

**REGULAR MEETING OF THE SONOMA CITY COUNCIL
&
CONCURRENT REGULAR MEETING OF SONOMA CITY COUNCIL AS THE
SUCCESSOR AGENCY TO THE DISSOLVED SONOMA COMMUNITY
DEVELOPMENT AGENCY**



Community Meeting Room, 177 First Street West
Monday, September 17, 2012

6:00 p.m.

MINUTES

City Council
Joanne Sanders, Mayor
Ken Brown, Mayor Pro Tem
Steve Barbose
Laurie Gallian
Tom Rouse

OPENING

Mayor Sanders called the meeting to order at 6:05 p.m. Clm. Rouse led the Pledge of Allegiance.

PRESENT: Mayor Sanders and Councilmembers Barbose, Rouse, Brown, and Gallian
ABSENT: None

ALSO PRESENT: City Manager Kelly, Assistant City Manager Giovanatto, City Clerk Johann, City Attorney Walter, Public Works Director Bates, City Engineer Bertolero, and Planning Director Goodison.

1. COMMENTS FROM THE PUBLIC

Dan Parker, Veterans of Foreign Wars, thanked the City Council for the rent subsidy they received for their Bad Ass Car Show event held at the Veterans Memorial Building. He stated it had been a very successful event.

Ed Kenney commented on taxes and recent Sonoma Valley Hospital Board actions.

Herb Golenpaul commented on the upcoming November election and stated which candidates he preferred.

Madolyn Agrimonti commented on Mr. Kenney's statements.

COUNCILMEMBERS' COMMENTS AND ANNOUNCEMENTS

Item 2A: Councilmembers' Comments and Announcements

Clm. Brown announced that he had attended the Kathmandu and Mexican Independence Day events.

Clm. Gallian announced her attendance at the Mexican Independence Day event and reported that the Respect Our Loved Ones (ROLO) group had performed volunteer maintenance work in the Plaza.

Clm. Rouse announced he had been in Maui for his daughter's wedding.

Item 2A: Councilmembers' Comments and Announcements, Continued

Mayor Sanders announced that because she would be attending a conference on pension reform she would not be holding her regularly scheduled open office hour Wednesday September 19. She reported learning that West MacArthur residents would like to see an analysis done on the bike lanes installed on their street to determine if they were being used and were worth the loss of parking spaces. Mayor Sanders announced that she would be filing an appeal of the Planning Commission's denial of a Use Permit for a Peets Coffee Shop on Broadway.

3. CITY MANAGER COMMENTS AND ANNOUNCEMENTS INCLUDING ANNOUNCEMENTS FROM SUCCESSOR AGENCY STAFF

City Manager Kelly reported a safe medicine disposal round up at Vintage House on September 19; the Sonoma Tourism Improvement District would meet on October 11 and the Oversight Board would meeting October 3 and October 10.

4. PRESENTATIONS

Item 4A: **Rob Wilson Day Proclamation** - Mayor Sanders announced that this item had been carried over to the October 1, 2012 meeting.

5. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL

Item 5A: **Waive Further reading and Authorize Introduction and/or Adoption of Ordinances by Title Only.**

Item 5B: **Request by Sonoma Valley High School Music Program for City-subsidized use of the Sonoma Valley Veterans Memorial Building on February 3, 2013.** Approved subject to applicant's compliance with the City's standard insurance requirements.

Item 5C: **Award of Bid for the Bond House and Barn Demolition Project to Central Valley Environmental of Rohnert Park in the amount of \$36,000.** (Removed from Consent, see below)

Item 5D: **Renewal of Lease for Valley of the Moon Nursery School - 136 Mission Terrace.** (Removed from Consent, see below)

Item 5E: **Adopt resolution approving the Subdivision Improvement Agreement and Parcel Map No. 154 for the Artlee Subdivision Located at 20144 Fifth Street East.** (Removed from Consent and carried over)

Item 5F: **Approval of Plein Air Special Event Banner on Horseshoe Lawn promoting "Plein Air 10th Anniversary" event October 6, 2012.** (Removed from Consent, see below)

Item 5G: **Adoption of a resolution distributing growth management allocations for the 2012-13 development year.** (Res. No. 39-2012)

Clm. Gallian removed Consent Item 5F. Clm. Barbose removed Consent Item 5D. Herb Golenpaul removed Consent Item 5C. City Manager Kelly removed Consent Item 5E and said it would be carried over to the October 1 agenda.

It was moved by Clm. Rouse, seconded by Clm. Brown, to approve Consent Items 5B and 5G. The motion carried unanimously.

Item 5C: **Award of Bid for the Bond House and Barn Demolition Project to Central Valley Environmental of Rohnert Park in the amount of \$36,000.**

Herb Golenpaul questioned the recommendation on the staff report that said, "execute a contract for construction". City Manager Kelly stated that was a misprint and should have read, "execute a contract for de-construction or demolition". Mayor Sanders stated she did not support demolition of the structure; that the house should be preserved. It was moved by Clm. Rouse, seconded by Clm. Gallian, to accept and award the bid for the 2012 Bond House and Barn Demolition Project to the low bidder, Central Valley Environmental of Rohnert Park, for the bid in the amount of \$36,000 and authorize the City Manager to execute a contract for demolition. The motion carried four to one, Mayor Sanders dissented.

Item 5D: **Renewal of Lease for Valley of the Moon Nursery School - 136 Mission Terrace.**

Clm. Barbose stated that pursuant to the proposal, the City would be spending more money on upgrades to the building than it would recoup in rent. Development Services Director Wirick explained that under the expired lease, the City had been responsible for building maintenance. An inspection of the facility this year brought to light areas of deterioration, code deficiencies and ADA inadequacies that staff estimated would cost \$70,000. Wirick stated that staff felt it would be fair to start the new lease, which places responsibility for building upkeep and maintenance onto the tenants, with a clean slate having all the deferred maintenance issues taken care of. Clm. Barbose commented that the City continued to get beat up on City-owned properties.

Clm. Rouse inquired how the rent amount proposed in the lease had been determined. Wirick stated it was a carryover from the terms of the prior lease; he added that the Facilities Committee felt the rent was fair since the City was shifting all future maintenance to the tenants.

Clm. Gallian pointed out that the new lease required the tenants to obtain all applicable permits for maintenance work performed.

Item 5D: Renewal of Lease for Valley of the Moon Nursery School - 136 Mission Terrace, continued

Clm. Barbose stated he would not support renewal of the lease because he could not justify renting an 1800 square foot building for \$622 which was not anywhere near market value. Mayor Sanders agreed. It was moved by Clm. Brown to approve the revised lease. The motion died for lack of a second.

It was moved by Clm. Barbose, seconded by Clm. Gallian, to direct staff to determine the fair market rent for the property and bring the matter back to the City Council. The motion carried four to one, Clm. Brown dissented.

Item 5F: Approval of Plein Air Special Event Banner on Horseshoe Lawn promoting "Plein Air 10th Anniversary" event October 6, 2012.

Clm. Gallian announced she would have to recuse from this item because the event provides funds to the school at which she is employed. She stepped down from the dais and left the room. It was moved by Clm. Rouse, seconded by Clm. Barbose, to approve exceptions to the event banner policy by 1) allowing a banner that exceeds the allowable size; and 2) allowing placement on the horseshoe lawn. The motion carried unanimously, Gallian absent.

Clm. Gallian returned to the dais.

6. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL AS SUCCESSOR AGENCY – No items

7. PUBLIC HEARING

Item 7A: Discussion, consideration and possible action on acceptance of 2012 Water Rate Study update and adoption of a 5-year plan for water rate increases.

Public Works Director Bates reported that in September and November of 2011 staff presented Council with the 2010 Water Supply and Water Rate and Connection Charge Study prepared by Jon Olaf Nelson. The report identified various scenarios for water rates and recommended an annual increase of 5% over the next five-year period effective February 1, 2013. Bates stated that, pursuant to State regulations, Proposition 218 notices had been sent to property owners and tenants within the City's water service area notifying them of the pending water rate increases and that protest letters could be submitted up to the date of the hearing. Bates stated that staff supported the study recommendation and recommended Council authorization to implement water rate increases of 5% per year for five years effective February 1 of each year.

Public Works Director Bates provided additional backup information and analysis relating to the need for the rate increases and reported that approximately 130 protest letters had been received. Clm. Barbose inquired what projects were included in the five-year Capital Improvement Plan (CIP). Bates responded the CIP included the Sonoma Developmental Center conjunctive use project, well replacement, new well installation and water service replacement throughout the City at a cost of approximately \$6.3 million.

Clm. Barbose asked what would happen if the rate increases were not approved. Bates responded that maintenance would be deferred and repairs would be made on an as needed basis. She stated that wells could not be used if they were not maintained and if the City did not maintain a reliable standby water source the State would step in.

Mayor Sanders inquired what efficiencies had staff pursued and confirmed with Bates that Sonoma County Water Agency (SCWA) passed along its costs to its contractors. She asked if staff had explored consolidating with Valley of the Moon Water (VOMWD).

City Manager Kelly responded that City staff had been cross-staffing which had brought efficiencies. Regarding VOMWD, she stated that staff had not formally approached them but noted that the City and VOMWD shared a water conservation program and had an operational MOU.

Clm. Barbose asked about other jurisdiction's water rates and why Petaluma's was quite a bit lower. Bates responded that rates varied depending on the fixed charges being assessed. She noted that Sonoma had installed new meters, the cost of which was included in the fixed charge. City Engineer Bertolero noted that Petaluma had undergone a series of rate rollbacks.

Item 7A: Public Hearing, 2012 Water Rate Study update and adoption of a 5-year plan for water rate increases, continued

Clm. Rouse stated it would behoove the City to explore a consolidation with VOMWD. In response to being asked by Clm. Rouse, Bertolero explained how water bonds could be utilized to finance improvements. Clm. Barbose confirmed with Bertolero that the recommended rate increase included the possibility of a possible water bond sale.

Mayor Sanders opened the public hearing. The following spoke in opposition to the proposed water rate increase: Gerry Simmel, Mike Barbary, Kevin Austin, Hal Nichol, Rob Sherwood, David Cook, Bill Botief, and Herb Golenpaul.

Carol Campbell was okay with the rate increase but questioned the impact new wells would have on the water table.

Ed Kenney spoke regarding VOMWD supply and consumer rates.

Harry Miller encouraged the Council to do their due diligence in consideration of the matter.

When there were no additional persons wanting to speak, Mayor Sanders closed the public hearing.

Clm. Gallian asked if the projects included in the CIP were mandated. Bertolero responded they were not mandated but represented a long-term plan for system maintenance.

Mayor Sanders inquired if Special Project Funds could be utilized for the CIP projects. Assistant City Manager Giovanatto responded they could be used but would be considered a loan from the General Fund.

It was moved by Clm. Rouse, seconded by Clm. Barbose, to not approve the rate increases at this time and to initiate a conversation with VOMWD or SCWA to determine if greater efficiencies could be achieved by consolidation of effort.

Clm. Brown stated that if the City did not provide excellent safe drinking water there was not a building large enough to contain the crowd that would come out with their flames and pitchforks. Clm. Barbose stated that approval of a 27.5% rate increase was out of the question and the Council owed it to the citizens to move a little slower. He stated he would like to see how the City was allocating the fixed costs and wanted to know why Petaluma and Windsor had much lower rates. Clm. Gallian suggested inviting SCWA to the discussion. Clm. Brown stated that Mr. Nelson should be present to add to the dialog.

Mayor Sanders thanked all those who submitted letters and came to speak. She stated that the proposed rate increases were an assault on families and she did not want to get to the point where Sonoma was not affordable for families. She supported exploration of a consolidation with VOMWD but was not in favor of drilling additional wells; she wanted to see better use of the water that falls from the sky.

The motion (above) carried unanimously.

RECESS: The meeting recessed from 8:00 p.m. to 8:10 p.m.

8. REGULAR CALENDAR – CITY COUNCIL

Item 8A: Approve Cemetery Subcommittee recommendation to move forward with the construction of 16 pre-lined graves and 32 cremains at the Veterans Memorial Park Cemetery and authorize \$40,000 from the General Fund Special Projects Reserve. Additionally approve to fund an analysis on future build out of remaining Veterans Cemetery areas including engineering and hydrology.

Public Works Director Bates reported that on August 27, 2012, the Cemetery Subcommittee discussed the need for additional inventory at the Veterans Park Memorial Cemetery. She stated that presently there was one full gravesite available for purchase. Staff had presented four options: Option A would provide for 16 unlined graves and 32 cremains on the North side of the Star of Honor. Option B would also provide for 16 graves and 32 cremains on the North side of the Star, though the graves would be pre-lined making it efficient to provide burial services during the winter and reduce staff time at time of burial. Options C and D would be to install graves and cremains on the South side of the Star of Honor but due to the high water

Item 8A: Construction at Veteran’s Cemetery, continued

table and the problems associated with winter burials staff nor the subcommittee was recommending at this time. Bates stated that staff also reviewed with the subcommittee the need for the installation of drainage on the South side of the Star in order to reduce the groundwater issues during the rainy season. The subcommittee’s recommendation was that Council direct staff to explore the issue and provide additional funds for an engineering and hydrology study for future build out.

Clm. Rouse questioned if investment of additional funds into the cemetery made business sense. Clm. Barbose stated that with the cemeteries, money was invested upfront and then the City had a lifetime maintenance obligation. He questioned how much of an impact on maintenance responsibilities the proposed expansion would have. Bates responded the impact would not be significant because the area was already being mowed and maintained.

Mayor Sanders invited comments from the public. David Cook stated his support for the proposed expansion and added that the Council needed to remain aware of the long-term responsibilities.

Leighton Parks, Chair of the Veterans Memorial Park Association, stated that when originally planned the Veterans Cemetery was to have approximately 650 sites, which were to be constructed in phases. He stated his preference for Option C and D and cited concern that construction on the North side of the Star would interfere with seating for the annual Memorial Day ceremony.

Herb Golenpaul suggested installation of the liners on an as-needed basis.

Clm. Rouse said he recognized the need to add on to the cemetery but stated he did not want to leave piles of debt for future generations. Mayor Sanders stated she did not have a problem approving the expansion because it was a beautiful amenity to the City. It was moved by Clm. Gallian, seconded by Clm. Brown, to direct staff to move forward with Option B and begin immediate construction on 16 graves and 32 cremains and to authorize expenditure of \$40,000 from the General Fund Special Projects Reserve. The motion carried four to one, Clm. Rouse dissented.

Item 8B: Discussion, consideration and possible action on a request by Veterans of Foreign Wars for permission to operate a helicopter from the Field of Dreams in conjunction with the “Cost of Freedom Tribute” (November 7-11, 2012).

Planning Director Goodison reported that as part of the Cost of Freedom Tribute, the Veterans of Foreign Wars were requesting permission to utilize the Field of Dreams for helicopter landings and take-offs. He stated that the Field of Dreams organization (lessees of the property) had granted permission but because it is a City-owned property, the request was subject to City Council approval. Goodison stated that if the Council authorized the use, VFW would be required to provide the appropriate liability insurance coverage to the City. He added that this proposed use was exempt from CEQA.

Dan Parker assured the Council they were working closely with Police Chief Sackett and Sonoma County REACH on the public safety aspects and stated they would have security to prevent unauthorized persons from accessing the field. He confirmed that there would be three take offs and three landings during the event.

It was moved by Clm. Brown, seconded by Clm. Gallian, to approve the request with a limit of three take offs and three landings and to require submittal of liability insurance pursuant to the City’s risk management policy. The motion carried unanimously.

9. REGULAR CALENDAR – CITY COUNCIL AS THE SUCCESSOR AGENCY – No items
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10. COUNCILMEMBERS’ REPORTS AND FINAL REMARKS
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Item 10A: Reports Regarding Committee Activities.

Clm. Brown announced the Facilities Committee would meet the next day and that the September SVCAC meeting had been canceled.

Item 10A: Reports Regarding Committee Activities, continued

Clm. Barbose reported that he and the City Manager attended the Solid Waste Advisory Committee meeting and heard an update on the status of a permit to allow the central landfill to reopen. He added that at some point, the City should schedule a study session with Mr. Demery.

Clm. Gallian reported on the Sonoma County Transportation Authority and the Cittaslow meetings.

Item 10B: Final Councilmembers' Remarks.

Clm. Rouse congratulated Sam and Carol Morphy upon The Red Grape being named Business of the Year by the Chamber of Commerce.

Clm. Gallian stated she would be attending the New Business Reception and the Involve Winery Ribbon Cutting.

City Manager Kelly reported that the Economic Development Manager would be holding regular open office hours at City Hall on Wednesday afternoons between one and three.

Mayor Sanders complimented staff for their hard work and announced that the City Manager was undergoing an annual performance evaluation.

11. COMMENTS FROM THE PUBLIC

Leighton Parks thanked the Council for approving the Veteran's Cemetery project and stated his appreciation for City staff.

David Cook announced a City Council Candidate debate would be held on September 24 at the Community Center.

Herb Golenpaul pointed out that as part of the Veteran's Cemetery agenda item, staff had requested \$20,000 for additional analysis and that the City Council did not vote on it. Councilmembers discussed the merits of considering the item and decided to continue it to another meeting.

Pat Pulvirenti suggested Council consider requiring new burials at Mountain Cemetery be completed utilizing green practices.

12. ADJOURNMENT

The meeting was adjourned at 9:02 p.m.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Sonoma City Council on the 1st day of October 2012.

Gay Johann, MMC
City Clerk