

MINUTES OF THE
REGULAR MEETING – CITY COUNCIL
February 07, 2012

City Council Chambers, City Hall, 250 East L Street, complete proceedings of which are recorded on tape.

I. CALL TO ORDER:

Mayor Patterson called the meeting to order at 7:00 p.m.

II. CLOSED SESSION:

III. CONVENE OPEN SESSION:

A. ROLL CALL

All Council Members were present.

B. PLEDGE OF ALLEGIANCE

Claire McFadden led the Pledge of Allegiance.

C. REFERENCE TO THE FUNDAMENTAL RIGHTS OF THE PUBLIC.

IV. ANNOUNCEMENTS/APPOINTMENTS/PRESENTATIONS/PROCLAMATIONS:

A. ANNOUNCEMENTS

1. Announcement of action taken at Closed Session, if any.

None

2. Openings on Boards and Commissions:

Council Member Hughes reported there were 14 candidates left to interview. Staff is working on scheduling the final interviews. They hope to be finished by February 15, 2012. If they cannot be completed by 2/15/12, the subcommittee would work with Staff to revise the subcommittee appointment resolution.

Building Board of Appeals
3 full terms
Open Until Filled

Solano Transportation Authority Pedestrian Advisory Committee
1 full term
Open Until Filled

3. Mayor's Office Hours:

4. Benicia Arsenal Update:

There was nothing new to report. A subcommittee meeting is scheduled for 2/9/12.

5. Council Member Report:

Council Member Strawbridge reported on her attendance at the League of California Cities New Mayor and Council Member Training.

B. APPOINTMENTS

1. Reappointment of Atiba Murphy to the Benicia Housing Authority for a full term to January 31, 2014.

RESOLUTION 12-3 - A RESOLUTION CONFIRMING THE MAYOR'S REAPPOINTMENT OF ATIBA MURPHY TO THE BENICIA HOUSING AUTHORITY FOR A FULL TERM ENDING JANUARY 31, 2014

On motion of Mayor Patterson Council adopted the Resolution, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

2. Reappointment of Richard Sprankle to the Benicia Housing Authority for a full term to January 31, 2014.

RESOLUTION 12-4 - A RESOLUTION CONFIRMING THE MAYOR'S REAPPOINTMENT OF RICHARD SPRANKLE TO THE BENICIA HOUSING AUTHORITY FOR A FULL TERM ENDING JANUARY 31, 2014

On motion of Mayor Patterson Council adopted the Resolution, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

C. PRESENTATIONS

D. PROCLAMATIONS

V. ADOPTION OF AGENDA:

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council adopted the Agenda, as presented, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

VI. OPPORTUNITY FOR PUBLIC COMMENT:

A. WRITTEN COMMENT

One item - a hard copy of the PowerPoint presentation for item VIII.F (copy on file).

B. PUBLIC COMMENT

1. Mayor Patterson thanked Council Member Strawbridge for her attendance in Sacramento on the State Parks issue.

VII. CONSENT CALENDAR:

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council adopted the Consent Calendar, as presented, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

A. APPROVAL OF MINUTES OF DECEMBER 20, 2011 AND JANUARY 17, 2012

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council approved the regular City Council minutes of December 20, 2011, and the special and regular City Council meeting minutes of January 17, 2012, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

B. INTRODUCTION OF AN ORDINANCE AMENDING THE MEETING TIME AND PLACE FOR THE CITY COUNCIL

ORDINANCE 12- - AN ORDINANCE AMENDING SECTION 2.04.010 (MEETING TIME AND PLACE) OF CHAPTER 2.04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE BENICIA MUNICIPAL CODE

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes,

Council approved the Introduction and First Reading of the above Ordinance, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

- C. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA AMENDING THE EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) OF EMPLOYEES' COMPENSATION EARNABLE TO THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) FOR BENICIA PUBLIC SERVICE EMPLOYEES ASSOCIATION (BPSEA) EMPLOYEES PART TIME UNIT**

RESOLUTION 12-5 - A RESOLUTION AMENDING THE PAYING OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) OF EMPLOYEES' COMPENSABLE EARNINGS TO THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) FOR BENICIA PUBLIC SERVICES EMPLOYEE ASSOCIATION (BPSEA) PART TIME UNIT EMPLOYEES

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council adopted the Resolution, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

- D. Approval to waive the reading of all ordinances introduced and adopted pursuant to this agenda.**

VIII. BUSINESS ITEMS:

- A. MINUTE ACTION APPROVING RESPONSE TO 2011-2012 GRAND JURY REPORT "CITY TREASURER FUNCTIONAL REVIEW"**

Brad Kilger, City Manager, reviewed the staff report.

Public Comment:

None

Mayor Patterson and Staff clarified that Council approved the response to 2011-2012 Grand Jury Report "City Treasurer Functional Review" via minute action.

- B. SUPPORT FOR COUNTYWIDE CLIMATE ACTION PLAN STRATEGIC GROWTH COUNCIL GRANT PROPOSAL**

RESOLUTION 12-6 - A RESOLUTION JOINING IN THE COUNTYWIDE CLIMATE ACTION PLAN STRATEGIC GROWTH COUNCIL GRANT PROPOSAL AND AUTHORIZING THE MAYOR TO SIGN A LETTER OF PARTICIPATION ON BEHALF OF THE CITY COUNCIL

Charlie Knox, Public Works & Community Development Director, reviewed the staff report.

Public Comment:

1. Claudia Fraser - Ms. Fraser discussed concerns regarding compact fluorescent lights (CFL's). She expressed concern regarding rushing into a vote on this item tonight. She gave staff information on International Council for Local Environmental Initiatives (ICLEI) (copy on file).
2. Julian Fraser - Mr. Fraser urged Council to delay the vote so they could read through the ICLEI information.
3. Robert Langston - Mr. Langston expressed concern regarding rushing to vote on this item and past items.
4. Citizen - The citizen expressed concern regarding citizens losing control and rights. She urged Council not to approve this item.
5. Claudia Fraser - Ms. Frazer asked if Council was aware of the authority and control ICLEI would have.
6. Julian Fraser - Mayor Patterson noted that Mr. Fraser had already spoken under public comment. He indicated he had a question. He asked if Council had read One Bay Area and ICLEI on how they relate to the City's General Plan.

Council Member Schwartzman clarified that tonight's discussion was on the agendized item, not on the items Mr. Fraser mentioned.

7. Mr. Fraser asked if Council could agendize the Climate Action to the General Plan.

Ms. McLaughlin clarified the ICLEI information was not agendized. Staff would look into the issue and respond at a later date. If Council wanted to discuss it, it would need to go through the two-step process.

Mayor Patterson stated that out of respect for the Frasers, she would bring the issue back via the two-step process. She would put the request in writing.

Staff clarified that the discussion on this item would be at a future meeting, time permitting. Staff would keep the Fraser's informed as to the date.

On motion of Council Member Hughes, seconded by Council Member Campbell, Council adopted the Resolution, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

C. ENERGY EFFICIENCY CONSERVATION BLOCK GRANT APPLICATION

RESOLUTION 12-7 - A RESOLUTION AUTHORIZING AN ENERGY EFFICIENCY CONSERVATION BLOCK GRANT APPLICATION TO FUND STREETLIGHT RETROFITS AND FREE UP EXISTING CERTIFICATE OF PARTICIPATION FUNDING FOR ANOTHER ENERGY CONSERVATION RELATED PURPOSE

Charlie Knox, Public Works & Community Development Director, reviewed the staff report.

Council Member Campbell and Staff discussed the grant funds. He would like this issue watched close.

Council Member Schwartzman and Staff discussed the possibility of segregating the grant money (if it were received). Staff confirmed it could be tracked separately.

Mayor Patterson and Staff discussed who would approve the final decision on change orders (it depends on the dollar level).

Council Member Hughes and Staff discussed any possible 'unintended consequences' that may arise.

Council Member Strawbridge and Staff discussed why Chevron was willing to put up the money. Staff stated Chevron wanted to see the project succeed, and be a model. They want to promote Chevron as a green and 'money saving on behalf of cities' corporation. They are doing everything they can to make Benicia their poster child.

Public Comment:

None

Mayor Patterson summarized that there was a request from Council to separate the \$371,000 into a separate line item so it could be tracked. Council recognized that there might be some change orders. There was a sense of good faith that is conveyed by Staff that Chevron is seeking for this project to be a model to show elsewhere.

Council Member Schwartzman asked that the following be part of the motion: segregating the money, and putting in a provision that the money not be distributed or dispersed without Council's prior knowledge.

On motion of Council Member Strawbridge, seconded by Vice Mayor Schwartzman, Council adopted the Resolution, as amended, on roll call by the

following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes

Noes: (None)

D. TRANSFER OF TRANSIT ROLLING STOCK TO SOLANO COUNTY TRANSIT (SOLTRANS)

RESOLUTION 12-8 - A RESOLUTION AUTHORIZING THE TRANSFER OF TRANSIT ROLLING STOCK TO SOLANO COUNTY TRANSIT (SOLTRANS)

Bill Zenoni, Interim Finance Director, reviewed the staff report.

Vice Mayor Campbell and Staff talked about the vehicles involved.

Council Member Schwartzman and Staff discussed the issue of assumed liabilities. They discussed concerns regarding the City of Vallejo's bankruptcy, and ensuring that would not impact the City of Benicia.

Public Comment:

1. Dennis Lowry - Mr. Lowry discussed the outstanding funds owed of \$714,000, and the possibility of using leverage of the vehicles for those funds.

Staff and Nancy Whelan, Interim CFO, SolTrans, discussed the agreement to transfer the assets (vehicles), and the funds mentioned by Mr. Lowry.

Vice Mayor Campbell asked Ms. Whelan about the \$700,000 mentioned by Mr. Lowry, that the City purportedly owed.

Mr. Kilger stated that Staff would like to discuss this issue in detail at a special study session. Mr. Kilger and Ms. Whelan discussed prior discussions regarding the \$700,000. Staff is working on the issue. The City will get reimbursed for a portion of the funds.

On motion of Council Member Hughes, seconded by Vice Mayor Schwartzman, Council adopted the Resolution, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

**E. COMPREHENSIVE ANNUAL FINANCIAL REPORT AND
MEMORANDUM ON INTERNAL CONTROL FOR THE FISCAL YEAR
ENDED JUNE 30, 2011**

Bill Zenoni, Interim Finance Director, reviewed the staff report.

Council Member Schwartzman and Staff discussed concerns regarding the General Fund and Marina Loan being written off, pension obligation bonds, having language reflect maintaining a 20% reserve, community development block grants, affordable housing funds, and clarification on the total number of City employees.

Council Member Hughes expressed concern regarding the Benicia Enterprise Fund, and the need to address the issues with the Marina.

Mayor Patterson and Staff discussed the Marina Fund, and the later versions of the lease agreement (after 1990 - amendment was done in 2006).

Vice Mayor Campbell and Staff discussed the Marina Fund, and the possibility of doing a surcharge to make up the difference of the lack of funds.

Public Comment:

1. Robert Langston - Mr. Langston discussed concerns regarding the CAFR and the Mid-Year Budget Review documents.

Staff and Council discussed the Marina loan, and the loan to Casa de Vilarrasa.

Mr. Langston discussed concern regarding the Water Enterprise Fund. He asked that Council adopt a resolution recognizing what the City agreed to do with that fund.

2. Dennis Lowry, Finance Committee - Mr. Lowry discussed that the Finance Committee's approval of the document was contingent upon four policies being put into place: 1) a policy on inter-fund transfers, 2) a policy on write-off procedures, 3) a policy on inter-fund loans, and 4) a policy on loans to outside sources.

Vice Mayor Campbell and Mr. Lowry discussed the Marina issue.

Mayor Patterson summarized Council's direction to Staff. Policies will be developed that require Council approval. There will be a clarification on the settlement agreement (possibly for the errata) that influences and affects the payment schedule and agreements with the Marina (separate discussion). Staff will address the pension obligation that was requested - that the City track with the California Statewide Development Authority to look at refinancing bonds

when it is feasible (Staff will continue to monitor the issue). There will be errata that indicates in note c that the reserve is with a goal to maintain a 20% reserve. Council and Staff will find an appropriate time to discuss the use of a CDBG, balance money for appropriate uses for affordable housing (that would be discussed at the 2/11 special meeting). If possible, track solar savings (Staff will evaluate the issue and bring a recommendation to Council). Address the efficiency for the water treatment and wastewater treatment (there might be resources/grants available to achieve that). Addressing the Urban Water Management Plan (as previously discussed). Look into the intriguing concept of the money owed - receivables having some aggressive performance of contracts, and also to make sure the City has some tracking with the receivables, and some action on the receivables (Staff would like to investigate and bring recommendations back to Council. It could be integrated into the Marina Discussion).

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council accepted the Comprehensive Annual Financial Report and memorandum on the internal control for the fiscal year ended June 30, 2011, with additional recommendations, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

F. FISCAL YEAR 2011-12 MID YEAR BUDGET REVIEW AND RESOLUTION AMENDING FY 2011-12 BUDGET

RESOLUTION 12-9 - A RESOLUTION APPROVING AND ADOPTING AMENDMENTS TO THE BUDGET FOR THE 2011-12 FISCAL YEAR

Bill Zenoni, Interim Finance Director, reviewed the staff report and a PowerPoint presentation (copy on file).

Council Member Hughes and Staff discussed setting up the budget that better reflects the current timing issues (monthly).

Council Member Schwartzman and Staff discussed when an update to the long-range budget might be available, the need for more simplified reports.

Mayor Patterson and Staff discussed the CIP funding and road repairs, notification to property owners regarding the Assessment District rate increases, and the possibility of having a subcommittee to deal with this.

Council Member Strawbridge discussed the need to look at new revenue streams for the City.

Public Comment:

1. Dennis Lowry - Mr. Lowry stated the Finance Committee supported Staff's

recommendations. He discussed changing how the sales tax adjustment was tracked on the budget (separate line item).

Mayor summarized the following actions: 1) that there would be a future report on the RFP for the assessment district, and a plan of approach for Council, 2) the long-range budget process would be described to Council, 3) the accrual accounting approach that Staff is developing will be provided to Council, 4) reports will be simplified, 5) new revenue streams should be listed, and 6) avoid the onetime sales tax as projected for future long-term projections.

Council Member Schwartzman and Staff discussed the issue of centralized purchasing (it would be discussed at March/April, or May/June Finance Committee meeting).

On motion of Vice Mayor Schwartzman, seconded by Council Member Hughes, Council adopted the Resolution, on roll call by the following vote:
Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

G. Council Member Request to Agendize:

This is a request to discuss Revisiting the Design Review Duties and Powers of the Historic Preservation Review Commission.

Vice Mayor Campbell reviewed his request. He wanted to look into whether design review outside of the Historic District fell under the HPRC.

Public Comment:

None

On motion of Council Member Hughes, seconded by Council Member Campbell, Council approved placing this item on a future agenda, on roll call by the following vote:

Ayes: Patterson, Strawbridge, Schwartzman, Campbell, Hughes
Noes: (None)

IX. ADJOURNMENT:

Mayor Patterson adjourned the meeting at 9:46 p.m.

Lisa Wolfe, City Clerk