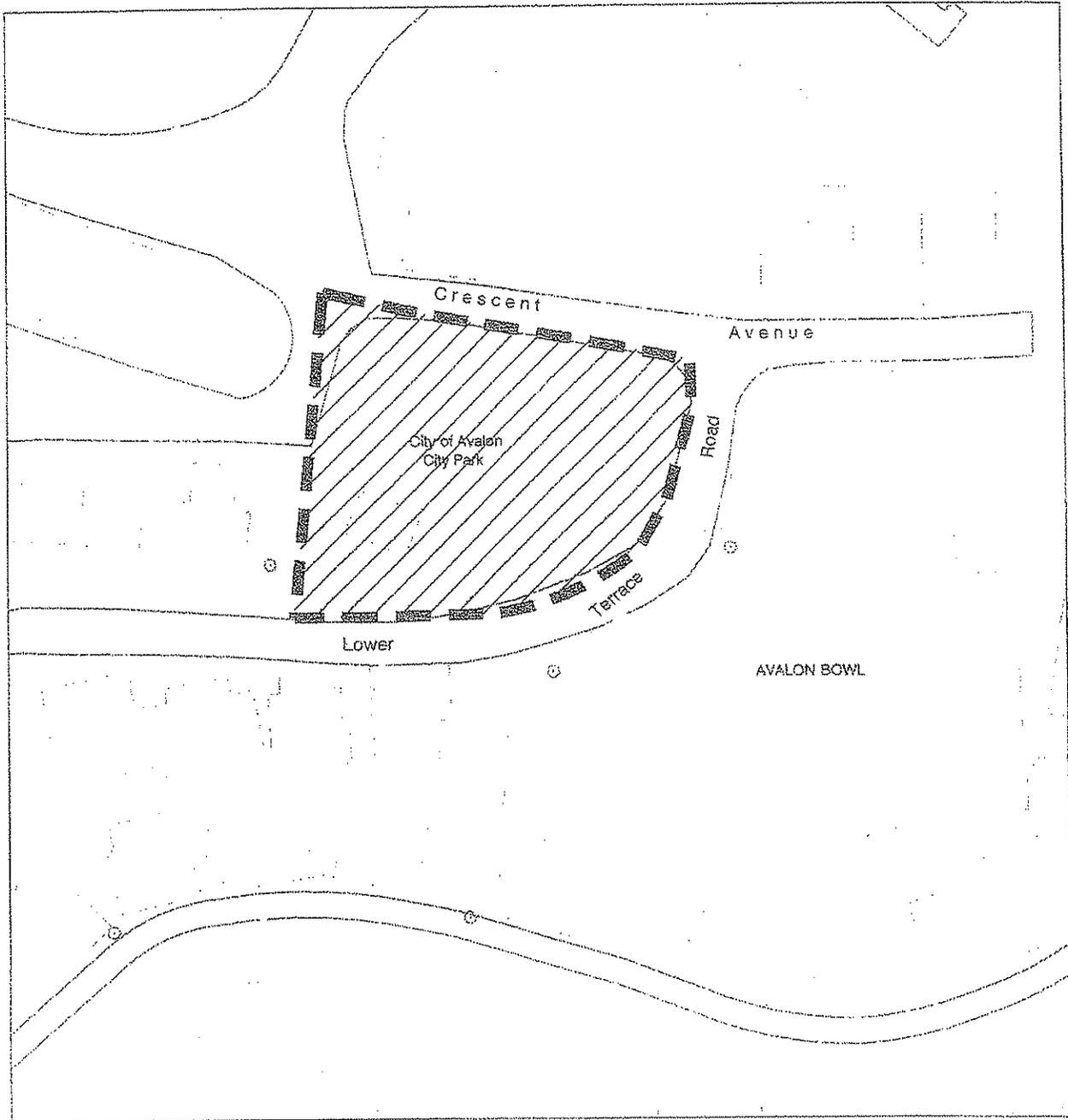


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014	Lease #1 <b>AVALON BOWL</b> SITE MAP Area: 19,166 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 737      Avalon, California 90704 (910) 510-2000      (910) 510-1518 Fax
	Scale: 1" = 60'-0"		
	Drawn:		
	Job:		

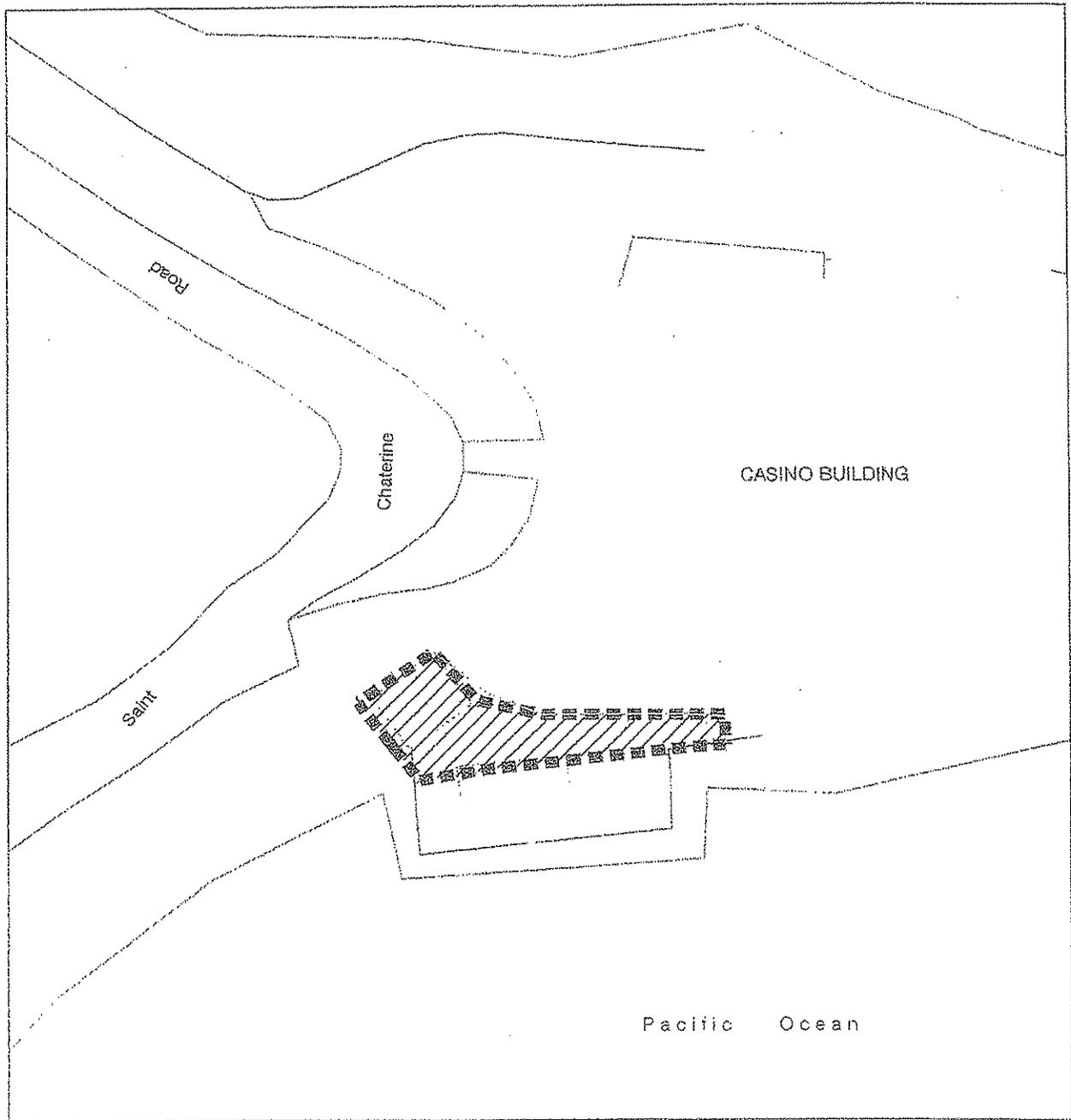


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014 Scale: 1" = 60'-0" Drawn: Job:	Lease #2 Casino Fuel Dock SITE MAP Area: 4,987 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 727      Avalon, California 90704 (810) 510-2500      (810) 510-1518 Fax
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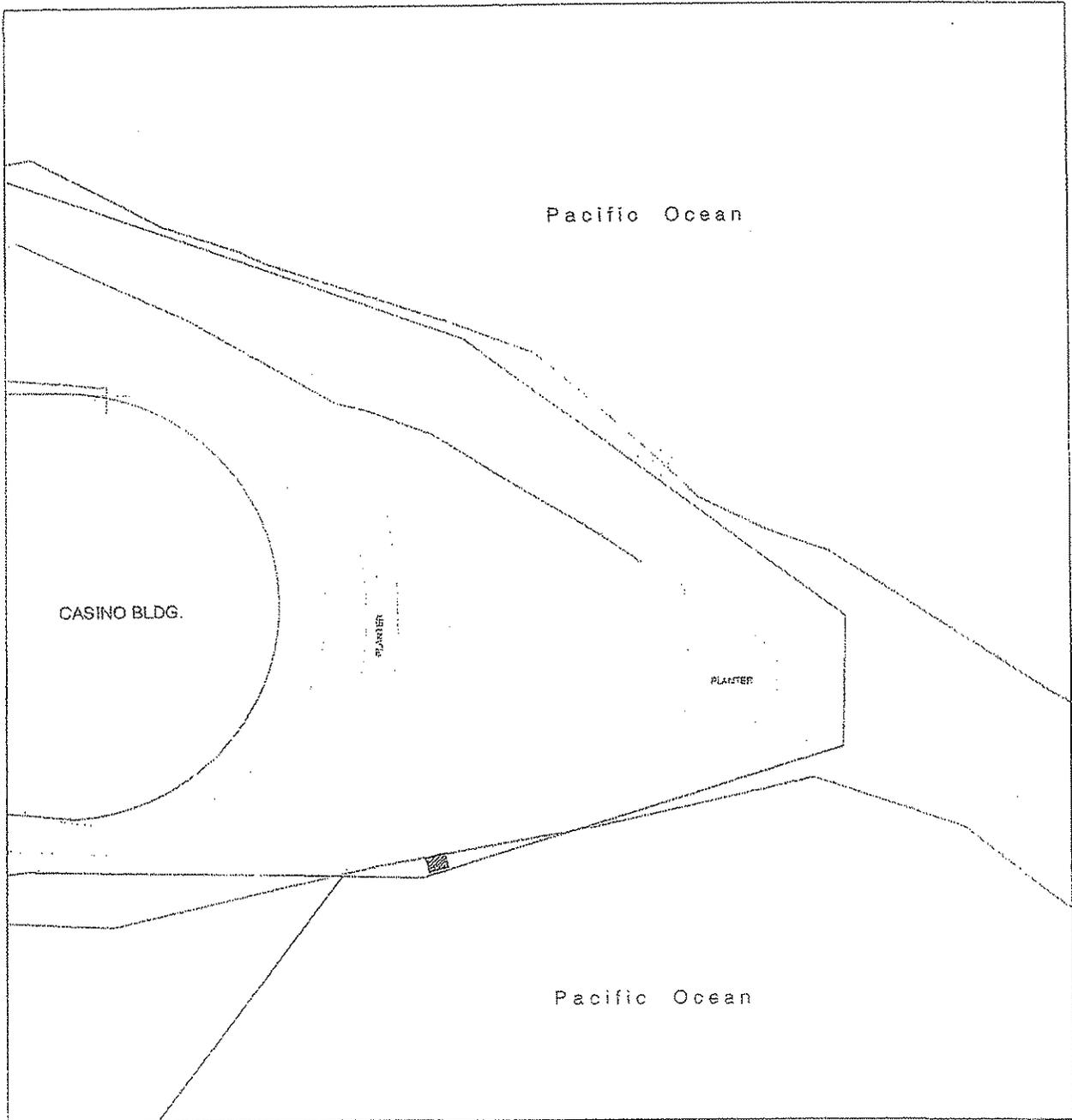


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014 Scale: 1" = 60'-0" Drawn: Job:	Lease # 3 Casino Pump-Ahead SITE MAP Area: 48 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 787      Avalon, California 90704 (310) 510-2000      (310) 510-1515 Fax
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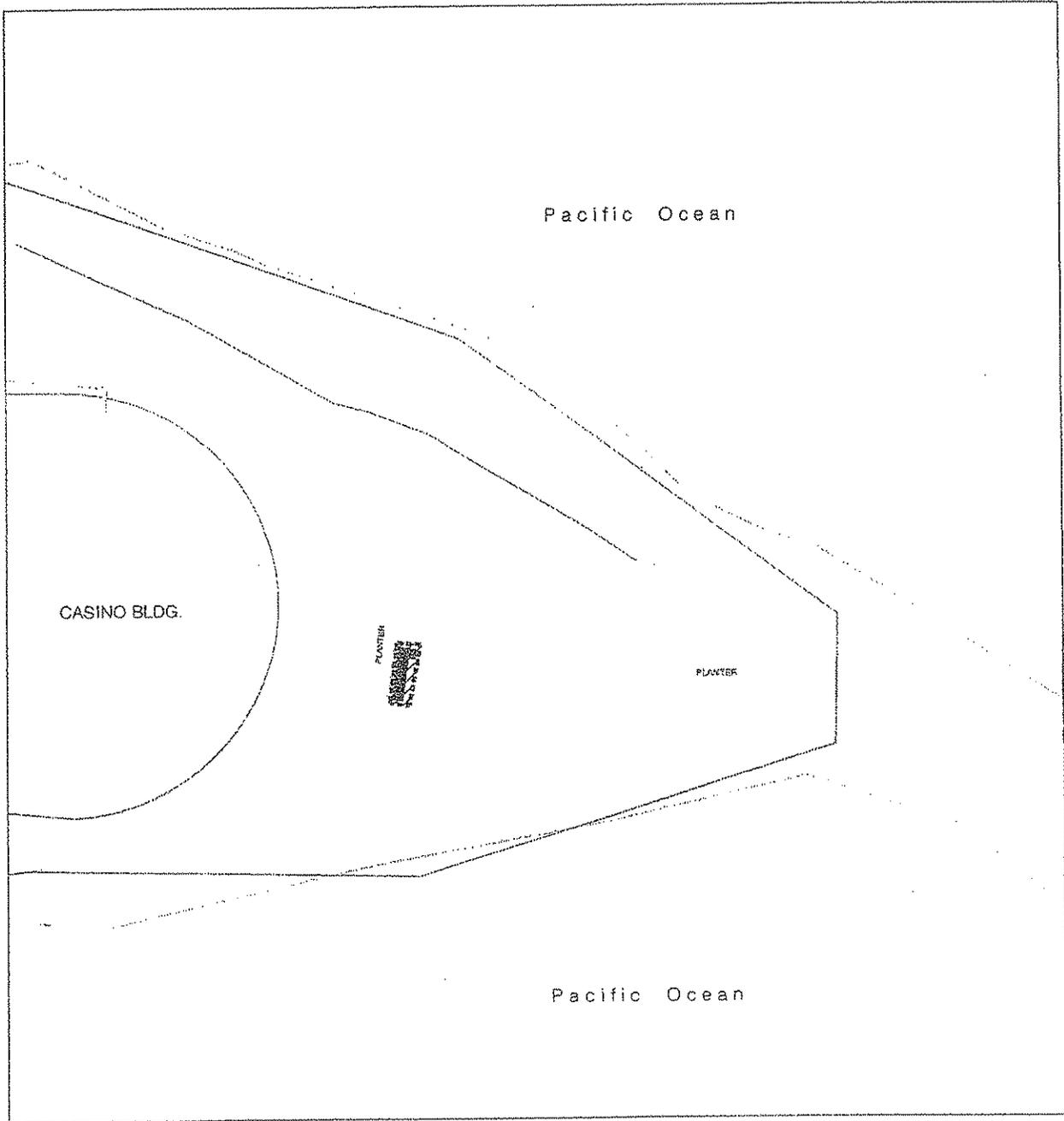
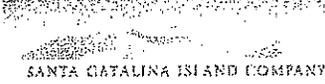


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014	Lease # 4 Portable Bathrooms at Casino Point <u>SITE MAP</u> Area: 240 s.f.	 SANTA CATALINA ISLAND COMPANY P.O. Box 737    Avalon, California 90704 (310) 510-2000    (310) 510-1516 Fax
	Scale: 1" = 60'-0"		
	Drawn:		
	Job:		

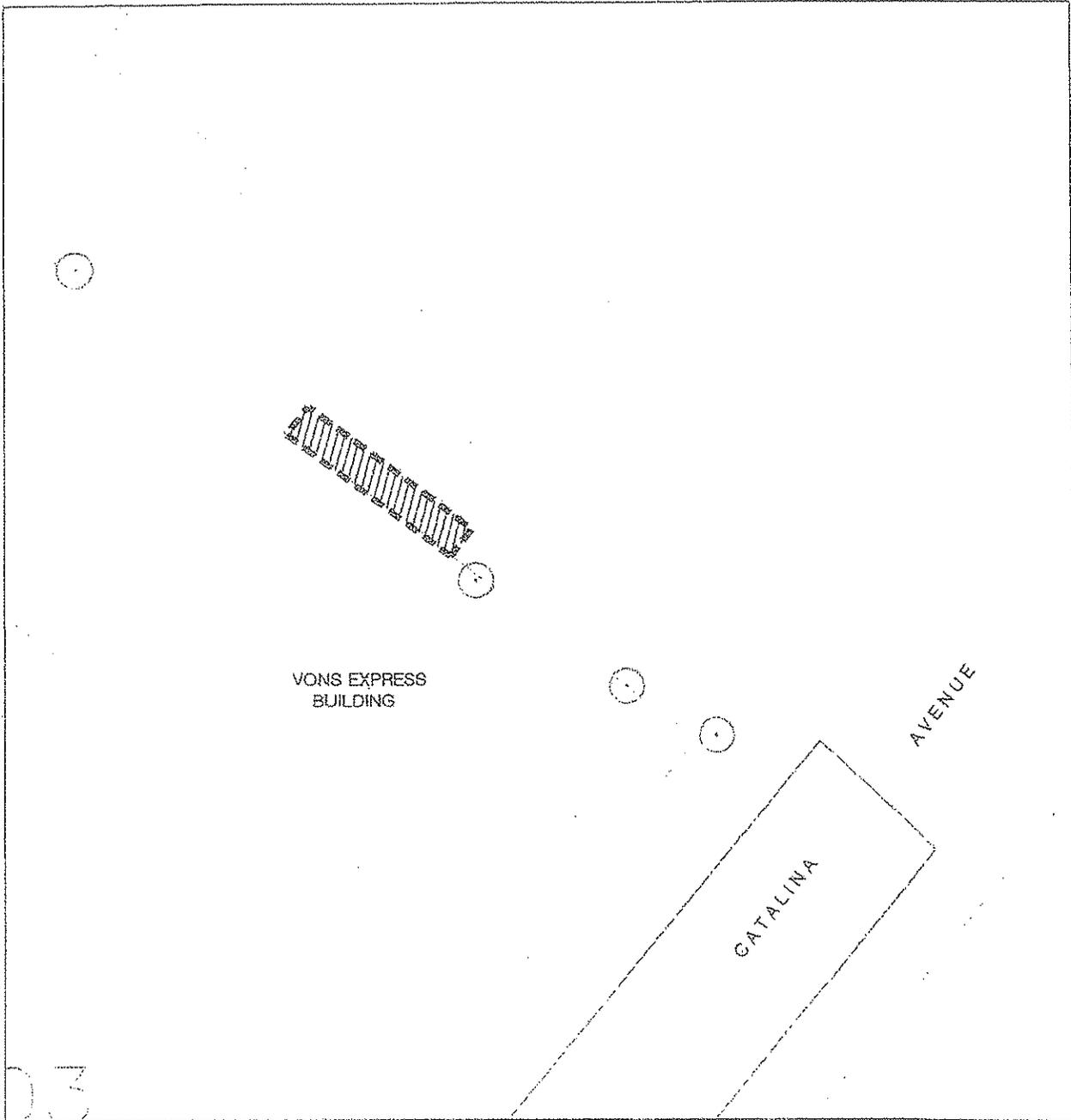


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014 Scale: 1" = 20'-0" Drawn: Job:	Lease # 5 Alley, Vons Express SITE PLAN Area : 280 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 737      Avalon, California 90704 (810) 510-2000      (810) 510-1515 Fax
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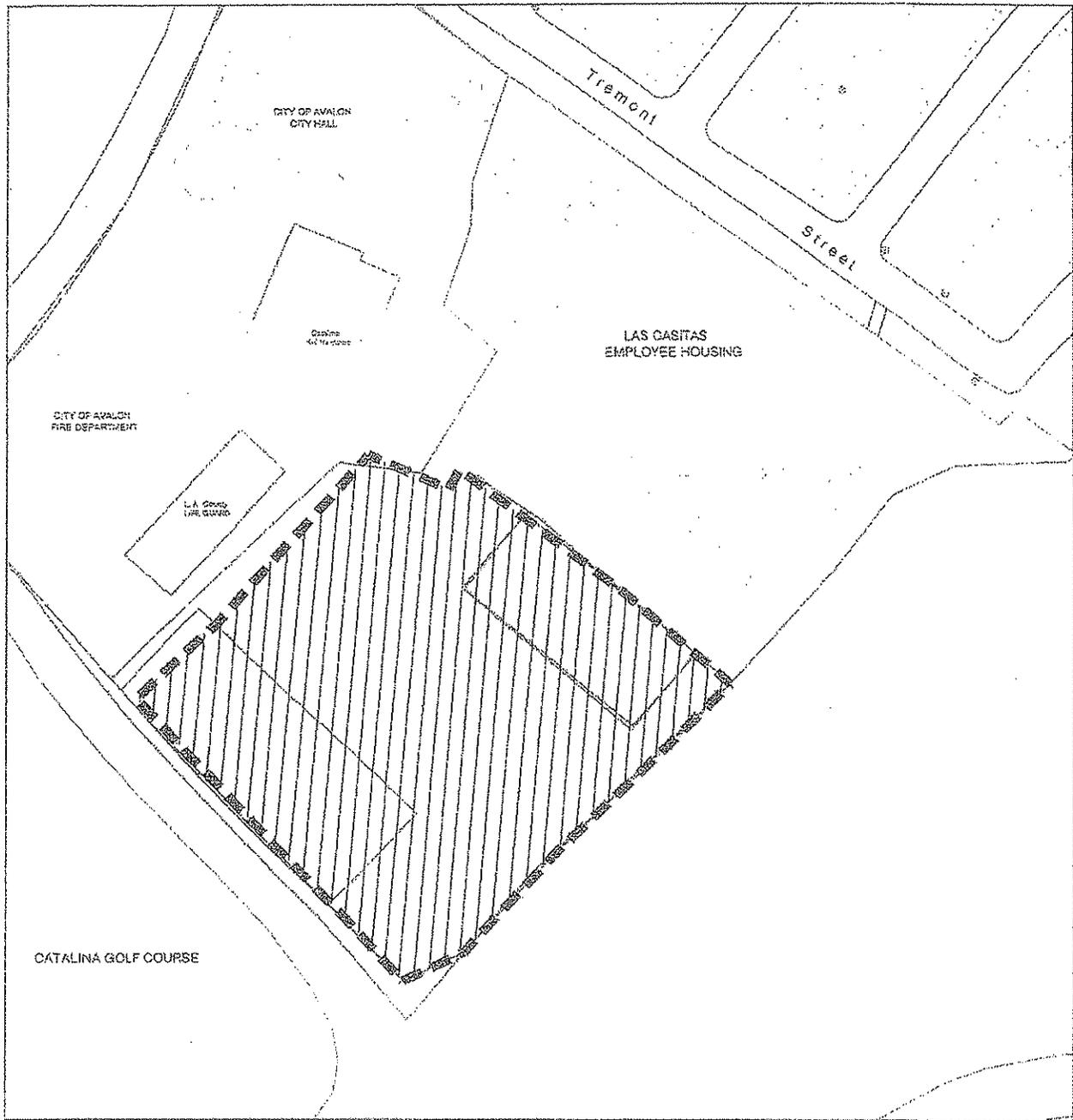


EXHIBIT 'A'



<p>RFI</p> <p style="font-size: 2em; text-align: center;">1</p> <p>Of 1 Sheets</p>	<p>Date: December / 2014</p> <p>Scale: 1" = 100'-0"</p> <p>Drawn: _____</p> <p>Job: _____</p>	<p>Lease # 6</p> <p>Field of Dreams</p> <p>SITE PLAN</p> <p>Area: 2.382 Ac.</p>	<p style="text-align: center;">SANTA CATALINA ISLAND COMPANY</p> <p>P.O. Box 737      Avalon, California 90704</p> <p>(310) 510-2000      (310) 510-1516 Fax</p>
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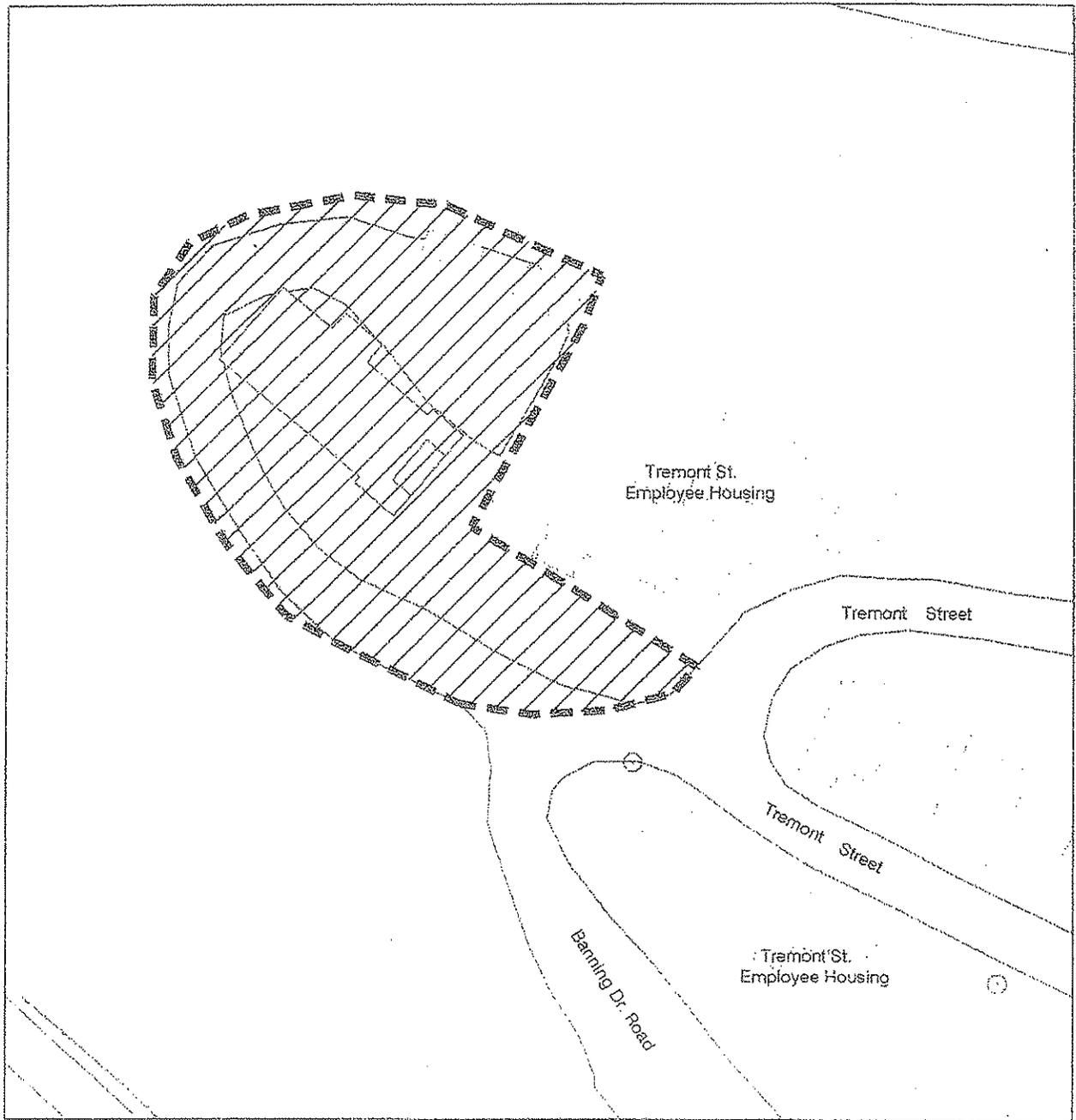


EXHIBIT 'A'



<p>RFI</p> <p style="font-size: 2em; text-align: center;">1</p> <p>Of 1 Sheets</p>	<p>Date: December / 2014</p> <p>Scale: 1"=50'-0"</p> <p>Drawn:</p> <p>Job:</p>	<p>Lease # 7</p> <p>Tremont Hall</p> <p>SITE PLAN</p> <p>Area: 1/2 Ac. of Land and 3,500 s.f. Building</p>	<p>SANTA CATALINA ISLAND COMPANY</p> <p>P.O. Box 787      Avonlea, California 90704</p> <p>(510) 510-2000      (510) 510-1516 Fax</p>
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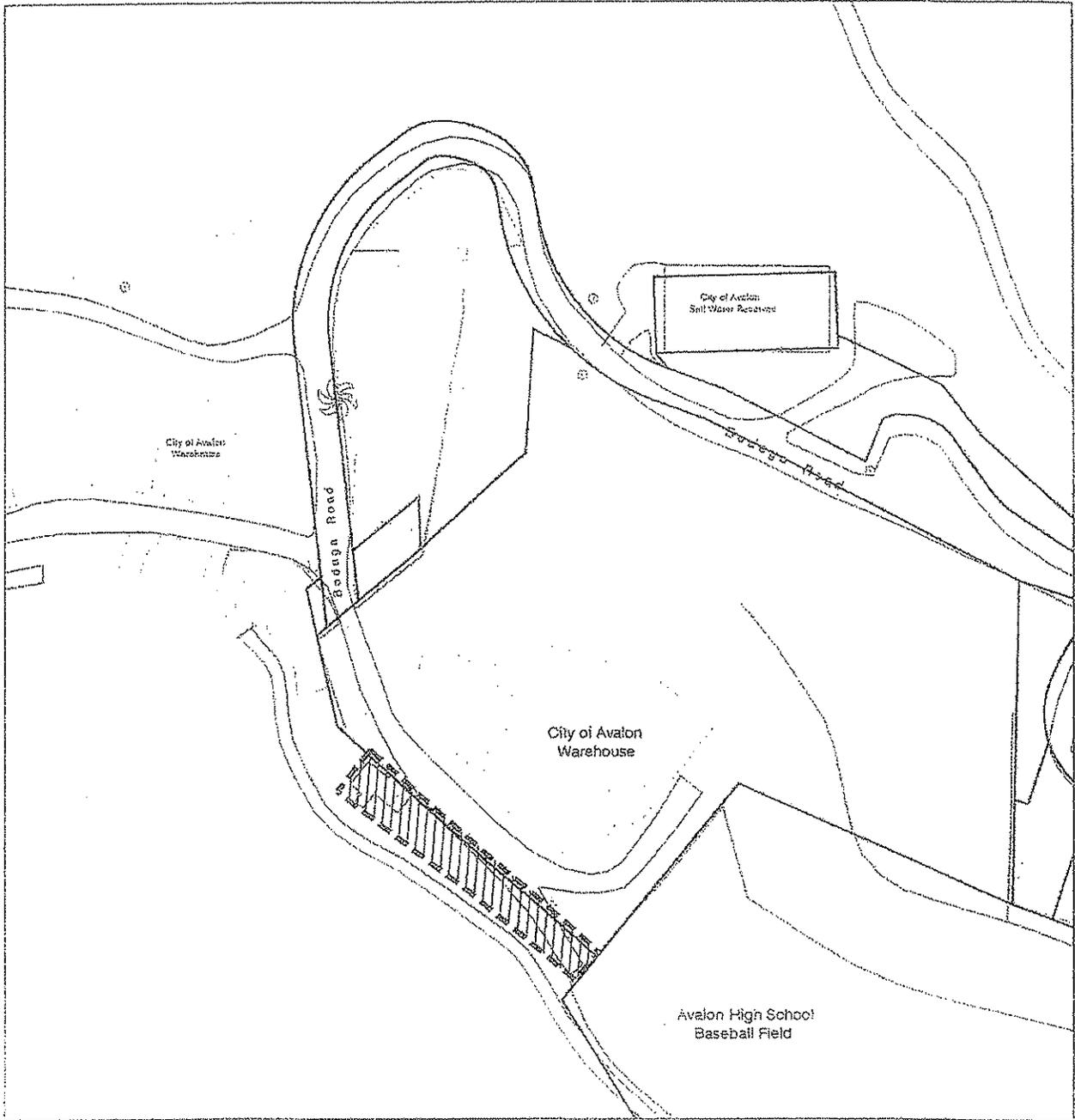


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014 Scale: 1" = 100'-0" Drawn: Job:	Lease # 8 Falls Cnyn. City Yard SITE PLAN Area: ± 6,840 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 787      Avalon, California 90704 (310) 510-2000      (310) 510-1516 Fax
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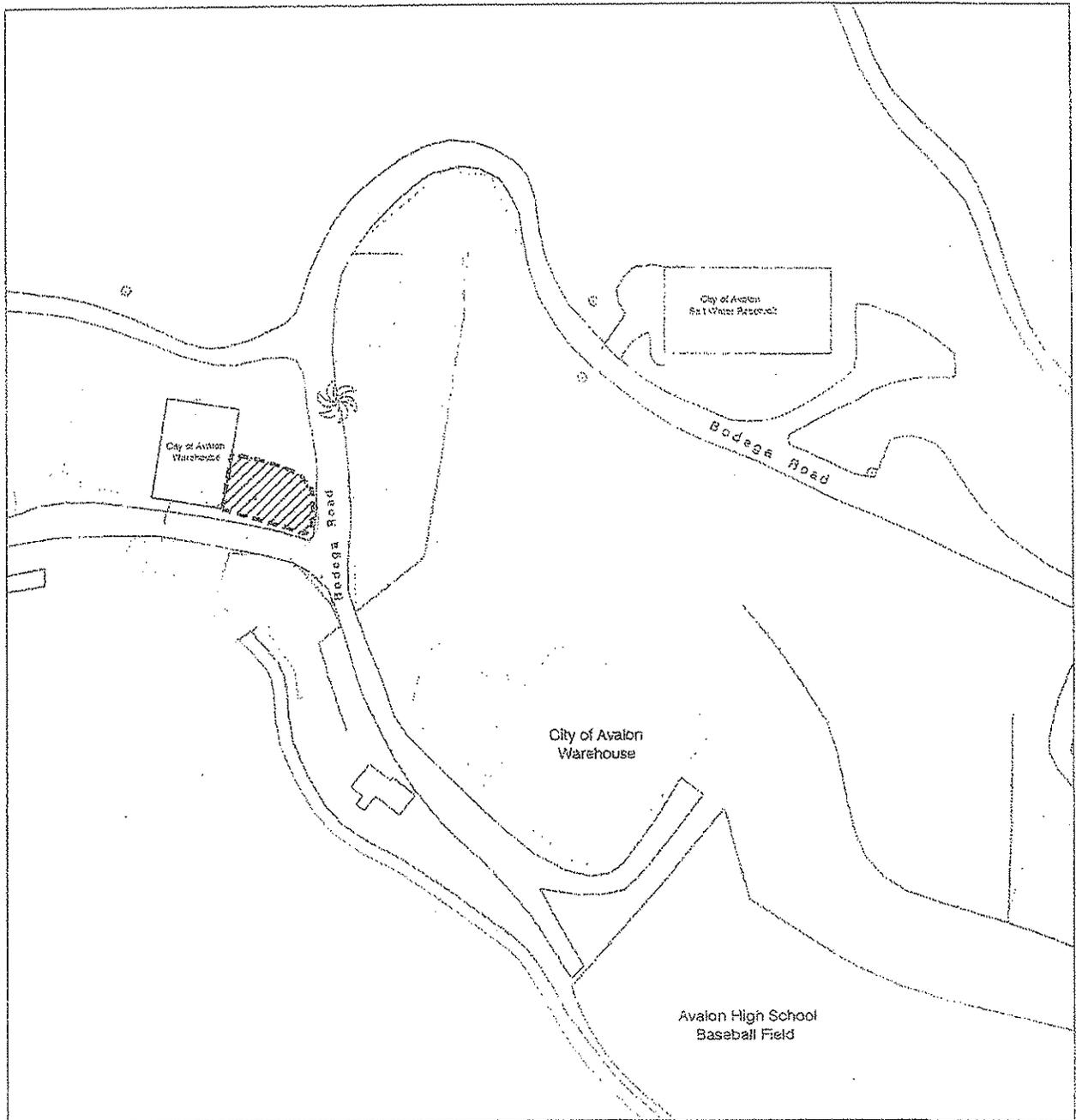


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014 Scale: 1" = 100'-0" Drawn: Job:	Lease # 9 Falls Cnyn. City of Avalon Boat Shop/Garage SITE PLAN Area: ± 2,476 s.f.	SANTA CATALINA ISLAND COMPANY P.O. Box 727      Avalon, California 90704 (310) 510-2000      (510) 510-1515 Fax
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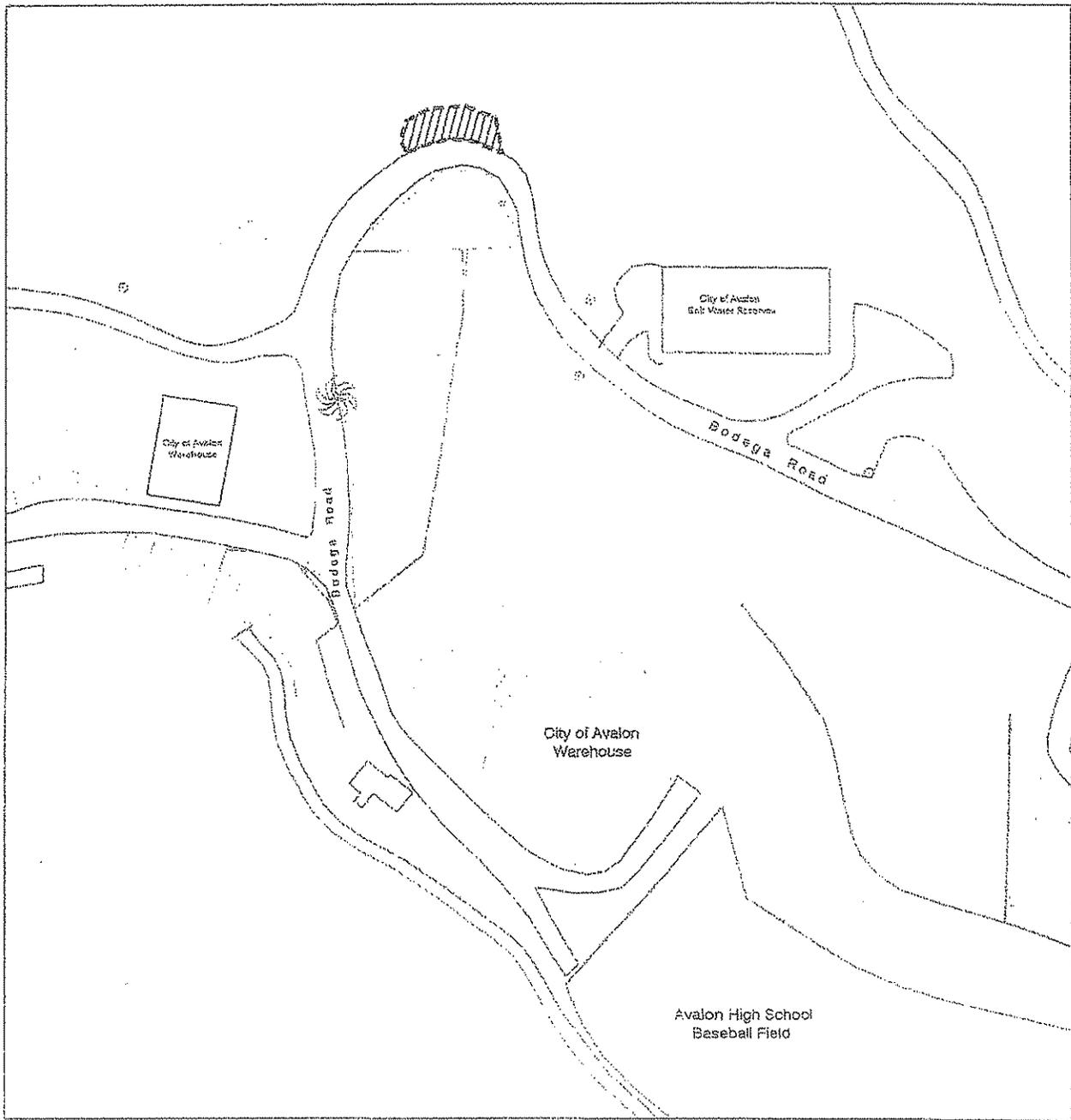
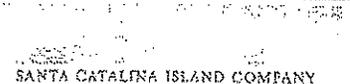


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014	Lease # 10 Falls Chyn, City of Avalon Corner Parcel SITE PLAN Area: ± 1,500 s.f.	 SANTA CATALINA ISLAND COMPANY P.O. Box 737      Avalon, California 90704 (510) 510-2000      (510) 510-1516 Fax
	Scale: 1" = 100'-0"		
	Drawn:		
	Job:		

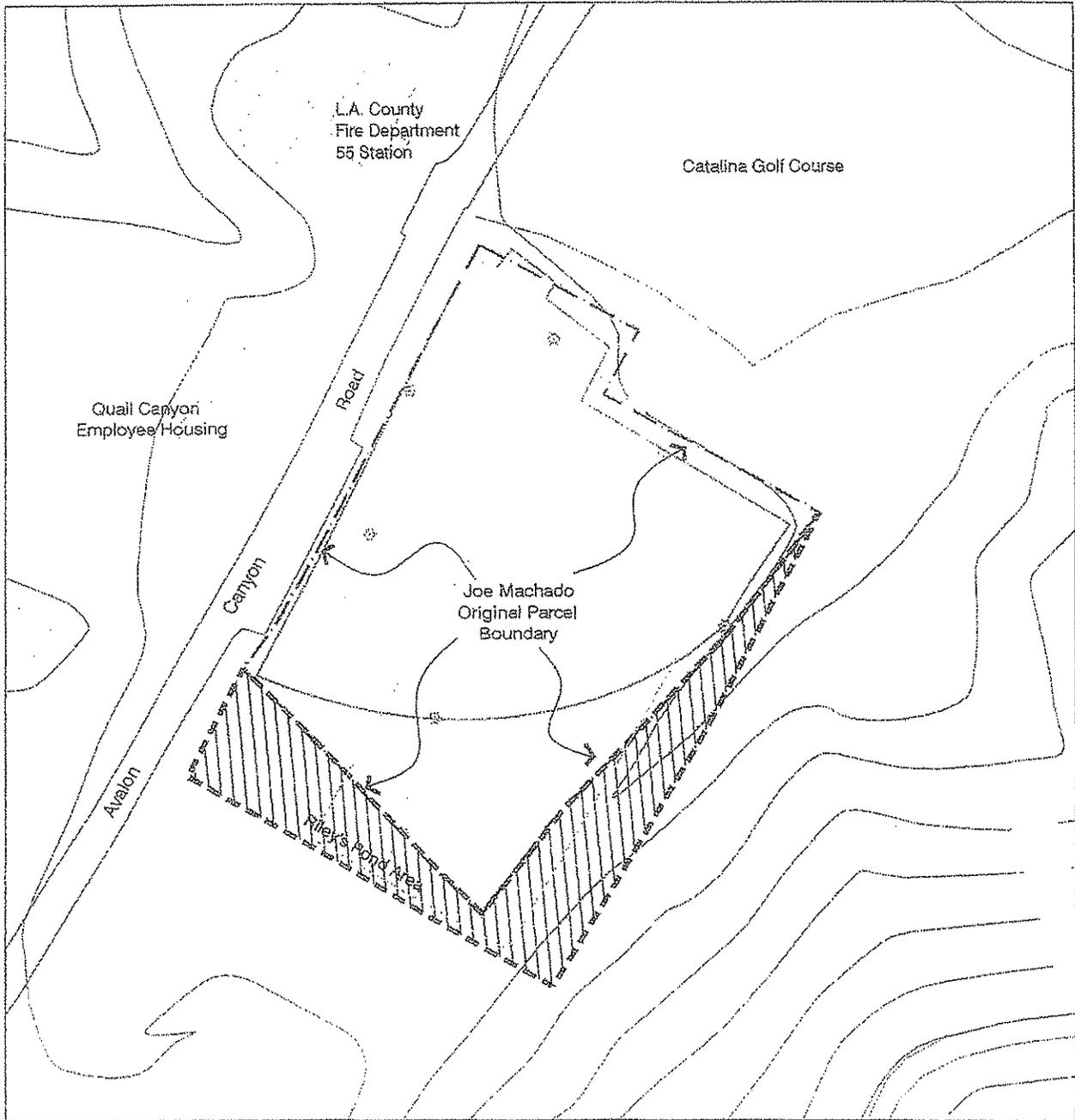
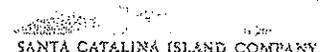


EXHIBIT 'A'



RFI <b>1</b> Of 1 Sheets	Date: December / 2014	Lease # 11 Riley's Pond Encroachment SITE PLAN Area: ± 30,400 s.f.	 SANTA CATALINA ISLAND COMPANY P.O. Box 727      Avalon, California 90704 (910) 510-2000      (310) 510-1515 Fax
	Scale: 1" = 100'-0"		
	Drawn:		
	Job:		

(310) 510-2000 1/23/7

Exhibit B

April 2016 - SCI proposal

Santa Catalina Island Resort Services  
Proposed Leases 2016

Location	Size (sq ft)	Annual Rate	Monthly Rate	\$/sq ft mo	Property Taxes	Property Taxes
2. Casino Fuel Dock	4,987	\$194,493.00	\$16,207.75	\$3.25	\$2,728.00	\$2,728.00
3. Casino Point Pump-Ahead Site	48	\$1,872.00	\$156.00	\$3.25	\$46.00	\$46.00
4. Casino Point Bathrooms	138	\$5,382.00	\$448.50	\$3.25	\$0.00	\$0.00
5. Vons Express Alley Trash Receptacle Land	280	\$10,920.00	\$910.00	\$3.25	\$0.00	\$0.00
	21,780 land and 3,500 building =					
7. Tremont Hall	25,280	\$36,156.00	\$3,013.00	\$0.12	\$1,750.00	\$1,750.00
8. Falls Canyon - City Yard Encroachment	6640	\$26,294.00	\$2,191.17	\$0.33	\$0.00	\$0.00
9a. Falls Canyon - Garage Driveway	3721	\$44,652.00	\$3,721.00	\$1.00	\$3,385.00	\$3,385.00
9b. Falls Canyon - lot adjacent to the Garage	2,476	\$14,856.00	\$1,238.00	\$0.50	\$0.00	\$0.00
SCICo Proposed Annual Total:		\$334,625.00	\$27,885.42		\$7,909.00	\$7,909.00

May 2016 - City Council

Location	Size (sq ft)	Annual Rate	Monthly Rate	\$/sq ft mo	Property Taxes	Taxes Unpaid
2. Casino Fuel Dock	4,987	\$50,000.00	\$4,166.67	\$0.84	\$2,728.00	\$23.01
3. Casino Point Pump-Ahead Site	48	\$1,872.00	\$156.00	\$3.25	\$46.00	\$0.00
4. Casino Point Bathrooms	138	\$5,382.00	\$448.50	\$3.25	\$0.00	\$0.00
5. Vons Express Alley Trash Receptacle Land	280	\$10,920.00	\$910.00	\$3.25	\$0.00	\$0.00
	21,780 land and 3,500 building =					
7. Tremont Hall	25,280	\$36,156.00	\$3,013.00	\$0.12	\$1,750.00	\$3,642.16
8. Falls Canyon - Garage					\$0.00	\$0.00
9a. Falls Canyon - City Yard Encroachment	6640	\$26,294.00	\$2,191.17	\$0.33	\$0.00	\$0.00
9b. Falls Canyon - Garage Driveway	3721	\$44,652.00	\$3,721.00	\$1.00	\$3,385.00	\$3,385.00
9b. Falls Canyon - lot adjacent to the Garage	2,476	\$14,856.00	\$1,238.00	\$0.50	\$0.00	\$0.00
SCICo Proposed Annual Total:		\$190,132.00	\$15,844.33		\$7,909.00	\$7,056.17

Double current rent, not 8 times the rent  
\*\* Rent to start in 2015  
\*\* Rent to start in 2015  
\*\* Rent to start in 2015

\*\* Rent to start in 2015- Please provide the lease from when this was established.  
One installment in 2014 and one installment in 2015  
Please provide documentation of this.  
\*\* Rent to start in 2016  
Unclear where this is at????

Properties being removed from the list:

- 1. Avelon Bowl
- 6. Field of Dreams
- 10. Corner parcel encroachment
- 11. Riley's Pond/JMF encroachment eliminated

The rent includes property tax, correct? No  
3 installments of taxes unpaid

# Exhibit C

**Santa Catalina Island Resort Services  
City Leases 2015/2016, 2016/2017**

	Location	Size (sq ft)	Annual Total Fiscal Yr 2015/2016	Annual Total Fiscal Yr 2016/2017	Monthly Rate	\$/sq ft mo	Property Taxes	Taxes Unpaid	Term	Notes
1	Machine Gun Park	19,166	\$1.00	\$1.00	\$0.00	0	TBD	TBD		Lease renews each year Yr 0 (2015/2016) - \$50,000 Yr 1 (2016/2017) - \$50,000 Yr 2 (2017/2018) - \$70,000 Yr 3 (2018/2019) - \$135,000 Yr 4 (2019/2020) - \$135,000 Yr 5 (2020/2021) - \$135,000
2	Casino Fuel Dock	4,987	\$50,000.00	\$50,000.00	\$4,167.00	\$0.84	\$2,728.00	\$2,728.00	5 yrs with scheduled annual increases 3 yrs, CPI with 1 1/2% min 5% max	** Rent to start fiscal yr 2015
3	Casino Point Pump-Ahead Site	48	\$1,872.00	\$1,872.00	\$156.00	\$3.25	\$46.00	\$46.00	3 yrs, CPI with 1 1/2% min 5% max	** Rent to start fiscal yr 2015
4	Casino Point Bathrooms	240	\$9,360.00	\$9,360.00	\$780.00	\$3.25	\$0.00	\$0.00	3 yrs, CPI with 1 1/2% min 5% max	** Rent to start fiscal yr 2015
5	Vons Express Alley Trash Receptacle Land	280	\$10,920.00	\$10,920.00	\$910.00	\$3.25	\$0.00	\$0.00	3 yrs, CPI with 1 1/2% min 5% max	** Rent to start fiscal yr 2015
6	Field of Dreams	103,743 21,780 land and 3,500 building = 25,280	\$0.00	\$0.00	\$0.00	\$0.00				Removed
7	Tremont Hall		\$1.00	\$1.00	\$0.00	\$0.00	\$1,750.00	\$0.00	3 yrs	
8	Falls Canyon - City Yard Encroachment	6640	\$5,000.00	\$5,000.00	\$417.00	\$0.06	\$0.00	\$0.00	3 yrs, CPI with 1 1/2% min 5% max	** Rent to start fiscal yr 2015
9	Falls Canyon - Garage & Adj Lot	3,721 sf building 2,476 sf land	\$59,508.00	\$59,508.00	\$4,959.00	\$0.80	\$3,385.00	\$3,385.00	3 yrs, CPI with 1 1/2% min 5% max	Removed
10	Falls Canyon corner parcel encroachment	1,500	\$0.00	\$0.00	\$0.00	\$0.00				Need to clarify parcel
11	Riley's Pond/JMF encroachment	30,400	\$1.00	\$1.00	\$0.00	\$0.00				Removed
12	Impound Yard - Field of Dreams	5,000	\$0.00	\$0.00	\$0.00	\$0.90				Removed
13	City Vehicles - Field of Dreams	3,569	\$0.00	\$0.00	\$0.00	\$1.00				Removed
<b>SCICo Proposed Annual Total:</b>			<b>\$136,663.00</b>	<b>\$136,663.00</b>	<b>\$11,389.00</b>		<b>\$7,909.00</b>	<b>\$6,159.00</b>		



The 2003 Series A Bond had debt service payments due in the following periods and amounts:

ROPS Period	Payment Due Date	Payment Amount	Funded by ROPS?
ROPS 15-16A	September 2015	\$33,660	Yes
ROPS 15-16B	March 2016	\$33,660	No
ROPS 16-17A	September 2016	\$33,660	No
ROPS 16-17B	March 2017 (upcoming)	\$33,660	No
<b>Total Unfunded Amount</b>		<b>\$100,980</b>	

The ROPS 15-16A allotted \$1,252,539 for the 2003 Series A Bond payment; \$33,660 was applied to the September 2015 payment and the remaining funds were applied to the bond refinancing. The Successor Agency and Oversight Board need to amend the ROPS to request RPTTF to fund the March 2016, September 2016, and upcoming March 2017 debt service payments for the 2003 Series A bond. The required payments are \$33,660 each period, or \$100,980 total.

The Amended ROPS 16-17B requests \$100,980 in additional RPTTF funding to make the March 2016, September 2016, and March 2017 debt service payments.

*Department of Finance Review*

Upon submittal of an Oversight Board-approved Amended ROPS (due to DOF by October 1, 2016), DOF has until around December 16, 2017 to make a determination.

**ENVIRONMENTAL REVIEW:** The action taken by the Successor Agency to approve the Amended ROPS 16-17B does not commit the Successor Agency to any actions that may have a significant effect on the environment. As a result, such actions do not constitute projects subject to the requirements of the California Environmental Quality Act.

**FISCAL IMPACT:** Approval of the Amended ROPS 16-17B is necessary for the Successor Agency to continue administrative operations and make payments for debt service, contracts, and other enforceable obligations. By not adopting the ROPS, the Successor Agency would risk defaulting on loans and other debt agreements, and not being able to fund certain expenses and operations, which would also impact the City's General Fund.

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** Pursuant to the Brown Act.

**ATTACHMENTS:**

1. Debt service schedule for the 2003 Series A Bond
2. Successor Agency Resolution Approving the Amended ROPS 16-17B

**SUCCESSOR AGENCY RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE AVALON  
COMMUNITY IMPROVEMENT AGENCY APPROVING AN AMENDED  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 16-17B**

**WHEREAS**, pursuant to Assembly Bill 26 of the First Extraordinary Session of the 2011-2012 Legislative Session ("ABX1 26") (Chapter 5, Statutes of 2011), the Avalon Community Improvement Agency was effectively dissolved as of February 1, 2012; and

**WHEREAS**, pursuant to ABX1 26, the City Council of the City of Avalon serves as the Successor Agency to the Avalon Community Improvement Agency ("Successor Agency"); and

**WHEREAS**, pursuant to Health and Safety Code Section 34177, the Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") in a manner prescribed by the California Department of Finance ("DOF"), and submit the ROPS to an oversight board, the Los Angeles County Auditor-Controller, the State Controller's Office, and DOF for review and approval; and

**WHEREAS**, Assembly Bill 1484 ("AB 1484") (Chapter 26, Statutes of 2012) established new procedural requirements for the preparation, review, and approval of ROPS by the Successor Agency, including clarifications regarding "enforceable obligations"; and

**WHEREAS**, Senate Bill 107 ("SB 107") (Chapter 325, Statutes of 2015) established revised procedural requirements for the preparation, review and approval of ROPS by the Successor Agency, including modifying the ROPS process to an annual ROPS beginning with FY 2016-17; and

**WHEREAS**, the Oversight Board of the Successor Agency to the Avalon Community Improvement Agency ("Oversight Board") approved an annual ROPS for the period of July 1, 2016 through June 30, 2017 by adoption of Resolution 16-03 on January 21, 2016, which was subsequently approved by DOF on May 17, 2016;

**WHEREAS**, Section 34177(o)(E) states that once per ROPS period, the Successor Agency may submit one amendment to the ROPS approved by DOF if the Oversight Board makes a finding that a revision is necessary for the payment of approved enforceable obligations during the second half of the ROPS period from January 1, 2017 through June 30, 2017 ("Amended ROPS 16-17B");

**WHEREAS**, Exhibit "A" to this resolution establishes an Amended ROPS for the period beginning January 1, 2017 and ending June 30, 2017 ("Amended ROPS 16-17B"), in a manner consistent with that prescribed by DOF.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2. Approval of ROPS.** The Successor Agency hereby approves the Amended Recognized Obligation Payment Schedule 16-17B, in substantially the form attached

hereto as Exhibit "A," as required by ABX1 26, enacted during the 2011 legislative year, AB 1484, enacted during the 2012 legislative year, and SB 107, enacted during the 2015 legislative year.

**Section 3. Transmittal to Appropriate Agencies.** The City Manager, on behalf of the Successor Agency, is hereby authorized and directed to transmit, by mail or electronic means, a copy of the Amended ROPS 16-17B to the Oversight Board, Los Angeles County Administrative Officer, Los Angeles County Auditor-Controller and State Department of Finance, and upon approval by the Oversight Board submit the approved ROPS to the Los Angeles County Auditor-Controller, the State Department of Finance and the State Controller's Office, and post a copy on the Successor Agency's website, as prescribed by statute.

**Section 5. Technical Revisions.** The City Manager is hereby authorized and directed to use his discretion to make any necessary technical revisions to the Amended ROPS 16-17B prior to submittal to the appropriate reviewing bodies.

**PASSED AND ADOPTED** at a regular meeting of the Successor Agency to the Avalon Community Improvement Agency, on the 20th day of September, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Ann H. Marshall, Chair

ATTEST:

\_\_\_\_\_  
Denise A. Radde, Agency Secretary

# EXHIBIT "A"

AMENDED RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE 16-17B

**Amended Recognized Obligation Payment Schedule (ROPS 16-17B) - Summary**

Filed for the January 1, 2017 through June 30, 2017 Period

Successor Agency: Avalon  
 County: Los Angeles

**Current Period Requested Funding for Enforceable Obligations (ROPS Detail)**

	ROPS 16-17B Authorized Amounts	ROPS 16-17B Requested Adjustments	ROPS 16-17B Amended Total
<b>A</b> Enforceable Obligations Funded as Follows (B+C+D):			
B Bond Proceeds	\$ -	\$ -	\$ -
C Reserve Balance	\$ -	\$ -	\$ -
D Other Funds	\$ -	\$ -	\$ -
<b>E</b> Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,100,379	\$ 100,980	\$ 1,201,359
F RPTTF	975,379	100,980	1,076,359
G Administrative RPTTF	125,000	-	125,000
<b>H</b> Current Period Enforceable Obligations (A+E):	\$ 1,100,379	\$ 100,980	\$ 1,201,359

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (o) of the Health and Safety code,  
 I hereby certify that the above is a true and accurate  
 Recognized Obligation Payment Schedule for the above  
 named successor agency.

\_\_\_\_\_  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date



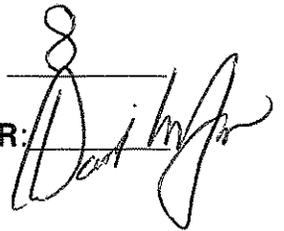
Item 7:

Water Presentation by the City Attorney

**CITY OF AVALON CITY COUNCIL**

**MEETING DATE:** September 20, 2016  
**ORIGINATING DEP:** Administration  
**PREPARED BY:** David Jinkens, City Manager  
**SUBJECT:** CPUC Request to Direct SCE's Support for City Application for Sustainable Year-Round Water Supply for Avalon

**AGENDA ITEM:** 8

**CITY MANAGER:** 

---

**RECOMMENDED ACTION(S):** Direct the City Manager to file a request with the California Public Utilities Commission (CPUC) to issue and order to Southern California Edison to cooperate with and fully support the City of Avalon's priority request to the State of California for funds to build fresh water storage, construct new salt water wells and refurbish or replace existing salt water wells to create a sustainable year-round supply of fresh water to Avalon.

**REPORT SUMMARY:** The City of Avalon has been seeking the cooperation of Southern California Edison to collaborate and cooperate on a joint venture in which the City of Avalon would seek State of California funds to build new storage facilities, construct new water wells and refurbish or replace existing salt water wells in Pebbly Beach to create adequate fresh water storage from existing desalinization units in place to sustain the City of Avalon, its people, businesses, and the million plus people who come here annually on a year-round basis. SCE has been reluctant to commit to supporting such an effort if the grant funds received require City ownership of the storage/well facilities or if the grant application request would rank higher for funding with City ownership. If the City must be the grant recipient, the City would lease said facilities to SCE for operation. State funds are needed to build the identified facilities in order to avoid huge rate increases for Avalon water customers, business owners and property owners that for many would create an economic hardship.

The construction of adequate fresh water storage facilities near the SCE plant in a closed-system environment eliminates direct air contamination potential, evaporation, and provides a ready resource for fresh water in high-demand times. It is understood that fresh water storage in tanks would require steps to maintain water quality, but cities throughout California rely on sealed storage facilities for a secure water supply. In my view, sealed water storage tanks are far preferable to open reservoirs or other existing open-air fresh water facilities.

The City of Avalon has been an active supporter since the early 1980's of using its vast access to sea water as a means of providing through desalinization year-round fresh water supply for residents and visitors. The existing SCE water supply system relies heavily on rain and ground water, and adequate storage facilities for desalinated fresh water would better ensure a sustainable supply of water year-round. Avalon does not have to be in a severe drought when these steps are in place.

Avalon must take steps to assure and adequate fresh water supply for its residents, business owners and operators and tourists. ***Avalon's needs for grant funds should be the number one priority for requests for State funding*** and SCE should support this request fully to help enable them to provide the service for which they provide to Avalon.

**GOAL ALIGNMENT:** General Plan Conservation Element– Assure Adequate and Sustainable Water Supply

**FISCAL IMPACTS:** Water is an essential component of maintaining a sustainable City for residents and visitors, maintaining property values, maintaining the local economy, and encouraging and supporting reasonable and proper investment in Avalon. The lack of adequate water storage and desalinization facilities creates incalculable drain on the local economy and revenue to operate the City. Residents of Avalon must be protected and sustained in the manner proposed in this report.

**CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:** Continued drought conditions, economic decline, and loss of tourism, unhealthy conditions, and increase in water rates with no benefit to residents and businesses. Further delay of actions to create a sustainable Avalon fresh water supply will only mean more time lost for a positive solution.

**FOLLOW UP ACTION:** City Manager, after consultation with the City Attorney, will immediately file a request to the CPUC as noted herein.

**ADVERTISING, NOTICE AND PUBLIC CONTACT:** This item was properly listed on the posted agenda pursuant to the Brown Act.

**ATTACHMENTS:** City Manager CPUC Letter Dated July 15, 2016



July 15, 2016

The Honorable Michael Picker M.B. A, President and Commissioners,  
and Executive Director Timothy Sullivan, Ph.D.  
California Public Utilities Commission  
550 Van Ness Avenue  
San Francisco, California 94102

**Re: Southern California Edison Water Distribution System, Avalon, Santa Catalina Island,  
California**

Dear President Picker, Commissioners, and Dr. Sullivan:

**Introduction**

I am the new City Manager for the City of Avalon, Santa Catalina Island, California, and I am writing to introduce myself to you. I know that you have many important matters before the Commission, and I do not want to create more of a burden. As a life-long resident of the State with over 35 years as a municipal government CEO in California, I have a keen appreciation and respect for the work you all do in this complicated and diverse State of California.

I was City Manager in Avalon in the early 1980's when the City Council required the installation of the first desalinization plant as mitigation for a major development at Hamilton Cove. This was an important achievement in the City's history, because it provided a road map for future development of fresh water supply for Avalon and the Island.

**Water Supply**

I was surprised to learn that a lack of a domestic water supply today is a critical issue in the community and our Island as we face the impact of a changing climate and drought. Due to the limited supply of domestic water the City Council has restrictions on new water connections and supply, and I am told that they want that supply protected and fair rules for allocation applied. As the only incorporated city in California located in the Pacific Ocean, the City Council through its general powers in State law and its police powers as articulated in the General Plan must have its authority to regulate water use and connections respected by all parties. Locally elected officials have endeavored to create a fair and equitable system in its allocation of water and permits for development. The City Council and appropriate City staff must be made aware

of all water allocations before any request is granted and be given a chance to comment on the proposed allocation.

**Water Allocations**

On behalf of the City Council, I am of course very concerned with the nature of the water shortage and the reasons why this situation has not been mitigated. Why do we have a crisis with fresh-water supply? It is perplexing to say the least to understand with a vast supply of water in the ocean why this situation exists when technologies exist for creating drinking water. I will of course be meeting with stakeholders soon to discuss the issue and gain their vantage point and perspective. The current situation in my view is not only unfortunate but also unacceptable.

**Request for Information**

I am respectfully requesting of your fine staff to receive a copy of the formal permit or other instrument that enables SCE to operate its water system in Avalon and Santa Catalina Island. I am looking for parameters under which the system is operated and requirements placed on them by the PUC to operate. This inquiry is not a complaint. It is simply a request for information to help me understand the situation and be an effective City government advocate for our community.

I will also be examining our current City efforts to increase supply in conjunction with all affected and impacted parties and appropriate City officials.

I wish you all success and good fortune, and I hope that there is a time when you all can visit our City and Island that is a recreational treasure for our Nation, State and region.

Sincerely,

ORIGINAL SIGNED BY

David M. Jinkens, M.P.A.  
City Manager  
djinkens@cityofavalon.com

C: Mayor and Council  
City Attorney  
Pending