



# **ACTION MINUTES** **PACIFIC GROVE CITY COUNCIL**

**Wednesday, June 4, 2008, 6:00 P.M.**  
**Council Chambers – City Hall – 300 Forest Avenue**

**Mayor Cort announced that Council Members Stilwell and Miller would be absent from the meeting.**

## **PRESENTATIONS**

### **Reference: Mayor Cort**

- A. Presentation of Mayor's Proclamation Declaring June 9 through 15, 2008, as United States Army Week in Pacific Grove

**The Mayor presented a Proclamation to representatives of the United States Army declaring June 9 through June 15, 2008 as United States Army Week in Pacific Grove in recognition of the Army's 233<sup>rd</sup> anniversary which took place on June 14, 2008.**

**Mayor Cort also introduced Ms. Blake Russell, member of the 2008 Olympic Marathon Team and new resident of Pacific Grove.**

## **APPROVAL OF AGENDA**

**COUNCIL ACTION: Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, Council moved approval of the Agenda.**

## **COUNCIL AND STAFF ANNOUNCEMENTS**

- A. Council Referral Update  
B. Announcements
- **Council Member Cohen** announced the City's Fourth of July barbeque to be held at Caledonia Park from 11:30 a.m. to 2:30 p.m. with a program to be included.

## **ORAL COMMUNICATIONS**

*(Comments from the audience will not receive Council action. Comments must deal with matters subject to the jurisdiction of the City and the Council and will be limited to three minutes. Comments regarding agenda items, not on the consent agenda, shall be heard prior to Council's consideration of such items at the time such items are called. Whenever possible, letters should be submitted to the Council in advance of the meeting.)*

### **Reference: Mayor Cort**

- **Snick Farkas** presented his latest installation of "Colossus of Gold."
- **Bill Valuch**, Chair of the Business Improvement District (BID), requested an update regarding the revamping of the street signs directing traffic to downtown Pacific Grove. City Manager Colangelo replied that Public Works was continuing to work on the project.

## **CONSENT AGENDA**

*(The Consent Agenda consists of those items which are routine and for which a staff recommendation has been prepared. A Councilmember, member of the audience or staff may*

*request that an item be placed on the regular agenda for further discussion. One motion will cover all items on the Consent Agenda. The motion to approve will authorize the action or recommendation indicated.)*

**COUNCIL ACTION: Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Members Stilwell and Miller absent, Council moved approval of the Consent Agenda.**

1. APPROVAL OF CITY COUNCIL MEETING MINUTES

- A. Draft Minutes of the June 4, 2008 City Council Meeting  
**Recommended Action: Approve**

2. RESOLUTIONS

- A. **Resolution No. 08-029:** Consider a Resolution Authorizing the Submittal of an Application to the California Department of Housing and Community Development for Funding Under the CalHome Program  
*Council will consider a Resolution authorizing the submittal of a \$480,000 application to the California Department of Housing and Community Development for funding under the CalHome Program to fund the Housing Rehabilitation Loan Program.*  
**Reference: Julie Uretsky, Housing Planner**  
**Recommended Action: Adopt the Resolution**
- B. **Resolution No. 08-030:** Consider the Adoption of a Resolution Authorizing the City Manager to Enter into an Agreement for Assistance in a Grease Source Control Program  
*Council will consider a Resolution authorizing the City Manager to enter into an agreement for assistance in a Grease Source Control Program. This agreement has been renewed annually since June 6, 2000.*  
**Reference: Celia Perez Martinez, Business Manager**  
**Recommended Action: Adopt the Resolution**
- C. **Resolution No. 08-031:** Consider The Adoption Of A Resolution Authorizing The City Manager To Enter Into An Agreement For Maintenance Of Sewage Lift Stations  
*Council will consider a Resolution authorizing the City Manager to enter into an agreement for the maintenance of sewage lift stations.*  
**Reference: Celia Perez Martinez, Business Manager**  
**Recommended Action: Adopt the Resolution**

3. REPORTS OF STAFF

- A. **Resolution No. 08-032:** Consider the Adoption of a Resolution Approving an Employment Agreement with Denise Sallee to Serve as a Part Time Librarian II  
*Council will consider a Resolution approving an employment agreement with Denise Sallee to serve as a part time Librarian II.*  
**Reference: City Manager Colangelo**  
**Recommended Action: Adopt the Resolution**

4. REPORTS OF COMMISSIONS, BOARDS, AND STANDING COMMITTEES

- A. Meeting Minutes of the June 10, 2008 Architectural Review Board  
**Recommended Action: Receive**
- B. Meeting Minutes of the May 22, 2008 Budget and Finance Committee  
**Recommended Action: Receive**

**REGULAR AGENDA**

5. PUBLIC HEARINGS

*(With regard to public hearings involving a quasi-judicial determination by the Council, the proponent of an item shall be given 10 minutes to speak and all others in support of the proponent's position will be given three (3) minutes each. A designated spokesperson for opposition to the item shall be given 10 minutes to speak and all others in opposition will be given three (3) minutes each. In public hearings not involving a quasi-judicial determination by the Council, all persons will be given three (3) minutes to speak, whether in support or opposition to the item. Very brief rebuttal and surrebuttal may be allowed in the sole discretion of the Council.)*

- A. Hold A Public Hearing and Consider Resolutions Adopting the Updated Master Fee Schedule for Fees Included in the Fiscal Year 2008/09 Budget and Amending Council Policy 200-1, Golf Course Rules and Regulations, and Introduce and Hold a First Reading of an Ordinance to Amend Section 14.12.010 of the Municipal Code Related to Golf Course Rules

*Council will consider amending the Master Fee Resolutions to include several fees approved conceptually in the Fiscal Year 2008/09 budget. Council will also introduce and hold a first reading of an Ordinance to amend Section 14.12.010 of the Municipal Code. The Council may approve or reject the first reading of the Ordinance. If approved, the Ordinance shall be published and a second reading shall be set at the next Council meeting.*

**Reference: Jim Becklenberg, Director of Management and Budget**

**Recommended Actions:**

- 1) **RESOLUTION NO. 08-033: Adopt a resolution approving the revised master fee schedule, which includes the following changes:**

**NOTE: Council took action on each of the following items separately:**

- a. **A new long-range planning fee equal to 15% of the value of permits subject to the fee (detailed in this report).**

**COUNCIL ACTION: Upon motion of Mayor Cort, seconded by Council Member Davis, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.**

- b. **A deposit to be paid by development project applicants for assessment of potentially historic structures; work which is required by the California Environmental Quality Act (CEQA).**

**COUNCIL ACTION: Upon motion of Mayor Cort, seconded by Council Member Davis, and carried, with Council Members Miller and Stilwell**

absent, Council moved to table this item to allow further study on the issues involved.

c. A new \$2 surcharge on 18-hole rounds (\$1 surcharge on 9-hole rounds) of golf played on annual card privileges.

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Member Bennett voting against, and Council Members Miller and Stilwell absent, Council moved the recommended action.

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Bennett, and carried, with Council Members Miller and Stilwell absent, Council moved to refer the option of raising golf fees for nonresidents to the Budget and Finance Committee for review and recommendation to the Council.

2) **RESOLUTION NO. 08-034:** Adopt a resolution amending Council Policy 200-1, Golf Course Rules and Regulations.

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Member Bennett voting against, and Council Members Miller and Stilwell absent, Council moved the recommended action.

3) **Introduce and hold the first reading on an Ordinance to amend Section 14.12.010 of the Municipal Code.**

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.

#### **PUBLIC COMMENT**

- **Jim Willoughby** voiced his objection to the proposed surcharge and requested that the Council vote against the item.
- **Steve Thomas** agreed with the previous comments and added that a surcharge could possibly create ill will towards the City efforts to improve financially.
- **Darlene Billstrom** said she withdrew her objections to historic assessment fees and suggested that a portion of the funds resulting from the proposed golf surcharge be used towards maintenance of the lighthouse.
- **Bill Kampe** said that an historic assessment adds a financial burden on the applicant and further indicated that the process needs clarity and should benefit applicants.
- **Nancy Jacobs** expressed the opinion that seniors and residents deserve lower golf fees and that historic assessment fees should be based on a sliding scale.
- **Lee Willoughby** voiced her objection to the proposed surcharge as it would be a hardship on those with fixed incomes and further stated that the golf course was a valuable resource for the health, welfare and social life for older residents.

- B. **Resolution No. 08-035:** Hold a Public Hearing and Consider a Resolution Establishing the Appropriations Limit for Fiscal Year 2008/09  
*State Law requires cities to establish an appropriations limit annually, based on a procedure prescribed by State Law. Council will consider a resolution in compliance with this requirement.*  
**Reference:** Jim Becklenberg, Director of Management and Budget  
**Recommended Action:** Adopt the Resolution  
**COUNCIL ACTION:** Upon motion of Council Member Bennett, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.
- C. **Resolution No. 08-036:** Hold a Public Hearing and Consider a Resolution to Levy an Assessment for the Downtown Business Improvement District (BID)  
*Council will hold a public hearing and consider a Resolution to levy an assessment for the Downtown Business Improvement District (BID). Each year the City must reauthorize the assessment that generates revenues for the purposes of the Downtown Business District.*  
**Reference:** Jim Becklenberg, Director of Management and Budget  
**Recommended Actions:**  
  - 1) Hold a public hearing to determine whether there exists a protest to forming the district equal to a majority of the businesses included in the district; and
  - 2) If no majority protest is determined, adopt a Resolution approving the FY 2007/08 annual report and the FY 2008/09 budget for the Downtown Business Improvement District (BID) and levying the FY 2008/09 assessment for the District; and
  - 3) Authorize the City Manager to execute a contract with the Pacific Grove Chamber of Commerce to administer the approved BID budget.**COUNCIL ACTION:** Upon motion of Council Member Cohen, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended actions.
- D. **Ordinance No. 08-014:** Hold a Public Hearing on the Second Reading of an Ordinance of the City Council of the City of Pacific Grove Adding Section 23.64.055 of the Pacific Grove Municipal Code to Allow Public Gatherings in the Public Street Rights-of-Way Within the Downtown (D) Designation Area on the General Plan Land Use Map  
*On May 21, 2008 Council introduced an Ordinance adding Section 23.64.055 of the Pacific Grove Municipal Code to Allow Public Gatherings in the Public Street Rights-of-Way Within the Downtown (D) Designation Area on the General Plan Land Use Map. If adopted, the Ordinance will go into effect 30 days from the date of adoption.*  
**Reference:** Lynn Burgess, Chief Planner  
**Recommended Actions:**  
  - 1) **RESOLUTION NO. 08-037:** Adopt Mitigated Negative Declaration (MND); and

- 2) **Hold a public hearing on the second reading of an ordinance to add Section 23.64.055 of the Pacific Grove Municipal Code to allow public gatherings in the public street rights-of-way within the Downtown (D) designation on the General Plan Land Use Map; and**

- 3) **Adopt the Ordinance.**

**COUNCIL ACTION:** Upon motion of Council Member Bennett, seconded by Council Member Cohen, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended actions.

- E. **Ordinance No. 08-015:** Hold a Public Hearing on the Second Reading of an Ordinance of the City Council of the City of Pacific Grove that Levies a Tax Rate of .004% on the Assessed Value of Property in Pacific Grove, to Pay the Debt Service on the 1990 Butterfly Habitat Bonds

*On June 4, 2008 Council introduced an Ordinance that levies a tax rate of .004% on the assessed value of property in Pacific Grove, to pay the debt service on the 1990 Butterfly Habitat Bonds. If adopted, the Ordinance will go into effect 30 days from the date of adoption.*

**Reference:** Jim Becklenberg, Director of Management and Budget

**Recommended Action:** Adopt the Ordinance

**COUNCIL ACTION:** Upon motion of Council Member Nilmeier, seconded by Council Member Bennett, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.

- F. **Ordinance No. 08-016:** Hold a Public Hearing on the Second Reading of an Ordinance of the City Council of the City of Pacific Grove Approving the Adjustments to the FY 2007/08 Budget

*On June 4, 2008 Council introduced an Ordinance approving the adjustments to the FY 2007/08 Budget. If adopted, the Ordinance will go into effect 30 days from the date of adoption.*

**Reference:** Jim Becklenberg, Director of Management and Budget

**Recommended Action:** Adopt the Ordinance

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.

6. REPORTS OF BOARDS, COMMISSIONS AND STANDING COMMITTEES

- A. Americans with Disabilities Act Compliance Advisory Committee
- B. Architectural Review Board
- C. Beautification and Natural Resources Committee
- D. Budget and Finance Subcommittee
- E. Cultural Arts Commission
- F. Economic Advisory Committee
- G. Historic Resources Committee
- H. Housing Committee

- I. Library Board
  - **Council Member Bennett** read a letter on behalf of Susan Steele, Chair, regarding Library hours.
- J. Museum Board
- K. Planning Commission
- L. Recreation Board
- M. Special Events Committee
- N. Traffic Safety Commission
- O. Monterey County Commission on Disabilities

7. OLD BUSINESS

- A. **Resolution No. 08-038:** Consider a Resolution of Intent to Terminate the City's Contract with the California Public Employees Retirement System (CalPERS) for Employee Retirement Benefits  
*Council will consider a Resolution of Intent to terminate the City's contract as the first step required by CalPERS to begin the actuarial analyses required to terminate the City's contract for retirement benefits.*  
**Reference: Jim Becklenberg, Director of Management and Budget**  
**Recommended Action: Approve the Resolution of Intent**  
**COUNCIL ACTION: Upon motion of Council Member Davis, seconded by Council Member Bennett, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.**

PUBLIC COMMENT

- **Nancy Jacobs** voiced her objection to the proposed separation of the City from CalPERS on the grounds that employees are not able to manage their own money for retirement purposes.
- **Adam Sepagan**, representing the Police Officers Association (POA), cautioned the Council regarding the long-term effect such an action may have on the City's ability to recruit and retain quality safety personnel.

8. NEW BUSINESS

- A. Hold the First Reading of an Ordinance of the City Council of the City of Pacific Grove that Amends the Fiscal Year 2008/09 Budget  
*Council adopted the Fiscal Year 2008/09 budget on May 21, 2008. Staff has discovered several errors in the budget. Addressing them at this time will ensure that the budget reflects the City Council's plans for services when the budget was adopted. The Council may approve or reject the first reading of the Ordinance. If approved, the Ordinance shall be published and a second reading shall be set at the next Council meeting.*  
**Reference: Jim Becklenberg, Director of Management and Budget**  
**Recommended Action: Hold the first reading of the Ordinance**  
**COUNCIL ACTION: Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, Council moved the recommended action with direction to staff to publish a summary of the Ordinance, subject to approval by the City Attorney, in a local newspaper of general circulation.**

- B. Consider Introduction and First Reading of an Ordinance to Amend the Municipal Code to Allow for a Single “Master” Business License for Farmers Participating in the Market

*The farmer’s market manager is requesting the City change the Municipal Code to exempt farmers participating in the market from the requirement to obtain individual business licenses. City staff recommends that this request be denied. If Council chooses to approve the first reading of the Ordinance, the Ordinance shall be published and a second reading shall be set at the next Council meeting.*

**Reference: Jim Becklenberg, Director of Management and Budget**

**Recommended Action: Deny the Request**

**COUNCIL ACTION: Mayor Cort made a motion to reject the recommended action, approve the request, and introduce the Ordinance. The motion was seconded by Council Member Nilmeier. With Council Member Bennett voting for, Council Members Davis and Cohen voting against, and Council Members Miller and Stilwell absent, the motion failed on a 3/2 vote due to the need for a vote of at least 4/1 in order to pass.**

**COUNCIL ACTION: A second motion was made by Council Member Davis to reject the recommended action, approve the request, and introduce the Ordinance with modifications. The motion was seconded by Council Member Nilmeier, and carried on a 4/1 vote with Council Member Cohen voting against and Council Members Miller and Stilwell voting against.**

**Modifications to the Ordinance included the adding of the words “or an organization qualified under Section 501(c) of the Internal Revenue Code” as part of the revision of Section 7.04.070 of the Pacific Grove Municipal Code.**

#### **PUBLIC COMMENT**

- **Moe Ammar** thanked the Director of Management and Budget for the in-depth report and shared the history of how the master license concept developed. He felt that it was fair to local businesses to charge Farmers Market vendors a business license fee.
- **Carmelita Garcia** indicated that local businesses pay a license fee whether they are open or not and the fact that the Farmers Market was one day a week shouldn’t have an effect on whether or not they were charged the fee.
- **Grace Dominguez**, representing Everyone’s Harvest, felt charging the vendors business license fees would set a precedence for other cities to do the same which would cause farmers markets to cease to exist.

- C. **Resolution No. 08-039:** Consider a Resolution to Approve the Fiscal Year 2008/09 Spending Plan for the Pacific Grove Hospitality Improvement District (PGHID)  
*On December 19, 2007, the City Council established the Pacific Grove Hospitality District (PGHID). The Council will consider a Resolution appointing an advisory board, approving a plan to spend the assessment proceeds, and contracting with the Chamber of Commerce for administration of the proceeds.*

**Reference: Jim Becklenberg, Director of Management and Budget**

**Recommended Actions:**

- 1) **Adopt a Resolution appointing an advisory board, approving the Fiscal Year 2007/08 annual report, and approving the Fiscal Year 2008/09 budget for the PGHID; and**
  - 2) **Authorize the City Manager to execute a contract with the Pacific Grove Chamber of Commerce to administer the approved PGHID budget.**
- COUNCIL ACTION:** Upon motion of Council Member Cohen, seconded by Council Member Bennett, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.

**PUBLIC COMMENT**

- **Vince Tuminello** commended the Council for the job they were doing. He expressed some concern regarding the spending plan's allotment of 50% of the funds to be used for website marketing. He hopes the effort will be broad based and not limited to a select few Pacific Grove features.

**COUNCIL ACTION:** Upon motion of Mayor Cort, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved to continue consideration of items on the Agenda past 10:00 P.M.

- D. Receive an Update on the Cable Franchise with Regards to Public, Educational, Government Access (PEG) and the Options for Broadcasting City Council Meetings and Other Meetings as Appropriate from the City Council Chambers  
*Council will receive a report providing an update on the cable franchise and the options available to the City for meeting broadcasts using PEG funds and other funds as available.*

**Reference:** Celia Perez Martinez, Business Manager

**Recommended Action:** Receive the report and provide direction to staff

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Bennett, and carried, with Council Members Miller and Stilwell absent, Council moved to receive the report and further moved to form a Council subcommittee consisting of Mayor Cort, Council Member Nilmeier and three (3) citizens, to be recommended by Council and appointed by the Mayor, to look into negotiating with Access Monterey Peninsula (AMP) regarding the possibility of including live broadcasting of Council meetings in Option 2's \$40,000 proposed cost. Council further directed staff to meet with AMP as well.

9. **REPORTS OF COUNCIL MEMBERS**

- A. Consider the Appointment of a Member to the Museum Board and the Cultural Arts Commission

*Council will consider the Mayor's recommended appointments to the City's Museum Board and Cultural Arts Commission to fill current vacancies.*

**Reference:** Mayor Cort

**Recommended Action:** Approve the appointment of Judy Wills to the Museum Board and Suzanne Joyce to the Cultural Arts Commission

**COUNCIL ACTION:** Upon motion of Council Member Davis, seconded by Council Member Nilmeier, and carried, with Council Members Miller and Stilwell absent, Council moved the recommended action.

- B. Receive a Report Regarding Measure C, which Limits Development Related to Lodging Establishments

*Council Members Bennett and Cohen were chosen to work as a sub-committee to review the impacts of Measure C on lodging establishments within the City. They will provide a verbal report on their findings to date, and seek input from the Council on the next steps.*

**Reference: Council Members Bennett and Cohen**

**Recommended Action: Receive the report and provide direction**

**COUNCIL ACTION:** Upon motion of Mayor Cort, seconded by Council Member Nilmeier, and carried, Council moved to receive the report and provided direction based on the following recommendations presented by Council Members Bennett and Cohen:

- 1) Invite all affected hotel/motel owners and/or managers to attend a workshop with David Laredo and Lynn Burgess from the City. This workshop would cover what *may* and *may not* be done under Measure C.
- 2) Invite hotel/motel owners and/or managers to submit industry research and other third-party, objective information relating to peculiar business challenges, if any, inherent in keeping one's property the same size. Request assistance and creative ideas from various business-support organizations (e.g., the Economic Advisory Committee, the Chamber of Commerce, the Small Business Administration, the Service Corps of Retired Executives, etc.) on ways to overcome these special business challenges.
- 3) Meet again with people who drafted the original ordinance with specific suggestions about possible revisions to Measure C (which would require a vote of the people) as long as they would not dilute or work contrary to the original intent.
- 4) Train staff to assure consistent interpretation.

- C. Meeting Reports

- Association of Monterey Bay Area Governments
  - Council Member Stilwell was not present to report.
- Community Human Services
  - Council Member Cohen announced the next meeting would be June 19, 2008
- Executive Committee, Monterey Bay Division, League of California Cities
  - Mayor Cort said that the last meeting had been held in Carmel where the topic had been water issues.
- Fort Ord Reuse Authority
  - Council Member Davis exhibited a map of the proposed veterans cemetery.
- Monterey County Convention & Visitors Bureau

- **Council Member Bennett** attended the annual luncheon for the installation of officers, accompanied by Jim Becklenberg, Director of Management and Budget.
  - Monterey Regional Water Pollution Control Agency, JPA
    - **Mayor Cort** informed the Council that there had been discussion of the Agency’s budget at the last meeting.
  - Monterey-Salinas Transit
    - **Council Member Stilwell** was not present to report.
  - Transportation Agency for Monterey County
    - **Council Member Miller** was not present to report.
- D. Reports on Trips, Conference Attendance, and Meetings (AB 1234)

10. ITEMS REMOVED FROM CONSENT AGENDA

**None**

11. CLOSED SESSION

*(Public comment will be invited prior to the Council going into Closed Session. Comments from the audience will not receive Council action and must deal only with items on the current Closed Session list.)*

- A. Pursuant to California Government Code Section 54956.9(A), Council will meet in Closed Session with Legal Counsel to Consider Existing Litigation
  - i. *Cameron White v. City of Pacific Grove, Workers’ Compensation Appeals Board (SAL ----- (2004))*
- B. Pursuant to California Government Code Section 54957.6 Council will Meet in Closed Session with its Designated Representative, James J. Colangelo, Regarding Labor Negotiations: Firefighters Association

12. PUBLIC ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

*(Following Closed Session, the Council shall reconvene in open session, prior to adjournment, and make disclosures as required by Government Code sections 54957.1 and 54957.7. If this announcement is made in the City Manager’s Conference Room, public participants shall be invited for the purpose of hearing the announcement. Alternatively, the Council may reconvene in the City Council Chambers to enable the public to hear the announcement.)*

**Nothing to report**

**ORDER FOR ADJOURNMENT**

Respectfully Submitted,

*Ann O’Rourke*

Ann D. O’Rourke, Deputy City Clerk

APPROVED BY MAYOR: \_\_\_\_\_ Date \_\_\_\_\_

ATTEST BY CITY CLERK: \_\_\_\_\_ Date \_\_\_\_\_