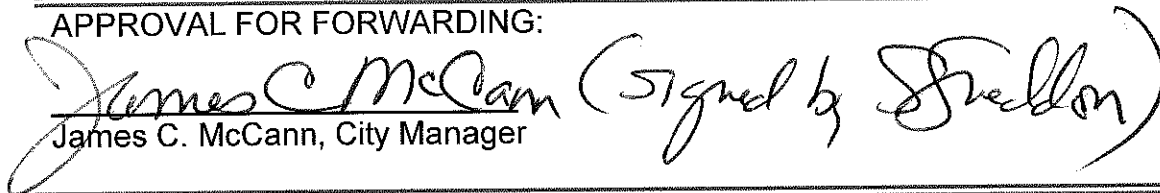


City of Calistoga

Staff Report

TO: Honorable Mayor and City Council
FROM: Susan Sneddon, City Clerk
DATE: January 5, 2010
SUBJECT: City Council Minutes

APPROVAL FOR FORWARDING:

 (Signed by Sneddon)
James C. McCann, City Manager

DISCUSSION: Minutes of the December 15, 2009 Regular City Council meeting.

RECOMMENDATION: Approve Minutes.

ATTACHMENTS: Aforementioned Minutes.

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

CALL TO ORDER

Mayor Gingles 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, Vice Mayor Michael Dunsford, and Mayor Gingles. Also present was Administrative Services Director Bill Mushallo; City Manager James McCann, City Attorney Michelle Kenyon, and Assistant City Attorney Leah Castella.

- 1. Conference with Legal Counsel, Existing Litigation pursuant to Government Code Section 54956.9(a):
City of Calistoga v. Grant Reynolds, Napa County Superior Court Case No. 26-46826.**

- 2. Conference with Labor Negotiators (City Manager James McCann and Administrative Services Director Bill Mushallo) regarding the Calistoga Public Employees Association, Calistoga Professional Firefighters Association, and the Calistoga Police Officers Association pursuant to GCS54957.6**

ADJOURNMENT

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

Respectfully submitted:

Prepared by: Susan Sneddon, City Clerk

Approved by: Jack Gingles, Mayor

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

1 **CALL TO ORDER**

2
3 **Mayor Gingles called the Regular Session to order at 7:00 p.m.**

4
5 In attendance were the following: Councilmember Placido Garcia,
6 Councilmember Gary Kraus, Councilmember Karen Slusser, Vice Mayor
7 Dunsford, and Mayor Jack Gingles.

8
9 Also present were Senior Civil Engineer Jim Smith, Planning and Building
10 Director Charlene Gallina, City Manager James McCann, City Clerk Susan
11 Sneddon, and City Attorney Michelle Kenyon.

12
13 **ACTION OUT OF CLOSED SESSION**

14
15 **Mayor Gingles** announced that there was no action out of Closed Session
16 held this evening.

17
18 **ORAL COMMUNICATION**

19
20 **Kristin Casey, 1132 Denise Drive**, requested that **Item No. 6** be pulled for
21 public comment.

22
23 **ADOPTION OF MEETING AGENDA**

24
25 It was **MOVED** by **Vice Mayor Dunsford** and **SECONDED** by
26 **Councilmember Garcia** to approve the Council Meeting Agenda. The
27 Motion was carried unanimously.

- 28
29 **1. Proclamation honoring retiring Bob Fiddaman, retiring from his position**
30 **as Calistoga Affordable Housing Inc. President.**

31
32 **Mayor Gingles** read the Proclamation honoring retiring Bob Fiddaman.

33
34 **Mr. Fiddaman** thanked the City Council, Planning Commission, and staff for
35 all the support to Calistoga Affordable Housing (CAH). He introduced Larry
36 Kromann, the new CAH President as of January 2010, and he introduced the

37 following CAH Boardmembers: Bob Beck, Kent Domogalla, and Susanne
38 Deiss-Costanzo.

39

40 PROCLAMATION

41

42 **2. Presentation of Certificate of Appreciation to Carol Bush for her service**
43 **on the Planning Commission from 2008 – 2009.**

44

45 **Mayor Gingles** read the Certificate of Appreciation for Carol Bush (Ms. Bush
46 was not present to receive the certificate).

47

48 COUNCIL REQUESTS AND IDEAS FOR DISCUSSION

49 PROCLAMATION

50

51 **Councilmember Kraus** stated that the Annual Christmas Tractor Parade
52 was a great success. He suggested that each Councilmember pay the \$40
53 for attending the Napa County League of Government quarterly dinner
54 meetings to help reduce the City's budget shortfall.

55

56 **Mayor Gingles** stated that the City Clerk will be providing speaker cards at
57 the January 5, 2010 Council meeting.

58

59 CONSENT CALENDAR

60

61 **3. Accounts payable for the period ending Thursday, December 10, 2009**
62 **(\$181,539.14).**

63

64 **4. Minutes of the December 1, 2009 Regular City Council meeting, and the**

65

66 **5. Adoption of Resolution No. 2009-112 establishing the 2010 City Council**
67 **meeting schedule declaring certain property surplus, and authorizing**
68 **the disposal of said property by the City Manager for the benefit of the**
City of Calistoga.

69

70 **6. Update on the Council's Fiscal Year 2009/2010 Key Priority Projects.**
71 **7. Adoption of Resolution No. 2009-113 accepting the Napa Operational**
Area Pre-Disaster Hazard Mitigation Plan.

72

73 **8. Adoption of Resolution No. 2009-114 authorizing application for**
74 **Transportation Enhancement Grant (\$25,000) for Washington Street**
Bikeway Improvements.

75

76 **Mayor Gingles** requested that **Item No. 6** be removed from the Consent
77 Calendar

78

79 It was **MOVED** by Councilmember Garcia and **SECONDED** by
80 Councilmember Kraus to approve Items No. 3, 4, 5, 7, and 8 on the
81 Consent Calendar.

82
83 **6. Update on the Council's Fiscal Year 2009/2010 Key Priority Projects.**

84
85 **Kristin Casey, 1132 Denise Drive**, requested that the Riverlea Subdivision
86 property owners be involved in discussions regarding the Silverado
87 Trail/Highway 29 improvements, and study efforts for Petrified Forest/Hwy
88 128 improvements listed in the Council's 2009/2010 Key Priority Projects.

89
90 **Mayor Gingles** stated that the Riverlea Subdivision property owners may be
91 involved in these discussions. He asked if the 2009/2010 Key Priority Project
92 "complete and adopt Urban Design Plan" item has an updated completion
93 date (**City Manager McCann** noted the correct date is June 20, 2010).

94
95 **There was Council consensus to accept the Council's Fiscal Year**
96 **2009/2010 Key Priority Projects.**

97
98 **PUBLIC HEARING**

99
100 **9. Consideration of a Resolution authorizing the acceptance and**
101 **expenditure of \$100,000 in the State Citizen's Option for Public Safety**
102 **(COPS) grant funds for Fiscal Year 2009/2010.**

103
104 **Police Chief Mills** introduced and summarized his staff report on this item.

105
106 **Mayor Gingles** opened the Public Hearing, and then closed it when no
107 person came forward to speak.

108
109 It was **MOVED** by Mayor Gingles and **SECONDED** by Councilmember
110 Kraus to adopt Resolution No. 2009-115 authorizing the acceptance and
111 expenditure of \$100,000 in the State Citizen's Option for Public Safety
112 (COPS) grant funds for Fiscal Year 2009/2010 The Motion was carried
113 unanimously as follows:

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

116 **NOES:** None

117 **ABSTAIN/ABSENT:** None

118
119 **GENERAL GOVERNMENT**

120
121 **10. Consideration of a Resolution accepting an Eagle Scout Project**
122 **donation from Braden Sterk to construct a compost bin at Logvy Park**
123 **and waiving all permit fees.**

124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169

Pubic Works Director/City Engineer Takasugi introduced this item.

Braden Sterk provided an overview of his Eagle Scout project.

It was **MOVED** by Councilmember Garcia and **SECONDED** by Councilmember Kraus to adopt **Resolution No. 2009-116** accepting an Eagle Scout Project donation from Braden Sterk to construct a compost bin at Logvy Park and waiving all permit fees. The Motion was carried unanimously as follows:

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

NOES: None

ABSTAIN/ABSENT: None

- 11. Consideration of a request by Mitch Hawkins for Council to set a date certain for hearing an appeal regarding the Planning Commission's approval of a Conditional Use Permit Amendment (U 2000-06(A)) to allow indoor live entertainment at La Prima Pizza 1923 Lake Street.**

Councilmember Kraus stated that he will not be partaking in the discussion of this item as he lives within 500 feet of the La Prima Pizza, and it would be a conflict of interest. He stepped away from the dias.

Mayor Gingles stated that a letter (**Communication A**) was received from the appellant (Mitch Hawkins) and his legal representative stating that they are unable to attend tonight's Council meeting; they requested that this item be continued to the January 19, 2010 Council meeting.

Vice Mayor Dunsford stated that the owners of La Prima Pizza are anxious to move forward with allowing indoor live entertainment as approved by the Planning Commission.

Councilmember Garcia stated that there appears to be no reason to continue this item.

Mayor Gingles requested that staff not expend more time of this item if the Council sets a date for a public hearing (**Planning and Building Director Gallina** agreed).

City Manager McCann stated that the City recovers costs from the applicant when a land-use application is processed.

It was **MOVED** by Councilmember Slusser and **SECONDED** by Vice Mayor Dunsford to set the date of January 19, 2010 for hearing an appeal regarding the Planning Commission's approval of a Conditional

170 Use Permit Amendment (U 2000-06(A)) to allow indoor live
171 entertainment at La Prima Pizza 1923 Lake Street. The Motion was
172 carried as follows:

173 AYES: Councilmember Slusser, Vice Mayor Dunsford, and Mayor
174 Gingles

175 NOES: Councilmember Garcia

176 ABSTAIN: Councilmember Kraus

177 ABSENT: None

178

179 Councilmember Kraus returned to the meeting.

180

181 **12. Presentation by Fire Chief Campbell regarding the City's Emergency**
182 **Management Plan.**

183

184 Fire Chief Campbell introduced this item. He stated that the City staff recently
185 conducted Emergency Operation Center training, and a Citywide flood drill. He
186 stated that staff is currently revising the Emergency Operating Plan to ensure
187 that the City has properly prepared and maintained emergency response plans
188 and protocols.

189

190 City Manager McCann thanked Fire Chief Campbell and his staff for doing a
191 great job on this item.

192

193 **13. Consideration of a Resolution authorizing the City Manager to execute a**
194 **Memorandum of Understanding regarding the development of the**
195 **Bounsall family properties located at 414 Foothill Boulevard (APNs 011-**
196 **260-045 through 011-260-076).**

197

198 Mayor Gingles stated that two Communications have been received
199 regarding this item; **Communication B** from Kurt Larrecou requesting that
200 this item be continued; **Communication C** from Jeff Bounsall requesting that
201 language be added to the proposed Memorandum of Understanding (MOU)
202 regarding transfer or assignment of rights and/or benefits under the MOU.

203

204 Planning and Building Director Gallina provided a brief history of this item.
205 She stated that Council created an ad-hoc subcommittee to meet with the
206 Bounsall family to explore the development of a draft MOU to guide the
207 proposal. She stated that staff agrees Jeff Bounsall's proposal
208 (**Communication C**) to include a provision of transfer of rights.

209

210 Jeff Bounsall, 414 Foothill Blvd, thanked Council and staff for their time and
211 diligence on this item.

212

213 Kristin Casey, 1132 Denise Drive, read a statement for the record regarding
214 the proposed development of the Bounsall property. She stated that a MOU

215 and a Development Agreement is premature at this time, and stated that the
216 project goes beyond the General Plan guidelines.

217

218 **Carl Sherrill, 1132 Denise Drive**, stated his concern in approving the
219 proposed Bounsall project is cutting away at the City's General Plan.

220

221 **Elizabeth Hammond, 304 Foothill Blvd., Calistoga** stated she is oppose to
222 this item, and the City should not move forward until the property dispute
223 between her and the Bounsall's is settled.

224

225 **Kerri Hammond Abreau, 1720 Reynard Lane**, stated that the property line
226 dispute is not settled with the Bounsall's. She requested that the City not
227 repeat mistakes made with the Diamond Hills Development Agreement.

228

229 **Norma Tofanelli, 1001 Dunaweal Lane**, stated that the City is "whittling
230 away" the General Plan. She suggested that the proposed Urban Design Plan
231 be approved first. She stated her concern with approving the Bounsall's MOU
232 after the City "dispensed the Growth Management Allocation System".

233

234 **City Manager McCann** stated that the proposed MOU is to allow the project
235 to move forward in processing of a development application. He stated that
236 this action does not endorse the project, but merely starts the process.

237

238 **Council discussion ensued on the purpose of the Memorandum of**
239 **Understanding process.**

240

241 **Councilmember Slusser** asked if the Bounsall project could proceed without
242 the Council authorizing a Memorandum of Understanding.

243

244 **Planning and Building Director Gallina** clarified that the City's Growth
245 Management Allocation process has not been eliminated; earlier this year the
246 Council authorized the Planning & Building Director to administratively issue
247 allocations. She stated that the Growth Management Ordinance allows for
248 any applicant seeking a Development Agreement via a Memorandum of
249 Understanding to be exempt from the Growth Management process.

250

251 **City Attorney Kenyon** stated that the proposed MOU is between the City
252 and the Bounsall family agreeing that the City is willing to negotiate in good
253 faith with regard to a Development Agreement. She stated the City has
254 complete regulatory authority to modify or deny this proposed project as it
255 moves forward in the development process, and is not bound to approve the
256 project.

257

258 **Councilmember Slusser** stated concerns regarding the proposed event
259 center for this project.

260

261 **City Manager McCann** stated that in Section 5 – City Support (C) in the
262 proposed MOU addresses points raised at the Planning Commission, such as
263 intensity, design, boundary, scale, which would include the proposed event
264 center. He stated that the Bounsall project is not being approved with the
265 proposed MOU, but rather provides clear direction as the project moves
266 forward.

267
268 **Councilmember Slusser** stated she is concerned that the terms in the draft
269 MOU obligate the City five years.

270
271 **City Attorney Kenyon** stated that the MOU obligates the City to negotiate in
272 good faith; the term of a development agreement would be for a term of five
273 years, and does not bind the City to the project. She stated that the ad-hoc
274 subcommittee may be directed to monitor the project and provide regular
275 updates to Council.

276
277 **Councilmember Kraus** stated that he is in favor of the project and
278 understands the community concerns; he suggested continuing this item to
279 add additional time for public input.

280
281 **City Manager McCann** stated that the five year term in the draft MOU could
282 be removed from Section 6 – Good Faith Negotiation of Development
283 Agreement (A).

284
285 It was **MOVED** by Mayor Gingles and **SECONDED** by Vice Mayor
286 Dunsford Resolution No. 2009-117 authorizing the City Manager to
287 execute the amended Memorandum of Understanding regarding the
288 development of the Bounsall family properties located at 414 Foothill
289 Boulevard (APNs 011-260-045 through 011-260-076) (Authorizing
290 Agreement No. 0392). This action removed the five year term removed
291 from Section 6 – Good Faith Negotiation of Development Agreement (A).
292 The Motion was carried unanimously as follows:

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

295 **NOES:** None

296 **ABSTAIN/ABSENT:** None

297

298 **14. Presentation regarding Fiscal Year 2009/2010 budget update, forecast**
299 **and adjustments.**

300

301 **Administrative Services Director Mushallo** introduced this item. He stated
302 that since the June 2009/2010 General Fund Budget Update the City's
303 expenditures have been reduced by \$800,000; there still remains a \$175,000
304 budget gap. He stated that staff has been directed to spend funds for critical
305 items only during the remainder of the current fiscal year to help bridge the
306 City's \$425,000 revenue shortfall. He stated that if possible staff layoffs will be

307 avoided; vacant positions have not been filled; overtime and part time salaries
308 have been reduced; contract services have been reduced or eliminated. He
309 stated that management concessions will save the City \$60,000 (includes 10
310 unpaid furlough days between now and June 30, 2010; step increases
311 deferred; and forgoing of 2009/10 performance bonuses). He stated that this
312 leaves the City with \$115,000 budget shortfall. He reviewed the following
313 options to address the gap — staff furlough/salary reductions; voluntary pay
314 and hour reductions; holiday pay reductions; workweek reductions and
315 increased contributions to health insurance costs.

316
317 **Mayor Gingles** suggested cutting back services provided by the Chamber of
318 Commerce to cut expenses. He commented that Monhoff Center lights need
319 to be turned off at night and suggested that staff look into the use of solar
320 power.

321
322 **Pubic Works Director/City Engineer Takasugi** responded that the cost of
323 leaving the Monhoff Center's lights on at night is minimal, and it helps to deter
324 vandalism. He stated it would not be financially practical for the City to
325 purchase solar panels at this time.

326
327 **Administrative Services Director Mushallo** advised against reducing the
328 services provided by the Chamber of Commerce because they bring revenue
329 to the City.

330
331 **Mayor Gingles** thanked Administrative Services Director Mushallo for his
332 presentation, and stated that the entire State is in a "dire" financial situation.
333 He stated that Council and staff will continue to investigate ways to fill the
334 budget gap and avoid staff layoffs.

335
336 **Councilmember Garcia** suggested that each Councilmember donate their
337 City paychecks to help bridge the City's budget gap.

338
339 **Councilmember Kraus** complemented the City management staff in showing
340 leadership by accepting pay reductions. He suggested that each
341 Councilmember and Planning Commissioner donate their pay back to the
342 City. He stated that the Chamber of Commerce should provide measurable
343 services.

344
345 **15. Discussion regarding options for use of Caltrans right-of-way over**
346 **Lincoln Avenue (Highway 29) sidewalks.**

347
348 **Vice Mayor Dunsford** stated that he will not be partaking in the discussion of
349 this item as he has a business within 500 feet of Lincoln Avenue/Highway 29.
350 He stepped away from the dias due to his conflict of interest.

351

352 **Pubic Works Director/City Engineer Takasugi** introduced this item. He
353 stated that local merchants have long desired to have sidewalk dining
354 fronting Highway 29/Lincoln Avenue. He reviewed two options to allow for
355 sidewalk dinning: (1) change the legislation that governs the use of State
356 right-of-way; or (2) the City to accept ownership of the sidewalks through an
357 agreement with Caltrans whereby they would release its ownership to the
358 City. He presented the risks and costs in accepting ownership of the
359 sidewalks; the primary concern is the City assuming the liability.

360

361 **Mayor Gingles** stated that the business community wants sidewalk dining,
362 and that the City is "getting mixed signals" from Caltrans regarding sidewalk
363 dining.

364

365 **Mayor Gingles** asked what the City of St. Helena has sidewalk dining.

366

367 **City Manager McCann** stated that the City of St. Helena is interested
368 involved in pursing sidewalk dining, and they are identifying areas of concern.
369 He agreed with Councilmember Kraus in discussing with the business
370 community about entering into an agreement to share the liability. He stated
371 that he has been in recent discussions with other jurisdictions on ways to
372 raise funds for improvements through a Tourism Business Improvement
373 District.

374

375 **Dieter Deiss, 3000 Palisades Road**, noted that the Economic Vitality
376 Committee reported the need for more activity on Highway 29/Lincoln
377 Avenue, and noted that the General Plan recommends relocating Highway 29
378 from the downtown area.

379

380 **Councilmember Slusser** stated concerns regarding costs to the City in
381 taking ownership of the sidewalk along Highway 29/Lincoln Avenue.

382

383 **There was Council consensus for staff to continue investing the option**
384 **of sidewalk dining, and to approach the Chamber of Commerce to**
385 **schedule a meeting with the downtown merchants to consider working**
386 **jointing with the City to make this happen.**

387

388 **City Manager McCann** thanked the Council for their direction on this matter,
389 and stated that he will contact the Chamber of Commerce to discuss and
390 bring this item back to Council for discussion.

391

392 **Vice Mayor Dunsford** returned to the meeting.

393

394 **CITY MANAGER REPORTS**

395

396 **City Manager McCann** reported on the following:

397

398

399

- Federal government has approved the Calistoga American Viticulture Area (AVA) Vineyard District.

400

401

402

403

- Update on Community Pool re-plastering effort; the contractor has responded to the call for action following the December 1st Special Council meeting scheduled to determine critical issues regarding the Community Pool Project.

404

405

- Calistoga Beverage Company expressed an interest in response to the City's desire to maintain the Calistoga brand after the facility closure.

406

407

408

409

- Update regarding the leaf bins provided through the agreement between the City and Upper Valley Waste Management Agency; the bins have been removed because the funds have been expended; staff will be providing more information to Council.

410

411

- Congratulations to City staff in winning "best of show" and "first place" Annual Lighted Tractor Parade.

412

413

414

415

- City is meeting with the three City labor groups to consider ways to help reduce the City budget shortfall; furloughs are being discussed. He stated the City may be going dark between Christmas and New Years, and budget cuts may force a reduction in services to the public.

416

417

CITY COUNCIL ADJOURNMENT

418

419

420

421

422

Mayor Gingles adjourned the meeting at 9:30 PM to the next scheduled regular meeting of the Calistoga City Council, on Tuesday, January 5, 2010, Calistoga Community Center, 1307 Washington Street, 7:00 p.m.

423

Respectfully submitted:

424

425

426

Prepared by: Susan Sneddon, City Clerk

427

428

429

430

431

Approved by: Jack Gingles, Mayor