

MINUTES
SARATOGA CITY COUNCIL
SPECIAL MEETING
JULY 6, 2006

The City Council conducted a site visit at 5:00 P.M. at Blaney Plaza – Highway 9 & Saratoga-Sunnyvale Road. At the meeting City Council directed staff to move forward with improvements at Blaney Plaza. Work includes demolition of existing hardscape to improve ADA access and landscaping improvements for beautification. Additional improvements include small sitting tables with chess boards, benches, and rehabilitation of existing retaining walls. In order to complete the improvements to the Plaza prior to September 1st, 2006, Council directed staff to be the general on the project.

Mayor Kline called the Special City Council meeting to order at 6:00 p.m.

ROLL CALL

PRESENT: Councilmembers Kathleen King, Nick Streit, Ann Waltonsmith,
Vice Mayor Aileen Kao, Mayor Norman Kline
ABSENT: None
ALSO Dave Anderson, City Manager
PRESENT: Barbara Powell, Assistant City Manager
Cathleen Boyer, City Clerk
Michele Braucht, Administrative Services Director
John Livingstone, Community Development Director
John Cherbone, Public Works Director
Joan Pisani, Recreation Director

REPORT OF CITY CLERK ON POSTING OF AGENDA FOR JULY 6, 2006

Cathleen Boyer, City Clerk, reported that pursuant to Government Code Section 54954.2, the agenda for the meeting of July 6, 2006, was properly posted on June 29, 2006.

ORAL COMMUNICATIONS

The following people requested to speak at tonight's meeting:

Citizen Ray reported a dead pine tree at Fruitvale and Big Basin Road and two at Quito and Sobey Road. Citizen Ray also noted that he supported soccer fields at Kevin Moran Park.

Kathleen Casey stated that she feels the Village Plan is not acceptable and would not support a plan similar to Santana Row. Ms. Casey requested that Oak Street be dedicated to Olivia de Havilland. Ms. Casey also requested that the Finance Commission be reestablished.

COUNCIL DIRECTION

Responding to Citizens Ray’s comments, Councilmember Waltonsmith requested staff follow up on the dead trees. In regards to Ms. Casey’s comments, Councilmember Waltonsmith noted that the Oak Street issue was at the Heritage Preservation

Commission. In regards to the Village Plan, Councilmember Waltonsmith noted that a committee has been reviewing the Plan.

ANNOUNCEMENTS

Due to the recent news of traces of the West Nile Virus in the Golden Triangle, Mayor Kline announced that tonight from midnight to 4:00 a.m. Vector Control would be spraying that area.

NEW BUSINESS

1. ALLOCATION OF ONE-TIME FUNDS

STAFF RECOMMENDATION:

Accept report and allocate funds in accordance with priority setting exercise.

Michele Braucht, Administrative Services Director, presented staff report.

Director Braucht explained that on May 3, 2006 during the public hearing on the FY 2006-07 operating budget, Council requested that the allocation of one-time funds be addressed at a separate meeting and not be included in the FY 2006-07 budget process.

Director Braucht stated that there were three unique one time sources of revenue discussed in this section. The first is from the State of California and is a repayment of the VLF fee distribution to the city that was suspended for the months of Aug-Oct in FY 2003-04; \$516,900. The second is a staggered repayment by the State of California in the amount of \$260,100 per year in both FY 2005-06 and FY 2006-07 that was “borrowed” from the cities and referred to as ERAF III Deduction. The third source of one time revenues is from the Association of Bay Area Governments (ABAG) for reimbursement of statutory disability payments from 1989 to 2005, with interest earnings in the amount of \$176,400.

Source of One-Time Funds:

FY 2005-06 One Time State VLF Reimbursement	\$516,900
FY 2006-07 State Repayment of "Take-Away"	\$520,200
ABAG Workers Compensation Settlement	<u>\$176,400</u>
Total	\$1,213,500

Director Braucht stated that as shown in the following table, \$322,600 of these one time funds are recommended to be allocated to one time reserves, and prior City obligations. An allocation of \$260,100 to the Economic Reserve for Uncertainty would restore the balance to \$1,500,000. Using \$65,200 to set up a retiree’s medical benefit account would bring the account current as of June 30, 2006.

Allocation to Reserves and Trust Account

One Time source of Funds	1,213,500
Less:	
Restore Economic Reserve for Uncertainty to \$1,500,000	(260,100)
Fund Retiree's Medical Benefit Account for FY 2001-2006	(62,500)
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Remaining One Time Funds	890,900

Director Braucht stated that with no action on the part of Council the remaining balance of \$890,900 would be added to the General Fund undesignated fund balance.

City Clerk Boyer stated that staff recommends that Council take the follow steps to determine the allocation of one-time funds:

1. Accept Public Testimony
2. Record Request for Funds From the Public
3. Council Questions/Discussion
4. Council Generated Items
5. Priority Setting Exercise (dot voting)
6. Threshold Determination
7. Conclusion

The following people requested to speak on this item:

Christine Wasmund, Director of KSAR 15, requested that the City Council allocate \$21,000 for the following projects:

- Old Council and Planning Commisison tapes conversion to DVD
- DVD conversion to streaming video
- Real time indexing of City Council meetings
- Video services of special events

Rilene Simpson, Chamber of Commerce, requested that the City Council allocate \$20,000 for the following projects:

- City purchase 2,500 copies of Map of Saratoga
- Celebrate Saratoga out of pocket expenses
- City sponsorship for new Celebrate Saratoga Teen Area

Genie Dee, Director of SASCC, requested that the City Council allocate \$54,320 for the following projects:

- Replacement of chairs and tables in the Adult Care Center
- New storage area
- Computer lab upgrades
- Renovations to the Adult Care Center

Bruce Euler suggested that the Council allocate funds towards street maintenance.

Lon Saavedra, Executive Director of Hakone Foundation, requested that the City Council allocate \$250,000 to help build a visitor center.

Marilyn Marchetti representing SVDC, requested that the City Council allocate funds to help replace news racks and the directory, flower pots, and install a public bathroom in the Village.

Mary Robertson suggested that the Council allocate funds towards the following:

- Roads
- Adult Care Center
- Dare program
- Bring back the quarterly publication of the Saratogan
- Restore City Commissions
- North Campus maintenance
- Bathroom Upgrade at the North Campus

Jeff Schwartz suggested that the Council allocate funds towards building renovations at the North Campus. Mr. Schwartz also requested that the City Allocate \$250K of the \$890K funds be set aside for a game field at alternative soccer field locations(s).

Marci Hayden, Director of City Relations of the Wildlife Center of Silicon Valley, requested \$10,000 for the following projects:

- Animal intensive care units
- Animal care exposed to the West Nile Virus

Peter Marra requested that Council install a permanent sign at the North Campus.

Kathleen Casey suggested that Council allocate funds towards the following items:

- Open Space
- Creek clean up

Cheriel Jensen requested that Council allocate funds towards the following projects:

- North Campus
- Hard wood floor in the recreation classrooms
- Teen Center

Priscilla Ho reported stagnate water at the railroad crossing at Cox Avenue. Mrs. Ho expressed her concern about the possibility of mosquitoes becoming a problem at that location. Ms. Ho requested that Council allocate money to remedy this problem.

Mike Story noted that he supported North Campus building renovations.

Marty Goldberg noted that he supported one time funds to go towards the following projects:

- North Campus
- Restore City Commissions
- Roads
- Senior and Teen Center

Citizen Ray suggested funds be allocated for improvements on Highway 9 @ Aloha Avenue.

KLINE/WALTONSMITH MOVED TO ALLOCATE \$260,100 TO RESTORE ECONOMIC RESERVE FOR UNCERTAINTY AND \$62,500 TO FUND RETIREE'S MEDICAL BENEFIT ACCOUNT FY 2001-2006. MOTION PASSED 5-0.

A discussion took place amongst the Council to decide how to allocate \$890,000 of the remaining one time funds.

Councilmember Streit suggested allocating \$800,000 to future capital improvement projects and continuing the discussion at the July 19th meeting when staff will present the CIP and allocate \$90,900 towards third party requests.

At 8:10 p.m. Councilmember Streit excused himself from the meeting.

Vice Mayor Kao expressed her opposition of Councilmember Streit's suggestion of placing the \$800,000 in the CIP.

A discussion took place regarding the allocation of \$90,900 to the 3rd party requests for funding.

Mayor Kline suggested cutting the Wildlife Center's request of \$5,000 to purchase incubators and fund all other requests at 90% stating that it would total \$90,900.

Councilmember King noted that she supported Mayor Kline's suggestion.

KAO/KLINE MOVED TO FUND 3RD PARTY REQUEST AT 90% OF THE FUNDS REQUESTED, WITH THE EXCEPTION OF THE WILDLIFE CENTER'S REQUEST OF \$5000 WAS NOT FUNDED. MOTION PASSED 3-0-2 WITH WALTONSMITH AND STREIT ABSENT. (SEE ATTACHED DRAFT SPREAD SHEET FOR SUGGESTED FUNDING ALLOCATION)

Mayor Kline thanked everyone for attending tonight's meeting.

ADJOURNMENT

There being no further business Mayor Kline adjourned the meeting 8:30 p.m.

Respectfully submitted,

Cathleen Boyer, CMC
City Clerk