

**CITY COUNCIL
CITY OF SONORA
NOVEMBER 5, 2018**

A Regular Meeting of the City Council of the City of Sonora was held this date in the Council Chambers at City Hall, 94 North Washington Street, at 5:00 p.m. The following members were present: Mayor Jim Garaventa, Mayor Pro-Tem Matt Hawkins, Councilmembers Mark Plummer, Colette Such and Connie Williams; City Administrator Tim Miller, City Clerk Marijane Cassinetta, City Attorney Douglas White, Administrative Services Director Christopher Gorsky, Police Chief Turu VanderWiel; Absent: Fire Chief Aimee New, Community Development Director Rachelle Kellogg.

There was no Closed Session Meeting this date.

REPORT ON POSTING OF AGENDA

City Clerk Cassinetta advised Council that at 10:30 a.m. on the 2nd day of November, 2018, the Agenda for the City of Sonora Council Meeting scheduled for this date was posted outside City Hall for public view.

APPROVAL OF THE AGENDA

Administrator Miller noted an addition to Item D(2), Presentations; Vision Sonora Award of Excellence for Dennis Overholtzer for Bakery 81. The Council concurred to the addition.

PRESENTATIONS

Police Chief VanderWiel introduced and swore in Reserve Officer Danny Duffy. Chief VanderWiel pinned Duffy's badge, and he was welcomed by the Council.

Vision Sonora Awards of Excellence were presented by Councilmembers Williams and Such as follows: to Louis Mastro for Sonora Jewelry at 94 South Washington Street; and to Dennis Overholtzer for Bakery 81 at 81 South Washington Street. Jeff Davis was not present for his Award for The Post at 98 South Washington Street.

PUBLIC COMMENT

Ken Perkins informed the Council that a Settlement was reached between Perkins and the Tuolumne County Economic Development Agency (TCEDA). He noted that the Grand Jury Report required a number of things to be done by the TCEDA, and he requested that by December 31, 2018, the City Council consider whether it will continue to fund the TCEDA, or instead, use the monies for the best use for the City.

Marvin Keshner said that he was not impressed with the TCEDA and its mission, but that he does believe in economic development. He stated that the redacted documents do not sufficiently address transparency issues. He believes that there is a need for business coaching and suggested that the City use its funds for infrastructure, roads and other improvements to make the area more attractive for economic development and to begin this by creating a checklist.

Barbara Dressler commented on numerous issues relating to the TCEDA and its press release. A full copy of Dressler's comments is attached hereto as Exhibit "A" and made a part hereof for reference.

David Morgan recommended that the City not continue to fund the TCEDA. He also asked when the City parking lot on South Green Street adjacent to the beer garden would be returned to the City.

Katie Kirkland, Communications and Tourism Manager from the Tuolumne County Visitors' Bureau, commented on very positive press given to Tuolumne County in a United Kingdom magazine publication entitled Evening Standard.

CONSENT CALENDAR

Councilmember Such stated that she had not seen the spreadsheet on the previously budgeted expenses, therefore, she will abstain on that portion of the Consent Calendar.

MOTION by Councilmember Williams, second by Councilmember Plummer, and unanimously carried that the Consent Calendar be approved as follows:

- 1. Approval of the Minutes for the City Council Closed and Regular Session Meetings of October 15, 2018;**
- 2. Approval of disbursements in the amount of \$143,305.59, on October 26, 2018, for payroll, inclusive of employee salaries, employer and employee taxes and retirement contributions, and miscellaneous voluntary employee deductions.**

MOTION by Councilmember Williams, seconded by Mayor Pro-Tem Hawkins to approve invoices for previously budgeted expenses in the amount of \$177,171.45 on November 6, 2018. MOTION passed four to one as follows: Ayes: Garaventa, Hawkins, Plummer, Williams; Noes: None; Abstain: Such.

UNFINISHED BUSINESS

Ordinance No. 850. The Council considered waiving the second reading and adopting Ordinance No. 850 by title which approves a Development Agreement by and between the City of Sonora and Hazy Bulldog, LLC, to allow a medical cannabis dispensary at 1243 Mono

Way and instructs the City Administrator to execute said Agreement subject to final technical revisions as required and approved by the City Attorney. Recommending approval, Administrator Miller reviewed the matter.

The Mayor asked for any public comment. A member of the public had concern about Hazy Bulldog being asked to pay \$10,000 a month to cover City expenses; she would like to see the business succeed because of ill and elderly people in need of medicinal cannabis. David Morgan also requested clarification regarding taxes and fees for Hazy Bulldog. Attorney White responded that it is anticipated the City will be spending a significant amount of time dealing with code enforcement issues; he noted that it has been his experience in negotiating many jurisdictional agreements that the \$10,000 per month the City is requiring is one of the lowest statewide. Council and Staff discussed Agreement provisions; Hazy Bulldog will not be paying sales tax, but it is required to pay fees to the State, that the City can request an audit at any time, what the business's reporting requirements are for submission to the City and the State, and that if the State allows blending with recreational cannabis, and there is no separate distinction, Hazy Bulldog will have to come back for the City's approval. White commented that the latter would become problematic if State legislation is enacted making the determination that somebody has been approved from another jurisdiction in California and then comes to Sonora with another business license. White also clarified that non-medicinal merchandise will be subject to sales tax. The Council requested Jeff Muzio, owner of Hazy Bulldog, to explain his business model, which he did, and he also stated that even though he had previously said he was going to carry T-shirts and a very minimal amount of non-cannabis items, he has changed his mind, and he will only carry a small inventory of educational books and pamphlets. He additionally noted that the State requires daily reporting.

MOTION by Mayor Pro-Tem Hawkins, second by Councilmember Such, and unanimously carried the second reading of Ordinance No. 850 be waived and said Ordinance be approved and adopted as presented.

PUBLIC HEARINGS

None.

ADJOURN FROM REGULAR CITY COUNCIL MEETING INTO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY MEETING.

At 5:55 p.m. the Sonora City Council adjourned its Regular Meeting and convened as the Successor Agency to the Redevelopment Agency of the City of Sonora. The following Members were present: Jim Garaventa, Matt Hawkins, Mark Plummer, Colette Such and Connie Williams.

New Business

Resolution No. SA 11-05-2018-A. The Successor Agency considered adoption of Resolution No. SA 11-05-2018-A which approves and authorizes its conveyance of certain properties (178/184 Fairview Lane) to the City of Sonora which was previously conveyed by the City to the former Redevelopment Agency and accepting the return of funds from the City which was determined to be a disallowed transfer of assets under the Dissolution Act. The Resolution also authorizes and directs the City Administrator to execute all documentation and to take actions that may be necessary to accomplish said conveyance, and the return of funds in the amount of \$326,612 to the Successor Agency. Reviewing background information and recommending approval, Administrator Miller presented the matter. There was no public comment.

MOTION by Member Williams, second by Member Plummer, and unanimously carried that said Resolution be approved and adopted as presented.

ADJOURN FROM THE SUCCESSOR AGENCY AND RECONVENE INTO THE CITY OF SONORA REGULAR COUNCIL MEETING

At 6:02 p.m. the Successor Agency to the Redevelopment Agency adjourned its Meeting and reconvened back into the City of Sonora Regular Council Meeting.

NEW BUSINESS

Resolution No. 11-05-2018-A. The Council considered adoption of Resolution No. 11-05-2018-A which approves and authorizes the return of funds to the Successor Agency, which funds were determined to be a disallowed transfer of assets under the Dissolution Act, and acceptance of the transfer from the Successor Agency of certain properties (178/184 Fairview Lane) which were previously conveyed by the City to the former Redevelopment Agency. The Resolution also authorizes and directs the City Administrator to execute all documentation and to take actions that may be necessary to accomplish said conveyance of the site to the City, and the return of funds in the amount of \$326,612 to the Successor Agency. Reviewing background information and recommending approval, Administrator Miller presented the matter. There was no public comment.

MOTION by Councilmember Williams, second by Councilmember Plummer, and unanimously carried that said Resolution be approved and adopted as presented.

MONTHLY REPORTS

None. No public comment.

VISION SONORA COMMITTEE REPORT

None. No public comment.

COMMUNICATIONS

Information from League of California Cities (LCC) Regarding Cable Franchise PEG Fees. Due to a conflict of interest with Access Tuolumne (former Cable 8 Public Access), Mayor Garaventa recused himself and left the Council Chambers; Mayor Pro-Tem Hawkins assumed the Chair. The Council considered sending a letter opposing Federal Communications Commission (FCC) proposed MB Docket No. 05-31 which would allow cable companies to deduct the fair market value for a wide range of public benefits from its franchise fee obligations, namely cable franchise fees for public, educational and government (PEG) channel capacity and transmission. Recommending approval, Administrator Miller reviewed information. Mayor Pro-Tem Hawkins asked for any public comment.

A member of the public asked if the Council has had any prior discussion on the matter. She also commented that when the LCC asks the Council to take action on matters, the Council "jumps to do it", but when a member of the public asks, the Council does not act. Councilmember Williams responded that the Council has not had any prior discussion on this matter. Council and Staff discussed letter content.

Jerry Day, Access Tuolumne Station Manager, clarified the difference between a franchise fee and PEG fee. There was no further public comment. There was no further public comment.

MOTION by Councilmember Williams, second by Councilmember Plummer that a letter be sent to the FCC opposing MB Docket No. 05-31. The motion passed as follows: Ayes: Hawkins, Plummer, Williams; Noes: None; Abstain: Such; Recused: Garaventa.

COUNCILMEMBER/DEPARTMENT HEAD REPORTS

Administrative Services Director Gorsky reported on the recent audit of the Transportation Development Fund noting a clean audit with no findings. **Administrator Miller** stated that both the Firemen's Ball and the *Dragoon Healthy Trails Day* event were very successful. **Mayor Pro-Tem Hawkins** reported that he attended the walk-through of the Armory (Beer Garden), and that it is very well done. He also commented that he has received compliments on the great job the Police Department does. **Councilmember Williams** reported that she attended the TUCARE Natural Resources Summit, the Firemen's Ball, the Tuolumne Chamber Government Affairs Council Meeting, and she complimented Staff on a great job done on the *Dragoon Healthy Trails Day* event. Williams additionally noted that she is interested in becoming a member of the League of California Cities Policy Committee, and the League has established a Rural Working Group Task Force for which she is also interested in becoming a part of. **Councilmember Such** reported that she

attended the Firesafe Council Meeting and the Tuolumne Chamber Government Affairs Council Meeting. **Mayor Garaventa** reported his attendance at the Chamber Mixer held at Let'er Buck, the Visitors Bureau Marketing Meeting, and the City and County quarterly Staff Meeting.

ADJOURNMENT

There being no further business to come before the Council at this time, the Regular Session Meeting was adjourned at 6:25 p.m. to the to the next Regular Meeting on Monday, November 19, 2018, at 5:00 p.m. in the Council Chambers at City Hall.

Marijane Cassinetto, City Clerk Date