

CALL TO ORDER

Mayor Schroder called the meeting to order in the Council Chambers at 5:45 p.m. with all members present except Councilmember Menesini.

CLOSED SESSION

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to California Government Code Section 54956.8.
Property: 630 Court Street.
Agency Negotiators: Philip Vince, City Manager; Dave Scola, Public Works Director; Alan Shear, Asst. City Manager; Veronica Nebb, Asst. City Attorney.
Negotiating Parties: City of Martinez and Southport Land Development.
Under Negotiation: Price, terms of payment, and other conditions of sale.
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to California Government Code Section 54956.8.
Property: 610 Court Street.
Agency Negotiators: Philip Vince, City Manager; Dave Scola, Public Works Director; Alan Shear, Asst. City Manager; Veronica Nebb, Asst. City Attorney.
Negotiating Parties: City of Martinez and Contra Costa County.
Under Negotiation: Price, terms of payment, and other conditions of sale.
- C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to California Government Code Section 54956.8.
Property: 610 Court Street.
Agency Negotiators: Philip Vince, City Manager; Dave Scola, Public Works Director; Alan Shear, Asst. City Manager; Veronica Nebb, Asst. City Attorney.
Negotiating Parties: City of Martinez and Southport Land Development.
Under Negotiation: Price, terms of payment, and other conditions of sale
- D. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Section 54957.6 of the California Government Code.
Agency Designated Representatives: Philip Vince, City Manager; Alan Shear, Asst. City Manager, and Fran Buchanan, IEDA.
Employee Organization: Laborers International Union of No. American, Local #324; Martinez Police Non-Sworn Employees Association; and Martinez Police Officers Association.

PUBLIC COMMENT (on closed session items only)

There being no comments made, the Council adjourned to the City Manager's Office.

*Councilmember Menesini arrived at 6:20 p.m.

RECONVENE - PLEDGE OF ALLEGIANCE - ROLL CALL

The meeting reconvened at 7:06 p.m. in the Council Chambers.

Mayor Schroder reported that a closed session was held; with respect to Conference with Real Property Negotiators, for 630 Court Street, 610 Court Street between the City and Contra Costa County and between the City and Southport Land Development, direction was given to the City's property negotiators; with respect to Conference with Labor Negotiators, direction was given to the City's labor negotiators; and there was nothing further to report.

PRESENT: Lara DeLaney, Councilmember, Michael Menesini, Councilmember, Mark Ross, Councilmember, Janet Kennedy, Vice Mayor, and Rob Schroder, Mayor.

EXCUSED: None.

ABSENT: None.

PRESENTATION(S)

PUBLIC COMMENT (COMPLETE SPEAKER CARD AND GIVE TO CLERK)

Reserved only for those requesting to speak on items not listed on the Agenda.

John Curtis, Main Street Martinez, urged all to shop the first Winter Farmers Market on Sundays from 10:00 a.m. to 2:00 p.m. He mentioned the new festival lights that have been strung along Main Street and thanked Shell Oil for making this project a reality.

Mike Alford wanted to know why Mr. Caroompas arbitrarily removes individuals from Patch; and he cannot understand how this is allowed. He further stated that his and other individual's first amendment rights have been violated.

CONSENT CALENDAR

MOTION WAIVING READING OF TEXT OF ALL RESOLUTIONS AND ORDINANCES.

1. Motion approving City Council Minutes of November 2, and 9, 2011. [M.Cabral]
2. Motion rejecting claims against the City by William Stephens, #11-23; and Timothy Davis, #11-30. [M.Cabral]
3. Motion accepting Check Reconciliation Register dated 11/29/2011. [C.Spinella/2.1.1]
4. Resolution No. 111-11 appointing Hinderliter, de Llamas and Associates as the City's authorized representative before the California State Board of Equalization and motion approving an Agreement for Consultant Services between the City of Martinez and Hinderliter, de Llamas and Associates (HdL). [A.Shear/17.02.15]
5. Motion extending exclusive right to negotiate agreement on 630 Court Street between the City of Martinez and Southport Land and Commercial Company. [P.Vince/5.15.00]

On motion by Janet Kennedy, Vice Mayor, seconded by Lara DeLaney, Councilmember, to approve Items #1 -#5 of the Consent Calendar. Motion unanimously passed 5 - 0.

6. **RECESS TO: MARTINEZ PUBLIC IMPROVEMENT CORPORATION**

a) Roll Call:

- P Lara DeLaney, Boardmember
- P Michael Menesini, Boardmember
- P Mark Ross, Boardmember
- P Janet Kennedy, Vice President
- P Rob Schroder, President

b) Resolution authorizing the execution, delivery, and sale of 2012 Certificates of Participation (COP) to refund the 1999 COP and to finance water system improvements; the financing plan; sale of certificates; Installment Agreement with the City of Martinez; the Trust Agreement with US Bank; and related documents and official actions.
[A.Shear/2.12.00]

Assistant City Manager Alan Shear presented the staff report. He discussed the previous COPs issued and the improvements done with them, briefly explained the process of refunding the COPs, and mentioned projects proposed for the use of the new bonds. He reviewed the documents that required approval of the Board.

President Schroder asked if the interest rate of the new bonds was established yet.

Nicki Tallman, Brandis Tallman, explained that the final interest rate would be determined on the date of the sale. She gave an estimate of 0.6 or 0.7% to 3.8 or 3.9%.

Boardmember DeLaney noted that the current estimate was \$1.5 million lower than the previous estimate and expressed concern that the Board was being too conservative. She suggested that if additional improvements became necessary, it would be easier to have the funds already instead of having to incur additional costs in issuing new bonds. Mr. Shear stated that there are still \$7 million in reserve, as well as \$7 million already spoken for, and he noted that there is a three-year deadline on the spending of the funds. He said he did not want to put undue pressure on Engineering and Public Works, and he thought the reserve plus the new bond money would be sufficient. Boardmember Ross asked if a smaller project, whose design was close to completion could be added such as the water lines or other projects at the Marina. Mr. Shear suggested that the total could be increased to \$4 million, as long as the project was part of the water system.

Boardmember Menesini suggested that the water filtration system could be improved, which would serve more people than just those at the Marina.

Boardmember DeLaney asked, for the public's benefit, why this action was being taken as a Corporation instead of as the Council.

William Madison, Jones Hall, explained that the non-profit corporation is a common vehicle that is used when a third party is required for a financial contract such as the sale of bond certificates. The alternative would be to issue the bonds as the City, which would require a more time-consuming process, including majority approval from the people. He also noted that, if some of the proposed projects came in under budget, the funds could be used for any project related to the water system.

City Manager Phil Vince reiterated the cost of reissuance at a later date and the low interest rates currently. He asked if the proposed projects needed to be cost out for the issuance of the bonds. Mr. Madison said no and explained that there was a three-year deadline for spending the funds.

Boardmember Menesini also noted that the City would not want to raise water rates to pay back the bonds in the future, so they should be sure that the expected water revenue would be enough to pay for it.

c) Public Comments. (Comments on agenda item only)

President Schroder opened the Item for public comment.

Mike Alford suggested that if improvements were intended at the Marina, the Council should get started on them since the interest rates are available.

Seeing no further speakers, President Schroder closed public comment on the Item.

Boardmember DeLaney asked if the numbers in the staff report were locked in if the resolution was approved. Mr. Madison stated that the resolution could be amended if the Board voted to increase the numbers. Boardmember Kennedy asked if the not-to-exceed amount could also be amended. Deputy City Attorney Veronica Nebb stated that it would have an effect on water rates, and so staff would want to analyze that first to make sure it would not have an unintended adverse effect on ratepayers.

Boardmember DeLaney noted that the previous estimate was \$5 million and at that time the rate structure was deemed to support that amount. She suggested that the not-to-exceed amount be increased to \$10 million. Mr. Madison said that it was at the Council's discretion if they reasonably expected to use all the excess funds for water-related improvements within the three years. Boardmember Menesini asked if the amount of bonds actually issued could be lower than the not-to-exceed amount, and Mr. Madison stated that the resolution did not give staff that kind of discretion. Ms. Nebb added that staff would not be comfortable exercising that discretion.

Boardmember Menesini suggested that the Item be continued to the next meeting for an analysis of whether the amount could be increased and what other projects could be identified.

Item continued to the Council meeting of December 21st.

d) Adjournment

The meeting adjourned at 7:51 p.m. and the Regular City Council meeting reconvened.

PUBLIC HEARING(S)

CITY MANAGER

7. City Manager Comment(s)/Update(s)/Report(s).

No comments.

CHIEF OF POLICE

8. Chief of Police Comment(s)/Update(s)/Report(s).

No comments.

APPOINTMENTS TO COMMISSIONS AND/OR AGENCIES

CITY COUNCIL

9. Resolution authorizing the execution, delivery, sale of 2012 Certificates of Participation (COP) to refund the 1999 COP and to finance water system improvements, the financing plan, sale of certificates, Installment Agreement with the Martinez Public Improvement Corporation, Trust Agreement with US Bank, Purchase Agreement with Brandis Tallman and related documents and official actions. [A.Shear/15.07.02]

Item continued to the Council meeting of December 21st.

10. Resolution appointing Mark Ross as Vice Mayor for the year 2011-2012. [M.Cabral/41.02.01]

On motion by Janet Kennedy, Vice Mayor, seconded by Michael Menesini, Councilmember, to approve Resolution No. 112-11 appointing Mark Ross as Vice Mayor for the year 2011-2012. Motion unanimously passed 5 - 0.

11. Council Subcommittee Reports.

Councilmember DeLaney reported out on the Alhambra Hills Ad Hoc Committee. She and Vice Mayor Ross met on November 22, with the Alhambra Hills Open Space Committee to discuss how they were going to proceed in acquiring the land. Councilmember DeLaney spoke about the Tolling Agreement regarding the delay of the grading permit; and as soon it is executed, she would like it to be made public. She indicated that the group reviewed the next steps including finding a local land trust to be a recipient of any funds raised, meeting with owner to discuss price, and other partners to assist with fundraising and outreach. They planned to reconvene in mid-January.

Mayor Schroder stated they needed to keep Adrienne at George Miller's office apprised, since the group is asking for Mr. Miller's support.

12. City Council Comments.

Councilmember Janet Kennedy thanked everyone at Main Street Martinez, City staff, and volunteers for the great Light Parade, and the Snow Frolic. She congratulated Mike Chandler, Sr. Management Analyst, on the birth of his twin daughters. Councilmember Kennedy thanked Acting Chief Eric Ghisletta for a job well done.

Councilmember Lara DeLaney also thanked staff and Main Street for the Snow Frolic and Tree Lighting especially Barbara Kapsolis and the many volunteers. She thanked Shell for all their support in providing the lights in downtown which looks wonderful. Councilmember DeLaney announced Saving Souls Gala on Saturday, December 10th to raise money for Carlos Shoe Repair cobbler school; for more information call 228-6232.

Vice Mayor Mark Ross also echoed his appreciation to staff, Main Street, and all the participants that worked and attended the holiday festivities; and he stated that everything was fantastic. He reminded everyone that property taxes are due, and thanked his fellow colleagues for appointing him as Vice Mayor.

Councilmember Michael Menesini congratulated everyone for the wonderful holiday festivities last Friday. He also expressed congratulations to Wendy and Earl Dunivan for a fabulous event held at the Zocchi building called "Foster a Dream" for foster children, a population that is not noticed too often.

Vice Mayor Ross followed up on his comments regarding property taxes and wanted to thank his colleagues and others for their kind words; and he stated that the property taxes on his properties have been paid.

Mayor Rob Schroder stated that he and his wife attended Threads of Hope, an event in Orinda where they honor individuals for giving back to the community. Mayor Schroder indicated that Doug Stewart was honored and he congratulated and expressed his appreciation for all his efforts; and he requested Mr. Stewart to provide an update on the homeless situation.

Mr. Stewart noted that there was a need for blankets because of the weather, but other than that it had been a slow month, with just a small group of long-term residents who do not want to go to the shelter.

ADJOURNMENT

Adjourned at 8:11 p.m. to a Regular City Council meeting on December 21, 2011 at 7:00 p.m. in the Council Chambers, 525 Henrietta Street, Martinez, California.

Approved by the City Council,

Rob Schroder, Mayor

Mercy G. Cabral, Deputy City Clerk – 1/11/12

CALL TO ORDER

Mayor Schroder called the meeting to order in the Council Chambers at 6:30 p.m. with all members present except for Councilmember Kennedy, who arrived shortly after roll call.

CLOSED SESSION

- A. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Section 54957.6 of the California Government Code.
Agency Designated Representatives: Philip Vince, City Manager; Alan Shear, Asst. City Manager, and Fran Buchanan, IEDA.
Employee Organization: Laborers International Union of No. American, Local #324; Martinez Police Non-Sworn Employees Association; and Martinez Police Officers Association.

PUBLIC COMMENT (on closed session items only)

There being no comments made, the Council adjourned to closed session in the City Manager's office.

RECONVENE - PLEDGE OF ALLEGIANCE - ROLL CALL

The meeting reconvened at 7:00 p.m. in the Council Chambers.

Mayor Schroder reported that a closed session was held with respect to Conference with Labor Negotiators, and direction was given to the City's negotiators.

PRESENT: Lara DeLaney, Councilmember, Janet Kennedy, Councilmember, Mark Ross, Vice Mayor, and Rob Schroder, Mayor.

EXCUSED: Michael Menesini, Councilmember.

ABSENT: None.

PRESENTATION(S)

PUBLIC COMMENT

(COMPLETE SPEAKER CARD AND GIVE TO CLERK) Reserved only for those requesting to speak on items not listed on the Agenda.

Mike Alford reiterated his concerns regarding Patch; he raised questions as to how committee/commission appointments are made, how appointments were made to the General Plan Task Force, and how chairpersons are appointed by the commissions, which Mayor Schroder explained.

CONSENT CALENDAR

MOTION WAIVING READING OF TEXT OF ALL RESOLUTIONS AND ORDINANCES.

1. Motion approving City Council Minutes of November 16, 2011. [M.Cabral]
2. Motion rejecting claim against the City by Ron Sheppard, #11-31. [M.Cabral]
3. Motion accepting Check Reconciliation Register dated 11/29/2011. [C.Spinella/2.1.1]
4. Motion approving extension of the current Marina Management Agreement with Almar Marinas for the operation and management of the Martinez Marina for one (1) year (January 1, 2012 to December 31, 2012). [M.Austin/14.01.00]
5. Resolution No. 113-11 approving a three year agreement for consultant services with Carollo Engineers to provide on-call engineering services for the City's water system not to exceed \$500,000. [T.Tucker/15.02.00]

On motion by Mark Ross, Vice Mayor, seconded by Lara DeLaney, Councilmember, to approve Items #1 through #5 of the Consent Calendar. Motion unanimously passed 4 - 0. Absent: Councilmember Menesni; Rest: Ayes.

6. RECESS TO: MARTINEZ PUBLIC IMPROVEMENT CORPORATION

a) Roll Call:

- P Lara DeLaney, Boardmember
- P Janet Kennedy, Boardmember
- E Michael Menesini, Boardmember
- P Mark Ross, Vice President
- P Rob Schroder, President

- b) Resolution authorizing the execution, delivery, and sale of 2012 Certificates of Participation (COP) to refund the 1999 COP; and to finance water system improvements, the financing plan, sale of certificates, Installment Agreement with the City of Martinez, the Trust Agreement with US Bank, and related documents and official actions. (A.Shear/2.12.00)

Assistant City Manager Alan Shear provided the staff report.

Boardmember DeLaney asked for a greater explanation of the debt covenant and debt ratio, which was provided by Nicki Tallman of Brandis Tallman. Ms. Tallman also explained that the City has an excellent rate because it has consistently met the requirement for the coverage covenant.

Vice President Ross asked about including replacement of the water lines at the marina and other supplemental projects. Mr. Shear clarified that only water-related projects would qualify.

Tim Tucker, City Engineer, explained that the water lines at the marina would not qualify because the marina is privately owned, and the water district is only responsible up to the meter. He acknowledged that the City would be responsible under the marina enterprise fund, which is a separate fund.

Philip Vince, City Manager, asked if there was a way that the City could borrow from the water district fund and set the terms so that the payments are matched to the money flow of the water district. Mr. Tucker said it could be borrowed from the City's General Plan surplus.

Vice President Ross asked about other possible projects, such as restaurants or other facilities at the marina. Mr. Tucker said yes, the water district is responsible for making water-related improvements for potential customers. He thought there would be room in the budget for those improvements.

Mayor Schroder opened public comment on the item.

Mike Alford expressed concern about adequate facilities at the marina, to allow businesses to operate at the marina.

Boardmember DeLaney asked if the transaction with the bonds is limited to water district revenues, or could it be bundled with other general improvements. City Manager Vince said he thought it could be. Mayor Schroder asked for input from the City's bond counsel.

Bill Madison of Jones Hall confirmed it would be possible, although the City is unable to issue bonds without a vote of the people. He also noted that the City's credit and bond qualification is separate from the water system, and the full transaction would be subject to the City's qualifications. He also noted that the projects for the City's portion would have to be specified.

On motion by Mark Ross, Vice Mayor, seconded by Lara DeLaney, Councilmember, to approve Resolution No. 114-11 authorizing the execution, delivery, and sale of 2012 Certificates of Participation (COP) to refund the 1999 COP; and to finance water system improvements, the financing plan, sale of certificates, Installment Agreement with the City of Martinez, the Trust Agreement with US Bank, and related documents and official actions. Motion unanimously passed 4 - 0. Absent: Boardmember Menesini; Rest: Ayes.

c) Adjournment

The meeting adjourned at 7:35 p.m. and the Regular City Council meeting was reconvened.

PUBLIC HEARING(S)

CITY MANAGER

7. Consider a resolution: A) receiving the City Manager's report pursuant to MMC Section 12.40.040 preliminarily determining that disposition of the properties at 610 and 630 Court Street is for the common benefit of the citizens of Martinez, required by the public interest and convenience and in compliance with applicable law, and authorize the City Manager to commence the process of disposition of the properties at 610 and 630 Court Street by

negotiated sale to Southport Land Company; and B) setting the public hearing date authorizing the addition of the property located at 610 Court Street to the City's Inventory of Real Property and declaring the same to be in excess of the City's foreseeable needs and for the final disposition of the property at 630 and 610 Court Street and authorizing the preparation of the Notice of Potential Disposition as set forth in MMC Section 12.40.060. [P.Vince/5.15.00]

Item removed from the agenda and continued to a future meeting.

8. City Manager Comment(s)/Update(s)/Report(s).

City Manager Phil Vince stated that Universal Sports Academy had contacted him informing him that Kelly Moore is testing some new paints that are less toxic and they might do a test project on the larger Zocchi building. He noted that in the contract the painting of the building would not be enforced until the 4th year.

Mayor Schroder indicated he knew the owner of Kelly Moore, and he would call him expressing the City's appreciation.

CHIEF OF POLICE

9. Chief of Police Comment(s)/Update(s)/Report(s).

Mayor Schroder reported that Chief of Police Gary Peterson just returned from 11 weeks at the FBI Academy in Virginia and could not be present for the meeting, since his wife was giving him a "Welcome Home/Christmas Party" on the same night. He indicated Chief Peterson would make a report on his experience at the FBI Academy at a future meeting.

City Manager Vince recognized the efforts of Randy Iwasaki, Director of the Contra Costa Transportation Authority, who played a major role in getting the CBS Outdoor Billboard done.

APPOINTMENTS TO COMMISSIONS AND/OR AGENCIES

CITY COUNCIL

10. Resolution authorizing the execution, delivery, sale of 2012 Certificates of Participation (COP) to refund the 1999 COP; and to finance water system improvements, the financing plan, sale of certificates, Installment Agreement with the Martinez Public Improvement Corporation, Trust Agreement with US Bank, Purchase Agreement with Brandis Tallman, and related documents and official actions. [A.Shear/15.07.02]

Mayor Schroder opened and closed public comment on the item, with no members of the public coming forward.

On motion by Janet Kennedy, Councilmember, seconded by Mark Ross, Vice Mayor, to approve Resolution No. 115-11 authorizing the execution, delivery, sale of 2012 Certificates of Participation (COP) to refund the 1999 COP; and to finance water system improvements, the financing plan, sale of certificates, Installment Agreement with the Martinez Public

Improvement Corporation, Trust Agreement with US Bank, Purchase Agreement with Brandis Tallman, and related documents and official actions. Motion unanimously passed 4 - 0.
Absent: Councilmember Menesni; Rest: Ayes.

11. Council Subcommittee Reports.

12. City Council Comments.

Councilmember Janet Kennedy wished all Happy Holidays and a Happy New Year and thanked the entire City Staff.

Councilmember Lara DeLaney echoed Councilmember Kennedy's comments and expressed hope for a more prosperous New Year.

Vice Mayor Mark Ross also thanked staff and wished all Happy Holidays and a Happy New Year. He also questioned the disposition of the Mt. Diablo Health Benefit District with LAFCO. Mayor Schroder indicated he was not at the last meeting; however, the recommendation of the consultant was to dissolve the District. Councilmember Ross urged the Council to consider expressing the City's view on the ongoing payments to an undissolved/dissolved District, which seems to have no benefits for Martinez. Mayor Schroder agreed.

Mayor Rob Schroder reiterated his colleagues' comments and wished all Happy Holidays and Happy New Year, and he thanked staff for their work over the past year.

ADJOURNMENT

Adjourned at 7:44 p.m. to a Regular Meeting on January 11, 2012 at 7:00 p.m. in the Council Chambers, 525 Henrietta Street, Martinez, California.

Approved by the City Council

Rob Schroder, Mayor

Mercy G. Cabral Deputy City Clerk – 1/11/12