

**SANTA ROSA CITY COUNCIL MINUTES
REGULAR MEETING
CITY HALL, 100 SANTA ROSA AVENUE
MAY 21, 2013**

1. CALL TO ORDER AND ROLL CALL

Mayor Bartley called the meeting to order at 1:45 p.m. in the Mayor's Conference Room. Council Members present: Mayor Bartley, Vice Mayor Carlstrom, Council Members Combs, Olivares, Ours, Swinth, and Wysocky.

2. ANNOUNCEMENT OF CLOSED SESSION ITEMS

2.1 PUBLIC COMMENT ON CLOSED SESSION ITEMS – NONE.

2.2 RECESS TO CLOSED SESSION IN MAYOR'S CONFERENCE ROOM

2.3 CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: Fran Elm, Human Resources Director, Chris Sliz, Employee Relations Manager.

Employee Organizations: Santa Rosa Firefighters Association – Local 1401 (representing City Employee Unit 2); Operating Engineers Local 3, Maintenance and Utility System Operators (Employee Units 3 and 16); Santa Rosa City Employees Association (Employee Units 4, 6, 7); Santa Rosa Police Officers Association, (Employee Unit 5); Service Employees International Union Local 1021, (Employee Units 8 and 14); Public Safety Management Association (Employee Unit 9); Santa Rosa City Attorneys' Association (Employee Unit 17), Santa Rosa Management Association (Employee Unit 18).

2.4 CONFERENCE WITH LABOR NEGOTIATOR

Agency Designated Representatives: Kathleen Millison, City Manager and Jennifer Phillips, Assistant City Manager. Unrepresented Executive Management, Middle Management, and Confidential Employees (Employee Units 10, 11 and 12).

2.5 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code Section 54956.9: (one case regarding potential Sonoma County Landfill liability)

2.6 RECESS CLOSED SESSION(S) AND RECONVENE TO OPEN SESSION IN THE COUNCIL CHAMBER

Mayor Bartley reconvened the meeting to open session at 3:00 p.m. in the City Council Chamber.

3. STUDY SESSION

3.1 SONOMA CLEAN POWER – COMMUNITY CHOICE AGGREGATION (CCA)

City staff will introduce a study session about the implementation of an electrical power generation purchasing program to increase the use of renewable energy in Sonoma County, reduce greenhouse gas emissions and provide other local energy programs as proposed by Sonoma Clean Power Authority (SCPA), a Community Choice Aggregation program operating under California law. Cordel Stillman, Deputy Chief Engineer and lead staff for the Sonoma County Water Agency, which sponsored the feasibility studies and sought proposals from energy suppliers, will present an overview of the implementation plan, estimated rates, and future steps for SCPA and will respond to questions. City staff will present an overview of general impacts to City operations and policy issues related to City participation in the program and opportunities for residents and businesses residing in the

city who are current electrical power customers. No action will be taken at this time; however, SCPA has requested that the City Council consider taking action at a subsequent public meeting by June 30, 2013, to determine whether City of Santa Rosa and all its electrical power customers residing within the jurisdiction will participate through automatic enrollment in the SCPA program.

Sonoma County Supervisor Shirlee Zane addressed the Council on the importance of the program and the giving the citizens a choice.

Geof Syphers, Sonoma Clean Power consultant, spoke on the benefits of the program.

Steve Schupe, attorney in County Counsel's Office, spoke on the benefits and some of the risks of the program.

Doug Bosco spoke on the financing the program.

Damon Connelly, Marin Council Member, spoke on the program in Marin County.

City Manager Kathleen Millison gave a short presentation on the implementation plan, governance, participation and next steps.

Discussion ensued and presenters answered questions from the Council.

Mayor moved public comment to after Item 6.4 and recessed the meeting at 4:57 p.m.

Mayor reconvened the meeting at 5:12 p.m.

4. ANNOUNCEMENT OF ROLL CALL

Deputy City Clerk Williams announced that all Council members were present at 5:12 p.m.

5. REPORT, IF ANY, ON STUDY AND CLOSED SESSIONS

6. PROCLAMATIONS/PRESENTATIONS

6.1 PRESENTATION - WATER AWARENESS MONTH POSTER CONTEST WINNERS

Gail Chavez, Water Resources Specialist, presented the 2013 Water Awareness Month Poster contest awards.

6.2 PRESENTATION - NORTHERN CALIFORNIA CHAPTER OF THE AMERICAN PLANNING ASSOCIATION NEIGHBORHOOD PLANNING AWARD OF MERIT FOR NORTH SANTA ROSA STATION AREA SPECIFIC PLAN

Chuck Regalia, Director of Community Development, presented to Council the Northern California Chapter of the American Planning Association Neighborhood Planning Award of Merit received by the City for North Santa Rosa Station Area Specific Plan.

PUBLIC COMMENT

Richard Canini spoke regarding the placement of bus shelters and benches.

6.3 PROCLAMATION - CHILDREN'S MUSEUM OF SONOMA COUNTY

Council Member Swinth read the Proclamation.

6.4 PROCLAMATION - BARBERSHOP HARMONY MONTH

Council Member Ours read the Proclamation and presented it to Phil DeBar, Director of the Redwood Chordsmen. Members of the Redwood Chordsmen performed a song.

3.1 SONOMA CLEAN POWER – COMMUNITY CHOICE AGGREGATION (CCA)

At this time Mayor Bartley opened public comment.

PUBLIC COMMENT

Kay Tokerud, Neighborhood Coalition, read a letter from the Coalition.

Jonathon Coe spoke on questions the Chamber had on the project.

Barry Vesser, Climate Protection Campaign, spoke in support of the project.

Jim Phelps, Marin resident, spoke on opting out of the Marin project.

Anne Hancock spoke in support of the project.

James Bennett spoke against the project.

Dee Dee Bridges, League of Women Voters of Sonoma County, spoke in support of the project.

Peter Tscherneff spoke on various topics.

Hunter Stern, IPW Electric Workers, spoke of his concerns on the project.

Ben Zolno spoke in support of the project.

Duane Hartley spoke in support of the project.

Alan Strachan spoke in support of the project.

Woody Hastings spoke in favor of the project.

7. STAFF BRIEFINGS

7.1 COMMUNITY MEDIA LAB

City Manager Phillips provided an update on the process for building broad community agreement on the future priorities for Public, Education, and Government (PEG) programming and responded to questions from Council members.

7.2 MYSANTAROSA CITIZEN REQUEST MANAGEMENT SYSTEM

In an effort to help citizens easily request City services and keep track of requests, the City of Santa Rosa has launched a Citizen Request Management system (CRM) called MySantaRosa. The new program will help connect residents to the correct City personnel to answer questions, requests or address issues. Chief Technology Officer McHenry provided the briefing and responded to questions from Council members.

8. APPROVAL OF MINUTES

Council approved the May 7, 2013, Regular Meeting Minutes as submitted.

9. MAYOR'S/COUNCILMEMBERS' REPORTS

The Mayor and members of the Council made other announcements and reports of interest to the Council.

9.1 STATEMENTS OF ABSTENTION BY COUNCILMEMBERS

No statements of abstention were made.

9.2 MAYOR /COUNCILMEMBERS' REPORTS

The Mayor and members of the Council made other announcements and reports of interest to the Council.

9.3 REPORTS BY MAYOR/COUNCILMEMBERS REGARDING VARIOUS AGENCY MEETINGS ATTENDED AND POSSIBLE COUNCIL DIRECTION TO ITS REPRESENTATIVES ON PENDING ISSUES BEFORE SUCH BOARDS (IF NEEDED)

a) Sonoma County Transportation Authority (SCTA)

- b) Sonoma County Water Agency (SCWA) – Water Advisory Committee
- c) Solid Waste Advisory Group (SWAG) – Council Member Wysocky provided a report on the SWAG's final meeting.
- d) Association of Bay Area Governments (ABAG)
- e) Other

10. CITY MANAGER'S/CITY ATTORNEY'S REPORTS

None made.

11. CONSENT ITEMS

MOVED by Vice Mayor Carlstrom and seconded by Council Member Ours and carried 7-0 to adopt Items 11.1 to 11.4 and waive reading of the text:

11.1 MOTION - CONTRACT AWARD – SAFE ROUTES TO SCHOOL - COLLEGE AVE AND GLENN ST, WEST AVE AND DELPORT AVE, AND KAWANA SPRINGS RD AND MEADOW WAY

MOTION TO AWARD CONSTRUCTION CONTRACT NO. C01579, SAFE ROUTES TO SCHOOL - COLLEGE AVE AND GLENN ST, WEST AVE AND DELPORT AVE, AND KAWANA SPRINGS RD AND MEADOW WAY IN THE TOTAL AMOUNT OF \$250,737.90 TO THE LOWEST RESPONSIBLE BIDDER, FBD VANGUARD CONSTRUCTION, INC. OF LIVERMORE, CA, AND ESTABLISH A TOTAL CONTRACT AMOUNT OF \$275,811.69 (THE ORIGINAL CONTRACT AMOUNT PLUS A 10% CONTINGENCY) FOR THE INSTALLATION OF TWO PEDESTRIAN ACTUATED FLASHERS AND OTHER IMPROVEMENTS. FUNDING FOR THIS PROJECT HAS BEEN APPROPRIATED TO JL KEY 17464.

11.2 RESOLUTION - ACCEPTANCE AND APPROPRIATION OF FUNDS FROM FEDERAL GOVERNMENT PROGRAMS

RESOLUTION NO. 28279 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO ACCEPT FEDERAL GOVERNMENT FUNDS FOR ONGOING PROGRAMS

11.3 RESOLUTION - APPROVAL OF THE 2013-2015 WORLD TRIATHLON CORPORATION HOST VENUE AGREEMENT RELATED TO THE IRON GIRL EVENT SERIES

RESOLUTION NO. 28280 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE IRON GIRL HOST VENUE AGREEMENT BETWEEN THE WORLD TRIATHLON CORPORATION AND CITY OF SANTA ROSA AND AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO APPROVE AGREEMENTS RELATED TO IRON GIRL EVENT

RESOLUTION NO. 28281 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THE ECONOMIC DEVELOPMENT AND HOUSING DEPARTMENT DIRECTOR TO SIGN FUTURE AGREEMENTS IMPLEMENTING THE PURPOSE OF THE SANTA ROSA TOURISM BUISNESS IMPROVEMENT AREA WORK PLAN, AS APPROVED ANNUALLY BY COUNCIL

11.4 RESOLUTION - 2013-2015 COUNCIL GOALS AND STRATEGIC OBJECTIVES

(Continued from May 14, 2013, meeting)

RESOLUTION NO. 28282 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING FIVE YEAR GOALS AND STRATEGIC OBJECTIVES FOR FISCAL YEARS 2013-2015 WITH THE EXCEPTION OF COUNCIL GOAL 4, STRATEGIC

OBJECTIVE 3, "SUPPORT EFFORTS OF SOUTHEAST GREENWAY CAMPAIGN BY MONITORING AND PROVIDING INFORMATION" PREVIOUSLY APPROVED BY COUNCIL RESOLUTION NO. 28266 ON APRIL 16, 2013

12. REPORT ITEMS

12.1 REPORT – AUTHORIZATION TO ISSUE PENSION OBLIGATION REFUNDING BONDS (FEDERALLY TAXABLE), SERIES 2013 AND TO REFUND OUTSTANDING PENSION OBLIGATION REFUNDING BONDS, SERIES 2003A AND 2003B

BACKGROUND: In July 2003, the City issued \$20.50 million of Series A (Variable Rate) and \$30.17 million of Series B (Fixed Rate) Pension Obligation Refunding Bonds (POBs), maturing September 1, 2024. The bond proceeds were delivered to CalPERS to pay a portion of the City's pension plan unfunded liability.

Since the recession in 2008, the Federal Reserve has been keeping its short-term interest rate low to stimulate economic recovery. This creates an opportunity for the City to replace the POBs with a lower fixed rate financing and to capture the current historically low fixed rate environment.

The 2003 POBs Series A (Variable Rate) require an Irrevocable Letter of Credit (LOC) issued by a bank as security for investors. Complying with the LOC requirement has become a challenge due to financial uncertainty associated with California governments. The proposed refinancing would reduce the City exposure to the risks of the availability of LOC in the future, rising LOC costs due to fewer LOC banks on the market and rising short term rates.

The 2003 POBs Series B (Fixed Rate) weighted average interest rate on the outstanding bonds is 5.18%. In the current market, the weighted average interest rate is estimated at 3.40%. The proposed refinancing to a lower interest rate will result in cost savings over the remaining term of the bonds.

The refinancing includes \$4 million principal pay down of the POBs consisting of one-time Property Tax Administration Fee settlement, Enterprise, Internal Services and Debt Services Funds.

A detailed explanation of the proposed refinancing will be provided by staff, bond counsel, financial advisor and bond underwriter.

RECOMMENDATION: It is recommended by the Finance Department that the Council, by resolution: (1) approve the refunding of outstanding 2003 Pension Obligation Refunding Bonds, Series A (Variable Rate) and Series B (Fixed Rate); (2) approve an appropriation of City funds to the prepayment of the 2003 Pension Obligation Bonds in the amount of \$4.00 million from the one-time Property Tax Administration Fee settlement, Enterprise, Internal Services and Debt Services Funds; (3) approve the issuance of Pension Obligation Refunding Bonds (Federally Taxable), Series 2013 in a principal amount of not-to-exceed \$35.00 million; (4) approve a Preliminary Official Statement; and (5) approve and authorize the execution of related documents by the City Manager, Chief Financial Officer or their respective delegates and actions with respect thereto.

Lawrence Chiu, Chief Financial Officer, provided the staff report and responded to questions from Council members.

Chris Lynch, Jones Hall, presented bond refunding documentation.

Sarah Hollenbeck, PFM, presented current estimates on projected savings.

Sohail Bengali, Stifel, Nicolaus & Co., presented a market update.

PUBLIC COMMENT

None.

MOVED by Council Member Olivares and seconded by Council Member Swinth to waive reading of the text and adopt:

RESOLUTION NO. 28283 ENTITLED: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE USE OF ONE-TIME PROPERTY TAX ADMINISTRATION FEE SETTLEMENT, ENTERPRISE, INTERNAL SERVICES AND DEBT SERVICES FUNDS TO THE PREPAYMENT OF THE CITY'S 2003 PENSION OBLIGATION REFUNDING BONDS, AUTHORIZING THE ISSUANCE OF PENSION OBLIGATION REFUNDING BONDS, APPROVING THE FORMS AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS

Following Council discussion, the motion **CARRIED** 7-0.

12.2 REPORT – INITIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW OF PEDESTRIAN AND BICYCLE CROSSING AT JENNINGS AVENUE AND THE RAILROAD TRACKS

BACKGROUND: On November 13, 2012, City staff presented the results of a feasibility study conducted by Sonoma-Marin Area Rail Transit (SMART) to the City Council. The City Council at that meeting expressed a preference to study an at-grade pedestrian and bicycle crossing as the preferred project. Staff informed Council that CPUC staff had clearly stated that approval of an at grade crossing at Jennings Avenue would be very unlikely unless at least one other crossing was eliminated at either 6th, 7th or 8th Streets. Cost is estimated at \$275,000 to complete the CEQA review and will be funded with a combination of gas tax and capital facility fees.

RECOMMENDATION: It is recommended by the Transportation and Public Works Department that the Council, by resolution, direct City staff to complete environmental review in compliance with CEQA, for an at grade pedestrian and bicycle crossing with possible removal of a crossing at 6th, 7th or 8th Street, and an alternative ADA compliant bicycle and pedestrian over rail crossing, in lieu of SMART's plan to construct fences at the Jennings Avenue SMART crossing.

Rick Moshier, Director of Transportation and Public Works, provided the staff report and responded to questions from Council members.

PUBLIC COMMENT

Allen Thomas representing Western Farms spoke in favor of an over-crossing at Jennings Ave.

MOVED by Council Member Swinth and seconded by Council Member Combs to waive reading of the text and adopt:

RESOLUTION NO. 28284 ENTITLED: RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA DIRECTING STAFF TO COMPLETE ENVIRONMENTAL REVIEW IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FOR AN AT GRADE PEDESTRIAN AND BICYCLE CROSSING AT JENNINGS AVENUE, INCLUDING AN ADA COMPLIANT BICYCLE AND PEDESTRIAN OVER RAIL CROSSING ALTERNATIVE AND POSSIBLE REMOVAL OF A CROSSING AT 6TH , 7TH OR 8TH STREET

Following Council discussion, the motion **CARRIED** 7-0.

13. PUBLIC HEARINGS - NONE

14. WRITTEN COMMUNICATIONS (AND POSSIBLE COUNCIL ACTION) – NONE.

15. PUBLIC COMMENTS ON NON-AGENDA MATTERS

None.

16. ANNOUNCEMENT OF CONTINUED CLOSED SESSION ITEM(S), RECESS TO CLOSED SESSION(S) IN THE MAYOR’S CONFERENCE ROOM, RECONVENE TO OPEN SESSION, AND ANNOUNCEMENTS – NONE.

17. ADJOURNMENT OF MEETING

Hearing no further business, Mayor Bartley adjourned the meeting at 7:34 p.m. The next regularly scheduled meeting will take place on June 4, 2013, at a time to be set by the Mayor.

Approved on: June 18, 2013

/s/ Stephanie Williams, Deputy City Clerk