



MINUTES

Meeting of the Scotts Valley City Council

Date: February 17, 2021

Time: 6:00 pm

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	Zoom Videoconference	The agenda was posted 2-12-21 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvally.org .

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:03 pm.

MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:

Derek Timm, Mayor
Jim Reed, Vice Mayor
Jack Dilles, Council Member
Donna Lind, Council Member
Randy Johnson, Council Member

CITY STAFF MEMBERS PRESENT:

Tina Friend, City Manager
Kirsten Powell, City Attorney
Steve Walpole, Chief of Police
Taylor Bateman, Community Development Director
Daryl Jordan, Public Works Director/City Engineer
Tracy Ferrara, City Clerk
Laurie Grundy, Finance Manager
Steve Toler, Financial Consultant

SPECIAL SET MATTER

Mayor Timm presented a Mayor's Proclamation to Police Captain Mike Dean, the 2020 City Employee of the Year.

COMMITTEE REPORTS

CM Lind reported that the Santa Cruz Metropolitan Transit District (SCMTD) Board met, and the Board learned that the sales tax numbers are consistent with projections and that CalPERS investments are higher than projected. She also reported that the SCMTD is helping transport seniors to their COVID vaccination appointments.

Date: February 17, 2021

CM Lind reported that the Criminal Justice Council met and they are continue to work on their enhanced focus of the criminal justice system to include systemic criminal justice reform efforts, gang violence, and youth violence prevention.

CM Dilles reported that the Seniors Advisory Council is hoping for additional funding from the federal government for existing seniors programs and they are hearing more about the newly adopted State Master Plan for Aging. Their next meeting on March 17th will include panel discussions about five main questions to be addressed in the State Master Plan for Aging.

CM Dilles reported that the Monterey Bay Air Resources District (MBARD) met and heard about challenging odor problems in the District and air quality monitoring in 2020.

CM Johnson reported that the Santa Cruz County Regional Transportation Commission (SCCRTC) met and voted on the Transit Corridor Alternative Analysis (TCAA).

Mayor Timm reported that the Town Center Opportunity Subcommittee received an update from a City consultant, who was hired to study the retail and economic needs for Scotts Valley. This report will be coming to the City Council for review in the future.

Mayor Timm reported that the Measure S Renovations Subcommittee met and they are continuing to work on plans for improvements to the Scotts Valley Library exterior and interior.

Mayor Timm reported that the COVID-19 Local Business Recovery Committee is continuing to work with the Scotts Valley Chamber of Commerce and local businesses to provide support throughout these difficult economic times. He reported on the success of the Scotts Valley Love Campaign that was held on February 13th to promote and encourage everyone to shop local. He also reported that Congressman Panetta and Congresswoman Eshoo will be sending staff representatives to attend the next Committee meeting to assist in providing information regarding the new federal programs that will be available.

CITY MANAGER REPORT

COVID-19 Update: Case counts and positivity rates are declining, however, there are concerns about a March surge due to new variants of the virus potentially moving into Santa Cruz County. Vaccines have been distributed throughout the County to Tier 1a recipients and we are now moving into Tier 1b which deals with occupations. At the City, Law Enforcement and Emergency Service Workers are included in Tier 1b, and the cities throughout the County are working to better define who will be included in Tier 1b.

Target Update: Target remains a high priority for the City and our Community Development Director, Taylor Bateman, is personally coordinating the project. Opening is still anticipated for 2022.

Date: February 17, 2021

SV Library: The Measure S Renovations Subcommittee is continuing to work on improvements to the Library and a virtual community open house is being planned for March to show the proposed improvement plans.

Budget: Budget season is beginning, starting tonight. Budget will be a part of many Council meetings between now and June to work through the steps that are required to process and produce a budget.

PUBLIC COMMENT TIME

Eric Nilsson, Bluebonnet resident, expressed concerns regarding noise due to the potential placement of reflectors on Bluebonnet Lane to assist in traffic management.

Elizabeth Johansen, Bluebonnet resident, expressed concerns regarding noise due to the potential placement of reflectors on Bluebonnet Lane to assist in traffic management.

Ilo Nilsson, Bluebonnet resident, expressed concerns regarding noise due to the potential placement of reflectors on Bluebonnet Lane to assist in traffic management.

David Jones, Bluebonnet resident, expressed concerns regarding noise due to the potential placement of reflectors on Bluebonnet Lane to assist in traffic management.

ALTERATIONS TO CONSENT AGENDA

M/S: Lind/Dilles

To approve the Consent Agenda.

Carried 5/0 (AYES: Dilles, Lind, Johnson, Reed, Timm)

CONSENT AGENDA

- A. Approve check registers dated 2-5-21, 2-11-21
- B. Approve Memoranda of Understanding (MOU):
 - (1) MOU between the City of Scotts Valley and the Scotts Valley Bargaining Unit for the period July 1, 2020 to June 30, 2021
 - (2) MOU between the City of Scotts Valley and the Scotts Valley Police Supervisors Association for the period July 1, 2020 to June 30, 2021
- C. Approve Resolution No. 1993 modifying the Police Recruitment and Retention Program to provide a new referral incentive for City employees and enhance the recruitment incentives for sworn entry-level and lateral applicants
- D. Approve the First Amendment to "Covenants, Restrictions and Option to Purchase" between City of Scotts Valley and Ryder Scotts Valley, LLC, the Developer for The Cove

Date: February 17, 2021

- E. Approve second reading and adoption of Ordinance No. 197, amending Title 9 of the Scotts Valley Municipal Code to add Chapter 9.06 regarding Targeted Residential Picketing

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Reed

To approve the Regular Agenda.

Carried 5/0 (AYES: Dilles, Lind, Johnson, Reed, Timm)

REGULAR AGENDA

1. **Receive reports and information regarding the FY 2021/22 Mid-Year Financial Report through December 31, 2020; approve amendments to the FY 2020/21 Annual Budget; consider adoption of guiding budget principles for use in preparing the FY 2021/22 Annual Budget; and, provide direction to the City Manager regarding preparation of the FY 2021/22 Annual Budget**

CM Friend and Financial Consultant Toler provided a staff report and presentation and responded to questions from Council.

Lisa Berkowitz, Meals on Wheels, requested that the Council consider providing funding in support of non-profits in the next fiscal year.

Council accepted the reports and information regarding the FY 2021/22 Mid-Year Financial Report through December 31, 2020.

After receiving Council comments regarding the *Budget Direction* section of the staff report, the majority of the Council agreed as follows:

- (1) Unfreeze the Senior Planner position for FY 2020/21 with staff to return with any classification adjustments for approval.
- (2) Staff positions that were frozen will be considered for reinstatement pending the outcome of revenue projections and resource availability as well as the evolving status of the pandemic's impact on regional health, safety, and impacts on commerce.
- (3) Review the possibility of setting aside funds to deal with unfunded liabilities and bring back a menu of options to Council for consideration.
- (4) No Community Program (Non-Profit) funding this fiscal year.

Council agreed to the following amendments proposed by CM Dilles to the Proposed Guiding Budget Principles for the FY 2021/22 Annual Budget:

- (1) Reserve Policies, Section 4: Add "...*beyond the first year.*" to the end of the sentence.

Date: February 17, 2021

- (2) Ongoing Resources and Operations, Section 9, change as follows:
 “Charges for services should ~~be sufficient to~~ maximize recovery of the full cost of related services, including direct operating costs, and other indirect costs such as capital and overhead costs. Recreation services will seek to fully recover costs where possible.”
- (3) Ongoing Resources and Operations, Section 10: Add “Discretionary...” to the beginning of the sentence.

M/S: Lind/Johnson

To approve Resolution No. 630.40.1 amending the FY 2020/21 Annual Budget.

Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)

M/S: Lind/Dilles

To approve Resolution No. 630.40.2 adopting Guiding Budget Principles as amended above for use in preparing the FY 2021/22 Annual Budget.

Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)

2. Overview of Pension Obligation Bonds and Applicability as a Fiscal Sustainability Tool

CM Friend and Financial Consultant Toler presented the written staff report and responded to questions from Council. This item was presented as an information only item and no action is required.

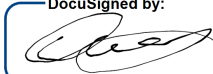
After receiving Council input, CM Friend stated that as the City is developing its FY 21/22 annual budget, staff will reach out to other agencies regarding this issue and look at potential strategies and options for Council consideration related to the budget and the City’s long-range fiscal sustainability plan.

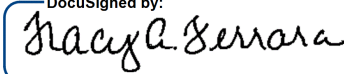
3. Future Agenda Items

None.

ADJOURNMENT

The meeting adjourned at 9:23 pm.

DocuSigned by:

 Approved: _____
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 Derek Timm, Mayor

DocuSigned by:

 Attest: _____
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 Tracy A. Ferrara, City Clerk