

**CITY OF PLACERVILLE
CITY COUNCIL**

MINUTES

Regular City Council Meeting
August 9, 2011

City Council Chambers – Town Hall
549 Main Street, Placerville, CA 95667
6:00 P.M. Closed Session
7:00 P.M. Open Session

6:00 P.M. CLOSED SESSION

Pursuant to the cited authority (all references to the Government Code), the City Council will hold a Closed Session to discuss the following items:

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| Govt. Code 54956.9 | Conference with Legal Counsel – Anticipated Litigation – three cases |
| Govt. Code 54956.9 | Conference with Legal Counsel – Existing Litigation
Workers Compensation Claim #2011115600, Louis Vargas
Workers Compensation Claim #2008076904, Brian Reeves |
| Govt. Code 54956 | Conference with Legal Counsel – Existing Litigation – Claim of Joann Jones |
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7:00 P.M. OPEN SESSION

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE TO THE FLAG

The Mayor called the meeting to order at 7:45 P.M. and noted that the Council was in attendance at a lengthy Closed Session prior to the meeting. He then called for a moment of silence was observed in memory of retired Placerville Fire Chief, Albert Herzig, who passed away earlier this month. This evening's meeting will be adjourned in his memory. The Pledge of Allegiance to the Flag was led by Boy Scout Troop 58.

2. ROLL CALL: **Present: Acuna, Borelli, Hagen, Machado, Mattson**

3. ANNOUNCEMENTS TO THE PUBLIC

The Chief of Police invited the public to attend the Annual Craft Faire, from 8:00 a.m. to 3:00 p.m. on Sunday, August 14th, and noted that Main Street will be closed from 5:00 a.m. to 6:00 p.m. that date.

4. CLOSED SESSION REPORT – City Attorney Driscoll

The City Attorney reported that in the matter of Joann Jones, the City Council unanimously rejected the claim. No other reportable action was taken.

5. ADOPTION OF AGENDA

The Mayor requested that Item 12.1, a report by Caporicci and Larson regarding the annual City audit, be moved forward in the agenda to occur following Item 7.2. It was then moved by Vice-Mayor Acuna and seconded by Councilmember Borelli that the City Council adopt the Agenda as modified. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

6. CEREMONIAL MATTERS – None Scheduled

7. PUBLIC COMMENT – BRIEF – NON-AGENDA ITEMS

This portion of the meeting is reserved for persons wishing to address the Council on any matter not on the Agenda that is within the subject matter jurisdiction of the City Council. State law prohibits the Council from acting on items not listed on the Agenda except by special action of the City Council under specified circumstances.

7.1 Oral Communication

Public comment was received by David Price regarding the referendum, George Lowery regarding the proposed roundabout project, and Michael Drobesh regarding the proposed roundabout project and the warrant register.

7.2 Written Communication

No written communications were noted.

7.3 Acknowledge and File the Basic Financial Statements, Supplemental Information and Independent Auditors' Report for Fiscal Year 2009/2010 (Mr. Warren/Mr. Caporicci)

Gary Caporicci of Caporicci and Larson, Certified Public Accountants, presented an overview of the 2009/2010 audit report and summarized a PowerPoint presentation. Public comment was received from Evelyn Veerkamp. Mr. Warren and Mr. Caporicci responded to Council and audience questions. It was then moved by Councilmember Hagen and seconded by Councilmember Mattson that the Independent Auditors' Report for Fiscal Year 2009/2010 be acknowledged and filed. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

7.4 *The Mayor read a written statement regarding issues related to his ownership of properties and recent allegations regarding improvements to those properties.*

The Vice-Mayor then read a statement on behalf of himself and Councilmembers Borelli, Hagen and Mattson regarding alleged improprieties by Mayor Machado.

8. CONSENT CALENDAR

NOTE: All matters listed under the Consent Calendar are considered routine and are enacted by one motion by roll call vote unless any member of the Council or audience wishes to remove an item for discussion.

8.1 Minutes of the Regular City Council Meeting of July 26, 2011 (Ms. Zito)

Approved the Minutes of the regularly scheduled Council meeting of July 26, 2011.

8.2 Warrant Register (Mr. Warren)

Pulled by audience member Sharlene McCaslin and re-numbered as Item 9.1

8.3 Payroll Register (Mr. Warren)

Approved the Payroll Register.

8.4 Adopt a Resolution of the City Council of the City of Placerville to Appoint a Representative to the Public Agency Risk Sharing Authority of California (PARSAC) Board of Directors (Mr. Morris)

Resolution No. 7931

Adopted a Resolution of the City Council of the City of Placerville to Appoint a Representative to the Public Agency Risk Sharing Authority of California (PARSAC) Board of Directors.

8.5 Recommendation by the Director of Public Works that the City Council Adopt a Resolution Approving Contract Change Order #2 with California Pavement Maintenance Company, Inc. for the El Dorado Trail Slurry Seal project (CIP #40805), a Deduction of \$12, 141.00 and Authorizing the City Engineer to Execute Said Change Order; and Accepting the Project and all Associated Work as Complete and Authorizing the Public Works Director to Execute a Notice of Completion and Directing the City Clerk to Record said Notice with the El Dorado County Recorder's Office; and Authorizing the Finance Director to Release all Remaining Retention Being Held for Construction Security, Thirty (30) Days After the Date of Notice of Completion Filing; and Authorizing the Release of the Performance Bond and the Release of the Labor and Materials Surety Bond, after the Statutory 30 day Time Period, if No Claims Are Made Against the Project (Mr. Pesses)

Resolution No. 7932

Adopted a Resolution Approving Contract Change Order #2 with California Pavement Maintenance Company, Inc. for the El Dorado Trail Slurry Seal project (CIP #40805), a Deduction of \$12, 141.00 and Authorizing the City Engineer to Execute Said Change Order; and Accepting the Project and all Associated Work as Complete and Authorizing the Public Works Director to Execute a Notice of Completion and Directing the City Clerk to Record said Notice with the El Dorado County Recorder's Office; and Authorizing the Finance Director to Release all Remaining Retention Being Held for Construction Security, Thirty (30) Days After the Date of Notice of Completion Filing; and Authorizing the Release of the Performance Bond and the Release of the Labor and Materials Surety Bond, after the Statutory 30 day Time Period, if No Claims Are Made Against the Project.

- 8.6 Recommendation by the Director of Public Works that the City Council adopt a Resolution Approving the “Work Plan Agreement to Share Costs for Fiscal Year 2011-2012 Between the El Dorado County Water Agency and the City of Placerville” and Authorize the City manager to Execute Same; Authorizing Staff to Release a Request for Proposals (RFP) to Qualified Engineering Consulting Firms for the Purpose of Selecting a Consultant to Implement the Work Authorized Within the Agreement or Amended Agreement, and Further that the City Council Consider the Possibility of requesting that the Water Agency amend this agreement substituting a sewer line replacement project on Cedar Ravine rather than Hangtown Creek, and authorize staff to pursue this with the Water Agency. (Mr. Pesses)**

Pulled by Mayor Machado and re-numbered as Item 9.2.

- 8.7 Adopt a Resolution Approving the “Agreement for Incidental Water Use Access from EID Water System” and Authorize the City Manager to Execute Same (Mr. Pesses)**

Resolution No. 7934

Adopted a Resolution approving the “Agreement for Incidental Water Use Access from EID Water System” and authorize the City Manager to execute same.

- 8.8 Adopt a Resolution Awarding the Contract for the 2011/2012 Annual Street Striping Project to Traffic Limited in the Amount of \$30,584; and Authorizing the City Manager to Execute Said Contract and Notice to Proceed; and Approving the Liquidation of \$3,000 in Proposition 1B Revenue from the Placerville Drive Pavement Repair Project (CIP#40901); and Appropriating \$3,000 in Proposition 1B Revenue for the Annual Street Striping Project (CIP#41201) (Mr. Pesses)**

Resolution No. 7935

Adopted a resolution awarding the Contract for the 2011/2012 Annual Street Striping Project to Traffic Limited in the Amount of \$30,584; and Authorizing the City Manager to Execute Said Contract and Notice to Proceed; and Approving the Liquidation of \$3,000 in Proposition 1B Revenue from the Placerville Drive Pavement Repair Project (CIP#40901); and Appropriating \$3,000 in Proposition 1B Revenue for the Annual Street Striping Project (CIP#41201).

It was moved by Councilmember Mattson and seconded by Councilmember Borelli that the City Council approve the Consent Calendar as modified. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

9. ITEMS PULLED FROM THE CONSENT CALENDAR

9.1 Warrant Register (Mr. Warren)

Following staff response to items questioned on the Warrant Register, it was moved by Vice-Mayor Acuna and seconded by Councilmember Borelli to approved the Warrant Register as presented. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

9.2 Recommendation by the Director of Public Works that the City Council adopt a Resolution Approving the “Work Plan Agreement to Share Costs for Fiscal Year 2011-2012 Between the El Dorado County Water Agency and the City of Placerville” and Authorize the City manager to Execute Same; Authorizing Staff to Release a Request for Proposals (RFP) to Qualified Engineering Consulting Firms for the Purpose of Selecting a Consultant to Implement the Work Authorized Within the Agreement or Amended Agreement, and Further that the City Council Consider the Possibility of requesting that the Water Agency amend this agreement substituting a sewer line replacement project on Cedar Ravine rather than Hangtown Creek, and authorize staff to pursue this with the Water Agency. (Mr. Pesses)

Resolution No. 7933

Staff summarized issue and responded to Council questions. Public comment was received from Michael Drobesh and Sue Rodman. Following Council discussion, it was moved by Mayor Machado and seconded by Councilmember Borelli that the City Council adopt a Resolution approving the “Work Plan Agreement to Share Costs for Fiscal Year 2011-2012 between the El Dorado County Water Agency and the City of Placerville”;

and authorize the City Manager to execute same and authorizing staff to release a request for Proposals (RFP) to qualified engineering consulting firms for the purpose of selecting a consultant to implement the work authorized within the agreement or amended agreement. And further, that the City Council consider the possibility of requesting that the Water Agency amend this agreement substituting a sewer line replacement project on Cedar Ravine rather than Hangtown Creek, and authorize staff to pursue this with the Water Agency. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

10. ORDINANCES

10.1 Introduce an Uncodified Ordinance Agreeing, Under Protest, to Comply with the Provisions of the Voluntary Alternative Redevelopment Program Pursuant to ABX1 27 to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Placerville Which Would Otherwise be Subject to Suspension and Dissolution (Mr. Morris)

Ordinance No. 1643

Mayor Machado and Councilmember Mattson recused themselves from the meeting and left the Council Chambers. Public comment was received from David Price, Michael Drobesch, Sharlene McCaslin, and Sue Rodman. The City Manager clarified that this Ordinance is a separate matter from the referendum issue and one does not affect the other. Following Council discussion, Councilmember Borelli introduced an Uncodified Ordinance Agreeing, Under Protest, to Comply with the Provisions of the Voluntary Alternative Redevelopment Program Pursuant to ABX1 27 to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Placerville Which Would Otherwise be Subject to Suspension and Dissolution. It was then moved by Councilmember Borelli and seconded by Councilmember Hagen to waive the first reading of said Ordinance. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen
NOES: None
ABSENT: None
ABSTAIN: None
RECUSED: Machado, Mattson

10.2 Adopt a Resolution Intending to Approve an Amendment to the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City Council of the City of Placerville; and Adopt a Resolution Electing Employer Paid Miscellaneous Member Contributions; and Adopt a Resolution Election Employer Paid Safety Member Contributions; and Adopt a Resolution to Defer Taxation of Member Contributions per IRC 414(h)(2) Employer Pickup; and Certify compliance with Government Code Section 7507; and Certify Compliance with Government Code Section 20475; and Introduce an Ordinance Amending Title I, Chapter 7: Retirement System and Approving the Amendment to the Contract with CalPERS; and Waive the First Reading of said Ordinance (Mr. Warren)

The Director of Finance summarized this cost-saving measure and responded to Council questions. Public comment was received from Sue Rodman and George Lowery. It was then moved by Councilmember Hagen and seconded by Councilmember Borelli that the City Council take the following action:

Resolution No. 7936

Adopt a Resolution intending to approve an amendment to the contract between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City Council of the City of Placerville.

Resolution No. 7937

Adopt a Resolution electing employer paid Miscellaneous member contributions; and adopt a Resolution electing employer paid safety member contributions.

Resolution No. 7938

Adopt a Resolution to defer taxation of member contributions per IRC 414(h)(2) employer pickup; and certify compliance with Government Code Section 7507; and certify compliance with Government Code Section 20475; and introduce an Ordinance amending Title I, Chapter 7: Retirement System and approving the amendment to the contract with CalPERS.

Ordinance No. 1644

And waive the First Reading of said Ordinance.

The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

11. PUBLIC HEARINGS – None Scheduled

12. DISCUSSION/ACTION ITEMS

12.1 Acknowledge and File the Basic Financial Statements, Supplemental Information and Independent Auditors' Report for Fiscal Year 2009/2010 (Mr. Warren)

This item was moved forward in the Agenda and re-numbered as Item 7.3.

12.2 Recommendation to Adopt a Resolution Declaring Certain Illegal On-Premise Signs and Sign Structures as Public Nuisances, the Intent to Abate Such Nuisances, and the Establishment of a Date to Hear Objections (Mr. Calfee)

Resolution No. 7939

Staff summarized the issue and responded to Council questions. Public comment was received from David Fausel, Vince DeVito, Marv Bukema, Bob Schmidling, Michael Drobesh, and Kathi Lishman. Following Council discussion, it was moved by Vice-Mayor Acuna and seconded by Councilmember Mattson that the City Council adopt a Resolution declaring certain illegal on-premise signs and sign structures as public nuisances, the intent to abate such nuisances, and the establishment of two dates to hear objections at public hearings at the next two regularly scheduled City Council meetings on August 23 and September 13, 2011. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

12.3 Adopt a Resolution Approving the Cooperative Agreement-Authority to Reimburse with CalTrans for the purpose of Reimbursing the City \$30,000 to Mitigate for the Loss of Community Gardens Damaged or Removed as Part of the Highway 50 Operational Improvements Project, and Authorize the City Manager to Execute Same; and Approving a Budget Appropriation from the Transportation Fund in the amount of \$30,000 (Mr. Pesses)

Resolution No. 7940

The Director of Public Works summarized the issue and responded to Council questions. Public comment was received from Kathi Lishman and Michael Drobesch. Following Council discussion, it was moved by Mayor Machado and seconded by Vice-Mayor Acuna that the City Council adopt a Resolution Approving the Cooperative Agreement-Authority to Reimburse with CalTrans for the purpose of Reimbursing the City \$30,000 to Mitigate for the Loss of Community Gardens Damaged or Removed as Part of the Highway 50 Operational Improvements Project, and Authorize the City Manager to Execute Same; and Approving a Budget Appropriation from the Transportation Fund in the amount of \$30,000. The motion was passed by the following vote:

AYES: Acuna, Borelli, Hagen, Machado, Mattson
NOES: None
ABSENT: None
ABSTAIN: None

12.4 Oral Report Regarding Construction Activities at 2872 Mosquito Road (Mr. Morris)

The City Manager noted that public statements were made earlier in the evening by Mayor Machado and Vice-Mayor Acuna and that the City would continue to monitor this item. Michael Drobesch inquired if a written report was available and the City Manager responded that there was not a written report.

13. COUNCIL REPORTS AND REQUESTS FOR FUTURE AGENDA ITEMS –

Vice-Mayor Acuna reported that Gold Bug Park has been setting attendance records this summer and the Gift Shop has set sales records. A reality TV show was filming at Gold Bug Park earlier this day and other film companies have recently used this site. Vice-Mayor Acuna also noted that Jeff Mosbacher has been building a trail at Gold Bug as an Eagle Scout project.

Councilmember Hagen reported on an upcoming Transportation Commission meeting and a recent SACOG meeting he attended.

Councilmember Borelli reported on a recent Sierra Economic Development Corporation meeting in Auburn she attended and reported that several workshops for small business owners were available. She further reported that she attended a Women in Transportation Summit she attended in Sacramento and noted that retiring El Dorado County Transportation Commission Executive Director, Kathryn Mathews, was recognized.

Councilmember Mattson congratulated the Chief of Police and expressed her thanks for the recent National Night Out event. She also reported that she had attended a meeting in Grass Valley regarding homeless issues and that a summit on homeless issues in foothill communities would be presented on September 30th.

Mayor Machado expressed concern regarding comments he'd received from members of the community regarding the proposed roundabout project and requested that this issue be agendaized for a future Council meeting. City Attorney Driscoll noted that he would need to review whether or not the item could be discussed due to litigation.

14. CITY MANAGER AND STAFF REPORTS

No staff reports were noted.

15. UPCOMING ITEMS

Items tentatively scheduled for the next Council meeting include the second readings of Ordinance 1643, the public hearing regarding illegal signs, and a notice to the Council regarding the sufficiency of the referendum petition.

16. ADJOURNMENT

The meeting was adjourned in memory of retired Placerville Fire Chief, Albert Herzig. The next Regular Council meeting will be held on August 23, 2011: 6:00 P.M. Closed Session; 7:00 P.M. Regular Session.

Susan Zito, MMC
City Clerk