
**CITY OF BIG BEAR LAKE CITY COUNCIL
MINUTES FOR REGULAR MEETING
JUNE 9, 2003**

A Regular Meeting of the City Council of the City of Big Bear Lake was called to order by Mayor Harris at 4:30 p.m., Monday, June 9, 2003, at the Civic Center, 39707 Big Bear Boulevard, Big Bear Lake, California.

PUBLIC FORUM FOR CLOSED SESSION

None.

At the hour of 5:05 p.m., Council adjourned to Closed Session.

At the hour of 6:30 p.m., Council adjourned to Open Session.

OPEN SESSION

Invocation/Moment of Personal Prayer

Flag Salute: Felicia Garver, recipient of the Girl Scout Gold Award and the 2003 Young Woman of Distinction Award

Councilmembers Present: Mayor Liz Harris
Mayor Pro Tem Darrell Mulvihill
Councilmember S. O. Conklin
Councilmember Ken Dally
Councilmember Hertzmann

Councilmember Excused: None

Others Present: Michael Perry, City Manager
Steve Deitsch, Best Best & Krieger LLP, City Attorneys
Katherine E. Jefferies, City Clerk/ACM
Molly Bogh, Deputy City Manager Development Services
Kathleen Smith, Finance Manager

RESULTS OF CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code Section 54957.6

Name of Negotiators: City Attorney Deitsch, City Manager Perry, and Deputy City Manager Vasquez

Name of Organization: San Bernardino County Public Employees Association General Unit

No reportable action.

2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8

Property Negotiation: APN 308-053-10

Name of Parties: City Manager and owner of the property

Term: Price and Terms of Payment

No reportable action.

AGENDA APPROVAL

Motion by Mayor Pro Tem Mulvihill, seconded by Councilmember Dally to approve the Agenda as presented. Motion approved 5-0.

ANNOUNCEMENTS

Upcoming events scheduled for the Performing Arts Center: (For ticket information please contact the box office at 866-4970)

CATS will present "Oklahoma!" – June 27 – 29, July 1, 2, 3, 5, 6, 9, 11, 12.

The Old Miners Association will present the "Cowboy Poetry and Music Gathering" – July 18 & 19.

The Woman's Club Annual Flower Show will be held on July 25 & 26.

PRESENTATIONS

Mayor Harris read a Proclamation proclaiming July 17 – 20, 2003, as "Big Bear Valley Cowboy Poetry and Music Gathering Days".

COMMITTEE REPORTS

The SANBAG/Measure I Committee Report was given by Councilmember Hertzmann.

PUBLIC FORUM

Dr. Michael Erickson, Big Bear Christian Center: offered a Prayer of Invocation.

Dorothy Brown, Sugarloaf: discussed her concerns regarding the MARTA bus service and the fact that they change and/or cancel routes without notifying the public. She stated that the reason she is bringing her concerns to the City Council is because the public is unable to participate at the MARTA meetings.

Chuck Slemaker, Alpenhorn Bed & Breakfast: stated that he had heard that the Council had made a decision to place a ballot measure on the November election to raise the Transient Occupancy Tax by 2%. He stated that he was opposed to the increase because it would hurt his business.

Clay Bales, Stage Coach Lodge and Wildwood Resort: spoke in opposition to the City placing a measure on the November ballot to increase the TOT by 2%. He suggested that if the City wanted to increase taxes it should be a tax that affects everyone, instead of one specific group.

Stan Miller, Knickerbocker Mansion: spoke in opposition to the City placing a measure on the November ballot to increase the TOT, because it is not fair to target one type of visitor over another. He suggested the City look at other ways to manage the City without increasing taxes.

Michael Harb, Switzerland Haus Bed & Breakfast: spoke in opposition to the City placing a measure on the November ballot to increase the TOT, because it is a struggle to maintain a lodging type business at the current TOT rate.

Sandy Acosta, Big Bear Lake: expressed her concerns regarding the fact that the Council is discussing future revenue sources without first looking at ways to reduce the budget, and questioned where the money is coming from to fund two Deputy City Manager positions. She commented that most business owners cannot afford to close their business in order to attend daytime City Council workshop meetings.

Marge McDonald, Sugarloaf: announced that the Bear Valley Healthcare District will hold a town hall meeting at 6:30 p.m., Wednesday, June 11th at the Presbyterian Church, to discuss the continuation of Measure G. The District plans to place a Measure on the

November 4, 2003, ballot in order to continue the special property tax to support the local hospital and emergency services. She commented that the City should not be competing with CATS to present productions at the Performing Arts Center.

Barbara McLean, Apples Bed & Breakfast: discussed her concerns regarding the fact that the Council is proposing to raise the Transient Occupancy Tax without first hearing from the lodge owners. She stated that, as a matter of fairness, the City should increase the sales tax rather than the TOT, so that all entities are impacted instead of one specific group.

Brandon Schlarmann, Bear Manor Cabins: spoke in opposition to the City increasing the TOT, because it is unfair to target one particular group over another.

Charles Brewster, Big Bear Lake: expressed his concern that the Council conducted a workshop meeting to discuss placing a measure on the November ballot to increase the Transient Occupancy Tax without giving the public an opportunity to provide their input. He asked that the City Council rescind their decision to place the issue on the ballot, and set up workshop meetings to work with the public to discuss various options and solutions.

Gary Berwin, Big Bear Lake: spoke in opposition to the Council increasing the TOT. He discussed a violent confrontation that occurred at a local establishment on June 6, 2003, which left his son in critical condition, and discussed the need for the Sheriff Department to take a more proactive stance in prosecuting people who commit violent crimes.

Laura Koepke, President of Government Watch: suggested that the City research the history of why the TOT was changed from 8% to 6%, how it is collected, and how it is spent. She discussed a document that she received from the US Forest Service, called the Southern California Mountain and Foothills Assessment, which reveals that in 1999, the Forest Service was aware of the Bark Beetle problem and how to solve it, however, the Forest Service took no action to stop it.

Greg Boll, Big Bear Lake: stated that he is strongly opposed to the action that the Council took during the workshop meeting earlier in the day to place a measure on the November ballot to increase the TOT. He stated that the decision was made without proper notice, or input from the public, and suggested that public meetings be held to look at prudent solutions before placing the issue on the ballot this November.

Robert Harris, Big Bear Lake: stated that if the TOT were increased, it would reward the day visitors who also impact our infrastructure. It would also create a financial impact to the lodging industry, cause a decrease in the number of overnight visitors, and decrease the development of future lodging facilities.

Tom Johnson, Northwoods Resort: spoke in opposition to the City placing a measure on the November ballot to increase the TOT, because it would have a detrimental impact on the entire lodging industry.

PUBLIC FORUM RESPONSE

City Manager Perry explained that during the City Council workshop session held earlier in the day, the Council discussed with staff possible new or increased revenue sources to help offset the City's budget, which has been impacted because of the State Budget deficit. He stated that the Council discussed 13 different possible future revenue sources, including the possibility of increasing the Transient Occupancy Tax from 6% to 8%. The action taken by the Council does not place the TOT on the ballot, only directed staff to place the matter before the City Council on July 14, 2003, for Council discussion, and input from the community, regarding the possibility of placing the matter on the November 4, 2003 ballot.

1. DISCUSSION/ACTION ITEMS

1.1 Village Assessment Maintenance District No. 1-92

Council consideration of a resolution declaring intention to levy and collect annual assessments within the Village Maintenance Assessment District No. 1-92 for fiscal year 2003/2004, and setting a public hearing for July 28, 2003; and, approving the Engineer's Report for Alternative B or Alternative C for the Village Maintenance District No. 1-92 for fiscal year 2003/2004.

City Manager Perry explained that the costs to maintain the Village at the current level have significantly increased since the incorporation of the Village Maintenance District, over ten years ago. He stated that, in order to continue to fund the maintenance services at the same level of service, it is necessary to increase the amount of the current assessments, which requires a majority vote of approval among the voting property owners. He gave an overview of the assessment alternatives for Council consideration, as directed at the May 27, 2003 City Council meeting.

Sandy Acosta, Big Bear Lake: reported that she is a property owner within the Village Maintenance Assessment District, and is opposed to an increase in the assessment. She discussed the need for the owners to see a complete cost report that shows exactly how much money is being spent on maintaining the Village.

Sharon Prince, Big Bear Lake: stated that she is a property owner within the Village Maintenance Assessment District, and is opposed to an increase in the assessment, because she feels that City services have decreased.

Shirley Bard, Sargarloaf: read a letter of opposition from a family who owns property within the Village Maintenance Assessment District.

Margaret Tiefenthaler: stated that she is a business owner within the Village Maintenance Assessment District, and is opposed to the proposed fee increase. She stated that, instead of targeting a small group of businesses in the Village, the assessment fee should be applied to the entire Village because everyone benefits from visitors.

Pam Loudy, Big Bear Lake: stated that she is representing Diane Paoli who is a property owner within the Village Maintenance Assessment District. She discussed the need for the Council to consider enlarging the assessment district to include the entire Village Specific Plan area to lessen the burden on the property owners in the Village Assessment District.

Dana Pankey, Phoenix, Arizona: stated that he is a property owner within the Village Maintenance Assessment District, and discussed the need to keep the Village clean and beautiful, but not at the expense of the owners and the businesses in one specific area of the Village.

Hal Schoettger, Big Bear Lake: stated that he is a property owner within the Village Maintenance Assessment District and presented to the Council a Village Streetscape Maintenance Proposal that would encompass the entire Village.

Rick Rey, Big Bear Lake: stated that he is a property owner within the Village Maintenance Assessment District, and stated that the costs to maintain the Village seem extremely high, and that the City needed to look at options to cut costs and bring expenditures into line. He also discussed the need for the City to provide an annual cost report each year for public review.

Tom Johnson, Big Bear Lake: stated that he is a property and business owner within the Village Maintenance Assessment District and stated that although the City has maintained the Village very well, the proposed increase is a pretty big jump. He stated that a fair approach would be to lower the assessment to the original \$9.64 per lineal foot, and then adjust the assessment based on the Consumer Price Index.

Sebastian Valente, Big Bear Lake: stated that he recently purchased property within the Village Maintenance Assessment District because the Village is attractive and well maintained, and discussed his concerns regarding the impact that an increased fee will have on future tenants or owners. He stated that because he is a new owner he has not received any notification regarding the proposed fee increase and election process. City Manager Perry stated that he would see to it that Mr. Valente received the proper notification and ballot.

Robert Harris, Big Bear Lake: addressed the fact that this matter may be a conflict of interest for certain members of the Council. He also discussed that the businesses within the Village Assessment District should consider themselves fortunate that the City maintains a portion of their property, because all other businesses outside the District do not have that service.

Fran Fish, Big Bear Lake: stated that she is a business owner within the Village Maintenance Assessment District, and discussed the need for the Council to consider enlarging the assessment district to include the entire Village Specific Plan area to lessen the burden on the property owners in the Village L.

Wilma Peery, Big Bear Lake: stated that she has owned property in the Village for almost 46 years, and discussed the need for the Council to consider enlarging the assessment district to include the entire Village Specific Plan area to lessen the burden on the property owners in the Village L.

Laura Koepke, Government Watch: spoke in opposition to an increase in the Village Assessment District.

RECESS

At the hour of 8:30 p.m., Mayor Harris declared a recess. At the hour of 8:43 p.m., Council reconvened.

Motion by Councilmember Dally, seconded by Councilmember Hertzmann to amend the Engineer's Report to levy the Village Assessment District Fees incrementally as follows:

\$11.09 for fiscal year 2003/2004;
\$12.75 for fiscal year 2004/2005;
\$14.66 for fiscal year 2005/2006;
For fiscal year 2006/2007 and on, the annual assessment is to be increased only by the Consumer Price Index.

Said Motion was approved by the following vote:

AYES: Conklin, Dally, Harris, Hertzmann, Mulvihill
NOES: None
ABSENT: None
ABSTAIN: None

This matter will be brought back to the Council later in the meeting for the adoption of the Resolution, in order for the consultant to amend the Engineer's Report.

2. CONSENT CALENDAR

Motion by Councilmember Dally, seconded by Councilmember Conklin to approve the Consent Calendar as follows:

2.1 Approval of Demands – Check Issue Date 05/22/03 through 06/04/03 – Check Nos. 18725 through 18883, in the amount of \$188,367.48

Approved.

2.2 Approval of the Minutes for the Regular Meeting of April 28, 2003, the Workshop Meeting of May 5, 2003, and the Workshop Meeting of May 12, 2003

Approved the Minutes for the Regular Meeting of April 28, 2003, and the Workshop Meeting of May 5, 2003, as presented; and approved the Workshop Meeting of May 12, 2003, as amended.

2.3 Waste Delivery Agreement - Amendment No. 2

Council consideration of approving Amendment No. 2 to the Waste Delivery Agreement with the San Bernardino County.

Approved.

2.4 Sewer Fees, Refuse Fees, and Sewer Standby Fees

Council consideration of authorizing staff to schedule a public hearing for July 14, 2003, to approve resolutions of intention to levy and collect assessments for the Sewer Fees, Refuse Fees, and Sewer Standby Fees, for fiscal year 2003/2004.

Approved.

2.5 Transfer of Funds for Removal of Dead Trees on City Property

Council consideration of authorizing staff to transfer \$16,000 from Undesignated Fund Balance to account 110-4320-2241 (Public Works/Street Maintenance – Professional Services – Trees) for the removal of dead trees on various City properties.

Approved.

2.6 Summit Boulevard Sidewalk Project

Council consideration of awarding the contract for the construction of sidewalks on Summit Boulevard to Bear Valley Paving, in the amount of \$40,906.00.

This item was removed from the Consent Calendar for separate discussion.

2.7 Mobile Equipment Garage Underground Fire-Service Line Extension

Council consideration of awarding the contract for the installation of the underground fire-service extension to serve the automatic fire sprinkler system within the Mobile Equipment Garage to Romans Construction; and authorize staff to transfer \$53,475.00 from account 321-4323-3994 (Paving Access Roads) to account 321-4323-3979 (Phase II of the Mobile Equipment Garage).

This item was removed from the Consent Calendar for separate discussion.

2.8 Revised Resolution Authorizing Application for Land and Water Conservation Funds for Construction of Boulder Bay Park

Council consideration of a revised resolution authorizing the City to apply for a grant from the Land and Water Conservation Fund for the construction of Boulder Bay Park.

This item was removed from the Consent Calendar for separate discussion.

The Consent Calendar was approved by the following vote:

AYES: Conklin, Dally, Harris, Hertzmann, Mulvihill
NOES: None
ABSENT: None
ABSTAIN: None

3. ITEMS REMOVED FROM THE CONSENT CALENDAR

2.6 Summit Boulevard Sidewalk Project

Council consideration of awarding the contract for the construction of sidewalks on Summit Boulevard to Bear Valley Paving, in the amount of \$40,906.00.

Motion by Councilmember Hertzmann, seconded by Councilmember Conklin to adopt a finding that the construction of a sidewalk and bus stop at the northeast corner of Summit Boulevard and Big Bear Boulevard to serve an existing transit stop is categorically exempt from the California Environmental Quality Act pursuant to Section 15301c of the CEQA Guidelines; award the contract for the construction of sidewalks on Summit Boulevard to Bear Valley Paving, in the amount of \$40,906.00; and authorize staff to transfer \$36,500 from account 321-4321-3901 (Capital Projects, Street – Lakeview Drive) to Account 321-4321-3977 (Capital Projects, Street – Summit Sidewalks), and \$4,806 from the Undesignated Fund Balance, in order to fund construction of the project.

Said Motion was approved by the following vote:

AYES: Conklin, Dally, Harris, Hertzmann, Mulvihill
NOES: None
ABSENT: None
ABSTAIN: None

2.7 Mobile Equipment Garage Underground Fire-Service Line Extension

Council consideration of awarding the contract for the installation of the underground fire-service extension to serve the automatic fire sprinkler system within the Mobile Equipment Garage to Romans Construction; and authorize staff to transfer \$53,475.00 from account 321-4323-3994 (Paving Access Roads) to account 321-4323-3979 (Phase II of the Mobile Equipment Garage).

Motion by Councilmember Hertzmann, seconded by Councilmember Dally to award the contract for the installation of the underground fire-service extension to serve the automatic fire sprinkler system within the Mobile Equipment Garage to Romans Construction; and authorize staff to transfer \$53,475.00 from account 321-4323-3994 (Paving Access Roads) to account 321-4323-3979 (Phase II of the Mobile Equipment Garage).

Said Motion was approved by the following vote:

AYES: Conklin, Dally, Harris, Hertzmann, Mulvihill
NOES: None
ABSENT: None
ABSTAIN: None

2.8 Revised Resolution Authorizing Application for Land and Water Conservation Funds for Construction of Boulder Bay Park

Council consideration of a revised resolution authorizing the City to apply for a grant from the Land and Water Conservation Fund for the construction of Boulder Bay Park.

Motion by Councilmember Hertzmann, seconded by Councilmember Conklin to adopt the following resolution, entitled:

RESOLUTION NO. 2003-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AUTHORIZING THE CITY TO APPLY FOR A GRANT FROM THE LAND AND WATER CONSERVATION FUND FOR THE CONSTRUCTION OF BOULDER BAY PARK

Said Motion was approved by the following vote:

AYES: Conklin, Harris, Hertzmann
NOES: Dally, Mulvihill
ABSENT: None
ABSTAIN: None

At the hour of 10:28 p.m., the Council reconvened Item 1.1.

1.2 Village Maintenance District No. 1-92

Council consideration of a resolution declaring intention to levy and collect annual assessments within the Village Maintenance Assessment District No. 1-92 for fiscal year 2003/2004, and setting a public hearing for July 28, 2003; and approve the Engineer's Report for Alternative B or Alternative C for the Village Maintenance District No. 1-92 for fiscal year 2003/2004.

Motion by Councilmember Hertzmann, seconded by Councilmember Dally to schedule the public hearing for July 28, 2003, and adopt the following resolution, entitled:

RESOLUTION NO. 2003-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING THE ENGINEER'S REPORT IN CONNECTION WITH THE LEVY AND CONNECTION OF ASSESSMENTS WITH THE VILLAGE MAINTENANCE ASSESSMENT DISTRICT NO. 1-92 FOR FISCAL YEAR 2003/2004

Council also directed staff to invite all business and property owners to meet with the Council on an annual basis to review the costs and revenues with the property owners prior to approving the annual assessments.

Said Motion was approved by the following vote:

AYES: Conklin, Dally, Harris, Hertzmann, Mulvihill
NOES: None
ABSENT: None
ABSTAIN: None

At the hour of 10:51 p.m., Council adjourned to the Fire Protection District.

FIRE PROTECTION DISTRICT

Fire Protection District proceedings are contained in separate minutes.

At the hour of 11:17 p.m., the Fire Protection District adjourned to Regular Council session.

FUTURE AGENDA ITEMS

None.

CITY MANAGER REPORTS

City Manager Perry commended Deputy City Manager Bogh and her staff, for the preparation and research that was necessary to complete the Village Maintenance District item; the Summit Boulevard Sidewalk Project; and the grant for the Boulder Bay Park.

He reported that the fiscal year 2003/2004 budget would be presented to the Council for adoption on June 23rd, and commended Finance Manager Smith and her staff for the timely preparation of a balanced budget.

He discussed that in order to reduce project costs, staff spends a tremendous amount of time trying to obtain grants, such as the Boulder Bay Park Grant. He asked Mayor Pro Tem Mulvihill and Councilmember Dally, who had voted in opposition to the City obtaining a grant for the Boulder Bay Project, if they felt that staff should continue to focus their time in trying to obtain grants for projects, specifically if the City is required to fund a portion of the project.

Councilmember Dally stated that he is in support of staff obtaining grants for the City. However, he felt that the timing is not right at this time to approve a grant for a park project, when the City is looking at the possibility of increasing taxes, and struggling to adopt a budget that has been drastically reduced.

Mayor Pro Tem Mulvihill commented that timing was also a factor for him. He stated that he is in favor of the City obtaining grants, even if the City has to fund a portion of the project. However, he has a problem approving an expenditure of funds for a park project at the same time that we are informing the public that the City is reducing expenditures, and may be increasing taxes.

CITY COUNCIL REPORTS

Mayor Pro Tem Mulvihill discussed that there is a new home that is being constructed on Pine Knot Blvd., and asked why the City put in a curb in front of that one particular home and not the other homes on the street. City Manager Perry stated that he would look into the issue and report back.

ADJOURNMENT:

There being no further business to come before the Council at this session, Mayor Harris adjourned the meeting at 11:29 p.m.

Katherine E. Jefferies, City Clerk

APPROVED AT THE MEETING OF: July 28, 2003