

**CITY OF LOS BANOS
CITY COUNCIL / REDEVELOPMENT AGENCY MEETING MINUTES
DECEMBER 20, 2006**

ACTION MINUTES – These minutes are prepared to depict action taken for agenda items presented to the City Council. For greater detail of this meeting refer to the electronic media (video, DVD and/or audiotapes) kept as a permanent record.

CALL TO ORDER: Mayor Jones called the City Council Meeting to order at the hour of 7:00 p.m.

PLEDGE OF ALLEGIANCE. Police Chief Gallagher led the pledge of allegiance.

ROLL CALL – MEMBERS OF THE CITY COUNCIL PRESENT: Council Members Brooks, Faria, Villalta and Mayor Jones

STAFF MEMBERS PRESENT: City Attorney Vaughn, City Clerk/Human Resources Director Mallonee, City Manager Rath, City Treasurer/Chief Financial Officer Wall, Fire Chief Guintini, Police Chief Gallagher, Public Works Director/City Engineer Chisam, Redevelopment Manager Post, Planning Manager LeVan, Interim Recreation Manager Jones, Translator Reyna

CONSIDERATION OF APPROVAL OF AGENDA: Motion by Brooks, seconded by Villalta to approve the agenda as submitted. The motion carried by the affirmative action of all Council Members present.

PUBLIC FORUM: MEMBERS OF THE PUBLIC MAY ADDRESS THE COUNCIL ON ANY ITEM OF PUBLIC INTEREST THAT IS WITHIN THE JURISDICTION OF THE CITY; INCLUDES AGENDA AND NON-AGENDA ITEMS. NO ACTION WILL BE TAKEN ON NON-AGENDA ITEMS. SPEAKERS ARE LIMITED TO A THREE (3) MINUTE PRESENTATION. DETAILED GUIDELINES ARE POSTED ON THE COUNCIL CHAMBER INFORMATIONAL TABLE. SHIRLEY NAPOLITANO, Los Banos, spoke in support for Joe Sousa or Mike McAdam for appointment to the vacant Council seat; KEITH SNOW, Los Banos, spoke regarding recycling, programs for schools, homeless shelter, housing for low income people, dump closure, equipment, wanting to talk to the Police Chief and the Mayor, and spoke in support of Joe Sousa for appointment to the vacant council seat; DIANA INGRAM, Los Banos, spoke regarding being one of the applicants for the vacant City Council seat and not wanting to be considered because of a conflict of interest; CHRIS CASTANEDA, Los Banos, spoke in support of Stephen Hammond for the vacant City Council seat; CHUCK MARTIN, Los Banos, spoke regarding the Christmas Eve Dinner at the Fire Station No. 1 from 11:00 a.m. to 3:00 p.m. invited all to attend and help out; an unknown person who didn't state their name spoke regarding the ad that was run for the vacant council seat as opposed to the ad run for the vacant commission seats, he feels that the City Council is rushing to fill the vacant City Council seat and suggested that they postpone the appointment for

a month and open it up for more people to come forward; PEG EYERMAN, Los Banos, spoke regarding the City of Los Banos and how it has grown and in support of Joe Sousa being appointment to the vacant Council seat; LUISA BOUNDS, Los Banos, spoke in support of Joe Sousa being appointed to the vacant Council seat; KATE SADLER, Ranchwood Homes, spoke regarding how they will be giving away hams and teddy bears at Ranchwood Office in Los Banos and stated on behalf of Ranchwood they wished all a happy and safe holiday; MIKE NEU, Los Banos, spoke in support of Joe Sousa to be appointed to the vacant Council seat and filling the need to fill the vacancy on the Parks & Recreation Commission. No one else came forward to speak and the public forum was closed.

APPOINTMENT OF CITY COUNCIL MEMBER VACANCY; CONFIRMATION OF VACANCY SELECTION PROCESS. Mayor Jones opened the floor for comments from the public. OBIE OBRIEN, Los Banos, stated that he was here tonight to speak on the appointing of City Council vacancy and not in support of setting policy to fill vacancies but leaving it open to each sitting Council to handle and a vacancy arouse. He spoke against selecting the next vote getter to fill the vacant City Council seat sighting past practices and outcomes and spoke in support of Joe Sousa being appointed to the vacant Council set. No one else came forward to speak.

Mayor Jones spoke to the voting process to fill the vacant Council seat to be every member of the Council will select two (2) names and then the City Clerk will tally up the top vote getters and then come back with the top two (2) vote-getters and then each member of the Council will choose one (1) person. If there happens to be a tie, we would go back to the first vote and whoever got the highest votes would get the appointment.

City Attorney Vaughn stated that each Council Members vote will be announced in the public and in the end to make the appointment you will need to make a motion to appoint a certain candidate approved by a majority vote.

Motion by Brooks, seconded by Faria to confirm the voting process as stated by Mayor Jones and City Attorney Vaughn. The motion carried by the affirmative action of all Council Members present.

CANDIDATE PRESENTATIONS. LEANN CROKER, STEPHEN HAMMOND, MIKE McADAM and JOE SOUSA spoke in this order regarding why they would like to be appointed to the vacant City Council seat.

Mayor Pro Tem Brooks spoke regarding the candidates who applied for the vacant seat and as to why she is voting the way she will be voting.

CONSIDERATION OF COUNCIL MEMBER APPOINTMENT. After receiving the ballots from each Council Member, City Clerk Mallonee read each Council Members nominations as follows: Council Member Villalta voted for Stephen Hammond and Joe Sousa; Council Member Faria voted for Stephen Hammond and Joe Sousa; Mayor

Jones voted for Leann Croker and Stephen Hammond; Mayor Pro Tem Brooks voted for Stephen Hammond and Mike McAdam.

City Clerk Mallonee read the nomination results as follows: Leann Croker with one (1) nomination, Stephen Hammond with four (4) nominations, Mike McAdam with one (1) nomination, and Joe Sousa with two (2) nominations.

City Clerk Mallonee re-distributed the list which included the two (2) top vote getters: Stephen Hammond and Jose Sousa with each Council Member to choose one (1) name.

After receiving the ballots from each Council Member, City Clerk Mallonee read each Council Member's nominations as follows: Mayor Pro Tem Brooks voted for Stephen Hammond; Mayor Jones voted for Stephen Hammond; Council Member Faria voted for Joe Sousa; Council Member Villalta voted for Joe Sousa.

Council Member Faria spoke as to why he voted for Joe Sousa. Council Member Villalta spoke as to why he voted for Joe Sousa. Mayor Jones spoke as to why he voted for Stephen Hammond.

Motion by Jones, seconded by Brooks to appoint Stephen Hammond to the vacant Council Member. Council Member Faria spoke regarding how he feels Joe Sousa would be better suited for the vacant Council Member seat because of his experience; Council Member Villalta echoed Council Member Faria's comments and recognized Leann Croker for the contributions to the community and thanked her for applying for the vacant seat and also thanked Mike McAdam for all his years of public service, and spoke regarding Joe Sousa and why he would like to see him appointed to the City Council vacancy because of his knowledge and experience. The motion did not pass because of the tie roll call vote as follows: AYES: Brooks, Jones; NOES: Faria, Villalta, ABSENT: None.

Mayor Pro Tem Brooks spoke regarding how she does not want this to come to a deadlock vote, she would be honored to work with either of them, and would entertain a motion for the other candidate.

Motion by Faria, seconded by Villalta to appoint Joe Sousa to the vacant Council Member seat. The motion carried by the following roll call vote. AYES: Brooks, Faria, Villalta, Jones; NOES: None; ABSENT: None.

At this time City Clerk Mallonee requested a short recess to prepare the Oath of Office for the newly appointment Council Member.

ADMINISTRATION OF OATH OF OFFICE TO APPOINTMENT CITY COUNCIL MEMBER. City Clerk Mallonee administered the oath of office to Council Member Joe Sousa.

Council Member Sousa took his seat at the dais.

CONSIDERATION OF APPROVAL OF CONSENT AGENDA.

Motion by Villalta, seconded by Sousa to remove 7E3, Resolution No. 4810 – Approving the Adding of an Economic Element and the Associated Costs as Part of the General Plan Update, from the consent agenda to be considered separately. The motion carried by the affirmative action of all Council Members present.

Motion by Brooks, seconded by Sousa and carried, items on the consent agenda were approved, by the affirmative action of all Council Members present as follows: Minutes for the City Council Special Meeting of November 27, 2006, City Council/Redevelopment Agency Meeting of December 6, 2006, City Council Special Meeting of December 12, 2006; Check Register for #95951 - #96316 in the Amount of \$2,845,274.61; Request for Waiver of Business License Fee for Victory Outreach; Progress Payment No. 1 to Greg Opinski Construction, Inc. in the amount of \$469,000 for the Los Banos Child Development Center Project; City Council Resolution No. 4808 – Amending Division 4, Salary Schedule Relating to Changes Associated with Section H – Police, to Include a Dispatch Supervisor Position; City Council Resolution No. 4809 – Accepting Final Tract Map #2005-07, Court of Fountains, and Subdivision Improvement Agreement; ~~City Council Resolution No. 4810 – Approving the Adding of an Economic Element and the Associated Costs as Part of the General Plan Update;~~ Resolution No. 4811 – Approving the Submittal of a Safe Routes to School (SRTS) Grant Application to CalTrans and Authorizing the City Manager to Sign all Necessary Documents Related to the Grant.

RESOLUTION NO. 4810 – APPROVING THE ADDING OF AN ECONOMIC ELEMENT AND THE ASSOCIATED COSTS AS PART OF THE GENERAL PLAN UPDATE.

Council Member Villalta stated that he would like this item to be tabled until additional information is brought forward.

There was Council Member discussion regarding this being a part of the general plan concept and if the City surveys would be included in the Economic Development Plan, if the funds were available for the addition of the Economic Element to the General Plan Update, applying for grants, not being opposed to the idea just wanting more information, if there are deadlines to be met and when they need a commitment, and having the consultants come to the next Council Meeting to present the item.

Motion by Faria, seconded by Villalta to continued this item, Resolution No. 4810 – Approving the Adding of an Economic Element and the Associated Costs as Part of the General Plan Update, to the January 3, 2007 Council Meeting for consideration. There was additional Council Member discussion regarding this being a vital part of the General Plan Element, what other information they would be seeking, more detailed breakdown of information and financial breakdown and wanting to return the economic development locally. The motion carried by the affirmative action of all Council Members present.

PUBLIC HEARING – CONSIDERATION OF AMENDMENTS TO THE HOME REHABILITATION/INCOME REUSE GUIDELINES; RESOLUTION NO. 4812 –

APPROVING AMENDMENTS TO THE HOME HOUSING REHABILITATION/INCOME REUSE PROGRAM GUIDELINES. Redevelopment Manager Post presented the staff report, speaking specifically to the program guidelines.

The public hearing was opened. No one came forward to speak and the public forum was closed.

Motion by Brooks, seconded by Faria to approve Resolution No. 4812, approving amendments to the HOME Housing Rehabilitation/Income Reuse Program Guidelines. The motion carried by the following roll call vote: AYES: Brooks, Faria, Sousa, Villalta, Jones; NOES: None; ABSENT: None.

PUBLIC HEARING – CONSIDERATION OF AMENDMENTS TO THE MICROENTERPRISE ASSISTANCE PROGRAM GUIDELINES, MICROENTERPRISE LOAN FUND GUIDELINES/MICROENTERPRISE AND BUSINESS LOANS REVOLVING LOAN ACCOUNT GUIDELINES AND THE MICROENTERPRISE BENEFIT TRACKING AND COST ALLOCATION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FOR ECONOMIC DEVELOPMENT; RESOLUTION NO. 4813 – APPROVING AMENDMENTS TO THE MICROENTERPRISE ASSISTANCE PROGRAM GUIDELINES, MICROENTERPRISE LOAN FUND GUIDELINES/MICROENTERPRISE AND BUSINESS LOANS REVOLVING LOAN ACCOUNT GUIDELINES AND THE MICROENTERPRISE BENEFIT TRACKING AND COST ALLOCATION PLAN. Redevelopment Manager Post presented the staff report and introduced Christina Smith from MCAG who also spoke regarding the program.

There was Council Member discussion regarding this being a secured loan, developing a business plan with no partners, ongoing education, this being a term project only, liking the standards for establishing economic benefits, who the target income group is, and the low income requirements.

The public hearing was opened. No one came forward to speak and the public hearing was closed.

Motion by Brooks, seconded by Sousa to approve Resolution No. 4813, approving amendments to the Microenterprise Assistance Program Guidelines, Microenterprise Loan Fund Guidelines/Microenterprise and Business Loans Revolving Loan Account Guidelines and the Microenterprise Benefit Tracking and Cost Allocation Plan. The motion carried by the following roll call vote: AYES: Brooks, Faria, Sousa, Villalta, Jones; NOES: None; ABSENT: None.

MEASURE P OVERSIGHT COMMITTEE REPORT. Fire Chief Guintini presented the Measure P Oversight Committee Report, noting that two (2) members have been replaced, noting that the members leaving were replaced, Teresa Bartholome and Loretta Garcia the new members are Bill Marchese and Gary Caropreso.

Motion by Faria, seconded by Sousa to accept the Measure P Oversight Committee Report as submitted. The motion carried by the affirmative action of all Council Members present.

CONSIDERATION OF APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH LOCKHEED MARTIN SERVICES, INC. REGARDING MOBILE DIGITAL COMPUTER (MDC) PROJECT AND AUTHORIZATION TO PROCEED WITH PHASE A – NEEDS ANALYSIS; RESOLUTION NO. 4814 – ACCEPTING THE SOLE SOURCE CONTRACT WITH LOCKHEED MARTIN SERVICES, INC. AND APPROVING TASK ORDER FOR PHASE A OF THE MOBILE DIGITAL COMPUTER DISPATCHING SYSTEM. Police Chief Gallagher presented the staff report explaining why he and Fire Chief Guintini are recommending approval of the MDC project. He is asking Council to take a look at what they are proposing and direction on to proceed and he would like to come back at the next Council Meeting for consideration of approval of the contract.

There was Council Member discussion regarding this being the right thing to do, a great program, the estimate not including materials and how much the materials might cost, cameras in vehicles, excellent idea to protect the citizens and the community and glad to see this finally moving forward, this being a 18 month project, if this system will coordinate with the Safe Route to Schools Program, why the travel budget is about 1/3 of the cost, if they are radio frequency cameras and if there will be interference within the City, requiring FCC licensing, if there is money set aside in the Measure P program for this type of program implementation, look at implementing impact fees to help fund this system, how much the entire program will cost.

By consensus of the City Council, staff was directed to move forward with the MDC concept as presented and to bring back Resolution No. 4814 – Accepting the Sole Source Contract with Lockheed Martin Services, Inc. and Approving Task Order for Phase A of the Mobile Digital Computer Dispatching System.

CONSIDERATION OF A MULTI-JURISDICTIONAL SOLID WASTE PROGRAM; RESOLUTION NO. 4815 – ADOPTING AND APPROVING THE SECOND AMENDED AND RESTATED JOINT POWERS AGREEMENT FOR THE MERCED COUNTY REGIONAL WASTE MANAGEMENT AUTHORITY; RESOLUTION NO. 4815 – ADOPTING AND APPROVING THE SECOND AMENDED AND RESTATED JOINT POWERS AGREEMENT FOR THE MERCED COUNTY REGIONAL WASTE MANAGEMENT AUTHORITY. Public Works Director/City Engineer Chisam presented the staff report.

There was Council Member and staff discussion regarding closing the dump, interim contractor for 18 months until we find a long term company, short term contract would cost more than a long term contract, keep current cans and add a third, resolution to reaffirm the JPA, what the Council overall goals are, if we've looked at other alternatives, what will happen if we shut Billy Wright Land Fill and if it will increase the rates, MCAG determining that this is the most economical and efficient way to deal with

the waste, would we get a credit for the recyclables, wanting to look at other options, when did we learn that this problem is coming up and how long have we been working on it, recycling and money coming back to the City and if green waste is compost and then sold, recycling being a cost and the need to be subsidized, if a third truck would be coming by and if that would amount to added costs, the resolution is for thirty (30) years with no fee structure included, wanting more information and alternatives, the \$1.50 fee added to the utility bill a few years ago which has about for this just issue and how much collected to date, residential recycling only not for businesses, current agreement with Allied Waste is for another two (2) years, expansion of the land fill, background on the project, liking the idea of the City looking at recycling themselves to save money and create jobs, other jurisdictions having one truck that dumps all – garbage, green waste, recyclables - into one truck, if we don't go forward with MCAG now would we miss the opportunity for the bond funding for this project, what the cost increase would be for the next couple of year might look like, if there is there an out clause and how limited it is, how much time we have to make a decision, wanting to see some type of rate structure, if we are looking to join the JPA to offset the expense, if we don't go with the JPA would we watch our solid waste costs skyrocket, how our rates compare with Atwater and Merced.

City Manager Rath proposed to have the JPA come to the next Council Meeting and present the whole plan concept so that the Council can better decide, noting that MCAG will count us in until we count ourselves out.

Motion by Sousa, seconded by Villalta to continue this item to the January 3, 2007 Council Meeting. The motion carried by the affirmative action of Council Members present.

REDEVELOPMENT AGENCY UPDATE. Redevelopment Manager Post stated that at the January 3, 2007 meeting the Synthesis Group will be speaking regarding a project they are working on in the downtown area.

ADVISEMENT OF PUBLIC NOTICES (FOUR REPORTS) Planning Manager LeVan reported that a Public Hearing will be held at the Planning Commission meeting on December 27, 2006 at 7:00 p.m. to consider the installation of a 40 foot flag pole at the Mission Village south sales office in R-1 (Los Density Residential) zone district. The project is located at 207 Las Palmas and East B Street.

Planning Manager LeVan reported that a Public Hearing will be held at the Planning Commission meeting on December 27, 2006 at 7:00 p.m. to consider a Vesting Tentative Parcel Map to allow the division of 28.1 acres into four (4) parcels: Parcel 1 = .94 acres, Parcel 2 + .4 acres, Parcel 3 = 1.08 acres, and Parcel 4 + 25.59 acres. The project site is located at the northeast corner of Mercey Springs Road and Pioneer Road extension, APN 083-100-016.

Planning Manager LeVan reported that a Public Hearing will be held at the Planning Commission meeting on December 27, 2006 at 7:00 p.m. to consider a Vesting Tentative Parcel Map to allow the division of 15.9 acres into three (3) parcels; Parcel 1 +

2.8 acres, Parcel 2 + 5.15 acres and Parcel 3 + 7.95 acres. The project site is located at the northwest corner of Place Road and B Street, APN 428-010-003.

Planning Manager LeVan reported that a Public Hearing will be held at the Planning Commission meeting on December 27, 2006 to consider an amendment to a Condition for Resolution No. 4610 in regards to Vesting Tentative Tract Map #2005-05 for the Villages at Stonecreek IV.

CITY MANAGER/EXECUTIVE DIRECTOR REPORT. Spoke regarding working with staff to put together workshops that touch upon Land Use & Housing: General Plan Land Use Designations, General Plan Update, Redevelopment Agency, Projected Growth Numbers for Housing and Population, Current Housing Inventory; Public Facilities: Wastewater Treatment, Water Supply, Storm Water Drainage; Circulation & Transportation: Traffic/Circulation System, Proposed Highway 152 Bypass, Airport Facilities; Other Agencies: Fire & Police Departments, School Districts, Grasslands Water district, Central California Irrigation District, Merced Association of Governments. He noted that the workshops are tentatively scheduled for January 8, 2007, January 16, 2007, January 29, 2007 and February 5, 2007 and to be held at 6:00 p.m. at the Police Annex.

CITY COUNCIL / REDEVELOPMENT AGENCY MEMBER REPORTS.

TOM FARIA: State that the High School Choir Concert was quite successful and quite a nice evening, with the Junior High Choir Concern to be held tomorrow night. He thanked the people who helped track down those who attacked the Gargano's. He spoke regarding the great holiday open house held right before this Council Meeting and thanked staff preparing for the event. He noted that Zina Holden's family had a Christmas tree lot and is donating all the trees that were not sold today. He noted that he is looking forward to the Community Center Project coming to us soon for consideration and approval.

MIKE VILLALTA: Congratulated Nick Steitz on becoming a San Francisco 49er. Thanked the Fire Department for hosting the City Dinner and having your people cook and thanked the City Clerk/Human Resources Director for all that she did. He also thanked staff thanked for the Open House earlier this evening and wished all a Merry Christmas and Happy New Year. He was glad to see Joe Sousa be appointed to the City Council and complimented all the Council Members for coming together on the issue.

JOE SOUSA: Thanked the Council for the vote of confidence by the appointment. He thanked the citizens who came and said nice things about him me, he was very honored and thanked wife, son and daughter-in-law for supporting him. He wished all a very Merry Christmas

MAYOR PRO TEM ANNA BROOKS: Congratulated Joe Sousa on his appointment to the City Council, adding that it will be an honor to work with him. She spoke about Breakfast with Santa and how great event was, thanking the Parks & Recreation

Department for putting that all together. She reminded all about the Christmas Eve Dinner sponsored by Kiwanis being held on December 24, 2006 from 11:00 a.m. to 3:00 pm noting that they are still looking for volunteers who may start showing up at 7:00 a.m. She wished all a Merry Christmas to all and a Happy New Year.

MAYOR TOMMY JONES: Thanked all the citizens from Los Banos who went over and spoke in support of the Los Banos Bypass at the OneVoice meeting, He stated that he has spoke with staff about talking to investor to discuss investing their money into buildings to bring economic development into the community. He stated that he received an email about RVs and boats in front yards on grass and asked staff to look into addressing and to remember the handicap kids when processing building permits. He thanked all those who came out tonight to attend the Holiday Open House and to the STAR program for participating and performing. He congratulated Joe Sousa on his appointment to the City Council.

MISCELLANEOUS INFORMATION IN COUNCIL PACKET, NO ACTION NECESSARY.

ADJOURNMENT. The meeting was adjourned at the hour of 10:18 p.m.

APPROVED:

Tommy Jones, Mayor

ATTEST:

Lucille L. Mallonee, City Clerk