

MINUTES
ADJOURNED MEETING OF THE CITY COUNCIL
CITY OF MONTEREY
WEDNESDAY, June 24, 2009
4:00 – 5:30 and 7:00 – 11:00 P.M.
COUNCIL CHAMBER, FEW MEMORIAL HALL
MONTEREY, CALIFORNIA

CALL TO ORDER:

Mayor Della Sala called the meeting to order at 4:00 p.m.

Council Members

Present: Councilmembers Downey, Haferman, Selfridge, Sollecito, Mayor Della Sala
Absent: None

City Staff:

Present: City Manager, City Attorney, Assistant City Manager, Assistant Fire Chief, Police Chief, Deputy City Manager Plans & Public Works, Finance Director, Public Facilities Director, Recreation and Community Services Director, Assistant Human Resources Director, Library Director, Senior Assistant City Clerk

City Manager Meurer stated a member of the public asked to have Item C6 pulled for discussion and Councilmember Haferman also asked for that item to be discussed. Councilmember Downey requested a typographical correction to C2.

CONSENT ITEMS

On a motion by Councilmember Sollecito, seconded by Councilmember Downey, and carried by the following vote, the City Council amended C2 and approved the Consent Agenda, except for Item C6 which was removed from Consent for discussion:

AYES: 5 COUNCILMEMBERS: Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES: 0 COUNCILMEMBERS: None
ABSENT: 0 COUNCILMEMBERS: None

Approval of Minutes

- C1. May 27, 2009 (City Clerk 701-09)
Action: Approved (5-0-0)
- C2. June 2, 2009 (City Clerk 701-09)
Action: Amended; Approved (5-0-0)

Award of Contracts

- C3. Award of Contract to Pavex Construction and Appropriation of Funds for the City of Monterey Street Reconstruction 2009 Abrego, Munras, Soledad, and Eldorado ***CIP*** (Plans and Public Works 807-02)
Action: Adopted Resolutions 09-089 and 09-090 C.S. (5-0-0)

Ordinances

- C4. Second Reading - Amending Chapter 13 by Adding Article 3 Designating Fire Hazard Severity Zones (Fire 203-03)
Action: Adopted Ordinance 3434 C.S. (5-0-0)

Resolutions

- C5. Adopting 2009-2010 Appropriation Limit (Gann Initiative) (Finance 406-01)
Action: Adopted Resolution 09-091 C.S. (5-0-0)
- C6. Adopting Amendments to the Memoranda of with the General Employees of Monterey (GEM), Management Employees' Association (MEA), Monterey Police Association (MPA), Police Lieutenants' Management Association (PLMA), and Amending Compensation to the Deputy Police Chief, Executive Management and Regular Part Time employees (Human Resources 507-01)
Action: Removed from Consent; Discussed; Adopted Resolution 09-092 C.S. Authorizing Memoranda Amendments with GEM, MEA, MPA, PLMA; Continued Discussion of Amending Compensation to Deputy Police Chief, Executive Management, Regular Part Time Employees, and Other Contractual Employees to the Evening Agenda (5-0-0)

Assistant Human Resources Director McCarthy presented the staff report, indicating bargaining units agreed to terms authorized by Council, specifically waiving scheduled cost of living allowances for July 1, 2009, extending the MOUs for an additional year, providing a one-time leave balance, and guaranteeing employees no additional layoffs in FY 2009-2010.

Mayor Della Sala opened the floor for public comment. Barbara Bass Evans suggested a 10% reduction in salaries for employees with salaries in excess of \$100,000. Mrs. Evans provided Council with a list of recommendations relative to Council budget items, stating her recommendations have the potential to increase budget knowledge, transparency, and savings. Seeing no further requests to speak Mayor Della Sala closed public comment.

Councilmember Sollecito stated he agreed with the staff recommendation, stressing it was a win-win for the City and employees alike. Councilmember Selfridge expressed concerns with staff's recommendation as compared to reductions other local cities have approved to combat their budget issues. Councilmember Downey stated a preference to discuss this item in the evening. Councilmember Haferman stated he supported staff's recommendation, but agreed that this item could be discussed in the evening with the budget.

Councilmember Downey moved, and it was seconded by Councilmember Haferman, to continue Item C6 to the evening session to discuss with the budget.

Councilmember Downey discussed separating executive management, regular part-time, and other non-contractual employees from the vote on item C6 and asked several questions in reference to reopening negotiations, indicating a preference to take back the one-time paid leave balance from non-contractual employees. Mayor Della Sala asked the City Attorney Mall for a legal opinion on this suggestion. City Attorney Mall stated that any take-backs could be construed as unfair labor practices.

Councilmember Downey modified her motion to adopt the amendments to the memoranda with GEM, MEA, MPA and MPLA and to continue discussion and decision on amendments for Executive Management, Deputy Police Chief, Regular Part-time, and other non-contractual employees to the evening session and the seconder agreed to the amendment. The motion carried with the following vote:

AYES:	5	COUNCILMEMBERS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

Other

- C7. Rescinding Council Action to Post 72-Hour Parking Signs on Garden Road between Olmsted Road and Henderson Way (Plans and Public Works 901-04)

Action: Rescinded (5-0-0)

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

PUBLIC COMMENTS

Mayor Della Sala opened the floor for Public Comments on items not on the agenda and seeing no requests to speak Mayor Della Sala closed public comment.

PUBLIC APPEARANCE

1. Authorizing Mayor to Send Correspondence to the Business and Property Owner at 774 Wave Street Regarding Use Permit and Parking Adjustment 03-250 - In Lieu Parking Payments (Plans and Public Works 203-02)
Action: Authorized sending correspondence that includes changes to payment terms and adds lien stipulations (4-1-0;Haferman voting No)

Chief of Planning, Engineering, and Environmental Compliance Rerig presented the staff report, stating the applicant was not present and had been notified of the meeting date and time. Mayor Della Sala called a recess at 4:50 p.m. in order to have staff contact the applicant. Mayor Della Sala reconvened the meeting at 4:58 p.m. where Mr. Rerig stated the applicant, Mr. Smith, had chosen not to attend the meeting. Mayor Della Sala opened the floor for public comment. Bob Oliver spoke in support of the applicant and asked the Council to reach a payment schedule compromise that keeps this business open. Seeing no further requests to speak, Mayor Della Sala close public comment.

Councilmember Sollecito stated Council approved the use permit and parking adjustment, because Council believed the combination of historical and cultural aspects of the business filled this special niche in Monterey. Councilmember Sollecito stated he agrees with working out a payment plan. Councilmember Haferman stated that he voted against parking adjustment terms for this use in the past and would vote against it today as well.

On a motion by Councilmember Sollecito, seconded by Councilmember Downey, and carried by the following vote, the City Council approved sending correspondence to the applicant. The motioner and seconder modified the motion to indicate a payment amount be somewhere between \$500 and \$600 per month in order to cut the payment in half, included arrears in the payment schedule, recommended amortizing payments over a 5 or 6 year period, and required the applicant to agree to lien stipulations.

AYES:	4	COUNCILMEMBERS: Downey, Selfridge, Sollecito, Della Sala
NOES:	1	COUNCILMEMBERS: Haferman
ABSENT:	0	COUNCILMEMBERS: None

At 5:20 p.m. Mayor Della Sala called a recess and reconvened the meeting at 7:00 p.m., where all Councilmembers were present.

CONTINUED PUBLIC COMMENTS

Mayor Della Sala opened the floor for Public Comments on items not on the agenda. Jim Heiland asked the City to look at several areas of concern, specifically City-owned leases, Wharf commercial leases, signs along Munras and North Fremont Streets, empty buildings with an eye to potential uses, and more diversity on boards, committees, and commissions. Seeing no further requests to speak Mayor Della Sala closed public comment.

PUBLIC APPEARANCE

- C6. Amending Compensation to the Deputy Police Chief, Executive Management and Regular Part Time employees (Human Resources 507-01)
Action: Removed from Consent; Discussed; Continued from Afternoon Session; Adopted Resolution 09-093 C.S. approving compensation amendments for Executive Management, Regular Part-Time Employees, and Deputy Policy Chief with the exception of leave bank hours for Executive Management (5-0-0)
2. Adoption of Budget for FY 2009-2010
- a. Operating Budget FY 2009-2010 (Finance 406-03)
Action: Adopted Resolution 09-094 C.S. approving the budget and use of NIP funds with findings necessary to support this use (5-0-0)

City Manager Meurer introduced the item, stating that the FY 2009-2010 is a transitional budget preparing the City for the hard work – preparing the FY 2010 – 2011 budget. Mr. Meurer emphasized that staff's recommendation is based on the input received from the public, staff and employees to date. Mr. Meurer stressed that Monterey has different needs than other local cities. Finance Director Rhoads presented the staff report, providing Council with a recapitulation of revenues, fund statuses, budget challenges, and staff's recommendation. Councilmembers Downey, Selfridge, Haferman, and Sollecito asked for clarification and impact on adding back Library, Museum, Recreation and other items. Mayor Della Sala asked Chief Shelby to describe the costs associated with maintaining a canine unit.

Mayor Della Sala noted for the public that the Council continued from the afternoon session a discussion on compensation amendments affecting Executive Management, Regular Part-Time, and other Non-represented Employees. Staff was directed to provide Council with answers to several questions raised by the public and Council on this topic, specifically salary surveys for executives, number of executives, and the number of employees whose salaries exceed \$100,000. In response to these questions staff displayed a salary survey for Finance Director that indicates that Monterey is last behind several local cities in salaries ranges, a chart indicating there are fewer executives today than in 2004, and stated that there are 58 employees whose salaries are over \$100,000.

Mayor Della Sala opened the floor for public comment. NIP Spokesperson Heuer stated the NIP Committee urges the Council to use the NIP funds for Police, Library, Recreation, and other essential services, but not for awards to outside agencies. Hansen Reed and Bob Oliver seconded Mr. Heuer statements. First Night Executive Director Martin, Kirk Paul, Ken Peterson, Robin Jenson, and Paulette Lynch spoke in favor of continued support of First Night Monterey.

Kathryn Bryson, Chase Weaver, and Judy Karas spoke in favor of supporting the California History Room and other Library services, voicing a preference for keeping the Library open every day. Library Board Chair Reneker provided clarification on the proposed Library cuts. She stated the Library Boards estimates that cuts deeper than 10% will cause degradation in overall Library services. Monterey County Film Commission Executive Director Robbins asked the Council to continue its support of the Commission, stating the Commission's work brings in a great deal of revenue to the City and local businesses.

Otto Neely thanked the City for supporting the community band. Sharon Dwight asked the Council to support CERT and to keep the Library open Saturday and Sunday. Nelson Vega stated most businesses Downtown continue to lose revenues. He urged the Council to approve the budget and to focus on ways to make Downtown more vibrant and profitable. Mayor Della Sala called a recess at 9:15 p.m. and then reconvened the meeting at 9:28 p.m.

Mayor Della Sala moved, and was seconded by Councilmember Sollecito, to approve staff recommended compensation amendments for Executive Management, Regular Part-Time Employees, and Deputy Policy Chief with the exception of leave bank hours for Executive Management. The vote carried by the following vote:

AYES:	5	COUNCILMEMBERS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

Councilmember Haferman emphasized that employee concessions are contributing \$890,000 to help close the shortfall and Mayor Della Sala stated that when added to Fire bargaining unit concessions employees have contributed over a million dollars.

Councilmember Downey thanked GEM and all employees for helping reduce the budget. Councilmember Downey spoke in favor of the Library being open every day, developing charges for California History Room research assistance and Inter-Library Loans, keeping Colton Hall Museum open 30 hours a week, charging for museum events, including \$5,000 in the budget for CERT, and asked for 4th of July costs.

Councilmember Sollecito spoke in favor of supporting unique marketing opportunities like the Monterey County Film Commission, local non-profit marketing organizations like the State Theater, youth programs, and keeping the Library and Colton Hall open.

Councilmember Selfridge spoke in favor of keeping Colton Hall open, supporting the CERT program, an endowment for the Sports Center and the Library, and supporting First Night Monterey and the State Theater. In response to the endowment Councilmembers Downey, Sollecito, and Haferman stated they could not support moving funds for an endowment into a committed reserve as this may not give the City the flexibility it needs should the economy worsen.

Councilmember Haferman spoke in favor of staff recommendations and using a portion of NIP funds for the Library and Recreation, citing a preference for keeping the Library open on Sundays.

Councilmember Haferman moved, and it was second by Mayor Della Sala, to accept staff recommendation numbers 1 and number 2, commit from the NIP funds \$183,320 for the Library and Recreation, \$5,000 for CERT, \$5,000 for After School Youth programs, and include in the resolution findings provided by the City Attorney to support use of NIP funds. The motion carried by the following vote:

AYES:	5	COUNCILMEMBERS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None

Mayor Della Sala adjourned the City Council meeting to the Redevelopment Agency meeting.

RDA1. Redevelopment Agency Budget for Fiscal Year 2009-2010 (Finance 406-05)
Action: Adopted RDA Resolution No. 839, approving the FY 2009-10 RDA Budget

On a motion by Director Downey, seconded by Director Sollecito, and carried by the following vote, the RDA Board of Directors adopted RDA Resolution No. 839, approving the FY 2009-10 RDA Budget:

AYES:	5	DIRECTORS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	DIRECTORS:	None
ABSENT:	0	DIRECTORS:	None

Chair Della Sala adjourned the RDA meeting to the Joint Powers Financing Authority meeting.

JPA1. City of Monterey Joint Powers Financing Authority Budget for 2009-2010
(Finance 406-06)

Action: Adopted JPA Resolution No. JPA 27, approving the FY 2009-10 JPA Budget

On a motion by Director Sollecito, seconded by Director Downey, and carried by the following vote, the RDA Board of Directors adopted JPA Resolution No. JPA 27, approving the FY 2009-10 JPA Budget:

AYES:	5	DIRECTORS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	DIRECTORS:	None
ABSENT:	0	DIRECTORS:	None

Chair Della Sala adjourned the Joint Powers Financing Authority meeting to the Ocean View Community Services District meeting

CSD1. Ocean View Community Services District Budget for 2009-2010
(Finance 406-07)

Action: Adopted CSD Resolution No. 011, approving the FY 2009-10 CSD Budget

On a motion by Director Sollecito, seconded by Chair Della Sala, and carried by the following vote, the CSD Board of Directors adopted Community Services District Resolution No. 011, approving the FY 2009-10 CSD Budget:

AYES:	5	DIRECTORS:	Downey, Haferman, Selfridge, Sollecito, Della Sala
NOES:	0	DIRECTORS:	None
ABSENT:	0	DIRECTORS:	None

Chair Della Sala adjourned the Ocean View Community Services District meeting back to the City Council meeting

COUNCIL COMMENTS

Councilmember Downey asked for an update on the burned out building on Alvarado and an update on the empty Safeway store building on Fremont. Councilmember Downey applauded the cooperative water initiatives approved by the Board of Supervisors and expressed concerns with continued parking issues at Trader Joe's.

Councilmember Selfridge stated there was a workshop last week on outcome based budgeting and urged the public to view this workshop on Channel 25.

Councilmember Haferman expressed concerns over the proliferation of unsightly AT&T cable boxes on sidewalks throughout town. Councilmember Haferman asked to agenda on the July 7, 2009 agenda a discussion on Fisherman's Wharf Association's request for a free parking program.

Mayor Della Sala asked staff to prepare a discussion on combining boards, committees, and commissions in order to reduce overall work load and thanked employees again for their efforts in reducing the budget.

CITY MANAGER REPORTS

Assistant City Manager Cohn stated that the AT&T cable boxes are a result of the recent cable franchise changes, stating staff is working with AT&T to improve installation locations and aesthetics.

City Manager Meurer reminded the Council of their retreat scheduled for June 29, 2009 and provided Council with a brief updated on his work with California State Parks.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Della Sala adjourned the meeting at 11:02 p.m.

Respectfully Submitted,

Approved,

_____/s/_____
Catherine A. Raynor
Senior Assistant City Clerk

_____/s/_____
Chuck Della Sala
Mayor