

MINUTES OF THE DAVIS CITY COUNCIL
Meeting of December 11, 2012

The City Council of the City of Davis met in regular session beginning at 5:30 p.m. in the Community Chambers, 23 Russell Boulevard, Davis, California. The meeting was called to order by Mayor Krovoza.

Roll Call: Councilmembers Present: Lucas Frerichs, Joe Krovoza, Brett Lee, Rochelle Swanson, Dan Wolk

Councilmembers Absent: None

Other Officers Present: City Manager Steve Pinkerton, City Attorney Harriet Steiner, City Clerk Zoe Mirabile

Approval of Agenda R. Swanson moved, seconded by D. Wolk, to approve the agenda. Motion passed unanimously.

Closed Session City Council convened a closed session pursuant to Government Code §54954.5 to discuss the following:

A. Conference with Labor Negotiators.

Agency Designated Representatives: City Manager Steve Pinkerton; City Attorney Harriet Steiner; Assistant City Manager Yvonne Quiring; Human Resources Administrator Melissa Chaney; Tim Yeung, Renne Sloan Holtzman Sakai, LLP.

Employee Groups/Organizations (under discussion): Davis City Employees Association; Davis Police Officers Association; Department Heads; Executive and General Management; Firefighters Local 3494; Fire Management; Police Management; Program, Administrative and Support Employees Association.

B. Conference with Real Property Negotiators.

Property: Yolo County Assessor's Parcel Numbers 033-290-058-0, 033-290-001-0, and 033-290-004-0.

Agency negotiators: Sustainability Program Manager Mitch Sears; City Attorney Harriet Steiner.

Under negotiation: Price and terms of payment.

C. Conference with Legal Counsel – Existing Litigation:

1. Twin Pines Cooperative Foundation v. Davis Area Cooperative Housing Association, Yolo County Superior Court Case No. CV PO 08-3424.

2. Neighborhood Partners, LLC v. Davis Area Cooperative Housing Association, et al., Yolo County Superior Court Case No. CV11-649.

D. Public Employee Performance Evaluation: City Manager.

City Council returned to open session at 6:47 p.m. with no reportable action.

City Manager
Brief Communi-
cations

City Manager Steve Pinkerton: Week of December 24 and New Year's Day city offices will be closed; public safety will be on regular schedule.

Police Chief Landy Black: Armed robbery was committed last week involving a citizen of Davis; occurred in the vicinity of Covell and Sycamore. Actively pursuing leads. Take precautions, walk in pairs/groups in well-lit areas, keep personal electronics out of sight. Crimes occur at night in desolate areas, greenbelts and parks at night. Residential burglaries doubled from last November. Lock doors and windows and utilize neighborhood watch.

Andy Clark and Nicole Wyman, League of American Bicyclists: Present Silver Level City award.

Transportation Coordinator DK Kemp: Award for City of Davis as an organization for own employees.

Public Com-
ments

- Alan Pryor: Previously questioned lay-offs of tree trimmers several months ago; during Thanksgiving holiday encountered tree issue, emailed supervisor and the following morning it was inspected, with tree crew sent out by end of week. Excellent work, clean up meticulous; promise of increased service fulfilled.
- Michael Carl and Cass Silvia, STEAC: Serving low income residents for 35 years; tenant of property at corner of 5th and D Streets. Would like to receive approval to demolish and replace structure; if unable to proceed with project, request letter of denial so are able to proceed with appeals process.

Regarding regular calendar item—Water Advisory Committee Water Rate Recommendation:

- Rob Roscoe: Davis resident/General Manager Sacramento Suburban Water District; water rate structure proposed by Water Advisory Committee has never been used before, may be problematic to financing providers. Need to ensure bondholders will receive funds.
- Alf Brandt: Serve on Water Advisory Committee. Need to keep water rate structure simple, important for voter support. Advocate for inclined tiered rate structure. First tier proposed is for household usage. Unfair for someone who needs water for basic household needs to pay same as someone using for landscaping.
- Mike Harsty: Davis resident/General Manager Water and Flood Control Agency; issue most troubling is an over-reliance on rate that has consumptive basis. Largest service is reliable safe drinking water to consumer. Most important component. Debt service needs to be shared universally. Volumetric rates lead to unstable income. Bartle Wells proposal makes more sense as starting point.
- Jim Fyfer: Davis resident/City of Sacramento employee; rate needs to be easy to understand. Tiered rate structure can accomplish that and it is environmentally friendly.
- Teresa Ginemar: Ca. Dept. of Water Resources employee: Need water from Sacramento River, concerned that surface water project may not pass vote.

Unable to sustain with groundwater only. Will end up paying more for delay.

Consent Calendar

Submission of Community Scale Renewable Energy Development, Deployment and Integration (CSREDDI) Grant

Approved Resolution No. 12-179 - Authorizing City Manager to Submit Community Scale Renewable Energy Development Deployment and Integration Grant Proposal

Open Space Acquisition – Staib 72 Resale and Conservation Easement

Approved Resolution No. 12-180 - Approving the Resale of the Staib 72 Property and Authorizing the City Manager to Complete the Resale for the Purposes of Permanently Protecting the Agricultural Values and Open Space Character of the Property, and the associated transaction agreement with the Yolo Land Trust

Continuation of the Foster Youth Transitional Housing Program for FY 2012-13

1. Approved Resolution No. 12-181 - Authorizing the City Manager to Execute the Necessary Contracts and Other Program Documents with the County of Yolo and Davis Community Meals to Continue Operation of the Foster Youth Transitional Housing Program
2. Approved Budget Adjustment #89 (\$58,520) – Appropriating new revenue from the County of Yolo

Commission Minutes (informational only):

1. Historical Resources Management Commission Meeting of October 15, 2012
2. Natural Resources Commission Meeting of September 24, 2012
3. Social Services Commission Meetings of April 16, June 4, September 12 and October 15, 2012

Informational

Commission Minutes (action item): Recreation & Park Commission Minutes of November 15, 2012

1. Received minutes as informational.
2. Approved the Commission's recommendation to provide grant funding in the amount of \$6,000 to Communicare Health Centers, and \$4,000 to the ACME Theatre Company as part of the 2013 Teen Services Grant cycle.
3. Approved Resolution No. 12-181a - Approving Award of the 2013 Teen Services Grants and Authorizing the City Manager to Enter into Contract with Award Recipients.

R. Swanson moved, seconded by L. Frerichs, to approve the consent calendar as listed above. Motion passed unanimously.

Removed from Consent Calendar:

Item removed by J. Krovoza.

Rick Brown, Terra Verde Renewable Partners, consultant: Strong response to Request for Qualifications process, thoughtful evaluation of different vendors; 6

Resource Efficiency Performance Contracting Request for Qualifications – Firm Selection

vendors short listed down to 3, staff selected Siemens Corporation.

Jesse Thompson, Siemens Corporation: Davis is well known sustainability minded. Look forward to working with Davis on this project.

J. Krovoza moved, seconded by R. Swanson, as follows:

1. Approve Resolution No. 12-182 - Authorizing the City Manager or His Designee to Enter into Exclusive Negotiations with Siemens to Produce a Resource Efficiency Performance Contract for Future Consideration by the City Council.
2. Direct staff to negotiate a consultant services contract with TerraVerde Renewable Partners for future consideration by the City Council to provide continuing energy advisor support to the City related to Resource Efficiency Performance Contracting.

Motion passed unanimously.

Water Smart Software Solution for Water Conservation

Item removed by L. Frerichs.

General Manager Utilities, Development & Operations Herb Niederberger: Web-based program that mines customer and billing information; achieves water conservation through consumer education. Tailors messages directly to consumers. Program for first year will be initial setup, survey and publication.

L. Frerichs moved, seconded by D. Wolk, as follows:

1. Approve Resolution No. 12-183 – Authorizing the City Manager or His Designee to Enter into Exclusive Negotiations with WaterSmart Software Solutions.
2. Approve Budget Adjustment #92 (\$108,253) – Allocating Operations Water Production funds.

Motion passed unanimously.

Consideration of New All-Way Stop Control at Pole Line Road/Moore Boulevard and Various Intersections in the Downtown Core Area

Item removed by R. Swanson.

Senior Civil Engineer Roxanne Namazi: Collected and analyzed data for Pole Line and Moore. Met criteria; staff recommends installation of an all-way stop.

Downtown Core—majority of intersections are all-way stops. 2nd and C, 3rd and C, 4th and D are the exceptions. Collected data; do not meet volume warrants for installation; however, installing stop will reduce confusion. Safety & Parking Advisory Commission and Bicycle Advisory Commission not support additional stops; main concern is more stops for bicycles. Request direction from Council as to next steps.

Public comments:

- Stewart Savage, Davis Downtown: Staff brought item to Davis Downtown in October; Parking Committee supports, especially 2nd and C, 3rd and C.
- Kemble Pope: Dangerous situations around Farmers Market activities; 3rd

- and C. Confusing intersection at 2nd and C to both pedestrians and drivers.
- Elaine Roberts-Musser: Support stop signs in Core area for consistency.

D. Wolk moved, seconded by L. Frerichs, to introduce Ordinance Amending Section 22.07-030 of the Davis Municipal Code Relating to Stop Intersection Designation, Pole Line Road and Moore Boulevard. Motion passed by the following vote:

AYES: Frerichs, Lee, Swanson, Wolk
 NOES: Krovoza

Natural Resources Commission Meeting Minutes of September 24, 2012

Item removed by B. Lee.

B. Lee: Minutes do not list Council liaison, yet liaison made comments later on. Needs correction. J. Krovoza: Did attend, but arrived late.

B. Lee moved, seconded by D. Wolk, to approve the Natural Resources Commission Minutes of September 24, 2012 as corrected. Motion passed unanimously.

Public Hearing: CDBG and HOME Critical Needs List and Release RFP for Program Year 2013-2014

Administrative Analyst Mike Goodison: Release of RFP is the start of the grant process.

Mayor Krovoza opened the public hearing, and after no comments, closed the public hearing.

D. Wolk moved, seconded by L. Frerichs, to approve Resolution No. 12-184 - Approving the Critical Needs List and Directing Staff to Issue a Request for Proposals for the Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) Funds for Program Year 2013-2014. Motion passed unanimously.

Public Hearing: DBID Annual Assessment Process: Proposed Davis Business Improvement District FY 2013-2014 Plan by the Davis Downtown; Intention to Levy the BID Assessment for 2013; 2012 BID Core Area Plan; Amendment to

R. Swanson: Recused herself due to a conflict of interest from a business interest downtown, and left the room.

Economic Development Coordinator Sarah Worley: Annual assessment process; no written protests received.

Mayor Krovoza opened the public hearing.

Stewart Savage, Davis Downtown: Support renewal; key component to maintaining downtown as vibrant, cultural and entertainment hub of community. Implementing marketing plan developed previously, strong regional events, holiday promotions; relationship building with City and UCD staff. Request continue waiver of cost recovery administrative fees.

Nina Gatewood, Davis Downtown: Made good use of waived administrative fees last year; want to ramp up for next year.

Administering
Agency Agree-
ment

Mayor Krovoza closed the public hearing.

D Wolk moved, seconded by L. Frerichs, as follows:

1. Accept the 2012 Core Area BID Report and Davis Downtown FY 2013-2014 Summary Budget as amended by incorporation, at the conclusion of the public hearing.
2. Approve Confirming Resolution No. 12-185 Approving the 2012 Core Area BID Report as Amended and Levying an Annual Assessment Known as the Business Improvement District Annual Assessment Fee for the Core Area Benefit Zone and Periphery Core Benefit Zone Pursuant to the Parking and Business Improvement Area Law of 1989 for the DBID for Fiscal Year 2013-2014.
3. Approve Resolution No. 12-186 - Authorizing the City Manager to Execute an Amendment to the DBID Administration Core Area and Periphery Benefit Zones, appointing the Davis Downtown as the administering agency for the DBID assessment proceeds

Motion passed by the following vote:

AYES: Frerichs, Lee, Wolk, Krovoza

NOES: None

ABSENT: Swanson

R. Swanson returned to the dais.

Richards Boule-
vard Gateway
Aesthetic Im-
provements

Community Development & Sustainability Director Ken Hiatt: Discussions with Davis Downtown, Chamber and developer; concept is aesthetic-based improvements, landscaping, lighting. Possible arched gateway in addition to Richards. More work needs to be done to define scope and funding strategies; will return in January with details and Memorandum of Understanding that clearly defines roles and expectations.

Public comments:

- Kemble Pope, Chamber of Commerce: Modern public-private partnership; win-win situation for everyone. Drastically improve front door to community; about image and perception of Davis. Proposed framework is starting point. Goal to bring in as many private partners as possible, committed to project. Chamber of Commerce willing to take on long term maintenance cost for entire proposed project area; ongoing funding source with welcome sign.
- Stewart Savage, Davis Downtown: Request Council support. Nice addition; approach to community in serious need of facelift. Attract visitors toward Core area, improve signage, promote local events, augment city efforts related to way finding.
- Nina Gatewood, Davis Downtown: Will benefit entire community and U.C. Davis.

D. Wolk moved, seconded by B. Lee, to direct staff to work with Davis Downtown and the Davis Chamber of Commerce to prepare a project scope and funding plan for the Richards Boulevard Gateway Aesthetic Improvements, including a Memorandum of Understanding with the organizations to implement the design and construction of the improvements. Motion passed unanimously.

City Council recessed at 8:22 p.m. and reconvened at 8:33 p.m.

Continued Public Hearing: Second Street Crossing, 4601-4651 Second Street – Target Pad Sites; Planning Application #12-24; Rezone #01-12, Development Agreement #04-12, Design Review #09-19

Community Development Coordinator Katherine Hess: Request to modify allowable sizes of some retail uses and make minor adjustments to the site plan and elevation. Modification to conditions from last meeting: remove requirement for coffee shop.

Mayor Krovoza opened the public hearing.

- Stewart Savage, Davis Downtown: Finding the appropriate balance of periphery development and downtown is difficult task. Imbalance in developments is being addressed and success of downtown is a priority of community leaders.
- Kemble Pope, Chamber of Commerce: Support necessary modifications to support current economic climate. Urge Council to move forward on project.
- Alan Hirsch: Wrote article in Davis Enterprise regarding transit access; ratio of parking spaces for retail is arbitrary. Opportunity to increase retail business from unused parking spots. Limited transit access in location and no bus shelter. Developers should provide means for increased transportation and an easement for bus shelters. Trees planted in parking lot lack sufficient shade canopy.
- Troy Estacio, project proponent: Thank staff, Davis Downtown and Chamber of Commerce for working together to come up with viable solution.

Mayor Krovoza closed the public hearing.

K. Hess: Performed inspections on trees, replacing as needed. Now have better system in place to make sure reviews take place every 6 months. Development Agreement provision includes installing/maintaining bus shelter on Second Street.

Anthony Palmere, Unitrans: Generally prefer to keep shelters on main streets. Shopping center parking lot was designed with centrally located spot. To accommodate bus, would need to redesign lot and would require more funds to initiate service.

J. Krovoza: Encourage staff and applicant to look at north east corner of site; possibly pull down 20 feet of fence and install path for pedestrians, potential for stairway and landscaping path that connects to park.

L. Frerichs moved, seconded by R. Swanson, as follows:

1. Determine that the EIR for the Second Street Crossing project adequately addressed the environmental issues associated with the project and no additional CEQA evaluation is required.
2. Approve revisions to the Development Agreement, Preliminary Planned Development, and Design Review approval for the four pad buildings at the Second Street Crossing (Target) development, to reduce the minimum sizes of some retail uses and make minor adjustments to the site plan and elevation, based on the findings and subject to the Conditions of Approval contained in the staff report:
 - A. Introduce Ordinance Approving the First Amendment to the Development Agreement By and Between the City of Davis and Target Corporation (#04-12).
 - B. Introduce Rezone/Preliminary Planned Development Ordinance Amending Chapter 40, Section 40.01.090 of the Davis Municipal Code, Amending Planned Development #10-04 to Revise the List of Approved Uses for the Second Street Crossing Project (#01-12).
 - C. Approve Design Review #09-19.

J. Krovoza proposed a friendly amendment to direct staff to work with applicant to ensure there is power at bus stop to provide information as to bus time arrival. Accepted by mover and second.

Motion passed by the following vote:

AYES: Frerichs, Swanson, Wolk, Krovoza

NOES: Lee

City Council recessed at 9:24 p.m. and reconvened at 9:31 p.m.

Water Advisory
Committee
(WAC) Water
Rate Recommendation

Principal Civil Engineer, Dianna Jensen: Overview of proposed rates, comparison of different concepts.

Public comments:

- Alan Pryor: Innovative concept, convinced structure will be adopted by other agencies. Since controversy exists over project, suggest adopting a more conventional tiered water rate structure even if not optimal; reconsider plan in a year or two.
- Elise Cycle: Fairness issue, apartments vs. single family homes; large number of apartments in Davis, not clear how CBFR will be calculated; cost of infrastructure should be allocated equally. Appears multi-family units will be paying water on single tiered rate, single family homes will be paying on escalating tiered rate. Also issue of new owners paying rate based on prior owners consumption use.
- Dan Frank: Apartments typically have no individual dedicated water meters; poses equity issue. Rate structure has too many complexities. Cost of new water project will increase rates substantially so water efficiency will come automatically.

- Kemble Pope, Chamber of Commerce: Equity issues with current system in place; several businesses and homes with larger pipe sizes than needed are subsidizing others. Chamber has been studying for three years the issues with apartment dwellers; understand there is a fairness issue. For anyone who moves within the year, should be able to submit a formal request to have rates reset.
- Matt Williams: Water Advisory Committee is committed to doing everything to communicating clearly, simply, transparently and in a way that means everyone is empowered to make a decision.
- Elaine Roberts-Musser, Water Advisory Committee: Water Advisory Committee final recommendations; motion for CBF 4-4-2; motion for Bartle Wells 4-4-2; motion for uniform block rate failed 3-5-2 vote. WAC member left room, then motion to reconsider was made for CBF. Water budgets were not considered, which would take into account lot size, family size. Should compare residential peak usage vs. commercial peak usage.
- Rob Roscoe: Davis resident/General Manager Sacramento Suburban Water District; support water project. Ratings received from rating agencies are key to minimizing financing costs; need to keep rate agencies comfortable and confident as possible.

Mark Northcross, Financial Advisor: Rating services look at worst possible cases. Davis already has groundwater, huge credit factor; still have groundwater to pump during drought. CBF is truly innovative; structure will automatically recover 25% reduction. Going to rating services in January for rating indicator, will get feedback on rate structure. Will have answers by late January, early February before election and Prop 218.

Doug Dove, Bartle Wells: Three elements to structure; fixed charge based on distribution system; supply charge based on how much you use; volumetric charge is based on use during that period.

D. Wolk moved, seconded by R. Swanson, to task the Water Advisory Committee to analyze and return to City Council with a recommendation on 1 of 2 rate models: (1) 5-year uniform block rate model, based on either the Bartle Wells fixed rate with uniform block rate or Bill Kopper's rate proposal; and (2) 5-year inclining block rate model with an expanded first tier, based on the Bartle Wells fixed rate with inclining block rate. Whether or not Council adopts either rate model, Council will evaluate after 2 years of use to determine how the model has performed.

L. Frerichs proposed a friendly amendment to task the Water Advisory Committee with comparing the Bartle Wells fixed rate with inclining block rate and the Bartle Wells fixed rate with uniform block rate. Not accepted.

J. Krovoza moved substitute motion, seconded by B. Lee, to direct the Water Advisory Committee to advise the City Council on whether or not to pursue the Bartle Wells fixed rate with uniform block rate for the first 2 years of a 5-year

rate, with a transition to a Consumption Based Fixed Rate with uniform block rate for years 3-5. If not feasible, advise Council as to the appropriate Bartle Wells fixed rate with either inclining or uniform block rate.

Substitute motion withdrawn.

J. Krovoza proposed a friendly amendment to the main motion to remove consideration of the Kopper rate proposal, and provide the Water Advisory Committee latitude to analyze percentage of fixed vs. variable within the rate models. Not accepted.

B. Lee proposed a friendly amendment to allow the Water Advisory Committee to consider all rate model options. Not accepted.

D. Wolk amended the motion to remove consideration of the Kopper rate proposal. Accepted by second.

D. Wolk amended the motion as follows: Council will evaluate implemented rate schedule beginning in Fall 2014 to determine how model has performed. Accepted by second.

Motion passed by the following vote:

AYES: Frerichs, Swanson, Wolk, Krovoza

NOES: None

ABSTAIN: Lee

Item Submitted
by Councilmember
(Krovoza):
Speaker Cards

Public comment:

Elaine Roberts-Musser: Oppose speaker cards; not having cards is much more flexible.

L. Frerichs: Would like to attempt speaker cards.

J. Krovoza: Want to limit how many times speakers may comment, stay on schedule.

R. Swanson: Request speaker rules clearly displayed in Chambers.

By consensus, Council directed staff to proceed with speaker cards.

City Council
Brief Communications

B. Lee: Attended Finance & Budget Commission meeting; discussed whether FBC should be involved in financing discussion for water project. Would like Commission to weigh in on most cost effective way to finance project.

H. Steiner: Financing workshop to be agendized. Can invite FBC to participate.

R. Swanson: Support staff efforts and volunteers at holiday tree and activities. Possibly consider moving tree to historic city hall next year.

Long Range
Calendar

S. Pinkerton: December 18—closed session on labor and DACHA units. WWTP permit discussion moving to January 15.

L. Frerichs: Would like to start December 18 closed session early, need time to discuss City Manager evaluation and real property negotiation.

Adjournment Meeting was adjourned at 12:23 a.m.

Zoe S. Mirabile, CMC
City Clerk