

MINUTES OF THE CITY COUNCIL
REGULAR MEETING
Wednesday, August 22, 2007

CALL TO ORDER/ROLL CALL

Mayor Cooper called the regular City Council meeting of August 22, 2007 to order at 6:03 p.m.

Present: Mayor Cooper, Mayor Pro Tempore Leary, Council Members Davis, Hume, and Scherman

Absent: None.

Mayor Cooper led the Pledge of Allegiance.

Mayor Cooper asked that a moment of silence be observed.

APPROVAL OF AGENDA

Motion: ***M/S Leary/Hume to approve the agenda, to include continuing public hearing Agenda Item No. 7.2 to the September 12, 2007 City Council meeting. **The motion passed by the following vote: Ayes: 5; Noes: 0.*****

CLOSED SESSION

None.

PRESENTATIONS/ANNOUNCEMENTS

Agenda Item No. 4.1: With the aid of an overhead presentation (filed) **Larry Greene**, Air Pollution Control Officer for Sacramento Metropolitan Air Quality Management District, reviewed Sacramento County Mandatory No-Burn Restrictions (Proposed Rule 421). He explained that the regulations were necessary due to health impacts from fireplace wood smoke. The proposal restricts burning on days with poor air quality, which is estimated to occur approximately 30 days each year during the months of November through February. The rule will apply to businesses and residences that burn any solid fuel including wood, pellets, and manufactured logs. Exemptions are being considered for economic hardships and those who burn solid fuel as a sole source of heat. The rule will be enforced when smoke is visible and observed by a District employee. The penalty for a first

time violation is \$50 or attendance in a compliance course. Rule 421 will be considered by the Board in September and, if approved, will be implemented in November.

PUBLIC COMMENT

Annzingha Whitaker stated that she was a disabled person reliant upon e-van services for transportation. Ms. Whitaker complained of poor service and frequent unavailability, even when she had called days in advance.

Michael Steiner stated that he operates Yellow Cab of Elk Grove and previously had served as the backup system for Paratransit, Inc. Before the City of Elk Grove took over paratransit service on July 1, Mr. Steiner reported that he had 20 to 30 paratransit riders each day. Mr. Steiner pointed out that Elk Grove Transit currently does not have a backup system for paratransit service and it is creating problems for disabled riders. A clause in the City's contract requires a \$15 million insurance policy for cab operators. Mr. Steiner noted that similar contracts he had entered into required only a \$350,000 insurance policy.

Linda Smoaks stated that she was a paratransit client. She complained of frequent instances where she was late to appointments, due to e-van service. She reiterated the need for the City to have a backup system in place.

Neville Fowler, Operations Manager for Elk Grove Co-Op Cab, stated that his company has offered to provide assistance; however, no insurance company will provide a \$15 million policy to cab operators, as that amount is typically required of bus operators who transport 40 passengers at a time.

In response to questions posed by Council Members, Transit Manager **Carlos Tobar** reported that engines are currently being produced for the 14 new commuter buses. A recruitment effort for new bus drivers will take place on August 26. He acknowledged that demand is growing for e-van service.

Council expressed concern with issues raised regarding e-van service and asked for a report on the situation by the next Council meeting.

Deputy City Manager **Cody Tubbs** replied that a full e-van component will be added to the weekly transit report provided to Council.

Nikki Carpenter asked Council to extend the City's umbrella coverage of liability insurance to community groups who wish to use school facilities for their meetings. She noted the lack of public meeting places in Elk Grove, particularly for Sheldon area residents. She recalled that, two years ago, seven residents of Mecca Road were required to change their addresses because they were not consistent with the County address grid. Last Wednesday, an engineer with Frontier Communications attempted to locate her home using data from the 911 emergency grid and was

unable to find it because the old address was still listed. She expressed safety concerns for herself and her neighbors and asked that the City address the matter immediately and send proof of correction to affected residents, as well as a letter of apology.

Police Chief Simmons replied that the addresses in the 911 emergency database would be corrected.

In reference to joint use of school facilities, **Mayor Cooper** stated that he would address the issue with the City's Risk Manager and the School District.

Joel Archer, Chair of the Arden Arcade Incorporation Committee, asked that Council place on a future agenda consideration of support in the amount of \$30,000 toward Arden Arcade's effort to incorporate as a city. Financial assistance is needed because the Local Area Formation Commission requires that fees be paid in advance of the processes required to proceed with this effort. It is hoped that the matter will be placed on the November 2008 ballot.

CONSENT CALENDAR ITEMS

Public Comment:

In reference to Item 6.5, **Robert Gluck**, spoke in support of the Towe Auto Museum relocating from Sacramento to Elk Grove. He submitted a packet of information on the subject (filed).

Motion: M/S Leary/Davis to approve the Consent Calendar items with the exception of Items 6.1 and 6.6. The motion passed by the following vote: Ayes 5; Noes: 0.

Agenda Item No. 6.2: **Adopted Ordinance No. 25-2007** amending the City of Elk Grove Zoning Map for a 75.1 acre parcel from 12.3 acres of Light Industrial, 27.3 acres of Industrial Office Park, 9.7 acres of Limited Commercial, and 10.8 acres of Open to 25.7 acres of Light Industrial, 19.1 acres of General Commercial, 3.3 acres of Shopping Center Commercial, and 10.7 acres of Open Space, for the Waterman Park 75 #2 Project No. EG-06-1158, APN: 134-0182-001 **(Second Reading)**

Agenda Item No. 6.3: Approved General Warrant No. 30695 through 31344 dated July 1, 2007 through July 31, 2007, Electronic Fund Transfer 2007136 through 2008010, and Automatic Clearing House

Agenda Item No. 6.4: **Resolution No. 2007-175** adopted authorizing the City Manager to execute a contract amendment with the George Hills Company, Inc.

extending the contract term to January 31, 2008 for Liability Claims Adjusting and Administration Services in an amount not to exceed \$20,000

Agenda Item No. 6.5: Authorized the Mayor to sign a letter in support of community efforts to relocate the Towe Auto Museum to the City of Elk Grove

Agenda Item No. 6.7: **Resolution No. 2007-176** adopted accepting the subdivision improvements for Jasmine Condominiums

Agenda Item No. 6.8: **Resolution No. 2007-177** adopted approving Parcel Map No. 04-637.00 Laguna Professional Center

Agenda Item No. 6.9: **Resolution No. 2007-178** adopted authorizing the City Manager to execute an amendment with Bickmore Risk Services extending the contract for safety and risk management professional services through December 31, 2007

Agenda Item No. 6.10: Received report on City Manager approved purchases and contracts authorized by City Purchasing Ordinance, filed through August 7, 2007

Agenda Item No. 6.11: Approved City Council meeting minutes of: a) June 27, 2007 (Regular Meeting); b) July 25, 2007 (Special Meeting); c) July 25, 2007 (Regular Meeting); d) July 31, 2007 (Special Meeting); e) August 8, 2007 (regular/canceled meeting); and f) August 15, 2007 (Special Meeting) as presented

Agenda Item No. 6.12: **Resolution No. 2007-179** adopted amending the Fiscal Year 2007-08 Budget by \$31,000 to modify the salary range for the position of Finance Director, changing the title of Finance Manager to Assistant Finance Director and funding the position, and un-funding the position of Accounting Manager

Agenda Item No. 6.13: **Resolution No. 2007-180** adopted authorizing the City Manager to execute a Revocable Permit Agreement with the Elk Grove Auto Mall Association for a pylon entrance sign

Agenda Item No. 6.14: **Resolution No. 2007-181** adopted authorizing the City Manager to execute a City Loan Agreement of \$60,000 under the Owner-Occupied Housing Rehabilitation Loan Program for APN 134-0470-049

Agenda Item No. 6.15: **Resolution No. 2007-182** adopted declaring intention to levy street maintenance assessments for certain properties located in the Laguna Ridge area which represents Annexation No. 2 into Street Maintenance District No. 1, Zone 5

Agenda Item No. 6.16: Resolution No. 2007-183 adopted declaring intention to annex territory to Community Facilities District No. 2006-1 (Maintenance Services) and to levy a special tax to pay for certain Maintenance Services (Annexation No. 7)

Agenda Item No. 6.17: Resolution No. 2007-184 adopted declaring intention to levy street maintenance assessments for certain properties located in the Eastern Area which represents Annexation No. 11 into the Street Maintenance District No. 1, Zone 3

Agenda Item No. 6.18: Resolution No. 2007-185 adopted declaring intention to annex territory to Community Facilities District No. 2003-2 (Police Services) and to levy a special tax to pay for certain Police Services (Annexation No. 13)

THE FOLLOWING ITEMS WERE HEARD OUT OF ORDER AS LISTED:

Agenda Item No. 6.1: Ordinance No. 23-2007 amending the City of Elk Grove Zoning Code (Article 23 of the Elk Grove Municipal Code) Pertaining to Big Box Retail/Discount Superstores (**Second Reading**).

Note: Item pulled by Councilmember Scherman for a separate vote.

Motion: *M/S Cooper/Davis to approve Agenda Item No. 6.1. The motion passed by the following vote: Ayes: 4; Noes: 1 (Scherman)*

Agenda Item No. 6.6: Adopt Resolution No. 2007-186 approving the business rules between the City of Elk Grove and Redflex Traffic Systems, Inc. for the Red Light Photo Enforcement Program

In response to questions posed by **Mayor Cooper**, Administrative Services Manager **Troy Brown** reported that none of the \$371 fine for a red light violation goes to Redflex Traffic Systems. Red light photo enforcement uses the same methodology for distributing funds derived from fines, as is used when a traffic officer issues a violation. Language regarding referral to a collection agency was included in the business rules as a function of Sacramento County Courts. **Ray Torres**, Northern California Customer Service Manager of Redflex Traffic Systems, explained that California Vehicle Code Section 21455.5 et seq allows for corporate notices of violation to be sent. He reported that a 75% compliance rate has been achieved on violation notices that Redflex has sent out on cities' behalf.

Motion: *M/S Leary/Scherman to adopt Resolution No. 2007-186 approving the business rules between the City of Elk Grove and Redflex Traffic Systems, Inc. for the Red Light Photo Enforcement Program. The motion passed by the following vote: Ayes: 5; Noes: 0*

PUBLIC HEARINGS

Agenda Item No. 7.1: Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing: A public hearing to consider the issuance of multifamily housing revenue bonds by the California Statewide Communities Development Authority for Montego Falls Apartments, a 132-unit multifamily rental housing project located at the northwest corner of Bruceville Road and Whitelock Parkway, on behalf of St. Anton Capital, LLC

RECOMMENDATION:

Adopt resolution approving the issuance of multifamily housing revenue bonds not to exceed \$15.5 million by the California Statewide Communities Development Authority.

Mayor Cooper declared the public hearing open at 7:03 p.m.

Jim Carney, Housing Advisor, provided an overview of the staff report and recommendation. Mr. Carney reported that, if approved this evening, staff would bring a loan application forward for Council's consideration next month.

PUBLIC COMMENT:

With no public requests to speak, **Mayor Cooper** closed the public comment opportunity and declared the public hearing closed at 7:05 p.m.

Motion: *M/S Leary/Hume* to adopt **Resolution No. 2007-187** approving the issuance of multifamily housing revenue bonds not to exceed \$15.5 million by the California Statewide Communities Development Authority. ***The motion passed by the following vote: Ayes: 5; Noes: 0***

NOTE: The following item was continued at the approval of the agenda.

Agenda Item No. 7.2: (Request for continuance) A public hearing to consider proposed Municipal Code and Zoning Code Amendments

RECOMMENDATION:

Staff requests that the City Council continue the public hearing to consider Municipal Code and Zoning Code Amendments to the regularly scheduled City Council meeting of September 12, 2007 to allow staff additional time to address minor items associated with the project.

REGULAR AGENDA ACTION ITEMS/RECOMMENDATIONS

Agenda Item No. 8.1: Adoption of a comprehensive Emergency Management Program

RECOMMENDATION:

1. Introduce and waive the full reading, by substitution of title only, an Ordinance amending the Elk Grove Municipal Code to establish Chapter 9.19 of Title 9 relating to Emergency Services Organization and Functions; and
2. Adopt a Resolution approving Workers' Compensation Benefits for Registered Volunteer "Disaster Service Workers"; and
3. Adopt a Resolution approving the agreement for participation in the Sacramento County Operational Area Organization; and
4. Adopt a Resolution adopting the Elk Grove Emergency Operations Plan (EOP), agreeing to utilize the integrated National Incident Management System and Standardized Emergency Management System, authorize the Mayor to execute the EOP Letter of Promulgation and authorize the City Manager to oversee plan implementation and updates.

Bob Risedorph, Lieutenant, provided an overview of the staff report and recommendation.

In response to **Council Member Davis**, Lt. Risedorph confirmed that this process was accomplished jointly and cooperatively with both the Cosumnes Community Services District and the Fire Department.

PUBLIC COMMENT:

There were no public requests to speak. Mayor Cooper closed the opportunity for public comment at 7:07 p.m.

Motion: M/S **Scherman/Leary** to introduce and waive the full reading, by substitution of title only, **Ordinance No. 26-2007** amending the Elk Grove Municipal Code to establish Chapter 9.19 of Title 9 relating to Emergency Services Organization and Functions; and

Adopt **Resolution No. 2007-188** approving Workers' Compensation Benefits for Registered Volunteer "Disaster Service Workers"; and

Adopt **Resolution No. 2007-189** approving the agreement for participation in the Sacramento County Operational Area Organization; and

Adopt **Resolution No. 2007-190** adopting the Elk Grove Emergency Operations Plan (EOP), agreeing to utilize the integrated National Incident Management System and Standardized Emergency Management System, authorize the Mayor to

execute the EOP Letter of Promulgation and authorize the City Manager to oversee plan implementation and updates.

The motion passed by the following vote: Ayes: 5; Noes: 0

Agenda Item No. 8.2: Provide direction to the City Manager regarding retiree healthcare benefits

RECOMMENDATION:

Staff recommends the City Council provide direction on recommendations of the Retiree Healthcare Committee. The committee, composed of Council Members Patrick Hume and Michael Leary, recommends that the City Council consider directing the City Manager to execute all necessary agreements related to retiree healthcare benefits:

1. Establish an IRS Section 115 Trust with AIG VALIC and name the City Council of the City of Elk Grove as the Trustee; and
2. Adopt eligibility criteria for employees to participate in the retiree healthcare program and providing a benefit of \$800 per month per eligible retiree; and
3. Set aside and deposit in an irrevocable trust \$1.5 million from the reserve fund to pre-fund this future liability. A portion of the \$1.5 million represents the annual required contribution (ARC) and the balance goes to offset future unfunded liabilities.

With the aid of an overhead presentation (filed), Deputy City Manager **Frank Oviedo**, provided an overview of the staff report and recommendation. He noted that the recommendation indicates a set aside of \$1.5 million; however, the overhead presentation illustrates that the prefunding would be \$1 million and the annual required contribution would be an additional \$500,000.

There was Council concurrence that the program should recognize leave taken under the Family Medical Leave Act, or for maternity leave, as time accrued toward meeting the eligibility criteria.

Mr. Oviedo replied that the plan could be drafted to mimic language the Public Employee Retirement System uses to address the issue.

Council Member Scherman asked when the retiree healthcare benefits program would take effect, to which Mr. Oviedo replied, July 1, 2007.

Mayor Pro Tempore Leary believed that the proposed retiree healthcare benefit plan would be looked upon as a model for other agencies, pointing that there would be no ongoing unfunded liabilities with the program as presented.

Council Member Hume agreed with Mr. Leary's comments and felt that the plan shows a great amount of fiduciary responsibility.

In reply to **Mayor Cooper**, Mr. Oviedo reported that, currently, there are four direct report positions to the City Manager (i.e. two deputy city managers, one assistant city manager, and the police chief). He noted that the plan allows for flexibility, should another position be added in the future that would be considered a department head directly reporting to the City Manager.

PUBLIC COMMENT:

With no public requests to speak, **Mayor Cooper** closed the public comment opportunity at 7:32 p.m.

Motion: *M/S Scherman/Leary* to adopt **Resolution No. 2007-191** directing the City Manager to execute all necessary agreements related to retiree healthcare benefits to:

1. Establish an IRS Section 115 Trust with AIG VALIC and name the City Council of the City of Elk Grove as the Trustee; and
2. Adopt eligibility criteria for employees to participate in the retiree healthcare program and providing a benefit of \$800 per month per eligible retiree; and
3. Set aside and deposit in an irrevocable trust \$1.5 million from the reserve fund to pre-fund this future liability. A portion of the \$1.5 million represents the annual required contribution (ARC) and the balance goes to offset future unfunded liabilities; and
4. To include language that the program will recognize leave taken under the Family Medical Leave Act, or for maternity leave, as time accrued toward meeting the eligibility criteria.

The motion passed by the following vote: Ayes: 5; Noes: 0

Agenda Item No. 8.3: Introduction of Ordinance repealing, revising, and reenacting Elk Grove Municipal Code, Title 9, Public Peace, Morals and Safety

RECOMMENDATION:

Introduce and waive the full reading by substitution of title only, an ordinance repealing Title 9 of the Elk Grove Municipal Code, with the exception of Chapters 9.36, 9.96 and 9.97, renumbering the Chapters of Title 9 and reenacting Title 9 with specific changes to various Chapters.

Administrative Services Manager **Troy Brown** provided an overview of the staff report and recommendation.

PUBLIC COMMENT:

With no public requests to speak, **Mayor Cooper** closed the public comment opportunity at 7:40 p.m.

Motion: **M/S Hume/Scherman** to introduce and waive the full reading by substitution of title only, **Ordinance No. 27-2007** repealing Title 9 of the Elk Grove Municipal Code, with the exception of Chapters 9.36, 9.96 and 9.97, renumbering the Chapters of Title 9 and reenacting Title 9 with specific changes to various Chapters. ***The motion passed by the following vote: Ayes: 5; Noes: 0***

GENERAL ADMINISTRATION INFORMATION

None.

COUNCIL COMMENTS/FUTURE AGENDA ITEMS

Reports on Regional Boards, Commissions, Committees; and Travel/Training Expenditures Disclosure (*in accordance with Resolution 2006-295 and Government Code § 53232.3(d)*):

Mayor Pro Tempore Leary recalled that, last year, he requested an item be placed on a future agenda to change the term of Mayor Pro Tempore to Vice Mayor. Council concurred with placing the matter on the next meeting agenda. Mr. Leary asked that an update be provided at the next meeting on the topic of quiet zones. At the July League of California Cities conference he attended a workshop at which it was discussed that many municipalities are struggling with unfunded liabilities for healthcare and retirement benefits. The City of Orange requested a copy of Elk Grove's retiree healthcare benefits program, which was adopted this evening.

Council Member Scherman recommended that the status report on quiet zones be published in the newspaper in an effort to reach a greater number of citizens. Ms. Scherman reported that she attended a workshop on the topic of affording housing at the July League of California Cities conference. She asked that a certificate of recognition be presented at the next Council meeting to the Cal Ripken 10-and-under World Series Champions Laguna Youth Baseball Team.

Council Member Davis reported that the executive recruitment firm of Wilcox, Miller & Nelson has been retained to conduct the recruitment of an executive director for the Economic Development Corporation. Interviews will take place in October. He expressed support for the concept of having community rooms at School District sites accessible to the public.

Council Member Hume also supported joint use of facilities with the School District. He reported that the Sacramento Regional Transit District is currently going through a budget revision and eliminating certain bus routes. He recalled previously suggesting that Council consider fee deferrals or relief in an effort to spur small

business economic development for tenant improvements, remodels, etc. and he again asked that it be addressed.

Mayor Cooper recalled that, at the June 13, 2007 City Council meeting, he asked that an audit be done on the roadway fees fund with a report back to Council; however, no response has been forthcoming. He asked that the report be provided by the next Council meeting. He noted that the fee to appeal an administrative citation is in excess of \$1,000 and suggested that the matter be brought to Council for consideration of lowering the fee.

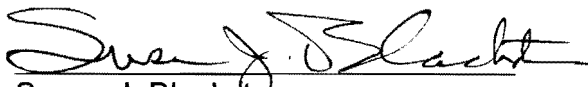
In response to a question posed by Mayor Cooper, Deputy City Manager **Cody Tubbs** reported that the Sacramento Area Council of Governments (SACOG) recently heard an extensive discussion on SB375 that seeks to tie transportation funding to compliance with the state mandated preferred growth scenario. SACOG staff recommended to the Board that a position of "oppose unless amended" be established, which the Board approved.

Mayor Cooper announced that the City of Elk Grove Animal Services will be hosting a series of community presentations on animals and animal behavior. The first presentation will be held on September 5.

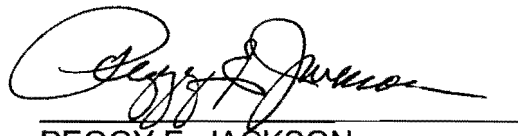
ADJOURNMENT

With no additional business to conduct, the August 22, 2007 City Council meeting was adjourned at 7:51 p.m.

Minutes prepared by:

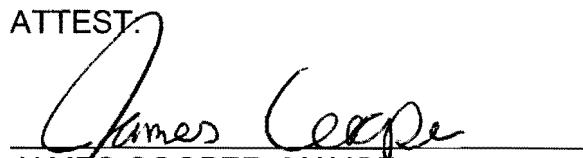


Susan J. Blackston
Chief Deputy City Clerk



PEGGY E. JACKSON
CITY CLERK

ATTEST.



JAMES COOPER, MAYOR