

**MINUTES**  
**SPECIAL JOINT SUCCESSOR AGENCY FOR THE**  
**FORMER REDEVELOPMENT AGENCY/CITY COUNCIL MEETING**

May 21, 2013

City of Watsonville  
Council Chambers  
275 Main Street, 4<sup>th</sup> Floor

**6:35 P.M.**

**1.0 ROLL CALL**

Mayor Pro Tempore Cervantez, and Council Members Bilicich, Coffman-Gomez, Dodge, Hernandez, and Montesino were present. Mayor Hurst was absent.

Staff members present were City Manager Palacios, City Attorney Smith, City Clerk Vázquez Flores, Assistant City Manager/Community Development Director Tavantzis, Deputy City Manager Maldonado, Interim Public Works & Utilities Director Palmisano, Administrative Services Director Vega, Parks & Community Services Director Espinoza, Library Director Heitzig, Redevelopment & Housing Director Davison, Assistant Public Works & Utilities Director Rodriguez, Human Resources Manager Manning, Asst. Parks & Community Services Director Blachly, Deputy Police Chief Knill, Principal Planner Boyle, Airport Manager William, Administrative Services Manager Reta, Sr. Administrative Analyst Maldonado, Deputy City Clerk Ortiz, and Interpreter Landaverry.

**2.0 PLEDGE OF ALLEGIANCE**

**3.0 PRESENTATIONS & ORAL COMMUNICATIONS**

**3.1 ORAL COMMUNICATIONS FROM THE PUBLIC & CITY COUNCIL**

Shelly Crandon, Library Assistant, spoke about the hardships she has faced as a result of the salary cuts. She urged the Council to help end the salary cuts.

Irene Acosta, Senior Accounting Assistant, stated she was given a pink slip requesting cutting her position to halftime. She stated the salary cut would adversely affect her family and her. She added that possible layoffs would mean bigger challenges in offering services to the public.

Gail Browne, Building Inspector, spoke about the important role that front line employees served. She stated living expenses were increasing and salaries continued to be frozen. She asked Council to consider ending the salary cuts.

Elizabeth Ruiz, Code Enforcement Officer, spoke about the hardship of living on a limited wage and the possibility of losing her job. She pleaded that Council find different ways to help balance the budget.

Cynthia Pintor, Code Enforcement Office, spoke about the importance of her job. She stated she was given a pink slip regarding possible loss of her job. She said losing her

job would adversely affect her livelihood and having less code enforcement officers would result in a more blighted City.

Olivia Martínez, SEIU Local 521 Union Representative, stated the economy overall was in a bad situation, and everyone needed to make a living. She pleaded that Council support staff and not allow management to make decisions for them.

William Neighbors stated Council has made bad decisions over the previous years and laying off Police and Fire personnel would be a bad decision. He suggested Council cut the salaries of Management positions and preserve Police, Fire, and the PAL program.

Ron Ince, 175 Main Street, requested that the Alcohol Ordinance be modified. He suggested the City adopt a liquor license tax.

David Perez, District 6, stated public safety layoffs should not be an option in balancing the budget. He stated Council made a bad decision in spending \$80,000 on a special election, which could have been used to hire a police officer.

Bob Cornell, spoke about the importance of revitalizing downtown, protecting agriculture and architecture. He stated that the question on the Measure T ballot was skewed and residents should vote “no” on it.

Julian Posadas stated his support for Measure T. He urged the public to vote “yes” on Measure T, as it would help the City generate tax revenue and solve many financial problems.

Vickie Garcia accused Council of lack of transparency and making poor decisions. She stated her displeasure at the City paying high costs for bandas during the Strawberry Festival when more economic options were available. She said the City had purchased two unusable fire trucks, and the City had paid large amounts of money to get them to work.

Isaac Rodriguez, Parks & Recreation Commissioner, spoke about the importance of providing recreational alternatives to children and spoke in support of PAL. He stated Measure T would allow for new jobs, technology, options for residents, tax revenue, and a more successful economy. He stated annexing ag land would allow for tax revenue to come to Watsonville instead of going to the County.

Member Dodge thanked SEIU local 521 for uniting and addressing the Council. He spoke in support of Measure T and said the people would vote to amend the urban limit line in order to include 95 acres of agricultural land within the City. He said agriculture did not provide tax revenue to the City, and the City was in a dire financial situation that needed tax revenue. He asked the public to participate in local government and not just provide negative feedback. He spoke about downtown buildings not able to hold modern business.

#### **4.0 CONSENT AGENDA**

**MOTION:** It was moved by Member Montesino, seconded by Member Dodge, and carried by the following vote that Consent Agenda be approved:

AYES: MEMBERS: Cervantez, Coffman-Gomez, Dodge, Hernandez,  
Montesino  
NOES: MEMBERS: Bilicich  
ABSENT: MEMBERS: Hurst

**Public Input on any Consent Agenda Item** (None)

Member Bilicich stated she would vote “no” because the minutes dated back to August of 2012. City Clerk Vázquez Flores explained that the minutes had not been approved because there had not been a Successor Agency meeting where they could have been approved.

**4.1 MOTION APPROVING SUCCESSOR AGENCY FOR THE FORMER REDEVELOPMENT AGENCY MINUTES OF AUGUST 28 & DECEMBER 11, 2012, FEBRUARY 12, APRIL 9 & 23, & MAY 14, 2013**

**8.0 NEW BUSINESS**

**8.1 BUDGET STUDY SESSION FOR FISCAL YEARS 2013-2015**

**(a) Staff Report**

**--General Fund**

**--Enterprise Funds**

The report was given by Administrative Services Director Vega.

**(b) City Council/Agency Questions**

Administrative Services Director Vega explained sales tax annual percentage changes as shown on his PowerPoint Presentation. Member Coffman-Gomez suggested using dollar amounts instead of percentages in presenting sales tax changes.

Administrative Services Director Vega answered questions from Member Coffman-Gomez regarding the \$4.6 million loan from the City to the former Redevelopment Agency, which the state was requesting be paid to them, fund balance as compared to comparable cities, layoffs, and CalPERS.

City Manager Palacios stated that despite having concessions 40 positions were eliminated up to 2012. He stated if staff continued concessions the budget would still increase about \$700,000 because retirement costs were increasing.

Fire Chief Bisbee explained that there were no requirements for staffing, but standards were used as baselines and it was up to the Council establish standards.

Member Dodge stated the Council and public needed dollar amounts and not percentages or hours. Fire Chief Bisbee explained that 60-75% of fire departments' responses were for emergency medical services.

Fire Chief Bisbee in answering Member Bilicich's question regarding overtime, said hiring more personnel would pay more in benefits and overtime might be less expensive.

Member Hernandez asked if there was the possibility of taking a City tax measure for public safety.

City Manager Palacios in answering Member Dodge, said a tax measure could be placed on the November 2014 election for public safety instead of a general tax.

**(c) Public Input**

Doug Keegan, Human Care Alliance, stated his concern in the reduction of funds for social service grants. He spoke about the services the Human Care Alliance offered to residents. He requested that the cut to the grants be minimized and asked Council to look for alternatives such as postponing buying the two new Police Department vehicles or buying only one.

Bob Cornell spoke about the Airport Enterprise Fund's debt. Administrative Services Director Vega explained that the deficit would be \$4.6 million as opposed to the \$9 million projected in the previous fiscal year.

Suzanne Megan, Police Activities League (PAL) employee, spoke in support of preserving the PAL Program and listed the reasons it should be kept.

The following speakers spoke about the positive impact PAL has been in their life and urged Council not to eliminate it.

Adriana Lazaro, Pajaro Valley High School Student

Emily Padilla

Ismael Torres

Rosaura Ayala

Andrea Lazaro

George Romero, District 4

Brian

Lizette Diaz

Diana Gomez

Dee Dee Vargas stated public safety was a priority. She stated it was difficult to negotiate with staff but Council must act responsibly.

Dulce Sixtos, Watsonville Youth Council, stated public safety was a priority.

Joan Barbolla, Pajaro Valley Prevention & Student Assistance, expressed her support for the Police Department and PAL.

Chris Seymour, PAL Volunteer, stated he would hate to see jobs lost and expressed his support for the PAL Program.

Cory Schaeffer, Fire Union President, spoke about the challenges the Police Department and the Fire Departments faced as a result of personnel cuts. He stated the Fire Department was short handed and explained the reasons for overtime costs. He said that the national standard is one firefighter per 1000 residents and 4 per vehicle. He stated City negotiators had not proposed current concessions. He stated the City had made many bad decisions and revenue must be generated.

Patricia Mata, Pajaro Valley Prevention & Student Assistance, spoke in support of PAL.

Christopher Lang stated that his non-violence business would help public safety.

Christine Kelsey, senior village on Delta Way, stated public safety was a priority and thanked police officers. She spoke about the Grand Jury Audit Report and suggested cutting City Manager Palacios' salary by 30%. She spoke about the recommendations in the Grand Jury Report.

Rafael Uribe spoke in support of maintaining the current Police Department staffing.

William Hansen spoke in support of public safety. He suggested a .5% sales tax or a parcel tax increase to help with the deficit and increase revenues.

Airport Manager Williams explained the reasons for the \$4.6 million deficit and the measures being taken to eliminate it.

City Manager Palacios explained that under the proposed Alternative A the PAL program would not be eliminated. He explained that layoff notices were not scare tactics, but there was not enough money for raises. He stated that if staff did not accept concessions then there would be layoffs. He encouraged the public to read the response to the Grand Jury Audit Report as it answered many of the concerns raised by the Grand Jury.

**(d) City Council/Agency Discussion**

Airport Manager Williams answered questions from Council Members Dodge and Coffman-Gomez regarding staffing, funding, expenditures, revenues, and the request for proposals for administration of the golf driving range.

Member Bilicich stated she would like to see the perks that management staff received. She stated public safety was a priority and layoffs were not a good option. She said the City could not afford to lose Fire and Police Department personnel.

Member Hernandez stated his support for Measure T. He said the City needed to make a change in order to succeed in the future.

Member Coffman-Gomez encouraged staff and negotiators to work collectively to reach an agreement.

Member Bilicich stated the Human Care Alliance was important.

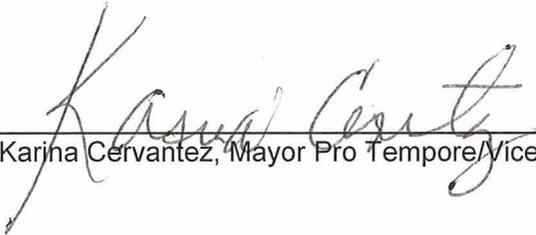
Member Dodge stated that the Parks Department was also public safety because it prevented crimes from happening. He expressed his concern with losing jobs and said alternatives needed to be found.

Mayor Pro Tempore Cervantez stressed the importance of collaboration between departments. She stated that the current proposed budget only balanced the budget and not allowed for full services. She said that all the comments by the public would be considered.

**10.1 INFORMATION ITEMS—Written Report(s) Only**

**11.0 ADJOURNMENT**

10:11 p.m.

  
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Karina Cervantez, Mayor Pro Tempore/Vice Chair

ATTEST:

  
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Beatriz Vázquez Flores, City Clerk