

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

Community Meeting Room, 177 First Street West, Sonoma CA



Wednesday, September 3, 2014

6:00 p.m.

MINUTES

City Council
Tom Rouse, Mayor
David Cook, Mayor Pro Tem
Steve Barbose
Ken Brown
Laurie Gallian

OPENING

Mayor Rouse called the meeting to order at 6:10 p.m. Sharene Ellis led the Pledge of Allegiance.

CITY COUNCILMEMBERS PRESENT: Barbose, Brown, Cook, Gallian and Mayor Rouse.

OTHERS PRESENT: City Manager Giovanatto, Assistant City Manager/City Clerk Johann, Assistant City Attorney Nebb, Planning Director Goodison, and Finance Director Hilbrants.

1. COMMENTS FROM THE PUBLIC

Madolyn Agrimonti announced she had accepted the ice bucket challenge and was making a donation towards the League for Historic Preservation QR plaque program.

Cameron Stuckey stated he would accept the ice bucket challenge. He invited those interested in the proposed update to the Special Events Policy to attend the next meeting of the Community Services and Environment Commission.

Jack Wagner stated he had not taken the ice bucket challenge but he would challenge people to sponsor a child in a foreign country.

Rachel Hundley accepted the ice bucket challenge. She said the previous study session on the Housing Element was very interesting and she learned that 90% of the workers live outside the City of Sonoma. She would like the City to address the issue of workforce housing.

2. MEETING DEDICATIONS

Clm. Brown dedicated the meeting in the memory of David Anthony Berto, husband of long-time former City Clerk Eleanor Berto.

3. PRESENTATIONS

Item 3A: Freedom Day USA 2014 Proclamation

Mayor Rouse read aloud the proclamation. Freedom Day USA is a day when local businesses provide free services, goods, products, etc. to veterans and military members and their families as a way to thank them for the sacrifice, service and freedom, which they have provided to our country. The initial Freedom Day event was held on September 12, 2013 and in the future, the annual event will be on the second Thursday in September. Dr. Kimberly Hubenette of Synergy Dental Group received the proclamation on behalf of Rotary Club of Sonoma Valley.

Item 3B: A word of thanks from the Richard M. Sangster American Inns of Court

Judge Jim Bertolli thanked the City for allowing the Richard M. Sangster American Inn of Court to use the Community Meeting Room for its bi-annual meetings.

4. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL

Item 4A: Waive Further reading and Authorize Introduction and/or Adoption of Ordinances by Title Only.

Item 4B: Approval of the Minutes of the July 21, August 18, and August 25, 2014 City Council meetings.

4. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL, Continued

- Item 4C:** Approval and ratification of the reappointment of George McKale as City Historian for a two-year term.
- Item 4D:** Adoption of a resolution approving the use of City Streets by Sonoma Valley High School on October 17, 2014 to conduct the annual Homecoming Parade. (Res. No. 44-2014)
- Item 4E:** Approval of a request for a full refund of the fees paid for the 2014 Homecoming event and approval of a waiver of fees for future years, until and unless, there is a dramatic change or increase to the size and scope of the event. [The High School will still be required to comply with the City's event application processes and insurance requirements.]
- Item 4F:** Approval of the allocation of a free day use at the Sonoma Veteran's Memorial Building as requested by the Sonoma Valley High School Boosters Club for the annual Crab Feed on January 24, 2015.

The public comment period was opened and closed with none received. It was moved by Clm. Gallian, seconded by Clm. Brown to approve the consent calendar as presented. The motion carried unanimously.

5. CONSENT CALENDAR/AGENDA ORDER – CITY COUNCIL AS SUCCESSOR AGENCY

- Item 5A:** Approval of the portions of the Minutes of the July 21, August 18, and August 25, 2014 City Council meetings pertaining to the Successor Agency.
- Item 5B:** Adoption of the FY 14-15B Recognized Obligation Payment Schedule [ROPS] for the period January 1, 2015 through June 30, 2015. (Res. No. SA 03-2014)

The public comment period was opened and closed with none received. It was moved by Clm. Gallian, seconded by Clm. Cook, to approve the consent calendar as presented. The motion carried unanimously.

6. PUBLIC HEARING

- Item 6A:** Introduction of an ordinance establishing regulations governing the use of the Montini Preserve.

Planning Director Goodison reported that under the terms of an agreement adopted by the City Council in 2013, the ownership of the Montini Preserve was in the process of being transferred to the City of Sonoma. According to the Open Space District, the process was expected to be complete in September. Once the City takes ownership of the Preserve, it will have 45 days to open it to the public. Given the impending change in ownership, he said it was necessary to amend the Municipal Code in order to regulate its use. Goodison stated that staff prepared a draft set amendments for the Council's consideration that addressed hours of use, a prohibition on smoking, and allowances for temporary closure for maintenance or other purposes. In addition, the proposed ordinance would prohibit dogs within the Preserve. Under the terms of a conservation easement attached to the Preserve, the City was required to administer the Preserve in conformance with a Management Plan previously adopted by the District. The Management Plan prohibited dogs on the Montini Preserve. Although the City Council was in the process of seeking an amendment to the Management Plan that, if approved, would provide the Council the option of allowing leashed dogs on trails within the Preserve, that amendment would not be processed until sometime following the transfer of ownership. The ordinance being proposed reflected the current limits on use as set forth in the Management Plan.

The public comment period was opened and closed with none received. Clm. Barbose reminded everyone that when the matter was first discussed, the City Council had been assured that it would be up to them to decide if dogs would be allowed on the Preserve. He stated that he had wanted the Management Plan to be amended prior to the City taking ownership of the property and he hoped that the City was not snookered on this deal. It was moved by Clm. Gallian, seconded by Clm. Cook, to introduce the ordinance entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SONOMA AMENDING THE SONOMA MUNICIPAL CODE BY ESTABLISHING REGULATIONS FOR THE MONTINI PRESERVE. The motion carried unanimously.

7. REGULAR CALENDAR – CITY COUNCIL

Item 7A: Discussion, Consideration and Possible Action on the Proposal by the Penglai Committee of the Sonoma Sister Cities Association to place a memorial in Depot Park.

City Manager Giovanatto reported that the Penglai Committee of the Sonoma Sister Cities Association was requesting approval of placement of a memorial in Depot Park, near the museum, to recognize the contribution of Chinese laborers in the late 1800s who were largely responsible for the work effort that significantly contributed to the development of Sonoma's wine industry. She stated that should Council grant approval for the placement of a monument, staff would work with Sister Cities to determine the exact location and design attributes necessary to minimize future maintenance and liability exposures.

Mayor Rouse invited comments from the public. Peggy Phelan, Committee Chair, stated that before they began to raise funds for the project they wanted to be assured that they have a site for it. She stated that Chinese laborers played an integral role in establishing the wine industry in the Valley and the committee would like to recognize that part of our history. Gordon Phillips, Lynne Joiner and Bob Edwards spoke in favor of the proposal.

Councilmembers unanimously expressed their support. It was moved by Clm. Barbose, seconded by Clm. Brown, to approve the project in concept; direct staff to work with the Committee on placement and design attributes; and that the final design be brought back to City Council for approval. The motion carried unanimously.

Item 7B: Discussion, Consideration and Possible Action on the Establishment of an Increase to the Minimum Wage Law in the City of Sonoma [Requested by Councilmember Barbose]

City Manager Giovanatto reported that Clm. Barbose requested discussion of the possible implementation of an ordinance which would establish a higher minimum wage for businesses operating within the City limits of Sonoma. She stated that staff had done a cursory amount of research on the issue and found several larger cities in the Bay Area, which had implemented a local minimum wage including San Francisco, Oakland, Richmond, Berkeley and San Jose. Research to date had not shown any smaller cities to have undertaken this type of legislation. Reviewing the ordinances of the larger cities, it was clear that the enforcement of the minimum wage law provisions would fall to the City and the City would be the enforcement agency and would become the Department of Labor for any wage issues; including wage complaints of possible violations; payment of back wages; reinstatement of employees; and everything that would be related to wage actions. She said that would be a significant piece of the legislation that needed to be taken into consideration. Establishing an increased minimum wage could have a significant impact on Sonoma overall and the issue should be thoroughly vetted to determine the impact on local employers, true calculations on local wage rates, impacts on jobs and how an increase could affect the economy overall.

Clm. Gallian stated she was confused as to what the Council would be authorizing. Clm. Barbose stated that because of the rule that required a Council majority to authorize staff to spend more than an hour on an agenda item, he was asking the Council to approve that and to also give thought to how the City might want to go about pursuing the subject. He said when the City passed the Living Wage Ordinance years ago a study was commissioned by the U.C. Berkeley Labor Research Center. They examined all the factors that the City Manager mentioned including the effect on the local economy, local employers, practicalities, enforcement and so forth. He said that undertaking such a study on this issue would be appropriate so that it was adequately evaluated and objectively studied. The Council would receive the full report before making a decision. Clm. Barbose said he was requesting that the Council authorize this topic to come back for further consideration and that a study be commissioned. He said the subject was far reaching with many issues needing to be studied not the least of which was: What would be the minimum wage; what exemptions would there be for part-time employees, interns, tipped employees, etc; and what phase-ins could be included. The Council needed to determine the parameters of what they would be looking at.

Mayor Rouse invited comments from the public. Jack Wagner supported the idea of increasing the minimum wage and stated that the small City of Sante Fe did implement an increase in 2004. He offered to share a couple of studies that he had found; one by U.C. Berkeley and a study called Minimum Wage, Minimum Cost.

Rachel Hundley stated there were a lot of questions that needed to be answered regarding the issue and she wondered about doing a study and having a public forum. Her questions

Item 7B: Minimum Wage Increase, Continued

included: Is the decision best made by the City Council or directly by the voters? Some cities in the Bay Area had done it by ballot measures. What should the target increase be and what is the timeline of implementing it? What jobs would be effected? Where do those employees live? Where do they spend their money? Would an increase in wages enable them to move into the City and spend their money here? How would tips or benefits be factored into the minimum wage? Would a tiered approach better fit our community goals? Would you make a distinction based on the number of employees? How would we ensure teens could still get jobs? How would an increase affect residents hoping to start a new business? How can we support our Sonoma-based small businesses who were already competing against higher capitalized chains and on-line competitors? She said she was interested in learning more about the subject.

Bob Edwards stated his support for further consideration of the issue. He said discussion of a minimum wage increase in the City of Sonoma was long overdue. The workers that would benefit from an increase were the core workers and backbone of the City who work in the wineries and tourism industry and those who were at the bottom of the economic ladder. He said it should be considered out of respect for the minimum wage workers. Too many of them do not make anywhere near the \$15 wage that had been proposed in some cities. Some were trying to raise a family on the current minimum wage, which was \$9 an hour, which worked out to \$1,440 a month if they work full time. When the average apartment was going for \$1,300 a month you can see that what was left over would not go very far at Safeway. A chambermaid in one of the big hotels would have to work more than a week to stay one night in one of our hotels. That gives you an idea of the kind of people we are talking about improving their standard of living. He said there would be objections to whatever amount was proposed and it was important to hear those objections. Those who support an increase to the minimum wage would be glad to explain why that would benefit Sonoma in addition to the workers. He spent most of his working life as a labor negotiator and employment lawyer for some of the major corporations in the country and he would be happy to point out to everybody the benefits of increasing the minimum wage. Since he had been alive, the minimum wage had been increased twenty-one times in the State of California and all the dire predictions about it had never come to pass. He said Sonoma could not afford to not have a discussion on the agenda; it would not look good for the City that was voted by Conde Nast as one of the ten most friendly cities to suddenly be not so friendly to the very backbone of the economy.

Madolyn Agrimonti stated there were merits on both sides of the issue and she encouraged the City Council to ensure that everyone was represented at the table.

Will Shonbrun supported raising the minimum wage. He stated that according to the U.S. Census Bureau there were almost fifty million people living below the Federal poverty level; for a family of four that was \$23,050. In Sonoma County 60% of Latino households were barely getting by on \$25,000 a year. The 2014 median price for a single family home in Sonoma County ranged from \$451,000 to \$468,000. The average rental in the County for a one-bedroom place was \$1,527. It was estimated that a single working adult needed to make \$33,160 just to make ends meet. President Obama recently stated that income inequality was the defining issue of our time. Sonoma was an affluent city that boasted high-end hotels, restaurants and a lavish lifestyle. Sonoma prides itself on being a fair and just community that encourages residents and visitors to share its bounty. Even the Plaza Hotel developers declared they would pay their workers a wage commensurate with Sonoma's living wage of \$15 an hour because it was the right thing to do. It would be inconceivable to him that any Councilmember would not vote to have a discussion in the community for a minimum wage for the people who work here and make this place what it is.

Jerry Bernhaut expressed his support for continued study of the issue stating that enabling the workers to live in Sonoma would be good for the environment and the local economy. He stressed the need for jobs – housing balance.

Cameron Stuckey supported the concept and said it was an opportunity to show appreciation for the workers. He said something should also be done to provide affordable housing for these workers.

Bill Motif stated he did not feel raising the minimum wage would eliminate the poverty level. He said if an employer had the choice of hiring someone at \$15 an hour to sweep the floor or doing it themselves, they would choose to do it themselves.

Rosemarie Pedranzini stated that people needed to make more money to get by.

Item 7B: Minimum Wage Increase, Continued

Clm. Cook stated he did not support the idea because Sonoma was a small city and the issue would be better handled at the County or State level. He stated that an increase to the minimum wage would place a hardship on small businesses and the City would have to employ additional staff to regulate it.

Clm. Gallian stated she located a study conducted by Seattle Washington that was very informational. She said if the City were to move forward with the proposal she would want a study conducted because it was such a complex issue. She would want to see the impact if the increase was just centered in the City of Sonoma pointing out an instance where workers would not work at one end of a mall because higher wages were being paid at the other end. Clm. Gallian added that she was concerned with the amount of staff time that this might require.

Clm. Barbose stated that City staff would not have to work on it; there were experts in the field that were in the business of evaluation and studying that sort of thing. He stated when the City passed the Living Wage Ordinance it hired the U.C. Berkeley Research Center and they would be the logical choice since they had already done studies of the City's economy and labor. He felt Council should direct staff to solicit proposals from them and anybody else that was qualified. Clm. Barbose stated there were three major reasons why the City should do this. The folks working at minimum wage were the backbone of the City's economy and the City was in a period of unprecedented revenue generated by the hospitality industry. He said the folks helping generate that money should be able to share in it. The California Franchise Tax Board data showed that between 1987 and 2011, adjusted for inflation, 78% of the upper 1% and 30% of the top 5th incomes were up while the 60% at the bottom dropped by 17%. People at the bottom of the wage level were not keeping even, they were losing ground. Clm. Barbose said that did not seem fair to him. The other factor was that people at the lower end of the economic ladder spend all the new money they make putting it back into the local economy unlike wealthy people who put it in the bank.

Mayor Rouse stated that he agreed in principle but did not support moving this idea forward as it was a larger issue for the City. He said it was something that should be taken up at the County level and he did not want to direct staff to spend a whole lot of time on a subject that the City would not have a whole lot of impact on.

Clm. Brown stated it was an issue too big to ignore, that it was the job of the Council to address it.

It was moved by Clm. Barbose, seconded by Clm. Brown, to direct staff to solicit proposals for a study from consultants, including U.C. Berkeley Labor Research Center, to look at the issues of impact and all the ramifications and various permutations such an ordinance might encompass and what would be the most advantageous way to tailor such an ordinance to our situation.

Clm. Gallian stated that she heard at the study session sponsored by Congressman Mike Thompson on "when women succeed America succeeds" that 75% of minimum wage earners were women. She would like to see a jobs/housing balance component included in the study.

The motion carried with the following roll call vote: AYES: Barbose, Brown, Gallian. NOES: Cook, Rouse. ABSENT: None.

8. REGULAR CALENDAR – CITY COUNCIL AS THE SUCCESSOR AGENCY

9. COUNCILMEMBERS' REPORTS AND COMMENTS

Clm. Barbose reported on a meeting of the Waste Management Agency.

Clm. Gallian reported on the Ag and Open Space District meeting, the Labor Day Breakfast and Taste of Sonoma events.

Councilmembers Cook and Brown announced their office hours.

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

City Manager Giovanatto announced that the Stage 2 water regulations went into effect on the date adopted. She said efforts to inform the public would include an insert in the local newspaper and with the water bills. She also announced that the County had declared a State

10. CITY MANAGER COMMENTS, Continued

of Emergency which included the City of Sonoma relating to the August 24 earthquake. The damage estimate from the earthquake for the City was \$441,000 and the City had sent two building department staff and a water tender to Napa to assist.

Mayor Rouse stated that City staff were at the Emergency Operations Center and ready to respond within minutes of the earthquake and he commended them for their service.

11. COMMENTS FROM THE PUBLIC

Rosemarie Pedranzini announced the passing of Harold Shipman and dedicated the meeting in his memory.

12. ADJOURNMENT

The meeting was adjourned at 7:39 p.m. in the memory of Mr. David Anthony Berto.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Sonoma City Council on the 15th day of September 2014.

Gay Johann
Assistant City Manager / City Clerk