

**CITY COUNCIL
TUESDAY, SEPTEMBER 15, 2009 - 6:15 P.M.
CALISTOGA COMMUNITY CENTER
CLOSED SESSION**

CALL TO ORDER

Vice Mayor Michael Dunsford called the Closed Session to order at 6:15 p.m. In attendance were the following: Councilmember Placido Garcia, Councilmember Gary Kraus, and Councilmember Karen Slusser. Also present was City Manager James McCann. Mayor Gingles was absent.

1. Conference with Legal Counsel, Anticipated Litigation
Significant exposure to litigation pursuant to Government Code Section 54956.9(b):
(One case)

ADJOURNMENT

Vice Mayor Dunsford adjourned the **Closed Session** at 7:00 p.m. to the Regular Meeting of the Calistoga City Council, Tuesday, September 15, 2009, 7:00 p.m., Calistoga Community Center, 1307 Washington Street.

Respectfully submitted:

Prepared by: Lorie Goldbeck, Administrative Secretary

Approved by: Michael Dunsford, Vice Mayor

**MINUTES
CITY COUNCIL – REGULAR MEETING
TUESDAY, SEPTEMBER 15, 2009 - 7:00 P.M.
CALISTOGA COMMUNITY CENTER**

CALL TO ORDER

Vice Mayor Dunsford called the Regular Session to order at 7:04 p.m.

In attendance were the following: Councilmember Placido Garcia, Councilmember Gary Kraus, Councilmember Karen Slusser, and Vice Mayor Michael Dunsford. Mayor Gingles was absent.

Also present were, City Manager James McCann, Public Works Director/City Engineer Dan Takasugi, Administrative Services Director Bill Mushallo, Associate Planner Erik Lundquist, and Administrative Secretary Lorie Goldbeck.

ACTION OUT OF CLOSED SESSION

Vice Mayor Dunsford announced that there was no reportable action out of Closed Session held this evening.

ORAL COMMUNICATION

Kerry Eddy, 3870 Highway 128, Calistoga, President of the Calistoga Community Pool Project, urged the inclusion of the concession stand at the pool on the Logvy Community Park Master Plan.

ADOPTION OF MEETING AGENDA

It was **MOVED** by **Councilmember Kraus**, and **SECONDED** by **Councilmember Garcia** to approve the Council Meeting Agenda. The Motion was carried unanimously.

CERTIFICATES OF APPRECIATION

- 1) **Vice Mayor Dunsford** presented Certificates of Appreciation to Brandon Richardson, Maria Gonzales and Jason Tamagni recognizing them for five years of service to Calistoga.

COUNCIL REQUESTS AND IDEAS FOR DISCUSSION

Councilmember Garcia announced that a second meeting for the Hispanic community regarding gang activity will be held on September 21, 2009 at 6:00 p.m. at the Community Center.

Councilmember Slusser stated that she recalls a concession stand in the Master Plan.

City Manager McCann noted that the Pool plan and the Park Master Plan has always anticipated the construction of a concession facility; this should be noted on the revised Master Plan.

Public Works Director Takasugi noted that on the plan under review, there is a designation for an expansion of the pool site for a concession stand.

CONSENT CALENDAR

Councilmember Slusser requested that **Item No. 10** be pulled from the Consent Calendar.

- 2) **Accounts payable for the period ending Friday, September 11, 2009 (\$748,790.04).**
- 3) **Minutes of the September 1, 2009 regular City Council meeting.**
- 4) **Adoption of Resolution No. 2009-077 authorizing the expenditure of budgeted funds purchase a Computer Aided Dispatch/Records Management Computer System for the Police Department from Sun Ridge Systems in amount of \$108,182.**
- 5) **Adoption of Resolution No. 2009-078 approving Amendment No. 3 to the Consultant Services Agreement with TRS Consultants, Inc. for additional construction management and inspection services related to the Calistoga Community Pool Project.**
- 6) **Adoption of Resolution No. 2009-079 approving Amendment No. 9 to the Professional Services Agreement with Paulett Taggart Architects for additional architectural and engineering design services related to the Calistoga Community Pool Project.**
- 7) **Adoption of Resolution No. 2009-080 accepting as complete the Monhoff Recreation Facility Exterior Rehabilitation Project constructed by Paul Coates Construction and directing the City Engineer to file a Notice of Completion with the Napa County Recorder.**

- 8) Adoption of Resolution No. 2009-081 authorizing the City Manager to execute a joint funding agreement with the City of St. Helena and the City of Napa regarding an engineering feasibility study for the Dwyer Road Water Facilities Pump Station.
- 9) Adoption of Resolution No. 2009-082 approving Joint Zone Project No. 96-1 Maintenance and Watershed Management Program Cost-Sharing Agreement with the Napa County Flood Control and Water Conservation District for Kimball Creek Stream Gauge.
- 11) Adoption of Resolution No. 2009-084 authorizing the Mayor to execute of a Joint Powers Agreement for the Wide Area Rapid Notification System with the County of Napa for emergency response notifications.
- 12) Adoption of Resolution No. 2009-085 rescinding an appointment to the Napa City-County Library Commission and directing the City Clerk to advertise for applicants to fill the vacancy.

It was **MOVED** by Councilmember Slusser and **SECONDED** by Councilmember Kraus to approve Items No. 2, 3, 4, 5, 6, 7, 8, 9, 11, 12 and 13. The Motion was unanimously carried by the following vote:

AYES: Councilmembers Slusser, Kraus, Garcia and Vice Mayor
Dunsford

NOES: None

ABSTAIN: None

ABSENT: Mayor Gingles

- 10) Consideration of a Resolution authorizing a budget adjustment and authorizing the Mayor to execute a funding agreement with Napa County Housing Authority in the amount of \$10,000 to support the Fiscal Year 2008/2009 Napa Valley Farm Worker's Housing Centers operating budget.

There was **Council** discussion regarding alternative funding sources for the shortfall and a request for staff to compose a letter to the Napa County Housing Authority stating that other options should be sought for future years.

City Manager McCann stated he would send a letter to Ms. Johnson outlining these points.

It was **MOVED** by Councilmember Slusser and **SECONDED** by Councilmember Garcia to approve Item No. 10. The Motion was unanimously carried by the following vote:

AYES: Councilmembers Slusser, Garcia, Kraus, and Vice Mayor
Dunsford

NOES: None

ABSTAIN: None

ABSENT: Mayor Gingles

PUBLIC HEARING

- 13) **Consideration of a Resolution adopting a revised Master Plan for improvement of the Community Park located at 1745 Washington Street (APNs 011-410-009 and 011-140-056).**

Vice Mayor Dunsford reported that the public hearing scheduled for this item is being continued to the October 6, 2009 City Council meeting.

GENERAL GOVERNMENT

- 14) **Consideration of a Resolution approving the Community Resources Commission 2009/2010 Fiscal Year Work Plan.**

Aquatics & Recreation Manager Lemen reported that while some of the items on the work plan are a continuation from the 2008/2009 work plan, she noted that the Commission has become very involved in the new Draft Climate Action Plan and they will also be focusing on the new recreation facilities planned for Logvy Community Park and next year's Aquatic programming.

It was **MOVED** by Councilmember **Garcia** and **SECONDED** by Councilmember **Kraus** to adopt **Resolution No. 2009-086** approving the Community Resources Commission 2009/2010 Fiscal Year Work Plan. The Motion was unanimously carried by the following vote:

AYES: Councilmembers **Garcia, Kraus, Slusser** and Vice Mayor **Dunsford**

NOES: None

ABSTAIN: None

ABSENT: Mayor **Gingles**

- 15) **Receive a presentation regarding the preliminary development plans for the Enchanted Resorts proposal, discuss and determine whether to establish a City Council Ad-Hoc Subcommittee to explore the merits of developing a Memorandum of Understanding with the developers to permit a land use application to be filed.**

City Manager McCann introduced the item and gave a brief description. He noted that the Enchanted Resorts development team is in attendance to give a more in-depth presentation on the preliminary development plans for the resort.

Associate Planner Lundquist reported that the original Diamond Hills subdivision was approved in 1992. Since that time, a change of ownership occurred and the new developers, Enchanted Resorts, Inc.,

have finalized their map in accordance with the General Plan and regulatory guidelines and have developed a resort project to include a hotel and fractional ownership homes. He noted that environmental concerns have been expressed to the Planning Commission which can be addressed through an Environmental Impact Report. He stated that Enchanted Resorts has requested a conceptual review with the Planning Commission and is requesting consideration of the development of a Memorandum of Understanding.

Aaron Harkin, Enchanted Resorts Project Manager introduced the presentation to Council noting that their vision is to create a one of a kind resort focused on understated elegance. They hope to feature the natural habitat, only eliminating what is necessary to build the facilities. He stated that this is the first step in the process of their desire to enter into a Memorandum of Understanding with the City. He stated that this presentation will give general detail about the placement of structures and that ultimate details of the project will take place as next steps are established. He noted that the property has been extensively surveyed which has allowed for conscientious resort design. He also pointed out the economic and philanthropic benefits to the community.

Rick Reiss, Icon Resorts Hospitality Consultant gave a description of his background and stated that he believes that the proposed development is an opportunity to create an authentic experience for travelers. Napa Valley is frequently ranked as a top five resort destination in many travel publications and compared to other resort destinations, lodging is very limited in Calistoga. He believes that the character and uniqueness of Calistoga will dramatically contribute to its success.

Scott Lee, SB Architects President stated that his firm is very familiar with hospitality and luxury. He gave an aerial presentation on the site showing that the buildings have been designed to minimize visual impact and preserve the property's natural habitat. He described the layout of the development and anticipated amenities.

David Gilbreth, Project Legal Counsel, stated that he believes that this is a very unique opportunity and noted that the property has been meticulously studied and he believes it can be developed in an environmentally sensitive way due to the care and consideration given by the design team. He reiterated that particular attention will be paid to every concern and that the team looks forward to working with the community and staff on the project.

Vice Mayor Dunsford noted that there is a recommendation to appoint a two-member ad hoc subcommittee to explore the merits of developing a Memorandum of Understanding and asked if Council had questions of the development team.

Councilmembers Slusser complimented the developers on a good job and thanked them for addressing all concerns.

Councilmember Kraus agreed and complimented the developers on working well with the community. He questioned how many high-end resorts can be supported in the area and noted concerns with financing issues and downtown congestion.

Councilmember Garcia commented that local contractors should be hired for the project. He noted that Solage has contributed to the local workforce and that the high end resorts will increase revenue and will bring more visitors to the City.

PUBLIC COMMENT

Rex Albright, 1133 Washington Street, Calistoga, Chamber of Commerce Executive Director, encouraged the City Council to form an ad hoc subcommittee to review the project. He stated that he feels very confident with the development team and that the housing and job market will benefit from this development.

Rick Pielstic, 1805 Foothill Blvd., Calistoga, President of the Calistoga Chamber of Commerce, commented that he understands the sensitivity to the small town nature of Calistoga and a development of this scope, however, he feels that they have made every effort to minimize the visual impact and traffic issues and that it would increase revenue to the local business as well as TOT.

Vice Mayor Dunsford asked for further public comment. Being none he made a motion to appoint himself and **Councilmember Kraus** to the Ad Hoc Subcommittee.

It was MOVED by Vice Mayor Dunsford and SECONDED by Councilmember Garcia to establish a City Council Ad-Hoc Subcommittee to explore the merits of developing a Memorandum of Understanding with the developers to permit a land use application to be filed.

The Motion was unanimously carried by the following vote:

AYES: Vice Mayor Dunsford, Councilmembers Garcia, Kraus, and Slusser

NOES: None

ABSTAIN: None

ABSENT: Mayor Gingles

- 16) Receive a presentation and report of the Fiscal Year 2008/2009 year end Transient Occupancy Tax and revenue summary and a Visitor's Center quarterly update of marketing and promotional services efforts.**

City Manager McCann gave a brief description of the item and explained that this effort is to provide more regular updates on the financial health of the Community.

Administrative Services Director Mushallo reported that TOT is one of the few locally administered revenue sources equaling approximately 47% of the City's General Fund that is collected through Bed & Breakfasts, Inns & Motels and Hotels & Resorts and totals approximately \$3.2 million annually. He noted that the \$3.3 million projection for 2009/2010 was optimistic and actual results of \$3.2 million reflect a decrease of 5.9% from the previous fiscal year. He noted that an \$800,000 decrease was made on the 2009/2010 budget while maintaining adequate reserves and core services. He stated that he will report financial updates and forecast revisions to the Council in October.

Rex Albright, Executive Director of the Chamber of Commerce, reported on the Chamber's current marketing and promotional efforts noting that the new visitor website traffic has increased over 86%, local events have increased from 5 to 31 and the creation of a new Wine Country Wellness package which directly generates revenue for at least four businesses (lodging, spas, restaurants and wineries). He also stated that Calistoga's TOT numbers are still outpacing other Napa Valley destinations.

- 17) Consideration of a Resolution Awarding a Contract to Ron Vann Construction for the Calistoga Fire Station Seismic Retrofit and Rehabilitation Project in the Amount of \$1,362,837 and Authorizing the City Manager to Execute the Agreement.**

Vice Mayor Dunsford introduced the item and noted a recommendation to postpone the item to the October 6th meeting.

City Manager Mccann recommended postponement of this item due to the receipt of communications and questions on certain elements of the bid that need to be evaluated and answered. He suggested continuation to the October 6th meeting in order to provide answers and make a recommendation to Council.

There was Council consensus to continue the item to the October 6, 2009 City Council meeting.

CITY MANAGER REPORTS

City Manager McCann reported on the following:

- The next Low Vision Group Meeting will be held on Thursday, September 24th (1:30 PM, Rancho de Calistoga Club Room).
- Chief Mills will conduct the second community meeting regarding gang activity on September 21st at 6:00 p.m. at the Community Center.

CITY COUNCIL ADJOURNMENT

Vice Mayor Dunsford adjourned the meeting at 8:42 p.m. to the next scheduled regular meeting to the Calistoga City Council, on Tuesday, October 6, 2009, Calistoga Community Center, 1307 Washington Street, 7:00 p.m.

Respectfully submitted:

Prepared by: Lorie Goldbeck, Administrative Secretary

Approved by: Michael Dunsford, Vice Mayor