

Woodland City Council Minutes
Council Chambers
300 First Street
Woodland, California

May 27, 2003

CITY COUNCIL SPECIAL/CLOSED SESSION
CITY HALL SECOND FLOOR CONFERENCE ROOM

6:00 P.M.

CLOSED SESSION

Council met in Closed Session at 6:00 p.m. to hold a consultation with Police Chief Sullivan and City Attorney Siprelle regarding a Threat to Public Services or Facilities, Pursuant to Section 54957. Present at this session were Mayor Flory, Council Members Dote, Monroe and Peart (arrived at 6:03), City Manager Kirkwood, Assistant City Manager Marler, Public Works Director Wegener, and Community Development Director Stevens.

WOODLAND CITY COUNCIL
SPECIAL MEETING

7:00 P.M.

Mayor Flory announced that Council had met in Closed Session regarding a Threat to Public Services or Facilities. Council gave direction and will report regarding the outcome of that session following the Call to Order.

CALL TO ORDER

Mayor Flory called the Special meeting of the City Council to order at 7:02 p.m.

PLEDGE OF ALLEGIANCE

Mayor Flory invited all in attendance to join in the Pledge of Allegiance led by City Clerk Vannucci.



SPECIAL ANNOUNCEMENT

Mayor Flory indicated that discussion had been held in Closed Session regarding a Threat to Public Services or Facilities. He read a letter into the record to be sent to the Yolo County Board of Supervisors regarding the recent threats made by Supervisor Frank Sieferman, Jr. in a City/County 2 X 2 meeting. A copy of this letter is included in the Council Packet for this meeting and will be maintained in the record.

ROLL CALL

COUNCIL MEMBERS PRESENT: Martie Dote, Jeff Monroe, Neal Peart, David Flory

COUNCIL MEMBER ABSENT: Matt Rexroad

STAFF MEMBERS PRESENT: Rick Kirkwood, Phil Marler, Ann Siprelle, Margaret Vicars, Karl Diekman, Gary Wegener, Carey Sullivan, Tricia Stevens, Marie Bryan, Sue Vannucci, Jennifer Dzakowic, Gus Bush

COUNCIL/STAFF STATEMENTS AND REQUESTS

Council Member Monroe indicated the City had received a bill from the Next Chapter Bookstore on Court and East Street regarding lost revenue during the reconstruction of Court Street. Public Works Director Wegener indicated that Teichert Construction has been making every effort to accommodate those businesses along Court and minimally close entrances for short periods of time only. He will investigate the allegations further.

Council Member Dote indicated the City of Pleasanton has created a very attractive downtown and suggested the Planning Commission take a field trip to view the project. She indicted the monument at County Road 98 and East Main Street is under construction and the landscaping is maturing, as is the East Street landscaping.

Council Member Monroe requested that when the annexation in relation to the Clark Pacific project along County Road 102 is complete, the City consider renaming the Road. Council agreed to reconsider that piece in conjunction with the Spring Lake Specific Plan area.



REPORTS OF THE CITY MANAGER

RESOLUTION 4443 - REVENUE SHARING AND PROPERTY TAX EXCHANGE AGREEMENT FOR THE CLARK PACIFIC INDUSTRIAL ANNEXATION

City Manager Kirkwood indicated the Tax Sharing Agreement proposed is for the 237 acre Clark Pacific annexation located North of Kentucky Avenue and West of County Road 102. The primary purpose of the Agreement is to assure the project is fiscally neutral to the City and County. The County will receive a \$55,000 net gain. They have asked for assurances that he is not entirely comfortable with at this time. The Agreement before Council for consideration is without guarantees the County as requested. He would like flexibility to negotiate and will return to Council if there are some concerns on which he would like direction. The timeline before LAFCO is a June 3, 2003 deadline.

Community Development Director Stevens said the Agreement has two special clauses: (1) a reopener in the event that land use assumptions in the Economic and Planning Systems report are different; and (2) the sales tax reporting procedure process. The reopener addresses the land use changes. Parcel 1, 72.5 acres, is slated for the Clark Pacific facility and is proposed for development in three phases. Parcel 2 is 57.5 acres and has unspecific industrial uses at present. Parcel 3, 15.1 acres, is not proposed for development at this time. Parcel 4, 92.5 acres is also not proposed for development at present but is contingent on the larger Spreckels Business Park Specific Plan.

Council Member Dote asked if the revenue sharing was on the property tax. City Manager Kirkwood affirmed and said the EPS analysis is on the business to business sales. The City and County would be benefiting so sales tax is counted as part of that assumption. The property tax is insufficient so the sales tax would be considered to make this fiscally neutral.

Director Stevens said reopeners would be considered should land uses in Parcel 2 be requested to change. Parcel 4 could go forward earlier and Council could then reopen that one as well. City Manager Kirkwood said the other part of the reopener is that when the balance starts to master plan itself, the City will analyze the fiscal point of view all of the parcels to give assurances that the sum of the parts is fiscally neutral for the City and County. This is an interim agreement to proceed with the annexation of this parcel. Council will review the balance.

Potential revenues from this project have not been included in the budget projections for fiscal year 2003-04. Council Member Peart said that the taxable sales on Table 2 on the handout from Clark Pacific is it \$12,179,000 and asked if



the City would capture the tax on \$7.75 million. Director Vicars said the City would receive \$160,000 and the County will receive \$75,000 and in Phases I and II.

Mayor Flory asked for clarification on the anticipated completion date and expected receipt of the funds. Gerry Kamilos, Developer, said Clark Pacific would like to start later this Summer, but the annexation, use permit issues, etc. need to be addressed before beginning. The income to the City is anticipated at \$127,000 per annum and depends upon marketing, sales and components. They plan to develop in three phases. Finance Director Vicars said these reports are based on build out.

On a motion by Council Member Peart, seconded by Council Member Dote and carried by the Members present, Council adopted Resolution 4443, "Agreement, Revenue Sharing and Property Tax Exchange Agreement for the Clark Pacific Industrial Reorganization" and provided the City Manager with the flexibility to negotiate the facets of the Agreement.

A motion made by Council Member Monroe that any revenue received by the City regarding this project be specifically targeted to increase the numbers of Police Officers in the City lost for lack of a second.

PRELIMINARY FY 2003/2004 OPERATIONS AND MAINTENANCE BUDGET

City Manager Kirkwood said Council had met on May 10, 2003 to discuss the budget and had provided input and direction to Staff. Those items as directed by Council will be included in the final budget. The budget is timely and is balanced. The final budget will return to Council on June 17, 2003 for adoption.

Council Member Monroe asked about requesting the State to return funds to the City. City Manager Kirkwood said there had been a Resolution in the past so requesting the State to leave City funds local and Council Member Dote suggested we bill the State for those funds previously taken from the City. This item will be on the June 17, 2003 Agenda for discussion.

Director Vicars indicated at present there are four State budgets circulating. The Governor's May Revise Budget issued on May 14th, the Senate Republican Budget, Assembly Democrat Budget and Assembly Republican Budget with varying degrees of the same measures and some that differ slightly. The Governor's Revised Budget has shown some progress in favor of local



governments are concerned. The full Vehicle License Fee is planned to be restored with the "trigger" being pulled around July 1st. Discussion is still being held with the Department of Motor Vehicles and the Governor's Office on the aspects and when this will start. It will cost the City \$250 thousand per month for each month not received. Items still being cut are the Booking Fees, the Mandated Costs Reimbursement Program, Library Funds, Transportation dollars, with one of the largest cuts in Redevelopment. The Governor instituted an additional payment to the Educational Reimbursement Augmentation Fund (ERAF) from the Redevelopment Agencies. This equated to \$13,500 for our City, which was paid on May 15th as per State law. The proposal is to cut an additional \$250 million from the RDA budgets for 2003-04 and increase by \$50 million every year until 2018, where it will reach approximately \$1 billion from local to the State budget. For the City it will mean about \$65 thousand per year from the RDA budget. If the RDA cannot afford to pay those dollars, such as having the debt service, it will come from the General Fund. Council Member Dote indicated the Agencies funded with increases in property tax increments that result from the improvements made to blighted areas. About 20% of that money must to be set aside for affordable housing. It is not prudent for the City to make improvements in the Redevelopment Agency if the income to be received will be lost.

Director Vicars indicated that all budget figures presented are without the Measure H revenues. The total operating budget is at \$43 million. Income from property and sales tax is proportionate to the expenditures for public safety. Anticipated expenditures are at nearly \$42.8 million. Estimated revenue versus actual were nearly parallel, with revenue slightly higher except for 2002, which was in part due to the restatement and to 9/11. There has been a steady increase in sales tax since the 1990's. With the ERAF shift in 1992, it was not until 1999 that the City caught up to the level of income taken with that shift. Public safety accounts for 54% of the budget, with Police slightly higher each year due to grants. Council has directed that a Vacant Position Review process and a User Fee Study be developed. Those items are on the Agenda for consideration this evening. Also part of the budget plan is the increase in franchise fees from Waste Management.

Council Member Dote asked if the proposed changes in the Brown Act reporting requirements would have an effect on the City and Director Vicars indicated there are some aspects of concern as these are mandated costs. Recently the City Manager, Finance Director and City Clerk discussed the possible ramifications and will return with a report to Council. Many of the mandated costs billed to the State are not received, are received in part, and/or received several years after billing.



CONSENT

On a motion by Council Member Monroe, seconded by Council Member Dote and carried by the Members present, Council approved the following Consent Calendar items:

CONTRACT WITH D. G. MAXIMUS TO CONDUCT ANNUAL COST ALLOCATION PLAN AND CITY-WIDE USER FEE STUDY

Council authorized the Finance Director to enter into a Contract with Maximus to conduct the annual Cost Allocation Plan, Indirect Cost Study and Citywide User Fee Study in an amount not-to-exceed \$30,000.

VACANT POSITION REVIEW PROCESS

Council approved a Vacant Position Review Process to be implemented by the City Manager until the impact of the California State budget is known.

RESOLUTION 4442 - AMENDMENTS TO THE JOINT POWERS AGREEMENT OF THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS AND APPOINTMENT OF COUNCIL MEMBERS TO THE BOARD OF DIRECTORS

Council approved Resolution 4442, "A Resolution of the City Council of the City of Woodland approving Amendments to the Joint Powers Agreement of the Sacramento Area Council of Governments (SACOG) and Appointing a Director to the SACOG Board of Directors Contingent Upon Passage of Said Amendments". Council appointed Mayor Flory as the primary Director and Council Member Dote as the Alternate Director.

ADJOURN

At 8:03 p.m., Mayor Flory adjourned the special meeting of the Council.

Respectfully submitted,

Sue Vannucci, CMC, City Clerk