

CALL TO ORDER

Mayor/Chair Aguirre called the meeting to order at 6:36 p.m.

ROLL CALL

Councilmember/Director Richard C. Cook Councilmember/Director Ray C. Luna, Councilmember/Director John T. Procter, Vice Mayor/Vice Chair Mary Ann Krause, and Mayor/Chair Gabino Aguirre responded to roll call. City Manager/Executive Director Wally Bobkiewicz, City/Agency Attorney/General Counsel Karl H. Berger, and Deputy City Clerk Josephine G. Herrera were also present. City Clerk/Agency/Authority Secretary Steven J. Salas was absent.

CLOSED SESSION REPORT

City/Agency Attorney/General Counsel Karl H. Berger announced that no action was taken during the Closed Session held at 6:00 p.m.

PRESENTATIONS

A. Presentation on Fourth of July Activities

City Manager Wally Bobkiewicz reported that Santa Paula Fourth of July activities would include a Pancake Breakfast at the Depot from 8:30 a.m. to 10:00 a.m.; a ceremony at 9:30 a.m. to celebrate the 125th anniversary of the planting of the Moreton Bay Fig Tree along with the dedication of a new brass plate, patriotic singers, Color Guard, and reading of the Declaration of Independence; and fireworks display at Harding Park at 9:00 p.m.

PUBLIC COMMENT

There was no Public Comment.

**CITY COUNCIL/REDEVELOPMENT AGENCY/COMMUNITY HEALTHCARE
AUTHORITY, STAFF COMMUNICATIONS**

There were no City Council/Redevelopment Agency/Community Healthcare Authority, staff communications.

APPROVAL OF FINAL AGENDA

There were no changes made to the Final Agenda.

CONSENT CALENDAR

It was moved by Councilmember/Director Cook, seconded by Vice Mayor/Vice Chair Krause, to adopt the Consent Calendar as presented. All were in favor, and the motion carried.

- A. Waiver of Reading of Ordinances and Resolutions – Approved waiver of the reading of Ordinances and Resolutions appearing on the Consent Calendar; waiver of the reading of all other Resolutions appearing on the Agenda; and reading all other Ordinances appearing on the Agenda, in title only.
- B. Community Healthcare Authority Minutes – Adopted the Minutes of the May 11, 2004 Community Healthcare Authority Meeting.
- C. Community Healthcare Authority Minutes – Adopted the Minutes of the June 21, 2004 Community Healthcare Authority Meeting.
- D. Conflict of Interest Code Biennial Review – Directed the City Clerk to amend the City's Conflict of Interest Code per Government Code §87306.5. Deputy City Clerk Josie G. Herrera's report dated June 24, 2004.

ORDER OF BUSINESS

- A. Adoption of Resolution to Place Ballot Initiative

City Manager Wally Bobkiewicz presented the report dated June 24, 2004. He noted that staff was directed to research and draft several alternate language versions of the ordinance regarding possible exemptions from the Utility Users Tax for low-income individuals and/or seniors. He also noted that staff was directed to contact Southern California Edison on the number of customers who are currently enrolled in the California Alternate Rates for Energy (C.A.R.E.) program, and reported that out of 8,921 residential and commercial customers in Santa Paula, 2,165, or 25%, are enrolled in this rate reduction program. He also noted that former Councilmember Laura Flores Espinosa had brought to his attention a program offered by the Commission on Human Concerns, which provides financial assistance to pay natural gas and electric utilities. He explained that these funds come from the Home Energy Assistance Program (HEAP), which is currently assisting 300 Santa Paula residents.

Bill Simmons, representing the Santa Paula Chamber of Commerce, submitted his written comments for the record in support of the Utility Users Tax and advisory measure.

The City Council discussed whether or not to include exemptions in the Utility Tax Measure.

City Manager Wally Bobkiewicz responded to a question regarding what could occur should the ballot measure fail by stating that it would leave the Police and Fire Departments underfunded, understaffed, and not having proper training and necessary equipment to do a proper job; the City would need to make reductions of \$2 million in the General Fund, which might eliminate the Community Center, parks programs, park maintenance, and some streets maintenance; or there could be reductions in Police and Fire staffing with no pay increases and have them participate more in their retirement and benefit participation, and redeployment in Police management staff to perform police patrol on a regular basis

It was moved by Councilmember Cook, seconded by Councilmember Luna, to support a ballot initiative with no exemptions. All were in favor, and the motion carried.

City Attorney Karl H. Berger stated for the record that for purposes of the motion, the definition of household, which was added into the new draft Utility User Tax, would then be removed, and Section 37.112, which currently states, “[Exemption] – Select from A, B, or C” would be revised to state, “Reserved.” He also suggested that each Resolution be moved and approved separately. He read the title and text of Resolution No. 6099 for the record.

It was moved by Councilmember Cook, seconded by Councilmember Luna, to adopt Resolution No. 6099. Under roll call vote, all were in favor, and the motion carried.

RESOLUTION NO. 6099

A RESOLUTION ADDING AN INITIATIVE MEASURE TO THE BALLOT FOR THE PREVIOUSLY CALLED NOVEMBER 2, 2004 ELECTION PURSUANT TO ELECTIONS CODE §9222 (Utility User's Tax)

City Attorney Karl H. Berger read the title and text of Resolution No. 6100 for the record.

It was moved by Vice Mayor Krause, seconded by Councilmember Cook, to adopt Resolution No. 6100. All were in favor, and the motion carried.

RESOLUTION NO. 6100

A RESOLUTION ADDING AN INITIATIVE MEASURE TO THE BALLOT FOR THE PREVIOUSLY CALLED NOVEMBER 2, 2004 ELECTION PURSUANT TO ELECTIONS CODE §9222 (Advisory Measure)

City Attorney Karl H. Berger noted that the title of Resolution No. 6101 should read, “ A Resolution Directing the City Attorney to Prepare an Impartial Analysis of the Ballot Measure Regarding the Santa Paula Utility Users Tax,” and that Section 1 of the resolution should read, “Pursuant to Elections Code §9280, the City Clerk is directed to

transmit a copy of the ballot measure regarding the Santa Paula Utility Users Tax to the City Attorney for an impartial analysis.

It was moved by Vice Mayor Krause, seconded by Councilmember Cook, to adopt Resolution No. 6101 as revised. All were in favor, and the motion carried.

RESOLUTION NO. 6101

A RESOLUTION DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE BALLOT MEASURE REGARDING THE SANTA PAULA UTILITY USERS TAX

City Attorney Karl H. Berger read Resolution No. 6102 in title only.

It was moved by Vice Mayor Krause, seconded by Councilmember Procter, to adopt Resolution No. 6102. All were in favor, and the motion carried.

RESOLUTION NO. 6102

A RESOLUTION ESTABLISHING REQUIREMENTS FOR BALLOT ARGUMENTS FILED WITH THE CITY CLERK TO BE INCLUDED WITH VOTER INFORMATION FOR AN ELECTION ON NOVEMBER 2, 2004

City Attorney Karl H. Berger read Resolution No. 6105 in title only.

It was moved by Councilmember Procter, seconded by Vice Mayor Krause, to adopt Resolution No. 6105. All were in favor, and the motion carried.

RESOLUTION NO. 6105

A RESOLUTION DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS OF THE BALLOT MEASURE REGARDING THE PUBLIC SAFETY ADVISORY MEASURE

B. Memorandum of Understanding with Santa Paula Elementary School District for Implementation of Joint Use of Proposed Isbell Middle School Gymnasium

City Manager Wally Bobkiewicz's report dated June 24, 2004.

George Morgan, Santa Paula Elementary School District Trustee, stated that the school board is moving forward with plans to build a new cafeteria at Thelma Bedell School and a gymnasium at Isbell Middle School. He noted that the State has approved the plans for both projects and has agreed to provide funding. He encouraged the City Council to approve the Memorandum of Understanding for joint use of the proposed gymnasium.

Dr. Luis Villegas, Santa Paula Elementary School District Superintendent, noted that the City Council's support would be an indicator of a positive relationship and would impact and benefit the community.

Mike Bush, representing the Santa Paula Elementary School District, responded to a question regarding the estimated time for completion of the gymnasium by stating that they anticipate construction to begin in a year and construction should take approximately 10 months. He further responded to a question regarding whether funding has been promised for both buildings by responding that the likelihood for funding for the gymnasium is very strong; however, funds might not be available for the cafeteria project. Nonetheless, the school district would ask that the City Council consider the Memorandum of Understanding for both projects.

It was moved by Councilmember Luna, seconded by Vice Mayor Krause, to authorize the City Manager to execute a Memorandum of Understanding with the Santa Paula Elementary School District for implementation of joint use of proposed Isbell Middle School gymnasium. All were in favor, and the motion carried.

C. Proposed Budgets for City of Santa Paula and Redevelopment Agency of the City of Santa Paula for Fiscal Year 2004/2005 Budget

City Manager Wally Bobkiewicz presented Finance Director Alvertina Rivera's report dated June 23, 2004.

It was moved by Councilmember Cook, seconded by Councilmember Procter, to approve Resolution No. 6092 adopting the proposed City of Santa Paula Budget for Fiscal Year 2004-2005. All were in favor, and the motion carried.

RESOLUTION NO. 6092

A RESOLUTION ADOPTING THE 2004-2005 FINAL OPERATING BUDGET FOR THE CITY OF SANTA PAULA AND ADOPTING THE 2004-2005 CAPITAL IMPROVEMENT BUDGET

It was moved by Vice Chair Krause, seconded by Director Cook, to approve Resolution No. 2004-03(R) adopting the proposed Redevelopment Agency Budget for Fiscal Year 2004-2005. All were in favor, and the motion carried.

RESOLUTION NO. 2004-03(R)

A RESOLUTION ADOPTING THE 2004-2005 OPERATING BUDGET FOR THE
SANTA PAULA REDEVELOPMENT AGENCY

D. Request for Proposal for Railroad Right-of-way Uses

Economic Development Specialist Rochelle Margolin presented Economic Development Director Charmaine Stouder's report dated June 21, 2004. She noted that staff was informed by the Ventura County Transportation Commission of some land restrictions which would be incorporated into the Request for Proposals (RFP). She responded to a question regarding how the RFP would be distributed by stating that the RFP would be sent to the list of developers who have expressed interest in the property and placed on Loop Net, which is a commercial real estate web site. City Manager/Executive Director Wally Bobkiewicz added that the RFP would also be sent to all local real estate agents.

It was moved by Vice Mayor/Vice Chair Krause, seconded by Councilmember/Director Cook, to authorize the City Manager/Executive Director to request proposals for the development of the parcels north of the railroad between Ninth Street and Ojai Street. All were in favor, and the motion carried.

E. Commissioner Vacancy on the Santa Paula Housing Authority Commission

Deputy City Clerk Josie G. Herrera's report dated June 21, 2004.

It was moved by Vice Mayor Krause, seconded by Councilmember Cook, to wait until August to begin the recruitment for the vacancy on the Housing Authority Commission. All were in favor, and the motion carried.

F. Status Report on Hospital-related Issues

City Manager/Executive Director Wally Bobkiewicz stated that staff was directed to develop a Request for Proposals (RFP) for operating the hospital that could lead to a business plan to present to the bankruptcy court for consideration. He noted that a Creditors Committee has been formed, and that this is the first group that needs to be satisfied in the bankruptcy court. He reported that staff has not moved forward with the RFP because staff had hoped that one of several plans being developed by other parties in the community would be successful, however, this has not been the case. He stated that staff believes the key to reopen the hospital would be for the City to help facilitate the sale of the land surrounding the hospital through rezoning so that the sale could generate funds to satisfy the creditors. He also stated that staff has met with representatives of the Creditors Committee to discuss how the City could be a catalyst to seek solutions to their liking. He also stated that the City has been approached by at least one health care provider who has expressed a willingness to discuss occupying and operating the hospital, and purchasing the building at a price for less than the hospital's current land holdings. He asked the City Council/Redevelopment

Agency/Community Healthcare Authority to consider authorizing staff to work with the Creditors Committee on a plan which finds buyers for the non-hospital related land and to approach health care providers in the county for their interest in operating the hospital at a cost far less than purchasing all of the hospital's land holdings, and that the City Council consider an expression of willingness to consider proposals for land uses at the site other than institutional uses.

Marsha Rea, 1309 Woodland, representing the Hospital Reorganization Task Force, stated that the Task Force is doing a financial analysis of options available to the hospital board for the disposition of adjacent land that will maximize the return from its disposition and development. She further stated that she anticipates that the Task Force will reach a final analysis in a few weeks and will make a recommendation to the hospital board as to the best use and highest value for the property based on hard numbers from interested parties. She noted that the Task Force's goal is to raise sufficient funds to make the creditors whole and to work with the hospital board in analyzing options to reopen the hospital.

Agi Kessler, Chair of Creditors Committee, expressed her support for staff's recommendations and in working together to bring back a hospital in the community. She also stated that as Chair of the Creditors Committee in the bankruptcy court, she is working with other members and legal representatives in satisfying debt to creditors. City Attorney Karl H. Berger noted that the Creditors Committee also represents the City.

Alan Martia, representing KARE Healthcare, stated that they are working with the hospital board to attempt to reopen the hospital, and that an agreement has been reached to devise a business plan to reopen the hospital. He further stated that he would ask the City for a letter of support, and he expressed his concern that it may be premature to breakup the hospital's property.

It was moved by vice Mayor/Vice Chair Krause, seconded by Councilmember/Director Luna, to authorize staff, including the City Manager/Agency Director/Executive Director and the City Attorney/Agency Attorney/General Counsel, to work with the Creditors Committee to find potential buyers for the adjacent surrounding hospital land and to find potential operators for the hospital. All were in favor and the motion carried.

It was moved by Councilmember/Director Cook, seconded by Vice Mayor/Vice Chair Krause, to express the willingness of the City Council to consider proposals for land uses for non-hospital related land at this site other than institutional. All were in favor, and the motion carried.

CITY/AGENCY/AUTHORITY COMMUNICATIONS

City Manager/Executive Director Wally Bobkiewicz requested a Special City Council Meeting for July 12, 2004, regarding the Exclusive Right to Negotiate Contract with New Group, LLC, and to receive an update from the developer, and to have a Closed Session. He also thanked the City Council for their patience during the last two months in which several City Council Meetings were held to discuss the public safety initiatives, visioning, and budgets.

Councilmember/Director Procter noted that Firefighter Mike Lambert's condition has improved.

Vice Mayor/Vice Chair Krause commended City Manager Wally Bobkiewicz for the timely creation of agendas, and for providing the necessary paperwork to the City Council to enable them to adopt the budget, place ballot measures, and respond to citizens' concerns.

Mayor/Chair Aguirre noted that he attended the National Conference of Mayors in Boston, where they discussed health and community development.

Councilmember/Director Luna thanked Mayor Aguirre for attending the National Conference for Mayors and commended him for doing a great job as Mayor.

FUTURE AGENDA ITEMS

It was moved by Councilmember/Director Procter, seconded by Vice Mayor/Vice Chair Krause, for the City Manager to research avenues to provide assistance to hardship cases for the proposed Utility Users Tax. All were in favor, and the motion carried.

ADJOURNMENT

There being no further business to come before the City Council/Redevelopment Agency/Community Healthcare Authority, Mayor/Chair Aguirre adjourned the meeting at 8:05 p.m.

ATTEST:

Josephine G. Herrera
Deputy City Clerk