



**CITY COUNCIL
MINUTES
TUESDAY, DECEMBER 17, 2013**

A regular meeting of the La Quinta City Council was called to order at 3:00 p.m. by Mayor Adolph.

PRESENT: Councilmembers Evans, Franklin, Henderson, Osborne, Mayor Adolph
ABSENT: None

PUBLIC COMMENT

Public Comment: Christi Salamone, La Quinta Arts Foundation – Ms. Salamone distributed and read a letter from the Board of Directors of the La Quinta Arts Foundation, which is on file in the City Clerk’s Office, requesting that Council establish a task force of city staff, developers and Foundation representatives to address ways to minimize the impacts of development on Foundation events.

CLOSED SESSION

1. **CONFERENCE WITH THE CITY’S REAL PROPERTY NEGOTIATOR, FRANK J. SPEVACEK, PURSUANT TO GOVERNMENT CODE SECTION 54956.8 CONCERNING POTENTIAL TERMS AND CONDITIONS OF ACQUISITION AND/OR DISPOSITION OF REAL PROPERTY LOCATED IN THE LA QUINTA VILLAGE, EAST OF DESERT CLUB DRIVE, SOUTH OF CALLE TAMPICO, NORTH OF AVENIDA LA FONDA (APN’S 770-123-002; 770-123-003; 770-123-004; 770-123-006; 770-123-010; 770-124-002; 770-124-003; 770-124-004; 770-124-007; AND 770-124-009). PROPERTY BUYER/NEGOTIATOR: MARVIN INVESTMENTS, INC., WELLS MARVIN**

2. **CONFERENCE WITH THE CITY’S REAL PROPERTY NEGOTIATOR, FRANK J. SPEVACEK, PURSUANT TO GOVERNMENT CODE SECTION 54956.8 CONCERNING THE POTENTIAL TERMS AND CONDITIONS OF ACQUISITION AND/OR DISPOSITION OF REAL PROPERTY LOCATED AT SILVERROCK RESORT (APN’S 770-200-026; 776-150-021; 776-150-023; 770-060-056; 770-060-057; 770-060-058; 770-060-059; 770-060-061; 770-060-062; 777-490-004; 777-490-006; 777-490-007; 777-490-012 AND 777-490-014). PROPERTY BUYER/NEGOTIATORS: JOHN GAMLIN, MERIWETHER COMPANIES; ROBERT S. GREEN, JR., THE ROBERT GREEN COMPANY**

COUNCIL RECESSED TO CLOSED SESSION AT 3:08 P.M.

MAYOR ADOLPH RECONVENED THE CITY COUNCIL MEETING AT 4:03 P.M. WITH ALL MEMBERS PRESENT. NO ACTIONS WERE TAKEN IN CLOSED SESSION THAT REQUIRES REPORTING PURSUANT TO GOVERNMENT CODE SECTION 54957.1 (BROWN ACT).

Mayor Adolph led the audience in the pledge of allegiance.

PUBLIC COMMENT

Public Speaker: Siah Nix, representing the La Quinta Boys' and Girls' Club – Mr. Nix, along with several Club members, thanked Councilmembers for their support of the Club over the years.

CONFIRMATION OF AGENDA

Councilmember Osborne requested that Consent Calendar Item No. 5 be moved to the Business Session for discussion. Council concurred.

PRESENTATIONS – None

WRITTEN COMMUNICATIONS – None

APPROVAL OF MINUTES

MOTION – A motion was made and seconded by Councilmembers Henderson/ Evans to approve the minutes of December 3, 2013 as submitted. Motion passed unanimously.

CONSENT CALENDAR

1. **APPROVE DEMAND REGISTER DATED DECEMBER 17, 2013**
2. **RECEIVE AND FILE TREASURER'S REPORT DATED OCTOBER 31, 2013**
3. **RECEIVE AND FILE REVENUE & EXPENDITURE REPORTS DATED OCTOBER 31, 2013**
4. **APPROVE DECLARATION OF SURPLUS**
5. Item moved off Consent Calendar to the Business Session by Councilmember Osborne >>> **APPROVE CONTRACT AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH TY LIN INTERNATIONAL FOR CONSTRUCTION MANAGEMENT SERVICES ASSOCIATED WITH ADAMS STREET BRIDGE**

6. APPROVE AMENDMENT NO. 2 TO THE FACILITY USE AGREEMENT WITH THE LA QUINTA ARTS FOUNDATION MODIFYING THE INSURANCE REQUIREMENTS FOR USE OF CITY FACILITIES DURING THE ANNUAL ARTS FESTIVAL
7. APPROVE MASTER LEASE AGREEMENT AND LEASE PURCHASE SCHEDULE WITH DELL FINANCIAL SERVICES, LLC FOR COMPUTER EQUIPMENT, SUPPORT AND MAINTENANCE
8. SECOND READING AND ADOPTION OF ORDINANCE NO. 518 AMENDING CHAPTER 12.56 OF THE MUNICIPAL CODE REVISING TRUCK ROUTES WITHIN THE CITY OF LA QUINTA
9. APPROVE A RECIPIENT FOR THE 2014 SENIOR INSPIRATION AWARD PROGRAM
10. APPROVE THE PROGRAM SUPPLEMENTAL AGREEMENT WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR THE HIGHWAY 111 AT WASHINGTON STREET INTERSECTION IMPROVEMENTS
11. EXCUSE BOARD MEMBER KURT MORTENSON FROM THE DECEMBER 11, 2013 INVESTMENT ADVISORY BOARD MEETING
12. EXCUSE COMMISSIONER PEGGY REDMON'S ABSENCE FROM THE DECEMBER 12, 2013 HISTORIC PRESERVATION COMMISSION SPECIAL MEETING
13. EXCUSE COMMISSIONER MARIA RYSER'S ABSENCE FROM THE NOVEMBER 6, 2013, HOUSING COMMISSION SPECIAL MEETING

Councilmember Osborne congratulated Barbara Paumier as the recipient of the 2014 Senior Inspiration Award.

MOTION – A motion was made and seconded by Councilmembers Evans/Franklin to approve the Consent Calendar as recommended with the exception of Item No. 5. Motion passed unanimously.

BUSINESS SESSION

1. INTERVIEWS AND APPOINTMENT OF A RESIDENT TO ONE VACANCY ON THE INVESTMENT ADVISORY BOARD

City Clerk Maysels presented the staff report, which is on file in the City Clerk's Office.

Council interviewed the following applicants:

- Garry Barnes
- Katherine Godbey
- Ronald Villa

Vote No. 1:

Councilmember Evans >	Katherine Godbey
Councilmember Franklin >	Garry Barnes
Councilmember Henderson >	Katherine Godbey
Councilmember Osborne >	Garry Barnes
Mayor Adolph >	Ronald Villa

Result: tie vote

Vote No. 2:

Councilmember Evans >	Katherine Godbey
Councilmember Franklin >	Katherine Godbey
Councilmember Henderson >	Katherine Godbey
Councilmember Osborne >	Garry Barnes
Mayor Adolph >	Garry Barnes

Result: Godbey 3, Barnes 2

MOTION – A motion was made and seconded by Councilmembers Evans/Henderson to appoint Katherine Godbey to the Investment Advisory Board for a term ending June 30, 2015. Motion passed unanimously.

2. ADOPT A RESOLUTION TO APPROVE A PURCHASE AND SALE AGREEMENT WITH MARVIN INVESTMENTS, INC. FOR THE SALE AND FUTURE DEVELOPMENT OF CERTAIN PROPERTIES LOCATED IN THE LA QUINTA VILLAGE [RESOLUTION 2013-060]

Community Development Director Johnson presented the staff report, which is on file in the City Clerk’s office.

Public Speaker: Kay Wolff, La Quinta – Ms. Wolff posed questions for Council to consider before entering into a purchase and sale agreement.

Public Speaker: Jim Parrish, Member, Board of Directors of the La Quinta Arts Festival – Mr. Parrish spoke in favor of the annual arts festival.

Public Speaker: Wells Marvin, Marvin Investments, Inc., La Quinta – Mr. Marvin spoke in favor of the agreement and expressed his support of the La Quinta Arts Festival.

Councilmembers expressed their support of the Agreement; approval of the mixed-use development planned by Marvin Investments; restated the City's ongoing commitment to the success of La Quinta Arts Foundation events, and; the City's intent to work collectively with all entities involved to grow the art events, expand the Old Town concept, and establish a new revenue source.

MOTION – A motion was made and seconded by Councilmembers Evans/Franklin to adopt Resolution No. 2013-060 as amended by the City Attorney entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA APPROVING AN AGREEMENT FOR PURCHASE AND SALE AND ESCROW INSTRUCTIONS BETWEEN THE CITY OF LA QUINTA AND MARVIN INVESTMENTS FOR CERTAIN PROPERTY LOCATED IN THE LA QUINTA VILLAGE AS AMENDED WITH THE NEW TERM ON THE APPROVAL OF FINANCING, AND AUTHORIZING THE CITY ATTORNEY AND CITY MANAGER TO MAKE ANY NECESSARY FINAL ADJUSTMENTS TO THE AGREEMENT AND/OR RESOLUTION.

Motion passed unanimously.

3. CITY COUNCIL ANNUAL REORGANIZATION

Council waived presentation of the staff report, which is on file in the City Clerk's office.

MOTION – A motion was made and seconded by Councilmembers Evans/Henderson to nominate Councilmember Osborne as Mayor Pro Tem for 2014. Motion passed unanimously. Councilmember Osborne accepted the position.

4. Item moved off Consent Calendar to Business Session by Councilmember Osborne >>> **APPROVE CONTRACT AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH TY LIN INTERNATIONAL FOR CONSTRUCTION MANAGEMENT SERVICES ASSOCIATED WITH ADAMS STREET BRIDGE**

Councilmember Osborne questioned the need for another contract amendment.

MOTION – A motion was made and seconded by Councilmembers Osborne/Henderson to approve Contract Amendment No. 2 to the professional services agreement with Ty Lin International for construction management services. Motion passed unanimously.

STUDY SESSION

1. TOURISM WEBSITE DEMONSTRATION

Recreation Supervisor Larson presented the staff report, which is on file in the City Clerk's Office.

Councilmembers commented on the flow of information regarding new businesses from the City's Finance Department to the Webmaster; the link to the City's government website; means for keeping La Quinta's websites at the top of search engine results with new and updated content; the need to diligently update photos on a regular basis; adding links to golf courses; adding a connection to the Visitor's Bureau site; featuring the hiking video, and; the completeness of the new website.

REPORTS AND INFORMATIONAL ITEMS

La Quinta's representative for 2013, Councilmember Evans reported on her participation in the following organizations meeting:

- GREATER PALM SPRINGS CONVENTION & VISITORS BUREAU

La Quinta's representative for 2013, Councilmember Osborne reported on his participation in the following organizations meeting:

- DESERT SANDS UNIFIED SCHOOL DISTRICT 2x2 MEETING

DEPARTMENT REPORTS

Department Reports were received and filed. Copies are on file in the City Clerk's Office.

DEPARTMENT REPORT NO. 1: RESPONSE TO PUBLIC COMMENTS HEARD AT THE DECEMBER 3, 2013 COUNCIL MEETING REGARDING THE NORTH LA QUINTA ASSESSMENT DISTRICT WORKSHOPS

Councilmember Henderson said that it is time for the Council to hold a study session on this subject to clarify the matter in hopes of silencing the inaccurate rumors and nasty letters circulating. She said it's clear from the tone of many letters that folks do not know the facts. They should understand that the Council is not trying to damage anyone but only trying to maintain a community and do so within the law and its boundaries. She noted that the legal systems available to Council regarding assessment districts are complicated. North La Quinta residents should understand the options but the message is not out there. Ms. Henderson stated that Public Works Director Jonasson has been presenting only the facts at workshops. She noted that this is about the 18th year that Council has talked about this discrepancy and done nothing to resolve it.

Councilmember Osborne agreed with Councilmember Henderson regarding Council's inaction in the past. He said that he is hearing from North La Quinta residents who believe the City created this situation by neglecting to follow up with the developers 20 years ago, so the City needs to pay to resolve it.

Councilmember Evans said the situation exists because City Councils had the money to cover it in the past and now it does not.

Mayor Adolph said the Council is not trying to force an assessment on anyone. The City is providing options to help out and residents took it the wrong way.

In response to Councilmember Evans, Public Works Director Jonasson said that a survey would soon go to residents to get an idea of residents' positions on options. He said that the people who spoke at the December 3rd meeting fall into the group of folks who do not care about the history of this issue because they purchased their home in part because it did not come with a large assessment, and they will not approve an increase under any circumstances; but that is not the sentiment of everyone attending the workshops. Mr. Jonasson said that some are very interested in pursuing it and are ready to start immediately. He said options are varied and until the results of the survey are known, it's hard to gauge where residents thresholds lie. The survey will be done by individual developments so a possible outcome is for those who do not wish to pay for enhancements can continue as is, and those interested in paying for perimeter improvements can do so.

Councilmember Henderson said she thinks there is a solution. It may initially be rock gardens that are neat and clean, and later when more funds are available, more landscaping can be considered.

Public Works Director Jonasson said that the budgets still include the recognition that there is a general benefit so the entire cost will not be placed on residents of the 11 north La Quinta subdivisions. He said many residents misunderstood this.

In response to Councilmember Osborne, Public Works Director Jonasson said that the \$481/year figure was the "Cadillac plan" or upper limit of the three options presented. The other options were (a) continue with the status quo at no additional cost, or (b) mid-level improvements at about half the cost of the Cadillac plan.

Councilmember Franklin thanked Director Jonasson for staffs' effort. She said Council often has to deal with perception, and in this case she agrees with Councilmember Henderson that once the survey results are in, a study session should be scheduled to address all issues with residents. Ms. Franklin said that comments are ugly, out of control and being stirred up based on misinformation.

Public Speaker: Richard Gray, north La Quinta resident – Mr. Gray said that he attended workshops and also received a flyer (not from the City) that was delivered to mailboxes in his neighborhood. The non-City flyer states the assessment cost will be \$481/year and increase 3% every year. Mr. Gray said he understands something has to be done, but questioned why the assessment has to be permanent and expressed concern about percentage increasing year after year. He said any increase should be tied to Proposition 13 increases. He also said it is important to let residents know about the limitations imposed by Proposition 218.

Public Speaker: Dennis Arcuri, north La Quinta resident – Mr. Arcuri said he is not overly concerned about cost but more concerned about what landscaping will be done. Mr. Arcuri said he was concerned that he just noticed a flyer on this matter two weeks ago. He said he is not a fan of grass and flowers; he likes desert landscaping. He looks forward to learning more.

Councilmember Evans said that the survey being prepared would give him and all residents another opportunity to comment.

CITY MANAGER REPORT REGARDING SURVEY ON PUBLIC EMPLOYEE SALARIES

City Manager Spevacek reported that State Controller's survey on 2012 public employee salaries has been released. The survey results for the 478 cities that responded and the survey figures for the City of La Quinta are as follows:

- Average annual wage: all cities = \$62,220, La Quinta = \$58,454
- Retirement and healthcare costs: all cities = \$17,401, La Quinta = \$14,670
- La Quinta's statewide ranking in employee salaries & benefits: 106th out of 478
- La Quinta's ranking among Coachella Valley cities: 7th out of 9 with Palm Desert, Cathedral City, Indian Wells, Desert Hot Springs, Palm Springs and Indio paying higher average salaries and benefits, and Rancho Mirage and Coachella paying lower.

Mr. Spevacek said this information is posted on the State Controller's website.

DEPARTMENT REPORT NO. 3B: VERBAL REPORT ON NEW LAWS AFFECTING MUNICIPAL MEETINGS AND ELECTIONS

City Clerk Maysels reported on SB 751 regarding public announcements of actions taken at meetings; AB 382 regarding alternative investment information now being exempt from disclosure; AB 817 regarding an election official's ability to appoint up to five nonvoters per precinct to serve as precinct board members; SB 311 regarding amendment to a city charter must go to voters at a statewide general election; SB 553, effective in July 2014, relates to the elections procedures for any property related fee assessment; SCA 3 removing the reimbursable mandate status of the Public Records Act and the Brown Act, and; numerous Election Law changes that will be addressed during one-on-one meetings with candidates.

MAYOR'S AND COUNCIL MEMBER'S ITEMS

Councilmember Henderson requested that staff arrange for "fix-it tickets" to be handled at the La Quinta Police station at City Hall rather than sending residents to the Thermal station. City Manager Spevacek said staff is discussing this with Lt. Walton and will report back at the January 21, 2014 meeting.

Councilmember Henderson said that CalPERS is again contemplating changes in employer rates. She said this will be a budget breaker that the City must be prepared for and it's extremely important that Council be kept informed on this regularly.

City Manager Spevacek said the City is currently paying about \$830,000 in employer contributions. Based upon the formula available, by the year 2019/20, the city's employer contribution will be over \$2.3 million, which is nearly triple. Mr. Spevacek said next year's rates would go up to almost \$1 million.

PUBLIC HEARINGS – None

ADJOURNMENT

There being no further business, a motion was made and seconded by Councilmembers Henderson/Evans to adjourn at 6:20 p.m. Motion passed unanimously.

Respectfully submitted,

SUSAN MAYSELS, City Clerk
City of La Quinta, California

