



CITY COUNCIL MEETING MINUTES

**December 15, 2015 7:00 PM
Council Chambers
400 N. Douty St.**

5:00 PM CALL TO ORDER STUDY SESSION & CLOSED SESSION:

Mayor Justin Mendes called the session to order at 5:00 p.m.

ROLL CALL:

Present: Gary Pannett, Russ Curry, David Ayers, Francisco Ramirez, Justin Mendes

PUBLIC COMMENT - STUDY SESSION & CLOSED SESSION:

Comments from the public are limited to items on the agenda (GC54954.3a). A maximum of five minutes is allowed for each speaker.

Michael Johnston recommended revitalization of downtown by creating a task force of 12 to 15 people including building owners and concerned citizens to agree on ten action items and to address potential roadblocks and solutions to implement the suggestions. Results would be reported to the City Council, then the group would become a Revitalization Committee that meets quarterly to assess the progress.

Jan Gray, a business owner, expressed her support of Main Street Hanford and the double taxes that they need to pay. She believes their efforts have brought success to downtown.

Steve Banister, Secretary of Main Street Hanford, read a letter from California Main Street regarding a new approach the organization will be implementing and also reiterated the importance of funding by the City to ensure the success of downtown.

Dennis Fausone criticized Main Street Hanford's Thursday Night Market and does not believe it has had a positive impact on downtown businesses. He requested that the Council postpone funding Main Street until a full audit can be conducted. He also discussed Main Street's loan program.

Dan Humason, owner of the Fox Theater, commented on Main Street's opposition to the Fox having performances on Thursday nights. He noted the lack of access to businesses due to the Market and does not want it to take place in the street anymore.

Wendy Raygoza, a downtown business owner and Board Member, supports Main Street Hanford and that Main Street assisted them with getting their business open. She does recognize that some changes need to be made.

Craig Johnson, owner of Salmon's Furniture, believes that downtown does need some type of association and believes Main Street Hanford is doing the best they can. He hopes the City does not lose the vision of downtown.

Anita Barnett, a downtown merchant, supports the vision of downtown and wants it to flourish. On Thursday nights, the market is in front of her salon, and it disrupts her business. Clients no longer want to schedule

appointments on Thursdays due to the atmosphere of large crowds and loud music. People often block her entrance, so she recommended that it be moved to the Civic Park.

STUDY SESSION:

A. Presentation by Main Street Hanford regarding Service Agreement

Shelly Talbert and members of the Board from Main Street Hanford provided a presentation including the history of the downtown improvement area. Main Street Hanford was formed in 2000 and is part of a national movement and works with National Main Street Center. A new program brand "Main Street America" will be implemented in 2016 to reinvigorate their look, feel, and strategy. Main Street Hanford is one of 27 accredited Main Street cities in California and is the only one in the Central Valley. Ms. Talbert briefly discussed their approach of a four point process to revitalize the district and highlighted their 2016 visions of success. She also gave a review of their accomplishments over the last 15 years.

Council Member Ayers inquired about them setting a goals and objectives session. Ms. Talbert stated that it will be after Main Street America has rolled out their approach so they can follow those guidelines. Mr. Ayers was concerned about a duplication of services between the organizations, and that the Council will be discussing downtown revitalization at their own goals and objectives session in January.

Council Member Curry stated that he believes Main Street has exceeded the Council's expectations. In regards to Thursday Night Markets, he does not know how they could improve it as it continues to grow and believes it is successful.

Council Member Pannett inquired how many businesses came downtown due to Main Street Hanford. Ms. Talbert believes it would be about 10 over the last 3 years. Mr. Pannett asked how they communicate with the businesses that are not satisfied with the Market. She stated that she has had discussions with some businesses, but not everyone wants to be approached. All of their meetings are open to the public. Thursday Night Market has occasionally been moved to accommodate businesses, but the vendors have complained that sales dropped when they were moved to the park. Mr. Pannett would like to see Main Street, the Chamber, and the Museum to collaborate more on events. Mr. Pannett and Ms. Talbert discussed an issue about a car show where businesses did not want it to occur during the holiday season as that could negatively impact them. Ms. Talbert stated that there has not been an audit in at least seven years. Wendy Raygoga commented with suggestions for the organizations to attend each others meetings and to have vendors for the Market change locations to force the public to wander more rather than just get in and out.

Vice Mayor Ramirez asked about what Main Street has done for 6th Street businesses since they also pay the double tax. Ms. Talbert said that they are invited to attend meetings and to participate in events. Mr. Ramirez stated that businesses would like to participate at the Market, but feel they have to change their menus because they are not allowed to compete with the other businesses. She stated that they are here to protect the downtown businesses from other vendors and the rules are created by San Luis Obispo. He would like to know what Main Street has done to market real estate to developers and investors. Main Street is looking at revisiting this opportunity. Mr. Ramirez would like the Market to move on nights that would conflict with events at the Fox Theater. He commented on a grant that was given to L.T. Sue in the amount of \$8,000 and asked if that opportunity for funding is on their website. She did not know if that is on the website. Mr. Ramirez reiterated his concern that everyone should have the same opportunity for funds and be made aware of them. He also would like to see a digital kiosk at Irwin and 7th Street instead of the traditional kiosk.

Mayor Mendes requested a measure of success and effectiveness to be submitted as to what has been done in Hanford. Ms. Talbert will provide the information in the coming months as she prepares her reports for National Main Street. Mr. Mendes asked if Main Street would be willing to change their rules about food that is served at the Market. The Board did not indicate they would make any changes. He praised the CASp grant as a pro business tool. Mr. Mendes commented on certain businesses that no longer participate in the Wine & Chocolate event due to stringent rules. Ms. Talber explained that the County Health Department has rules that must be followed which has affected participation and that is not up to Main Street. Mr. Mendes discussed the last profit and loss statement which showed negative funds, but Larry Ayers briefly explained that was old

information and commented on their various expenses. Mr. Mendes asked if Main Street would be willing to use more funds for capital improvement projects and loans, rather than marketing. They stated that the events make money, so without the events then they would not be able to afford to do projects. They are working at being balanced in all areas.

B. Presentation by Hanford Carnegie Museum regarding Visitor Center Proposal

This item will be postponed until the January 5th City Council meeting.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

The Council adjourned to closed session at 6:50 p.m.

A. CONFERENCE WITH LABOR NEGOTIATORS - Pursuant to Government Code Section 54957.6

Agency designated representatives: Darrel Pyle and Mario Zamora
Employee Organization: Hanford Firefighters Local 3898, IAFF

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Government Code Section 54956.8

Property: APNs 018-242-077, 018-242-067, 014-251-049, 014-251-050
Agency Negotiators: Darrel Pyle and Ty Mizote
Negotiating Party: Helena Chemical Company
Under Negotiation: Terms and Price

C. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Government Code Section 54956.9(d)(2)

Number of Potential Cases - 1

D. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - Government Code Section 54956.9(d)(4)

Number of Potential Cases - 1

7:00 PM CALL TO ORDER REGULAR SESSION:

Mayor Mendes called the regular meeting to order at 7:03 p.m.

ROLL CALL:

Attendee Name	Title	Status	Arrived
Russ Curry	Council Member	Present	4:31 PM
David Ayers	Council Member	Present	4:39 PM
Gary Pannett	Council Member	Present	4:34 PM
Francisco Ramirez	Vice Mayor	Present	4:57 PM
Justin Mendes	Mayor	Present	4:47 PM

FLAG SALUTE:

Mayor Mendes led the flag salute.

INVOCATION:

Stan Plooy provided the invocation.

CLOSED SESSION ACTION REPORT:

There was nothing to report. The Council will return to closed session following the regular meeting to complete the items on the agenda.

RECOGNITIONS/PROCLAMATIONS:

STAFF COMMUNICATIONS:

City Manager Darrel Pyle announced the Biggest Loser Community challenge will be in March 2016 and staff will keep everyone informed about the event as more details become available.

Public Works Director Lou Camara commented on the leaf pickup and Christmas tree pickup programs. He briefly discussed a letter from the EDA regarding the 9th Avenue trunk sewer grant.

Fire Chief Chris Ekk provided an update on recruitments for his department. He commented on the fire and police escort provided this evening for Marco Lopez.

Parks & Recreation Director Craig Miller encouraged everyone to attend the Breakfast with Santa on Saturday.

Mr. Pyle stated that the City Clerk received a communication from Dave Thomas that has been distributed to the Council and submitted for the record.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters not on the agenda within the jurisdiction of the Hanford City Council or to comment on items listed under the Consent Calendar or to request an item from the Consent Calendar be pulled for discussion purposes. Comments related to General Business items or Public Hearing items will be heard at the time the item is discussed.

*A maximum of **five minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Gracie Davis requested that more notice be provided for district meetings. She inquired about the volunteers that received recognition from Vice Mayor Ramirez and how he makes that determination. She also questioned his representation and participation in his district.

Bob Ramos criticized Mayor Mendes and Vice Mayor Ramirez for wanting to sell Rabobank several months ago and would like them to provide the information that they have that supported their position.

CONSENT CALENDAR:

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

Council Member Ayers requested that the item pertaining to the impact fees be pulled for further discussion.

Motion to approve the Consent Calendar except the item pulled by Council Member Ayers.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Gary Pannett, Council Member
SECONDER:	Francisco Ramirez, Vice Mayor
AYES:	Curry, Ayers, Pannett, Ramirez, Mendes

- A. City Clerk: Approve minutes from December 1, 2015 City Council meeting.
- B. Administration: Adopt Resolution 15-61-R approving the execution of a Joint Exercise of Powers Agreement; consenting to the inclusion of properties within the territory of the City in the California Municipal Finance Authority PACE Program; authorizing the California Municipal Finance Authority to accept applications from property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City; and authorizing related actions.
- C. IT: Authorize the City Manager to sign and execute agreement with Comcast for MetroEthernet Services
- D. Police: Approve the allocation of police impact fee funds in the amount of \$87,475 for improvements at 422 N. Douty Street.
- E. Public Works: Purchase of 636 residential refuse containers from Toter Wastequip, LLC., in the amount of \$32,642.88 (tax and freight included).
- F. Finance: Authorization for signatures of the Mayor and Finance Director on checks written on City accounts with Wells Fargo Bank.
- G. Finance: Warrant Register

ITEMS REMOVED FROM CONSENT:

- A. Finance: Annual Review and Approval of Five-Year findings of Funds Pertaining to City of Hanford Impact Fees for Parks, Transportation, Fire Protection, Police Protection, Storm Water System, Water System, Wastewater System, and Refuse/Recycling

Finance Director Tom Dibble discussed the item for Council's consideration.

Motion to approve the item as presented.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	David Ayers, Council Member
SECONDER:	Gary Pannett, Council Member
AYES:	Curry, Ayers, Pannett, Ramirez, Mendes

GENERAL BUSINESS:

- A. Fire: Approve Fire Service Automatic Aid Agreement between the City of Hanford and the County of Kings

Fire Chief Ekk and Kings County Fire Chief Lynch provided an overview of the existing and proposed agreements. The new agreement would provide automatic aid for structure related fires. They responded to questions and comments by the Council.

Motion to approve the item as presented.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Russ Curry, Council Member
SECONDER:	Francisco Ramirez, Vice Mayor
AYES:	Curry, Ayers, Pannett, Ramirez, Mendes

PUBLIC HEARINGS:

- A. **WITHDRAWN NO ACTION NECESSARY** Appeal No. 2015-04 filed by MR Wolfe and Assoc., an appeal of the Planning Commissions approval of Planned Unit Development No. 2015-02, Tentative Parcel Map No. 2015-02, and Negative Declaration No. 2015-06. The project is a request to construct seven retail buildings totaling 124,300 square feet and dividing one parcel into nine parcels, in the "PC" Planned Commercial Zone District. The project is located on the SWC of 12th Avenue and Lacey Blvd. in the City of Hanford. APN: 011-020-048.

The appeal was withdrawn by the applicant. No action taken by the Council.

- B. **Public Works:** Conduct a Public Hearing regarding the proposed water rate increase for the City of Hanford Water System and adopt the attached resolution establishing water rates for customers of the City of Hanford Water System.

Public Works Deputy Director John Doyel provided background information for the Council's review and consideration. The Governor's Executive Order on water use reduction will result in a projected \$540,000 per year reduction in revenues. The State's requirement for the City to continuously chlorinate the water system will cost approximately \$240,000 a year. The reserve fund has been reduced to less than \$500,000, and there have been no rate increases since 2007. Mr. Doyel commented on the projected debt service coverage if there are no increase in revenues. The City is in danger of not having enough coverage and the bond holders could call on the bond for payment in full. Other challenges include a reduction in capital funding due to lower revenues; and reserves do not adequately cover the costs of significant repairs if issues with existing wells occur. Mr. Doyel presented proposed changes to operations, staffing, and the capital program.

Mr. Doyel reviewed the proposed rates for inside and outside city limits. He summarized the rate increases over a five year period.

Council Member Ayers expressed concern about the large increase and inquired if the City could reduce costs at all. Mr. Doyel noted past actions that have been taken by the City.

Council Member Curry commented on how everyone in California is in the same situation in regards to raising rates.

Council Member Pannett expressed concern for low income residents and their ability to pay the higher rates. He would like staff to look for any grant opportunities to provide assistance or to reduce costs. Staff discussed the scenario of an agency such as Cal Water taking over the water and the potential impact on utility customers. Mr. Pannett would like to see another forum to educate the public so they are aware of what the City is doing and why.

Vice Mayor Ramirez would like to see a citizen board created to review the proposed changes to ensure that the City has done it's due diligence. Staff noted that the rates of other agencies will also be increasing so a comparison with those current rates will not be an accurate depiction, but it is expected that Hanford's rates will be somewhere in the middle after everyone has modified their rates. Mr. Ramirez also asked if CDBG funds could be used to offset costs for low income utility users. Mr. Pyle stated that CDBG funds might qualify and that staff could pursue that idea at Council's direction.

Mayor Mendes stated that the City does need to come up with a solution to increase revenues and that they need to be responsible in addressing this issue. Mr. Mendes opened the public comments at 8:25 p.m.

John Zumwalt supported the proposed increase and noted that the City has been conservative in its spending over the years. He briefly compared the water system to neighboring cities and believes Hanford's costs are reasonable.

Victor Florez wished the City had been proactive in increasing the revenues previously rather than be reactive thus causing a huge increase at one time.

Gabriel Diaz stated that he contacted the Public Works Department on November 18th requesting reports to be submitted to him, but he did not receive anything. He expressed his opposition to the large increase, but does agree an increase needs to be made.

Richard Reynoso would like the powerpoint presentation to be made available to the public. He believes the increase is justified, but the amount is excessive.

Randall McGee lives in a county island and is unable to water his land. He stated that the increase is unreasonable and opposes the rates.

Beverly Rodriguez commented that a rate increase will impact their family and that she opposes the increase.

Gail Evans opposed the high increase and said that it should not be so much.

Jeffrey Bennett understands that there should be an increase but opposed the proposed amount.

Mark Pratter did not support the increase but sees that the citizens may just need more information to know that this increase is inevitable. He recommended that a citizen committee be created in order to convince the public that this is the only option. He would like the City to review other expenditures to see if the costs to the public can be offset in some way.

Glenda Dwyer does not want a rate hike but understands the need to raise them due to the State's regulations.

Bob Ramos opposed the increase and is frustrated with the State for not providing the infrastructure to store water.

Earnest Lopez opposed the increase.

Mayor Mendes closed the public comments at 8:59 p.m.

City Clerk Jennifer Gomez tallied the protest letters and announced that 115 were received. There were not enough protest letters to prevent action by the Council.

Staff responded to additional questions and comments by the City Council. Council Member Pannett stated that the citizens needed to have more information prior to the meeting and that he cannot support this at this time. Vice Mayor Ramirez agreed with Council Member Pannett. Mayor Mendes said that the Council cannot postpone this decision and that they hold the responsibility of making this decision and waiting is not a good idea.

Motion to adopt Resolution 15-60-R.

RESULT:	APPROVED [3 TO 2]
MOVER:	Russ Curry, Council Member
SECONDER:	David Ayers, Council Member
AYES:	Curry, Ayers, Mendes
NAYS:	Pannett, Ramirez

COUNCIL REPORTS/COMMENTS:

Council Member Ayers attended a Cross Valley Rail Joint Powers Authority meeting where multiple agencies met and discussed the application for a grant regarding a lite-rail system. He also attended and enjoyed Main Street Hanford's Wine & Chocolate Event.

Council Member Curry attended Kings County Public Transit Agency meeting regarding electronic buses and commented on the opportunity to purchase an electronic trolley. He also reported on the Kings County Association of Government and City County Coordinating Task Force meetings.

Council Member Pannett attended the KCAO Personnel Committee and Strategic Planning Committee meetings. He enjoyed the Christmas Open House at Carnegie Museum and the Chamber's Christmas Tree Auction.

Vice Mayor Ramirez thanked staff for removing a blighted house in his district. Mr. Ramirez stated that one of his goals is to see a McDermott Field House facility downtown. He also commented on the meeting of the California Partnership for the San Joaquin Valley. He has partnered with Carnegie Museum to hand out blankets and food on December 23rd.

Mayor Mendes stated that he asked John Lehn from EDC and the City Manager to reach out to the businesses in the industrial park to receive feedback on the business climate and their experience with the City.

ADJOURNMENT:

Mayor Mendes adjourned to closed session at 9:29 p.m.

Following closed session, there was nothing to report, and Mayor Mendes adjourned the meeting at 9:45 p.m.

Respectfully submitted,

Jennifer Gomez
City Clerk