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REGULAR MEETING MINUTES FOR THE CITY COUNCIL OF THE CITY OF NAPA

July 21, 2015

**3:30 PM Afternoon Session
6:30 PM Evening Session**

City Hall Council Chambers
955 School Street

3:30 P.M. CITY COUNCIL MEETING: AFTERNOON SESSION

1. CALL TO ORDER:

1.A Roll Call

PRESENT: Inman, Mott, Luros, Sedgley, Mayor Techel

ABSENT: None

2. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Roberts reported one supplemental communication for the Afternoon Session: an email from Mr. Jarvis Peay filed under Public Comment.

3. SPECIAL PRESENTATIONS:

3.A Commissioner Appreciation for John Salmon

Mayor Techel presented a Certificate of Appreciation to outgoing Civil Service Commissioner John Salmon.

4. PUBLIC COMMENT:

Julio Soriano, representing Latinos Unidos, expressed concern regarding the environmental impacts of the proposed Walt Ranch project.

James Hinton, resident, spoke in support of medical marijuana dispensaries and a proposed Congressional Resolution, HR 1599, entitled the "Safe and Accurate Food Labeling Act of 2015".

Jim Wilson, Monticello Rd., expressed concern about the proposed Walt Ranch project and adverse effects on the Milliken Reservoir.

Gordon Evans, Atlas Peak Rd., expressed concern for the future water quality and suggested the City and County discuss the impacts of the proposed Walt Ranch project.

DRAFT

Elena Boerner, manager of low income senior housing community on Jefferson Street, expressed concern regarding the vacant Safeway on Jefferson Street, which has remained vacant since the building sustained earthquake damage in August of 2014.

5. CONSENT CALENDAR:

Moved, seconded (Inman / Sedgley) to approve the Consent Calendar with Items B, N, P and Q pulled for discussion.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

5.A Approval of City Council Meeting Minutes

Approved the May 12, 2015 and June 11, 2015 Special and the June 16, 2015 Regular City Council Meeting Minutes.

5.B Second Reading and Final Adoption Amending Zoning Ordinance Section 17.52.540, Wineries

Pulled by Vice Mayor Sedgley.

Vice Mayor Sedgley reiterated concerns regarding the proposed ordinance as previously stated during the June 16th introduction and first reading of the ordinance and suggested amending the zoning to include all zoning areas in the City.

Discussion ensued; there was no support for Vice Mayor Sedgley' s suggestion.

Moved, seconded (Mott / Inman) to adopt the second reading and final adoption of an Ordinance O2015-7 amending Section 17.52.540 of the Napa Municipal Code relating to Winery Grape Sourcing Requirements (PL 14-0176).

Motion carried:

AYES: Inman, Mott, Luros, Mayor Techel

NOES: Sedgley

ABSENT: None

DRAFT

- 5.C Appointments to the Public Art Steering Committee**
 Approved the City Manager's recommendation for reappointment of incumbents Nancy Brennan and Loren Rehbock and appointment of Tom Walker to the Public Art Steering Committee.
- 5.D Report on Actions Taken Regarding Properties in Foreclosure**
 Accepted and filed the report on actions taken regarding properties in foreclosure having a City loan and/or option to purchase interest.
- 5.E Aggregate Material Purchases for Fiscal Years 2015-16 and 2016-17**
 Authorized the Public Works Director, or his designee, to issue purchase orders to Syar Industries for Fiscal Year 2015-16 and 2016-17 in an amount not to exceed \$2,300,000 per Fiscal Year for a total amount not to exceed \$4,600,000 for aggregate material purchases.
- 5.F Amend the Classification Specification for the Class of Permit Technician**
 Adopted Resolution R2015-87 amending the classification specification for the class of Permit Technician.
- 5.G Adopt the Classification Specification and Salary Range for the Class of Assistant Human Resources Director**
 Adopted Resolution R2015-88 approving the classification specification and salary range for the class of Assistant Human Resources Director.
- 5.H 2015 Byrne Justice Assistance Grant (JAG-Recovery Grant) Application and Authorization for Budget Appropriation**
 Adopted Resolution R2015-101 authoring the Police Chief to approve the application and the accept the 2015 Byrne Justice Assistance Recovery Grant in the amount of \$17,123 and authorize appropriation of funds to the Napa Police Department budget.
- 5.I Approve a one year contract amendment for Public Safety Dispatching Services between the City of Napa and the County of Napa.**
 Adopted Resolution R2015-89 authorizing the City Manager to execute a one year contract amendment for Public Safety dispatching services between the City of Napa and County of Napa.

DRAFT

5.J Award of Construction Contract for the South Napa Earthquake Asphalt Repair Project

Adopted Resolution R2015-90 authorizing the Public Works Director to award and execute a construction contract to G.D. Nielson Construction, Inc. for the South Napa Earthquake Asphalt Repair Project.

5.K Dwyer Road Pump Station Reimbursement Resolution

Adopted Resolution R2015-91 to declare intention to reimburse expenditures paid prior to the issuance of obligations or the approval by the State Water Board for the Dwyer Road Pump Station.

5.L Amendment to Agreement for On-Call Engineering Services

Approved Amendment No. 2 to Agreement No. C2014 017 with Gossett Civil Engineering for on-call engineering services in the amount of \$75,0000 for a total contract amount not to exceed \$220,000 and authorize the Public Works Director to execute the amendment.

5.M Dry Creek Subdivision Final Map

Adopted Resolution R2015-92 approving the Final Map of Dry Creek Subdivision (Project No. ENG14-0021) located at 1090 Dry Creek Road, and authorize the Mayor to sign said Final Map.

5.N Approve Addendum No. 5 to Joint Agreement for Maintenance of School Fields for School and Community Use

Pulled by Councilmember Inman.

Councilmember Inman stated she had spoken with a member of the Parks and Recreation Commission who had stated specific equipment may need to be purchased to aerate the turf properly. Discussion ensued.

Moved, seconded (Inman / Mott) to approve and authorize the Mayor to execute Addendum 5 to the Master Agreement for Joint Use of City and School District Facilities (City Agreement No.6718) for the maintenance of school sports fields for school and community use.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

DRAFT

5.O Water Meter Purchases from National Meter and Automation

Authorized the Public Works Director to execute contracts with National Meter and Automation for Fiscal Year 2015-16 and 2016-17 in the amount not to exceed \$1,706,660 (based on budget availability) to supply water meters and associated items for use in the municipal water distribution system.

5.P Grant of Access Easement affecting a portion of City property near Lake Hennessey (APN 032-520-006)

Vice Mayor Sedgley pulled Items 5P and 5Q.

Vice Mayor Sedgley suggested that since both 5P and 5Q were related to real property, they should be discussed under Closed Session.

Jeff Freitas, City of Napa Property Manager, explained the proposed transactions, explaining that they were relatively straightforward and beneficial to the city with respect to environmental concerns.

Council discussion ensued. Joy Eldridge, Water Manager, was asked to provide more information. Ms. Eldridge stated the City had worked with the property owners and verified that the recommended action was the least impactful to the watershed.

Further discussion ensued; Vice Mayor Sedgley expressed concern regarding the legal description for Item 5 Q; Councilmember Inman supported continuing Item 5Q until the legal description for could be determined.

Moved, seconded (Mott / Luros) to adopt Resolution R2015-93 authorizing a Grant of Access Easement affecting a portion of City property near Lake Hennessey (APN 032-520-006).

Motion carried:

AYES: Inman, Mott, Luros, Mayor Techel

NOES: Sedgley

ABSENT: None

5.Q Agreement for Disposal and Acquisition of Portions of Real Property near Lake Hennessey (APN 030-130-003)

Pulled by Vice Mayor Sedgley. See comments under Item 5P.

DRAFT

Moved, seconded (Mott / Luros) to adopt Resolution R2015-94 approving an Agreement for Disposal and Acquisition of Portions of Real Property near Lake Hennessey (APN 030-130-003).

Motion carried:

AYES: Mott, Luros, Mayor Techel
 NOES: Inman, Sedgley
 ABSENT: None

6. ADMINISTRATIVE REPORTS:

6.A Status of the Downtown Napa Post Office

Rick Tooker, Community Development Director, stated the United States Postal Service had stated plans to demolish the historic Federal Post Office building on 2nd Street due to the severe damaged sustained from the August 2014 earthquake.

Councilmember Inman stated there had been strong opposition by local historical groups and the community to demolish the building. She thanked Mayor Techel for sending a letter to the Federal Preservation Officer in Washington requesting more information.

James Hinton, resident, stated the Post Office should be protected voiced concerns about the state of the Federal Post Office.

6.B Senior Advisory Commission Vacancy

Moved, seconded (Mayor Techel / Mott) to approve the appointment of JoAnn Busenbark to the Senior Advisory Commission to fill an unexpired term ending September 30, 2016.

AYES: Inman, Mott, Sedgley, Mayor Techel
 NOES: None
 ABSTAIN: Luros

7. CONSENT HEARINGS:

Mayor Techel announced the Consent Hearings and called for public testimony. There was none. Councilmember Mott stated he had a question concerning Item 7A.

Councilmember Mott asked Craig Smith, Executive Director of the Downton Association if there should be a reserve in the budget. Mr. Smith responded affirmatively.

DRAFT

7.A Levy Taxes for 2015 in the Napa Parking & Business Improvement Area 1, Benefit Zone 2.

Adopted Resolution R2015 – 95, Levying Taxes in the Napa Parking & Business Improvement Area 1, Benefit Zone 2, for 2015.

7.B Levy Assessments for 2015 in the Oxbow Business Improvement Area.

Adopted Resolution R2015-96, levying assessments in the Oxbow Business Improvement Area for 2015.

7.C Maintain Caymus Street as a Two-Way Street

First reading and introduction of an ordinance repealing Ordinance O2012 16 and amending Sections 10.24.010 and 10.36.140 of the Napa Municipal Code.

Moved, seconded (Inman / Sedgley) to approve the Consent Hearings as presented.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

8. PUBLIC HEARINGS/APPEALS: None.

9. COMMENTS BY COUNCIL OR CITY MANAGER:

Vice Mayor Sedgley requested future discussions concerning the Walt Ranch project and an update on the City Hall consolidation project.

10. CLOSED SESSION:

10.A CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION: Government Code Section 54956.9(d)(1); United States District Court, Northern District of California, Case No. CV 15-02394 SBA.

4:50 P.M. to 6:30 P.M. CITY COUNCIL RECESS

DRAFT

6:30 P.M. CITY COUNCIL MEETING: EVENING SESSION

11. CALL TO ORDER:

11.A Roll Call

PRESENT: Inman, Mott, Luros, Sedgley, Mayor Techel

ABSENT: None

13. AGENDA REVIEW AND SUPPLEMENTAL REPORTS:

City Clerk Roberts announced the following supplemental items:

Item 17. A – Downtown Napa Property and Business Improvement District

1. Letter from Michael Butler dated July 21, 2015
2. PowerPoint Presentation by city staff

Item 17. B – Napa Pipe Project

1. Letter from Coblenz Patch Duffy & Bass LLP, on behalf of Napa Development Partners, dated July 21, 2015
2. Letter from Chair Diane Dillon on behalf of the Napa County Board of Supervisors, dated July 21, 2015
3. Amended Resolution with redlined changes; pages: 3, 5, 6
4. Amended Ordinance with redlined changes; pages: 1, 3, 5, 14, 16
5. Letter from David Grabill on behalf of Latinos Unidos dated July 20, 2015
6. PowerPoint Presentation by city staff

14. REPORT ACTION TAKEN IN CLOSED SESSION:

City Attorney Barrett stated there was no reportable action taken during Closed Session.

15. PUBLIC COMMENT:

There was no public comment.

16. CONSENT HEARINGS:

16.A Periodic Clean-Up Zoning Ordinance Amendments

(1) Adopt a resolution adopting a Negative Declaration for the Zoning Ordinance Amendments; and (2) approve first reading and introduction of an ordinance amending certain sections of Title 17 of the Napa Municipal Code to: increase the maximum allowable lot coverage in the RS-10 Zoning District; modify residential side yard fence requirements; and increase property notification distance requirements.

DRAFT

Mayor Techel announced the consent hearing items and called for public comment. There was no public comment; however, Councilmember Inman asked to discuss the Item.

Mayor Techel pulled the item for Council discussion.

Michael Walker addressed Council regarding a discussion he had previously with Councilmember Inman concerning the language in the ordinance addressing proposed fence height requirements.

Discussion ensued. It was agreed to amend the language on page 323 Attachment 4 of the Council packet relative to the language regarding the front and side yard setback.

Moved, seconded (Inman / Mott) to close the public hearing.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel
 NOES: None
 ABSENT: None

Moved, seconded (Inman / Mott) to approve Resolution R2015-97 adopting a Negative Declaration for the Zoning Ordinance Amendments; and (2) approving first reading and introduction as amended by Councilmember Inman, with clarifications to Section 17.52.170 (B) entitled "Height Limits", amending Section 17.08.030 of the Municipal Code to increase the maximum allowable coverage in the RS-10 and RI-10 Zoning Districts from 30 percent to 40 percent; amending Section 17.52.170 of the Municipal Code regarding fencing standards, and amending Section 17.58.090 of the Municipal Code to increase the adjacent property notification distance requirement from 300 feet to 500 feet.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel
 NOES: None
 ABSENT: None

17. PUBLIC HEARINGS/APPEALS:

17.A Renew the Downtown Napa Property and Business Improvement District

Mayor Techel announced the item and explained that during public comment, any record owner subject to the Downtown Napa Property

DRAFT

and Business Improvement District Assessment may submit a written protest to the City Clerk or request in writing to withdraw or change their previous vote, with all written requests and protests required prior to the end of the public hearing.

Robin Klingbeil, Sr. Development Project Coordinator provided the staff report. Rick Tooker, Community Development Director, added that some discrepancies were found in the assessments after the ballots were mailed, and it was determined that there would be a complete reimbursement for any overpayments.

Ms. Klingbeil explained the history of the Downtown Napa Property & Business Improvement District and the current boundary zones. She stated that the recommended actions included approving a budget amendment of up to \$85,000 to reimburse property owners who were overcharged from 2005 through 2014.

Jeff Doran, Chair of the Napa Downtown Association, reviewed recent accomplishments as a result of the funding from property owners.

Craig Smith, Executive Director of the Napa Downtown Association, stated he anticipated all reimbursements checks would be mailed no later than the end of the year.

Mayor Techel opened up the public testimony portion of the hearing.

Michael Butler, property owner, stated his property was incorrectly assessed and expressed concern regarding the transparency of the PBID meetings.

Ron Rapinsky, resident, stated he would like to see the process changed and expressed concern regarding the protest procedures.

John Lambeth consultant with Civitas, asserted Napa Downtown Association's desire to be transparent and reviewed some of the efforts by the Downtown Association for outreach.

Mayor Techel again called for any public testimony, ballots or protest letters; no one came forward.

Moved, seconded (Luros / Inman) to close the public hearing.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

DRAFT

Mayor Techel stated the City Clerk would move to the Committee Room in the Council Chambers to begin the ballot counting and invited any interested member of the public to view the process.

Mayor Techel announced action on the Item would be deferred until after ballot counting was completed.

17.B Napa Pipe Project

Mayor Techel announced the Public Hearing and called for any applicable disclosures, which were then provided by members of City Council.

Mr. Tooker reviewed the development plan, design guidelines, and development agreement, which had recommended changes to the phasing plan and SR 121 Kaiser Road improvements, and completed his report with information related to the California Environmental Quality Act (CEQA) review.

Councilmember discussion and questions ensued.

Mayor Techel asked the applicants, (Napa Redevelopment Partners), if they wished to make a statement, the applicant declined.

Mayor Techel opened the public testimony portion of the Hearing.

David Grabill spoke on behalf of Latinos Unidos regarding several issues and concerns related to affordable housing.

Dennis Burtolucci commented on traffic concerns and the Costco project.

Eve Kahn, representing "Get a Grip on Growth", asked several questions regarding groundwater, expectations, and the future of home ownership.

Bernhard Krevet, Friends of the Napa River, spoke in favor of moving forward and improvements to the river.

Ron Rapinsky, resident, spoke in opposition of the project.

Mayor Techel called again for public comment; no one came forward. She invited the applicant an opportunity to speak; there was no comment provided.

DRAFT

Moved, seconded (Sedgley / Inman) to close the public hearing.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

Council discussion ensued. Councilmember Luros stated that while there were issues that were not perfect, she was comfortable with the compromises and supported moving forward.

Mayor Techel asked whether Kaiser Road was public or private. Mr. Tooker responded that while initially the Developer stated all the streets would be private, the exception occurred with Kaiser Road extension, and explained the current ownership of the road. Mr. Tooker stated the County of Napa had prepared the Environmental Impact report which contained a number of required mitigation measures.

Mayor Techel thanked staff for their work and stated it was important to confirm the intent of the Memorandum of Understanding (MOU). She stated she was pleased to get a letter from Diane Dillon, Chair of the Napa County Board of Supervisors, since it appeared that the County was in support of the construction of a Costco.

Councilmember Inman stated while the process was lengthy, she felt that it was important to add the property to the City's Sphere of Influence and move forward.

Vice Mayor Sedgley stated he has always stressed that if outside water service outside is requested, the property should be annexed into the City, but was confident that the 154 acres would be annexed no later than 2022.

Moved, seconded (Luros / Mott) to adopt Resolution R2015- 99 amending the City of Napa General Plan land use designation for a 154-acre Napa Pipe Property located at 1025 Kaiser Road from "Greenbelt" to "Mixed Use" for the parcel west of the railroad tracks (APN 046-400-030) and "Light Industrial" for the parcel east of the railroad tracks (APN 046-412-005) and the text and exhibits in Chapter 1 Land Use Element to reflect these new land use designations.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel

NOES: None

ABSENT: None

DRAFT

Moved, seconded (Inman / Mott) to approve the first reading and introduction of an ordinance as amended in the Supplemental Report, amending Chapter 17.32 of the Napa Municipal Code creating the Napa Pipe Master Plan Zoning District and amending Section 17.04.040 (Zoning Map) Pre-Zoning certain lands in unincorporated Napa County at 1025 Kaiser Road to MP:NP-MUR-W:AC (Master Plan: Napa Pipe-Mixed Use Residential-Waterfront: Airport Compatibility), MP:NP-IBP-W:AC (Master Plan: Napa Pipe-Industrial/Business Park-Waterfront: Airport Compatibility), and MP:NP-IBP:AC (Master Plan: Napa Pipe-Industrial/Business Park: Airport Compatibility).

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel
NOES: None
ABSENT: None

Moved, seconded (Mott / Inman) to adopt Resolution R2015-100 as amended in the Supplemental Reports, authorizing the City Manager to take the following actions relating to the 154-acre property located at 1025 Kaiser Road and assigned Assessor's Parcel Numbers 046-400-030 and 046-412-005, and commonly known as the "Napa Pipe Property": (1) execute memoranda of agreements with the County of Napa relating to expanding the City's sphere of influence, sharing of tax revenues, provision of municipal services, regional housing needs allocations, and contracting for provision of professional services; (2) execute an annexation consent, protest waiver, and water service agreement with Napa Redevelopment Partners; and (3) approve submittal of an application on behalf of the City to the Napa County Local Agency Formation Commission to take proceedings to expand the City's sphere of influence, extend municipal services outside City limits, and annex the Napa Pipe Property in phases to the City of Napa.

Motion carried:

AYES: Inman, Mott, Luros, Sedgley, Mayor Techel
NOES: None
ABSENT: None

DRAFT**17.A Renew the Downtown Napa Property and Business Improvement District**

Mayor Techel referred back to Item 17 A to get the results of the vote tally.

City Clerk Roberts announced the results:

YES: 83.72%

NO: 16.28%

Discussion and questions ensued. Council discussed the transparency issue. Councilmember Mott stated while he was in support of the item, he felt there was an opportunity for improvement for outreach to the property owners.

In response to Council questions regarding transparency, Mr. Lambeth stated the Downtown Association could consider posting announcements and meetings on their website, adding that the meetings of the Downtown Association must comply with the Brown Act.

Moved and seconded (Sedgley / Mott) adopt Resolution R2015-98, a Resolution of Formation (1) declaring the results of the Majority-Protest Proceedings; (2) renewing the Downtown Napa Property and Business Improvement District (PBID); and (3) approving the Assessment Formula and Levying Assessments in the PBID and a Budget Adjustment to provide for Reimbursement of Overcharges.

Motion carried:

AYES: Sedgley, Mott, Inman, Luros, Mayor Techel

NOES: None

ABSENT: None

Moved and seconded (Inman/Luros) to certify the election results as stated by the City Clerk for the establishment of the PBID showing that 83.72% of the property owners in the District who submitted a ballot voted YES for the renewal of the PBID; with 16.28% of the property owners in the District who submitted a ballot voted NO.

Motion carried:

AYES: Inman, Luros, Sedgley, Mott, Techel

NOES: None

ABSENT: None

DRAFT

18. COMMENTS BY COUNCIL OR CITY MANAGER:

Vice Mayor Sedgley asked that the health of the watershed needs to be supported. Councilmember Inman announced Port Fest would be held on Sunday, July 26th.

19. ADJOURNMENT: 9:05 p.m.

Dorothy Roberts, City Clerk