



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL AND
JOINT MEETING OF THE CLOVERDALE COMMUNITY DEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS**

TUESDAY, FEBRUARY 23, 2016

CLOSED SESSION 5:30 p.m.

CLOSED SESSION LOCATION: CITY HALL CONFERENCE ROOM, 124 N. CLOVERDALE BLVD. CLOVERDALE, CA 95425

PUBLIC BUSINESS SESSION: 6:30 p.m.

**PUBLIC BUSINESS SESSION LOCATION: CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE BLVD.,
CLOVERDALE, CA 95425**

CLOSED SESSION: 5:30 pm

OPENING:

- Call to Order: Mayor Brigham called the meeting to order at 5:30 p.m.
- Roll Call: Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham
- Agenda Review - Closed Session (Changes and/or Deletions): None

PUBLIC COMMENTS ON CLOSED SESSION AGENDA: None

RECESS TO CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION (1)

Pursuant to California Government Code Section 54956.9(d)(2)

Number of Cases: 1

CONVENE PUBLIC BUSINESS SESSION – 6:30 p.m.

OPENING:

- Call to Order: Mayor Brigham called the meeting to order at 6:30 pm
- Pledge of Allegiance
- Roll Call: Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham
- Report out of Closed Session –Actions Taken: No reportable action taken
- Conflict of Interest Declaration: None
- Agenda Review – Regular Session (Changes and/or Deletions): None

PUBLIC COMMENTS: None

PROCLAMATIONS / PRESENTATIONS:

1. Introduction of David Kelley

City Manager Cayler introduced and welcomed David Kelley, the new Assistant City Manager/Community Development Director.

2. Presentation by First 5 Sonoma County and Sonoma County Department of Health Services regarding Quality Preschool Initiative

Alfredo Perez presented this item. He discussed the Cradle to Career program, which is part of the Health Action effort to improve health disparities in the community by focusing on educational achievement from cradle to career. He shared the details of the program, funding challenges, and the need for the program in Cloverdale. Councilmembers thanked Mr. Perez and discussed the benefits of the program to children of Cloverdale and suggested taking this a project to the Joint City/ School District Subcommittee and the School Board of Trustees.

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, asked how much it would cost to put this program into play for Cloverdale and how many children would be included. Mr. Perez responded that the cost for quality, full day care would be about \$13,000 per student, per year, and roughly estimated attendance in Cloverdale to be 50 children.

3. Presentation of the 2015 Financial Statements

Joanne Cavallari, Finance Manager, handed out a revised Agenda Summary, which corrected some of the numbers in the report (attached). She then introduced and thanked Terry Krieg, independent auditor, who provided the Audited Financial Statements for year 2014/15. Mr. Krieg discussed the details of his findings and reported the financial statements present fairly, in all material respects, the respective financial position of the government activities, the business type activities, each major fund, and the aggregate remaining fund. In closing, Mr. Krieg stated he had no significant deficiencies to report and complimented the Finance Manager and City Staff. City Manager Cayler commented that the City's General Fund has increased approximately \$100,000 from the previous audit.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Palla to accept the FY 2014/15 City of Cloverdale Audited Financial Statements, and seconded by Councilmember Cox. The motion passed by voice vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham; 0-noes).

CONSENT CALENDAR:

4. Minutes of Previous Meetings – December 9, 2016
5. Engagement of Terry E. Kreig to provide auditing and financial services for FY 15/16
6. Waive the second reading and adopt Ordinance No. 703-2016, amending the Cloverdale Municipal Code, Title 18 (Zoning Ordinance), Chapter 18.08.040, and, waive the second reading and adopt Ordinance No. 704-2016 approving a Development Agreement between the City of Cloverdale and Spight Properties II LCC pertaining to the development of the Alexander Valley Resort project
7. Water Production Update

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, asked that item number seven be removed from the Consent Calendar for discussion.

Action: Motion was made by Vice Mayor Wolter and seconded by Councilmember Palla to approve the consent calendar minus item number seven. The motion passed by roll call vote (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham; 0-noes).

City Manager Cayler opened the discussion on item seven, regarding the Water Production Update. Vanessa Apodaca, Interim City Engineer, reported an overall reduction in water use of about 40%. City Manager Cayler commented that City residents did a great job of water conservation during the drought, but it created a negative financial impact on revenues.

Action: Motion was made by Councilmember Palla to accept item number seven, the Water Production Update, and seconded by Councilmember Cox. The motion passed by voice vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham; 0-noes).

COMMUNICATIONS: None.

PUBLIC HEARINGS: None.

NEW BUSINESS:

8. City's Mid-Year Budget Review

Joanne Cavallari, Finance Manager, presented this informational only item. She shared that the General Fund revenues are about 45% of budget at midyear, which is typical. Property tax is about 8% above FY 2014/15, and about 9% higher than budget. She reported that Transient Occupancy Tax (TOT) revenues are also higher than expected. However, sales tax projections have been decreased primarily due to lower gasoline prices. Discussion ensued regarding the details of the budget.

PUBLIC COMMENTS: None

9. Discussion and Possible Action on Potential Parks Capital Projects

Vanessa Apodaca, Interim City Engineer, presented this item and offered three possible capital improvement projects. She noted that only the project to resurface a parking lot at the City Park was within the proposed \$60,000 budget. For this reason, the parking lot resurfacing project was recommended. The Council discussed the need for additional improvements at the City Park and the possibility of utilizing the Quimby Act funds.

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, asked if the City Plaza is considered a park and, if so, could the Plaza be eligible for funds to install public bathrooms. She also discussed the request for bathrooms at the park in front of the Cloverdale High School.

Action: Motion was made by Vice Mayor Wolter to direct Staff to proceed with design and bidding of Improvements to City Park parking lot and to research and report back on the possibility of using Quimby Act funds, and seconded by Councilmember Russell. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham; 0-noes).

10. Discussion and Possible Action on the Future of the Sonoma County Waste Management Agency, including Possible One Year Extension of Joint Powers Authority Agreement

City Manager Cayler presented this item and introduced Patrick Carter, the Interim Executive Director of Sonoma County Waste Management Agency (SCWMA), to discuss the proposed one-year extension of the Joint Powers Agreement (JPA). Mr. Carter discussed the programs offered by the Agency and possible options moving forward, which included retaining the existing ACWMA model and either renewing or developing a new JPA Agreement. Mr. Carter requested the Council approve a one-year extension to allow the other SCWMA member time to provide feedback and determine best options. He requested the Council direct the City's SCWMA Board representative to vote in favor of a one-year extension for the operating term of the SCWMA JPA and suggested the Council approve the extension through a resolution at a future meeting. Councilmembers voiced approval of the one-year extension with the caveat that the work be completed in one year, culminating in a recommended plan for moving forward, and agreed to vote on a resolution regarding this at a future meeting.

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, asked what services could be lost or gained by the requested extension.

SUBCOMMITTEE ACTION ITEMS:

Finance, Administration & Police

11. Consideration of Draft Resolution No. 018-2016 Accepting Draft Water and Sewer Rate Study and directing staff to proceed with the Proposition 218 Public Noticing Process for Proposed Water and Sewer Rate Increases and to Return April 26, 2016 for a Public Hearing and the Adoption of Rates

Vanessa Apodaca, Interim City Engineer, presented this item reporting that there are insufficient funds to maintain the contingency reserve required by City policy in both the water operating fund and the sewer operating fund. She stated that without a rate increase the water operating fund may not be able to meet services and financial requirements. She further stated a water rate increase is needed in order to meet existing debt service coverage requirements. Failure to meet these requirements could have an adverse impact on the utility's credit rating. Ms. Apodaca went on to add that without a sewer rate increase, the Sewer Operating Fund may not be able to meet service and financial requirements and the City's ability to fund needed sewer system rehabilitation projects would also be impaired. She introduced Bob Reed, from the Reed Group hired by the City of Cloverdale to conduct a Water and Sewer Rate Study. Mr. Reed discussed the rate analysis and the rate models used to design water and sewer rate schedules that would generate the required revenue. Senior Water treatment Operator, Darren Hernandez, came to the podium to discuss Cloverdale's water system, which is over 20 years old. He commented on recent upgrades and the future needs of the system.

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, asked about the possibility of a water shortage surcharge. She also asked if there are enough residents protesting a rate increase, can it still be implemented.

Discussion ensued about water usage and rates.

Action: Motion was made by Councilmember Cox to adopt Resolution No. 018-2016, accepting the Water and Sewer Rate Study, and seconded by Councilmember Palla. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham; 0-noes).

Action: Motion was made by Councilmember Palla to direct staff to proceed with the Proposition 218 Public Noticing Process for Proposed Water and Sewer Rate Increases and to return April 26, 2016, for a Public Hearing and the Adoption of Rates, and seconded by Councilmember Russell. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham; 0-noes).

12. Presentation and Discussion of Proposed Ordinance Repealing and Replacing Cloverdale Municipal Code Chapter 5.24 Relating to Massage Therapy and Massage Establishments

Chief Cramer presented this item, introducing the proposed ordinance. He shared background information and discussed areas in the ordinance that require updating to come into compliance with current laws. The Chief commented that the City of Cloverdale's existing massage ordinance has not been revised since its adoption in 1975, noting that there have been significant changes in the laws governing massage therapy since that time.

The Council thanked Chief Cramer for his presentation and discussed the issues related to massage therapy and the proposed ordinance.

PUBLIC COMMENTS:

LaReva Myles, Cloverdale, inquired about the difference between a business license and a home occupation permit. City Attorney Sanchez and Chief Cramer responded.

SUBCOMMITTEE REPORTS: (VERBAL REPORTS: 15 minutes)

- Airport (Chair, Councilmember Russell and Mayor Cox) - Next Meeting: April 5, 2016, 8:00 a.m.
- Finance, Administration & Police (Chair, Mayor Cox and Vice Mayor Brigham) - Next Meeting: February 25, 2016, 2:00 p.m.
- Planning & Community Development (Chair, Councilmember Wolter and Vice Mayor Brigham) - Next Meeting: February 24, 2016, 4:00 p.m.
- Public Works (Chair, Mayor Cox and Councilmember Russell) - Next Meeting: March 29, 2016, 10:30 a.m.
- Joint City/Fire District (Chair, Councilmember Palla and Vice Mayor Brigham) - Next Meeting June 13, 2016, 5:30 p.m.
- Joint City/School District (Chair, Councilmember Palla and Councilmember Wolter) – Next Meeting: March 21, 2016, 5:00 p.m.

COUNCIL REPORTS (INCLUDING STUDENT LIAISON): (VERBAL REPORTS: 15 minutes)

Councilmember Russell announced that she expects a meeting to be taking place soon where she and a Councilmember from Windsor will be hosting a presentation about the SMART bus system, which she hopes will be podcast.

LEGISLATIVE REPORT: None.

CITY MANAGER/CITY ATTORNEY REPORT: None.

COUNCIL DIRECTION ON FUTURE AGENDA ITEMS: None

ADJOURNMENT: Mayor Brigham adjourned the meeting at 10:30 p.m. to a special joint meeting of the City Council and Cloverdale Community Development Successor Agency and the Cloverdale Planning Commission, Tuesday, March 1, 2016, for Public Business Session at 5:00 p.m. (Cloverdale Senior Center, 311 N. Main St., Cloverdale, CA 95425).

These minutes were approved at the April 12, 2016, City Council meeting by the following voice vote: (Ayes-5; Noes-0).

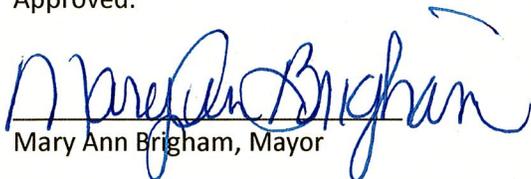
Ayes: 5-Councilmember Palla, Vice Mayor Wolter, Councilmember Russell, Councilmember Cox, and Mayor Brigham

Noes: 0

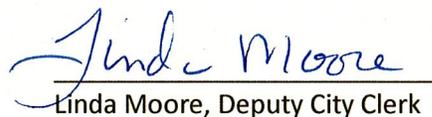
Absent: 0

Recuse: 0

Approved:


Mary Ann Brigham, Mayor

Attested:


Linda Moore, Deputy City Clerk