

MINUTES
REGULAR MEETING OF THE CITY COUNCIL
CITY OF MONTEREY
TUESDAY, July 5, 2006
4:00 – 5:30 and 7:00 – 11:00 P.M.
COUNCIL CHAMBER, FEW MEMORIAL HALL
MONTEREY, CALIFORNIA

CALL TO ORDER:

Mayor Albert called the meeting to order at 4:02 p.m.

Council Members

Present: Councilmembers Della Sala, Downey, Haferman, Roberson, Mayor Albert
Absent: None

City Staff:

Present: City Manager, City Attorney, City Clerk, Assistant City Manager, Finance Director, Public Facilities Director, Fire Chief, Human Resources Director, Library Director, Police Chief, Director of Plans, Engineering and Environmental Compliance, Assistant City Attorney, Senior Planner

CONSENT ITEMS

Councilmember Haferman asked to remove Items C5 and C8 for separate discussion.

On a motion by Councilmember Della Sala, seconded by Councilmember Downey, and carried by the following vote, the City Council approved the Consent Agenda, except Items C5 and C8, which were removed for separate discussion:

AYES: 5 COUNCILMEMBERS: Della Sala, Downey, Haferman, Roberson, Albert
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS: None

Approval of Minutes

C1. June 20, 2006 (City Clerk 701-09)
Action: Approved

Award of Contract

C2. On Call Masonry Services 2006 (Public Works 807-02)
Action: Adopted Resolution No. 06-98

C3. Minor Municipal Improvements On Call 2006 Contract (Public Works 807-02)
Action: Adopted Resolution No. 06-99

C4. Award of Contract for Parking Garage Elevator Rehabilitation and Transfer of Funds (Public Works 807-02)
Action: Adopted Resolution No. 06-100 and Resolution No. 06-101

C5. Monterey Sports Center Natatorium Dehumidifier Replacement Project and Transfer of Funds (Public Works 807-02)
Action: Removed from Consent; discussed; adopted Resolution No. 06-102 and Resolution No. 06-103

Councilmember Haferman clarified that this item is about the swimming pool dehumidifier, and he supports its replacement. He asked for clarification on the transfer of funds, noting that these funds were just established during the budget hearing. Staff clarified the funds transfer.

On a motion by Councilmember Haferman, seconded by Councilmember Roberson, and carried by the following vote, the City Council adopted Resolution No. 06-102, awarding the contract, and Resolution No. 06-130, approving the transfer of funds:

AYES: 5 COUNCILMEMBERS: Della Sala, Downey, Haferman, Roberson, Albert
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS: None

Resolutions

- C6. Resolution Certifying Compliance with State Law with respect to levying Assessments and Special Taxes (Finance 407-08)
Action: Adopted Resolution No. 06-104
- C7. Amending Resolution 06-68 Appropriation of Additional Funding for the Presidio of Monterey Public Works Authority Fund (Public Works 903-02)
Action: Adopted Resolution No. 06-105
- C8. Approving Request to Purchase One Additional Toyota Camry Hybrid (Public Works 704-05)
Action: Removed from Consent; discussed; adopted Resolution No. 06-106 (4-1, Haferman voting no)

Councilmember Haferman asked about the City’s policy regarding vehicles for Executive Managers. City Manager Meurer explained that this purchase would be made from the vehicle acquisition fund. He stated that the City’s policy has been to provide a vehicle when the position warrants it. He said that the new Director of Plans, Engineering and Environmental Compliance position requires a dedicated vehicle because this Executive Manager frequently responds to storm and other types of emergencies.

On a motion by Mayor Albert, seconded by Councilmember Roberson, and carried by the following vote, the City Council adopted Resolution No. 06-106, approving the purchase:

AYES: 4 COUNCILMEMBERS: Della Sala, Downey, Roberson, Albert
NOES: 1 COUNCILMEMBERS: Haferman
ABSENT: 0 COUNCILMEMBERS: None

- C9. Authorizing Procurement of Time and Attendance Software System (Finance/City Manager 105-03)
Action: Adopted Resolution No. 06-107

Other

- C10. Settlement of Workers' Compensation Claim - M. Simonsen (Personnel 408-09)
Action: Approved

*****End of Consent Agenda*****

PUBLIC COMMENTS

Mayor Albert opened the floor for Public Comments on items not on the agenda. No one came forward, and he closed Public Comments.

PUBLIC HEARING

- 1. Yellow Cab Rate Increase Request (Finance 1002-04)
Action: Held Public Hearing; adopted Resolution No. 06- 108, approving a Yellow Cab Company Rate Increase as recommended by staff

Finance Director Rhoads presented the staff report. The Mayor and Councilmembers noted that this is a reasonable request given the rise in gas prices. Mayor Albert opened the Public Hearing, and when there were no requests to speak, closed the Hearing.

On a motion by Councilmember Downey, seconded by Councilmember Della Sala, and carried by the following vote, the City Council Adopted Resolution No. 06- 108, approving a Yellow Cab Company Rate Increase as recommended by staff:

AYES:	5	COUNCILMEMBERS:	Della Sala, Downey, Haferman, Roberson, Albert
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

Mayor Albert called a recess at 4:13 p.m., then reconvened the meeting in open session at 7:03 p.m., where all Councilmembers were present. Mayor Albert recognized the late Dr. Dubrasich and the late Dr. Manor and called for a moment of silence in their honor.

CONTINUED PUBLIC COMMENTS

Mayor Albert reopened the floor for Public Comments on items not on the agenda. Sharon Dwight congratulated the City on a fabulous 4th of July celebration. Ed Leeper, New Monterey resident, asked who was responsible for cleaning up the Colton Hall lawn so rapidly after the lawn party. City Manager Meurer noted that all departments play a part. Having no further requests to speak, Mayor Albert closed Public Comments.

PUBLIC HEARINGS

- 2. Annual Maintenance Assessment - Alvarado Street Improvements (Public Works 407-08)
Action: Held Public Hearing; adopted Resolution No. 06-109, confirming the area to be assessed and the assessments set out in the Engineer’s Report for the Alvarado Street Assessment District No. 85-1

Plans, Engineering & Environmental Compliance Director Reichmuth presented the staff report. Mayor Albert opened the Public Hearing, and having no requests to speak, closed the Hearing.

On a motion by Councilmember Roberson, seconded by Councilmember Downey and carried by the following vote, the City Council adopted Resolution No. 06-109, confirming the area to be assessed and the assessments set out in the Engineer’s Report for the Alvarado Street Assessment District No. 85-1:

AYES:	5	COUNCILMEMBERS:	Della Sala, Downey, Haferman, Roberson, Albert
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

3. Annual Maintenance Assessment - Calle Principal Improvements (Public Works 407-08)
Action: Held Public Hearing; adopted Resolution No. 06-110, confirming the area to be assessed and the assessments set out in the Engineer's Report for the Calle Principal Assessment District No. 00-1

Plans, Engineering & Environmental Compliance Director Reichmuth presented the staff report. Mayor Albert opened the Public Hearing, and having no requests to speak, closed the Hearing.

On a motion by Councilmember Downey, seconded by Councilmember Della Sala, and carried by the following vote, the City Council adopted Resolution No. 06- 110, confirming the area to be assessed and the assessments set out in the Engineer's Report for the Calle Principal Assessment District No. 00-1:

AYES:	5	COUNCILMEMBERS:	Della Sala, Downey, Haferman, Roberson, Albert
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

4. Request to Levy Assessments for the Business Improvement Districts (BID), Fiscal Year 2006-2007: (Community Development 407-08)
 - a. Cannery Row BID
Action: Held Public Hearing; adopted Resolution No. 06-111, confirming the report of the Cannery Row Business Association and Adopting the FY 2006-07 Levy of Assessment, with direction to the Business Association to review the speaker's concerns and return for review in 90 days (4-1, Albert voting no)
 - b. North Fremont BID
Action: Held Public Hearing; adopted Resolution No. 06-112, confirming the report of the North Fremont Business Association and Adopting the FY 2006-07 Levy of Assessment (4-1, Albert voting no)
 - c. Old Monterey BID
Action: Held Public Hearing; adopted Resolution No. 06-113, confirming the report of the Old Monterey Business Association and Adopting the FY 2006-07 Levy of Assessment (4-1, Albert voting no)
 - d. New Monterey BID
Action: Held Public Hearing; adopted Resolution No. 06-114, confirming the report of the New Monterey Business Association and Adopting the FY 2006-07 Levy of Assessment (4-1, Albert voting no)

Senior Planner Cole presented the staff report.

Mayor Albert opened the Public Hearing. Berkley White, Backscatter owner on Cannery Row, voiced support of the BID concept, said he was concerned regarding the amount of \$5,000 assessed against his mail-order business. He stated that most of his customers do not come to Cannery Row. He asked Council to consider multiple tiers of contributions. Eileen Angelos, Monterey Bay Aquarium representative, thanked Council for their support of the BID and asked Council to continue that support. She said that the Aquarium contributes the maximum of \$5,000 voluntarily. Lee Pease, North Fremont Street Business District, agreed with the previous speaker. Having no further requests to speak, Mayor Albert closed the Hearing.

City Manager Meurer explained that the BID concept is based on everyone contributing. On question, he explained that while the City encourages BIDs, they are voluntary on the part of the affected businesses. Councilmember Della Sala explained that the City assists the businesses in determining the surcharge. Councilmember Downey voiced concerns that Mr. White's issues have not been addressed.

It was moved by Councilmember Haferman, and seconded by Councilmember Downey, to approve the North Fremont, Old Monterey and New Monterey Business Improvement District FY 2006-07 Assessments, and send the Cannery Row BID back to the Cannery Row Business Association for them to review with their members the issue regarding the amount assessed for manufacturers and mail order businesses.

Councilmember Haferman said that he would like to see a different category for manufacturers or mail-order businesses. Mayor Albert voiced concerns regarding making exceptions for certain businesses, said that this recommendation came from the Business Association, and he is afraid the motion would cause additional requests for exceptions. Councilmember Roberson said he believes that the Cannery Row BID resolution should be adopted tonight to keep the cash flowing, and Council could ask the association to address rates for manufactures and mail order businesses. He voiced concerns regarding additional exceptions.

The motion maker and seconder agreed to amend the motion to approve all of the BIDs, including Cannery Row, and direct the Cannery Row Business Association to address this issue and report back to the City Council in 90 days. The motion carried by the following vote:

AYES:	4	COUNCILMEMBERS:	Della Sala, Downey, Haferman, Roberson
NOES:	1	COUNCILMEMBERS:	Albert
ABSENT:	0	COUNCILMEMBERS:	None

CONTINUED PUBLIC HEARING

5. 450 Madison Street; Planning Commission Recommendation to approve the City's Public Service Center project - The project application proposes to amend the City General Plan from Residential - Medium Density (8-30 dwelling units per acre) to Public/Semi-Public Use, Rezone the site from R-3-6 (Medium Density Multi-Family Residential) to C-O (Office and Professional) to allow government office use. Approve a Use Permit for building size and a Variance to allow the buildings to be located on the property line adjacent to Van Buren Street - Applicant/Owner City of Monterey; R-3-6 Zoning District; Certify Final Environmental Impact Report – Resolution; Ordinance *continued from May 31, 2006*
Action: Held Public Hearing; certified the EIR incorporating additional responses; adopted Resolution No. 06-115, approving the General Plan Amendment; passed to print an Ordinance rezoning 450 Madison Street; approved the Use Permit and setback Variance with Findings and Conditions; and adopted the Mitigation Monitoring Table (4-1, Haferman voting no)

6. Public Service Center Budget (Public Facilities)
Action: Action: Held Public Hearing; received report

City Manager Meurer recommended that Council hear Items 5 and 6 as one item, and presented the staff report. He explained that the reason for the Public Service Center was for convenience of community members, as well as the efficiency for City staff.

Mike Lusso, architect, presented the El Cuartel Site Feasibility Study, which was conducted in 1998. Les Melbourn presented a site analysis of Alternative #5, addressing parking and functional issues. Mr. Lusso reviewed the project budget. He noted that there has been a lot of misinformation circulated regarding budgeting, saying that the City has always communicated to him that cost control is of the utmost importance. He stressed that he believes the project can be built for the estimated amount.

Mr. Lusso said that the City has planned the Public Service Center as a “green” building from the beginning. Sharon Sarris, Greenfuse LEED consultant, explained LEED certification and gave

several examples of LEED-certified buildings. She confirmed that it is possible for the Public Service Center to become Silver certified. She explained several advantages of having a green building.

Senior Planner Cole summarized the decision points for the City Council's consideration tonight. She reviewed the findings, noting some changes, and the Conditions of Approval. She emphasized that water consumption was looked at in the EIR, and the City has set aside water for this project.

On question, Public Facilities Director Anderson compared the current proposal with the Bianchini proposal. He explained the "one-stop shop" concept, and said that the proposed building is designed to house 63 employees as of today, with additional capacity for the future. On question, he explained the effects on the proposed inclusionary housing project of locating one or more of the Public Service Center buildings on that site. Mr. Anderson noted that the land is owned by the Housing Fund, and would have to be purchased by the General Fund. Assistant City Manager Cohn explained the working relationships between the Personnel, Finance, and other departments.

Councilmember Roberson noted that the temporary building in which Personnel is housed is more than twenty years old and has outlived its life. He said that having decent working conditions for staff, as well as facilitating departmental interaction would increase efficiency. City Manager Meurer reviewed the inefficiency of the current situation of having several customer reception areas in various locations.

Councilmember Downey said that she is trying to decipher if it is possible to reduce or move the buildings. On question, Mr. Melbourn illustrated what a ten-percent size reduction would look like. Councilmember Roberson clarified that only one person in the National Parks Service wants further size reduction and he listed several historic agencies that now support the proposal.

Mayor Albert called a recess at 9:05 p.m., then reconvened the meeting at 9:14 p.m. and opened the Public Hearing. Peggy Chandler, Monterey citizen, said that she is pleased to hear how long the City has been exploring green construction. She spoke in support of the project. Mike Dawson, Via Mirada, said that this is a big project, and he asked Council to save the money or let voters decide. Greg Henland, Homeowner on Van Buren Street, said that the existing houses on the site do not conform to the setbacks, and are an invalid argument for the variance. He stated that if another site such as Ryan Ranch were used, there would be no lawsuit.

Joseph Aiello said that he is 95% sure that he wants to support the project, but said this would be the new City Hall of Monterey and there should be underground parking included. He said he does not want to see solar panels, windmills or skylights in this neighborhood. Judi Lehman said that this is the first time that she heard that the Bianchini study did not have a building as close to the Vasquez Adobe. She said this is not the time to build new buildings while considering sharing services with other cities. She requested a new study.

Sharon Dwight said that the City Council is making a decision as the review body and whether this will meet the overall needs. She said that she believes that the project should be a campus in several different buildings, and the North Building should be moved because of scale and mass that would block the view from Van Buren. She stated that there should be a master plan. Barbara Bass Evans, Monterey resident, thanked Councilmember Downey for asking hard questions. She said that green buildings should have efficient use of space and a building does not provide communication or service. She voiced concerns regarding the budget and supported putting the project on the ballot. Having no further requests to speak, Mayor Albert closed the Public Hearing.

City Manager Meurer reviewed some of the shared services that Monterey has with other agencies, noting that those are services Monterey provides to others. Senior Planner Cole explained that numerous buildings in the Old Town neighborhood have substandard setbacks from

the street, including Van Buren Street. She said that the project was moved closer to Van Buren due to concerns about the view from Pacific Street. She referenced page 31 and 32 of the EIR that spells out when the traffic monitoring would occur. Public Facilities Director Anderson said that underground parking was studied and is not feasible for this site. He noted that permit holders are always accommodated in the downtown garages.

It was moved by Councilmember Roberson, and seconded by Mayor Albert, to certify the EIR incorporating additional responses; adopt Resolution No. 06-114, approving the General Plan Amendment; pass to print an Ordinance rezoning 450 Madison Street; approve the Use Permit and setback Variance with Findings and Conditions of Approval; and adopt the Mitigation Monitoring Table.

Councilmember Haferman said that he could not support the motion because he has not heard any discussion regarding the boundaries of the National Historic Landmark District, noting that the historic impacts are very important. He said that he does not feel comfortable certifying the EIR. He said that the EIR says the South Madison site is superior, and he would lean toward moving the North building to the other side of Madison and building the South Building to house Planning and Engineers.

Councilmember Downey said that the City's previous financial situation has been solved, so she supports a Public Service Center. She said that she feels satisfied with the answers she received tonight, so she is comfortable with the location and size. She supported having a LEED consultant. She said that the Planning Commission and ARC were supportive. She said that she has not heard a large number of people in opposition to this project. She noted that the new building would look better and more pleasing than the current parking lot, and she will support the motion.

Councilmember Della Sala said that Monterey has gone through a long thoughtful process on how to improve the Public Service Center while being sensitive to the historic structures. He said that there are no physical changes planned for the exterior of the historic structures, the architects have done a good job of differentiating between the old and the new, the project size has been reduced, and the architecture will compliment the existing structures. He noted that the Cypress trees would be left in place, and parking has been addressed. He said that the project will provide a quiet, tranquil sense of place. He said that this is a wise investment in Monterey's future and it would save money over time.

Mayor Albert stated that this is a very prestigious city and he feels deeply that we can be proud of the buildings that Monterey has constructed. He said that there are some beautiful buildings here, but some of those and the work spaces do not reflect the City's prestige. He supported an expanded, prestigious Public Service Center and supported the motion.

Councilmember Roberson agreed, saying that if he believed doing additional work on the EIR would prevent a lawsuit, he would, but any significant project is subject to a lawsuit. He said that if lawyers bringing CEQA lawsuits truly believe that they are doing the people's work, he wishes they would return any fee that they win to the people. He said that prudent financing enabled the City to put aside a fund to pay for the building. He said that he appreciates the comments because they have made him think. He stated that this is the best site for the Public Service Center, and it gives a sense of community. He noted that 15 of 16 members of ARC, HPC and the Planning Commission approved the project.

Councilmember Haferman said that he believes that the goals could be accomplished with a lesser impact.

The motion carried by the following vote:

AYES:	4	COUNCILMEMBERS: Della Sala, Downey, Roberson, Albert
NOES:	1	COUNCILMEMBERS: Haferman
ABSENT:	0	COUNCILMEMBERS: None

Councilmember Haferman moved to have an advisory vote on whether to spend this amount of money on this project, and the motion died for lack of a second.

Mayor Albert stated that the Council is elected and given the responsibility to make these decisions.

PUBLIC APPEARANCE

7. Approving Cannery Row Hotel Construction Traffic Detour Times and Construction Truck Travel Patterns and Authorizing the City Traffic Engineer to Modify the Traffic Control Plan as Needed during the Construction Period (Public Works 801-04)
Action: Approved the Cannery Row Hotel traffic control plan and authorized the City Traffic Engineer to modify the traffic control plan as needed during the construction period

City Manager Meurer introduced the item. Traffic Engineer Deal presented the staff report. On question, Steve LaDue, Devcon Construction, said that the goal is to build the exterior shell within a one-year period. He stated that for the majority of the construction period there would be ten trucks per day. However during the two-month demolition phase there would be approximately six trucks per hour, and for 20-25 days during concrete pouring there would be up to twelve trucks per hour. Plans, Engineering and Environmental Compliance Director Reichmuth said that this plan is almost identical to the one used during the Aquarium expansion in the nineties.

Mayor Albert opened the floor to the contractors. Mr. LaDue, Devcon, introduced his colleagues. He displayed an elevation of the proposed building gave an overview of the construction schedule. Mayor Albert opened the floor to the general public. Joseph Aiello supported the project, but voiced concerns regarding handicapped people being at risk from the trucks. He suggested keeping bicyclists off the sidewalk in the area. Bob Evans, New Monterey Neighborhood Association President, said that his association found out about the plan at the last minute, and the discussions on this topic were held only with the Cannery Row business groups. He suggested having the trucks go from Cannery Row to Dickman to Lighthouse. He voiced concerns regarding access to the hospital and burning additional fuel by driving up David.

Sharon Dwight voiced concerns regarding additional trucks on David Avenue, and said that there are many people who have sold their property on David due to the trucks. She said that traffic on Holman Highway would be an issue during the morning peak traffic period. She voiced support for the project, but asked to keep the trucks on Lighthouse. Rick Johnson, Administrator of the New Monterey Business Association, supported Alternative A He said that putting trucks on Lighthouse would be problematic due to the lane size. On question, he stated that Bruce Crist attends the board meetings. Carol Duncan, business owner on Lighthouse Avenue, supported Alternative A.

Frank Donangelo, Cannery Row Company, said that everyone would have to work as a team. He supported Alternative A. He noted that the neighborhoods would be recipient of additional NIP funds after the hotel is built. Mr. LaDue agreed that safety is important and reviewed their safety program. He clarified that there would be no trucks exiting on David after 4:00 p.m. He stated that going in on Foam and out on David strikes the proper balance. On question Mark Ingram, Devcon, said that everything that leaves the job site will be taken to Granite Construction in Watsonville. Mayor Albert returned the discussion to the Council.

On question, Mr. Deal confirmed that the traffic drops off substantially after Labor Day.

Mayor Albert said that this is a long delayed project that needs to get done. He said that this is a plan that worked before, so he believes that the project should move forward.

It was moved by Mayor Albert, and seconded by Councilmember Downey, to approve the Cannery Row Hotel traffic control plan and authorize the City Traffic Engineer to modify the traffic control plan as needed during the construction period.

Councilmember Della Sala noted that the staff recommendation allows flexibility authorizing staff to change the truck route to Lighthouse after Labor Day. Councilmember Haferman said that he would prefer to have strong language to encourage the Traffic Engineer to move the truck route after Labor Day. Mayor Albert and Councilmember Della Sala said that is already addressed in the motion. Councilmember Roberson asked for a report back to the Council in early September. City Manager Meurer said that the matter could return at the second September meeting.

Mayor Albert amended his motion to include a report back if the plan is working as planned and the seconder agreed. The motion carried by the following vote:

AYES:	5	COUNCILMEMBERS:	Della Sala, Downey, Haferman, Roberson, Albert
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

COUNCIL COMMENTS

Due to the lateness of the hour, Councilmembers decided to defer their Council Comments.

- 8. Mayor’s Request to Agendize “First Night” (Albert)
Action: Not discussed; no action

CITY MANAGER REPORTS

City Manager Meurer reported that he would be out of the office for two weeks.

CLOSED SESSION

- 9. Conference with Legal Counsel Pursuant to Government Code Section 54956.9(a) – Existing Litigation – Save Our Carmel River, Patricia Bernardi, and The Open Monterey Project v. Monterey Peninsula Water Management District, Board of Directors of Monterey Peninsula Water Management District; City of Monterey, DOES 1-100; RPI: California-American Water Company, Foursome Development Company, DOES 101-500 Court of Appeal of the State of California, Sixth Appellate District, Case No. H029242 (City Attorney)
Action: On a unanimous roll call vote, the City Council gave confidential direction to their negotiators

ANNOUNCEMENTS FROM CLOSED SESSION

ADJOURNMENT

There being no further business to come before the City Council, Mayor Albert adjourned the meeting at 11:38 p.m.

Respectfully Submitted,

Approved,

Bonnie L. Gawf, City Clerk

Dan Albert, Mayor