

Regular Session Meeting Minutes
SAN JUAN BAUTISTA CITY COUNCIL
Tuesday, April 15, 2008
City Hall

1. **CALL TO ORDER:** The meeting was called to order at 6:00 p.m. by Mayor George Dias.

PLEDGE OF ALLEGIANCE: Mayor Dias led the Pledge of Allegiance.

ROLL CALL: Council Members Present: Mayor George Dias, Council Members Ed Laverone, Rick Edge, Priscilla Hill, and Robert Paradise.

City Staff and Professional Services Persons Present: City Manager Jan McClintock; City Planner Matthew Sundt; City Treasurer, Linda McIntyre; Fire Chief Scott Freels; Project Manager Mark Davis; City Attorney Thacher, City Clerk Trish Paetz; and Laura Wiener-Smolka, Minutes Clerk.

2. **APPROVAL OF THE AGENDA**

Upon motion made by Council Member Laverone, seconded by Council Member Edge, and unanimously carried (5-0), the agenda was approved as presented.

3. **ADJOURN TO CLOSED SESSION:**

The Council adjourned to closed session, after which the regular open meeting was reconvened at 6:30 p.m.

4. **CEREMONIAL ITEMS:**

A. Presentation of Special Appreciation Award to Pat Garrett: Pat Garrett was presented with a plaque in appreciation of his work and dedication to renovate the San Juan Bautista Community Center.

B. Presentation of Flag to the City by the Native Daughters: During presentation of the American Flag to the Council, it announced that the Native Daughters of the Golden West, Parlor #179, will be celebrating its 100th anniversary; the Council members were invited, as well as people of the community.

5. **PUBLIC COMMENT- ITEMS NOT ON THE AGENDA:** Resident Jolene Cosio spoke about her concerns: that the City continues to employ staff members who are responsible for the lack of cooperation with Federal auditors, resulting in the rejection of the City's grant application; public financial reports indicate that the City is paying out large sums for legal fees, some of which are the result of mistakes that were made; that newly posted 15 mph speed limit signs downtown may not be consistent with Vehicle Code.

Ms. Cosio also spoke about expense incurred by the City for removal of the ball park fencing; the growing weeds on City owned property that have not been mowed in anticipation of fire season; and numerous faded stop signs that have been in need of replacement for some time.

Resident Tony Boch stated that he and other citizens are concerned about the references to several litigations listed on the Council's closed session agenda, especially litigation involving the City and McAlpine. He asked when the public will be informed about litigation the City is involved in.

Resident Rachel Ponce expressed concern that alcohol-related accidents and incidences in the City are increasing, and about the popularity of local bars by those who have common knowledge that the City has very limited law enforcement services. She asked the Council to request that the Sheriff's Department establish vehicle check points and conduct periodic sobriety checks, and that the Council create a citizens advisory committee to brainstorm ways to increase safety for local residents.

Councilmember Hill commented that she is working with the Sheriff's Department for assistance in beginning a neighborhood watch program.

Mayor Dias stated that the speed limit signs were posted, in response to citizens' complaints, and that MCE is currently working on obtaining a grant to replace faded traffic signs. He noted that the ballpark fencing work was accomplished with donations from Earthbound Farms; and the City just received a bush hog for weed abatement.

6. PRESENTATIONS, INFORMATIONAL ITEMS, AND REPORTS

A. Closed Session Report:

a. Adjudicatory Proceeding before the Economic Development Administration of the U.S. Department of Committees entitled, "Appeal of Audit Resolution Determination re: Audit Report No. STL-18499-07-0001 for EDA Award Number 07-01-05478: Attorney Thatcher reported that in closed session the Council reviewed the status of the City's appeal regarding termination of its water grant application because of missing the deadline to file a complete audit report; and the City's subsequent designation by EDA as a "high risk" applicant.

He stated that the Federal government did not reverse its original termination of the City's grant application; however the decision to designate the City as a "high risk" applicant would be reversed based upon the City's agreement to comply with all preliminary grant application steps, such as audit requirements.

Attorney Thacher reported that the Council members voted unanimously to accept the agreement, with minor clarifying points. Copies of the agreement and

the Council's letter clarifying a few details regarding the grant application process will be available for public review the morning of April 16, 2008.

b. Confer with Attorney re: Litigation filed April 3, 2008, San Benito County Superior Court Case No. CLJ-08-00040, entitled Lance McAlpine v. City of San Juan Bautista and (City Planner) Matthew Sundt: Attorney Thacher reported that the Council gave him direction concerning this case; the litigation concerns an application for development of a parcel in the City and the City's Growth Management Ordinance.

c. Confer with Attorney re: Potential Litigation: Attorney Thacher reported there was no discussion of this agenda item in closed session; therefore, nothing to report.

- B. Water Infrastructure Project Report:** Project Manager Mark Davis reported that bid opening for the City's water storage and distribution facilities is scheduled for August 15, 2008, at 2:30 p.m.

Jolene Cosio commented that the City's financial reports show \$26,640 paid to the City Planner and does not provide a breakdown to enable the public to distinguish between payment applicable to the City's water infrastructure project and the South San Juan project

The City Manager responded that the projects are invoiced separately, but paid in one check by the City.

Councilmember Laverone requested a report showing the running totals to date for expenditures against the monies approved by the Council.

- C. South San Juan Specific Plan Report:** The City Planner noted that the recommendation to amend /correct the City's boundaries was made when the South San Juan project surfaced the fact that the Davidson property line was incorrectly drawn many years ago. He noted that the error causes a portion of the Davidson property to be outside the San Juan Bautista Sphere of Influence.

City Planner Davis noted that the South San Juan Specific Plan project has been dormant, and he has not provided any services for the project recently.

- D. Monthly Financial Statements and Presentation of 2006-07 Financial Audit:** Council Members had no questions regarding the City's financial statements. The City Manager spoke about recent changes to increase the level of audit requirements for public agencies. She reported that three bids were received in response to the City's request for proposals; CPA Wendy Becker performed a complete audit of the 2006-7 fiscal year and found no significant exceptions. The City's Finance Committee has reviewed the audit report in detail. City Manager

McClintock explained that action by the Council to accept the audit report will be placed on a future agenda, to allow time for the public to review the report and make comments.

Jolene Cosio asked questions regarding payments to the CPA, employees, and for uniforms. The City Manager stated that all City financial records are public information and Ms. Cosio has been encouraged by the Council to come into City Hall and review detailed records and obtain answers to any questions she has.

- E. **Code Enforcement Report:** There were no questions regarding the City's Code Enforcement Report.
- F. **Library Report:** No comments or questions.
- G. **Fire Chief's Report:** It was noted that there are 19 volunteers and one cadet in the Fire Department. Chief Freels reported that discussions are in progress with the County regarding replacement of the fuel tank.

Jolene Cosio commented on the \$2,659 Nextel cell phone charge to the City over a four-month period. The City Manager explained that the charges are for mobile phone service for fire department staff, on-call staff for fire, police, or infrastructure emergencies.

- H. **Sheriff's Monthly Activity Report:** Council members commented that Sheriff's deputies have been providing valuable services to the City in spite of contract reductions.
- I. **Report of CLG (Certified Local Government) Grant:** The City Manager reported that the grant application is near completion. She discussed timelines.

Jolene Cosio commented that City financial reports show payment of \$38,000 to Golden State Planning, which is the City Planner's business name; and that itemized information of the work performed by him should be available to the public.

Ms. Cosio was reminded that the Council has, on numerous occasions, invited her to meet with City staff for the purpose of reviewing City financial reports / records and receive detailed information to answer her questions and concerns.

- J. **Status Report on Municipal Services Review and Revenue Sharing Agreement:** The City Manager gave a recount of proposals and responses from the County regarding a revenue sharing agreement, and noted that the County was not in favor of the City's original proposal to use the same revenue sharing agreement between the City of Hollister and the County. The City was asked to prepare a fiscal analysis and to submit a proposal; subsequently the City submitted a draft

proposal to the County (November 2007); participated in meetings and discussions; however, the City is still awaiting a response or "counter proposal" from the County.

- K. **Status Report on Upgrades to the Sewer Plant Capital Improvement Project:** No comments.
- L. **Status Report on the Tertiary Water Treatment Plant Construction Project:** It was reported that the project is on schedule and within budget.
- M. **Public Works Report – MCE Corporation:** The City Manager reported that MCE was asked to prepare a Proposition 1B Grant proposal in anticipation of receiving monies for City street improvements.
- N. **Update on New City Bathrooms at Polk Street:** The City Manager reported that Mayor Dias is pursuing ideas for acquiring the concrete needed for the City's public restroom project.
- O. **Report on Cable Franchise Renewal Activities:** City Manager McClintock reported that the local cable franchise is in the process of becoming part of the State franchise; that she declined participating in an audit to determine if any monies are owed to the City because the cost of an audit would be far more than a reimbursement for possible overcharges.
- P. **Reports by Public Officials: COG, LAFCO, Water Resources Association, Revolving Loan, AMBAG, Integrated Waste Management:** Several brief reports were made.
- Q. **Committee Reports and Future Direction by the Full City Council:** Councilmember Edge pointed out that both the Classic Muscle Car Show and the Antique Show are scheduled for May 18th.

7. **CONSENT ITEMS**

Upon motion made by Councilmember Edge, seconded by Councilmember Laverone, and unanimously carried, the Council approved the following consent action items, with items B and E excluded. .

- A. **Approve Affidavit of Posting Agenda**
- B. ~~**Approval of Minutes for March 18, 2008 City Council Meeting**~~
- C. **Waive Reading of Ordinances and Resolutions on Meeting Agenda Beyond Titles**
- D. **Approve Resolution 2008-09 Authorizing Street Closures**

~~E. Accept Fiscal Year 2006-07 Independent Audit Report~~

F. **Accept Notice of Funds Authorized for Monitoring Well and the Associated Contract**

G. **Accept Notice of Funds Authorized for Hydrological Study**

H. **Authorize Staff to Advertise for Bids for a New Reservoir, Replacement of Water and Sewer Lines, and Pavement Rehabilitation as Parts 1 and 2 of the Water and Sewer Upgrade Project**

I. **Authorize Staff to Award Contract for Fencing at the City Yard**

J. **Authorize Staff to Issue a Request for Proposals for Water and Sewer Strategy, Capital, Operation & Maintenance Services**

8. **ACTION ITEMS**

A. **Consider Resolution 2008-10 Concerning the Proposed Widening of Highway 156 into a Raised Four-Lane Highway with Limited Access and a Two-Lane Access Road on the north and interchange at Bixby Road:** During discussion, it was noted that the Council's resolution should specify a two-lane highway with safety upgrades. Upon motion made by Councilmember Edge, seconded by Councilmember Laverone, and unanimously carried (5-0), Resolution 2008-10 was approved as amended.

There was discussion about how to let the public know about the importance of attending the May 6th County Board of Supervisors meeting when the Board will be addressing Highway 156 project issues.

B. **Report on March 29 Meeting with Mission View Estates Property Owners, Unit No. 1 Lift Station Covenant Area to Discuss Resolution 2008-11 Approving and Directing Payment of Sums by Owners of Lots in Mission View Estates, Unit No. 2, Pursuant to a Maintenance Covenant for a Sewage Lift Station:** Mayor Dias reported that a meeting was held with Lang Street residents concerning maintenance of the sewer lift station, and that residents asked for important information that was not available at that time. He stated that a follow-up meeting will be scheduled to provide the requested information to the affected residents.

Local resident Arturo Medina expressed concern about whether or not his property is located within the Mission View lift station assessment area. The City Manager stated that she would provide a map and information.

C. **Valle Vista Landscape and Lighting Maintenance Assessment District No. 1:** Councilmember Laverone excused himself from participation in the meeting during City Council's discussion and consideration of this item, noting a possibility of a conflict of interest perception by the public, due to the proximity of his home/property to the Valle Vista District.

City Manager McClintock explained that the City Council is not expected to take action at this meeting; that it is on the Council's meeting agenda its purpose on the Council's agenda to provide an opportunity for the public to ask questions and make comments. A public hearing at the Council's May meeting is planned. There were no questions or comments from the City Council members or members of the public. Councilmember Laverone was summoned back to the meeting.

D. **Davidson Sphere of Influence Amendment:** City Planner Sundt presented a staff report stating the City has a sphere of influence (SOI) boundary that was established by the County of San Benito before 1982. The City's 1982 General Plan contains the earliest reference to this SOI Boundary. No records exist at County or City offices regarding the development of this SOI boundary. This has been verified with the LAFCO Executive Officer, as well as County and City Staff.

The San Juan Bautista SOI boundary and Planning Area Boundary do not follow any property boundary or geographic feature or roads. Consequently, the SOI boundary line bifurcates a number of properties including the Charles Davidson properties, which are the subject of this SOI amendment; the existing SOI bifurcates the Davidson properties with the following Assessor's Parcel Numbers: APN 0230-160-008 and APN 023-160-004. These bifurcated parcels result in an unnecessary constraint to the potential development of the Davidson parcels. This proposed SOI amendment is practical and will result in a new SOI boundary that respects property boundaries.

The applicant is requesting that the two parcels currently bifurcated by the SOI boundary line be redrawn so as to provide clear title to the property such that the two parcels are not hindered, or constrained, by real, perceived, or potential political jurisdictional conflicts that may arise in the future as a result of the bifurcated property. The project would not change current conditions as they relate to police and fire services. Amending the SOI to accommodate the Davidson properties would create an opportunity to annex the property to the City in the future (date uncertain).

A General Plan amendment will also be required for the SOI amendment and the change to the Planning Area Boundary. This will be required at a future date and is conditional upon LAFCO approval of the SOI amendment. Approval of the proposed SOI amendment and the General Plan amendment will not cause changes to

existing public services operations, nor would there be any fiscal impact associated with this proposed amendment.

Community member Georganne Goularte commented that she is in favor of the Davidson property annexation because future development of property would be subject to City rules and guidelines; not those of the County.

i. Consider Resolution 2008-13, a Resolution of Application Requesting the San Benito County LAFCO for Addition of Approximately 357 Acres to the City's Sphere of Influence: Upon motion made by Councilmember Laverone, seconded by Councilmember Edge, and carried 4-1, (Councilmember Paradise voting No), the Council adopted the Resolution, as presented, approving application to LAFCO to annex approximately 357 acres into the City's Sphere of Influence.

ii. Consider Resolution 2008-14 Adopting a Negative Declaration for Proposed Sphere of Influence Amendment and Proposed General Plan Amendment Associated with Two Parcels: APN # 002-16-0008 and 002-16-0-004: Upon motion made by Councilmember Laverone, seconded by Councilmember Edge, and carried 4-1 (Councilmember Paradise voting No), the Council adopted Resolution 2008-14, a Negative Declaration, with associated public comments included, for amendment to the City's Sphere of Influence and General Plan, as presented.

E. Nomination and Appointment of Members to the San Juan Bautista City Parks and Recreation Advisory Board: After discussion, the consensus of the Council was to direct staff to prepare an application form and recruit applicants by use of flyers, website notices, etc. Mayor Dias commented that he has received numerous suggestions from community members that there should be five appointed positions on the Committee.

F. Set Town Hall Meeting Dates to Outline Facts on the Sales Tax Initiative: A Town Hall Meeting was set for April 30 at the Community Center at 7:00 p.m.

The City Clerk reported that the Farm Bureau had extended an invitation to City Council to be part of a forum where the sales tax initiative could be presented to the public. Council did not show interest in being a part of said forum.

9. FUTURE AGENDA ITEMS

Mayor Dias requested that the Council regularly hear critiques or debriefing reports after each community event, such as the discussion after the Rotary Mission Ten race event.

10. COMMENTS

A. City Council: Councilmember Laverone suggested that a town hall public safety meeting be held on an evening when a Sheriff's deputy can attend and participate.

- B. **City Manager:** There was discussion about reports that San Benito County Water District may be losing part of its M & I water allocation from the Central Valley Project (“blue valve” water); and that the City will need to ensure a source of low TDS (total dissolved solids) water to be successful in implemented well water blending options.

- C. **City Attorney:** The City Attorney referred to the EDA grant appeal and noted that there is a \$53,000 reimbursement to the EDA for improper billing charges related to the planning phase of a previous (1999) agreement.

11. **ADJOURN:** Upon motion made by Councilmember Laverone, seconded by Councilmember Edge, and unanimously carried, the meeting was adjourned at 8:47 p.m.

Adopted: _____, 2008