

**JOINT CITY COUNCIL/REDEVELOPMENT AGENCY/
CERES FINANCING AUTHORITY MINUTES**

November 23, 2009

Mayor Cannella called the Joint City Council/Redevelopment Agency/Ceres Financing Authority Meeting to order at 7:00 p.m. with the following in attendance:

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

INVOCATION by Pastor Dionicio Vargas, Valley View Church of the Nazarene.

PLEDGE OF ALLEGIANCE Posting of Colors & Pledge of Allegiance by the American Legion Post 491 and the Veterans of Foreign War Post 10293.

CITY COUNCIL REORGANIZATION

A. **Resolution No. 2009-123** declaring the results of the November 3, 2009 General Municipal Election.

MOTION: Approve **Resolution No. 2009-123** declaring the results of the November 3, 2009 General Municipal Election.

MOVED: Moved by Durossette/seconded by Ochoa

VOTE: Motion passed unanimously (5/0)

B. OATHS OF OFFICE to newly elected Council Members Ken Lane and Chris Vierra administered by Cindy Heidorn, City Clerk.

C. PRESENTATION TO INCOMING OFFICIALS

★SEATING OF THE NEW CITY COUNCIL★

7:10 p.m. Mayor Cannella called for a short recess.

7:28 p.m. Mayor Cannella reconvened the Council meeting.

PRESENTATIONS

A. Report by Ceres Youth Commission.

Christian Ochoa, president of the Ceres Youth Commission addressed Council on their recent and upcoming activities including the Halloween Festival, Thanksgiving turkey give away and the annual Christmas Festival.

CITIZEN COMMUNICATIONS - None

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 Lane/seconded by Durossette

VOTE: Motion passed unanimously (5/0)

APPOINTMENTS TO BOARDS/COMMISSIONS – None.

CONFLICT OF INTEREST DECLARATION

Mayor Cannella declared a conflict with Item No. 5 stating that his firm has done work with the contractor within the last 12 months.

CONSENT CALENDAR

1. General Correspondence – **Information Only**
 - a. Public Works Dept. Monthly Report for October, 2009.
 - b. Information Technology Division Monthly Report for October, 2009.
 - c. Recreation Dept. Monthly Report for September and October, 2009.
 - d. Planning Division Monthly Report for October, 2009.
 - e. Engineering Division Monthly Report for October, 2009.
 - f. Building Division Monthly Report for October, 2009.
2. Register of Audited Demands for period covering October 30 – November 9, 2009.
3. Cancellation of the December 28, 2009 City Council Meeting.
4. **Resolution No. 2009-124** approving a contract with Gary Kornahrens for Administrative Appeal Hearing Officer Services.
5. **Resolution No. 2009-125** approving a budget amendment for the Paramount Well 19r Replacement Project in the amount of \$37,955.00. **Pulled due to Conflict of Interest.**
6. **Resolution No. 2009-126** approving a Limited Term Professional Services Agreement with Sheila Cumberland for Professional Municipal Financial Services. **Pulled for Further Discussion.**
7. Approval of Agreements Setting the Terms and Conditions of Employment for Fiscal Year 2009/10 for members of the following groups: **Resolution No. 2009-127** Department Head Group, **Resolution No. 2009-128** Mid-Managers Group, **Resolution No. 2009-129** First Line Supervisors/Confidential Bargaining Group.

MOTION: Approve Consent Calendar items 1a - f, 2 - 4, and 7, as recommended by staff.

MOVED: Moved by Vierra/seconded by Ochoa

VOTE: **Motion passed unanimously (5/0)**

CONSIDERATION OF ITEM(S) REMOVED FROM THE CONSENT CALENDAR

5. **Resolution No. 2009-125** approving a budget amendment for the Paramount Well 19r Replacement Project in the amount of \$37,955.00. **Pulled due to Conflict of Interest.**

MOTION: Approve **Resolution No. 2009-125** approving a budget amendment for the Paramount Well 19r Replacement Project in the amount of \$37,955.00.

MOVED: Moved by Lane/seconded by Durossette

VOTE: **Motion passed with Mayor Cannella abstaining. (4/0/1)**

6. Resolution No. 2009-126 approving a Limited Term Professional Services Agreement with Sheila Cumberland for Professional Municipal Financial Services. **Pulled for Further Discussion**

Mayor Cannella asked if the salary for the agreement was within the pay range for the position. Staff confirmed that it was.

MOTION: Approve **Resolution No. 2009-126** approving a Limited Term Professional Services Agreement with Sheila Cumberland for Professional Municipal Financial Services.

MOVED: Moved by Durossette/seconded by Ochoa

VOTE: Motion passed unanimously (5/0)

UNFINISHED BUSINESS

8. Consideration of the Planning Commission denial of the proposed ordinance amending certain sections of Title 18, Chapter 18.42 of the Ceres Municipal Code to allow on-site electronic changeable copy signs.

Resolution No. 2009-XXX adopting a Negative Declaration for a Zoning Ordinance Text Amendment to amend the Ceres Municipal Code Chapter 18.42 to allow provisions for on-site electronic changeable copy signs and allowances for service club signs in public right-of-way. Application Number ZOTA 09-04.

Ordinance No. 2009-XXX amending certain sections of Title 18, Chapter 18.42 of the Ceres Municipal Code to allow provisions for on-site electronic changeable copy signs and allowances for service club signs in public right-of-way. **First Reading and Introduction**

Tom Westbrook, Acting City Planner, provided Council with a brief overview of the history of the discussions regarding changeable copy signs. Mr. Westbrook stated that the Zoning Ordinance Text Amendment proposed by staff will create allowances for on-site electronic changeable copy signs where current code provisions do not allow. In the opinion of staff permitting these types of signs, with the provisions proposed could ensure that these signs are developed within the City but under specific guidelines that would protect the esthetics of Ceres. Staff is recommending that signs be six (6) feet in height with a total maximum area of 25 square feet.

Mr. Dirk Wyatt, applicant, has requested that the maximum height allowed be changed to 12 feet and the total maximum area be increased to 32 square feet.

MOTION: Continue this item to an upcoming study session for further discussion.

MOVED: Moved by Vierra/seconded by Durossette

Council had some further discussion regarding the continuation of the Public Hearing.

Mr. Wyatt requested that the item be voted on tonight either yes or no. He does not want to continue discussing it.

Previous motion was stricken, no vote taken.

MOTION: Approve the Resolution and Ordinance with the following changes: to increase the height of the sign from 6 feet to 12 feet; all other requirements of the Ordinance remain the same.

MOVED: Moved by Lane/seconded by Ochoa

VOTE: Motion failed with Durossette, Vierra and Cannella voting No. (2/3)

Council made the following motion:

MOTION: Continue this item to a date specific Council Meeting in February and a Study Session on the topic in January.

MOVED: Moved by Vierra/seconded by _____

VOTE: Motion dies due to lack of a Second

Council made the following motion:

MOTION: Approve **Resolution No. 2009-_____** adopting a Negative Declaration for a Zoning Ordinance Text Amendment to amend the Ceres Municipal Code Chapter 18.42 to allow provisions for on-site electronic changeable copy signs and allowances for service club signs in public right-of-way. Application Number ZOTA 09-04.

MOVED: Moved by Durossette/seconded by _____

VOTE: Motion dies due to lack of a Second

Council made the following motion:

MOTION: Continue the Public Hearing to February 8, 2010 City Council Meeting with a Study Session to be held in January, 2010.

MOVED: Moved by Vierra/seconded by Durossette

VOTE: Motion passed unanimously (5/0)

PUBLIC HEARING - None

8:39 p.m. Council recessed for a short break

8:45 p.m. Council reconvened in open session.

NEW BUSINESS

- 9. **Resolution No. 2009-131** approving a Budget Amendment for Negotiation Services and Litigation Services for Liebert Cassidy Whitmore.

Mike Lyons, City Attorney gave a brief staff report to Council.

MOTION: Approve **Resolution No. 2009-131** approving a Budget Amendment for Negotiation Services and Litigation Services for Liebert Cassidy Whitmore.

MOVED: Moved by Lane/seconded by Vierra

VOTE: Motion passed unanimously (5/0)

- 10. Adopt resolutions by the City Council and the Ceres Financing Authority authorizing documents and official actions relating to the installment sale financing of water and wastewater system improvements and approving related documents and official actions.

Resolution No. 2009-132 authorizing documents and official actions relating to the installment sale financing of water system improvements and the issuance and sale of Water Revenue Bonds by the Ceres Financing Authority for such purpose.

Resolution No. CFA 2009-01 authorizing the issuance and sale of Water Revenue Bonds to finance Water System Improvements and approving related documents and official actions.

Resolution No. 2009-133 authorizing documents and official actions relating to the installment sale financing of Wastewater System Improvements and the issuance and sale of Wastewater Revenue Bonds by the Ceres Financing Authority for such purpose.

Resolution No. CFA 2009-02 authorizing the issuance and sale of Wastewater Revenue Bonds to finance Wastewater System Improvements and approving related documents and official actions.

Glenn Gebhardt, Interim Director of Development Services City Engineer, introduced the item and the Consultants present to address Council including Mr. Craig Hill with Northcross, Hill and Ach, Mr. Andy Hall representing Jones Hall and Jim Cervantes representing Stone and Youngberg.

Mr. Hill asked Council to confirm that they were currently meeting as the City Council and the Ceres Financing Authority.

Mayor Cannella confirmed that they have been meeting as the City Council, Ceres Redevelopment Agency and the Ceres Financing Authority throughout the entire meeting.

Mr. Hill then laid out a brief timeline of the actual issuance and sale of the Water and Wastewater bonds with a closing date of approximately December 29, 2009.

Mayor Cannella expressed concern that the language in the resolution allowed for an interest rate of higher than 5 ½ % which is the amount that was assumed in the rate study. Why are we putting in an interest rate which is higher than that 5 ½ %?

Mr. Hill stated that yes, the language in the resolution did allow for an interest rate of higher than 5 ½% but the re-offering is set up so that the City's net cost will still be 5 ½ %.

Mayor Cannella stated that he is not comfortable approving this unless language was added to the Resolutions to clarify that the interest rate would not go above 5 ½ %.

Mr. Hall stated that we could add an additional qualification for both the Water and Wastewater Bonds as follows:

Under SALE OF BONDS - where it shows the 7% add: "And the true interest costs shall not exceed 5 ½ %" and after the 9% it will state: " And the true interest cost (including credit for the refundable credit as defined in the indenture) shall not exceed 5 ½%."

Council asked for clarification on a few other statements in the bond documents. Again, Council asked for reassurance that there will be no added costs other than those which were assumed in the rate study.

Staff and consulting team assured Council that there will be no added costs, everything is included in the bond issuance.

Mr. Cervantes stated that Council achieved a significant savings by meeting with the \$70,000 annually or about 2.1 M for the entire issue.

MOTION: Approve **Resolution No. 2009-132** with language as amended authorizing documents and official actions relating to the installment sale financing of water system improvements and the issuance and sale of Water Revenue Bonds by the Ceres Financing Authority for such purpose

MOVED: Moved by Lane/seconded by Ochoa

VOTE: **Motion passed unanimously (5/0)**

MOTION: **Resolution No. CFA 2009-01** with language as amended authorizing the issuance and sale of Water Revenue Bonds to finance Water System Improvements and approving related documents and official actions.

MOVED: Moved by Lane/seconded by Vierra

VOTE: **Motion passed unanimously (5/0)**

MOTION: Approve **Resolution No. 2009-133** with language as amended authorizing documents and official actions relating to the installment sale financing of Wastewater System Improvements and the issuance and sale of Wastewater Revenue Bonds by the Ceres Financing Authority for such purpose

MOVED: Moved by Lane/seconded by Durossette

VOTE: **Motion passed unanimously (5/0)**

MOTION: **Resolution No. CFA 2009-02** with language as amended authorizing the issuance and sale of Wastewater Revenue Bonds to finance Wastewater System Improvements and approving related documents and official actions.

MOVED: Moved by Lane/seconded by Durossette

VOTE: **Motion passed unanimously (5/0)**

COUNCIL MEMBER REFERRALS – None.

REPORTS – Council and staff commented on various City activities including the Feed the Hungry campaign taking place on November 24, 2009 at the Community Center where approximately 300 turkeys will be given to needy families.

9:23 p.m. Mayor Cannella adjourned to Closed Session.

CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 2936 5th Street

Negotiating parties: Brad Kilger, Executive Director or his designee

Under negotiation: Instruction may include price, terms of payment or both

Purpose of Proposed Acquisition: General purposes consistent with the Redevelopment Agency's Plan.

Pursuant to Gov't Code Section 64956.9

CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Name of Case: Mark Neri v. City of Ceres

Petition for Administrative Writ of Mandate

Stanislaus County Superior Court Case No. Unassigned.

Pursuant to Government Code Section 54956.9(b)

CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION

Name of Case: Elizabeth Pulido v. City of Ceres

Claim No. 12,458

Pursuant to Government Code Section 54956.9(a)

9:52 p.m. Mayor Cannella reconvened in Open Session with nothing to report

9:52 p.m. There being no further business, Mayor Cannella adjourned the Joint City Council/Ceres Redevelopment Agency/Ceres Financing Authority Meeting.

Anthony Cannella, Mayor

Cynthia Heidorn, CMC,
City Clerk