



SAUSALITO CITY COUNCIL
5:30 P.M. in the COUNCIL CHAMBERS at 420 LITHO STREET, SAUSALITO, CA
TUESDAY, SEPTEMBER 18, 2007
ACTION REPORT

CALL TO ORDER IN THE COUNCIL CHAMBERS AT CITY HALL, 420 LITHO STREET

CALL TO ORDER: 5:31 pm by Mayor Kelly

ROLL CALL: Mayor Mike Kelly X Vice Mayor Amy Belser X
Councilmembers: Paul Albritton X Jonathan Leone X Herb Weiner X

CLOSED SESSION ITEMS

- Mayor Kelly announced that Council would go into Closed Session to address the items listed on the agenda.
- The Mayor called for Public Comment on the Closed Session items, but there were no comments.
- **At 5:32 pm City Council adjourned to CLOSED SESSION in the Conference Room at City Hall to consider the following:**
 1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** pursuant to CGC § 54956.8
Property: 18 Pearl Street, Sausalito
Negotiating Parties: Dana and Kent Whitson
City Negotiator: City Attorney
Under Negotiation: Price and Terms
 2. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR** pursuant to CGC § 54956.8
Property: Marinship Park and Martin Luther King (MLK) Park
Negotiating Parties: Sausalito Art Festival Foundation
City Negotiators: City Attorney
Under Negotiation: Price and Terms
 3. **CONFERENCE WITH LABOR NEGOTIATOR** pursuant to CGC § 54957.6
Agency Negotiator: City Manager
Employee Organizations: SEIU 1021 and Sausalito Firefighters Assoc. IAFF Local 1775
 4. **CONFERENCE WITH LEGAL COUNSEL** – Potential litigation pursuant to subdivision (b) of CGC § 54956.9 (One potential case)

RECONVENED FOR REGULAR MEETING IN COUNCIL CHAMBERS

- At 7:10 pm, Mayor Kelly reconvened the Council for the business portion of the regular meeting.
- **REPEAT OF ROLL CALL: ALL PRESENT**
- Gloria Wohlschlaeger led all present in the Pledge of Allegiance.
- Mayor Kelly announced that when long-term Sausalito resident Gordon Kaatz died, he bequeathed \$25,000 of his estate to the City with no specifications as to its use. The City will consider the best use of that gift.

- Mayor Kelly announced that Council had considered Closed Session Items 1 and 2; Council would reconvene in Closed Session after adjournment of the regular meeting to consider Items 3 and 4.
 - Item No. 1: Council gave direction to Council subcommittee (Kelly, Albritton)
 - Item No. 2: Council gave direction to counsel
- **PUBLIC COMMENT** on Closed Session Items: None
- **APPROVAL OF AGENDA**
ACTION: Consensus to move Minutes to end of agenda; Motion to approve agenda as modified.
 MOTION: Albritton SECOND: Belser
 VOTE: Ayes 5-0

Item No. 1 SPECIAL PRESENTATIONS

- A. **Introduction of New Administrative Aides in 3 City Departments:**
 - **Doug Smith**, Administration Department: introduced by Dale Vaughn
 - **Anita Wong**, Parks & Recreation Department: introduced by Jeanne Friedel
 - **Albert Viana**, Community Development Department: introduced by Diane Henderson
- B. **Demonstration of New City Website** (*Technology Manager Rhett Redelings*)
 - **Redelings** presented on-screen demonstration of website
 - **Redelings** announced that the website should be ready to go live by October 1, 2007.
 - **Redelings** enumerated areas to be updated in advance of launch of the site and explained that the audio stream of meetings will be set up after the site is unveiled, and the E-Notifier system to distribute the "In The Loop" e-newsletter will need to be set up after the site is live.
 - **Council** comments on the newly designed website were supportive; there was consensus that the site should move forward with the target launch date.
 - **Leone** stated he would later confer with Mr. Redelings on some ideas regarding the website.
 - No public comment

Item No. 2 COMMUNICATIONS

- Norm Wohlschlaeger, resident and member of the Lions Club, suggested that the Council contribute the \$25,000 gift to the City to the fund to renovate the Harrison Playground. The Mayor said they would take that idea into consideration.

Item No. 3 MINUTES & ACTION REPORTS OF PREVIOUS MEETINGS – *Moved to end of agenda*

Item No. 4 CONSENT CALENDAR

PUBLIC COMMENT: No comments or requests to remove item(s) from the Consent Calendar

Leone requested removal of Consent Calendar Items No. 1 and 2 for discussion; they were assigned to become Business Items No. 6.A-2 and 6.A-3.

- ACTION:** **Motion to approve Consent Calendar Items No. 3, 4, 5 and 6:**
3. Approve payment of overtime invoice from the Southern Marin Fire Protection District for the month of July 2007
 4. Receive and file Minutes of Waste and Recycling Commission meeting of July 5, 2007
 5. Receive and file Minutes of Parks & Recreation Commission meeting of August 15, 2007
 6. Acknowledge Planning Commission Actions Taken at meeting of September 12, 2007

MOTION: Belser SECOND: Weiner

VOTE: Ayes 5-0

COUNCIL COMMENTS:

- o **Albritton** noted that the Fire Overtime payment requests are coming to the Council on a monthly basis.
- o **Mayor Kelly** stated the need for staff to get the amended Fire Agreement before the Council as soon as possible.

With the arrival of Finance Director Louise Ho after the vote was taken, Council decided to proceed with questions for Ms. Ho about Consent Calendar Items 1 and 2. After Ms. Ho responded to Council questions, Council proceeded with the vote on those items.

ACTION: Motion to approve Consent Calendar Items No. 1 and 2

1. Adopt resolution approving final Fiscal Year 2006-2007 Budget Amendment
7. Receive and file Fourth Quarter Treasurer's Report for April through June 2007

MOTION: Albritton SECOND: Leone

VOTE: Ayes 5-0

Item No. 5 PUBLIC HEARINGS - None

Item No. 6 BUSINESS ITEMS

A. Discussion of the CalPERS Side Fund Unfunded Accrued Actual Liabilities (UAAL) for Employee Pension Funds - Continued from September 4, 2007 (Finance Director Louise Ho & Financial Advisor Mark Pressman)

- **Ho** reported that the assets in the City's CalPERS pension fund are not sufficient to cover the City's liability. CalPERS charges 7.75% interest on the debt on which the City is paying. The concept of the Pension Obligation Bond (POB) is being studied to determine if there would be sufficient savings to offset what is owed to PERS. She reported that at the September 4 meeting, Council requested that she and Mr. Pressman return with a comparison of the private issuance with the state pool. She had also done reference checks with five cities to ask them about their reasons for and experience with the path they selected, either private placement or the League of California Cities pool (CSCDA).
- **Pressman** showed a PowerPoint presentation that compared the options with regard to POBs. He described his charge as Financial Advisor to be to protect the City's credit standing in its financial affairs and to offer options and analysis to arrive at the best option for the City. He presented analysis of all costs for both private placement and CSCDA options with figures from March 4, 2007 and from September 9, 2007. He noted that it would take Sausalito 3+ months to go through the preparation process to issue POBs.
- In response to Council questions, **Pressman** explained that the preparation process for either path is the same. The City could prepare all documentation for private placement, and if at the end of 90 days the interest rates were not favorable, they could stop the process until conditions are more favorable. If the City opts to go with the pool, the City will have to pay money, and the pool will initiate the validation proceedings on the City's behalf. If the City pursues the pool option and then decides not to go with it, the City will be out approximately \$9,000.
- **Leone** noted that with the pool, there would be a bigger bond issue. That would be a benefit over going the private placement path. He noted that there are pluses and minuses for both approaches.
- **Pressman** commented that Sausalito has great name recognition the world over.
- **Leone** characterized the decision as a conundrum; making a decision would be guessing. He suggested they proceed going down all the optional paths.
- **Kelly** thought that the Council's decision at this point is whether they should proceed to be ready to move forward with the POBs.

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- **Belser** noted that with the private issuance, the City has control over the timetable.
- **Albritton** asked whether the City could opt to pull out of the CSCDA pool, to which Ho responded that they can.
- **Albritton** asked how long the validation would remain valid, to which Pressman responded it would valid for two years or more.
- **Albritton** agreed with Leone that they should follow both the CSCDA and private placement paths; he was willing to spend the money to validate both.
- **Kelly** voiced concern about the amount of staff time that would have to be devoted to the CSCDA process. Pressman agreed that the pool process would be much more demanding of Ms. Ho's time.
- **Belser** suggested they move ahead with one option but not shut the door on the other.
- **Albritton:** 1) thought it would be 6-9 months until the market stabilizes; 2) would like to know definitely how long the validation is good for; 3) suspects that the fee estimates for the financial advisor's firm and validation process are estimated too low.
- **Leone** noted that the larger pool would yield better results, but he thought they should pursue the validation process for the private placement option but reserve their right to participate in the pool.
- **Albritton** suggested they should not have the City Attorney go to court for this process, but to hire somebody who regularly files such things in court in Marin County.
- **Kelly** requested a more accurate budget for the costs involved in both options.
- **Pressman** committed to return to Council on October 16, 2007 with all documentation requested.

ACTION: **Motion to proceed with the validation process for the Pension Obligation Bonds:**
 Approve motion that the Council direct the City Attorney and City Manager and City Treasurer to prepare the documentation necessary in conjunction with the Financial Advisor and to return to the Council on October 16, 2007 so the Council can make a decision on how to proceed.

MOTION: Kelly **SECOND:** Leone
VOTE: Ayes 5-0

- **Leone** suggested that the City should hire Mr. Pressman's firm (Wulff, Hansen & Co.) on a retainer basis. **There was Council consensus to follow that action.**

B. Update on Police and Fire Buildings (*Assistant to the City Manager Kevin Bryant*)

- **Bryant** reported that the Planning Commission was scheduled on September 26 to review the additional information included in the conditions of approval by the Commission in July regarding the plaza at the Police building, the details of the buildings, and the lighting. The architect is working on design options regarding heating and cooling. Swinerton, project management, has laid out a schedule with a projected construction start date in June 2008.
- **PUBLIC COMMENT: Norm Wohlschlaeger** questioned why the construction start date was so far into the future.
- **Kelly** explained that the architect had suggested that they schedule the demolition of the old police building sooner than that date.

C. Update on Harrison Park Design Process (*City Engineer Todd Teachout*)

- **Teachout** reported that he had met twice with City Manager Adam Politzer to discuss this project from the time when Politzer was the Parks & Recreation Director. He then decided to adjust the process by having a public meeting at which to take input, then take that information and the design to the Planning Commission its feedback, then revise the plan accordingly.
- **Leone** suggested they do a 500-foot meeting notice rather than the required 300-foot notice.
- **Politzer** confirmed that staff will do a 500-foot notice; that they will inform the Nursery Schools, the Parents' Club and the Parks and Recreation Commission of the meeting; they will get public

input on the design and take that feedback to the Planning Commission, and they will return to the Council with the approved design to obtain Council consensus.

- **PUBLIC COMMENT: Norm Wohlschlaeger** reiterated his suggestion that the City Council direct the \$25,000 donation to the City to this project.

Item No. 7 CITY MANAGER REPORTS, CITY COUNCIL APPOINTMENTS, DISCUSSIONS REGARDING FUTURE MEETINGS & EVENTS AND COUNCILMEMBER REPORTS

A. City Manager Reports (*Adam Politzer*)

1. City Manager Information for Council

- Introduced his plan for the City Manager's Weekly Wrap and Monthly Wrap reports, which will contain the highlights of activities in all departments
- Reminded Council of the Council-City Manager-City Attorney Team Building Retreat on September 14.
- Reported that he had attended the Sausalito Historical Society Luncheon fundraiser, which was an excellent event
- Noted the sad community news of the deaths of Phil Frank and Laurel Burch
- Thanked Scott Paulin, Mary Wagner, Louise Ho and Kevin Bryant for the information and orientation they provided to him on the start of his employment as City Manager

2. Future Agenda Items

- **Kelly** indicated the Council will consider holding a "catch up" meeting in October, to be discussed at the Team Building Retreat
- **Wagner** noted that items that might be on that agenda include the amendment to the MLK maintenance agreement; the Records Retention Schedule. Future regular meeting items would include consideration of amendments to some ordinances and the concept of one-stop permit shopping in the Community Development Department.
- **Leone** suggested that the more important items on the Pending/Not Scheduled portion of the list should be moved to occur sooner rather than later.
- **Kelly** suggested that Council work on prioritizing those items at the Retreat.
- **Belser** noted that the City's comments on the local housing allocations is due to be submitted to ABAG by September 21. (Politzer and other staff will submit that information.)
- **No public comment**

3. Receive and File Action Report from Finance Committee Meeting on August 22, 2007

- No comments by Council or public

4. Receive and File Action Report from Finance Committee Meeting on September 12, 2007

- No comments by Council or public

B. City Council Appointments, Council Discussions on Future Meetings & Events, and Councilmember Reports

1. City Council Appointments to Chair and Vice Chair positions for the five Business Vision Action Committees (*Assistant to the City Manager Kevin Bryant*)

ACTION: Motion to approve staff recommendations on Chair and Vice Chair positions

Approve staff recommendation to appoint Chair Hodgson & Co-Chair Westerling to Telecommunications Committee; to appoint Chair Rex to Harbor and Downtown Committee; with future decision on Co-Chair; to direct the Business Advisory Committee to confer with Colleen Palmer and Vicki Nichols on the Waterfront and Maranship Committee for clarification; to request the Business Advisory Committee to recommend candidates for a Co-

Chair for the Harbor and Downtown Committee; and to await recommendations on the Historical and Cultural Committee.

MOTION: Albritton SECOND: Belser

VOTE: Ayes 5-0

2. Upcoming City Council Events

- a. **City Council Discussion on Potential Dates on which to Schedule Separate Dinners with the Sausalito School District Board and the Willow Creek Academy Board**

CONSENSUS to offer possible dates on the first Thursday of either October or December

- b. **City Council discussion about setting special Council meeting in late September or early October**

CONSENSUS to discuss at the Team Building Retreat.

3. Councilmember Reports

ALBRITTON: Water Transit Authority; RBRA; Marin Telecommunications Agency

LEONE: Marin Telecommunications Agency

BELSER: MCCMC Legislative Committee; Historical Society Luncheon

WEINER: Golden Gate Ferry meeting

KELLY: Ceremony in San Francisco for Phil Frank on September 17; request from SHIP regarding downtown public dock; request from Cavallo Point Hotel to use SALLY Shuttle

Item No. 3 MINUTES & ACTION REPORTS OF PREVIOUS MEETINGS – Moved to end of agenda

A. Minutes of City Council Meeting of July 10, 2007

ACTION: Motion to approve as corrected Minutes of July 10, 2007

MOTION: Albritton SECOND: Kelly

VOTE: Ayes 5-0

B. Minutes of City Council Meeting of July 24, 2007

ACTION: Motion to approve as submitted Minutes of July 24, 2007

MOTION: Albritton SECOND: Belser

VOTE: Ayes 5-0

C. Action Report of City Council Meeting of September 4, 2007

ACTION: Motion to approve as corrected Action Report of September 4, 2007

MOTION: Albritton SECOND: Belser

VOTE: Ayes 5-0

Item No. 8 Adjournment 10:02 pm

The next City Council Regular meeting is scheduled for October 2, 2007

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<http://www.ci.sausalito.ca.us/business/council/index.htm>

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City of Sausalito
420 Litho Street, Sausalito, CA 94965
(415) 289-4100 www.ci.sausalito.ca.us

CITY COUNCIL

Mike Kelly, Mayor
Amy Belser, Vice Mayor
Paul Albritton, Councilmember
Jonathan Leone, Councilmember
Herb Weiner, Councilmember

MANAGEMENT TEAM

Adam Politzer, City Manager
Mary Wagner, City Attorney
Louise Ho, Finance Director
Diane Henderson, Interim Community Development Director
Todd Teachout, City Engineer
[VACANT], Parks & Recreation Director
Mary Richardson, City Librarian
Tom Birse, Public Works Director
Scott Paulin, Chief of Police
Denis Walsh, Fire Chief
Dale Vaughn, Administrative Services Manager
Kevin Bryant, Assistant to the City Manager
Rhett Redelings-MacDermott, Technology Manager
[VACANT], Parking & Transportation Manager

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