



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

WEDNESDAY, AUGUST 28, 2019

**CLOSED SESSION: 5:00 p.m.
CLOSED SESSION LOCATION: CITY HALL CONFERENCE ROOM, 124 N. CLOVERDALE BOULEVARD,
CLOVERDALE, CA 95425**

**PUBLIC BUSINESS SESSION: 6:00 p.m.
PUBLIC BUSINESS SESSION LOCATION: CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE
BOULEVARD, CLOVERDALE, CA 95425**

CLOSED SESSION

CLOSED SESSION: 5:00 p.m.

OPENING:

- Call to Order: Mayor Bagby called the meeting to order at 5:00 p.m.
- Roll Call: Present: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby
Absent: None
- Agenda Review – Closed Session (Changes and/or Deletions) - None

PUBLIC COMMENTS ON CLOSED SESSION AGENDA:

RECESS TO CLOSED SESSION:

1. **CONFERENCE WITH LABOR NEGOTIATORS:** Pursuant to Government Code Section 54957.6

Labor Negotiators: City Manager Kelley; Assistant City Manager Thompson; City Attorney Sanchez and Eddie Kreisberg

Employee Organizations: Cloverdale Police Officers' Association, Cloverdale Dispatchers' Association, Cloverdale Classified Service Employees Association and Unaffiliated and Unrepresented Employees

CONVENE PUBLIC BUSINESS SESSION – 6:00 p.m.

OPENING:

- Call to Order: Mayor Bagby called the meeting to order at 6:00 p.m.
- Pledge of Allegiance

- Roll Call: Present: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby
Absent: None
- Report out of Closed Session –Actions Taken. City Attorney Sanchez indicated labor negotiations were discussed and that nothing reportable came out of closed session.
- Conflict of Interest Declaration - none
- Agenda Review – Regular Session (Changes and/or Deletions) - None

PUBLIC COMMENTS: None

PROCLAMATIONS/PRESENTATIONS:

1. Proclamation for Interim Police Chief Robert Stewart

City Manager Kelley read the proclamation acknowledging Interim Police Chief Stewart for his contributions and dedicated service to the City of Cloverdale and Mayor Bagby presented him with the proclamation.

Police Chief Ferguson presented Mr. Stewart with a plaque of appreciation on behalf of the Police Department.

Councilmembers thanked Mr. Stewart for his service and support during a difficult time.

Mr. Stewart thanked the Council and the City for the recognition and stated he looked forward to assisting the city in the future.

2. Clean River Alliance Presentation - Chris Brokate - City Manager Kelley indicated that the Clean River Alliance was unable to attend the meeting and the presentation will be rescheduled.

CONSENT CALENDAR: Mayor Bagby stated that all items on the Consent Calendar would be considered under one action of the Council unless a Councilmember or member of the public requested that an item be removed and considered separately. Items 8 and 10 were pulled.

Action: On a motion by Vice Mayor Wolter, seconded by Councilmember Turner, approved the Consent Calendar as revised items 1-7 and 9.

3. Approval of Meeting Minutes

By motion, approved the August 14, 2019 Meeting Minutes as submitted.

4. Revocable Access Road Easement Agreement with Amonos, LLC

Adopted Resolution No. 78-2010 titled, "A Resolution of the City Council of the City of Cloverdale approving a Revocable Access Road Agreement with Amonos, LLC, in a form approved by the City Attorney; and authorizing the City Manager to execute the agreement on behalf of the City."

5. Professional Services Agreement with Moe Engineering Inc. for the engineering services associated with CDBG grants

Adopted Resolution No. 79-2019 titled, "A Resolution of the City Council of the City of Cloverdale approving a Professional Services Agreement with Moe Engineering for the preparation of the necessary documents and inspection services for CDBG improvements at City Park in an amount not to exceed \$35,282 plus a 10% contingency for potential cost overruns and authorizing the City Manager to execute the agreement."

6. Resolution setting the ad valorem tax rate for Employee Retirement Benefits

Adopted Resolution No. 80-2019 titled, "A Resolution of the City Council of the City of Cloverdale setting the ad valorem tax rate for Public Employee Retirement System Retirement Benefits for Fiscal Year 2019-2020.

7. Award of bid for the Cloverdale Municipal Airport, Taxiway Rehabilitation Project to Granite Construction in the amount of \$849,768.50

Adopted Resolution No. 81-2019 titled, "Resolution of the City Council of the City of Cloverdale: (1) awarding the bid for the Cloverdale Municipal Airport, Taxiway Rehabilitation Project to Granite Construction, in the amount of \$849,768.50; (2) approving an overall project budget of \$1,000,769; (3) authorizing the City Manager or his designee to sign a construction contract with Granite Construction Company; and (4) authorizing the City Manager or his designee to approve change orders in accordance with project documents so long as the total project cost does not exceed total funding.

8. Agreement with Cami Smook for the Pilot Memorial Dog Bowl Program

This agenda item was removed from the Consent Calendar.

9. Memorandum of Understanding (MOU) between the City of Cloverdale and Cloverdale Youth Soccer League for the maintenance of soccer fields located at the 2nd Street Park and Furber Park

Adopted Resolution No. 82-2019 titled, "A Resolution of the City Council of the City of Cloverdale approving a Memorandum of Understanding (MOU) between the City of Cloverdale and the Cloverdale Youth Soccer League for the maintenance of the soccer fields located at 2nd Street Park and Furber Park and authorizing the City Manager to execute the MOU."

10. Agreement with Anderson Excavating and Backhoe for services related to the removal and replacement of rubber mulch at all four city parks

This agenda item was removed from the Consent Calendar.

The motion to approve the Consent Calendar, as revised, carried on a unanimous roll call vote: (Ayes 5: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby, Noes - 0; Absent – 0; Abstaining – 0)

ITEMS REMOVED FROM THE CONSENT CALENDAR

8. Agreement with Cami Smook for the Pilot Memorial Dog Bowl Program

Cami Smook provided background information on the reasons for proposing the dog bowl program the program, which originated as a way to relief grief from the loss of her brother, who loved dogs. Ms. Smook elaborated on the placement and maintenance of the water bowls.

Public Comments: None

Action: On a motion by Councilmember Turner, seconded by Vice Mayor Wolter, adopted Resolution No. 83-2019 titled, "A Resolution of the City Council of the City of Cloverdale authorizing the City Manager to execute an agreement on behalf of the City with Cami Smook for the pilot Memorial Dog Bowl Program. The motion carried on a unanimous roll call vote. (Ayes – 5: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby; Noes – 0; Absent – 0, Abstaining - 0).

10. Agreement with Anderson Excavating and Backhoe for services related to the removal and replacement of rubber mulch at all four city parks

Vice Mayor Wolter stated that Cal Recycle is still offering rubber mulch to municipalities for playgrounds, without indemnification or reports to show it is non-toxic.

Assistant City Manager/CDC Thompson stated it was important to put in on record in case there are future reimbursements pursued with CalRecycling, noting that they are still offering the product.

Councilmember Brigham stated cities are going to poured rubber, which is entirely made from tires.

Public Comments: None

Action: On a motion by Vice Mayor Wolter, seconded by Councilmember Brigham, adopt Resolution No. 84-2019 titled, "A Resolution of the City Council of the City of Cloverdale approving an agreement with Andersen Excavating and Backhoe for the removal and replacement of rubber mulch installed at all four city parks in an amount not to exceed \$69,000 and authorizing the City Manager to execute the agreement. The motion carried on a unanimous roll call vote. (Ayes – 5: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby; Noes – 0; Absent – 0; Abstaining – 0)

COMMUNICATIONS:

11. It was reported that Councilmember Cruz received communications from: (1) the Boys and Girls Club on July 2, 2019 regarding the great futures campaign; and (2) Niranjana Parthasarathi on July 8, 2019 regarding fireworks. It was also noted that an e-mail was received from the League of California Cities Redwood Empire Division regarding actions taken at its last meeting and the upcoming meeting that will be held in Long Beach.

NEW BUSINESS:

12. Presentation: Presentation by Management Partners on the long-term financial forecast model prepared for the City of Cloverdale

City Manager Kelley introduced Bob Leland and Rick Rivera from Management Partners, who presented a long-term financial forecast model prepared for the City.

Mr. Robert Leland provided background on their consulting firm and discussed the revenue and expenditure assumptions made in preparing the forecast noting that the model would allow the City to test different scenarios based on assumptions. The expenditure assumptions in the forecast included the projected pension costs, increases in labor costs and O&M costs; and if no changes are made to increase revenues or reduce expenses it is projected that that the City will be faced with a deficit starting in 2021. The following potential outcomes would improve the forecast:

- Higher employee vacancy rates (more vacant positions and/or vacancies for longer periods of time)
- Stronger revenue growth
- Delayed or weaker recessions
- Pension investment gains above discount rate
- Local tax increase enacted with voter approval – sales tax, utility user tax, transient occupancy tax

The following potential outcomes would worsen the forecast:

- Pension investment losses or additional discount rate cuts
- Weaker revenue growth or more severe recession losses
- Higher annual COLAs approved than the 2% in forecast
- Staffing increases
- Extreme events

Major takeaways from the forecast is that

- The City's financial situation should be a substantial concern
- Current spending trends cannot continue without significant cost reductions or revenue increases
- Cost reductions should be a priority, as any new taxes passed will not go into effect before 2021
- Compliance audit by pension actuary needed to ensure retirement property tax calculations comply with current case law
- Any increases in tax revenue are subject to a vote in a general election; work needs to begin immediately to add any revenue measure to a 2020 ballot, and to communicate the need to the community
- Budget strategies need to be developed in the next 9 months to be implemented on a timely basis for FY21

Mr. Rick Rivera gave an overview of the forecasting model and how the City could run different scenarios and see how the revenue and expenditures would be impacted based on the assumptions.

Public Comments: None

City Manager Kelley stated that no action was required from Council; the forecasting model would be a tool to inform the Council in the future as it makes decisions on whether to pursue revenue enhancement measures and/or expenditure reductions.

In response to Council's inquiries, Mr. Leland stated the forecasting model would become property of the City and most likely someone in the Finance Department could run the different scenarios. The forecast can be updated anytime assumptions change, i.e. adding staff, COLAS, etc.

Vice Mayor Wolter expressed interest in discussing possible revenue enhancement ballot measures at the next Finance, Administration & Police Subcommittee meeting.

Discussion ensued on ways to increase revenue such as a sales tax; and increasing the utility and transient occupancy taxes. All options would require voter approval.

Mayor Bagby concurred that this item be added as standing item on the Subcommittee's agenda and look at ways to increase revenue and to immediately look at ballot initiatives. Mayor Bagby also suggested looking at ways to address downtown blight, i.e. possible conservatorships and tax revenue from blighted properties.

Councilmember Cruz recommended reaching out to constituents about importance of future tax on ballot.

City Manager Kelley stated that, as directed by Council, staff would be agendaizing ballot initiatives and revenue options on the Finance, Administration and Police Subcommittee agenda.

13. **Professional Services Agreement with GHD Engineering to develop an Infrastructure Assessment and Plan for south Cloverdale**

Assistant City Manager/CDD Thompson reviewed the proposed agreement to develop an Infrastructure Assessment and Plan for the unincorporated South Cloverdale area. There is development pressure at the south end of town, and the city does not know how to condition the projects and the infrastructure needs to best serve the area. The initial assessment would give the city a better understanding about future land uses and assist in identifying a method to finance the installation of the needed infrastructure.

Joyce Chung, GHD project manager, stated that as part of this project they would look at projected land use, population increase, infrastructure needs (sewer and water, wastewater, stormwater), and hydrology which would be used to establish a base for assessments. Traffic impact studies will include existing and proposed roadways.

Councilmember Brigham wanted assurance that the entire Sphere of Influence including Theresa Drive is included in the study, as many industrial landowners have been waiting for years.

Public Works Director Rincon stated that the study area includes Rains Creek and the portion of the land that Councilmember Brigham is concerned about.

Public Comments:

Phil Wright, real estate consultant representing Dry Creek Rancheria and the Sonoma Vintner's Co-op, spoke in support of developing the proposed infrastructure assessment and plan; and added that both groups want to participate and move forward as soon as the city generates the infrastructure. The tribe is willing to front some of the improvements ahead of the assessment district and ask for a credit for assessments.

City Attorney Sanchez amended the resolution to reflect a change on the title and the last sentence of the resolution to read "... agreement in a form approved by the City Attorney."

Action: On a motion by Councilmember Cruz, seconded by Councilmember Brigham, adopted Resolution No. 85-2019 titled, "A Resolution of the City Council of the City of Cloverdale approving a Professional Services Agreement with GHD Engineering to develop an Infrastructure Assessment and Plan for the unincorporated South Cloverdale area in an amount not to exceed \$194,702, plus a 10% contingency for unforeseen cost overruns; and authorizing the City Manager to execute the agreement in a form approved by the City Attorney," as revised by the City Attorney. The motion carried on a unanimous roll call vote. (Ayes – 5: Councilmember Brigham, Councilmember Cruz, Councilmember Turner, Vice Mayor Wolter, and Mayor Bagby; Noes – 0; Absent – 0; Abstaining - 0)

SUBCOMMITTEE ITEMS: None.

SUBCOMMITTEE REPORTS:

- Airport - Next Meeting: October 1, 2019, 10:00 a.m.
- Finance, Administration & Police - Next Meeting: September 26, 2019, 4:00 p.m.
- Planning & Community Development - Next Meeting: October 15, 2019, 4:00 p.m.
- Public Works - Next Meeting: September 24, 2019, 4:00 p.m.
- Joint City/Fire District - Next Meeting: October 14, 2019, 5:30 p.m.
- Joint City/School District– Next Meeting: September 16, 2019, 5:00 p.m.

COUNCIL REPORTS (INCLUDING STUDENT LIAISON):

Councilmember Cruz and Mayor Bagby submitted written reports which were included as part of the packet.

Councilmember Cruz reported she would be meeting with the student liaisons before they attend their first Council meeting.

Councilmember Turner reported that he and City Manager Kelley met with Elsa, a community member, regarding a potential location for a dog park.

Vice Mayor Wolter stated he also met with her regarding the matter.

Discussion ensued regarding possible areas for locating a dog park.

Mayor Bagby reported she attended a League of Cities webinar regarding PEG funding.

LEGISLATIVE REPORT: None

CITY MANAGER/CITY ATTORNEY REPORT(S): City Attorney reported on the Federal Communications Commission Order regarding cable operators and franchise fees and stated he would be looking into whether this Order would have an impact on the fees imposed by California cities on cable operators.

COUNCIL DIRECTION ON FUTURE AGENDA ITEMS: None

ADJOURNMENT: Mayor Bagby adjourned the meeting at 8:10 p.m. to a regular meeting of the City Council and Cloverdale Community Development Successor Agency, Wednesday, September 11, 2019 for Closed Session at 5:00 p.m. (at the City Hall Conference Room 124 N. Cloverdale Boulevard, Cloverdale, CA 95425) and Public Business Session at 6:00 p.m. (at the Cloverdale Performing Arts Center 209 N. Cloverdale Boulevard, Cloverdale, CA 95425).

The foregoing minutes were approved by the City Council of the City of Cloverdale at its regular meeting held on the 11th day of September 2019 by the following roll call vote:

Ayes: (4) Councilmember Brigham, Councilmember Cruz, Councilmember Turner, and Mayor Bagby
Noes: (0) None
Absent: (1) Vice Mayor Wolter
Abstaining: (0) None

APPROVED:

ATTEST:



Melanie Bagby, Mayor



Maria McArthur, Interim City Clerk