

**MINUTES OF MEETING  
CITY COUNCIL  
SALINAS, CA**

**JANUARY 20, 1998**

**COUNCIL MEETING:** The Salinas City Council convened in regular session in the Chamber Rotunda at 4:15 p.m. on the 20<sup>th</sup> day of January, 1998.

**ROLL CALL**

Present:

Mayor Alan Styles  
Councilmember Fernando Armenta  
Councilmember Anna Caballero  
Councilmember Jan Collins  
Councilmember Steve Ish  
Councilmember Juan Oliverez

Absent:

Councilmember Roberto Ocampo

**ALSO PRESENT**

City Manager Dave Mora  
City Attorney James Sanchez  
City Clerk Ann Camel

**PRESENTATION**

Marie Glavin, Monterey County Department of Social Services, gave a presentation on welfare reform measures.

**CONSENT RESOLUTION**

**CONSENT ITEM NO. 7, No Parking on East Market Street from King Street to Madeira Avenue**

Michael Cling, on behalf of Henry Hibino, stated Mr. Hibino supports alternative two, which would preserve parking. If the Council is inclined to approve left-turn pockets, Mr. Hibino will support the compromise alternative number 3. Alternative three would preserve parking on one side of the street, and the north side of East Market Street is the most impacted side of the street.

Mr. Nava, representing a store, stated he supported alternative number 2, because he only has two parking spaces.

Owner of business spoke in support of alternative 2, which would leave the design unchanged and keep parking on both sides.

Arturo Medina, on behalf of La Casa de Madera Cooperative, stated that a left-turn lane without a light would not make a difference.

Mr. Cling clarified that he misspoke when he stated that Mr. Hibino's preferred alternative is number 2. He prefers alternative 4, which is the split phase alternative. However, he will accept the compromise alternative number 3.

Rob Russell, Senior Civil Engineer, clarified that alternative 2 does not address rear end and sideswipe

accidents. Alternative 4, split signal phasing, would result in unacceptable traffic delays.

### **COUNCIL ACTION**

**Councilmember Caballero made a motion to adopt RESOLUTION 16423 approving alternative 3 which provides dedicated left-turn lanes; making lanes 12 feet instead of 14 feet; and preserving parking on the north side of Market Street. The motion was seconded by Councilmember Armenta and passed by unanimous vote of those members present.**

### **CONSENT ITEM NO. 13,**

Councilmember Caballero noted that the fourth paragraph of the letter, second sentence, appears to be missing a word and should be corrected.

### **COUNCIL ACTION**

**Upon motion by Councilmember Caballero and second by Councilmember Ish, Council voted to adopt the Consent Resolution by unanimous vote of those members present.**

The Consent Resolution contained the following items:

1. Proclaimed local emergency for the rate of HIV infections from injection drug users. The City Council declared a state of local emergency on October 11, 1994 and the rate of HIV infections from injection drug users in Salinas has not decreased. Government Code Section 8630 requires the City Council to review the need for continuing the local emergency at least every fourteen days.
2.
  - a. Approved minutes of January 13, 1998 regular session.
  - b. Approved minutes of January 13, 1998 closed session.
3. Approved Financial Claims report.
4. Adopted **RESOLUTION 16420** authorizing the direct purchase of one public safety vehicle for the Fire Department in the amount of \$23,296.85. (Finance)
5. Adopted **RESOLUTION 16421** approving amendment to Memorandum of Understanding between the City of Salinas and the Fire Supervisors Association. (Fire)
6. Adopted **RESOLUTION 16422** rejecting all bids for Vista Nueva Street Light Improvements, Project 9883 received December 16, 1997, and approve plans and specifications for rebids, to be opened on February 24, 1998. (Public Works)
7. Adopt **RESOLUTION** approving No Parking zones on E. Market Street, from King Street to a point 250 feet east of Madeira Avenue easterly curb line. (Public Works) **This item was voted on separately.**
8. Adopted **RESOLUTION 16424** accepting Harden Ranch Subdivision, Phase 3, public improvements for maintenance and responsibility; and accept public streets into City's street system. (Public Works)
9. Adopted **RESOLUTION 16425** authorizing the Mayor to execute Subdivision Agreement with Harrod Brothers, a limited partnership, approving final map, and accepting easements offered for dedication for Harden Ranch (South) Phase 4 Subdivision. (Public Works)

10. Adopted **RESOLUTION 16426** rejecting all bids and authorize the Mayor to sign a contract with Monterey Peninsula Engineering, Inc. for base bid and additive alternate #2 in the sum of \$1,185,132.40 and appropriate TFO as follows: N. Main Improvements, Project 9487 (\$120,000.00) and Alvin/Main Intersection Improvements, Project 9623 (\$50,000.00). (Public Works)
11. Approved proposed revisions to Yellow Bike Program including donation of bicycles to social service organizations and cooperation with a bike repair program with Washington Middle School. (P.W)
12. Adopted **RESOLUTION 16427** authorizing the Mayor to execute an amendment to Services Agreement for \$23,975 with Ken Wormhoudt Landscape Architect to complete plans and specifications for Natividad Creek Park BMX/Skateboard Course and adopted **RESOLUTION 16428** authorizing the Mayor to approve assignment of agreement with Ken Wormhoudt Landscape Architect a sole proprietorship to Ken Wormhoudt Landscape Architect Inc., a California Corp. (Rec-Park)
13. Authorized the Mayor to send a letter to the University of California Monterey Bay commenting on the University's proposed Master Plan, as corrected. (Administration)

## **PUBLIC HEARING**

### **1. Twin Creeks 9-Hole Golf Course; Mitigated Negative Declarations for Master Plan**

**Mayor Styles announced that this item has been rescheduled for 7:30 p.m. on January 20, 1998.**

## **CONSIDERATION**

### **1. Romie Lane (Alameda to Los Palos) No Parking Zones**

Rob Russell presented his report, which is on file in the City Clerk's Office. At a neighborhood meeting on this issue, no consensus was reached regarding the appropriate No Parking zone alternative, and the issue was forwarded to the Traffic and Transportation Commission. Three options were developed by staff. Option one, removes all parking, which will provide four lanes with left-turn pockets at intersections and a two-way left-turn lane (TWLTL). Option two recommends retaining existing street parking, which will eliminate left-turn pockets and TWLTL. Option three recommends removing street parking near the intersection to provide left-turn lane only. On November 13, 1998, the Traffic and Transportation Commission voted four to one to approve a fourth option, which provides two through lanes with a left-turn lane, TWLTL, and retained parking.

Michael Hutchinson, Salinas Valley Memorial Hospital spoke in support of option two, or option three as an alternative.

Dr. Honnors, Romie and Wilgart, spoke in support of option two and as a second choice option four. He is not in support of option three based on the need for parking.

Andrew Bender supported option two, but he prefers an option that would provide split signal phasing.

## **COUNCIL ACTION**

**Councilmember Ish made a motion to approve option two, which retains existing parking and current lane configuration. The motion was seconded by Councilmember Caballero and passed by unanimous vote of those members present.**

### **2. City Code Amendment 97-2: Consideration of Amendments to the City's Inclusionary Housing Ordinance**

Vince Di Maggio, Senior Planner, presented his report, which is on file in the City Clerk's Office. On November 16, 1997, the City Council reviewed alternatives for amending the Inclusionary Housing Ordinance and directed staff to prepare the necessary amendments to the ordinance. On December 2, 1997, the Council inquired as to the necessity of disclosing the precise locations of inclusionary housing units. The City Attorney's Office advises that "the developer may be required to name the parcels that are designated for low income housing if the parcels are designated in the agreement with the public agency." The City's current inclusionary housing ordinance requires the developer to specify the location of each of the required inclusionary units. In light of this information, staff is requesting Council to review the selected alternatives for amendment of the Inclusionary Housing Ordinance. The first alternative defines the like for like concept in the ordinance. Alternative two would exempt projects with density bonuses from integrated inclusionary housing. The third alternative allows a special City Council finding allowing a development to deviate from integrated inclusionary housing. Alternative four would allow a per unit contribution to the inclusionary housing fund. Alternative five provides for an average lot size scenario. Lastly, alternative six would allow an affordability mix that would provide one third of the inclusionary units for households at or below 70% of median income; one third of the units would be affordable to households at or below 80% of median income; and the remaining third would be affordable to households at or below 80%, but would allow housing costs to go up to 36% of the 80% figure.

Ray Harrod Jr. stated that Brian Finegan has submitted a letter stating that it is legally necessary or appropriate to disclose information regarding inclusionary homes. Mr. Finegan's letter proposes disclosure language, which is minimal. Mr. Harrod spoke in support of allowing a per unit contribution to the first-time homebuyers' program.

Sherry Lewis, Bollenbacher Kelton, agreed with staff's recommendation, but requested an in lieu-fee for the first-time homebuyers' program as an alternative.

#### **COUNCIL ACTION**

**Councilmember Caballero made a motion to approve the staff recommendation supporting alternatives one, like for like concept; alternative three, allowing deviation from integrated inclusionary housing; alternative five, average lot size scenario; and alternative six, affordability mix; and to have staff return to Council with alternative four, including the possibility of allowing an in-lieu fee contribution to the first-time homebuyers program. The motion was seconded by Councilmember Collins and passed by unanimous vote of those members present.**

#### **3. Sewer Surcharge on Monterey Regional Water Pollution Control Agency Bills From 15% to 35%**

Dave Mora, City Manager, presented the report, which is on file in the City Clerk's Office. Council is requested to consider a schedule to adjust the sewer charge from 15% (\$825,000 annually) to 35% (\$1,925,000 annually). The majority of the additional funding would finance an approximate \$1 million annual debt service to finance a \$12 million sewer infrastructure replacement City-wide. Individual notices of the proposed increase will be sent to every property owner, and the tentative schedule would introduce the ordinance on March 17, with adoption on March 24, 1998. The funds would be collected and spent exclusively for the replacement, rehabilitation, and enhanced maintenance of the sewer program.

#### **COUNCIL ACTION**

**Councilmember Ish made a motion to direct staff to proceed with proposed schedule to adjust the sewer Surcharge from 15% to 35%. The motion was seconded by Councilmember Oliverez and passed by**

**unanimous vote of those members present.**

**Mayor Styles announced that the City Council will meet in closed session pursuant to Government Code Section 54957, Public Employee Performance Evaluation for City Manager**

**The City Council recessed at 6:40 p.m. and reconvened at 7:40 p.m..**

## **PUBLIC HEARING**

### **1. Twin Creeks 9-Hole Golf Course; Mitigated Negative Declarations for Master Plan**

Jenny Mahoney, Senior Planner, presented her report, which is on file in the City Clerk's Office. The most notable potential environmental impacts relate to drainage and flooding; water supply and water quality; and biological resources. Much of the site is located within a floodway. The golf course does not propose any building or other structures within the Natividad Creek floodway that would be a risk of being flooded, inhibit flood flows, or increase the downstream 100-year flood flow elevation. There will be a net increase in water demand of 94.6 acre feet per year, factoring in a net decrease in water use resulting from implementation of the Rodeo Master Plan, which is considered less than significant. Ms. Mahoney outlined water conservation and quality measures. The site contains approximately 18 acres of wetland, and is the potential breeding and aestivation habitat for the California Tiger Salamander, which is a Species of Special Concern. As yet, California Tiger Salamander have not been found on the site. Protected White-tail Kites have been detected on the site, and impacts will be reduced by mitigation measures. Mitigation measures reduce impacts to the riparian corridors of Natividad and Gabilan Creeks to a less than significant level.

Ms. Mahoney referred to a proposed revision to mitigation measure 51 which was distributed to the City Council. The mitigation measure relates to lighting impacts on nocturnal animals, and the language has been modified to allow flexibility. There are City Code requirements that are not met by the project and require a determination by the Council that the project is nonetheless proper and in the public interest. Findings relate to the facts that the turf will exceed 25% of the total landscape area, and there will be a 75 foot high fence proposed around the driving range.

The Mayor opened the public hearing. No written communications were received.

Robert Salazar asked about the impacts on the Vista Nueva Subdivision and the extension of Garner Road. Ms. Mahoney stated that the General Plan calls for an easement across the golf course site. Mr. Mora stated that the golf course will not impact the assessments for the Northeast Landscape or Vista Nueva Districts.

The Mayor closed the public hearing as there was no one else wishing to speak on this item.

## **COUNCIL ACTION**

**Councilmember Oliverez made a motion to adopt RESOLUTION NO. 16429 approving the Mitigated Negative Declaration and Mitigation Monitoring Program. The motion was seconded by Councilmember Caballero and passed by unanimous vote of those members present.**

## **CONSIDERATION**

### **1. Master Plans for Salinas Fairways and Twin Creeks Golf Courses.**

Gary Davis, Recreation-Park Director, presented his report, which is on file in the City Clerk's Office. Mr.

Davis stated that the City Council conducted a study session on the Master Plans for the Salinas Fairways and Twin Creeks Golf Courses on December 16, 1997. Mr. Davis introduced project architect Steve Halsey, Halsey Daray Golf. Mr. Halsey reviewed elements of the Master Plans.

Councilmember Ish voiced concern regarding the bond improvements cash flow and the \$331,000 which has to be paid in 2001. Mr. Mora stated that the payments could be due as early as the first quarter of the City's fiscal year. He will check with the underwriters as to whether the payments can be delayed. Mr. Halsey stated it is reasonable to project that the eighteen holes of Fairways could be completed as early as July 1, 2000. Councilmember Ish stated that he wants the course 100% operational when the City has to make the \$331,000 payment.

Councilmember Ish stated that the expense side of Fairways is \$1.1 million in 2001, and Fairways has to be making in excess of that. He stated that it is unknown what the revenue will be when the golf course is being renovated. Mr. Halsey stated it is his experience that the rounds could drop between 35% to 50% for the interim period, and this was calculated into the projections. That is why there is a two year deferment in the payment.

John Szente, Lakeview Drive, representing golf community, stated that Sherwood Greens is currently affordable with the lowest rates in the area. It is accessible and cart requirements are minimal. There are only 23,000 18 hole rounds played, and it available for walk on play almost any time of the day. In the last ten years, profits for the course totaled \$233,000 for the Enterprise Fund, and \$135,000 of that was profit and the balance went to administration fees. The City Council chose to turn the course over to the Rodeo Association and relocate the course. Council did not say they would just provide the land. Posting of park abandonment was not performed, and the golf community had little time to provide adequate arguments prior to the City Council's decision. Proposed daily rates are consistent with other nine-hole courses, specifically King City. However, there should be provisions for monthly and yearly rates in line with King City, which are \$530 for an adult and \$395 for seniors annually. They also have couple rates. The monthly rate is \$65 for adults, \$47 for seniors, and \$20 for juniors. Some people will require golf carts and lose golf balls at Twin Creeks. The projected rounds are optimistic. Sherwood, at its peak, had 30,000 rounds, and no more than 40,000 rounds are anticipated at Twin Creeks. The course can be profitable with increased play, if the City fulfills its commitment to relocate the golf course. Otherwise, the Course will not be profitable and the City will have to pay the bond. Alternative revenue proposals include 1) the Crazy Horse Landfill proceeds of \$8 million; 2) the old Sewage Treatment Plant could be sold for \$1.2 million, not counting clean up costs; 3) Rodeo Grounds ticket sale proceeds; and 4) the General Fund could subsidize any or all of the golf course.

Mr. Szente stated that Fairways has the lowest daily rates in the area and is affordable. All tee times are available to all players, and there are walk-on opportunities nearly any time of the day. In the past 10 years, the course has generated \$814,000 for the Enterprise Fund, of which \$277,000 was spent on administration fees. The City has not had to subsidize the course, and the paper loss is the reallocation of administration fees. The irrigation system has had components replaced that did not meet specifications. A surcharge was put in place a few years ago to pay for a cart path, and the funds were disbursed to the General Fund. They agree the greens and Club House will need to be replaced over a period of time. Elimination of yearly and monthly membership options reduces play by regular players. The proposed rate schedule will result in fewer rounds of play. The proposal is based on the assumption that the number of rounds will not diminish, but will increase over the next few years. The past six years have brought increases in fees of 50%, with an increase in revenues of only 13%. Increasing funds results in fewer rounds play. The proposal calls for revenues to be increased 50% in three years. The fees would have to be raised over 200%, which would result in failure. Mr. Szente outlined local other golf courses' rates and budgets.

Mr. Szente stated that, since inception, Fairways has made a \$406,256 profit, and Sherwood Greens is at a \$175,000 loss over its history. Profits in the last ten years are \$457,000 for Fairways and \$130,000 for Sherwood Greens. If the Enterprise Fund had not been established, Fairways would have made \$814,000 in profits during the last ten years, and Sherwood would have made \$233,000. If 90,000 rounds would have been played this year and the fees would have been unchanged, the profits at Fairways would have been \$138,000 this year and \$250,000 without City fees. The golfing community recommends the establishment of a golf commission and or appointment of a golf director. The Enterprise Fund should be returned to the General Fund. The FAA states it is possible that the Airport rental agreement could then be terminated. This is also possible if the current Enterprise Fund files as a non-profit entity. The City should pay for the replacement of Sherwood Greens in its entirety. Nine hole play should be arranged at Fairway until Twin Creeks is open. Construction costs should be minimized by using City personnel. The Club House is more than required at Twin Creeks.

Mr. Szente stated that Fairways should have an improved level of maintenance or be contracted out. The sprinkler system and cart path costs could be reduced by using City staff. The existing fee structure should be maintained. The necessary revenues should be generated by the anticipated increase in the number of rounds played. The two courses have made a total of \$11,771,972 since their inception, and profits of \$600,000 in ten years. The proposals would require the courses to make profits at ten times that rate over the next twenty years. The estimate to construct an average golf course ranges from \$2.5 million to \$5 million. The projected costs for the City's courses are twice these estimates. The golf community is asking the Council to postpone committing \$600,000 for professional services, until the Finance Committee has determined how to pay for it.

Mr. Davis stated that Salinas Fairways has six full-time employees and one supervisor, which does not allow for a reasonable level of maintenance at this staff level. The proposal includes two additional personnel. Existing staff does not have the expertise to replace the irrigation system. Pacific Grove generates 22,000 more rounds and \$600,000 more per year annually. Both Pacific Grove and Santa Cruz have reserves dedicated to on-going improvements of the golf course, and they have administrative fees collected for their General Fund.

Mr. Szente stated that Pacific Grove only has seven employees and one supervisor, and they have 30,000 more rounds of golf per year.

Mr. Mora suggested that some of the construction items can be bid as alternates. However, he does not see any benefit in further discussion of the level of improvements. The City Council subcommittee and staff has been meeting on this issue for a year.

Councilmember Ish stated he is concerned with the Twin Creeks project. He referred to projections for fiscal years 1999-2000 through 2003-2004. Revenue for 1999-2000 is projected at \$620,000 in revenue. For the first five years, the total projected income is \$3.8 million. Debt is projected at \$150,000 for the share of the deferral in the second year, and will be \$603,530 for three consecutive years and then seventeen years beyond that. The cost of employees and materials is \$388,230 for 2000-2001. In 2001-2002, the cost total is \$1 million versus income of \$764,000. The total for the five years is almost \$4 million. There is a net income loss of almost \$128,000, even though he realizes there is some deferral and collection of greens fees. If there is a ten percent reduction in the projections, the five year period will be a half million dollars short. Including the ten percent, if there is an infusion of \$1.5 million up front, the five year income is still \$3.4 million and you are about break even, although the five year net income still shows a \$25,000 loss. For every million dollars put in, the debt goes down by \$100,000. If something goes wrong, it must be determined where the money is going to come from. And the lack of reserves has been the problem to date. He is 80% convinced that things at the Fairways will work out. Before referring this to the Finance Committee, the City Council needs to realize that there may be a need for General Fund Assistance and an infusion of cash to get the Enterprise Fund in a positive cash

flow. And another Council should not be able to redirect the funds. This is a risk. The Council should discuss whether it wants an infusion of money up front or to take something out of the plan.

Councilmember Caballero stated that she would like the project to go the Finance Committee because the Committee has been reviewing all the proposed projects and considering where the money is come from.

Councilmember Oliverez stated that he understood that the golfers would pay for this through a reasonable fee schedule. He is not inclined to discuss using funds from property sales.

Howard Hennig, 101 East Curtis Street, stated the City General Fund subsidizes other recreation programs. He suggested the Airport pay for fixtures at the golf course.

Steve Fusco, Fillmore Street, stated that golfers do not believe the burden should fall fully on the City. But the golfers should not incur this amount of increase all at once. A fair increase is acceptable.

Councilmember Caballero stated that the City should look at the possibility of a Golf Commission and contracting out for maintenance services. The City should also consider outside administration of the courses. However, Councilmember Caballero suggested that right now the City needs to go forward with its plans for Twin Creeks so as not to delay it. She suggested that these issues may be dealt with at a separate time, perhaps when the issue comes back to Council.

Mayor Styles stated that staff is responding to Council's statement that they would like to see Fairways back where it was. He stated that the City has made some promises that it cannot meet, including having the new course open when Sherwood closes. He also stated that he believes there must be senior and youth rates. He did not know much of what they were getting into. He also supports a golf advisory committee.

Mr. Szente requested the Council consider postponing signing the \$600,000 contract until the Finance Committee returns to Council.

#### **COUNCIL ACTION**

**Councilmember Armenta made a motion to adopt RESOLUTION NO. 16430 approving the Master Plans for Fairways and Twin Creeks Golf Courses; directing staff and the Council Finance Committee to prepare supporting fee structures and funding alternatives to finance the improvements prior to completion of plans and specifications; and authorizing the preparation of construction drawings and bid documents. The motion was seconded by Councilmember Caballero and passed unanimously.**

#### **ADJOURNMENT**

**The meeting adjourned at 9:40 p.m..**

**APPROVED:**

Mayor

**ATTEST:**

City Clerk