

Joint City Council/*Redevelopment Agency Regular Meeting

May 3, 2006

CALL TO ORDER

Mayor/Chairman Ortiz called the Joint City Council / Redevelopment Agency Regular Meeting of the City of Soledad to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

City Attorney Mike Rodriquez led the Pledge of Allegiance.

PEACEBUILDERS' PLEDGE

Mayor/Chairman Ortiz led the Peacebuilders' Pledge.

ROLL CALL

Present when the meeting was called to order were: Councilmember/Agencymember Christopher Bourke, Councilmember/Agencymember Stefanie De La Rosa, Councilmember/Agencymember Patricia Stephens, Mayor Pro Tem/Vice Chairman Juan Saavedra and Mayor/Chairman Richard Ortiz.

MAYOR'S/CHAIRMAN'S REPORT

Mayor/Chairman Ortiz stated that he had attended the TAMC meeting and they discussed a variety of issues, included their 14 year plan. He said they had distributed a CD about the 14 year plan but that it had been recalled due to some errors. He stated he also attended the Monterey County Water Resources Agency Prop 50 community forum which was held on May 1st in the Council Chambers. Mayor/Chairman Ortiz invited the Council/Agency to the Mayor's Select Group Meeting and Luncheon, which the City of Soledad would be hosting on Friday May 5th at Smith and Hook Winery.

COUNCILMEMBER'S/AGENCYMEMBER'S ANNOUNCEMENTS

Mayor Pro Tem/Vice Chairman Saavedra stated that he might not be able to attend the special meeting on Thursday, May 4th.

Councilmember/Agencymember Stephens stated that the Soledad Historical Society Tea and Doll Show was a success.

COUNCILMEMBER'S/AGENCYMEMBER'S PRAISES

Mayor Pro Tem/Vice Chairman Saavedra stated that he had attended the Special Olympics held at Soledad High School the previous Friday. He said that he was overwhelmed by the dedication of the volunteers and expressed his gratitude.

Councilmember/Agencymember Bourke thanked Staff for staying on top of the interest rates for the assessment districts and for lowering the amount the residents will be paying by \$150 dollars.

PRESENTATIONS

- **Introduction of New Employees**

Edward "Sonny" Vaughn – Utility Supervisor

Public Works Director Price introduced Sonny.

Roan Corso, Temporary Fire Engineer

Fire Chief Jesse Casillas introduced Fire Engineer Corso. City Manager Chapa performed the Oath of Office and Fire Engineer Corso's father pinned his badge on.

- **Letters of Commendation**

Chief Cox presented Letters of Commendation to the following officers for their outstanding performance in the apprehension of four burglary suspects: Sgt. Jose Moya, Officer Lionel Munguia, Officer Manuel Reyes and Officer Rodrigo Olguin.

- **Letter of Commendation**

Chief Cox presented a Letter of Commendation to Investigator Thomas Marchese for his dedication and apprehension of two suspects in a fraud and embezzlement scheme taking place in the City of Soledad.

- **Certificate of Commendation**

Chief Cox presented Soledad resident, Michael Ortiz, with a Certificate of Commendation for his assistance in the apprehension of four burglary suspects.

At 6:50 p.m. Mayor/Chairman Ortiz requested a 5 minute recess to welcome the new employees.

Mayor/Chairman Ortiz called the meeting back to order at 7 p.m.

PUBLIC COMMENT

None.

CONSENT CALENDAR

Item #1: Approval of Minutes

None

Item #2: Approval of Warrants

#38509 - #38635

Item #3: Resolution No. 3776, "Authorizing and Approving Execution of an Amendment to the Contract for Professional Services with EMC Planning Group, Inc. in an Amount Not to Exceed \$20,166."

Item #4: Resolution No. 3777, "Authorizing the City Manager to Prepare and Execute a Two Year Agreement With Pacific Municipal Consultants for Administration of the City Owner-Occupied Housing Rehabilitation Program."

Resolution No. 3778, "Adopting the City's Owner-Occupied Housing Rehabilitation Loan Program Policies and Guidelines."

Item #5:* Resolution No. 285, "Authorizing the Executive Director to Prepare and Execute a Two Year Agreement with Pacific Municipal Consultants (PMC) for Administration of the City's Housing Rehabilitation Program through Redevelopment Funds."

Item #6: Resolution No. 3779, "Announcing Findings and Denying Appeal of Imposition of Impact Fees."

Item #7: Resolution No. 3752, "Approving and Authorizing Execution of an Agreement for the Option to Enter Into a Contract for the Exchange of Interests in Real Property Between the City of Soledad and HMBY, LP." (Continued from April 19, 2006 meeting)

Item #8: Resolution No. 3780, “Declaring the Week of May 13 - 21, 2006 Monterey County Bike Week.”

MOTION: The Consent Calendar (Items #1, 2, 3, 4, 5, 6, 7 and 8) were approved by a unanimous vote on a motion made by Councilmember/Agencymember Bourke and a second by Mayor Pro Tem/Vice Chairman Saavedra.

PUBLIC HEARING

Item #9: Ordinance No. 629, “Amending the Section 13.40.050 - Rate Distinctions - of Chapter 13.40 - Utility Charges - of the Soledad Municipal Code.” (2nd Reading)

Staff Presentation

Economic Development Director Rodriguez addressed the Council. He stated this would be the second reading of the Ordinance to waive certain fees for the Soledad Housing Authority. Councilmember Bourke asked that if the amendment was to reduce charges for trash and water, would it automatically sunset. Economic Development Director Rodriguez stated that the waiver of the charges would sunset. Councilmember Bourke asked if Staff would need to come back once the project is completed. Economic Development Director Rodriguez said that the waiver would sunset upon completion of the project.

Open and close hearing to the public

Mayor Ortiz opened the hearing to the public and hearing no comments, closed the hearing to the public.

MOTION: Ordinance No. 629 was adopted by a unanimous vote on a motion made by Councilmember Bourke and a second by Councilmember Stephens.

BUSINESS

Item #10: Receive a Report on the Fire Department Audit Findings from Citygate Associates and Provide Staff Direction Regarding Recommended Staffing Levels and Facilities

Fire Chief Jesse Casillas addressed the Council. He stated that almost a year ago, Staff discussed the idea of contracting with a third party agency or consulting firm to conduct a “diagnostic” evaluation of the Fire Department and a survey of potential fire service delivery alternatives and revenue sources to assist the City in preparing for its continued growth. Chief Casillas introduced Stu Gary and Dwayne Milnes from CityGate Associates, LLC.

Mr. Gary addressed the Council and began to review their PowerPoint presentation. He said that the study components was to review existing deployment, understand fire risks and expectations, obtain geographic analysis tools, interview key stakeholders, review department records and procedures, examine facilities and equipment and to review volunteer response and training records. He stated that their findings indicated that the City is challenged as a small emerging City to provide an adequate level of suburban fire services. He said that the City has not been immune from the “perfect storm” consequences of over ten years of the State’s taking of local revenues, just as federal and state safety regulations increased the individual time commitment and employer cost burdens on volunteer fire departments has increased.

Mr. Gary reviewed the positive steps that are underway, which includes proactive measures to grow services from an all-volunteer system. He stated that the addition of a small number of career staff, with a focus on training and growing quality services, has enabled the City to keep moving with the changing pressures on fire services. He said that the study and master plan are another step in the City's acknowledging its responsibilities to provide fire services and its desire for a plan to continue to grow its fire department.

Mr. Gary reviewed the findings in brief: Citygate finds that the Soledad Fire Department fire and emergency medical services (EMS) are currently insufficient for the needs of a small but growing City; In addition, these services are under increasing pressure from area growth, declining volunteer availability and the fiscal capacity of a small city and Rural Fire District to provide safety services at levels more typical of suburban areas closer to metropolitan areas. What the City and Fire District residents need to know regarding their fire services is that their Fire Department will, at best, even at City build-out, be an incipient or small fire agency because the community will never be economically large enough to have the weight and depth of fire services required to stop large, significant fires that may already be spiraling out of control when 911 is called. Mutual aid and volunteers can't be the largest part of the solution. He said that in 1999 OSHA staffing policies changed requiring 2 in and 2 out and AB1127 states that individual managers and supervisors may be fined up to \$250,000 and be imprisoned for up to four years for failure to take appropriate safety precautions. He reviewed the negative pressures on volunteers, which included commuting and more safety regulations. Mr. Gary stated that multiple units are needed to deliver enough firefighters in a reasonable time to serious emergencies to simultaneously and effectively perform the tasks needed to achieve the desired outcome. He stated that it was pure luck that Soledad's initial response was so high and that the City's response times are adequate, but could be improved. He also stated that the Fire Station is located in a good, central location and that the geographic findings said that anywhere within a few blocks of the Station's current location would be a central location.

Mr. Gary reviewed the negative pressures on volunteers, which include minimal time due to family constraints, commuter economy, and also the new laws passed that require volunteer firefighters to receive the same level of training that the full time staff receives. In addition he said that 14-15 firefighters minimum are needed within a 10 minute response time. He said that the deployment is about the speed and weight of the attack. He then reviewed the staffing, currently with paid staff and volunteer shifts. He stated that overall; the department was averaging 4 people per fire, plus the Fire Chief. He said he felt that this was pure luck that the fires occurred when there was a modest volunteer response or people in the station. Mr. Gary reviewed the geographic findings and stated that when they looked at the general plan build-out, a station downtown and in the new area would be needed, and that more than likely Soledad would need to become a three station community.

Mr. Gary said that the City and the Fire District have options to provide basic fire and EMS services and while not needing a full-time paid firefighter agency providing all the advanced services of a metropolitan or major suburban fire department, Soledad does need: an initial firefighting force that can keep small fires small; a total firefighting force (on-duty plus recalled volunteers) that can slow the escalation of the emergency, while more distant mutual aid resources can arrive; the ability to deliver basic emergency medical services, and a department that can enforce the fire codes in new construction to state-of-the-art levels.

It also needs a department that can provide ongoing fire inspections to commercial and industrial properties and public education, and a department that can help the City and District residents prepare and partially respond effectively during times of large disasters in the City or region.

Mr. Gary then provided a review of the operational recommendations, which include that as soon as possible the department construct a reserve or part-time firefighter program and that the part-time personnel be scheduled as the 2nd crew member 24/7/365, increasing the current daily minimum staffing to 2. He suggested that the City immediately begin recruitment to hire two more career firefighters in FY06-07, allowing the City to have a 3-person crew on duty when the two career firefighters are combined with one reserve part-time position each day. Additional recommendations included: in fiscal year 07-08 hire three additional career firefighters at Captain levels to lead the crew on each shift, allowing the City to have a four person crew on duty when the three career firefighters are combined with one reserve part-time position each day. He stated that at that time the City would begin to pay overtime to ensure a constant manning level. Mr. Gary reviewed the current growth rate assumptions, and based on them, their audit suggested that the City construct and staff a second station to the East between years 2010-2015 at an estimated cost of \$2.5-3 million dollars. He stated that if this were to take place, the staffing at that point should be 3 career firefighters and one reserve part-time, totaling 8 firefighters on duty per day. Their recommendations also suggested that a shift supervisor (i.e. Battalion Chief) be added for incident command and also a 40-hour training officer position. By 2020, they anticipate that the City's population will be between 27,000 – 30,000, and that the City should have a minimum daily career staffing of at least 9 firefighters, supplemented by reserve firefighter personnel. He then reviewed a chart describing the operational summary from their audit.

Dwayne Milnes addressed the Council. He provided a review of the administrative recommendations, which included the recommendation that the City immediately solicit an hourly contractor, preferably someone administratively experienced (i.e. retired fire chief or chief officer) to assist the present 4-member staff develop and issue the operating and safety policies necessary to operate an legally compliant fire department and to develop a reserve firefighter program. Mr. Milnes shared the following administrative recommendations with the Council: contract with qualified individuals to perform plan checks and new construction inspection; focus on training fire staff and providing appropriate coaching and mentoring to ensure their success. He said that training is important due to liability of the City, since the station is operating just like a large station the State would hold them accountable to the same standards.

He said that any further improvement in the fire service level and the ability to provide service to newly developing areas would be dependent on the establishment of benefit assessment districts or some other revenue program. Mr. Milnes said that a sprinkler ordinance makes a huge difference in fire loss and response time.

Mr. Gary addressed the Council and reviewed the policy and general plan recommendations. He said the next step would be for the Council to absorb the Master Plan detail, direct Staff and return with General Plan response criteria clarifications. He stressed that they are not recommending a permanent part-time Fire Chief, rather a part time temporary individual with knowledge of the industry to help the Chief and Staff.

Mayor Pro Tem Saavedra informed them of a developer's proposal to build a five story building and asked how they would handle the situation.

Mr. Gary responded that if it wasn't until FY 2006-07 the department would not want the headache until they are guaranteed four staff on duty. He said they could not go to the second floor unless there were two people in and two people out.

Mayor Pro Tem Saavedra asked if he felt the equipment the City currently owns would be adequate and if not how much money would it take to become adequate. Mr. Gary said that with current modern code practices a building with sprinklers reduces the chances of needing a ladder truck. He said the first couple of years would be statically smaller than others and a ladder truck would not be necessary. He also said that a 100 foot aerial ladder requires a good amount of training and maintenance and has to be certified yearly, but it would not be required until the City had five buildings that size. Councilmember Bourke thanked them for their report.

Mr. Gary said that the City should always maintain a volunteer firefighter operation with some part-time employees and a small portion of career firefighters. He said the demographics indicated that the City wouldn't get more than 5-15 volunteers.

Councilmember Bourke said that with the new California law is the City at risk for a lawsuit because it is not at class 1 standards. Mr. Milnes responded that the City would fail as a municipality if it did not provide adequate opportunity for training to Staff and that if something bad were to happen the City would be subject to a lawsuit and liability. He advised that the City should start at the beginning with the national standards for training of Staff and build up from there.

Councilmember Bourke requested a copy of their powerpoint presentation. City Manager Chapa stated that Staff would forward a copy in his Friday mail.

Mayor Ortiz asked Staff to come back during the budget process in order to address the concerns and recommendations made in the audit. Fire Chief Casillas stated that Staff took the findings into consideration when preparing the budget recommendations.

MOTION: The Fire Department Audit report was accepted by a unanimous vote on a motion made by Mayor Pro Tem Saavedra and a second by Councilmember Stephens.

Item #11: Resolution No. 3781, "Approving an Amendment to the Development Agreement between the City of Soledad and C.H. Builders, Inc. - Miravale II Subdivision."

City Attorney Rodriguez stated that Staff had received a notice from the developer and that the development agreement needs to be amended to add another party due to the fact the development may include four to five developers. He stated that the amendment needs to be done in order to hold Award Homes responsible. He said that Staff was asking for approval of the resolution to amend the development agreement and add Award Homes as a signature.

MOTION: Resolution No. 3781 was adopted by a majority vote on a motion made by Councilmember Stephens and a second by Councilmember Bourke. Councilmember De La Rosa was absent.

Item #12: Resolution No. 3782, “Supporting California’s ‘Marine Life Protection Act’.”

Mayor Ortiz stated that the Council received an invitation to participate in an event held at the Steinbeck Center to support the Marine Protection Act. He said the purpose of the resolution was to show support of protecting the marine sanctuaries along the coastline and to add certain areas that are currently being left off the protected areas.

Catalina from the Ocean’s Conservatory addressed the Council. She said that it is important to remember the oceans when acting to conserve parks and historical areas. Councilmember Bourke asked if the Bill would have an impact on the City’s wastewater treatment plant. Catalina responded that it would only apply to the coral reef areas.

MOTION: Resolution No. 3782 was adopted by a majority vote on a motion made by Councilmember Bourke and a second by Mayor Pro Tem Saavedra. Councilmember De La Rosa was absent.

Item #13:* Acceptance of the Redevelopment Agency’s Audited Financial Statements for Fiscal Year 2004-05.

Finance Officer Smith addressed the Agency. He stated that the audit of the RDA, done by a contracted auditing firm, was expressed as a clean opinion, which is the highest and best opinion that can be received. He said that the findings state that there were no findings that needed corrections and there were no instances of noncompliance or other matters that are required to be reported.

He stated that the cash and investments were \$2.853 million and cash with agent was \$551 thousand for a total of \$3.404 million as of June 30, 2005. As of June 30, 2005, the Redevelopment Agency’s governmental funds (RDA, Low/Moderate and Debt Service) combined fund balances increased by \$103,008 to \$3.610 million and of the combined fund balances, \$1.131 million is RDA, \$1.927 million is Low/Moderate and \$551 thousand is debt service. He said that of the combined fund balances, \$2.878 million or 80% was available to meet the City’s Redevelopment Agency/Low Moderate Fund current and future needs.

Finance Officer Smith stated that the liabilities of the Redevelopment Agency exceeded assets at the close of FY 2004-05 by \$1.085 million, which is referred to as net assets per GASB 34. He said that despite this, net assets improved by \$1.285 million over the prior fiscal year. The deficit had occurred due to the Agency transferring some capital assets to the City. He said that over the life of the Agency, tax increment revenue should be adequate to repay the long-term debt reflected as a liability on the Statement of Net Assets and as the debt decreases over time, the net asset deficit should decline.

Agencymember Bourke asked about the capital assets that were transferred to the City, and if the RDA would be transferring any capital assets to the City in the future. Finance Officer Smith said that if it was possible for the transfer that it would occur. Agencymember Bourke asked if in the process of going through the books if the auditors found anything unusual that may require a fraud audit. Finance Officer Smith stated that the auditors would notify Staff immediately if they found anything unusual.

MOTION: The Redevelopment Agency's Audit was accepted by a unanimous vote on a motion made by Councilmember Bourke and a second by Councilmember Stephens.

COUNCILMEMBER'S/AGENCYMEMBER'S COMMITTEE UPDATES

- a) **Street Naming** - None
- b) **Miravale Section 16** - None
- c) **Development Review** - None
- d) **Overall Landscape Review** - None
- e) **Revolving Loan Fund** - None
- f) **Oldtown Soledad Beautification Association** - None
- g) **Parks** - None
- h) **Redevelopment Neighborhoods** – Councilmember De La Rosa stated that the next meeting would be the 3rd Tuesday of the month.
- i) **CAC** – Chief Cox stated there was a meeting but unfortunately he and the citizen representative were not allowed on to the premises because the representative was wearing blue jeans. He stated he was given a copy of the minutes and that Salinas Valley prison will be taking on 360 additional prisoners and they will be housing them wherever they can. He stated that the prison also assisted with the monitoring of crowds with the protests on May 1st and there were no major issues. Mayor Ortiz asked when the prison would be coming before the Council for the increase in inmates. City Manager Chapa stated that Staff is working on the issue and is reviewing the documents on the mental health bed facility. Mayor Ortiz said that the prison thinks that they are exempt but they are not.
- j) **SR146 (Roads)** – Public Works Director Price stated that they had their second kick off meeting. Mayor Ortiz asked Public Works Director Price to contact Richard Smith regarding the progress and provide him with an update on where traffic will be impacted.
- k) **Tree** – Councilmember Stephens said that they had a meeting the previous Tuesday and a landscape architect gave a presentation on various types of trees.
- l) **Wastewater Treatment Plant** – Mayor Ortiz said there will be a special meeting Thursday.
- m) **Soledad Historical Society** – Councilmember Stephens stated they have not had a meeting, but that their Tea and Doll Show on Saturday was very successful.
- n) **Soledad Emergency Plan** – Councilmember Bourke said that he has made several phone calls and updated emergency contact information. He said that he also spoke to a representative at Don Chapin regarding the heavy equipment and that they are all registered through the State OES, which means the chances of the City getting them during an emergency are slim to none. He stated he also talked to Meals on Wheels, Center for Assisted Living and VNA. He said during an emergency the police and fire departments will be busy but that the community organizations will be able to assist. Fire Chief Casillas stated that the committee has a standing meeting the second Monday of every month.

CITY MANAGER'S/EXECUTIVE DIRECTOR'S REPORT

- a) **Council Requests** – Status Table – There were no requests or comments from Council.

City Manager Chapa stated that the Gallardo Park sign should be installed before the end of the week.

Mayor Ortiz asked for the status of recruitment for Building Inspector. City Manager Chapa stated that it had been advertised in several publications however no applications were received. Community Development Director Fleming stated that Staff will be re-advertising.

Mayor Pro Tem Saavedra asked that the railroad property be added to the status table.

COUNCILMEMBER'S/AGENCYMEMBER'S ITEMS

Councilmember Bourke asked about the wastewater treatment plant in relation to the announcement that the prison will be adding inmates with their new mental health bed facility. Public Works Director Price stated that staff can plan for a small growth margin to account for the growth in facility beds.

Mayor Ortiz stated he would like Staff to look at upgrading or hiring someone to review the personnel policies. He said the City seems to act only when there are problems and would like to see what direction to head.

City Attorney Rodriquez stated that he had received an inquiry the previous week about long term and temporary disability. He said that the City currently complies with the law, but that it would be a good idea to review the policies so employees know their rights and department heads are also familiar with the policies. Councilmember Bourke asked if the policies were outdated because of changes or if Staff wasn't aware of their rights. City Attorney Rodriquez stated that it could be both, especially with technology changing so frequently. He said his firm has a shell set of personnel policies that have withstood legal challenges and the Council could use it to take a different approach.

Councilmember Bourke asked if he was only referring to one particular policy change. City Attorney Rodriquez stated that major portions of the personnel policy manual could be replaced or updated easily and rather than wait for the entire set of policies to be reviewed if it was the desire of the Council Staff could address certain policies. Councilmember Bourke asked that Staff address the policies of interest.

CLOSED SESSION

At 8:35 p.m. Mayor/Chairman Ortiz called for a recess to convene to Closed Session to discuss the following items:

1. The City Council will recess to closed session to meet with its designated representatives regarding labor relations matters pursuant to Government Code Section 54957.6. The employee organization is the Soledad Police Sergeants' Association.
2. The City Council will recess to closed session to meet with its designated representatives regarding labor relations matters pursuant to Government Code Section 54957.6. The employee organization is the Soledad Police Officers' Association.
3. The City Council will recess to closed session pursuant to Government Code Section 54956.8 to give instructions to the Council's negotiators regarding negotiations with HMBY concerning the lease/purchase/exchange of property located at San Vicente Road. Instructions will include price and term.

MEETING RECONVENED

At 9:47 p.m. Mayor/Chairman Ortiz reconvened the meeting from Closed Session.

REPORT OF ACTION TAKEN IN CLOSED SESSION

Mayor/Chairman Ortiz made the following announcements with regard to closed session matters:

1. Council conferred with its representatives and provided direction. No other reportable action taken.
2. Council conferred with its representatives and provided direction. No other reportable action taken.
3. Council conferred with its negotiators and provided direction. No other reportable action taken.

ADJOURNMENT

There being no other business to come before the Council/Agency, Mayor/ Chairman Ortiz adjourned the meeting at 9:50 p.m. on a motion by Councilmember/Agencymember Stephens and a second by Mayor Pro Tem/Vice Chairman Saavedra.

RICHARD V. ORTIZ, Mayor/Chairman

Approved: June 21, 2006

NOELIA F. CHAPA, City Clerk/Agency Clerk