

MINUTES OF THE DAVIS CITY COUNCIL
Meeting of July 19, 2011

The City Council of the City of Davis met in regular session beginning at 5:15 p.m. in the Community Chambers, 23 Russell Boulevard, Davis, California. The meeting was called to order by Mayor Krovoza.

Roll Call: Councilmembers Present: Sue Greenwald, Joe Krovoza, Stephen Souza, Rochelle Swanson, Dan Wolk

Councilmembers Absent: None

Other Officers Present: Interim City Manager Paul Navazio, City Attorney Kara Ueda, City Clerk Zoe Mirabile

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

A. Conference with Real Property Negotiators (Also discussed by Redevelopment Agency)

Property: 4120 Chiles Road, APN 069-070-031

Agency negotiator: RDA Attorney Brent Hawkins and Director of Community Development and Sustainability Ken Hiatt

Negotiating parties: Hiten Suraj for Shri Kuber, LLC

Under negotiation: Price and terms of payment

Negotiating parties: Kevin and Shar Katz for KTZ Inc.

Under negotiation: Price and terms of payment

B. Conference with Labor Negotiators.

Agency Designated Representatives: Interim City Manager Paul Navazio; Human Resources Administrator Melissa Chaney; City Attorney Kara Ueda

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

C. Public Employment: City Manager

City Council returned to open session at 7:00 p.m. Mayor Krovoza announced the real property at 4120 Chiles Road will be acted on later on this agenda. No reportable action on other items.

Approval of Agenda S. Souza moved, seconded by S. Greenwald, to approve the agenda. Motion passed unanimously.

Ceremonial Proclamation Recognizing the 40th Anniversary of Davis Community Transit

was presented by Mayor Krovoza.

Brief Communi- P. Navazio: Upcoming water forums scheduled for July 21 at the South Davis
cations at Fire Station 33 and July 28 at the Wildhorse Golf Clubhouse.

R. Swanson: Attended the Economic Consortium in Livermore.

J. Krovoza: Participated in the Livestrong Challenge.

Long Range Cal- Calendar accepted as presented.
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Public Comment

- Robb Davis, Bicycle Advisory Commission: Traffic Calming on J Street (regular calendar item later on agenda)—Staff report does not include the full motion made by the Commission to approve installation of 1 speed table and direct staff to come up with plan; must move forward to find traffic calming means.
- Allan Pryor: Support fully funding IPM Specialist position
- Bob Snyder: Need to move forward with surface water project; community concern regarding proposed water rate increases; suggest consideration of Citizen Advisory Committee.
- Randy Oxon: Concern over proposed water rates; support citizen work group.
- Darren Witt: Request minutes be posted to city website for all commissions.
- David Thompson, Twin Pines: Response to grand jury report regarding affordable housing.
- Andrew Waters: Would like to initiate dialogue regarding petty cab operations in City.

Consent Calen- Professional Services Agreement for Arbitrage Rebate Calculation Services on
dar Bond Issues for the City
Approved Resolution No. 11-122 - Authorizing the Interim City Manager to Execute an Agreement with Arbitrage Compliance Specialists for Arbitrage Rebates Services

Professional Services Agreement for Collection Agency Services on Unpaid Utility Bills and Other Debts Owed the City
Approved Resolution No. 11-123 - Authorizing the Interim City Manager to Execute an Agreement with Credit Bureau Associates for Collection Agency Services on Unpaid Utility Bills and Other Debts Owed the City

Professional Services Agreement for Audit Services for the City, its agencies and the Woodland Davis Clean Water Authority
Approved Resolution No. 11-124 - Authorizing the Interim City Manager to Execute an Agreement with Vavrinek, Trine, Day & Co. Certified Public Accountants for Audit Services

Consultant Agreement for Caltest Analytical Laboratory to perform chemical analyses of various matrices for the Wastewater and Pretreatment Monitoring Program in compliance with NDPEs Monitoring Program for FY 2011/12
Approved Resolution No. 11-125 - Authorizing the Interim City Manager to Execute Laboratory Agreement with Caltest Analytical Laboratory for Analytical Testing of Wastewater and Pretreatment Samples

Contract for FY 2011/2012 with Robert Aaronson for Police Ombudsman Services for \$50,000
Approved Resolution No. 11-126 - Authorizing the Interim City Manager to Execute Contract with Robert Aaronson to Provide Police Ombudsman Services

Federal Transit Administration (FTA) Grant Application Approval
Approved Resolution No. 11-127 - Authorizing the Interim City Manager to Execute FTA Application for the University of California – Davis, for Operations and Capital Assistance of Unitrans [CA-90-Y911]

Plans, Specifications and Estimate Approval and Contract Award for VMC Restroom Accessibility, CIP No. 8216

1. Approved plans and specifications for the Veteran's Memorial Center restroom ADA accessibility, CIP No. 8216
2. Approved Resolution No. 11-128 - Awarding Contract of \$37,490 to Iron Oak Enterprises for Veterans' Memorial Center Restroom Accessibility CIP No. 8216

Approval of Funds for PC Replacement
Approved Resolution No. 11-129 - Approving Purchase of Replacement Desktop Computers Using Budgeted Replacement Funds

Budget Adjustment for Cable Franchise Capital and Equipment Funds held in trust for Davis Media Access and DJUSD through the Cable Franchise Agreement specifically for the purpose of capital improvements and equipment replacement
Approved Budget Adjustment #007 (\$160,000) to move funds from set aside reserve in the Cable Equipment Fund to an expenditure line item in the fund for capital improvements at Davis Media Access (DMA)

Budget Adjustment for Drummond Bike Crossing, CIP No. 8207
Approved Budget Adjustment #010 (\$630,000) moving funds from Roadway Impact Fees into the Drummond Bike Crossing project budget to complete the greenbelt improvements adjacent to the New Harmony Project

Summary Vacation of Street and Easements Within the Project at 2726 Fifth Street
Adopted Resolution No. 11-130 - Summarily Vacating Right-of-Way and

Easement Within the Property at 2726 Fifth Street

(Also on Redevelopment Agency Consent Calendar)

Ordinance No. 2378 - Approving and Adopting the Final Budget of the City of Davis for Fiscal Year 2011/2012, Providing for the Post-Auditing of Paid Demand Certified or Approved as Conforming to Such Approved Budget and Determining the Appropriations Limit of the City of Davis Pursuant to Article XIII-B of the State Constitution

Adopted (Introduced 06/28/2011)

Status Report on Transportation General Plan Element Update and Implementation Plan (TIP)

1. Concurred that the draft documents developed to date by staff and the Technical Advisory Group (TAG) are acceptable for the purpose of further development, including:
 - a. Draft sections of the General Plan element update, consisting of vision, background, goals, performance objectives, and outline of policy sections.
 - b. Preliminary concepts for the Transportation Implementation Plan (TIP) consisting of general outline and preliminary concepts for prioritizing projects and programs.
2. Directed staff and the TAG to continue with the General Plan update and TIP, and:
 - a. Ensure consistency with the Climate Action and Adaptation Plan and other relevant adopted policies.
 - b. Obtain public comments / input on the General Plan update, and TIP criteria and priority projects.

Commission/Board Minutes:

1. Natural Resources Commission Meeting of April 25, 2011
2. Planning Commission Meetings of April 27 and June 22, 2011
3. Woodland-Davis Clean Water Agency Board Meeting of June 7, 2011

Informational

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

Removed from
Consent Calendar:

Item removed by S. Souza.

Hattie Weber
Museum Annual
Report

Jim Beckett, Hattie Weber Museum Director: Recognize volunteers Senior Docents Roberta Stephenson and Virginia Isaacs; volunteers provide thousands of service hours.

S. Souza moved, seconded by R. Swanson, to accept the Hattie Weber Museum Annual Report. Motion passed unanimously.

ADA Housing

Item removed by R. Swanson.

Rehabilitation Program

Public comment:

- Sarah Granda: Need to create mechanism for applicants that don't fit into a standard program, but still have compelling ADA needs; look at cost of living in Davis, a disabled person's income is not always their own.

Housing and Human Services Superintendent Danielle Foster: Outlined progress to date on development of program; more discussion is warranted, including with Commissions.

R. Swanson moved, seconded by D. Wolk, as follows:

1. Approve Resolution No. 11-131 – Approving the Necessary Budget Adjustment Allocating \$13,512 in Housing Trust Funds For the Completion of a Pilot Project and Authorizing Staff to Conduct a Request for Proposals (RFP) Process to Identify a Third Party Administrator for the Establishment and Implementation of an ADA-Focused Housing Rehabilitation Program
2. Approve Budget Adjustment #009 (\$13,512) moving funds from the Housing Trust Funds to the pilot project at Fox Creek to make necessary ADA improvements in two units at the affordable housing project
3. Authorize staff to complete a Request for Proposals process for a third party administrator in the implementation of an ADA-focused housing rehabilitation program.
4. Staff to consider Council comments during implementation of an ADA focused rehabilitation program, including:
 - Include market rate units, not just affordable, as long as the household qualifies
 - 15 year terms, with options to extend another 15 years
 - Look for other funding sources like Energy California Upgrade Programs
 - If applications are over set limits, staff will return to Council for consideration of extenuating circumstances

Motion passed unanimously.

Golf Course Renewable Energy Farm – Exclusive Right to Negotiate Agreement (ENA)

Item removed by J. Krovoza.

Sustainability Program Manager Mitch Sears: Proposed ENA will allow CleanPath Ventures to maintain the property's position in the queue for connection to the electricity grid and adequate time to develop a solar project proposal for the City Council to consider this Fall.

S. Souza: Proposed Yolo County Solar Ordinance will be considered during Council Recess, offered to attend meeting. Council support.

J. Krovoza moved, seconded by S. Souza, to approve Resolution No. 11-132 - Authorizing the Interim City Manager to (1) Enter into an Exclusive Negotiation Agreement with CleanPath Ventures for the Potential Lease of the Golf

Course Farm for a Photovoltaic Facility and (2) Execute a Services Contract with an Energy Consultant to Assist the City with Analysis, Evaluation, and Negotiation of Proposals to Establish Solar Facilities on City Properties. Motion passed unanimously.

Public Hearing:
Adoption of
City's 2010 Urban Water Management Plan

Utilities Manager Jacques DeBra: Presentation of plan, required to be submitted to the State to show that water demands are being met by of the City.

Mayor Krovoza opened the public hearing.

Alan Pryor: Statewide trend for decrease in water use; per capita numbers may be misleading.

Mayor Krovoza closed the public hearing.

S. Souza moved, seconded by R. Swanson, as follows:

- Approve Resolution No. 11-133 - Adopting the 2010 Urban Water Management Plan and submission of the Plan to the California Department of Water Resources
- Direct staff to begin work on the Natural Resource Commission's additional 20% per capita savings goal for Council consideration by December 2012

Motion passed by the following vote:

AYES: Souza, Swanson, Wolk, Krovoza

NOES: None

ABSTAIN: Greenwald

Consideration of
Low Income
Utility Rate Subsidy Program

Utilities Manager Jacques DeBra: Summarized proposed subsidy program and funding source.

Public comment:

- Elaine Roberts-Musser: Support program, particularly for seniors on fixed incomes.

R. Swanson moved, seconded by S. Souza, to direct staff to continue work on a proposed program for low-income individuals; expand the current scope to consider residents who are tenants, not just homeowners, and alternate sources of funding. Motion passed by the following vote:

AYES: Souza, Swanson, Wolk, Krovoza

NOES: None

ABSTAIN: Greenwald

City Council recessed at 9:18 p.m. and reconvened at 9:26 p.m.

Traffic Calming
on J Street between
E. Eighth

Senior Civil Engineer Roxanne Namazi: Summarized staff efforts to investigate a variety of traffic calming measures on J Street; recommendation is to install a speed table on J Street between Alice Street and Drexel Drive to re-

Street and Covell
Boulevard

duce traffic speeds.

Interim Public Works Director Bob Clarke: Staff recognizes that speed tables are not the solution citywide. The Safety and Parking Advisory and Bicycle Advisory Commissions identified street stripping and other non-physical means to bring down speed limits; if Council has interest in looking at all streets, staff and commissioners are open to pilot programs utilizing alternative concepts. Looking for direction from Council.

Public comments:

- Steve Tracy, Davis bicycles!: Proposed design for a 7 foot bike lane per the general plan; support alternative design solutions.
- Angel York: Opportunity to look at inexpensive solutions.
- Cheryl Gerrity: Oppose raising speed limit, F and B Streets are both heavily traveled by college and high school students.

J. Krovoza moved, seconded by S. Souza, to refer item back to staff, Safety and Parking Advisory Commission and Bicycle Advisory Commission. Return to Council with the best possible non-physical barrier solution for J Street. Motion passed unanimously.

Redevelopment
Agency – Legal
Status and Op-
tions

Community Development Administrator Katherine Hess: Proposed ordinance provides for continuation of the Redevelopment Agency and its ability to collect property tax increment. The RDA Board has taken a number of steps to protect assets; must decide to pay or dissolve, \$3.5 million this year and \$815,000 in following years. If Agency does not make payments, buildings would be at risk. Ordinance indicates that payments will be made out of Agency funds, with certain provisions.

(Joint Discussion
with Redevel-
opment Agency)

Redevelopment Agency Board Attorney Brent Hawkins: The League of California Cities has filed action in Supreme Court challenging the validity of AB1X -26 (dissolves Redevelopment Agencies in California) and AB1X 27 (provides an alternative to dissolution through payment from a City/Agency to school districts and special districts); have requested a stay that would suspend effect of bills and request decision by August 15 to resolve issue by end of the year.

Public comments:

- Elaine Roberts Musser: Support continuation of Redevelopment Agency, City has done a good job with the funds.

R Swanson moved, seconded by S Souza, to introduce Ordinance Determining Compliance with the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued existence and Operation of the Redevelopment Agency of the City of Davis. Motion passed unanimously.

3/4/E/F Parking Lot - Exclusive Negotiating Agreement with Yackzan Group and Sole Source Contract with Watry Design, Inc.

(Joint Discussion with Redevelopment Agency)

Community Development and Sustainability Director Ken Hiatt: Summarized proposed project, status of current negotiations and next steps.

Public comments:

- Steve Tracy, Dan Witt, Angel York, Cheryl Gerrity, Russell Regan, Kris Granger, and Mont Hubbard spoke in opposition to the parking garage project. Comments included: Urge council not move forward; need to determine if structure fits with current goals; parking garage epitomizes blight; building structure will bring more cars to downtown; Climate Action Plan set specific goals for reducing our carbon footprint--how do we reconcile 200 parking spaces with reduction in carbon footprint?
- Anthony Palmere: Residents support parking close to destination without restrictions. Support making this an open, longer process; determine if it is the best solution.
- Greg Harris, Yackzan Group: Support parking garage project, paves the way for more development. Design-Build provides a schematic to work with to see if City wants the structure.

J. Krovoza moved, seconded by S. Greenwald, to not proceed with the project as conceived and direct staff to return with alternatives to the site that might be scaled down with a higher rate of return and less expenditure of RDA funding.

S. Souza moved substitute motion, seconded by R. Swanson, as follows:

1. Approve Resolution No. 11-134 – Approving Amended and Restated Agreement to Negotiate Exclusively with the Yackzan Group for development of parking structure with ground-floor retail space on the City parking lot between 3rd, 4th, E and F Streets
2. Approve Resolution No. 11-135 - Authorizing the Interim City Manager to Execute a Consultant Agreement with Watry Design, Inc. for Bridging Documents for the Downtown Parking Structure for “Phase 1” concept/schematic scoping architecture for the project, with costs to be shared equally between the City and Yackzan Group.
3. Direct staff to begin preparing a Downtown Parking and Access Plan accommodating all modes of travel, including bicycling and walking. Staff to return on September 6 with a workplan and timeline, along with a summary of issues to be addressed in the plan, after review by the Technical Advisory Group for the Transportation Implementation Plan. The goal is completion of the Downtown Parking and Access Plan concurrently with construction of the new parking structure.

Motion passed by the following vote:

AYES: Souza, Swanson, Wolk

NOES: Greenwald, Krovoza

R. Swanson moved, seconded by S. Greenwald, to continue the meeting to discuss the remaining items on agenda. Motion passed unanimously.

Hyatt Place Ex-

S. Souza: Recused himself due to a conflict of interest and left the room.

pansion – Re-
response to Draft
EIR

Community Development & Sustainability Director Ken Hiatt: Provided draft letter in response to Draft EIR. Although impacts do not rise to level of requiring mitigation, staff recommends a response to campus to include the following elements: joint marketing, overflow from Hyatt Place to Davis hotels, improved vehicle and bicycle connections, and coordination of projects of mutual benefit.

S. Greenwald moved to take a strong position opposing this expansion. No second.

J. Krovoza moved, seconded by R. Swanson, to authorize the Mayor to forward a letter regarding the City's comments on the proposed Hyatt Place expansion.

R. Swanson proposed friendly amendment to include verbiage to defer final action until UC Davis has initiated work with the City on the bullets outlined in the letter. Accepted by mover.

S. Greenwald moved substitute motion, seconded by R. Swanson, to request the City Attorney work with staff on verbiage to address flaws in the EIR and to provide a standard EIR response from a jurisdiction that's impacted.

City Attorney Kara Ueda: City Attorney would draft response based on the direction provided by Council.

Interim City Manager Paul Navazio: Staff will draft letter to include language to reference parts of DEIR that City has concerns with.

Motion passed by the following vote:

AYES: Greenwald, Swanson, Wolk
NOES: Krovoza
ABSENT: Souza

Agreement for
Purchase and
Sale, 4120 Chil-
es Road

Community Development & Sustainability Director Ken Hiatt: Provided background; purchase price ceiling would not exceed \$990,000 and floor value would not to be lower than \$850,000. Amendments to Purchase and Sale Agreement would include Environmental Review section and contingency date would change to July 26, 2011.

R. Swanson moved, seconded by S. Greenwald, to approve Resolution No. 11-136 - Approving Agreement to Purchase the Property at 4120 Chiles Road, with a 90 Day Due Diligence Period Before Close of Escrow, to include amendments as described in supplemental staff report:

Amendment 1 - Amend the Title of the agreement to read "AGREEMENT OF PURCHASE AND SALE"

Amendment 2 - Insert the following purchase price term under Section 3:

3. PURCHASE PRICE. The Purchase Price for the Property shall be Fair Market Value determined by Appraisal with a ceiling value not to exceed Nine Hundred and Ninety Thousand dollars (\$990,000) and a floor value not to be lower than Eight Hundred and Fifty Thousand dollars (\$850,000). Purchase Price shall be payable in cash at the close of escrow as follows:

Amendment 3 - Amend Section 9.2 Environmental Review to read:

9.2 Environmental Review. Seller grants Buyer permission to conduct and complete an environmental assessment (Level or 2) of the Property, at Buyer's expense, during the Feasibility Period. In the event any Hazardous Materials are found to exist on the Property, Seller shall arrange and pay for all corrective or curative action required under federal, state or local law or regulations, prior to the end of Feasibility Period, or as mutually agreed between Buyer and Seller. provided the cost of corrective or curative action does not exceed Ten Thousand Dollars (\$5,000). Should such estimate for corrective or curative actions be more than Ten Thousand Dollars (\$5,000), Seller shall have the right to take such corrective or curative actions, or cancel the escrow and release Buyer's Deposit, unless Buyer agrees to pay for all such costs in excess of Ten Thousand Dollars (\$5,000).

Amendment 4 - Amend Section 12 Contingency Date to read:

12. CONTINGENCY DATE. This Agreement shall be void unless it is executed by both Seller and Buyer, on or before 5:00 p.m., July 26, 2011.

Motion passed by the following vote:

AYES: Greenwald, Souza, Swanson, Wolk, Krovoza

NOES: None

ABSENT: Souza

Adjournment Meeting was adjourned at 1:03 a.m.

Zoe S. Mirabile
City Clerk

MINUTES OF THE DAVIS REDEVELOPMENT AGENCY BOARD
Meeting of July 19, 2011

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Roll Call: Board Members Present: Sue Greenwald, Joe Krovoza, Stephen Souza, Rochelle Swanson, Dan Wolk

Board Members Absent: None

Other Officers Present: Interim City Manager Paul Navazio, City Attorney Kara Ueda, City Clerk Zoe Mirabile

Closed Session Redevelopment Agency convened a closed session pursuant to Government Code §54954.5 to discuss the following: Conference with Real Property Negotiators.

(Joint Discussion with City Council)

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Agency negotiator: RDA Attorney Brent Hawkins and Director of Community Development and Sustainability Ken Hiatt
Negotiating parties: Hiten Suraj for Shri Kuber, LLC
Under negotiation: Price and terms of payment
Negotiating parties: Kevin and Shar Katz for KTZ Inc.
Under negotiation: Price and terms of payment

Redevelopment Agency returned to open session at 7:00 p.m. with no reportable action. (City Council acted to approve purchase.)

Approval of Agenda S. Souza moved, seconded by S. Greenwald, to approve the agenda. Motion passed unanimously.

Public Comment None

Consent (Also on City Council Consent Calendar)
Ordinance No. 2378 - Approving and Adopting the Final Budget of the City of Davis for Fiscal Year 2011/2012, Providing for the Post-Auditing of Paid Demand Certified or Approved as Conforming to Such Approved Budget and Determining the Appropriations Limit of the City of Davis Pursuant to Article XIII-B of the State Constitution
Adopted (Introduced 06/28/2011)

R. Swanson moved, seconded by S. Souza, to approve the consent calendar. Motion passed unanimously.

Redevelopment Agency – Legal Community Development Administrator Katherine Hess: Proposed ordinance provides for continuation of the Redevelopment Agency and its ability to col-

Status and Options
(Joint Discussion with City Council)

lect property tax increment. The RDA Board has taken a number of steps to protect assets; must decide to pay or dissolve, \$3.5 million this year and \$815,000 in following years. If Agency does not make payments, buildings would be at risk. Ordinance indicates that payments will be made out of Agency funds, with certain provisions.

Redevelopment Agency Board Attorney Brent Hawkins: The League of California Cities has filed action in Supreme Court challenging the validity of AB1X -26 (dissolves Redevelopment Agencies in California) and AB1X 27 (provides an alternative to dissolution through payment from a City/Agency to school districts and special districts); have requested a stay that would suspend effect of bills and request decision by August 15 to resolve issue by end of the year.

Public comments:

- Elaine Roberts Musser: Support continuation of Redevelopment Agency, City has done a good job with the funds.

Redevelopment Agency accepted item as informational. (City Council acted on proposed ordinance.)

3/4/E/F Parking Lot - Exclusive Negotiating Agreement with Yackzan Group and Sole Source Contract with Watry Design, Inc.

Community Development and Sustainability Director Ken Hiatt: Summarized proposed project, status of current negotiations and next steps.

Public comments:

- Steve Tracy, Dan Witt, Angel York, Cheryl Gerrity, Russell Regan, Kris Granger, and Mont Hubbard spoke in opposition to the parking garage project. Comments included: Urge council not move forward; need to determine if structure fits with current goals; parking garage epitomizes blight; building structure will bring more cars to downtown; Climate Action Plan set specific goals for reducing our carbon footprint--how do we reconcile 200 parking spaces with reduction in carbon footprint?
- Anthony Palmere: Residents support parking close to destination without restrictions. Support making this an open, longer process; determine if it is the best solution.
- Greg Harris, Yackzan Group: Support parking garage project, paves the way for more development. Design-Build provides a schematic to work with to see if City wants the structure.

Redevelopment Agency accepted item as informational. (City Council acted to approve agreements.)

Adjournment

Meeting was adjourned at 1:03 a.m.

Zoe S. Mirabile
City Clerk