

Regular Session Meeting Minutes
SAN JUAN BAUTISTA CITY COUNCIL
Tuesday, August 19, 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, and Priscilla Hill. **Absent:** Council Member Robert Paradise. Upon motion made by Councilmember Hill, seconded by Councilmember Edge, and unanimously carried 4-0, Councilmember Paradise's absence was excused.

City Staff and Professional Services Persons Present: Acting/Interim City Manager Stephen Julian, 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.

Members of the Public Signing in as Present: George Gray, Richard Ponce, Pat Riley, Tony Bach, Laurie Elder.

- 2. Approval of the Agenda:** Upon motion made by Councilmember Laverone, seconded by Councilmember Hill, and unanimously carried 4-0 (Councilmember Paradise absent), the agenda was approved with modification to move Item 4.A. Closed Session Report, to follow Item 9.
- 3. Public Comment on Items Not on the Agenda:** George Gray stated that he resides in Aptos and has owned a house in San Juan Bautista since 1982; a one-acre property which is surrounded by homes on minimum sized lots. He stated that his property has a nonpublic, unimproved City Right of Way which is too narrow to be of use. Mr. Gray asked Council members to familiarize themselves with the area as he will be proposing to make various curbing and storm drainage improvements and agree to increase the size of the right of way for access to adjacent City property.

Local resident Jolene Cosio thanked the Council for moving its closed session to the end of the open portion of the meeting. She expressed concern about increased water bills and money being spent for consultants. Ms. Cosio asked the Council to agendaize a report of water/sewer revenues and expenditures to upgrade the system, as well as expenditures related to consultants, the Davidson Project, and the South San Juan Project. Ms. Cosio stated she is

concerned that the City Planning Commission has not held a meeting for the past three months.

Richard Ponce, a local residence, stated his complaints about the noise caused by a motorcycle business in his neighborhood. He stated that the business is not in compliance with City Ordinances and General Plan; he asked the Council to shut down the business. Mayor Dias stated that the matter is on the Planning Commission's agenda for the first Tuesday of month.

4. Presentations, Informational Items, and Reports

A. Closed Session Report: Moved to agenda Item 9.B.

B. Water Infrastructure Project Report: Project Manager Mark Davis stated that he is pleased to report that 13 bids for the water infrastructure and reservoir project were opened earlier in the day, and bid amounts were extremely responsive to the City's financial limitations. Mr. Davis explained that he and engineering staff, the City Manager and Mayor will meet and review the bids to determine the lowest bid which meets specifications. It was noted that bid approval can be included on any special meeting scheduled or the Council's regular meeting in September.

Mr. Davis advised that he plans to bring required bond documents for approval at the Council's September 16 meeting to proceed with seven to eight million dollar bond financing for the project. Construction will begin in October.

During his report, Mr. Davis also noted that pilot testing equipment should arrive on September 8; testing will be conducted for seven days on a 24-hour basis and will provide final specifications for pellet softening at City Well #3; proposals were received for sludge screens; the low bid is \$46,710 from a company with positive references.

Mr. Davis spoke about two options for sludge removal from Pond #2, one of which has a cost of \$300,000 for annual sludge removal; the other option is installation of a daily dewatering and sludge removal process at an annual cost of \$331,000. He noted that the \$331,000 (daily) option may eliminate the need to drain ponds on an annual basis.

Ms. Pat Riley stated that she is a Hollister resident, has a real estate business in San Juan Bautista, and owns local property. She commented on the County Grand Jury's report (available online) criticizing the City's loss of eligibility for EDA funds for the water project due to City issues of inadequate accounting and management oversight. Ms. Riley spoke about public confidence and suggested that information be made available to inform the community about the positive

progress and management as a result of Mark Davis' efforts and project oversight.

Councilmember Laverone noted that the City must respond to the Grand Jury Report within 90 days of its publication.

Local resident Tony Bach stated that he has heard project cost projections ranging from \$7 million to \$15 million, and asked for clarification and funding sources in addition to a bond. Mark Davis explained that the total project cost was estimated at \$8.8 million; the City has \$883,000 of committed funds from Cal Trans, in addition to anticipated bond revenue. He pointed out the current financial climate for construction and recently received bid amounts are favorable for a lower than projected cost for the project. Mr. Davis assured Mr. Bach that bond financing and payment data will be available at the Council's next meeting.

C. South San Juan Specific Plan Report: City Manager Julian spoke about a meeting earlier in the day with County Planning to discuss tax sharing rates and moving forward.

D. Monthly Financial Statement Reports: There were no questions or comments made regarding the report.

E. Code Enforcement Report: No questions or comments.

F. Library Report: No questions or comments.

G. Fire Chief's Report: No questions or comments.

H. Sheriff's Monthly Activity Report: No questions or comments

I. Public Works Report - MCE Corporation: Resident Tony Bach inquired about potholes on Fourth Street that have not been repaired. The City Manager explained that Fourth Street is the pipeline route for the water project; therefore street repairs are delayed until after the pipeline installation is completed.

J. Davidson Sphere of Influence Amendment Application to LAFCO: The City Manager reported that he is looking into additional preparation required prior to going forward with the process of amending the City's Sphere of Influence.

K. Status Report on Municipal Services Review and Revenue Sharing Agreement: City Manager Julian spoke about his meeting with the County Administrative Officer and the County Auditor; there was discussion about loss of revenue experienced by both Cities and Counties as a result of State mandates for annexations. City Manager Julian stated that the County has some cost study

data but does not have a specific proposal; he will research tax sharing agreements used in nearby counties to develop a proposal.

L. Status Report on Upgrades to the Sewer Plant Capital Improvement Project: Mark Davis stated that there are no updates to report at this time.

M. Report on Cable Franchise Renewal Activities: The City Manager reported that he is looking into a proposal for a joint study to determine if the Cable Franchise has complied with requirements; the study would be conducted by the person who negotiated the original cable franchise agreement.

N. Reports by Public Officials: Councilmember Edge reported that LAFCO has not met recently and COG is focused on the Highway 156 project. Councilmember Laverone reported on a recent AMBAG meeting and issues for coastal counties related to renewal of Sanctuary Statues increasing restrictions for coastal fishing and mandates for silt removal in harbors from San Francisco to Santa Barbara. Councilmember Laverone noted that restrictions change with each new Superintendent; he encouraged interested citizens to look at information on AMBAG's website, as well as research information from various sources to become informed.

O. Review and Comments on Special Events: After Mayor Dias commented that there were no upcoming events for discussion on the agenda, Laurie Elder stated she came to the Council's meeting in anticipation of the Council considering a festival event planned for November 1 and 2; that she submitted an application and started working on the event last January. Ms. Elder spoke about the details of the event including its nonprofit nature and charitable benefits for the community.

Councilmember Edge suggested that the item and related street closure request be placed on the Council's next meeting, regular or special.

P. Committee Reports and Provide Future Direction by the Full City Council: None.

5. **Consent Items:** There were no public comments. Upon motion made by Councilmember Hill, seconded by Councilmember Laverone, and unanimously carried 4-0 (Councilmember Paradise absent), the Council approved consent action items A through E as presented.
- A. Approve Affidavit of Posting Agenda**
 - B. Approve Minutes for May 20, 2008 Regular City Council Meeting**
 - C. Approve Minutes for June 6, 2008 Special City Council Meeting**
 - D. Approve Resolution 2008-33 Revising City's Conflict of Interest Code Pursuant to Required Biennial Review**
 - E. Waive Reading of Ordinances and Resolutions on Tonight's Agenda**

Beyond Title

6. Action Items

A. Designate Voting Delegate and Alternate for League of California Cities Annual Conference, September 24-27 in Long Beach: During discussion of the value and the costs to the City associated with sending a Delegate, it was the consensus to take no action on this item.

B. Selection of Individual for Philanthropy Day Recognition: After motion made by Councilmember Hill, seconded by Councilmember Laverone, the Council enthusiastically and unanimously selected Pat and Regina Garratt to be honored by the City on Philanthropy Day.

C. Approval of Settlement Agreement and General Release of Claims with Gladys M. Nyland, Trustee of the Nyland Family Trust: Upon recommendation of the Council's attorney, motion made by Councilmember Laverone, seconded by Councilmember Hill, and unanimously carried 4-0 (Councilmember Paradise absent), the Council approved the Settlement Agreement and General Release of Claims, as presented, with Gladys M. Nyland, Trustee of the Nyland Family Trust, authorizing the City Manager to execute the Agreement and Mayor Dias to accept the Nyland property deeds on behalf of the City.

7. Set Future Agenda Items and Status: Councilmember Laverone requested that the Parks & Recreation Committee matter be placed on the next regular meeting agenda. Councilmember Edge requested that the Council's committee system be placed on the agenda for discussion. He commented that he believes the entire Council should be involved in many of the matters considered by committees.

8. Comments

- A. City Council:** None.
- B. City Manager:** None
- C. City Attorney:** None.

9. Closed Session: At 7:50 p.m., the meeting was adjourned to closed session.

9. B. Reconvene Open Meeting and Report on Actions Taken in Closed Session: The meeting was reconvened, and Mayor Dias reported that no actions were taken in closed session.

10. Adjournment: Upon motion made, seconded, and unanimously carried 4-0 (Councilmember Paradise absent), the meeting was adjourned at 8:00 p.m.