MINUTES

Meeting of the Scotts Valley City Council

Date: June 21, 2017

POSTING:
The agenda was posted on 6-16-17 at City Hall, the SV Senior Center, and the SV Library, by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and **MOMENT OF SILENCE**

ROLL CALL

Present:	Mayor Johnson	City Manager Haruyama
	Vice Mayor Reed	City Attorney Powell
	Council Member Aguilar	Police Chief Walpole
	Council Member Dilles	Public Wks Director Hamby
	Council Member Lind	Acting Community Development Director Bateman
		Civil Engineer Kahn
		Recreation Division Manager Ard
		Budget/Financial Consultant Steve Toler
		City Clerk Ferrara

SPECIAL SET MATTER

(1) Mayor Johnson presented a Mayor's Proclamation to Vision Recycling

(2) PC Walpole presented a plaque from Mothers Against Drunk Driving (MADD) to Police Officer Paul Meier.
Police Chief Walpole introduced the following new employee and volunteers:
Police Officer: Jared Johnson
Police Explorers:
Evelyn Gonzalez-Garcia, Senior at Soquel High School and lives in Santa Cruz
Spencer Balliet, Junior at Pacific Colligate and lives in Santa Cruz
Andrew Chestnut, Senior at SLV and lives in Brookdale
Alexis Telesmanic, Junior at Coast Redwood High School and lives in Felton

COMMITTEE REPORTS

CM Dilles reported that he attended the Seniors Council meeting and acknowledged Elder Abuse Awareness Month. He stated the five types of elder abuse include: neglect, financial abuse, physical abuse, mental abuse, and sexual abuse.

CM Dilles reported that he attended the Santa Margarita Groundwater Agency meeting, which is still getting underway, and encouraged private well owners to participate.

CM Aguilar reported she attended the AMBAG Board meeting and they received information on the Monterey Bay Air Resources District Clean Air Award Leaders Award dinner being held on June 22, 2017. She stated that CM Dilles will be attending the meeting to receive the City of Scotts Valley's award for significant reductions in community-wide greenhouse gas reduction. She reported that AMBAG also approved the 2040 Metropolitan Transportation Plan/Sustainable Communities Plan.

CM Lind reported that she attended the Santa Margarita Groundwater Sustainability Agency meeting. She stated that this group will be working to develop a plan for continued and future water conservation.

CM Lind reported that she attended a Santa Cruz Metropolitan Transit District budget meeting and announced that a ribbon cutting is being held on June 27 at the Watsonville Metro for recent improvements that have been completed.

CITY MANAGER REPORT

Siltanen Park Mural Update: The mural update process is moving along. Students came out on Tuesday to paint the mural, and will paint again this Friday. To date, nine artists have participated. The goal is to have the projected completed by July 4.

Small Plant of the Year: The Scotts Valley Wastewater Treatment Plant will again receive the Small Plant of the Year for 2016. I would like to thank Scott Hamby, Troy Adams, and the Wastewater Team for their continued standard of excellence that makes our Plant what it is.

General Plan Advisory Committee Meeting (GPAC): We have scheduled a GPAC meeting for next Monday, June 26 at 6:00 pm in the City Council Chambers. At the meeting, the GPAC will be debriefing on the community workshop and the feedback that was received about the community's vision for Scotts Valley.

4th of July: Plans are underway for the City's 4th of July Parade and fireworks event. If you are interested in participating in the parade, please be sure to turn in your application to Parks and Recreation by June 30. An application is on the City's website at www.scottsvalley.org.

PUBLIC COMMENT

Lynn Lauritson, Santa Cruz County Health Services Agency and staff to the Community Traffic Safety Coalition, invited Council Members, City staff, and members of the public to attend the upcoming Vision Zero Forum, on June 29 from 4:00 to 6:00 pm at the Simpkins Swim Center. She stated that Vision Zero is a worldwide strategy to end all traffic deaths and serious injuries and make safety the number one priority.

Danny Reber, Executive Director of Scotts Valley Chamber of Commerce, and Shaz Roth, Executive Director of the Pajaro Valley Chamber of Commerce, spoke in support of the work performed by Vision Recycling.

Regan Barry, Coastal Evergreen in Scotts Valley, spoke in support of the work performed by Vision Recycling.

Victor Marani, spoke in support of the work performed by Vision Recycling.

ALTERATIONS TO
CONSENT AGENDA

M/S: Aguilar/Lind
To approve the Consent Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

Consent Agenda:

A. Approve City Council meeting minutes 5-17-17, 6-7-17
B. Approve check register – 6-9-17, 5-26-17
C. Approve amendment to the Joint Powers Agreement (JPA) for the Santa Cruz County Animal Services Authority and authorize the City Manager to execute the agreement
D. Approve the appointment of Council Member Stephany E. Aguilar as the Voting Delegate, and City Manager Jenny Haruyama as the Alternate Voting Delegate, to represent the City of Scotts Valley at the League of California Cities Annual Business Meeting on September 15, 2017 at the Sacramento Convention Center
E. Approve Resolution No. 1007.30 making certain findings and determinations in compliance with Section XIII B of the California Constitution (Gann Initiative) and setting the appropriations limit of $186,050,598 for fiscal year 2017/2018
F. Approve Resolution No. 1139.21 adopting the City of Scotts Valley Investment Policy (Council Policy 05-17)
G. Approve Resolution No. 630.37.1 approving the City's Pay Plan for Fiscal Year 2017/18
H. Approve request from Kiwanis of the Valleys, a non-profit 501(c)(3) organization, for non-collection of fees in the amount of $3,600 associated with the use of Skypark Park on July 30, August 27, and September 24, 2017 for Music at Skypark
I. Approve and designate income levels of the inclusionary units of "The Terrace of Scotts Valley" Planned Development on Scotts Valley Drive, APN's 022-162-69 & -74 as follows: One (1) low-income unit, one (1) moderate-income unit, and the application of the in-lieu fees to the low-income unit, and authorize the City Manager to enter into an agreement with the developer
J. Approve the Shared Responsibility for Credit Support Agreement for Monterey Bay Community Power (MBCP) by and among the County of Santa Cruz and the Cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, and authorize the Mayor to execute the agreement
K. Approve the appointment of Council Member Lind as the representative, and Council Member Dilles as the Alternate, to serve on the Santa Margarita Groundwater Agency Joint Powers Authority (SMGA JPA), terminate the City of Scotts Valley's participation in the Santa Margarita Groundwater Basin Advisory Committee, and consent to dissolve the Committee

L. Authorize the City Manager to over hire an Emergency Dispatch Clerk I (EDCI) during FY 2017/18

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Reed
To approve the Regular Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

1. **Consider wastewater rate model as presented by Bartle Wells Associates (BWA) and provide policy direction on rate increases for FY 2017/18 to 2021/22**

CM Haruyama introduced the item. PWD Hamby presented the written staff report and responded to questions from Council.

Doug Dove and Kevin Renner, Bartle Wells Associates (BWA), gave a PowerPoint presentation and responded to questions from Council.

CM Dilles recommended including a form with the public hearing notice that would allow residents to easily respond.

Danny Reber, Executive Director of the Scotts Valley Chamber of Commerce, offered the support of the Chamber of Commerce in getting the word out to businesses regarding the proposed rate structure.

Council asked what type of outreach will be done to get this information out to the community in order to meet the requirements of Proposition 218 and any additional outreach that is planned.

CM Haruyama responded that the required 45-day public hearing notice will be sent to all sewer customers. She stated that staff is proposing an outreach process that will include at a minimum: Partnering with other agencies in Scotts Valley to reach as many members of the community as possible; communicating through social media; providing presentations at Chamber of Commerce meetings; providing presentations at service club meetings; and holding one to two workshops for the community.

M/S: Reed/Lind
To approve a three year increase at 15% per year; a $100,000 capital set-aside for equipment replacement; a 6 month cash reserve; change the proposed amount for high strength category to $1.08; and no retroactive collection.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

PUBLIC HEARINGS

2. **Pinewood Estates Landscape Maintenance Assessment District: Resolution No. 1213.31; Annual Engineer's Report Pinewood**

PWD Hamby presented the written staff report and responded to questions from Council.

PUBLIC HEARING OPENED - 8:08 PM

No one came forward.

PUBLIC HEARING CLOSED - 8:08 PM

M/S: Aguilar/Lind
To approve Resolution No. 1213.31 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972, Pinewood Estates Landscape Maintenance District.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

3. **Skypark Open Space Maintenance Assessment District No. 1: Resolution No. 1555-SP-029; Annual Engineer's Report Skypark**

CM Reed stated that he lives within this assessment district and recused himself from consideration of this item.

PWD Hamby presented the written staff report and responded to questions from Council.

PUBLIC HEARING OPENED - 8:11 PM

Christopher Jones, Skypark resident, expressed concerns about tree growth.

PWD Hamby stated that he would contact Mr. Jones regarding his concerns.

PUBLIC HEARING CLOSED - 8:15 PM

M/S: Lind/Dilles
To approve Resolution No. 1555-SP-29 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972, Skypark Open Space Maintenance District.
Carried 4/0/1 (AYES: Aguilar, Dilles, Johnson, Lind; ABSENT: Reed)

REGULAR AGENDA
(Resumed)

4. **Presentation of the Scotts Valley Police Department 2016 Annual Report**

   PC Walpole presented the Scotts Valley Police Department 2016 Annual Report and responded to questions from Council. He stated that no action is required as this item is for information only.

Mayor Johnson left the meeting at 9:45 pm due to a family emergency.

5. **Consider approval of Santa Cruz County Regional Transportation Commission, Measure D Master Funding Agreement and Five-Year Program of Projects**

   CE Kahn presented the written staff report and responded to questions from Council.

M/S: Dilles/Aguilar
To approve Resolution No. 1923.1 approving the Santa Cruz County Regional Transportation Commission Measure D. Master Funding Agreement and authorize the City Manager to execute the agreement.
Carried 4/0/1 (AYES: Aguilar, Dilles, Lind, Reed; ABSENT: Johnson)

M/S: Aguilar/Lind
To approve Resolution No. 1923.2 approving the FY 2017/18 to FY 2021/22 Five-Year Program of Projects to be funded with Measure D revenues.
Carried 4/0/1 (AYES: Aguilar, Dilles, Lind, Reed; ABSENT: Johnson)

6. **Consideration of City of Scotts Valley Final FY 2017/18 Annual Budget and approval of the following documents:**
   (1) Resolution No. 630.37 approving the final FY 2017/18 Annual Budget and making appropriations for the amounts budgeted.
   (2) Resolution No.1931 approving a fund balance policy under the provisions of GASB 54 for FY 2016/17 and 2017/18 (Council Policy No. 03-17).
   (3) Resolution No. 1932 approving a minimum reserve policy for the City's General Fund, General CIP Fund, Recreation Enterprise Fund and Wastewater Enterprise Funds (Council Policy No. 04-17).
   (4) Resolution No. 1501.24 approving the continued collections of the utility users' tax for FY 2017/18.

   CM Haruyama and Budget/Financial Consultant Toler presented the written staff report and responded to questions from Council.

   VM Reed stated that he would be voting no on Resolution No. 630.32 due to the inclusion of human care alliance funding in the budget, which he is opposed to.

M/S: Aguilar/Dilles
To approve Resolution No. 630.32 approving the City's Annual Budget for Fiscal Year 2017/18 and making appropriations for the amounts budgeted.
Carried 3/1/1 (AYES: Aguilar, Dilles, Lind; NOES: Reed; ABSENT: Johnson)

M/S: Lind/Aguilar
To approve Resolution No. 1931 adopting a Fund Balance Policy under the requirements of Governmental Accounting Standards Board (GASB) Statement Number 54 (GASB 54) for Fiscal Years 2016/17 and 2017/18.
Carried 4/0/1 (AYES: Aguilar, Dilles, Lind, Reed; ABSENT: Johnson)

M/S: Dilles/Lind
To approve Resolution No. 1932 approving a Minimum Reserve Policy for the General Fund, General Capital Improvement Fund, Recreation Enterprise Fund, and Wastewater Enterprise Funds for FY 2017/18.
Carried 4/0/1 (AYES: Aguilar, Dilles, Lind, Reed; ABSENT: Johnson)

M/S: Aguilar/Lind
To approve Resolution No. 1501.24 approving the continued collection of the Utility Users' Tax for the Fiscal Year 2017/18.
Carried 4/0/1 (AYES: Aguilar, Dilles, Lind, Reed; ABSENT: Johnson)

7. **Future Council agenda items**

CM Aguilar requested a future agenda item regarding trailers parked on City streets.

VM Reed requested a future agenda item to look at the establishment of bicycle improvements.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:05 p.m. to discuss the following items:

1. Pursuant to Government Code Section 54956.9, the City Council met in closed session to confer with legal counsel regarding potential litigation – 1 case.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 9:15 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT The meeting adjourned at 9:15 p.m.

Approved: ______________________
Jim Reed, Vice Mayor

Attest: ______________________
Tracy A. Ferrara, City Clerk