

MINUTES OF THE DAVIS CITY COUNCIL
Meeting of February 11, 2014

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 Joe 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 L. Frerichs, to approve the agenda, amended as follows: Public Hearing: Appeal of January 8, 2014 Planning Commission Decision – Proposal to Use Residential Dwelling at 717 Seventh Street as a Professional Office to be heard as the first regular calendar item. Motion passed unanimously.

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

A. Conference with Legal Counsel—Existing Litigation:

1. Yolo Ratepayers for Affordable Public Utility Services, et al. vs. City of Davis, Case No. CV-13-0000187 (formerly Case PT-13-187)
2. California Public Utilities Commission PG&E; SDG&E, Docket Nos. A12 04 020 and A12 01 008

B. Conference with Legal Counsel—Anticipated Litigation: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (2 cases)

C. Conference with Labor Negotiators:

Agency Designated Representatives: City Manager Steve Pinkerton; Assistant City Manager/Administrative Services Director Yvonne Quiring; City Attorney Stacey Sheston; Human Resources Administrator Melissa Chaney; Tim Yeung, Renne Sloan Holtzman Sakai, LLP
Employee Groups/Organizations (under discussion): Davis City Employees Association and Firefighters Local 3494

City Council returned to open session at 6:42 p.m. with no reportable action.

Ceremonial Presentation Mayor Krovoza presented an honorary Citizen Certificate in recognition of Hee Dong Kim from Sangju, Korea.

2013 Golden Heart Awards– Recognizing Outstanding Youth in Grades 7-12 in the Community. Community Service Awards were presented by B. Lee

and R. Swanson to recipients Amelia Otto-Cutting and Alex Sprague. Personal Challenge Award presented by J. Krovoza to Alex Totah.

City Council recessed at 7:02 p.m. and reconvened at 7:11 p.m.

City Manager
Brief Communi-
cations

None

Public Com-
ments

- Alan Miller: Reported several incidents to Union Pacific regarding speeding trains at low-speed crossover in Davis. Dangerous infrastructure.
- Mark Braly and Dick Bourne, Valley Climate Action Center: Support consideration of possible municipal utility for Davis, or other mechanism to take control of Davis' energy future; aligns with Climate Action Plan goals. Support carefully chosen path toward implementation.
- Maddison Rutherford: Home prices are expensive, many spend a large portion of their income on rent/mortgage.
- Darryl Rutherford, Sacramento Housing Alliance: Oppose utilizing accessory dwelling units to meet RHNA requirements. Oppose amendments to mixed-income housing Ordinance. Support consent calendar item—Support SB 391 – CA Jobs and Homes Act; funding for affordable housing.
- Colleen Rossier: Applicant for Open Space & Habitat Commission; not able to attend on February 25 when Council makes appointment to fill vacancy.
- Jeff Shields, South San Joaquin Irrigation District: Possible municipalization—PG&E will quote assets higher than valued.
- Alan Pryor, Davis Citizens for Safe and Reliable Power: Consent calendar item—City Water Conservation Plan and Drought Update. Discrepancies in data. Request review of new Water Resources Plan.
- Andrew Harganon, Davis Roots: Regular calendar items—Downtown-University Gateway District (Nishi Property) and “Achieving the Vision” - Draft Innovation and Economic Vitality 2014-16 Work Program. Davis Roots is nonprofit, startup business to accelerate startups. Support providing space for businesses at Nishi property. Good town to start companies, maintain sense of community through strong downtown.
- Rick Gonzales, Center for Families: Grand opening celebration at D Street house on February 13, dedicated to strengthening and supporting families, wide variety of programs. New partnership between Yolo Family Resource Center and Davis Community Church will enable expansion of programs.
- Ken Petruzelli, Davis Aquatic Masters: Regular calendar item—Revenue Measures. Maintenance challenges with city pools. Amenities such as parks, pools, bikepaths contribute to high quality of life
- Trish Price, Davis Bicycles!: Thank city for installing flashing signals on F Street at Little League Fields and on Amherst at Anderson. Safer cross-

ing for children to/from schools.

- Dan Berman: Thank city for moving forward on public power.
- Matt Williams, Valley Climate Action Center: Consider water and wastewater costs for possible municipal utility. Process should be open and transparent. May want to consider community advisory committee.
- Ken Bradford: Regular calendar item–Consideration of Revenue Measures for June/November 2014 Ballots. Business owner. Request Council consider other options rather than a large sales tax increase. False assumptions. If purchasing big ticket item, many will consider additional cost. Will have lower than projected sales tax and weaken local merchants.
- Meg Reynold, Sacramento Area Regional Technology Alliance: Regular calendar item-Draft Innovation and Economic Vitality Work Program. Embedded into regional strategy. Last year, Davis was identified as having the largest concentration of technology companies in municipality except Sacramento. Proximity to UC Davis, quality of graduates, caliber of resident employee base; community is well suited to capture start up and innovation activity.

Consent Calendar

Public Art Street Mandala Proposal/Community Built Conference Project

1. Approved September 9, 2013 Civic Arts Commission recommendation to install a street mandala at the intersection of Fourth and K Streets as part of the Community Built Conference.
2. Approved Resolution No. 14-008 - Approving Funding Recommendation for a Street Mandala to Become a Part of the City of Davis Public Art Inventory for the Amount of \$3,300 from the Municipal Art Fund.
3. Directed staff to report back after installation and further discussion with the Civic Arts Commission on maintenance needs.

Contingency Increases for Fifth Street Corridor Improvements, CIP No. 8138 and Drexel Bicycle Boulevard, CIP No. 8237

1. Approved Resolution No. 14-009 - Increasing the Construction Contingency for the Fifth Street Corridor Improvements with FBD Vanguard Construction, from \$133,452 to \$183,452.
2. Approved Resolution No. 14-010 - Increasing the Construction Contingency for Drexel Bicycle Boulevard with Cazadores Construction, from \$29,872 to \$41,872.
3. Approve Budget Adjustment #91 (\$50,000) – appropriating TDA Non Transit Use unallocated reserve.

Amendment to Consultant Services Agreement for the East Covell Corridor Plan

1. Approved Resolution No. 14-011 - Authorizing the City Manager to Execute Amendment No. 1 to the Professional Services Agreement with Mark Thomas for the East Covell Corridor Plan, for a maximum of \$25,000.
2. Approved Budget Adjustment #92 (\$25,000) – appropriating development

impact fees.

Support of SB 391 – CA Jobs and Homes Act

Approved Resolution No. 14-012 - Supporting SB 391, which would provide a stream of funding for affordable housing through a \$75 recordation fee on real estate documents, excluding documents related to home sales, and authorized the Mayor to send a letter to the Senate Transportation and Housing Committee

Crude Oil by Rail Through Davis - Natural Resources Commission Draft Recommendations

Informational. Staff will be undertaking measures consistent with the NRC's draft recommendations to review and take actions necessary to assess and comment on the draft Environmental Impact Report for the Benicia Valero Project when it is made public.

Commission/Task Force/Board Minutes:

1. City - UCD Student Liaison Commission Meeting of October 9, 2013
2. Innovation Park Task Force Meeting of October 29, 2013
3. Woodland Davis Clean Water Agency Board Meeting of November 21, 2013

Informational

D. Wolk moved, seconded by R. Swanson, to approve consent calendar as listed above.

Removed from
Consent Calendar:

Item removed by L. Frerichs and J. Krovoza.

Beyond Platinum- Bicycle
Action Plan

L. Frerichs: Request Bicycle Action Plan be re-agendized as regular calendar discussion item at subsequent meeting. Council consensus.

City Water Conservation Plan
and Drought Update

Item removed by B. Lee.

B. Lee: Oppose toilet rebate program; should spend funds to provide information and support to residents to become more water efficient.

J. Krovoza: Suggest the Water Resources Plan review be accelerated.
Principal Civil Engineer Dianna Jensen: Staff will bring to Natural Resources Commission within 3-4 months.

Public comment:

- Alan Hirsch: Support spending funds on newer technologies rather than toilet rebates.

- Doby Fleeman: Understand tight budget situation. Low flow toilets save quite a bit of water.

B. Lee moved, seconded by L. Frerichs to:

1. Approve one additional year of WaterSmart program, February 2014 to February 2015.
 2. Receive update on declared California State Drought.
 3. Approve Resolution No. 14-013 – Proclaiming Water Use Reduction.
- Motion passed unanimously.

D. Wolk moved to approve the City’s Toilet Rebate Program. No second.

L. Frerichs: On January 28, Council authorized up to \$600,000. Request follow-up agenda item, set up milestones, metrics, timelines, check-ins at certain amounts spent, etc.

J. Krovoza: Request discussion during long range calendar.

Amendments to Professional Services Contracts for Economic Feasibility

Item removed by L. Frerichs.

L. Frerichs moved, seconded by R. Swanson, to:

1. Approve Resolution No. 14-014 - Authorizing the City Manager to Execute Amendment No. 1 to the Professional Services Agreement with Pacific Economics Group, in the amount of \$82,779;
2. Approve Resolution No. 14-015 - Authorizing the City Manager to Execute Amendment No. 1 to the Professional Services Agreement with Nixon Peabody, LLP, in the amount of \$75,298; and
3. Approve Budget Adjustment #90 (\$158,077) – allocating funding for contract amendments.

Motion passed unanimously.

Public Hearing: Appeal of January 8, 2014 Planning Commission Decision – CUP #65-13

Community Development & Sustainability Director Mike Webb: Summarized project; property in residential medium density zoning district that conditionally permits office. Planning Commission found proposed use consistent with professional office uses, made findings for approval of conditional use permit. CUP includes stipulations on days, hours, number of clients, and parking/privacy provisions. Ability for Planning Commission to review if causes subsequent problems for adjacent residents. Appeal filed by neighbor to east.

Mayor Krovoza opened the public hearing.

Catherine Leblanc, project applicant: House has long history of being used as office. Staff and Planning Commission analyzed impacts of potential project. Additional conditions were included in project as a result of meeting with appellant. Neighbors signed statement of no objection to project. Therapy office is low-impact project, fits with character of existing neighborhood.

Mayor Krovoza closed the public hearing.

L. Frerichs moved, seconded by B. Lee, to find that the Planning Commission did not make an error in the approval of the Conditional Use Permit to allow office use in a residential district at 717 Seventh Street, based on the Findings and subject to the Conditions of Approval. In upholding the Commission's approval, the City Council may modify the Findings and Conditions of Approval as it deems appropriate. Motion passed unanimously.

City Council recessed at 8:30 p.m. and reconvened at 8:39 p.m.

Downtown-
University
Gateway District
(Nishi Property)

Community Development & Sustainability Director Mike Webb: Collaborative planning effort by City, UC Davis, Yolo County, LAFCO and property owner. Site located adjacent to downtown and University. Part of City's dispersed innovation park strategy. City-University Gateway district composed of the Nishi Property, the campus "East Village" subarea, and West Olive Drive.

Community Development Administrator Katherine Hess: 44-acre parcel in unincorporated Yolo County; development on property will require Measure J/R vote. Outlined next steps.

Bob Seager, UC Davis Assistant Vice Chancellor for Community Planning and Campus Resources: Overview of campus planning efforts.

Prakash Pinto, Perkins + Will: Opportunities and issues; 3 conceptual designs, sustainability strategies and objectives.

Public comments:

- Kary Fry, Elaine Roberts-Musser, Doby Fleeman, and Jim Gray: Support project. Comments included: Exciting collaboration. Chamber of Commerce support. Necessity of economic development for fiscal sustainability. Need to quantify merits to economic base, especially employment. Challenges regarding infrastructure. Should accelerate opportunity for community.
- Don Saylor, Yolo County Board of Supervisors: Board of Supervisors agendized resolution to support grant on February 25. Front entrance for all of Yolo County, interface location.
- Alan Hirsch: Potential negative impacts on community and downtown traffic.
- Chris Granger, Cool Davis: Project could be model for future community planning. Consider depth of community engagement process. Need to look at lifecycle greenhouse gas emission issues. Impacts of bringing more people, consumptive nature of community. Consider whole community in terms of sustainability.

D. Wolk moved, seconded by L. Frerichs, to:

1. Direct staff to begin community outreach on the alternative design frameworks
2. Approve Resolution No. 14-016 – Approving the Application for Grant Funds for the Sustainable Communities Planning Grant and Incentives Program Under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84)

Motion passed unanimously.

“Achieving the Vision” - Draft Innovation and Economic Vitality 2014-16 Work Program

Chief Innovation Officer Rob White: Summarized work program. Five focus areas: facilitate technology and business development, increased university engagement, expand support network for local business, strategic branding and marketing, and regional leadership.

Public comments:

- Matt Williams: Nishi will be location for small innovation startups, built on core competencies. Will make community sustainable. Challenge citizens to get behind efforts.
- Doby Fleeman: Cumulative effect of conversation may concern many. Should focus on enhancing and nurturing values of community.
- Jim Gray: Need attitude and atmosphere of collaboration. Community is ready to be engaged. Opportunity for size and type of jobs directly relatable to Davis residents. Running out of inventory, business cycles change fast.

Council comments included:

- R. Swanson: Request specific metrics. What type of jobs? Outreach? Opportunities for community forums in every neighborhood and school. Space needs? Underutilized space already within city, request suggestions on ways to leverage existing space; consider amending zoning/height limitations, densify where possible. Difference in impacts, business vs. housing.
- B. Lee: Request staff outline specific actions by Council to assist in endeavor. How do we attract more businesses? Specific case study information on community attraction leading to business community interest. Request status of discussions for potential business park development on east and west periphery.
- L. Frerichs: Support specific metrics. Proposed Innovation Council has up to 25 individuals. Is that size needed? Other versions may exist regionally to serve purpose. Consider size/scope/scale.
- D. Wolk: Ready to move forward.

City Council recessed at 10:56 p.m. and reconvened at 11:03 p.m.

Consideration of
Revenue
Measures for
June/November
2014 Ballots

City Manager Steve Pinkerton: City needs to address projected shortfall through a combination of revenue measure(s), cost controls, reductions and a focused economic development strategy. Outlined options for Council consideration.

Public comments:

- Alan Hirsch: Support proposed taxes. Keep high quality of life.
- Robb Davis: Shouldn't consider solutions without full account of fiscal situation. Sales tax will only address current problems. Request Council direct staff to return with full accounting of backlog needs. Process for routine analyses of critical infrastructure. Citizens need to be fully informed.
- Patricia Price: Representing aquatic community. Support taxes.
- Alan Pryor: Support sales tax and advisory vote. Recommend funds be utilized for roads and infrastructure, including unmet aquatic needs. Community must be convinced that city is cutting costs in other ways. Consider increasing hotel tax.
- Ken Bradford: Possibly more cuts, raise fees, private fundraising for niche groups such as aquatics. Sales tax is most regressive form of taxation. Davis is below other jurisdictions on occupancy and parcel taxes. Hotel/parcel tax is less regressive and elastic. Taxes should apply fairly to everyone that benefits. Consider quarter percent, same as Woodland.
- Matt Williams: Need to close deficit, address infrastructure. Cost of repairs grows exponentially on most compromised roads. Support sales tax. Tough decision on parcel taxes.
- Sheila Allen: Support sales tax. Community needs to understand City budget situation. Oppose parcel tax. Many comfortable with length less than 10 years.
- Sean Bellamy, Davis Police Officers Association: Support sales tax measure. Police Department has become more efficient and cost effective. If sales tax not passed, proposed 12% cut to Police Department would be debilitating; would change nature from proactive to reactive. Crime rate has risen. Spike in residential burglaries.
- Doby Fleeman: Concern over potential impacts from higher retail sales tax. Structurally, many factors impacting budget are legacy debts. Advocate for bonding for essential infrastructure for roads, parks, parking structure. Suggest super transient occupancy tax, as move to more service based economy.
- Elaine Roberts-Musser: Support advisory vote. Voters want to know what funding will be used for. 10 years necessary to couple with economic development initiatives.

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

1. Determine to submit to the voters a sales tax measure on the June 2014 election ballot
2. Half-cent increase, for a 6-year term

3. Current half cent sales tax to be extended to 2020 (not sunset in 2016).
4. No advisory measure
5. Parcel tax to be determined. Consider placement on November election ballot.

J. Krovoza proposed a friendly amendment to increase the sales tax to three-quarter cent for 6 years, with no less than 75% of increase from the sales tax measure for roads, deferred maintenance and park water conservation. 8.75 total. Accepted by mover. Not accepted by second.

City Council recessed at 12:58 a.m. and reconvened at 1:05 a.m.

Motion passed unanimously.

D. Wolk moved, seconded by L. Frerichs, to adopt Ordinance No. 2432 – Ordinance of the City of Davis Amending Article 15.19 of Chapter 15 of the Davis Municipal Code Extending and Increasing the Existing Transactions and Use Tax Administered by the State Board of Equalization, Subject to Approval of a Majority of the Electors Voting on the Tax Measure at the General Municipal Election to Be Held on Tuesday, June 3, 2014. Motion passed unanimously.

R. Swanson moved, seconded by L. Frerichs, to approve the ballot question as follows:

Shall Ordinance No. ____, which would authorize the City of Davis to continue to collect a sales and use tax for general government purposes at the total rate of one percent through December 31, 2020, be adopted?

Motion passed unanimously.

By consensus, appointed Council Subcommittee consisting of L. Frerichs and J. Krovoza to write the ballot argument.

Actions to Call and Consolidate General Municipal and Special Elections on June 3, 2014 with the Statewide Primary—Election of Two City Council Members and Submission of Ballot and Advi-

- D. Wolk moved, seconded by R. Swanson to approve the following:
1. Resolution No. 14-017 – Both Calling a General Municipal Election for the Election of Two City Council Members and Calling a Special Election to be Held in the City on June 3, 2014, for the Purpose of Submitting a General Tax Measure which would Authorize the City of Davis to Continue to Collect a Sales and Use Tax For General Government Purposes at the Total Rate of One Percent to the Voters
 2. Resolution No. 14-018 – Requesting the Yolo County Board of Supervisors to Consolidate a General Municipal Election and a Special Election to be Held on June 3, 2014, with the Statewide Primary Election to be Held on that Date Pursuant to §10403 of the Election Code

Public comment:

sory Measure(s)
to the Davis
Electorate

Matt Williams: Support tax measure in June
Motion passed unanimously.

Overview of
Council's Op-
tions for Initia-
tive Petition
Seeking Repeal
of the City's Wa-
ter Rates

City Attorney Harriet Steiner: Outlined options: (1) Refer the initiative to City staff for a report on the effects of the initiative and take no further action until March 11, 2014; (2) Adopt the initiative without change; or (3) Order the initiative placed on the June 2014 ballot.

Public comment:

- Jane Rundquist, Disappointed that petition came through; took away a lot of hard work by the Water Advisory Committee. Most important thing is to move forward as quickly as possible. Rates are good and fair. Can't get decent bond ratings until rates are settled. Will cost citizens millions in extra costs.
- Elaine Roberts-Musser: No good solution. Good reasons to delay, good reasons to go on ballot in June. Need to find out how this would affect bonding.
- Robb Davis: Should put on ballot. Water rate is structured with fairness. Community is ready for water project, moved beyond water issue.

L. Frerichs moved, seconded by D. Wolk, to order the initiative be placed on the June 2014 ballot, and approve Resolution No. 14-029 – Ordering an Initiative Entitled “An Initiative Petition to Repeal Water Rates Applicable to the City of Davis Water System” to the Ballot for the Previously Called June 3, 2014 Municipal and Special Election, Directing the City Attorney to Prepare an Impartial Analysis, and Providing for the Submittal of Primary and Rebuttal Arguments. Motion passed unanimously.

City Council
Brief Communi-
cations

R. Swanson: Attended law conference in Los Angeles.

Long Range
Calendar

February 25—Street naming/corporate fundraising; Beyond Platinum Bicycle Plan added; Housing Element; Commission Appointments

March 11—Arts Alliance; Crime report; Solid waste; E-cigarettes

March 25—Joint meeting with Finance & Budget Commission; Surface water project; Downtown parking plan; Transportation commission; Renters Ordinance

J. Krovoza: Timing of Publicly Owned Utility check-in? Wait until next quarterly update on March 25?

L. Frerichs: Prefer discussion at next meeting on February 25.

H. Steiner: Staff intends next quarterly update to include a detailed work plan; may not be ready for next meeting.

S. Pinkerton: Staff will return with item to clarify process

Adjournment Meeting was adjourned at 1:37 a.m.

Zoe S. Mirabile, CMC
City Clerk