

CITY COUNCIL MINUTES
September 24, 2007

Mayor Cannella called the regular meeting of the City Council to order at 7:00 p.m. with the following in attendance:

ROLL CALL Council Members Lane, Ochoa, Phipps, Vierra, Mayor Cannella

INVOCATION by Mayor Anthony Cannella

PLEDGE OF ALLEGIANCE to the flag led by Mayor Cannella.

CITIZEN COMMUNICATIONS

- A. Len Shepherd, Ceres resident, clarified a statement he made at the 9/20/07 Study Session regarding Mitchell Road. Also commended the Department of Public Safety for the risks they take in their daily job.

APPROVAL OF AGENDA AS POSTED (OR AMENDED) AND CERTIFICATION OF POSTING

MOTION: Approve the Agenda as posted (or amended) and certification of posting.

MOVED: Moved by Phipps/seconded by Vierra

VOTE: Motion passed unanimously. (5/0)

CONFLICT OF INTEREST DECLARATION

Mayor Cannella declared a conflict with Item #3 stating that his firm has done business with Teichert Construction in the past.

CONSENT CALENDAR

1. General Correspondence – **Information Only**
 - a. Municipal Utilities Department Monthly Report for August, 2007.
 - b. Engineering Division Monthly Report for August, 2007.
2. Register of Audited Demands for period covering September 4 – 14, 2007.
3. **Resolution No. 2007-185** establishing the Hatch Road Bike Path Project – Phase 2, awarding a construction contract to Teichert Construction and amending the FY 2007/08 Budget to appropriate funds. **PULLED DUE TO CONFLICT OF INTEREST.**
4. **Resolution No. 2007-186** approving the contract with GDR Engineering, Inc. to provide design engineering and surveying services for the Service Road Sewer Trunk Main and amending the FY 2007/08 Budget to appropriate funds.
5. Set Public Hearing date of October 8, 2007, for the adoption of changes of the Ceres Area Transit (CAT) and Ceres Dial-A-Ride (CDAR) Fares; and the adjustment of transit services to include the replacement of one (1) Saturday and Sunday Ceres (CDAR) service vehicle non-fixed route with one (1) CAT service route.
6. Set Public Hearing date of October 8, 2007, for the adoption of City of Ceres 2007 Housing Element Update.

- 7. **Resolution No. 2007-187** approving a contract with Giuliani & Kull, Inc. to provide general engineering and inspection services to augment City staff.

MOTION: Approve Consent Calendar Items 1a-b, 2 and 4-7 as recommended by staff.
 MOVED: Moved by Vierra/seconded by Phipps
 VOTE: Motion passed unanimously. (5/0)

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

- 3. **Resolution No. 2007-185** establishing the Hatch Road Bike Path Project – Phase 2, awarding a construction contract to Teichert Construction and amending the FY 2007/08 Budget to appropriate funds.

MOTION: Approve **Resolution No. 2007-185** establishing the Hatch Road Bike Path Project – Phase 2, awarding a construction contract to Teichert Construction and amending the FY 2007/08 Budget to appropriate funds.
 MOVED: Moved by Vierra/seconded by Lane
 VOTE: **Motion passed with Mayor Cannella abstaining. (4/0/1)**

PUBLIC HEARING

- 8. Public Hearing to consider **Resolution No. 2007-188** authorizing recommendation to the Stanislaus County Board of Supervisors for approval of the Consolidated Annual Performance and Evaluation Report (CAPER) relating to its FY 2006/07 Community Development Block Grant and Emergency Shelter Grant.

Tim Ogden, Economic Development/Redevelopment Manager, gave a brief overview of the staff report stating that the Consolidated Annual Performance and Evaluation Report showing how the grant money is being used, is a requirement of the grant.

Mayor Cannella commented that the allocation received by the City of Oakdale was considerably higher than any other City or the County and requested additional information from staff on the basis of their funding. Staff to provide Council with an informational report.

7:15 p.m. Mayor Cannella opened the Public Hearing

7:16 p.m. There being no one wishing to speak, Mayor Cannella closed the Public Hearing.

MOTION: Approve **Resolution No. 2007-188** authorizing recommendation to the Stanislaus County Board of Supervisors for approval of the Consolidated Annual Performance and Evaluation Report (CAPER) relating to its FY 2006/07 Community Development Block Grant and Emergency Shelter Grant.
 MOVED: Moved by Phipps/seconded by Vierra
 VOTE: **Motion passed unanimously. (5/0)**

- 9. Public Hearing to consider **Resolution No. 2007-189** adopting the revised Small Lot Design Guidelines.

Barry Seibe, Planning Manager, presented an overview of the project background.

Lantz Rey, Assistant Planner, reviewed the revised Small Lot Design Guidelines as recommended by the Planning Commission, highlighting the following areas:

Private open space, common open space, lot and building variation, general building design, porches entries and courts, garage frontage and placement, parking, walls, fences and entries, landscaping, mailboxes, street design elements and access, alley design, lighting, home owner associations, utilities and infrastructure, court homes and designs.

Mr. Seibe presented the following staff recommended modifications to the Small Lot Design Guidelines as approved by the Planning Commission:

1. On-Street Parking – staff recommended the following sentence be added to section H. Parking (page 12) to address the location issues:

“Community Off-Street parking shall be generally provided adjacent to Community Open Space. Additional Community Off-Street parking can be provided through out the community at locations that have the ability to serve numerous homes as approved in the site plan.”

2. Homeowners Association (HOA) – staff recognizes that the wording in the document does not allow leeway for the alternative development described and for projects with 14 units or less that only provide or contribute public open space. Staff is recommending the document be modified in two different locations:

(Page 5) a footnote will be added to Section B, “Common Open space section that reads: under certain circumstances, where an equal amount of open space is incorporated into larger master plan areas, and for projects that do not meet the minimum number of units, a homeowner’s association may not be required, provided that no private common areas are required in the development.”

(Page 7) Note K, will be modified to read: “Front yards must be included in the Homeowners Association, unless deemed unnecessary by the Community Development Director, based on the provisions listed in Section B, under Common Open Space.”

Mr. Seibe outlined Council’s action alternatives as 1) approve the Small Lot Design Guidelines as recommended by the Planning Commission; 2) approve the Small Lot Design Guidelines with modifications as recommended by staff; 3) approve the Small Lot Design Guidelines with additional changes; 4) deny the proposed Small Lot Design Guidelines and/or table the consideration of the document for further discussion.

7:23 p.m. Mayor Cannella opened the Public Hearing.

Chris Tyler, representing Pacific Union Homes, thanked staff for addressing the concerns he had raised at the Planning Commission meeting with respect to open space.

7:26 p.m. There being no one else wishing to speak, Mayor Cannella closed the Public Hearing.

After some discussion, Council made the following motion:

- MOTION:** Approve **Resolution No. 2007-188** **Resolution No. 2007-189** adopting the revised Small Lot Design Guidelines with modifications as recommended by staff.
- MOVED:** Moved by Vierra/seconded by Phipps
- VOTE:** **Motion passed unanimously. (5/0)**

NEW BUSINESS

10. **Resolution No. 2007-190** approving the *Building Equity and Growth in Neighborhoods* (BEGIN) Grant for the Envision Homes Dow Ranch I & II Project at 1701, 1721, and 1848 Richard Way.

Tim Ogden, Economic Development/Redevelopment Manager introduced the item explaining that in May, 2007, the Department of Housing and Community Development (HCD) released a Notice of Funding Availability for the Building Equity and Growth in Neighborhoods (BEGIN) grant program. The purpose of the BEGIN program is to provide low and moderate income first-time homebuyers with down payment assistance in the form of low-interest deferred payment loans. Grant applications are accepted on a continuous basis until funds are exhausted; as of August, 2007, \$15 million of the original \$44 million was still available. In order to qualify for grant funding, the City must meet certain criteria, based on a point system. The City must score at least 300 points in the following categories: a) Regulatory Relief; b) Housing Element Compliance; and c) Miscellaneous Additional Points. The City currently has 295 total qualifying points with an additional 50 points available when the housing element is adopted at the Council Meeting of October 8, 2007.

The Dow Ranch I & II project consists of a total of 46 single family homes. Original conditions of approval for the project required five (5) of the units to be reserved for sale to moderate income homebuyers. The proposed BEGIN project would increase this number and will provide down payment assistance in the amount of \$30,000 for 20 moderate-income first-time homebuyers in that development.

Beccie Michael, Grant Writing Consultant representing Envision Homes, gave a presentation to Council outlining the points accrued in each of the three categories. Ms. Michael stated that the funding was depleting rapidly and recommended that Council not wait until October 8th to accrue the additional points needed for the application. Council can accrue additional points by providing additional regulatory relief in the form of freezing the public facilities fees for the 20 affected homes.

Staff responded that they felt that freezing the public facilities fees should be reserved for low – very low income housing.

Greg Bradford, Envision Homes, addressed Council further urging them to freeze the public facilities fees for the 20 affected Homes.

After some discussion, Council concurred that freezing the public facilities fees was not in conformance with their strategic plan and waiting two weeks until the next Council meeting would not effect the application.

- MOTION: **Resolution No. 2007-190** approving the *Building Equity and Growth in Neighborhoods* (BEGIN) Grant for the Envision Homes Dow Ranch I & II Project at 1701, 1721, and 1848 Richard Way.
- MOVED: Moved by Phipps/seconded by Lane
- VOTE: **Motion passed unanimously. (5/0)**

11. **Resolution No. 2007- 191** awarding the Community Center Construction Project to J. L. Bray & Son, authorizing the City Manager to execute said contract and amending the FY 2007/08 Budget to appropriate funds for the City Council Chambers portion of the Community Center.

Ken Craig, Community Facilities Director introduced the item stating that staff received a total of nine bids for the Community Center Project. J.L. Bray & Son of Salida, CA, submitted the lowest bid in the amount of \$6,845,000. All of the bid except for that portion representing the City Council Chambers will be financed by Redevelopment Agency Bonds. It has been determined that \$179,744 including the 10% contingency, representing the estimated cost of the City Council Chambers will be financed from the Public Facilities Fees Fund.

In addition to the award of the contract, staff is also recommending that it be allowed to approve construction change orders up to \$75,000 per change order. Without this, staff is concerned that construction may be delayed while it seeks Council approval.

Mayor Cannella expressed concern with staff approval of change orders without Council input.

Councilmember Vierra concurred and stated that he felt that approval of change orders should still be under the direction of the Council.

Vice Mayor Phipps stated that he felt that Council was trying to micro-manage the project.

After Council discussion the following motion was made:

- MOTION: **Resolution No. 2007-191** with the removal of paragraph #2 thereby requiring staff to bring future change orders to Council for approval.
- MOVED: Moved by Lane/seconded by Vierra
- VOTE: **Motion passed with Vice Mayor Phipps voting No. (4/1)**

COUNCILMEMBER REFERRALS

Councilmember Phipps requested that a resolution naming the baseball complex located at Smyrna Park be placed on a future agenda.

REPORTS

County Supervisor Jim DeMartini reported that Turlock and Patterson have passed Scrap Metal Ordinances and stated that the County Board of Supervisors would like all Cities in Stanislaus County to pass one.

City Manager, Brad Kilger, responded that the City is currently working on a Scrap Metal Ordinance and it will be coming to Council in the future.

8:33 p.m. Mayor Cannella adjourned the meeting to Closed Session.

CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

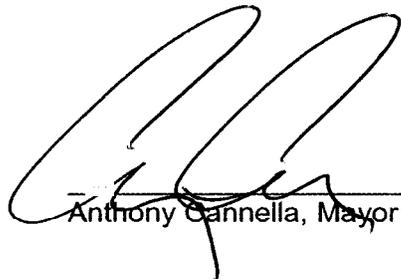
City Negotiator: Public Law Group

Employee Organization: Miscellaneous Employees

Pursuant to Gov't. Code Section 54957.6

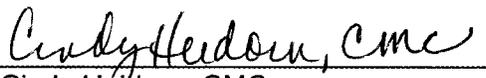
9:34 p.m. Mayor Cannella reconvened to Open Session with nothing to report.

9:35 p.m. There being no further business Mayor Cannella adjourned the meeting.



Anthony Cannella, Mayor

ATTEST:



Cindy Heidorn, CMC
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Deputy City Clerk