

Woodland City Council
City Hall – Council Chambers
300 First Street
Woodland, CA 95695

**CITY COUNCIL
SPECIAL/CLOSED SESSION**

FEBRUARY 15, 2005

6:30 P.M.

Council held a special closed session beginning at 6:31 to confer with Real Property Negotiator Pursuant to Section 54956.8. The property discussed was the 40 acres East of the Community/Senior Center property. The Agency Negotiator was Dan Gentry and the Negotiating Parties, the City of Woodland and Barrios Family. Under Negotiations were price and terms of payment. Present at this session were Council Members Flory, Monroe, Peart, Pimentel (arrived at 6:35) and Rexroad (arrived at 6:45), City Manager Kirkwood, Assistant City Manager Marler, City Attorney Siprelle and Parks, Recreation and Community Services Director Gentry.

**JOINT WOODLAND CITY COUNCIL/
REDEVELOPMENT AGENCY BOARD
REGULAR MEETING**

7:00 P.M.

Mayor Rexroad announced that Council had met in special closed session at 6:30 to discuss a Real Property Negotiations and gave direction to the Property Negotiator and Staff.

CALL TO ORDER

Mayor Rexroad called the joint regular meeting of the City Council and Redevelopment Agency Board to order at 7:02 p.m.

PLEDGE OF ALLEGIANCE

Mayor Rexroad invited all present to join in the Pledge of Allegiance led by Council Member Monroe.



ROLL CALL

COUNCIL MEMBERS PRESENT: David Flory, Jeff Monroe, Neal Peart, Art Pimentel, Matt Rexroad

COUNCIL MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Rick Kirkwood, Phil Marler, Ann Siprelle, Sue Vannucci, Karl Diekman, Dan Gentry, Joan Drayton, Paul Miller, Tricia Stevens, Gary Wegener, Aaron Laurel, Wendy Ross, Rich Thomas, John Nail, Bruce Pollard, Mark Dennis, Walter Scruggs

PUBLIC COMMENT

Nancy Tinsley asked for Council assistance regarding an accessory building a client of her agency wishes to place on a property. The current regulations do not permit the construction of this type of building and she would like Council to amend the current Ordinances to allow construction. Director Stevens said the language of the Ordinance had been very carefully crafted to prevent non-conforming structures. She recommended that Council refer this item to the Planning Commission for consideration. Council concurred.

Steve Basha, Yolo County Counsel, said the Board of Supervisors had asked him to speak to Council regarding the Gateway Auto Center and associated retail. The Board is very concerned about the Environmental Impact Report. He quoted from the January 14, 2005 letter from the Board to the Council outlining their specific concerns, asked for a deferral of the item this evening and to set an ad hoc meeting to discuss these concerns further.

Mitchell Dees of the City of Fairfield said last year the Council adopted a Resolution on employment of Veterans. He presented a plaque to Council Member Monroe for his part in requesting this Resolution before the Council.

Jose Escobedo indicated he is representing Vicente Escobedo. He thanked Ricardo Carrillo, Vicente's Coach, Council Member Peart and the entire Council for support of Vicente in the Olympics.



COUNCIL/STAFF COMMENTS

Council Member Peart reminded the citizens of the threat of West Nile Virus and the prevention methods.

At 7:18 p.m., Mayor Rexroad left the meeting due to a Conflict of Interest regarding the following item:

PUBLIC HEARINGS

SACRAMENTO MUNICIPAL UTILITY DISTRICT (SMUD) ANNEXATION FEASIBILITY STUDY; REQUEST ANNEXATION; JOINT RESOLUTION TO ANNEX

Assistant City Manager Marler said Council is requested to accept the SMUD Annexation Feasibility Study and associated findings, request the SMUD Board to annex Woodland, Davis, West Sacramento and the affected County areas and to direct the Assistant City Manager to work with the Cities of Davis and West Sacramento and the County of Yolo to prepare a joint Resolution for Annexation. The City of Davis municipal power study had explored several alternatives for the most successful option and concluded that other Cities should be part of the annexation to assure that success. The Study indicated the rates of SMUD were 28% less than P. G. and E. Letters of interest were sent to the SMUD Board and they then created the criteria for annexation. The SMUD work group reviewed scenarios and criteria, reviewed the draft Request for Proposal and eliminated those scenarios that were considered likely to fail. A cost sharing methodology for the study was determined and this Council agreed to our share, \$65,000. Five proposals were received and reviewed by SMUD with R. W. Beck the successful bidder.

The Study indicates the following:

- SMUD power costs are always lower than P. G. & E.
- In 2003 SMUD rates were at 31% lower than P. G. & E.
- Acquisition expenses will affect the initial rate savings
- The estimated savings are at 5% to 8%
- An 8% savings would fund two additional Police Officers
- Savings will affect the businesses who locate and remain in the City

Council Member Peart left the meeting at 7:29 and returned at 7:31.



Mike Bell of R. W. Beck said that P. G. and E. has not been cooperative in providing information to assist in the study, even though that had indicated at a previous Council meeting they would so assist. The valuation of the equipment was undertaken by others because of that lack of information from P. G. & E. They were valued at cost including substructures and trenches. Undervalued facilities, missing categories of cost, depreciation and transaction costs were all considered.

Mr. Bell said SMUD would contract for lower fixed prices as the transition is made. Future SMUD resources would be available to Yolo customers, but existing SMUD low and high cost resources would not be shared. Short-term supply risk would be mitigated by SMUD. The non-bypassable charges for the Davis exemption are based on the interpretation of the California Public Utility Commission rulings. P. G. & E.'s capital additions appear to be for all of Yolo County while the annexation area would only be 20% of the County. Only needed facilities would be acquired. It is concluded that the P. G. & E. value is grossly inflated as a basis for their negotiations and litigation position. The power supply is a manageable risk for SMUD. The non-bypassable charges are open to interpretation and will be determined if annexation proceeds. The annual capital additions are not far apart when other improvements are included.

Council Member Pimentel left the meeting at 7:33 and returned at 7:34.

The conservative assumptions are the high cost of acquisition, \$108 million. The transmission/distribution investments to meet the reliability standards of SMUD are at \$27 million. There are no contributions in aid of construction. Vice Mayor Flory asked how the assumptions were made on the \$27 million and Mr. Bell said they looked at the facilities that exist, compared to the existing SMUD standards and identified upgrades that would be necessary to meet those standards.

The all region revenue forecast as related to the SMUD Board policy is that they will maintain at least a 10% differential between P. G. and E. In relation to technical assistance, the costs were based on building transmission, the California Association of Independent System Operators, (CAISO), a condition assessment and the separation from P. G. & E. Valuation is based on replacement cost new less depreciation, the discounted cash flow, income value and original cost new less depreciation. This cost is based on the inventory done, the book value of that system, \$56 million, as appearing in P. G. & E. books and the rate base calculations. It is based on replacing the system at today's dollars, depreciating to when it was installed. The range of cost savings



is from a -0.62% to 8.30% for the region. The scenario and sensitivity analysis bases the acquisition cost at between \$56 and \$108 million. Benefits to the SMUD customer are greater load diversity, optimization of power supply costs, economic benefit when the breakeven rates intersect with the SMUD rates and a direct contribution to the SMUD retained earnings. SMUD must consider the transmission build versus the CAISPO options, the separation and needed improvements, reliability in the annexation areas, power market prices and power supply cost, residential revenue adjustments and administration of surcharge.

Council Member Pimentel asked whether the other Cities wish to go forward and Assistant City Manager Marler indicated that Davis will be going forward first. West Sacramento has a few other issues to address before proceeding. At the Town Hall meeting regarding SMUD annexation there were only 40 people present. It appears that full annexation is the best route to take. Electrical costs will be lowered and will be of benefit to the customers.

At 7:59 Council Member Monroe left the meeting and returned at 8:00.

Bill Slaten, President of the SMUD Board, said he is pleased with the thoroughness of the study. He indicated the City of Folsom has saved \$238 million in their power costs by receiving SMUD service. They will be cost neutral at minimum and probably see more in savings for current customers. This issue has been placed on the calendar for the Board for mid-April or May with a decision by the third week in May.

Vice Mayor Flory asked if the unincorporated area would be part of this and Mr. Slaten said the entire area would be redistricted. Council Member Monroe asked if they would vote and Mr. Slaten said we would be voting on the Board membership. Council Member Peart asked if they are satisfied with the numbers relating to inventory and John Destasi, Assistant General Manager of SMUD, said they are satisfied with the numbers based on the factor but feel they have a good basis for the system because of past knowledge of what is needed to run a system. Council Member Pimentel said there have been questions about the various types of programs, i.e., low income housing. Mr. Destasi said they do have some programs and will provide information to the Cities. They will be validating the report by the end of March or first part of April.

Paul Lau said that A. B. 1890 provided deregulation in 1996 and required electric utilities to dedicate a minimum set amount of funds for the "public-goods



programs” in the areas of energy efficiency, renewables, research, development and demonstration and low income. Municipal utilities retain local control and flexibility over allocation and use of their public-goods funds. Investor-owned utilities are subject to the California Public Utility Commission direction and regulation regarding allocation and use of funds.

Council Member Pimentel asked how many personnel it will take to adequately service our area. Mr. Lau said they are going through that study at present. Mr. Destasi said they are doing the internal analysis and will have the information prior to the end of March.

John Newman, Division Director of P. G. and E. said the study is seriously flawed, somewhere in the range of a \$450 million underestimation. The rates will increase by 17% to 20% because of what SMUD will have to pay P. G. and E. He urged the Council to have the figures checked again prior to moving ahead. There is more staff time and study that is needed and litigation will be forthcoming from P. G. and E. on this issue.

David Ruben, Engineer for P. G. & E., said the acquisition costs are low by approximately \$325 million, power prices are low by over \$100 million, non-bypassable charges are underestimated by approximately \$75 million and capital additions are low by \$30 million. Vice Mayor Flory asked if these figures are based on P. G. & E. information that they would not provide to Beck when requested. Mr. Ruben said it was based on the Beck Report. He said they did provide information to Beck but some of the information was not in a format where it could be provided.

Council Member Pimentel asked if these issues were the same as those brought up in the Folsom annexation, who are now saving a great deal of money on their power. Mr. Ruben said the circumstances are different and were not relevant in 1984 when Folsom annexed to SMUD.

Council Member Peart left the meeting at 8:30 and returned at 8:31.

Mr. Ruben said they felt the \$100 million to be a conservative figure and could be as high as \$200 million.

Council Member Monroe left the meeting at 8:35 and returned at 8:37.



Council Member Peart asked how P. G. & E. established an inventory when they had told SMUD they did not have an inventory. Mr. Ruben said they went through the inventory after the Beck study was completed.

Richard Lockhart of Henwood Energy said the power SMUD proposes are forecasts. SMUD is saying they can meet the needs but there are no new hydroelectric sources to be added. Council Member Pimentel asked if this analysis was independent from P. G. and E. and he said they have many clients, including SMUD, P. G. & E, public agencies, private agencies, banks, etc. but are entirely independent.

Council recessed at 8:53 and reconvened at 9:00.

At 9:00, Vice Mayor Flory opened the Public Hearing.

Rob Ball of the Woodland Joint Unified School District indicated the District had several problems with P. G. and E. They strongly support the annexation as they will save approximately \$125,000 per year which equates to 16,225 new books, 2 new classrooms, 2.5 elementary school counselors, 156 new computers per year or 2 music teachers.

Martin Bernavage supports the annexation in the unincorporated area. SMUD is owned by it's customers. P. G. and E. serves their stockholders. They have waited until the last moment only because they are afraid of the SMUD figures. They recently did their own inventory and as they do not know where their lines are could be why they don't know what is going on.

Dan Berman would like Woodland on the SMUD program. There will be lower rates, greener and better service. SMUD customers are happy with the service. The P. G. & E. Director makes over 400 times more than SMUD staff.

Clifford Dachtler is concerned about the reliability of SMUD. Fees and taxes will be lost by the conversion. He said that the Beck information is incorrect and he does not know where it came from.

Lenny Goldberg is Co-Chairperson of the Davis Energy Task Force. He has had numerous problems with P. G. and E. and their lack of full disclosure. The SMUD Board is accessible and sets their rates for the benefit of the customers.



Carol Goodwin lives in the County and is concerned that SMUD will not be able to maintain the service. Low usage customers will be receiving a rate increase. P. G. and E. was not given adequate time to provide information.

Loren Hamilton said A. B. 1890 has not helped us. The economics on the potential is adequately reported to his satisfaction. It could increase rates as much as 20%. He is in the same union as SMUD employees and said they do not have adequate crews to service the City. He does not support SMUD annexation and feels this is a long range gamble.

Bill Marcus works for JBS Energy and supports the annexation. He believes that Beck has understated the numbers both in cost of annexation and it's benefits. The base case does not include tens of millions of dollars in P. G. & E. costs for massive investments in Diablo Canyon renewable resource acquisition. P. G. & E. knows they will be spending money but by taking Beck's base case and only adding costs, the P. G. & E. costs they assume those costs will not be spent. Beck has overstated the exit fees for all communities except Davis. Woodland and West Sacramento will not be overstated because we will have been paying for overpriced DWR power through 2008 and Beck's analysis does not give us adequate credit for that. Beck's base case also does not contain the real savings to customers that would result from adopting SMUD's line extension rules in Yolo County and assigning more costs to land developers rather than rate payers. Higher power costs will affect both P. G. & E. and SMUD equally. P. G. & E. is asking over \$100 million from rate payers to pay for trenching, substructure and right of way costs on new underground that have been largely paid for by developers under it's electric rules 15 and 16 for the last ten years. These costs never incurred by their shareholders in the first place. They may be double counting their transmission investments through 2008 which may duplicate some of SMUD's proposed upgrades. The going concern payment is a double and triple count of costs. He encouraged the SMUD Board to nail down how a surcharge might be designed. P. G. & E. is trying to spread fear on low usage and low income customers fees.

Council Member Pimentel asked if he thinks the 8% on the negative 0.2% in the Beck study could be a savings of up to 8% and could it potentially be higher. Mr. Marcus has not done a detailed analysis. The costs are likely to be higher because of the non-bypassable charges and there may be a contingency cost factor for acquisition not considered. They should cancel out with about the same range that has been discussed. He feels that some things Beck has done were too conservative and others inadequate.



Bernadette Murray said SMUD has supported alternative energy methods and encouraged Council to approve the Resolution to move forward.

Dean Newberry is a solar contractor and a member of the Davis Energy Task Force. He encouraged the annexation. P. G. and E. is not credible in the value of their assets.

Sally Parker said the P. G. and E. political campaign against SMUD has begun. They have been making calls to their customers and asking questions that would not embarrass themselves.

Craig Powell, Plant Manager of Pacific Coast Producers, said they are very large consumers of power. Energy comprises 6% of their variable costs. Many factors have put pressure on the industry and they cannot pass these cost increases along to the customer. He asked how the discrepancies could be that large? During the process of determining whether they will be going with SMUD there will be uncertainties for the industrial consumers.

Kevin Vaziri, Director of Woodland HealthCare, said they are a non-profit agency and have a very thin margin. Their utility costs are very much a concern. The due diligence must be done to be sure of the numbers as their annual bill is over \$600,000. He urged proceeding with the annexation.

At 9:36, Vice Mayor Flory closed the Public Hearing.

Mayor Rexroad returned to the meeting at 9:37.

BEST WESTERN APPEAL OF LATE FEES

Council Member Pimentel said he had asked for this item to return as he felt a 10% fine was excessive for the first time this Hotel had ever been late on submission. He proposed a 2.5% fine. Vice Mayor Flory has a concern that if others were late on their State or Federal taxes, a substantial penalty would be imposed and it should be consistent for the City as well. If the Council would like to change the Ordinance it must go through the process. Special consideration for a particular business should not be allowed.

Council Member Pimentel feels these businesses have been paying on time for many years and should receive a waiver. Vice Mayor Flory said the



reason the penalty is imposed is to get them to pay on time. Council Member Peart said if we are going to allow for this businesses, then we must allow for others as well. If Council wants to propose changing the Ordinance he would consider that option.

On a motion by Council Member Pimentel, seconded by Vice Mayor Flory and carried, Council approved assessment of a 2.5% penalty on the Best Western for late submission of fees and directed staff to return with a recommendation for payment of late fees on a progressive basis. Council Member Monroe voted to the negative.

At 9:43 the Public Hearing was opened. With no comments heard, the Public Hearing was closed at 9:43.

Council Member Peart left the meeting at 9:43 and returned at 9:45. Council Member Monroe left the meeting at 9:43 and returned at 9:44.

REPORTS OF THE CITY MANAGER

ORDINANCE 1410-MOBILE VENDORS, PEDDLERS AND SOLICITORS

City Manager Kirkwood indicated he had met with those who had concerns about Ordinance 1410 and asked them to present how they would like the language to read. Director Stevens said there has been an Ordinance in place. The vendors need a license, must comply with the environmental and health regulations and standards and must be mobile. The Ordinance that was adopted was to be more clear and provide for better enforcement. Council Member Pimentel asked how Section 14-6-9, (B) Items 4, 5 and 6 became effective. Director Stevens said if they are always located in the same place, they are no longer mobile. The regular restaurants must comply with a great deal of other laws. Restrooms, dirt pads and no electricity are of concern. Other types of sales, such as flowers on the corner need to be addressed as well.

Council Member Monroe left the meeting at 9:52.

Ivan Rojas said these businesses are based on economy and supply. These vendors should be supported.



Robert Millsap represents the mobile vendors. This has grown into an attack on these vendors. They are doing everything to comply with the law. These are commercial businesses. He urge repeal of the Ordinance.

Council Member Monroe returned to the meeting at 9:54.

Ed Hernandez said these businesses should be allowed to serve at the pleasure of the public. The trucks are being returned to their overnight parking every evening. They do not leave them out because of possible damage and theft. The trucks have sinks and water as part of their regulations.

Dan Ryhal, Jr. asked that the Ordinance be removed. This type of business serves one type of clientele. This will eliminate a way of life. More regulations will destroy these businesses.

Nicolas Hernandez is a truck owner. He does not feel these trucks should be banned. The trucks do not take away from existing businesses. Vice Mayor Flory asked if they have to pay for where they park and Mr. Hernandez say he pays \$200 per month.

Michael Silvera presented 700 signatures against the regulations. Choices should be provided. This Ordinance hinders the lives of the citizens. It hurts the customers of Woodland.

Director Stevens said the Ordinance does not prohibit these lunch wagons. The language addresses where they can park and the duration of that stay. Vice Mayor Flory asked about parking on unimproved surfaces and Director Stevens said it was in the Code already but not enforced. When a business comes in they must have an improved parking lot and these mobile vendors would have that same regulation. Council Member Monroe feels that the change in the Ordinance should be overturned and Director Stevens indicated staff is looking for direction from Council on this item.

Council Member Pimentel moved and Council Member Monroe seconded to remove items 4, 5, and 6 from Section 14-6-9, Part B) from the Code language. Council Member Peart would like some language that provides for restroom facilities. Director Stevens said item 2 requires restrooms within 200 feet. Motion carried.



REPORTS - REDEVELOPMENT

NUEVA VISTA (SACRAMENTO VALLEY ORGANIZING COMMITTEE)

City Manager Kirkwood indicated there seems to be no progress on this project. Brian Ridgeway, Housing Director of the Sacramento Valley Organizing Committee, said the Board of SVOC has been involved with the County in efforts to increase affordable housing for low income families.

Council Member Pimentel left the meeting at 10:20 and returned at 10:23.

Mr. Ridgeway said he needs to work with staff on the details and asked Council to extend the timeline for 45 days. They would like to have time to adjust the site plan to address water drainage issues. They have a creative solution and can have some movement within that 45 days. They will be exploring how to address the \$200,000 deficit. Public Works has been working with them as well. Council Member Pimentel said we have invested 7 years in this project and feels the additional 45 days is reasonable.

Vice Mayor Flory is concerned about the continued delay, and the commitment of the Community Development Block Grant funds. There will also be no reduction in any fees. Council Member Pimentel said in 45 days if this project is not feasible, he will not be supportive of continuance. Mr. Ridgeway said they will have a plan or will accept the Council concurrence to prohibit proceeding. City Manager Kirkwood said CDBG must have a Public Hearing in April and we should coordinate our timing schedule to coincide with those hearings. Council concurred to allow 45 days for finalization of plans.

Council Member Peart left the meeting at 10:28 and returned at 10:29.

At 10:28 p.m., on a motion by Council Member Pimentel, seconded by Council Member Monroe and carried unanimously, Council extended the meeting to 11:00 p.m.

CONSENT

The following items were pulled from the Consent Calendar for discussion later in the meeting:



REVISIONS-JOB DESCRIPTIONS FOR FIRE CAPTAIN AND FIRE ENGINEER

CITY LIBRARY SERVICES, FUNDS MANAGEMENT AND AUTHORITIES

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council approved the following Consent Calendar items as presented:

TREASURERS' REPORT – DECEMBER 2004

Council reviewed and accepted the December 2004 Investment Report as submitted.

RESOLUTION 4614-MBIA MUNISERVICES COMPANY EXAMINATION OF CITY'S SALES AND USE TAX RECORDS THROUGH STATE BOARD OF EQUALIZATION

Council adopted Resolution 4614, "A Resolution of the City Council of the City of Woodland Authorizing the Examination of Transactions (Sales) and Use Tax Records", authorizing MBIA MuniServices Company to examine all the City's sales and use tax records through the State Board of Equalization.

SCHOOL CROSSING SAFETY ENHANCEMENTS PROJECT NO. 00-19

Council accepted the project improvements; authorized the City Clerk to file a Notice of Completion for Project 00-19; authorized an amendment to the Fiscal Year 2004-05 Capital Improvement Program in the amount of \$20,000.

COLLECTOR REHABILITATION PROJECT 02-01 AND RELATED UTILITY IMPROVEMENTS PROJECT 02-05

Council accepted the construction for Project 02-01 and 02-05 as complete and authorized the City Clerk to file a Notice of Completion.

MAIN STREET WIDENING PROJECT NO. 05-09

Council approved the Project Programming Summary Sheet for Project 05-09, Main Street Widening and added the project to the current Capital Budget.



MULCHING MOWER PURCHASE; ADDITION OF MOWER AND REPLACED DUMP TRUCK TO PARK DEPARTMENT EQUIPMENT FLEET

Council approved the purchase of a mulching mower with Recycle Fund monies totaling approximately \$12,000; authorized addition of mulching mower and replaced dump truck to the Parks equipment fleet.

CITY MANAGER EMPLOYMENT AGREEMENT

Council approved an amendment to the City Manager Employment Agreement to provide pay for performance adjustments for the period of July 1, 2003 through June 30, 2004.

MANUFACTURED HOME FAIR PRACTICES COMMISSION ANNUAL REPORT FOR 2004

Council received the 2004 Annual Report from the Manufactured Homes Fair Practices Commission.

SOUTH URBAN GROWTH AREA UTILITY RELOCATION PROJECT 02-36-01

Council accepted the South Urban Growth Area Utility Relocation Project 02-36-01 as complete and authorized the City Clerk to file a Notice of Completion.

AMENDMENT #2-PROFESSIONAL SERVICES CONTRACT-WILLDAN ASSOCIATES

Council authorized the City Engineer to execute Contract Amendment Number 2 with Willdan and Associates for plan review.

INTERIM REPAIRS TO KENTUCKY AVENUE

Council received a report on the interim repairs to Kentucky Avenue.



PONTICELLO ENTERPRISES-ON-CALL CONSULTING SERVICES

Council authorized the City Engineer to execute a Contract with Ponticello Enterprises for Development Services support.

BIDDER PRE-QUALIFICATION PROCESS-WASTEWATER TREATMENT PLANT EXPANSION TERTIARY IMPROVEMENTS AND PLANT FLOOD PROTECTION, PROJECTS 00-52, 03-28 AND 03-39

Council authorized staff to pre-qualify contractors for the Waste Water Treatment Plant expansion, tertiary improvements and flood protection projects 00-52, 03-28 and 03-39.

GRANT FUNDING-CALIFORNIA OFFICE OF TRAFFIC SAFETY-LIGHTED CROSSWALK SAFETY SYSTEMS

Council authorized staff to submit for \$51,600 in grant funding from the California Office of Traffic Safety for the installation of two lighted crosswalk safety systems at two locations within the City.

RESOLUTION 4615-RECERTIFICATION AS TREE CITY USA

Council adopted Resolution 4615, "A Resolution of the City of Woodland Supporting the Application for Tree City U. S. Recertification".

HOMELAND SECURITY GRANT PROGRAM FOR FISCAL YEAR 2004

Council received a report on the Fiscal Year 2004-05 Homeland Security Grant Program.

REPORTS OF THE CITY MANAGER (continued)

RESOLUTION OF INTENTION 4611-SPRING LAKE MAINTENANCE COMMUNITY FACILITIES DISTRICT AND LEVY OF SPECIAL TAX

Finance Director Drayton outlined the process and steps for the formation of the Community Facilities District for the Spring Lake area. This includes 56.4 acres pf parks. Twenty-eight acres has been located outside of the project area



to assist with financial feasibility concerns. The District formation is part of the requirements within the Conditions of Approval for final maps. The estimated annual budget for the area is \$426,000. Tax rates for the project are anticipated at \$135 for residential properties, \$112 for multi-family units; \$441 per acre for non-residential and \$823 per acre for undeveloped land. Lynn Gruber of Koppel and Gruber briefed the Council on the next steps in the process.

On a motion by Council Member Peart, seconded by Council Member Monroe and carried unanimously, Council adopted Resolution 4611, "A Resolution of Intention of the City Council of the City of Woodland to Establish the City of Woodland Spring Lake Maintenance Community Facilities District and to Authorize the Levy of a Special Tax Within City of Woodland Spring Lake Maintenance Community Facilities District".

Mayor Rexroad left the meeting at 10:35 due to a Conflict of Interest regarding the following item:

PUBLIC HEARINGS (reconvened)

SACRAMENTO MUNICIPAL UTILITY DISTRICT (SMUD) ANNEXATION FEASIBILITY STUDY; REQUEST ANNEXATION; JOINT RESOLUTION TO ANNEX (continued)

Vice Mayor Flory indicated that Beck should not be responding to the comments made during the Public Comment section as P. G. & E. will not have that opportunity to respond.

Ken Mellor of R. W. Beck said that P. G. & E. did not provide information to assist in the study. They did not provide backup to the allegations of missing specific areas, i.e., how many poles, etc. They have taken the position that they do not want to sell their facilities and set a very high price. The original cost, less depreciation is a valid method. P. G. & E. is allowed to earn on that method, as they are allowed 11% on that value. A higher value would increase rates. Beck did an extensive inventory through Stone and Webster. Bucket trucks and binoculars were utilized as access was not always allowed. The information was gathered as best as possible. The trenches were done by the developers and now P. G. & E. wants to charge SMUD for that part of the inventory.

Council Member Monroe left the meeting at 10:40 and returned at 10:41.



Mr. Mellor said they have a high level of confidence in the numbers and believe it may be higher than actual. The cost to SMUD will go up but so will the costs for natural gas through P. G. & E. In relation to the Annual Capital Additions, the P. G. & E. value is grossly inflated. Council Member Pimentel said he has a problem with P. G. & E. not providing information. This is an issue of local control. Council Member Peart feels the report is a good independent view of the issue. He is also concerned that P. G. & E. had said they would cooperate but have not done so. Council Member Monroe feels the study was well done. He feels the citizens should vote on this issue.

On a motion by Council Member Peart, seconded by Council Member Monroe and carried by the Members present, Council moved to accept the SMUD Annexation Feasibility Study and its findings; to request the SMUD Board of Directors annex Woodland, Davis, West Sacramento and related portions of Yolo County for the provision of electrical service; directed the Assistant City Manager to work with the Cities of Davis and West Sacramento and the County of Yolo to prepare a joint resolution to be approved by the City Councils of Davis, West Sacramento and Woodland and the Yolo County Board of Supervisors requesting the SMUD Board to annex those cities and portions of Yolo County for the provision of electrical service.

At 10:53 Mayor Rexroad returned to the Council Chambers.

PUBLIC HEARING - REDEVELOPMENT

RESOLUTION 05-01-REDEVELOPMENT AGENCY 5-YEAR IMPLEMENTATION PLAN

Chairperson Rexroad announced the Public Hearing would be conducted as per the tenants of the Redevelopment Law. He also advised of the procedure and processes that must be undertaken in specific order for consideration and approval.

At 10:56 Chairperson Rexroad opened the Public Hearing of the Redevelopment Agency. Staff discussed the Redevelopment Agency 2005-2009 Implementation Plan and summarized specific highlights. The Implementation Plan and updates were reviewed and progress in the implementation discussed. Hearing no comments from members of the public, on a motion by Board Member Monroe, seconded by Board Member Pimentel and unanimously carried, the Public Hearing was closed.



On a motion by Board Member Monroe, seconded by Board Member Pimentel and carried unanimously, the Redevelopment Agency Board adopted the Updates to the Plan and Resolution 05-01, "A Resolution of the Redevelopment Agency of the City of Woodland Approving and Adopting the A. B. 1290 Five Year Implementation Plan for the Woodland Redevelopment Project".

At 11:00 p.m. on a motion by Council Member Monroe, seconded by Council Member Pimentel and carried unanimously, Council extended the meeting to 11:30.

REPORTS OF THE CITY MANAGER (continued)

UTILITY RATES FOR WATER, SEWER, STORM DRAIN

Public Works Director Wegener said the City needs to address the capital, operations and maintenance needs and the debt service for sewer (tertiary/flood protection). The firm of Bartle Wells was retained to provide the rate review and financing plan. A Council Sub-Committee was included in the process as well. Specific issues are the substantial increases in operations and maintenance costs based on the cost experience over the last four years. There are also increases to capital replacement costs. Financing costs for existing development of a portion of the Waste Water Treatment Plant upgrades (tertiary treatment and flood protection and the unfunded storm drainage program. The projected increases are between 65% and 70% over the next four to five years. This is unrelated to development and development fees are also being adjusted. Water and sewer will be addressed first followed by storm drainage, which will require a separate ballot process. Forty percent of sewer increase is due to the tertiary treatment requirement by the State. The next steps in the process include the in-depth discussion by the Council scheduled for the February 22, 2005 workshop. There will be extensive public outreach and information sharing. A Public Hearing is required with a 45 day notice. The Hearing will be held, protests tallied and action taken as appropriate based upon the results of the protest tally.

Council Member Monroe left the meeting at 11:01 and returned at 11:03.

Vice Mayor Flory left the meeting at 11:02 and returned at 11:05.



RESOLUTION 4612-ADULT SPORTS BOXING

On a motion by Council Member Pimentel, seconded by Council Member Monroe and carried unanimously, Council adopted Resolution 4612, "A Resolution of the City Council of the City of Woodland, California, Amending the Parks, Recreation & Community Services Department Fee Schedule as Related to the Adult Boxing Program".

RESOLUTION 4613-SISTER CITY DESIGNATION AND MEMBERSHIP IN SISTER CITIES INTERNATIONAL

Library Services Director Miller said the Council had indicated their support to adopt a Sister City, La Piedad de Cabadas, Mexico. The sharing of information and culture are the primary goals of this relationship. Vice Mayor Flory asked if we had to pay a fee to participate and Director Miller indicated there is a one time fee to join the Sister Cities International Organization.

Xavier Tafoya provided materials for the Council review and Council Member Pimentel said this is a cultural and educational opportunity for the City. He has been invited by the Governor of the State of Michoacan to visit the State.

On a motion by Vice Mayor Flory, seconded by Council Member Pimentel and carried unanimously, Council adopted Resolution 4613, "A Resolution of the City Council of the City of Woodland Declaring La Piedad de Cabadas, Mexico as Sister City.

CONSENT CALENDAR (continued)

CITY LIBRARY SERVICES, FUNDS MANAGEMENT AND AUTHORITIES

Council Member Pimentel said if we have collected fees through Public Library Funds and State Transaction Based Reimbursements, do we need to give those back to the Library. City Manager Kirkwood indicated we must so turn those fees over to the Library. City Attorney Siprelle said the City only has control over the General Fund portion of Library funds. City Manager Kirkwood indicated last year \$476,000 was captured and not spent by the Library Board. He feels the rolls and responsibilities of the Library Board and Council need to be clearly defined. There is continuing discussion in regard to the \$476,000 and the decisions made by the Board on the capturing and reuse of those funds. The expenses have now been appropriately captured and we are now in the



\$200,000 number of outstanding dollars. The Board will now need to made recommendations on expenditures. They have been asked to establish policy statements in regard to the fiscal affairs and management responsibilities. Those policy recommendations, his findings based on the discussions with the City Attorney and Finance Director and his recommendations are before the Council to discuss.

On a motion by Council Member Pimentel, seconded by Vice Mayor Flory and carried unanimously, Council concurred with the City Manager's Findings and Comments regarding Library Services, funds management and authorities.

REVISIONS-JOB DESCRIPTIONS FOR FIRE CAPTAIN AND FIRE ENGINEER

Assistant City Manager Marler said that Engine Company 4 is nearly ready to be activated. Three additional Fire Captains, Fire Engineers and Firefighters are needed. There were no in-house applicants for the Captain and Engineer positions. The existing lists only have two individuals on the Captain's promotion list and one on the Engineer's list. They language was added that some experience could be met by successful completion of certification. The Woodland Professional Firefighters' Association (WPFA) does not want to allow outside applicants for the positions. In order to fill the positions at present we need to open to the outside which requires a change to the job description.

Council Member Monroe asked if these are promotional positions and Assistant City Manager Marler said they are promotional, however, no internal employees have applied. Council Member Peart said if no one has applied, these positions cannot be filled internally. Manager Marler said these positions are the only ones in the entire City that presently have a restriction on hiring only within.

At 11:28, on a motion by Council Member Pimentel, seconded by Vice Mayor Flory and carried, Council extended the meeting until 11:45. Council Member Monroe voted to the negative.

Firefighter Walter Scruggs, President of the WPFA, said the Association feels that by opening the positions to the outside it will diminish the high standards and expectations of the Department. There is a threat to the safety of the community and the morale of the Department. They would like to resolve this issue in negotiations but there was not enough time to adequately discuss the issue. Those who are serving as acting employees in the positions have the



qualifications and there are now members that do qualify and should be placed in the positions long term. It is critical that people in these positions have the minimum of two years of service in the Department for Engineers and five years for Captains. This knowledge is imperative for the safety of the community for response times, for response districts, responding into a low income district versus a high income district where you have such a broad array of factors that can be contributed and only the people that move through the ranks can understand that. If someone from the City of Sacramento were placed into the position of Captain today, they would have a book that explains how the City works, but they don't have the knowledge of the City that it takes to be qualified in that position. They are asking that the issue be tabled for 45 days to further discuss the issue. Within six months there will be nine people who will be taking the test.

Mayor Rexroad said the organization had wanted to have Firefighters hired from the outside and is now indicating they want a closed shop to promote from within. There would not be the broad range of experience they had requested for Firefighters. Firefighter Scruggs said by using Firefighters from anywhere, they are trained within and can then promote. Vice Mayor Flory asked why the City should not go outside to hire Police Officers, Public Works employees, etc., for example. Firefighter Scruggs said other Departments do not let outsiders promote into the Fire Engineer and Fire Captain positions. The years of service required to be in the City is the problem. Vice Mayor Flory said if a Fire Captain in another area was very qualified they could not be hired based on what the WPFA is proposing.

Council Member Peart left the meeting at 11:38.

Council Member Pimentel asked for clarification on low income and middle income homes, how they are to be served and what are the proposed differences in service mentioned. Firefighter Scriggs said when responding in to a certain area or areas that are of a certain financial class, they tend to respond to certain types of calls. A man down in one area that is an upper class area, middle-upper class area, there is a mind-set of being able to walk in to anything. A person down in one area could be a heart attack, blood sugar, etc. In another area or more violent neighborhood and that could be gunshot, stabbing, assault, etc. and that separates the two. There are various incidents in other neighborhoods, but you are more prepared to go into one seeing that. Council Member Pimentel asked then in a one area over another area of the City, they respond to calls differently. Firefighter Scruggs said mentally differently. They are prepared to



see different things in certain areas. A single family residential response in one area may be just that, a single family, while in another area that single family residential may house four families.

Council Member Peart returned to the meeting at 11:39.

Manager Marler said the argument on going into different areas is without merit. Our Police Officers are not always hired from within the City and they respond to these same areas. A Captain that is from another area would be briefed by the Fire Engineer and Firefighter on the Engine in regard to the response area. By allowing outside applicants, it immediately expands the numbers of internal applicants as well. Council Member Pimentel asked how many total people are in the Department and how many are from the City. Firefighter Scruggs said there are 43 and all but 6 live in the City. City Manager Kirkwood asked if the object is to reserve promotional only for those who work for the Department currently. Council Member Monroe said this type of subject is deflating for those in the City.

On a motion by Council Member Pimentel, seconded by Council Member Monroe and carried unanimously, Council moved to delay action on this time for 44 days.

At 11:45, on a motion by Vice Mayor Flory, seconded by Council Member Pimentel and carried unanimously, Council extended the meeting to 1:00.

Chief Diekman said extending the timeline will not affect the process. He talked to the other employees who were qualified or marginally qualified and no applications were received. He does not want to hire outside, but should not be restricted if there are no internal candidates. The internal candidate qualifications have been expanded.

On a motion by Council Member Pimentel, seconded by Council Member Monroe and carried unanimously, Council amended their previous motion to set March 1, 2005 as the return date for this item.



COMMUNICATIONS

Council received notification of an Application for Person-to-Person Transfer of an Alcoholic Beverage Control License for Steve's Place Pizza.

COMMITTEE REPORTS

Council received the Traffic Safety Commission meeting minutes of December 6, 2004.

Council received the Library Board of Trustees meeting minutes of January 10, 2005.

ORDINANCES

ORDINANCE 1416-DEVELOPMENT AGREEMENT-WOODLAND INVESTMENT COMPANY (COUNTY ROAD 102 AND INTERSTATE 5-GATEWAY CENTER)

On a motion by Council Member Peart, seconded by Vice Mayor Flory and carried unanimously, Council adopted Ordinance 1416, "An Ordinance of the City of Woodland Approving the Development Agreement Between the City of Woodland and Woodland Investment Company Relative to Property Located at CR 102 and Interstate 5".

ORDINANCE 1417-AMENDMENT TO THE ZONING (COUNTY ROAD 102 AND INTERSTATE 5-GATEWAY CENTER)

On a motion by Vice Mayor Flory, seconded by Council Member Pimentel and carried unanimously, Council adopted Ordinance 1417, "An Ordinance Amending the City of Woodland Zoning Ordinance Pertaining to the Entry Overlay (EOZ) and Highway Commercial (C-H) Zones".

ORDINANCE 1418-SECTION 2-1-41-GRACE PERIOD FOR REMOVAL OF APPOINTED EMPLOYEES

On a motion by Council Member Peart, seconded by Council Member Pimentel and carried unanimously, Council adopted Ordinance 1418, "An Ordinance of the City of Woodland Amending Section 2-1-41 Relating to Grace Period Prohibiting Removal of Appointed Employees After an Election".



REPORTS OF THE CITY MANAGER (continued)

MEMBERSHIP-PARKS, RECREATION, COMMUNITY SERVICES AND URBAN FORESTRY COMMISSION

Council clarified that the Parks, Recreation, Community Services and Urban Forestry Commission membership would be at seven members. The Ordinance will be revised and returned to the Council for approval.

ACA 5: DEFINED BENEFIT V. DEFINED CONTRIBUTION

On Council consensus, this item was removed from the Agenda.

PROFESSIONAL SERVICES AGREEMENT-MADISON GOVERNMENT AFFAIRS TO ADVANCE CITY OF WOODLAND FEDERAL APPROPRIATIONS REQUESTS

Mayor Rexroad said the Madison Government Affairs group is a local company. He does not feel the City needs a lobbyist, but wanted to give the Council the option to discuss. Vice Mayor Flory said with our previous lobbyist, Thane and Associates, it was a less costly. Mayor Rexroad would be willing to go to Washington, D. C. on the City's behalf. City Manager Kirkwood said there had been benefit for utilizing an outside lobby firm.

There was no motion so no action was taken.

ADJOURNMENT

At 11:58 Mayor Rexroad adjourned the joint regular meeting of the City Council and the Redevelopment Agency Board.

Respectfully submitted,

Sue Vannucci, CMC, City Clerk