

**LARKSPUR CITY COUNCIL
SPECIAL MEETING
MINUTES
MARCH 16, 2006**

AMENDED

CITY COUNCIL: PRESENT: Mayor Larry Chu, Ron Arlas, Kathy Hartzell,
Dan Hillmer, Joan Lundstrom

STAFF: PRESENT: City Manager Jean Bonander, City Attorney
Sky Woodruff, Finance Officer Ernie Hutchings,
Planning Director Nancy Kaufman, Public Works
Director Hamid Shamsapour, Fire Chief Bob
Sinnott, Recreation Director David Wilkinson,
Library Director Frances Gordon, City Clerk
Cynthia Huisman, Twin Cities Police Captain
Mike McDuffee, Accountant Amy Koenig

Mayor Chu called the meeting to order at 5:34 p.m.

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF CONSENT CALENDAR

The City Clerk certifies that this Agenda has been posted in accordance with the requirements of the Government Code

Approval of Warrants

M/s, Lundstrom/Hillmer and approved 5-0 to approve the Consent Calendar as submitted.

CITY MANAGER'S ORAL REPORT

The City Manager announced to the public that dinner was available in her office. She discussed the activities of the State Legislature and stated the Infrastructure Bond has been "on again, off again" and is now off until possibly November. The Legislature could not agree on what elements might be included in the bond or the total dollar amount. This is not good news for local government since there was potential funding for repair of civic buildings, etc. She, along with representatives from the Twin Cities Police Council and the architect, interviewed project managers for the Twin Cities Police Facilities Project.

The interviews went well and they are checking references on a preferred entity. This is good news and would help move the project along. The City Council would hold a Special CLASP Public Hearing on March 29th to discuss housing ranges. The next Regular Council meeting would be held on April 5th. The next MCCMC meeting would be held on March 22nd in Novato.

COUNCILMEMBER REPORTS AND COMMENTS

Councilmember Lundstrom discussed a letter that was sent from BCDC to the State Department of Corrections regarding the San Quentin Death Row Facility. BCDC has concerns about the views from Sir Francis Drake Boulevard (a scenic roadway) to the bay and views from the bay to the hillside. They are also concerned about the public access component. The Department of Corrections will be holding Public Hearings in June. She would like staff to draft a letter about the need for traffic control during construction. Councilmember Arlas stated the prison is proposing to place buoys out about 200 yards and declare it a "No Go Zone". He is concerned about the impact to the Rowing Club. Councilmember Lundstrom stated the Coast Guard issues permits on buoys and she would check into this.

Councilmember Hartzell reported that the MCCMC Legislative Committee met to discuss potential legislation that would eliminate local review on second units. There is another bill on the "watch list" regarding inverse condemnation. It could affect CalTrans because it would require that the entity must maintain and operate the land in perpetuity.

Councilmember Hillmer reported on a recent Marin Telecommunications Agency meeting. Currently, each jurisdiction receives a franchise fee based on subscriber numbers. They are about to sign a new cable franchise deal for ten years with Comcast and there is an issue working its way about the Board of Directors about modifying the way the money is collected before it is distributed to the cities. He is concerned about the potential for any JPA to reduce the revenue stream that directly flows into a local jurisdiction. He would like the Council to draft a Resolution reaffirming the policy that franchise fees flow directly to local jurisdictions.

Mayor Chu reported there would be a Draft Resolution coming before the Council officially recognizing the Library Board Steering Committee.

PUBLIC COMMENT

There were no comments.

PUBLIC HEARINGS

None

BUSINESS ITEMS

1. FISCAL WORKSHOP- DISCUSSION OF CURRENT AND FUTURE FINANCIAL ISSUES AFFECTING LARKSPUR

The City Manager presented the staff report and discussed the following topics: 1) The 2005-06 Fiscal Year, 2) The 2006-07 Fiscal Year and the key tasks and issues: a) Land Use, b) Staffing, 3) Capital Infrastructure, 4) Future Fiscal Issues, 5) Revenue, 6) Disaster Preparedness/Recovery/Hazard Mitigation.

Mayor Chu asked for comments regarding the FY 2006-07 Capital Infrastructure and possible strategies. He stated one of the biggest priorities for the Council was the funding of the Twin Cities Police Facility. He stated he received an e-mail from Councilmember Lundstrom regarding setting up a campaign, timing issues, polling for community support, etc.

Councilmember Lundstrom stated they were making progress on what the Police Facility would look like and where the Corporation Yard would be located. She was concerned about the other components of this issue and stated they need to map out a strategy and start a campaign to involve the community. They also need to figure out how the facility would interact with the park.

Councilmember Hillmer stated the Twin Cities Police Facility issue would be decided in conjunction with the Town of Corte Madera but the Public Works Facility is a separate Larkspur issue.

Councilmember Arlas discussed the search for a Twin Cities Police Facility project manager and stated this individual would help with funding strategies. One of the ideas is that the Twin Cities, as an entity, would create a budget line item for maintenance and operations. The facility would not be the sole responsibility of the City of Larkspur. Councilmember Hillmer stated they would create a "ground lease" with the Twin Cities Police Department. Councilmember Arlas stated the Twin Cities would become a stand-alone agency. Councilmember Hillmer stated this would be a more effective cost-sharing model.

The City Manager stated the current facility has been in Larkspur for about 30 years, and owned and maintained solely by the City of Larkspur. The new facility would be a shared facility but Larkspur would continue to own the underlying property in perpetuity.

Mayor Chu stated the two facilities, even though funded separately, could not be treated as two separate components. The public should be shown two separate packages, one for the Twin Cities Police Facility and one for the other FY 2006-07 infrastructure needs.

The City Manager stated the Twin Cities Police Authority Facility is the number one priority but is intertwined with the Larkspur Public Works component.

Some of the site costs that would be incurred to allow the Twin Cities Police Facility to be built, including reconfiguration of the roadway into Piper Park and shared resources with the Tamalpais High School District, could be rolled in to a Bond Measure for the Twin Cities Police Facility. A portion of the Corporation Yard could be relocated to Redwood High School but there is a proposal for a new Public Works Facility that would include a Corporation Yard and a second floor with offices. This would be sited to the north of the Twin Cities Police Facility. This facility has a significant cost and could be included in another Bond Measure. She discussed other infrastructure needs including retrofitting of the City Hall building and Fire Station, and roads and storm drains. The Council has also discussed financing for “new stuff” including up to four acres of the Niven Property and a new Library Facility. She discussed the other Bond Measures slated for the November ballot that would be competing for those tax dollars.

Councilmember Hartzell stated it was very important to have the citizens behind these issues. She is not ready to accept that they have a multi-million dollar obligation for a new Public Works facility because she sees other opportunities that have not been explored. She stated a Corporation Yard facility could be built that is effective and cost-efficient while possibly relocating the administrative function of Public Works at City Hall. She was not ready to assume that a multi-million dollar office building was needed in Piper Park.

Councilmember Hillmer stated the biggest element of the Public Works Facility would be the storage of vehicles and not the office component.

Councilmember Hartzell stated it was very important to inform the public about the plans to accomplish all of the needs delineated in the Larkspur 2050 Report. She could not accept that they would be adding on to the Larkspur share of the Twin Cities Police Facility to pay for facilities they might not need.

Councilmember Hillmer agreed they should talk about the options. He stated land was very expensive and a two-story building could be the most cost-effective option.

The City Manager stated the site preparation and road and recreation facility components include realigning the road into Piper Park, moving the tennis courts, and the site improvements on the Tamalpais High School District property for the wash rack and materials storage. They would need to discuss alternatives very soon because of the interconnection with the Police Facility. Finding another location for a Corporation Yard would be quite difficult. Councilmember Hartzell stated that was not her suggestion.

Councilmember Lundstrom stated there seemed to be a consensus to review the site plan and possibly in conjunction with the Park and Recreation Commission.

Councilmember Arlas stated the only thing more precious than money was time. They have spent numerous meetings going over the site plan and reviewed drawings. Land is a finite resource and space is limited. He does not want to rehash this issue again. A two-story building is the most efficient use of this land.

Councilmember Lundstrom agreed there was only so much land available but this subject much stand up to public scrutiny.

Mayor Chu stated they need to get the Police Facility issue resolved and then start on the other issues- City Hall, a new Library, the acquisition of land. He stated they should draw the line between the Police Facility and the infrastructure. There are many unknown variables and he would like the Council to try to project out what additional revenue would be generated from the new developments in the eastern part of Larkspur. They can then start to look at cash flow projections in relation to the debt load.

Councilmember Arlas stated the City spends more to provide services to residential areas than is generated in revenue. The Twin Cities Police “agency” would help pay for site preparation and improvements. He would be willing to support a less expensive way to build a Public Works Facility. He suggested they combine specific projects into one large Larkspur bond rather than take a piecemeal approach.

Councilmember Hillmer asked staff when the project manager would be available to the City Council. The City Manager stated “within a month”.

Councilmember Lundstrom suggested they create a “mini” 2050 Committee to look at funding opportunities.

Mayor Chu agreed and stated they should get a small group of finance people to project out financial requirements for the future.

The City Manager stated Mr. Mark Pressman, bond counsel, could meet with the Council along with the new project manager to talk about some options. She stated she would look at this incrementally because Larkspur does not have that large of a population for a large bond. She stated they need to start thinking about the City Hall and Fire Station complex.

Councilmember Lundstrom stated many communities have passed a Municipal Tax to pay for streets, storm drains, staffing, etc.

Councilmember Arlas stated they need to look at the big picture- how the City will function, and how the revenue would be used (to service the bond money or go directly into operations).

Councilmember Hillmer stated they need to start putting these issues into the local newspapers.

Mayor Chu stated that in the next six to eight weeks they would have another discussion about bonding, taxation, and the “big picture” with Mr. Pressman.

Councilmember Lundstrom stated they should be thinking about a series of articles to submit to the local newspapers.

Councilmember Hillmer stated they should be thinking about alternate strategies.

Mayor Chu asked staff to comment on the staffing issues.

The City Manager stated she was looking at some small increases in staffing in the next fiscal year to accommodate the increased workload.

Mayor Chu discussed the issue regarding Disaster Preparedness/Recovery/Hazard Mitigation and stated he would like to see this move forward. Mayor Chu stated Councilmember Hartzell has previous experience as a County Planner and he has corporate experience in Business Continuity Planning. He suggested one or both of them could get this committee started. As Councilmember Hartzell declined, Mayor Chu agreed to take the committee on, working with Fire Chief Bob Sinnott and/or a designee from the Larkspur Fire Department.

Mayor Chu opened the meeting to public comments

Larkspur Fire Captain Jim Clark, Sycamore Avenue, stated he has worked for the department for 29 years and encouraged the Council to “pull the trigger” and do what was necessary to improve the crumbling infrastructure. The “pay as you go” approach would no longer work.

Ms. Marilyn River, Pepper Avenue, agreed with Mr. Clark and stated the Larkspur 2050 Committee Report recommended holding a major election to cover the infrastructure as a whole. It is important to have an expert come in and do an analysis of the assessed value of parcels in Larkspur to determine the most equitable way to fund the work. It was essential to identify the correct funding mechanism.

Public Works Director Hamid Shamsapour stated the City of San Rafael recently built a new Public Works/Corporation Yard Facility on land that they are leasing for 40 years. He stated Larkspur has a wonderful opportunity to build a facility on land that they already own.

Mayor Chu closed the meeting to public comments.

Mayor Chu thanked everyone for attending the meeting.

ADJOURNMENT TO CLOSED SESSION

The City Council and the City Manager adjourned to closed session at 7:55 p.m. to discuss the following item:

CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
(Government code Section 54956.9) McLeran Properties, LLC vs. City of Larkspur (Marin County Superior Court action number CV-05052)

ADJOURN MEETING TO REPORT ANY ACTIONS TAKEN

The Mayor adjourned to open session at 8:56 p.m. and indicated that the Council had taken no reportable action.

ADJOURN MEETING

The Mayor adjourned the meeting at 8:58 p.m.

Respectfully submitted,

Toni DeFrancis
Recording Secretary