

**MINUTES OF THE TOWN COUNCIL/PARKING
AUTHORITY/REDEVELOPMENT AGENCY
OCTOBER 15, 2007**

The Town Council of the Town of Los Gatos conducted a Regular Meeting on Monday, October 15, 2007 at 7:00 P.M.

TOWN COUNCIL/PARKING AUTHORITY/REDEVELOPMENT AGENCY

MEETING CALLED TO ORDER

ROLL CALL

Present: Mayor Joe Pirzynski, Vice Mayor Barbara Spector, Council Member Steve Glickman, Council Member Diane McNutt, and Council Member Mike Wasserman.

Absent: None.

PLEDGE OF ALLEGIANCE - LED BY FUTURE LEADER

Stanford Stickney, Los Gatos High School student, President of the LGHS Darfur Club, Los Gatos Youth Commissioner, and Youth Citizen of the Year led the Pledge of Allegiance. The audience was invited to participate.

CLOSED SESSION REPORT

PUBLIC EMPLOYEE APPOINTMENT

(Government Code Section 54957)

Title: Town Manager

Mr. Korb stated that direction was given and no action was taken.

CONFERENCE WITH LABOR NEGOTIATOR

(Government Code Section 54957.6)

Town Negotiator (Lead): Rum Portillo, Human Resources Director

Employee Organization: Police Officer's Association

Mr. Korb stated that direction was given and no action was given.

Mr. Korb reported that on October 9, 2007 and October 10, 2007, Council met in Closed Session in conjunction with Special Meetings relating to the public employee appointment discussion of a Town Manager. Direction was given and no action was taken.

PRESENTATIONS

Commendation
Senior Housing Solutions - 30th Anniversary
Greg Stowers, President, and **Bob Campbell**, Executive Director

Mayor Joe Pirzynski presented **Mr. Stowers** and **Mr. Campbell** with a commendation for the Senior Housing Solutions 30 year anniversary.

Certificate of Achievement for Excellence in Financial Reporting
(Fiscal Year Ending June 30, 2006)

Mayor Joe Pirzynski presented **Steve Conway**, Director of Finance, with the Certificate of Achievement for Excellence in Financial Reporting. **Mr. Conway** accepted the award on behalf of the Town.

TOWN COUNCIL

CONSENT ITEMS (TO BE ACTED UPON BY A SINGLE MOTION)

1. Ratify payroll for the month of September 2007.
2. Ratify accounts payable for the month of September 2007.
3. Accept Fiscal Year 2005-06 Annual Report .
4. PPW Job No. 05-17 - Federal Project CML - 5067 (011) - Highway 9 Safety Improvements - State Route 9 through Monte Sereno. Adopt resolution authorizing the Interim Town Manger to execute a Program Supplement Agreement with the State of California Department of Transportation. RESOLUTION 2007-108
5. PPW Job No. 07-13 Tait Museum Roof Replacement Project (0717) Adopt resolution accepting work of Waterproofing Associates and authorizing the Interim Town Manager to execute Certificate of Acceptance and Notice of Completion for recording by the Clerk Administrator. RESOLUTION 2007-109
6. Adopt resolution to participate in the California Government Voluntary Employee Beneficiary Association (VEBA) Trust and authorize the Interim Town Manager to execute any documents necessary to implement the VEBA Trust. RESOLUTION 2007-110

REDEVELOPMENT AGENCY

7. Ratify accounts payable for September 2007.

TOWN COUNCIL/REDEVELOPMENT AGENCY

8. Approve Council/Agency minutes of:
 - a. October 1, 2007 Study Session
 - b. October 1, 2007
 - c. October 2, 2007 (Town Council Only)
 - d. October 10, 2007 (Town Council Only)
9. PPW Job No. 07-07 - Elm Street Reconstruction Project 930-0811
Adopt resolution accepting work of Joseph J. Albanese and authorizing the Interim Town Manager/Executive Director to execute Certificate of Acceptance and Notice of Completion for recording by the Clerk Administrator/Secretary of the Redevelopment Agency.
RESOLUTION 2007-111
10. Adopt resolution authorizing the Interim Town Manager/ Executive Director to execute an agreement with the Staubach Company to provide construction management services for the police services building at 15900 Los Gatos Boulevard. **RESOLUTION 2007-112**

Mr. Davis pulled Consent Item #8b.

Mayor Joe Pirzynski stated that the pulled Consent Item would be heard after Other Business.

MOTION: Motion by Vice Mayor Barbara Spector to approve Consent Items #1-8a, and #8c-10.
Seconded by Council Member Steve Glickman.

VOTE: Motion passed unanimously.

VERBAL COMMUNICATIONS

Ms. Stone

- Commented about the non-profit organization called 1.2.1 which raises money to help people who have been affected by a natural disaster.
- Commented on the upcoming fundraiser to help the Marionite Nuns assist Katrina victims in New Orleans neighborhoods that desperately need help.

Ms. Benjamin and Ms. Rasmussen

- Requested that Council consider agendizing at the November 5, 2007 Council meeting a resolution to place a measure on the February 5, 2008 ballot regarding the Elected Town Clerk and Town Treasurer positions.
- Commented that the Town Code currently requires that these two positions be elected.
- Commented that an amendment to the Town Code needs to be voted on by the residents of Los Gatos to bring the Code up to date with the current required professionalism of the Clerk and Treasurer positions and to not leave these two important positions open to unqualified individuals.
- Commented that of the 470 cities in California, 370 have appointed City Clerks rather than elected positions.

Council Member Glickman

- Questioned the rationale for the current structure regarding the position of an Elected Treasurer.
- Commented that the Town Treasurer oversees significant funds and questioned how the management of these funds by an appointed Treasurer would be perceived by the electorate.

Ms. Rasmussen

- Commented that the current Elected Treasurer is in full agreement that the position should return to an appointed position.
- Clarified that the Town Treasurer position is regulated by State Law and that a part time position should be sufficient for the Treasurer's job.

Council Member Wasserman and Vice Mayor Spector asked for this item to be agendized to November 5, 2007.

Mr. Korb

- Commented that the items will come back to Council as two separate resolutions for discussion.
- Clarified that any action would need to be taken on November 5, 2007 to comply with the Registrar Voters deadline of November 9, 2007.

Verbal Communications – Continued

Ms. Deloumi

- Commented about the number of signatures collected for the ballot measure relating to the skate park to be placed on the February 5, 2008.
- Requested that Council support placing the initiative for the skate park on the February 5, 2008 ballot.

Mr. Davis

- Commented about the skate park petition and stated that the kids need a place to skate.
- Commented about the Ross Creek/Linda Avenue sub-division and he feels that the people did not get a fair chance to be heard during the October 10, 2007 Planning Commission meeting.

Closed Verbal Communication

Mr. Korb

- Responded to comment about Planning Commission meeting relating to proposed Planned Development on Linda Ave/Ross Creek.
- Commented that application was considered by the Commission at three separate meetings and the public was allowed to testify during the first and second meetings.
- Commented that the public hearing was continued after the second meeting to evaluate extensive environmental comments submitted for the first time at the second meeting.
- Commented that the public had more than one opportunity to speak to project.
- Commented that the public hearing was closed to further public comment consistent with the Brown Act and case law.

PUBLIC HEARINGS

No Public Hearings were scheduled for October 15, 2007.

OTHER BUSINESS

11. Fiscal Year 2007-08 First Quarter Budget Performance and Status Report for the Period July 1, 2007 - September 30, 2007.

- a. Accept 2007-08 first quarter budget performance status report.**
- b. Authorize budget adjustments as recommended in the first quarter performance report.**

Staff report made by **Steve Conway**, Director of Finance.

Council Comments

- Clarification on the impacts to the General Fund if there is a decrease in income generated from property taxes.
- Suggested that the real estate group in the community may be able to provide information on current property values.
- Questioned if the Town would incur County booking fees in the future.
- Questioned the timeframe for the Town's on-line permitting service.
- Requested the staff continue to update Council on the schedule for on-line services.
- Commented on the impacts of the sub-prime market in the Bay Area and in the Central Valley.
- Questioned how the Town plans to cover a loss due to the sub-prime issue.
- Clarification about service delivery and work loads within the Town's departments.
- Concerned about holding vacancies, reducing staffing, overtime hours and avoiding burnout situations within the departments.
- Suggested that Council and staff evaluate issues relating to service delivery and staffing.

Mr. Conway

- Clarified that the sub-prime issue isn't affecting the Town's property values at this time.
- Clarified that Town staff will continue to provide the best level of service possible with the available staffing and resources available.
- Clarified that staff will bring staffing and resource issues forward as the FY 2008/09 budget is developed.

Other Business Item #11 – Continued

Open Public Comments

Mr. Davis

- Commented that he feels that the Town Treasurer's report from last June stated that the investment reserves totaled \$73,000,000.
- Commented that he feels the potential loss if Netflix were to move would be \$1,500,000 a year.
- Commented about the \$1,300,000 in interest for the quarter and questioned why no one has asked about it.
- Commented that he feels that the Town is in a better financial position than stated.

Closed Public Comments

Council Discussion

- Clarified that the interest is \$935,000 for the entire Fiscal Year.
- Clarified that there is \$1,500,000 a year which is needed to maintain the Town's Roads, but is not available in the budget.
- Clarification about the projection to incur a \$500,000 shortfall in 3 years.
- Questioned if the Town would feel impacts due to the stock market decline.
- Commented that the Town's revenue has been exceeding expenditures every year by a very small margin.
- Questioned what would happen if the property taxes income did not meet the projected 4%.
- Questioned bonding capacity within the Redevelopment Agency funds for the future and if the funds are built into the projection.
- Clarification of how the interest earned from Redevelopment Funds can be utilized.

Mr. Conway

- Clarified that the Town's investments are not in the stock market.
- Clarified that the Town's Revenue Stabilization Reserve could be used as bridge funding should a short term decline in property taxes occur.
- Clarified that future Redevelopment Agency bonding capacity is not included in the forecast and that interest earned on Redevelopment Agency funds can only be used for Redevelopment Agency projects.

Other Business Item #11 – Continued

MOTION: **Motion by Council Member Diane McNutt to accept the Fiscal Year 2007-08 First Quarter Budget Performance and Status Report for the Period July 1, 2007 - September 30, 2007 and authorize budget adjustments as recommended in the first quarter performance report. Seconded by Vice Mayor Barbara Spector.**

VOTE: **Motion passed unanimously.**

PULLED CONSENT ITEM #8b

8b. Approve Council/Agency minutes of October 1, 2007.

Mr. Davis

- Commented that he feels that his comments were not stated correctly in the October 2, 2007 minutes relating to the appropriate sizing for the proposed library.
- Commented that he would like to see the Town remodel the existing Library to add additional space for a two building operation.
- Commented that he feels that the library is going to be 45,000 square feet instead of 30,000.

MOTION: **Motion by Council Member Steve Glickman to approve Consent Item #8b - Council/Agency minutes of October 1, 2007. Seconded by Council Member Mike Wasserman.**

VOTE: **Motion passed unanimously.**

COUNCIL/TOWN MANAGER REPORTS

12. Council Matters

Mayor Joe Pirzynski

- Reminded the community that the Last Town Hall in the Neighborhood meeting will be held on October 22, 2007 at the Jewish Community Center in Los Gatos.
- Commented that the items on the agenda will include the General Plan Update, the Library Project, and the Los Gatos Prepared program.

Council Member Steve Glickman

- Presented an update regarding the launch of the "trip planner service" by Santa Clara Valley Transportation Authority (VTA). The service is available by logging onto the VTA website.

13. Manager Matters

None this evening.

ADJOURNMENT

Attest:

Jackie D. Rose, Clerk Administrator