

**JUNE 5, 2012
CITY OF ORINDA
CITY COUNCIL MINUTES**

5:00 P.M. – SPECIAL SESSION – GARDEN ROOM, ORINDA LIBRARY

A. CLOSED SESSION

- (1) OPEN SESSION IDENTIFICATION of Closed Session Matters
- (2) PUBLIC COMMENTS of Closed Session Matters
- (3) CLOSED SESSION

PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)

Conference with Legal Counsel regarding existing litigation: Skoumbas v. City of Orinda, Contra Costa County Superior Court, Case No. C-05-02011; Moll v. City of Orinda, Contra Costa County Superior Court, Case No. C10-00597.

Mayor Glazer called the meeting to order at approximately 5:00 p.m. in the Library Garden Room with all Councilmembers present. There were no public comments regarding the closed session matter. Mayor Glazer announced and the Council convened into a closed session to discuss the above listed item.

5:30 P.M. – SPECIAL SESSION – LIBRARY AUDITORIUM

A. CALL TO ORDER/ROLL CALL:

Mayor Glazer called the open session portion of the Special Meeting to order at approximately 5:30 p.m.

COUNCILMEMBERS PRESENT: Dean Orr, Victoria Smith, Sue Severson,
Vice Mayor Amy Worth, Mayor Steve Glazer,

COUNCILMEMBERS ABSENT: None

B. ADOPTION OF AGENDA

MOTION was made and seconded to **adopt the Special Meeting agenda as presented.** Said motion carried by a unanimous (5-0) voice vote.

C. WORKSHOP ITEM

C-1 Review and Discussion of Proposed Changes to the Fiscal Year 2013 Operating Budget and the Capital Improvement Plan

City Manager Keeter presented updated recommended budget amendments for the Fiscal Year 2013 Operating Budget and Capital Improvement Plan.

Action: Reviewed the Vali Cooper & Associates, Inc. construction management services proposal for the Manzanita Drive Bridge Replacement Project No. 0043 and authorized the City Manager and City Clerk to execute a contract with Vali Cooper & Associates, Inc. on behalf of the City, subject to approval as to form by the City Attorney.

G-3 Quarterly Investment Report for Period Ending March 31, 2012

Action: Accepted the Quarterly Investment Report for period ending March 31, 2012.

G-4 Adoption of Resolution No. 31-12 Requesting and Consenting to the Consolidation of Elections on November 6, 2012, and Setting Specifications of the Election Order

Action: Adopted Resolution No. 31-12 requesting and consenting to the Consolidation of Elections on November 6, 2012, and Setting Specifications of the Election Order.

I. POLICY MATTERS

I-2 Proposed Sales Tax Measure Discussion and Direction for the November 2012 Election

City Manager Keeter introduced the background for the matter and summarized that staff was seeking decisions of whether a sales tax measure should be placed on the November 2012 ballot and, if yes, should it be for ½ cent or one cent and should there be a sunset provision.

Russ Belden noted there did not appear to be voter support for a bond measure while the City's roads and drains continued to diminish and the problem was getting worse each year. Mr. Bellman stated he supported a ½ cent sales tax measure. For the sunset provision, he suggested a three- to five- year period because he felt the community will then need to look at a bond measure and a more comprehensive approach.

Richard Colman reviewed current sales tax levels; there will be a statewide sales tax measure on the November ballot; the State has the highest sale tax in the Country; and, given the amount of money needed to fix the City's roads, he supported options for a parcel tax in lieu of a higher sales tax.

Alex Evans, Citizens Infrastructure Oversight Commission (CIOC) Chair, stated staff had done a good job outlining the CIOC's report and felt it was gratifying that the Finance Advisory Committee (FAC) has similar recommendations. He stated the CIOC was unequivocal that there needed to be efforts to increase revenues and, while the sales tax was not sufficient to fix all roads, they felt it was an appropriate next step. He recognized that it was unlikely that a measure to fix the entire problem would be approved by voters but he felt, if the City continued to demonstrate good faith efforts to

address the problem, voters would continue to gain confidence and the City would be in a position in the future to develop a solution for the entire problem. He stated the CIOC supported the ½ cent tax level indicating it was important that the measure pass and the Council should avoid proposing too high of a tax. Regarding the duration of a sunset provision, Mr. Evans stated the CIOC supported a sunset but they did not have a recommendation about the length, only that it be long enough to demonstrate good work was completed.

Carol Penskar, FAC Chair, noted that \$600,000 (the amount generated by a ½ cent sales tax) was not a small amount using the illustration that, with current interest rates, it could securitize \$10 million. She stated her concurrence with Mr. Evans' comments and noted the length of a sunset provision had not been considered. She referenced a recent report which showed that only 2.7% of the City's property tax comes from commercial property; she felt this was a pitiful amount; and (referencing Agenda Item I-1) she urged that the Council move forward with a plan for the downtown in order to speed up any commercial development.

Councilmembers each voiced their preference for a larger measure but, based on the current level of community support, they supported moving forward with a ½ cent sales tax. It was noted that, even though Moraga may pursue a one cent sales tax, the margin of error for support of this level of tax was too close.

Regarding the length of a sunset provision, Councilmembers presented varying comments with each suggesting that the term should be long enough to provide accountability and demonstrate to the community how the funds would be spent. Councilmember Orr was inclined to support a 15-year term; Councilmember Smith voiced support for a ten-year term; Councilmember Severson supported a minimum of a ten-year term but liked a 15- to 20- year term more; Vice Mayor Worth favored a longer term but did not specify a specific preference; and Mayor Glazer indicated a preference for a 10- to 15-year term but also received confirmation that a future bond measure could include a provision to sunset the sales tax earlier if it were adopted.

Council discussion concluded with clarification about the timing for final Council decisions to establish the ballot measure language with the matter to come back to the Council at the July 17th Council meeting.

H. PUBLIC HEARING

H-1 Consider the appeal of the Planning Commission's April 12, 2012 approval of the vesting tentative map and tree removal application for the Lavenida Lane subdivision (MJS10-001 and TRP10-008)

Mayor Glazer reviewed the procedures to be followed for the public hearing. Councilmembers Smith and Orr, Vice Mayor Worth, and Mayor Glazer reported that they each had independently visited the site recently and Councilmember Severson