



**CITY COUNCIL
MINUTES
TUESDAY, MARCH 18, 2014**

A regular meeting of the La Quinta City Council was called to order at 3:31 p.m. by Mayor Adolph.

PRESENT: Councilmembers Evans, Franklin, Henderson, Osborne, Mayor Adolph

ABSENT: None

PUBLIC COMMENT

Public Speaker: Nicole Soto, South Coast Air Quality Management District – Ms. Soto announced that the District will be hosting a Town Hall meeting April 9, 2014 at the High School in Thermal; the annual electric lawn mower exchange will be held on June 14th in the City of Riverside, and; the annual Clean Air Award nomination period is open and the form to nominate individuals, organizations or businesses is on the cleanairawards.com website.

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 AT DUNE PALMS ROAD AND HIGHWAY 111 (APN: 600-020-053). PROPERTY OWNERS/ NEGOTIATORS: GEORGE VELARDE**
2. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(C) (ONE MATTER)**

COUNCIL RECESSED TO CLOSED SESSION AT 3:34 P.M.

MAYOR ADOLPH RECONVENED THE CITY COUNCIL MEETING AT 4:02 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: Patricia Lawser, La Quinta – Ms. Lawser provided photos documenting the flooding on Horseshoe Road. Ms. Lawser said she believes the City and the Indian Springs Golf Course are responsible for the flooding and therefore are responsible for the cost of repairs.

Public Speaker: Sandra Rogers, La Quinta – Ms. Rogers provided photos and information about the flooding on her street, Horseshoe Road, and water damage to her car from driving through a flooded section of the street.

Public Speaker: Bruce Clark, La Quinta – Mr. Clark provided information about the reoccurring flooding problem on his street, Horseshoe Road. He said the drain is inadequate for anything but light rain. Mr. Clark believes the Indian Springs Golf Course built a berm without City approval and the berm is preventing the water from draining.

Public Speaker: Juan Pineda, La Quinta – Mr. Pineda requested a waiver of the \$20 late dog-license fee, which was only two days late. Mayor Adolph said staff is working to correct the situation.

Public Speaker: Phillip Pettibone, La Quinta – Mr. Pettibone said that City staff illegally removed his car from his driveway; and practices selective and subjective code enforcement.

CONFIRMATION OF AGENDA – Confirmed

PRESENTATIONS – None

WRITTEN COMMUNICATIONS – None

APPROVAL OF MINUTES

MOTION – A motion was made and seconded by Councilmembers Evans/Henderson to approve the minutes of March 4, 2014 with correction to item B2. Motion passed unanimously.

MOTION – A motion was made and seconded by Councilmembers Evans/Franklin to approve the minutes of the special meeting of February 26, 2014 as submitted. Motion passed unanimously.

CONSENT CALENDAR

1. APPROVE DEMAND REGISTER DATED MARCH 18, 2014
2. RECEIVE AND FILE REVENUE AND EXPENDITURE REPORTS DATED DECEMBER 31, 2013
3. RECEIVE AND FILE TREASURER'S REPORT DATED DECEMBER 31, 2013
4. AUTHORIZE OVERNIGHT TRAVEL FOR TRAFFIC SIGNAL TECHNICIAN TO ATTEND TRAINING IN SANTA ANA, CALIFORNIA, MARCH 11-13, 2014
5. ACCEPT ON-SITE IMPROVEMENTS ASSOCIATED WITH TRACT MAP NO. 34969, MADISON CLUB CLUBHOUSE
6. ACCEPT ON-SITE IMPROVEMENTS ASSOCIATED WITH TRACT MAP NO. 34968, MADISON CLUB VILLAS
7. DENIAL OF CLAIM FOR DAMAGES FILED BY: JERRY SMIGURA; DATE OF LOSS – AUGUST 25, 2013
8. ADOPT RESOLUTION APPROVING AN EXTENSION OF THE JOINT EXERCISE OF POWERS AGREEMENT THAT CREATED THE LA QUINTA FINANCING AUTHORITY [RESOLUTION 2014-009]
9. APPROVE NEW JOB DESCRIPTION AND PAY SCHEDULE FOR PERMIT OPERATIONS SUPERVISOR, ADDITION OF OFFICE ASSISTANT AND RECLASSIFICATION FROM SECRETARY TO EXECUTIVE ASSISTANT IN THE COMMUNITY DEVELOPMENT DEPARTMENT
10. AUTHORIZE CITY MANAGER TO SUBMIT GRANT APPLICATIONS TO THE RIVERSIDE COUNTY INDIAN GAMING LOCAL COMMUNITY BENEFIT COMMITTEE FOR TRAFFIC RELATED LAW ENFORCEMENT SERVICES
11. AUTHORIZE STAFF TO SUBMIT APPLICATIONS FOR CONGESTION MITIGATION AND AIR QUALITY CALL FOR PROJECTS AND COMMIT TO REQUIRED LOCAL MATCH
12. REJECT BIDS AND RE-ADVERTISE THE PHASE I PAVEMENT MANAGEMENT PLAN STREET IMPROVEMENTS PROJECT

MOTION – A motion was made and seconded by Councilmembers Evans/Franklin to approve the Consent Calendar as recommended with Item No. 8 adopting Resolution No. 2014-009. Motion passed unanimously.

BUSINESS SESSION

1. APPROVAL OF PILLARS OF THE COMMUNITY NOMINATIONS

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

Councilmembers thanked staff and nominees for the additional information provided; expressed their appreciation to the nominees who provide such valuable contributions to the community; requested that the nomination submission contain more detail on nominees activities regionally, not just in La Quinta; suggested that the requirement for 25 signatures is onerous and unnecessary, and; requested that in the future, the nominations first go to the Community Services Commission to make recommendations to the City Council.

MOTION – A motion was made and seconded by Councilmembers Evans/Henderson to approve all the Pillars of the Community nominations as submitted. Motion passed unanimously.

2. ADOPT RESOLUTION APPROVING ISSUANCE AND SALE OF SUBORDINATE TAX ALLOCATION REFUNDING BONDS BY THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY [RESOLUTION 2014-010]

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

Councilmembers added background information on this subject by explaining the State's actions to dissolve Redevelopment Agencies, the consequences to the City, the actions taken by the City to financially protect itself, Council's resolve to move forward, and given the City's A+ bond rating, the savings to the City and the other taxing agencies that will result from this bond sale.

MOTION – A motion was made and seconded by Councilmembers Henderson/ Evans to adopt Resolution No. 2014-010 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA,
CALIFORNIA AUTHORIZING THE ISSUANCE AND SALE OF TAX
ALLOCATION REFUNDING BONDS, AND AUTHORIZING CERTAIN
OTHER ACTION IN CONNECTION THEREWITH

Motion passed unanimously.

STUDY SESSION

1. DISCUSS LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1 AND RESULTS OF NORTH LA QUINTA LANDSCAPE OPTIONS SURVEY

Regarding the question of a conflict of interest due to the proximity of Councilmember Osborne's residence to proposed street improvements on the south side of Fred Waring Drive, City Attorney Jenson announced that an opinion from local real estate professional, Bruce Cathcart states: "Not only is the home located farther away than 500' from said improvements but the proposed improvements will not have any effect on the value of any portion (including common areas) of the tract of homes within which Councilman Osborne's home is located." Therefore, Councilmember Osborne has no conflict of interest and may participate in all discussions and votes on this subject.

City Manager Spevacek and Public Works Director Jonasson presented the staff report, which is on file in the City Clerk's Office.

Councilmember Franklin said that ownership of some of the perimeter parcels is in question because some developers' offers of dedication were never accepted by the City. If the fee owner is no longer an existing company, i.e. defunct development entities, it is important to resolve the ownership issue first.

Councilmember Henderson said for 18 years, she has been on City Councils that have had serious conversations on this issue. She said at this point we know that we have a deficit and we know there has been a 25% reduction in general fund revenues caused by the economic downturn – revenues available to operate the City. We also know that the companies hired to maintain the lighting and landscaping have had increases in payroll, taxes, business expenses - all charged to the City, while the City has been dormant. Ms. Henderson said that the City remained dormant and did not attempt to raise the assessment because past City Councils choose that path. She said that because a legal redevelopment agency existed during that period, the City was able to function but knowing full well that they should have gone to an assessment. Ms. Henderson explained that a benefit assessment district is an option but there are strict, complex state laws about how that is done. She explained the difference between a general tax and benefit assessment tax and the pros and cons of both. She said she would rather see a general tax passed, which requires 51% citywide voter approval but everyone has to realize the general tax revenue cannot be allocated to any specific use or uses.

Mayor Adolph said that during the recession of the last several years, it was not Council's intent to tax citizens even though the annual assessment of about \$35 is one of the lowest in the Coachella Valley. Mayor Adolph explained that the two

attempts to get a tax approved to fund paramedic services failed both times. Based on that voter response, he asked how voters would respond to a tax to cover lighting and landscaping. He said the solution will have to be the result of everyone working together. It is not a matter of lots of money per lot if a general tax is passed. Mayor Adolph said that it is up to Council to resolve the problem and not put the burden on north La Quinta residents.

Councilmember Osborne said the issues were created long ago and the Council has chosen not to address it. It is obvious that the costs have gone up since the \$35.60 was set in 1998. The survey results indicate that, for the most part, residents believe the landscaping is adequate today. The City has made cuts but it is not enough, it cannot continue to fund the deficit. Mr. Osborne said he understands that some people bought homes in non-HOA subdivisions to avoid monthly charges but something must be done to stop the financial leak. Mr. Osborne said he would like to see a simple \$20 citywide increase from \$35 to \$55 a year, which reports indicate, will cure the red ink in the Landscape and Lighting District. He stated that the City does have to resolve this in some form because operating in the red cannot continue. North La Quinta residents have said they do not want their fees raised because they did not create the problem. Mr. Osborne said his hope is that a small general tax will go before the voters but it must be understood that general tax revenue is bound by the laws set in Sacramento and a general tax cannot be set aside for a specific use. Legislators are currently considering changing the 2/3 voter approval requirement for assessment increases to 50% + 1. Whether this change by Sacramento occurs or not, something has to be done citywide in the near future.

Councilmember Evans said council owns this, former councils and the current council. Council sent staff out to inform residents and seek their views, and everyone has learned in this process. Ms. Evans thanked residents for their feedback because a 44% return on a survey is remarkable. She said that she does not support some of the options mentioned such as reducing the level of landscaping because she is committed to maintaining a certain standard in the City. Ms. Evans said she is interested in getting solid answers on the ownership of all the parcels in question.

In response to Councilmember Evans, Director Jonasson said that landscaping service to the north La Quinta areas in question could not be reduced without visual impact.

Councilmember Evans suggested that grants and rebates might be available to fund the deficit, such as funds from CVWD for turf reduction. Ms. Evans said that a general tax is a separate issue to explore, but regarding a special assessment, it's clear from survey feedback that it would not be approved. She said that if the City can recoup the \$41 million from the State, it's possible some of it can be used for

this area. Ms. Evans noted all the recent expenditure cuts and revenue increases done in-house to staffing, services, fees, etc. and said the community will be asked to help Council and staff develop solutions to help fund this deficit.

Public Speaker: John Lanctot, La Quinta – Mr. Lanctot thanked Council for the additional information provided, which cleared up most of his questions. Director Jonasson responded to his remaining question about the size of the deficit.

Public Speaker: Delores Lukina, La Quinta - Ms. Lukina said it is the fault of the Councilmembers and Engineer at the time the subdivisions were approved because they were responsible for ensuring that correct perimeter parcel ownership and ongoing maintenance was covered. She said more money is not the solution, instead, the City needs to work within its means, invest surplus wisely, and build reserves in the event of disaster. Ms. Lukina said she is against an increase in City assessments.

Public Speaker: Marty Butler, La Quinta – Ms. Butler requests that this item be heard again at a later time of the day when more working people can attend. She said she learned a lot from this discussion. Ms. Butler said she is more open to paying more toward landscaping now but understands that there are many residents against it because they simply do not have the money. She said she appreciates the council's caring for the City as a whole and the Council has her support for a citywide assessment. Ms. Butler suggested that each community form a committee to meet, discuss, and disseminate factual information. Lastly, Ms. Butler requested clarification on Riverside County's Fred Waring Drive project involving a noise wall and landscaping. Director Jonasson confirmed that the County is contractually obligated to complete the project and restore the site.

Public Speaker: Dale Frailey, La Quinta – Mr. Frailey requested clarification on the survey results and said 10 to 12 neighbors in Desert Pride told him they never received the survey. He believes an increase is necessary because \$35 is too low and agrees with Councilmember Osborne that a \$20 general tax would be acceptable.

Public Speaker: Richard Gray, La Quinta – Mr. Gray asked questions regarding certain median improvements and dog parks. He agrees that an increase to the \$35 is necessary. Mr. Gray reported irrigation system problems on Adams Street by the fire station. He stated that he was satisfied with the level of maintenance when he first moved into north La Quinta, but is not satisfied with it as it is now.

Public Speaker: Deborah McGarrey, La Quinta – Ms. McGarrey believes \$35 is not enough to offset the costs. She supports the idea of forming a community group to see if this can be solved together. The survey response of 44% was impressive and that 37% would agree to some amount of increase is promising. The benefit is

that only an additional 20% or so is needed to get to over 50% in support. Ms. McGarrey said that she agrees with Mr. Gray in that the landscaping was satisfactory when she moved in 14 years ago, but she would like to see the current landscaping improved. The solution examined a few years ago of forming an HOA is unrealistic because it requires approval by 100% of owners. Ms. McGarrey suggested that residents need to assist Council by taking ownership of the problem and proposing solutions. She does not believe it's right for the City to operate in a deficit. She supports some type of assessment that is designed in a way that is best and fair for everybody involved.

Public Speaker: Robert Wilkinson, La Quinta – Mr. Wilkinson questioned the math concerning the amount being spent and the amount needed to fund the deficit and improvements. He also questioned easements and ownership of some perimeter parcels. Mr. Wilkinson mentioned projects throughout the City and questioned the City's ability to require landscaping as part of these projects.

Councilmember Franklin said one of the most important points is that La Quinta is all one community and the objective of this item is to get residents' feedback. Ms. Franklin agrees with Ms. Butler that a community committee(s) would be helpful in creating ownership of the solution(s), knowing that not everyone will come to an agreement but that is part of the process. She believes the areas in red need to be owned by the City. Ms. Franklin stated that a consensus needs to be reached as far as the extent and type of landscaping desired around these subdivisions and expects community committees can provide this, too. She said La Quinta is touted as the Gem of the Desert and that means the entire community. Success in promoting the City for economic development depends on how the City looks so these areas must be improved. Ms. Franklin supports a citywide increase but everyone must be mindful that it will involve a huge educational process, which will take time. As one community, Ms. Franklin said a citywide increase to the \$35.60 per year amount is necessary. She hoped that the residents at the meeting will assist in getting the information out and educating other residents regarding the City's finances.

Councilmember Osborne said more work on this is needed and it needs to be handled as one City working together. He requested that this item be heard at 7:00 p.m. on May 6th.

Councilmember Henderson noted that a second study session will be held by Council on this subject on May 6 at which time it will be Council's responsibility to put a plan together including establishing a community committee(s). She said that La Quinta has always acted as one City, not designated areas. She thanked residents for attending and sharing.

Councilmember Evans summarized Council's responses in that (a) Council appreciates residents' feedback and the completion of the survey, (b) Council is directing staff to evaluate title ownership on the red strips of parcels and how the City could acquire these parcels, (c) research other ways the City could fund landscape improvements, (d) list of improvements needed in the short run to bring them up to La Quinta standards, (e) explore how the community will want to be involved, and (f) given that an increase in the Landscape and Lighting District for just north La Quinta is out of the question based on the survey results, consider a citywide general tax as a means to fund this deficit and/or any other use that may arise in the future.

Mayor Adolph thanked residents for their input and stated that dialog is good in understanding both how residents feel and how Councilmembers feel on the issue. In the meantime, Mayor Adolph asked the Public Works Department to mitigate problems and address repairs within existing budget constraints because it's important that the aesthetics of the community be maintained.

2. DISCUSS DRAFT FISCAL YEAR 2014/2015 THROUGH FISCAL YEAR 2018/2019 CAPITAL IMPROVEMENT PROGRAM

Principal Engineer McKinney presented the staff report, which is on file in the City Clerk's office.

Councilmembers discussed the pavement management plan, a roundabout at Westward Ho, restriping of the Jefferson/Avenue 52 roundabout, turf reduction at the civic center campus, auto display pads along Highway 111, reimbursement agreements with developers, 2015/16 roundabout at Madison/Avenue 58 and setting aside the land necessary to install it in the future, traffic signal at Washington/Lake La Quinta Drive, and clearly noting the City's portion of project costs on the CIP list.

Public Speaker: Kay Wolff, La Quinta – Ms. Wolff suggested that festival grounds and parking for the Arts Festival be included in the Add List. Regarding the \$7.5 million on the Add List for a future village area parking structure, Ms. Wolff suggested that Mr. Wells Marvin might like to contribute to the cost. She expressed her hope that the Eisenhower/Montezuma intersection will be the sight of another wonderful roundabout rather than a traffic signal.

Public Speaker: Sandy Rogers, La Quinta – Ms. Rogers lives south of the Westward Ho/Roadrunner intersection where a roundabout project is being discussed. She said that she does not believe traffic is a problem, instead, it is parents letting kids out everywhere. She would like to see a student drop-off area. Ms. Rogers said roundabouts are dangerous in her view but she prefers small roundabouts to signals.

Mayor Adolph said that PGA West residents enjoy the roundabout at Jefferson/Avenue 52 because they don't have to wait at a stop sign or signal, and he is not aware of many accidents in the roundabout. He noted that there are five roundabouts in the City of La Quinta.

Councilmember Evans explained that Council has learned that roundabouts produce a continuous flow of traffic, it is a calming device for speed, less wear and tear on the roads, it reduces auto emissions, and aesthetically it's more pleasing than having a traffic signal in a neighborhood.

Public Works Director Jonasson summarized the consensus of Council:

1. Westward Ho/Roadrunner roundabout – apply for a CMAC grant and if awarded, bring the project back to Council to consider.
2. Civic Center turf conversion - move to the Add List.

REPORTS AND INFORMATIONAL ITEMS

La Quinta's representative for 2014, Councilmember Evans reported on her participation in the following organizations meeting:

- CVAG CONSERVATION COMMISSION

La Quinta's representative for 2014, Councilmember Franklin reported on her participation in the following organizations meeting:

- ANIMAL CAMPUS COMMISSION

DEPARTMENT REPORTS

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

MAYOR'S AND COUNCIL MEMBER'S ITEMS

Mayor Adolph reported on the Senior Inspiration Awards.

Councilmember Evans reported on the La Quinta Police Department's 6th Annual Bicycle Rodeo.

Councilmember Osborne reported on the superb job done by the La Quinta Arts Foundation with the Festival this year.

PUBLIC HEARINGS – None

ADJOURNMENT

There being no further business, a motion was made and seconded by Councilmembers Franklin/ Evans to adjourn at 7:09 p.m. Motion passed unanimously.

Respectfully submitted,

SUSAN MAYSELS, City Clerk
City of La Quinta, California

