

**MINUTES**  
**REGULAR MEETING OF THE**  
**CANYON LAKE CITY COUNCIL**  
**Wednesday, March 7, 2018**  
**Closed Session – 5:30 p.m.**  
**Open Session - 6:30 p.m.**

**City Council Chambers**  
**31516 Railroad Canyon Road**  
**Canyon Lake, CA 92587**

**Closed Session – 5:30 p.m.**

**1. Call To Order**

Mayor Warren called the meeting to order at 6:40 p.m.

**2. Roll Call**

Present: Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene, and Mayor Warren.

**3. Public Comments**

There were no public comments.

**4. Closed Session**

**The City Council entered Closed Session at 5:35 p.m.**

- a. Closed session pursuant to govt. code section 54957 – Public Employment; Public Employee Evaluation – City Manager
- b. Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation pursuant to paragraph (2) of subdivision (d) of section 54956.9 – 1 case
- c. Conference with Legal Counsel – Anticipated Litigation – Potential Initiation of Litigation pursuant to paragraph (4) of subdivision (d) of section 54956.9 – 1 case
- d. Return/Report from Closed Session

**The City Council returned from Closed Session at 6:35 p.m. with no reportable action.**

**Open Session – 6:30 p.m.**

**1. Call Open Session to Order**

Mayor Warren called the meeting to order at 6:40 p.m.

**2. Invocation**

Invocation was led by Pastor Emeritus Peter VanDyke.

**Flag Salute**

Flag Salute was led by Mayor Warren.

**3. Roll Call**

Present: Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene, and Mayor Warren.

**4. Approval of the City Council Agenda**

**Moved by Bonner, seconded by Greene to approve the agenda as presented.**

**Motion carried 5-0 with Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene and Mayor Warren voting aye.**

**5. Special Presentation and Proclamations**

**5.1 Chamber of Commerce Announcements**

Chamber President Matt Svenson thanked everyone who attended, sponsored, and supported the installation and awards gala. He announced the award winners who had been recognized at the gala. He announced upcoming events the Chamber would be putting on and that he would be attending the City's Roundtable meeting.

**5.2 Student of the Month – Taylor Ogden**

Mayor Warren presented the proclamation to Taylor Ogden. Ms. Ogden spoke about how she has succeeded with the support of her family.

**6. Public Comment**

Nancy Horton, Board Member for EVMWD, spoke about how she appreciated the manner in which the City's Police Chief, Captain Greg Fellows, had handled the press conference regarding the horrific situation in which 12 children had been held captive and abused by their parents in a neighboring community. She went on to discuss the lake water level, and

the EVMWD Board's intent to look into charging sewer rates per household based on how many people were living in the home. She discussed how residents could call the District to let them know how many people lived in the home and how the rate would be calculated. Mrs. Horton discussed how water rates were calculated based on allowances per person in the home, so misreporting the number of people in the home for a lower sewer rate would increase the water bill.

There was discussion regarding other methods to report how many people were in each home. Currently each home was defaulted to reflect four individuals. It was announced that Mayor Pro Tem Greene had called and the District stated they were not taking that information over the phone and residents had to report it online.

John Stelsner, a resident, spoke about speeding on Railroad Canyon Road. He did not feel that the radar speed signs were working and suggested the City adding a motorcycle officer periodically to enforce speed on the road. He also spoke about party houses in the community and how they effected the neighborhood. He added that the City was missing out on Transient Occupancy Tax when people rented out their homes or rooms short-term and suggested that the City create a license of some sort for the situation. Mr. Stelsner went on to report about an article that he read about Menifee looking into an issue with zip codes.

Mayor Warren stated that the Council was aware of and had looked into Menifee trying to change its zip code, but that it would not be effecting Canyon Lake's zip code. There was discussion regarding the benefits of having a dedicated zip code. Mayor Warren went on to stated that residents should be calling the police and not the POA when there were issues with party houses.

## **7. Consent Calendar**

### **7.1 Waiver of Reading in Full of all Ordinances by Title Only**

### **7.2 Adoption of Resolution No. 2018-07, Approving Claims and Demands of the City**

### **7.3 City Council Meeting Minutes**

7.3.1 February 7, 2018

### **7.4 Second Reading and Adoption of Ordinance 167; An ordinance of the City Council of the City of Canyon Lake revising and readopting the Canyon Lake Municipal Code Chapter 9.25: Sign regulations relating to definitions of noncommercial signage and reorganizing the text**

City Manager Palmer announced that Checks 24090 and 24111 were both to Council Member Bonner for the exact same amount for his December reimbursement. City Manager Palmer explained that there was a problem with the first check, and that check had been voided although it did not reflect as voided on the Claims and Demands print out.

He clarified that Council Member Bonner would not be receiving two checks and the voided check would show up on the next Claims and Demands with a \$0.00 balance for the Void.

Council Member Bonner clarified that the minutes in the agenda had a blank space for the last name of one of the speakers and the name should read Warren Kelsey.

**Moved by Bonner, seconded by Ehrenkranz to approve the consent calendar as presented.**

Council Member Haggerty expressed concern that she did not have the agenda in her binder and she wanted to make sure that the slurry seal was not on the Consent Calendar. She was provided a copy of the agenda and the Slurry Seal information was not on the Consent Calendar.

**Motion carried 5-0 with Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene, and Mayor Warren voting aye.**

**8. Pulled Consent Calendar Items**

There were no pulled consent calendar items.

**9. Schedule of Future Events**

Mayor Warren announced the schedule of future events are located on the agenda, website and Friday Flyer.

**10. Business Items**

**10.1 Review of the Fiscal Year 2017-2018 Mid-Year Budget Review and Projections, and Approval of Proposed Budget Adjustments**

Accountant Terry Shea provided an update on the changes made to the mid-year budget. He added the actual January numbers to the revenue estimates, and none of the expenditures had been changed. He announced January was when the large revenue was received for Vehicle License Fees, and property and sales taxes. Mr. Shea went on to explain the revenue increases, the proposed expenditures increases, and the change for the total budget still resulted in a surplus.

Nancy Horton, a resident, inquired if anyone on staff was taking over the NPDES enforcement since Jean Voshall retired and her salary was reflected as a savings in the budget. City Manager Palmer announced that NPDES was still being done, but the department was reorganized and the salary was still a savings.

Jack Wamsley, a resident, asked for a copy of the budget. Staff stated that there were copies in the back of the room.

City Manager Palmer explained the changes between the previous staff report and the new one.

**Moved by Greene to approve the changes to the budget in the staff report, seconded by Bonner.**

**Motion carried 5-0 with Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene, and Mayor Warren voting aye.**

**10.2 Award Contract for Slurry Seal FY 2017-2018 Project No. 2017-01 to All American Asphalt of Corona, CA for \$263,214.60; with a total construction budget for the project of \$350,686.29 including the bid amount, contingency, and engineering, design, construction contract administration, and inspection by Charles Abbott Associated, Inc.**

Kenneth Bailey, City Engineering Department, provided the staff report for the item. He went on to explain that there was a technical issue in adding up the individual portions of the bid to display the total, but All American Asphalt was still the lowest bidder and the technical error could be waived without changing the result. The second lowest bidder also had a mathematical error in adding up the total.

Council Member Haggerty inquired if there was a penalty in the contract if the project was not completed on time. Staff stated that there was a penalty of \$250 per day past the completion date and the contract was bonded to ensure that the project was completed to the City's standards.

Council Member Haggerty stated she understood references had been done on the company, but she was concerned because the POA had done a slurry seal and had problems with the contractor they had used. She wanted to know how thorough the references had been. Staff explained the background information that they had on All American Asphalt and that they had worked with the company in the past.

There was discussion regarding the purpose and importance of having a slurry seal done.

Jack Wamsley, a resident, asked if there was any recourse with RCTC for the condition of the road due to the large building projects going on in both Lake Elsinore and Menifee which send large trucks down the road. Staff stated that there was no recourse to recover funding for the trucks being on the road, but the City was not using general fund money for the project and it was funded through Gas Tax and Measure A funding.

There was discussion regarding the funding to be used for the wrought iron fence repair project being rolled into the slurry seal project if there was room within the approved slurry seal project budget and if the City Council approved using the funding in that manner.

There was discussion regarding what occurred to cause the wrought iron fence to deteriorate and how the new fencing was treated to prevent the deterioration.

There was discussion regarding the approved budget for the project and making sure that the project did not go over that amount.

**Moved by Haggerty, seconded by Greene to approve the award of the bid to All American Asphalt as staff recommended in the staff report, and to approve using remaining funds in the project budget if there were any to move forward with Phase 2 of the Wrought Iron Replacement Project.**

**Motion carried 5-0 with Council Members Bonner, Ehrenkranz, Haggerty, Mayor Pro Tem Greene, and Mayor Warren voting aye.**

## **11. Public Hearing**

### **11.1 Public Hearing – Variance (VAR) 17-01, a Variance to the Hillside Ordinance allowing a 1.5 to 1 slope to create a buildable area of approximately one acre located on Sorrel Lane, (APN 355-360-006), Canyon Lake, California.**

Council Member Ehrenkranz recused himself for the item because he had a conflict of interest due to business transactions with the applicant.

The Public Hearing was opened at 7:32 p.m.

Mark DeManincor, City Planner, provided the staff report and Powerpoint presentation for the item. He went on to discuss issues the City experienced with the current applicants previous project in December 2010. The additional information had been brought to the current Planning Department's attention after the previous month's Finance and Planning Committee meeting in which the Variance Application had been discussed.

Margaret Monson, City Engineering, stated that she reviewed the existing project the applicant had, which was the issue in 2010, and as far as she could tell the Water Quality Management Plan (WQMP) was still outstanding and wasn't completely resolved yet. She went on to state that the City currently had a letter of violation because the WQMP had not been submitted to the State Water Board. She went on to discuss the current Variance Application and stated that she had issued comments on the conceptual grading plans that had been submitted that addressed components that were missing from the plans which were required by

the Hillside Ordinance. She stated that she had not seen a resubmittal of the grading plan addressing her comments. Ms. Monson stated that with approval the City Council could add additional conditions and requirements, such as a geotechnical report to prove that there was bedrock on the site as indicated by the applicants engineer. She provided an example of a condition that would create a problem with grading and stated that a variance could be approved with constraints and could ask for more information before approving.

There was discussion regarding what the conceptual grading plan should include and what was missing from the current application.

Council Member Haggerty stated that it made sense and would be beneficial to have a home compatible with others in that area instead of building a smaller home on the smaller existing lot on the property. She stated that she would not have a problem with the grading for a bigger lot and approving the variance but recommended referring the issue back to the Planning Committee to ensure that the issues brought up by Engineering were resolved for both the variance and the issue that occurred in 2010 prior to approval by the Council. She was ready to approve the Variance as soon as everything was in compliance.

There was discussion regarding the process of the Public Hearing.

The meeting was recessed for 2 minutes.

Council Member Bonner stated that as a member of the Planning Committee he was disappointed that they had not been given all of the information at the first committee meeting that the project had been discussed. He agreed with the course of action proposed by Council Member Haggerty.

Chris Hansen, the applicant, stated that he was not sure how an old project was holding up his current application.

Mayor Warren stated that the Hillside Ordinance was controversial and all projects that could be effected were looked at.

Mr. Hansen stated that the WQMP for the 2010 project was done a couple months ago and signed off on. He stated that there was no issue with the 2010 project and that no one had approached him about it recently. He reviewed the 2010 project history. He went on to state that he would like to know if he went on and spent the money on reports if the Council would approve the concept of the grading pad and new home.

Barry Talbot, a resident, stated the importance of the Hillside Ordinance and his recollection of the 2010 project issues. He went on to state that if a Variance was granted just because he wanted to build a house like everyone else, that there might as well not be a Hillside Ordinance. He stated that a home could be built on

the current pad and that the proposed pad is much larger than necessary to build the size of home proposed. He added that the 2010 project issues were difficult to resolve with the applicant and that did not provide a good example on how it might be to work with him.

John Snelsner, a resident, stated that it appeared that the Council was looking at this Variance in a negative light due to a separate issue. He had gone up to the property and had seen a plan although it had not been presented to the POA at all. He stated that when the properties in that area were graded, they had been done to meet the minimum requirements of the POA's CC&R's that were very small for a building plan. He felt that the City staff had not done their due diligence in presenting all of the information to the Council in order for them to make a decision. He went on to state that a decision should be made even if there were conditions to provide additional information or requirements to be met.

Mayor Warren stated that it was not intentional for the applicant to be laid bare before the public in the process, but the City Council had restrictions on what could be discussed privately, and public discussions of issues were required by law.

Nancy Horton, a resident, thanked the staff for the thoroughness of their research and presentation regarding the issues. She went on to provide additional details on the 2010 issue with the applicant. She stated that a geotechnical report was really needed for everyone, including the applicant so he wouldn't be wasting his time if it couldn't be built. She went on to cite the Surface Mining Act of 1975 and the amount of dirt cut away from a hillside before it is considered a surface mine. She stated that the amount of dirt being moved on the site would qualify it as a surface mine. She added that she did not feel that giving this Variance would allow just anyone to get a variance, but that the applicant should be compliant with requirements. She also stated that she noticed another property in the area being graded and wondered where the Planning Department was on that because it fell into the same situation as the property on the application.

Mr. Hansen, the applicant, stated that he had given direction to his engineer that the dirt moved is to balance out without any exporting of dirt. He added that the amount was probably going to be less in order to avoid exporting.

Council Member Haggerty stated that the Hillside Ordinance was put in place to prevent the mining of Goetz Hill and not to protect hillsides. She did not feel that the residences would not take away from the beauty of the hills, and she felt that the type of homes should be consistent. She inquired if it could be approved tonight contingent on the 2010 project becoming compliant and providing any plans or other requirements for the current application.



City Attorney Martyn stated that the application could not be approved at the meeting because the necessary findings were not in the agenda packet for the Council to approve.

Mayor Pro Tem Greene stated that he had spoken to the applicant about the project previously and the applicant's response about what would be happening with the dirt had changed between the previous discussion and the statements made at the current meeting. He asked that all of the comments from Engineering be addressed and any proposed conditions be put in place and then brought back to the Council for approval so that the issues were resolved and settled.

City Attorney Martyn stated that there was typically a concept or policy in City Planning that a person who is not currently in compliance cannot put in any other applications. She stated that the 2010 project file reflected confusion and staff needed to go through and ensure that the project was in compliance. She suggested that the previous issue be resolved, and additional requirements and details be provided on the current application for the Council to review in the future for approval. She discussed various methods for handling the issue.

Council Member Haggerty asked that staff and Mr. Hansen sit down and go through what needed to be done for the application to work it out, and asked if the City Council could hold a special meeting after staff and Mr. Hansen worked the application out to consider it for approval or denial, due to the time constraints of the issue.

Council Member Bonner wanted to get to the point that the Council had all of the information that they needed to consider the application and that the costs to the applicant should be considered. He added that the City Council needed the information to make a decision as quickly as possible.

Mayor Pro Tem Greene stated that a geotechnical report should be done, and information presented at the meeting had not been presented at the Planning Committee meeting.

City Attorney Martyn noted that the issue was a Zoning Code issue, so there did need to be published notices for the public hearing; however, the issue could come straight back to the City Council instead of having to pass through the Planning Committee again.

Mayor Warren stated that the driveway absolutely needed a variance, but it was not so clear on whether it was necessary for a larger pad to be built for a home. There was a difference between needing a variance and wanting one. She asked for a list from the Council of what information was needed for them, and that the applicant and the Planning Department sit down and put everything together to get both the prior project and the current project settled. She stated that she felt

the geotechnical report should be done because if that turned out to show that the project couldn't be done in the first place, there was no point in the Variance.

Mr. Hansen stated that he was assuming that the geotechnical report would show that it was possible, but he didn't want to spend the money to get the report done if it all worked out and then the Council wouldn't approve a variance anyways.

Staff stated that everything the City Council had discussed was all required by the Ordinance to be included in the conceptual plans.

Mayor Warren requested that staff go through the required process with the applicant and then bring the item back to the City Council for a decision.

The process of continuing the hearing was discussed.

**The Public Hearing was continued to the April 4, 2018 City Council Meeting.**

Council Member Ehrenkranz returned to the meeting.

## **12. City Manager Comments**

City Manager Comments were given after Council Comments.

## **13. Committee and Council Reports/Comments**

### **13.1 Council Member Bonner**

Council Member Bonner reported on the RCTC meetings that he attended and that the Railroad Canyon Road and Interstate 15 interchange would be designed by 2019 and completed by 2022 to help relieve traffic. He discussed the information on wildlife provided by Animal Friends of the Valleys at the Public Safety Meeting.

### **13.2 Council Member Ehrenkranz**

Council Member Ehrenkranz provided information he received at SCAG, WRCOG, and Vector Control meetings regarding the effects of the rise in sea level and people moving inland in the future. He went on to discuss driverless vehicles and other automated jobs with the effects on jobs. He provided information about viruses in the permafrost that was melting. He discussed the Dog Flu that was circulating and effecting pets in the State.

### **13.3 Council Member Haggerty**

Council Member Haggerty discussed the RTA providing information about their programs and services at a meeting in the Senior Center, and would be taking a

group to the Lake Elsinore Outlets to teach people how to use the services. She described some of the services available.

13.4 Mayor Pro Tem Greene

Mayor Pro Tem Greene discussed information on the properties that the Conservation Agency is purchasing in the future. He discussed the SAFER Grant that would help offset the third person on the Fire Engine that would be required if the contract continued. He provided the Council with a new organization chart for the community for Emergency Management that also had the different areas of the community. He discussed the activities of the Emergency Management Committee. He provided information from the meeting that local Mayor and Mayor Pro Tem's were having to address regional issues. He recognized Jack Wamsley for his efforts in putting together an emergency cart that could be used in the event of a cardiac arrest in the community, and announced training that staff would be going through.

13.5 Mayor Warren

Mayor Warren discussed the Alum Treatment on the lake, and discussed the lake level. She announced that the portion of fees from Animal Friends of the Valleys for the City had dropped due to a decrease in services needed in Canyon Lake, but unfortunately the City would be seeing an increase due to the State raising minimum wage and the budget for the shelter and animal control increasing overall. There was the potential of having to close the shelter facility one more day a week or increasing fees charged to residents for animal services to cover the budget increase. She would bring additional information about the issue when it was available.

Council Member Bonner complimented the Mayor and Mayor Pro Tem for going to the regional group meetings to address issues with the neighboring cities' Mayor and Mayor Pro Tems.

**12. City Manager Comments**

City Manager Palmer stated that staff would be changing the process for notifications about Business Licenses expiring and needing to be renewing. Currently business owners received four or more notices about their licenses expiring which took a large amount of staff time. The ordinance did not require the large number of notices, so in the future businesses would receive the initial notice that the license would need to be renewed, then would provide a notice that they were out of compliance 30 days after the renewal period which would be followed by an administrative citation.

There was discussion regarding whether or not it was typical for businesses to receive renewal notices. There was discussion regarding businesses operating without a license in the City and methods of identifying businesses that had a license.

He went on to announce that the City's Jeep had been delivered and looks great with the decals. The Highlander that had been order with AQMD funding should be delivered in April.

He went on to state that the League of California Cities meeting would be held in the City at the Country Club the following night.

**14. Announcements**

The next regular City Council meeting that was scheduled for April 4, 2018 at 6:30 p.m. for Open Session.

**15. Adjournment**

Mayor Warren adjourned the meeting at 9:00 p.m.

Respectfully submitted,

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Ariel Hall  
City Clerk Dept.