

MINUTES

Joint Meeting of the Scotts Valley City Council and Redevelopment Agency Board of Directors

Date: July 15, 2009

POSTING:

The agenda was posted on 7-10-09 at City Hall, the SV Library, and the SV Senior Center by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and **MOMENT OF SILENCE**

ROLL CALL

Present:

Mayor Johnson
Vice Mayor Reed
Council Member Aguilar
Council Member Bustichi
Council Member Lind

City Manager/Executive Director Ando
City Attorney/Agency Counsel Powell
Public Wks Director Anderson
Police Chief Weiss
City Clerk/Secretary Ferrara
Senior Planner Fodge

Absent:

Interim Community Dev Dir Westman

COMMITTEE REPORTS VM Reed reported that the Library Joint Powers Board held a meeting where they heard a report on how the phasing of the changed library hours is going. In addition, they heard a report from the new Library Director, Teresa Landers, where she outlined some of her priorities and what she will be looking at in the coming months to come up with a strategic plan for the library system.

VM Reed reported that the Water Subcommittee met with the Scotts Valley Water District and talked about the foundational documents that went into the creation of the recycled water plant in 1996, and how those documents should be interpreted. Her stated that they also held discussions about water for Pasatiempo and bringing recycled water to Valley Gardens Golf Course.

VM Reed reported that the Library Subcommittee met to review the proposals received from architects for the new library. He stated that the Subcommittee had received twenty-nine responses, which they narrowed down to eleven. He reported that the Subcommittee then met on July 8 to narrow the top eleven down to the top five. He stated that the top five firms will be making a presentation to the Subcommittee on August 4, and the Subcommittee will then make a recommendation to Council on which firm to select.

CM Aguilar reported that she attended the League of California Cities Monterey Bay Division meeting and the focus was the State budget and their planned take-aways from local cities, counties, and special districts. She

encouraged citizens to contact their legislators to ask them not to vote to take property tax dollars, highway user tax dollars, or redevelopment agency dollars from cities, counties, and special districts.

CM Lind reported that she attended the Seniors Advisor Counsel meeting where they reported that they had attended the Farmer's Market in Hollister and distributed 140 coupon books to seniors. She stated that they will be at the Watsonville Farmer's Market on July 24, in Scotts Valley on August 1, and in Live Oak soon, in order to distribute additional coupon books. She stated that these are nutritional coupon books for low income seniors to assist them with purchasing food items at Farmer's Markets.

PUBLIC COMMENT

CM Aguilar stated that she had met with Corbett Wright, who is looking at the development on Scotts Valley Drive, which Standard Pacific had original brought forward and was approved by the City Council at the beginning of 2008.

CM Aguilar stated that she met by phone with Sandor Development, Ross Cromartie, who expressed interest in the foreclosure on Title II (the Target project), and their possible interest in carrying on the project.

Paul Bach, Scotts Valley Responsible Local Development Political Action Committee (SVRLDPAC), questioned a quote from Susan Westman that was in the Scotts Valley Banner stating that the Title II EIR has been fully paid for in the amount of \$305,613. He questioned how that was possible because he does not believe the EIR is complete at this point, nor is the EIR process, and he does not believe the City can estimate what the costs are to complete the EIR process. He also stated that at the January 21, 2009 City Council meeting, the City Council voted to give Stanbery Development a six month extension on their pre-development agreement, and he wondered why this was not on this Council agenda for review again. He questioned when the extension expires and when the money is due to the City.

CA Powell responded that the extension expires in November 2009.

Frank Kertai, President of the Heritage Parks Homeowners Association, questioned the status of the economic analysis for the Target development. He also showed a Chamber of Commerce flier that shows CM Bustichi, CM Lind, and VM Reed as Ambassadors to the Chamber, and stated that he believes it is easy to come to the conclusion that an Ambassador is also a Member of the Chamber. He stated that the Chamber newsletter also has Jim Reed's name under "new member profiles". He believes that the vote by the City Council to provide funding to the Chamber is an ethics violation.

CM Lind stated that at the last Council meeting CA Powell advised Mr. Kertai that there was no ethics violation.

CM Bustichi stated that Mr. Kertai's accusations are without merit.

VM Reed stated that a Council Member must recuse themselves if they have an economic interest in the Chamber of Commerce, which they do not have.

CM Lind announced that on July 18 the Scotts Valley Peace Officers Association is holding the 16th Annual Cops 'n' Rodders Car Show and Cruise from 9:00 am to 2:00 pm at Siltanen Park.

CM Busthichi announced that the Chamber of Commerce is holding the Scotts Valley Art & Wine Festival the second weekend August. He stated that the Taste of Scotts Valley, the kick-off party, will be at the Scotts Valley Hilton on July 16 at 6:00 pm. The cost is \$35 per person for food and wine tasting.

**ALTERATIONS TO
CONSENT AGENDA**

CM Aguilar requested that Item D be moved to the regular agenda for discussion.

M/S: Aguilar/Bustichi

To approve the Consent Agenda as amended moving item D to the regular agenda for discussion.

Carried 5/0

Consent Agenda:

- A. Approve Joint City Council / RDA meeting minutes of 7-1-09, 6-29-09, 6-24-09
- B. Approve check register – 6-30-09, 6-16-09
- C. Approve Resolution No. 1596.32 authorizing the levy of the annual special tax roll for Scotts Valley Drive for Community Facilities District 97-1 for the fiscal year 2009/10

**ALTERATIONS TO
REGULAR AGENDA**

M/S: Aguilar/Bustichi

To approve the Regular Agenda as amended moving item D to the regular agenda from the consent agenda for discussion and moving item 3 to be heard before item 2.

Carried 5/0

REGULAR AGENDA

1. **Consideration of funding for Music at Skypark on July 26 and August 30 from the Scotts Valley Educational Foundation and Kiwanis**

CM Ando presented the written staff report, responded to questions from Council, and introduced Seth Dunn of the Scotts Valley Educational Foundation (SVEF).

Seth Dunn, SVEF, provided additional information regarding the event and their request for funding, and responded to questions from Council. He stated that the event will be free, however, they will be selling food, drinks, and t-shirts to raise money. He stated that they are also looking for additional sponsors to help raise money.

Kim Jones, Board of Directors for the SVEF, provided information on what the SVEF has been paying for in the schools, for example: keeping the library open, and paying for the music director to keep music in the schools for K-12.

VM Reed stated that the City Arts Commission is contributing \$1,000, which comes from the General Fund, and the Scotts Valley Parks & Recreation Advocates are contributing \$1,000. He stated that based on the City's budget constraints and economic concerns, he does not feel this is an appropriate contribution at this time.

CM Bustichi stated that he agreed with VM Reed's comments and recommended reducing the contribution to \$1,000. CM Aguilar and CM Lind agreed to the reduced contribution.

M/S: Aguilar/Lind

To approve a \$1,000 donation from the General Fund to the Scotts Valley Educational Foundation for Music at Skypark.

Carried 4/1 (NOES: Reed)

PUBLIC HEARINGS

- 3. Consider approval of the use of redevelopment agency funds to purchase property at 251 Kings Village Road, Scotts Valley, CA (APN's 22-211-80 & -31) to be used as a library facility**

CM Ando presented the written staff report and responded to questions from Council.

PUBLIC HEARING OPENED - 7:00 PM

Paul Bach, SVRLDPAC, expressed concerns about the process being used to fund the library, which includes a loan from the wastewater fund, and questioned why this is not going to the voters.

PUBLIC HEARING CLOSED - 7:05 PM

CA Powell stated that Section 13.04.170(3b) of the Scotts Valley Municipal Code specifically allows for the use of the wastewater facility funds, and this is also consistent with state law.

M/S: Reed/Aguilar

To approve Resolution No. 1831 approving payment by the Redevelopment Agency of the City of Scotts Valley for the value of the land and building to be remodeled as a public library at 251 Kings Village Road // APN's 022-211-80 and 022-211-31.

Carried 5/0

M/S: Reed/Aguilar

To approve Resolution No. CRA-98 approving the payment by the Redevelopment Agency of the City of Scotts Valley for the value of the land and building to be remodeled as a public library at 251 Kings Village Road // APN's 022-211-80 and 022-211-31.

Carried 5/0

REGULAR AGENDA

(Resumed)

2. **Consider authorizing the City Manager to enter into a contract with Strategic Construction Management in an amount not to exceed \$135,522.40 for construction management services for the remodel of 251 Kings Village Road as a library facility**

CM Ando presented the written staff report and responded to questions from Council.

VM Reed provided additional information on the process used to evaluate the proposals received.

David Robison, Principal at Strategic Construction Management, Inc., provided information on his firm and stated that he is very excited and grateful for the opportunity to work on this project.

M/S: Aguilar/Lind

To authorize the City Manager to execute and agreement for professional services between the City of Scotts Valley and Strategic Construction Management, Inc, in an amount not to exceed \$135,522.40, for construction management services for the remodel of 251 Kings Village Road as a library facility.

Carried 5/0

- D. **Approve the agreement between the City of Scotts Valley and the Redevelopment Agency of the City of Scotts Valley and authorize the City Manager/Executive Director to sign the agreement**

CM Ando presented the written staff report and responded to questions from Council.

CM Aguilar stated that she is concerned that there is not a loan repayment schedule and stated that she would like to see a revised schedule that includes at least interest only for the upcoming fiscal years, because she is concerned about a balloon payment being due at the end of the five years.

Paul Bach, SVRLDPAC, questioned what would happen if there was a major catastrophe such as an earthquake and there were not enough wastewater capital funds available to repair the treatment plant.

Frank Kertai, President of the Heritage Parks Homeowners Association, stated that he feels the City Council should go to the voters for approval of this loan.

M/S: Bustichi/Reed

To authorize the City Manager/Executive Director to sign the loan agreement between the City of Scotts Valley and the Redevelopment Agency of the City of Scotts Valley in an amount up to \$2 million to be

***loaned from the City to the Agency, at an interest rate equal to that earned by the City on its investments,
Carried 5/0***

4. Future Council/RDA agenda items

VM Reed requested that a discussion regarding no cost solar permits be placed on the next Council agenda, and recommended that a Green Building Subcommittee meeting be held to discuss this.

ADJOURNMENT

The meeting adjourned at 7:50 p.m.

Approved:

Randy Johnson, Mayor / Chair

Attest:

Tracy A. Ferrara, City Clerk / Secretary