Woodland City Council Minutes Council Chambers 300 First Street Woodland, California

September 16, 2003

SPECIAL/CLOSED SESSION SECOND FLOOR CONFERENCE ROOM

6:00 P.M.

CLOSED SESSION

Council met in Closed Session at 6:03 to hold a conference with Legal Counsel regarding Anticipated Litigation, Significant Exposure to Litigation Pursuant to Subdivision (b) of Section 54956.9, one case. Present at this conference were Mayor Flory, Vice Mayor Rexroad, Council Members Dote, Monroe, and Peart, City Manager Kirkwood, Assistant City Manager Marler, City Attorney Siprelle, Yolo County Public Agency Risk Management Insurance Authority Director Jeff Tonks and Public Works Director Wegener. Council also held a conference with Legal Counsel regarding Anticipated Litigation-Initiation of Litigation Pursuant to Subdivision (c) of Section 54956.9, one case. Also present at this meeting in addition to the above were Special Legal Counsel, Dennis Cota and Parks, Recreation and Community Services Director Dan Gentry.

CITY COUNCIL REGULAR MEETING

7:00 P.M.

CALL TO ORDER

Mayor Flory called the regular meeting of the City Council to order at 7:05 p.m.

PLEDGE OF ALLEGIANCE

Mayor Flory invited all in attendance to join in the Pledge of Allegiance led by Assistant City Manager Marler.



ROLL CALL

COUNCIL MEMBERS PRESENT: Martie Dote, Jeff Monroe, Neal Peart, Matt

Rexroad, David Flory

COUNCIL MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Rick Kirkwood, Phil Marler, Ann Siprelle, Sue

Vannucci, Carey Sullivan, Karl Diekman, Dan Gentry, Gary Wegener, Tricia Stevens, Joan Drayton, Wendy Ross, Aaron Laurel, Charlie Wilts, Nell Hessel, Jim Zuniga, LaDonna Williams, Christine Engel, Kent Wickstrom, Roy Wilson, John Nail, Erik Komula, David Turk, Ernie Fatta, Brian Grose, Greg Robinson, Grady

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PUBLIC COMMENT

None.

COUNCIL/STAFF STATEMENTS AND REQUESTS

Council Member Monroe requested that an item be added to the next Agenda regarding the Ordinance on opening Council mail. City Manager Kirkwood read the current applicable Municipal Code Section 2-1-6(b), indicated the next Agenda may be very tight and suggested this item may not return until October 21, 2003. Council concurred.

Mayor Flory requested the staff, including Police Chief Sullivan and other appropriate staff meet with Terry Bassett of the Yolo Transportation District, representatives from the Woodland Community College and the Yolo County Sheriff's Department regarding the possibility of adding another transit stop at the Monroe Center.

City Manager Kirkwood indicated he had attended the League of California Cities Annual Conference during the week of September 8th representing the Council and would be reporting back regarding the Resolutions adopted by the League.



PRESENTATIONS

CERTIFICATE OF APPRECIATION - RETIRED FIRE ENGINEER SAL ROMERO

Chief Diekman introduced Engineer Sal Romero who has retired from the Fire Department after 27 years of service. He outlined the many activities and programs in which Engineer Romero had been involved during his tenure with the Department and congratulated him on his outstanding service. Vice Mayor Rexroad presented a Certificate of Appreciation to Engineer Romero on behalf of the Council and the City.

DYNAMITE DOWNTOWN CHILI COOK-OFF DAY PROCLAMATION

On a motion by Council Member Monroe, seconded by Council Member Dote and carried unanimously, Council proclaimed September 28, 2003 as Dynamite Downtown Chili Cook-Off Day in the City. Council Member Dote presented the Proclamation to Chairperson, John Fenrich and Kristy Wright, Executive Director of the Chamber of Commerce.

PUBLIC HEARING

LOCAL LAW ENFORCEMENT BLOCK GRANT

Police Chief Sullivan indicated the grant for the 2003-04 year is in the amount of \$33,919 and will be utilized to continue to offset the cost of two additional Police Officers approved in September of 2002.

Mayor Flory opened the Public Hearing at 7:21. With no comments heard, the Public Hearing was closed at 7:21.

On a motion by Council Member Monroe, seconded by Council Member Dote and carried unanimously, Council approved the grant expenditures for the 2003-04 Local Law Enforcement Block Grant of \$33,919 from the U. S. Department of Justice.



REPORTS OF THE CITY MANAGER

NATIONAL BICYCLE SAFETY MONTH MAY 2003 REPORT

Community Services Officer LaDonna Williams presented Council with statistics on the activities during the National Bicycle Safety Month program and ongoing activities since that time. The Department continues to provide bicycle helmets to those children who cannot afford to purchase the helmets. Since the program began in May 2003, 554 helmets have been distributed. The funding source for the program is through grants.

RESOLUTION 4471 - YOLO ENERGY EFFICIENCY PROJECT

Environmental Resource Analyst Engel indicated the City has been asked by the City of Davis to participate in the Yolo Energy Efficiency Project (YEEP). This is a two year project funded through the California Public Utilities Commission (PUC) with funds available through the Public Goods Charge fund citizens pay through their Pacific Gas and Electric Company bill. Local funds through this program amounted to \$900,000 during 2002. The Davis Energy Efficient Program (DEEP) measures for residential, commercial and multi-family customers included duct repair, shade screens, pool pump control, washing machines, free air conditioner checks, compact fluorescent light bulbs, energy efficiency training and exit signs. Matching funds for some customers for special projects and cool roof retrofits. The program will provide several incentives for participants.

On a motion by Vice Mayor Rexroad, seconded by Council Member Dote and carried unanimously, Council adopted Resolution 4471, a "Resolution in Support of Yolo Energy Efficiency Project".

<u>SUTTER STREET CORPORATION YARD "SURPLUS" PROPERTY AND TRANSFER</u> FROM THE WATER FUND TO THE GENERAL FUND AS A FIXED ASSET

Vice Mayor Rexroad has concerns regarding the \$484,000 of City funds to be repaid over the 20 year deferral period and lack of movement on the project. He questioned the rationale of this project and requested input on why there is no movement. City Manager Kirkwood indicated the declaration of the property as surplus is part of the process for movement. Redevelopment Manager Ross said Community Development is reviewing the final maps. It is the responsibility of the City to transfer the property at this time. To accomplish that transfer, the funds should be moved from the Water Fund to the General Fund. There is no



Loan Agreement yet and the range will allow for a 2% to 4% variation when negotiated.

Council Member Monroe asked if those who quality would only be paying \$13,000 for the home and Manager Ross said the \$13,000 is to provide assistance to the buyer based upon the higher price of the homes. Vice Mayor Rexroad asked if title to the property has been transferred and Manager Ross said the City still owns the property and it will not be transferred until all conditions are met. Section 9.5 of the Agreement was cited as the area where defaults would be applicable. City Attorney Siprelle discussed the aspects of the Notes and Deeds of Trust and indicated the final map must be complete prior to title transfer. The legal opinion indicates if there is a breach in the contract, then Sacramento Valley Organizing Committee (SVOC) would be in default. This discussion should be held during Closed Session. An analysis of whether SVOC is in default and further discussion regarding possible default should not take place during Open Session.

Vice Mayor Rexroad asked if the City has been the problem with the movement. Manager Ross said there are many processes that must take place. The Specific Plan said the piece could be either residential or commercial. SVOC has complied with everything they said they would do up to this point. This was to be a self-help project which has been determined to be too time consuming. City Attorney Siprelle said the Agreement was amended in January of 2001 due to the delays and the schedule of performance was amended at that time. Many of the timelines have been met but some have not. Those things that could be in default must be noticed to SVOC and allowed to "cure" within 30 to 90 days. Manager Ross said the map has been submitted and should be approved in October. It is now in the City's hands.

Mayor Flory said the intent was that SVOC would start the project and the City would expedite to help them move forward in a timely manner. The Council had been divided on this project because the property could be sold for profit. Manager Ross said these houses are counted in the low and very low income allocation for the City. Council Member Peart said this project has been before Council for 5 ½ years and the housing costs have risen considerably. Manager Ross said the City will assist with the subsidy.

Council Member Monroe asked if this was surplus property and Director Wegener said it is actually not surplus the City would need to purchase replacement property to meet our needs. When the Municipal Service Center property was purchased, it was through a mortgage. The Sutter Street piece is not one of those properties which were to go into the repayment of that



mortgage. The City needs less property than this site holds. Mayor Flory asked if the money will go to a trust fund rather than the City. Manager Ross said the Agreement says the funds will go to a trust fund to pay for continuing affordable housing needs. This property is an asset of the Enterprise Fund. Council Member Monroe asked if it would be wiser to put these funds toward Public Works land needs.

Mayor Flory asked if the Development Agreement is still open to amendment. City Attorney Siprelle said it is possible. Manager Ross said if the Development Agreement is amended, it would greatly impact the project. Mayor Flory said when the funds are repaid, the Water Fund could be reimbursed and the rest of the funds could go into the General Fund. City Attorney Siprelle will research and provide a report to Council. Director Stevens said this may be a conflict with the Housing Element policies and should these funds be counted on as providing for future affordable housing, it may affect the housing element.

Council Member Dote asked if the money was set so that other projects like this could go forward and Manager Ross indicated to the affirmative. If the Redevelopment Plan is used, this is a 45 year period where the homes must remain as affordable. City Attorney Siprelle said if they sell for more than the affordable price, the money must come back to the City. Manager Ross said we get our money back when the loans are paid. Council Member Peart would like some assurances that these homes stay affordable. Manager Ross said the City does have an Ordinance that requires we must provide affordable housing. Mayor Flory said it appears the consensus is that Council would like to secure as low income housing for 30 years but when the unit sells to someone at market value, and they would not get anything above what the affordable rate is, we have an to receive a return on our investment earlier. He asked if Council wished staff to staff to look at the opportunity for the money not to go back into the trust fund and supplement with CDBG funds. Council Member Peart said we need to have the affordable housing and the City should not worry about receiving their money back. It should go back into the General Fund and be used as a payoff for the MSC. The difference should be made up with CDBG funds. Mayor Flory said that over the next five years, \$20,000 to \$30,000 should be taken out of CDBG. Council Member Dote would like housing to be built on this site and be affordable. She cautioned committing CDBG money and would like to keep in mind those other needs in the City, such as food for the needy.

Mayor Flory said it is difficult to project out 30 to 45 years and there is a good case to put that money into the trust fund. Vice Mayor Rexroad said that on page five of the contract it says that the contractor will move forward and are we asked if the City is not going to address the default. Mayor Flory would like



to be sure that everyone is on notice that we will require them to be on schedule. Manager Ross said New Faze has an aggressive schedule planned. City Attorney Siprelle said if they have not met their schedule they are in default and we must give them 30 to 90 days to cure. Vice Mayor Rexroad said they would not be able to meet the timeline based on the current schedule. Manager Ross said the City did not demolish the buildings until September 2002 and SVOC could not start as early as they had wished. Director Wegener said that we did not move forward because we did not have a commitment from SVOC.

Council Member Peart suggested we give SVOC 30 days to move forward based on the comments made this evening.

Alan Warren, Chief Executive Officer and President of New Faze Development said his company has worked on several large affordable housing projects in the United States and has received National recognition. They are familiar with this project as they consulted early on. SVOC contacted them about three months ago for assistance. The self-help project would have severely slowed the project. They have opted out of the self-help specifically but will include some portions where the buyers can assist. They will need an approved set of improvement plans prior to moving ahead. The plan is to start in November 2003. Four to five months will involve the infrastructure and five to seven months for construction with finalization of additional elements adding time to the project for a total of approximately fourteen months. They still need to sign their contract with SVOC prior to start. Council Member Peart asked if all funding is set aside for the project and Mr. Warren said his personal banker will finance the entire construction project. There have been some grant approvals and they will see further grants. He directed Council and staff to their WEB site at newfaze.com for further information about the company.

City Attorney Siprelle said she needs to meet with staff to answer all of the questions arising on this project and a closed session should be held to discuss possible default and associated remedies and answer other questions in terms of the use of the funds, the affordability length of time, the issue of the windfall, etc. Director Stevens indicated she has three specific issues Council wanted to receive back: (1) the long term affordability of the units, (2) the use of money returned for other purposes, and (3) relationship to the housing element. In order to record the final map action needs to be taken this evening on the exchange of property. City Manager Kirkwood said it appears Council wants this project to go forward very soon, they would like the public assets to have the ability to return back to the discretionary authority of the Council. He feels City Attorney Siprelle should meet with staff and the applicant to go over the issues and determine whether the default concerns can be cured or meet the



intent of the Council. They should be given the time to work through these issues. We may be able to return on October 7th but it may not be finalized until the second meeting in October, which then puts the project into the Fall or Winter months. Council could receive a written update from staff at the October 7th meeting. Director Stevens said the final map cannot be recorded allowing them to move forward until this action takes place.

On a motion by Vice Mayor Rexroad, seconded by Council Member Monroe and carried unanimously, Council designate the Sutter Street property as surplus and if there is a default under the Developer's Agreement in place the City could still hold SVOC accountable and provide the services they had promised five years ago when Council approved this project. Council Member Dote asked if Council is also transferring from the Water Fund to the General Fund and City Attorney Siprelle said it has been declared surplus but the action is to move. Vice Mayor Rexroad and Council Member Monroe amended their motion to transfer from the Water Fund to the General Fund with the understanding this could be moved back if appropriate at some point without compromising the options of the City.

CONSENT - REGULAR

City Manager Kirkwood removed the following item from the Agenda as another appeal has been filed regarding this project:

REDUCTION IN PARKING REQUIREMENT AT 505 COMMUNITY LANE (VOSBURG) BY TWO (2) PARKING SPACES UNDER BONUS DENSITY INCENTIVE ORDINANCE

Council Member Peart requested the following items be removed from the Consent Calendar for discussion:

AMENDMENTS TO ZONING AND NUISANCE ORDINANCES IN RELATION TO FRONT YARD PARKING

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council agreed to pull this item from the Agenda and form a committee including Vice Mayor Rexroad and Council Member Monroe to discuss the proposal to initiate Zoning and Nuisance Ordinance amendments relating to front yard parking.



PURCHASE OF FIRE APPARATUS FROM WESTATES TRUCK EQUIPMENT, INC.

Council Member Peart commended Fire Chief Diekman for his diligence in maintaining the pricing on purchase of a new 75 foot Quint Fire Apparatus as that of $2\frac{1}{2}$ years ago when originally authorized. He called attention to the drastic increase in the cost of Workers' Compensation Insurance for Westates and commended them for maintaining their original quote as well.

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council authorized the purchase of one 75 foot Quint Fire Apparatus from Westates Truck Equipment, Inc.

Council Member Dote requested the following item be removed from the Consent Calendar for discussion:

RESOLUTION 4473-CONTINUED INVESTMENT IN LOCAL AGENCY INVESTMENT FUND

Council Member Dote said the interest for the LAIF is very poor as is that on the Federal Home Bonds and asked if we have a requirement to keep a specific amount in LAIF. Finance Director Drayton said we can go into other instruments but must comply with the City Investment Policy as it stands, which is fairly limited as to the Federal Home Loan investments. Federal Triple A are not allowed. Council Member Dote said LAIF is very liquid and said there is a restriction of ten transfers per month. Council Member Dote asked this be examined as the amount of money could be substantial. Director Drayton said interest rates are rising and they may be coming back to Council to look at changes to the Investment Policy.

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council adopted Resolution 4473, a "Resolution of the City Council of the City of Woodland Authorizing Investment of Monies in the Local Agency Investment Fund (LAIF)".

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council approved the following Consent Calendar items as presented:



FIRE DEPARTMENT MONTHLY REPORT FOR JULY AND AUGUST 2003

Council received the Monthly Status Reports for July and August 2003 for the Fire Department activities.

TREASURER'S INVESTMENT REPORT FOR JULY 2003

Council reviewed and accepted the Treasurer's Investment Report for July 2003.

RESOLUTION 4472 -CEMETERY FEES FOR YOLO COUNTY

Council adopted Resolution 4472, a "Resolution to Revise Cemetery Fees for Yolo County".

COMMUNITY DEVELOPMENT BLOCK GRANT CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT FOR THE 2002-2003 FISCAL YEAR

Council received and reviewed the Community Development Block Grant Consolidated Annual Performance and Evaluation Report for the Fiscal Year 2002-03.

CURRENTLY AUTHORIZED VACANT POSITIONS

Council received and confirmed the report of the City Manager to fill the following currently authorized vacant positions in the City:

- ♦ Associate/Assistant Civil Engineer, 2 positions
- ♦ Junior/Assistant Engineer, 2 positions
- ♦ Engineering Technician I/II/III, 2 positions
- ♦ Water Pollution Control Operator II, 1 position

PROJECT PROGRAMMING SUMMARY SHEET-PROJECT NO. 00-23, ON-SITE WATER WELL INFRASTRUCTURE DESIGN SERVICES FOR SPRING LAKE

Council approved the revised Project Programming Summary Sheet for Project 00-23, On-Site Water Well Infrastructure Design Services for the Spring Lake Specific Plan Area.



SOLE SOURCE CONTRACT-BIOLOGICAL CONSTRAINTS ANALYSIS OF STORM DRAIN FACILITIES AND BYPASS PROPERTIES, PROJECT 03-37

Council authorized the award of a Sole Source Consultant Contract with May and Associates for development of a Biological Constraints Analysis of City storm drain facilities and bypass properties in an amount not-to-exceed \$16,000.

<u>SOLE SOURCE CONTRACT-PESTICIDE MONITORING PROGRAM FOR STORM</u> DRAINAGE FACILITIES, PROJECT 03-38

Council authorized the award of a Sole Source Consultant Contract with Blankinship and Associates, Inc. for preparation of a Pesticide Monitoring Program for City storm drainage facilities in an amount not-to-exceed \$10,000.

APPOINTMENT OF CITY TREASURER

Council received and concurred with the recommended appointment of Finance Director Joan Drayton as City Treasurer.

RESOLUTION 4474-COOPERATIVE AGREEMENT WITH STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION AND RIGHT-OF-WAY ACQUISITION AT THE I-5/STATE ROUTE 113 INTERCHANGE

Council approved the Cooperative Agreement with the State of California Department of Transportation and adopted Resolution 4474, "A Resolution Approving the Cooperative Agreement with CalTrans for Right-of-Way Acquisition at the Interstate 5/State Route 113 Interchange and Authorizing the Mayor to Execute the Cooperative Agreement on Behalf of the City of Woodland".

2003 ROAD REHABILITATION-COURT STREET PROJECT 00-56 AND COTTONWOOD AND WEST STREETS PROJECT 01-17

Council received an update on the 2003 Road Rehabilitation Projects, Court Street and Cottonwood/West Street.



PARKS ADA IMPROVEMENTS, PHASE II, PROJECT NO. 98-04 AS COMPLETE; INCREASE ON BUDGET AUTHORITY; NOTICE OF COMPLETION

Council accepted the Parks Americans with Disabilities Act Improvements, Phase II Project 98-04 as complete; authorized the overall increase in budget authority from \$84,891 to \$88,891; directed the City Clerk to file a Notice of Completion.

MINUTES-JULY 29, 2003 AND July 31, 2003

On a motion by Vice Mayor Rexroad, seconded by Council Member Dote and unanimously carried, Council approved the minutes of the Regular Council meeting of July 29, 2003 and the Special Adjourned Council meeting of July 31, 2003 as presented.

COMMUNICATIONS - WRITTEN

On a motion by Vice Mayor Rexroad, seconded by Council Member Monroe and carried unanimously, Council rejected the Claims for Damages filed by Enterprise Car Rental and Melinda Balint and referred said Claims to the City Insurance Representative for action.

Council received a copy of an application for an Alcoholic Beverage Control License Person-to-Person Transfer for the Carrousel Restaurant located at 415-417 Main Street.

COMMITTEE REPORTS

Council received a report from Library Services Director Bryan transmitting the minutes of the Library Board of Trustees meeting of August 4, 2003.

Council received a report from Fire Chief Diekman transmitting the minutes of the Yolo County Communications Emergency Services Agency meetings of August 20 and September 3, 2003.

Council received a report from Community Development Director Stevens transmitting a summary of the actions of the Planning Commission taken at their meeting of September 4, 2003 as follows:



- (a) conditionally approved a Use Permit for the Vosburg Apartments to be located at 505 Community Lane
- (b) continued to September 18, 2003 a request for a Conditional Use Permit for the El Tex-Mex Bar at 501 Main Street
- (c) continued to September 25, 2003 the Woodland Gateway and Auto Center project located at the Southeastern corner of County Road 102 and Interstate 5
- (d) conditionally approved a Use Permit and Design Review for California Lube and Wash at Northwest corner of Wintun Avenue and County Road 102 and rear yard setback variance for less than 30 feet at the rear property line
- (e) approved Design Review of elevations for 65 room hotel to be located at Freeway Drive between County Road 102 and Interstate 5 (Hampton Inn)
- (f) continued to date uncertain Design Review of Acacia Glenn Apartments located on South side of Acacia Way between Gary Way and Cottonwood Street

Council received a report from Finance Director Emeritus Vicars transmitting the minutes of the Yolo County Public Agency Risk Management Insurance Authority meeting of August 22, 2003.

<u>ADJOURNMENT</u>

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Respectfully submitted,	
Sue Vannucci, CMC, City Clerk	