MINUTES

Meeting of the
Scotts Valley City Council

Date: June 6, 2018
Time: 6:00 pm

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted 6-1-18 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 7:30 pm.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Jim Reed, Mayor Jack Dilles, Vice Mayor Stephany E. Aguilar, Council Member Randy Johnson, Council Member Donna Lind, Council Member	Jenny Haruyama, City Manager Kirsten Powell, City Attorney Taylor Bateman, Community Development Director Steve Hammack, Interim Public Works Director Steve Walpole, Chief of Police Laurie Grundy, Senior Accountant Tracy Ferrara, City Clerk

COMMITTEE REPORTS

VM Dilles reported that he attended the Santa Margarita Groundwater Agency meeting that was a stakeholders meeting focused on well owners. He reported that the meeting was well attended with over 100 well owners at the meeting.

CM Lind reported that the Santa Cruz Metropolitan Transit District Board (SCMTD) met as a part of their effort to re-build their fleet, the SCMTD was able to use Measure D and SB 1 funds to purchase 3 full-sized 40-foot CNG fixed-route buses, and 15 ParaCruz vehicles, including 12 standard vans and three larger vehicles. She reported that they are also working on budget and improvements to route schedules.

CM Lind reported that LAFCO met and held a public hearing on the Service and Sphere Review for the City of Watsonville, which was continued to their August meeting due to complications related to legal action against Watsonville's General Plan. She also reported that a public hearing will be held in August to review to the Service and Sphere Review for County Service Area 11, Parks, Open Space, and Cultural Services. She reported that LAFCO is also working on the Central Fire District Consolidation Feasibility Study, and a public hearing is scheduled for Friday, June 29, 2018 in the evening.

CITY MANAGER REPORT

None.

PUBLIC COMMENT TIME

No one came forward.

ALTERATIONS TO CONSENT AGENDA

CM Aguilar requested that Item D be moved to the regular agenda for comments.

M/S: Lind/Dilles
To approve the Consent Agenda as amended moving Item D to the regular agenda for comment.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

CONSENT AGENDA

A. Approve City Council meeting minutes of 5-16-18, 5-2-18 (Special Meeting Minutes)

B. Approve check registers dated 5-29-18, 5-21-18, 5-14-18

C. Approve the Site Rental Agreement between the City of Scotts Valley and Jazzercise for the period of May 1, 2018 through April 30, 2019

E. 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 14, 2018 at the Long Beach Convention Center

F. Approve the following resolutions and documents for Dunslee Way Subdivision, Tract No. 1603, APN 022-451-01:
   (1) Resolution No.1928.3 approving the Final Map;
   (2) Resolution No. 1928.4 approving the Interim Maintenance Agreement; and

(3) Resolution No. 960.84 approving the Subdivision Improvement Agreement and Bonds

G. Approve Resolution No. 1928.5 accepting the Dunslee Way offer of dedication

H. Approve and ratify City Council Member Donna Lind's appointment of Melinda Koenig to the Arts Commission

ALTERATIONS TO REGULAR AGENDA

M/S: Aguilar/Lind
To approve the Regular Agenda as amended moving Item D from the Consent Agenda to the Regular Agenda for comment.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

D. **Approval of the non-collection of the $750 facilities use permit fee for the Scotts Valley Community Theater Guild fundraiser to be held June 16, 2018**

CM Aguilar stated that she would like the non-profit fees reviewed since there are so many agencies coming to the City every year asking for a non-collection of fees.

M/S: Aguilar/Dilles
To approve the non-collection of the $750 facilities use permit fee for the Scotts Valley Community Theater Guild fundraiser to be held June 16, 2018.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

1. **Consideration of community service and outside agency funding requests**

CM Haruyama presented the written staff report and responded to questions from Council.

The following agencies and HCA agency representatives spoke regarding their specific agencies:

- Judy Allen, President of the Board of Directors, Conflict Resolution Center of Santa Cruz County
- Lejla Bratovic Mavris, Executive Director, Conflict Resolution Center of Santa Cruz County
- Ray Cancino, Chief Executive Officer, Community Bridges
- Laura Segura, Executive Director, Monarch Services of Santa Cruz County
- Cynthis Druley, Executive Director, CASA of Santa Cruz County

- Adeline Davis, Board Member, Grey Bears of Santa Cruz County
- Kristyn Glenn, Grants Manager, Dientes Community Dental Care
- Ann Ostermann, Open Studios & Events Director, Arts Council of Santa Cruz County
- Carol Childers, Meal Site Director, Meals on Wheels of Santa Cruz County
- Steven Matsy, Senior Network Services
- Jenny Panetta, Executive Director, Santa Cruz County Housing Authority
- Jan Shirchild, Program Coordinator, Project Scout
- Karen Delaney, Executive Director, Volunteer Center
- Dave Bianchi, Executive Director, Family Services Agency

VM Reed stated that he respected the work of the Human Care Alliance, however, due to budget constraints, he could not vote in favor of funding.

M/S: Aguilar/Lind
To approve the prior year Community Service Agency Funding with a full 2018 CPI of 3.2% for a total of $56,272; FY 2018/19 Arts Council request of $1,030; and FY 2018/19 Housing Authority of Santa Cruz County request of $1,000 for their Fair Market Rate (FMR) study.
Carried 4/0/1 (AYES: Aguilar, Dilles, Johnson, Lind; NOES: Reed)

2. **Hold Public Meeting Regarding Skypark Open Space Maintenance Assessment District No. 1: Resolution No. 1555-SP-030; Annual Engineer's Report Skypark**

Vice Mayor Reed recused himself from this item as he lives in Skypark.

Interim PWD Hammack presented the written staff report and responded to questions from Council. Interim PWD Hammack stated that this public meeting is being held to accept public testimony and that Council will consider approval of Resolution No. 1555-SP-030 at the public hearing set for June 20, 2018.

Sheryl McEwan, Skypark resident and local landscape contractor, stated that she has a schedule for the work that needs to be accomplished at the Linear Park that would be more efficient than the schedule that is being used now, and recommended following that schedule. Interim PWD Hammack stated those changes could be implemented.

CM Aguilar recommended looking into the use of recycled water for the two greenbelt areas.

3. **Hold Public Meeting Regarding Pinewood Estates Landscape Maintenance Assessment District: Resolution No. 1213.32; Annual Engineer's Report Pinewood**

Interim PWD Hammack presented the written staff report and responded to questions from Council. Interim PWD Hammack stated that this public meeting is being held to accept public testimony and that Council will consider approval of Resolution No. 1213.32 at the public hearing set for June 20, 2018.

4. **Discussion of proposed Transient Occupancy Tax (TOT) Ordinance revisions**

CM Harumaya and Financial Consultant Toler Steve Toler gave a PowerPoint presentation regarding the proposed Transient Occupancy Tax (TOT) ordinance revisions and responded to questions form Council. CM Haruyama stated that a 4/5ths vote of the Council is required to place a TOT measure on the ballot.

Bijal Patel, Scotts Valley resident and developer/owner of the new Residence Inn Marriott being built in Scotts Valley, stated that he understands the need for an increase, however, the hoteliers are more comfortable with a TOT increase of 11% instead of 12% at this time.

CM Lind stated that she believes the TOT should be increased to 12% in order to provide the necessary funding for the sustainability of the City.

CM Aguilar recommended looking at a phased approach, for example, the ballot measure could provide for an increase from 10% to 11% for two or three years and then allow the City Council to increase the percentage from 11% to 12% after the two or three years. Mr. Patel responded that he would have to take that back to the other hoteliers to get their input, and get back to City staff with their response.

CM Johnson stated that at this time he cannot support an increase from 10% to 12%.

Mayor Reed stated that at this time he cannot support an increase from 10% to 12%.

VM Dilles stated that he agreed with CM Aguilar's recommendation of a phased approach as he believes it is needed in order to provide the necessary funding for the sustainability of the City.

The majority of the City Council recommended changing the collections remittance time frame in the current TOT ordinance from quarterly to monthly.

CM Haruyama stated that staff will return with two separate items at the June 20, 2018 Council meeting. One item will be to provide collections remittance and other procedural changes of the City's current TOT ordinance, including changing the remittance time frame from quarterly to monthly. The second item will be regarding the proposed tax measure.

5. **Presentation of the Scotts Valley Police Department 2017 Annual Report**

PC Walpole presented the Scotts Valley Police Department 2017 Annual Report and responded to questions from Council.

6. **Future Council agenda items**

Mayor Reed requested a future agenda item to promote Scotts Valley.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 10:15 p.m. to discuss the following items:

(1) Pursuant to Government Code Section 54961, the City Council met in closed session to confer with the legal counsel regarding a liability claim (Majid Yamin).

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 10:25 p.m.

REPORT ON ACTION TAKE DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 10:25 p.m.

Approved: ______________________
Jim Reed, Mayor

Attest: ______________________
Tracy A. Ferrara, City Clerk