

MINUTES OF SPECIAL CITY COUNCIL MEETING
MARIN VALLEY MOBILE COUNTRY CLUB
100 MARIN VALLEY DRIVE
TUESDAY, JUNE 8, 2015 – 6:30P.M.

A. CALL TO ORDER

ROLL CALL

Present: Mayor MacLeamy
Mayor Pro Tem Eklund
Councilmember Athas
Councilmember Kellner
Councilmember Lucan

Absent: None

Also Present: Assistant City Manager Cathy Capriola, Engineering Manager Julian Skinner, Senior Civil Engineer Tony Williams, Finance Manager Brian Cochran, Assistant City Attorney Veronica Nebb, City Clerk Sheri Hartz, On-site Manager Matt Greenberg and Al Frei.

B. APPROVAL OF FINAL AGENDA

Assistant City Manager Capriola made a brief announcement regarding the long term ownership conversation, stating that, as the evening's agenda was full with time-sensitive topics, the item would come back at a later date with an updated process discussion.

Councilmember Kellner moved, Seconded by Councilmember Lucan, to approve the Final Agenda. The motion carried unanimously.

C. PUBLIC COMMENTS

1. Mike Read announced the upcoming Art and Wine Festival, stating that volunteers were needed, both for the Festival and for the Fourth of July Parade.
2. Judy Vucci spoke about the differences in rent for different properties and asked that something be done. In response, Assistant City Attorney Nebb stated that incremental adjustments could be made to adjust the gap and that the Novato rent control ordinance states that rents established must be fair to both owner and tenants.
3. Maggie Siegfried spoke in opposition to the rent differential, stating that higher rents cut into resident's retirement funds and supported incremental adjustments.
4. Joseph Davila also spoke on the rent disparity, stating that he was investigating the legal issues on the property prior to his tenancy.
5. Timothy Hart inquired whether the fire break along Marin Valley open space was sufficient and stated that, with the drought, defensible space was a great concern. He also commented on the lack of parking enforcement along Marin Valley and the illegal parking of cars.
6. Diane Brandon spoke about fire dangers associated with juniper bushes and hoped they would be addressed.

Assistant City Manager Capriola responded to questions raised during Public Comment, stating that the topic of rent disparity was a subject better discussed in a workshop format. Regarding fire danger, she said that Matt Greenberg would discuss those during his report.

D. CONSENT CALENDAR

1. APPROVE MINUTES OF MARCH 31, 2015
2. MONTHLY FINANCIAL UPDATE – MARCH 2015 THROUGH APRIL 2015

Mayor Pro Tem Eklund moved, Seconded by Councilmember Athas, to approve the Consent Calendar. The motion carried unanimously.

E. GENERAL BUSINESS

3. MARIN VALLEY MOBILE COUNTRY CLUB SLOPE REPAIR AT SITE 16, SITE 22 AND SITE 26; APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE BID ADVERTISEMENT; CEQA EXEMPTION – S 15304 & 15301(F)

Consider approving plans and specifications and authorizing bid advertisement for the Marin Valley Mobile Country Club (MVMCC) Slope Repair at Site 16, Site 22, and Site 26, MVMCC Capital Improvement, Long Term Infrastructure Item No. 51.

Mr. Williams reported that the Slope Stability Improvements Phase I Project had a budget of \$185,000 and that staff had contracted with Miller Pacific Engineering Group (MPEG) of Novato to investigate, prepare repair options and ultimately design improvements for the first phase of slope repairs at the Park.

He said that the first phase of MPEG's work included an overview of all the identified sites to make sure the priorities identified with the 2011 work were still valid and that, with this verification, MPEG performed detailed geotechnical investigations at the top three priority sites including drilling into the hillsides to ascertain parameters for varying repair strategies. He identified the top three sites and described the scope of the project as follows:

Site 16 (99 Panorama Dive):

- Minor grading of the existing hillside slope to restore compatible topography and to construct a low lying berm for future slide debris catchment.
- Installation of a new trench underdrainage network and a new surface drainage collection system.
- Restoration of existing hillside plantings, hydroseeding and long-term (3-year) sediment and erosion control measures on all disturbed areas.

Site 22 (3 – 9 Wild Oak Drive):

- Removal of an existing failed bulkhead on the hillside slope above 3 and 5 Wild Oak Drive.
- Installation of approximately 150 linear feet of subsurface trench drain with connection to an existing drainage network.
- Hillside grading of the existing over-steepened hill slope.
- Hydroseeding and long-term erosion and sediment control measures on all disturbed areas.
- This site includes an alternate bid item that substitutes the hillside grading with the installation of approximately 90 linear feet of a drilled pier-timber lagging 5-foot tall retaining wall. Some minor grading behind the new retaining wall is included in this alternate.

Site 26 (17 Marin Valley Drive):

- Installation of approximately 55 linear feet of an anchored 6-foot tall wire mesh and steel post debris catchment barrier fence.
- Minor erosion gully repair/grading and long term erosion and sediment control measures.

Mr. Williams reported that the residents potentially impacted by this work were notified, that the required construction at Site 16 and Site 26 would require access via the existing driveways at those units and that the project specifications required the contractor to fully restore or repair any impacts from the construction work. He also stated that the project was exempt from CEQA requirements.

COUNCILMEMBER QUESTIONS

Mayor Pro Tem Eklund asked what the impacts would be to residents near Wild Oak Drive of the retaining wall, to which Mr. Williams replied that the wall would be upslope from the back of the homes and that the design of the wall was dictated by engineering to match the design of existing walls in the Park and would be hydro-seeded to control erosion.

Mayor MacLeamy asked whether access issues affected bidding, to which Mr. Williams responded that they would work with experienced contractors who should be able to provide accurate pricing.

PUBLIC COMMENT

7. Joseph Davila stated that the retaining wall would not prevent flooding during heavy rains and that an assessment of flow removal should be done.
8. Warren Edgar asked whether the existing wall would be removed, to which Mr. Williams responded that it would and went on to say that the City was looking at hillside drainage and many locations need to be addressed. Ms. Capriola mentioned that residents who have potential flooding issues should provide their information to Mr. Greenberg would pass it along.

Mayor Pro Tem Eklund moved, Seconded by Councilmember Kellner, to approve the plans and specifications and authorize bid advertisement for the MVMCC Slope Repair at Sites 16, 22 and

26, MVMCC Capital Improvement, Long Term Infrastructure Item No. 51. *The motion carried unanimously.*

4. MVMCC EMERGENCY PLAN AND EMERGENCY PREPAREDNESS
UPDATES INCLUDING \$21,500 GRANTS FOR VEGETATION
MANAGEMENT

Consider 1.) Approving a resolution adopting the Emergency Plan for MVMCC and directing staff to submit a copy to the Department of Housing and Community Development and to distribute and provide notice of the Emergency Plan to MVMCC residents and 2.) Approving \$21,500 in grant funding and directing staff to either adjust the current FY 14/15 budget or the FY 15/16 budget based on the final information from the grant providers in terms of timing of the grants.

Assistant City Manager Capriola opened the item and introduced Dave Jeffries, Emergency Service Coordinator, and Fire Captain Bill Tyler, and stated that the Plan contained information for residents about emergency procedures. She said that the proposed plan would be more comprehensive than the proposed plan and would be posted and distributed to all residents.

Mr. Jeffries gave the staff report, explaining that the new plan addressed emergency contact information, evacuation routes, and emergency steps to follow in various scenarios, and provided a long list of preparedness sources.

Captain Tyler reported that, in collaboration with other organizations and the county, NFD had worked to secure a number of grants that could help the park, and outlined prospective uses for \$21,500 in grant funding, which included vegetation management projects, chipper work to clear fire prone plants and a demonstration project to show fire and drought resistant landscaping ideas. He concluded by stating that the grants would require a match of staff time or dollars, in the amount of an additional \$26,000 and said that \$20,000 in fire abatement had also been added to the budget.

COUNCILMEMBER QUESTIONS

Councilmember Lucan asked what the inspection requirements for smoke and carbon monoxide detectors was for coaches, to which Capt. Tyler responded that HCD is the official for coaches, not the City. He said that there were great efforts in the Park working with Sunrise Rotary who had planned an upcoming event to test, replace batteries, and add or replace alarms, all at no charge. He also said that the Fire Department was always available to assist residents when needed, and encouraged everyone to install a CO₂ detector in their residences.

Mayor Pro Tem Eklund raised the issue that in a senior park, there are concerns about those on oxygen or who need special help in emergency and asked whether we have that information. Mr.

Jeffries replied that we do not due to HIPAA privacy concerns, but special teams are deployed during an emergency to assist special needs households. Ms. Capriola added that the City was working with MVEST (Marin Valley Emergency Safety Team) regarding the legal issues involved.

Councilmember Athas asked about new smoke alarms that had a ten year life and required no battery changes, to which Capt. Tyler replied that they were more expensive and it would be a slow transition to those units.

Councilmember Kellner asked whether the Rotary's service was just for MVMCC, to which Capt. Tyler responded that the service was for all mobile home parks.

Mayor MacLeamy asked how residents can be encouraged to remove fire prone plants such as junipers, to which Capt. Tyler replied that junipers were only one of many types of fire prone plants, stated that NFD had recently distributed a flyer to Park residents about replacing fire prone plants with fire resistant ones and would work cooperatively with park management and residents to exchange plants.

Ms. Capriola spoke regarding the vegetation management plan, stating that it considers all of the vegetation in the park and will allow prioritization of areas closer to wild area interface. She added that the demonstration areas will be on two City lots so that residents are not disturbed by visitors walking through their property.

PUBLIC COMMENT

9. Serena D'Arcy Fisher expressed MVEST's thanks for the opportunity to work with the City and said she was confident that the community would come up with great plan.
10. Rick Altman stated that the grass from Clubview to the railroad tracks needed mowing, as it presented a fire danger.

*Councilmember Kellner moved, Seconded by Councilmember Athas, to approve Resolution No, 27-15 adopting the Emergency Plan for MVMCC and directing staff to submit a copy to the Department of Housing and Community Development and to distribute and provide notice of the Emergency Plan to MVMCC residents. **The motion carried unanimously.***

*Mayor Pro Tem Eklund moved, Seconded by Councilmember Lucan, to approve \$21,500 in grant funding and directing staff to either adjust the current FY 14/15 budget or the FY 15/16 budget based on the final information from the grant providers in terms of timing of the grants. **The motion carried unanimously.***

5. MVMCC WORKING DRAFT FINANCIAL FORECAST

Consider receiving the updated working draft MVMCC financial forecast and asking questions of staff.

Finance Manager Cochran gave the staff report, explaining that it was a major update of the long range forecast regarding accumulation of reserves for eventual replacement of underground utility infrastructure at the Park. He reported that the forecast had been completely re-done based on the most recent proposed budget for 2015/16, and looked forward from that point in time, utilizing a very simplistic 2% inflation factor on most categories to model a reasonable growth assumption in the out-years of the forecast. He added that some expenditure categories of note were not escalated by inflation, such as capital expenditures, debt service and turnback.

He said that the critical assumption within the forecast resides in the Capital line item; specifically, when certain major infrastructure replacement projects need to occur and whether or not the City was selected for the PG&E electricity / master meter replacement project, creating two scenarios within the working draft:

Scenario #1 – Without PG&E – This was the scenario originally anticipated when the bonds were re-financed, with major infrastructure replacement projects beginning in approximately year 8 (2022/23) of the forecast. In this scenario, the City would have accumulated sufficient reserves to fund the necessary projects, with no outside funding or City loans required.

Scenario #2 – With PG&E Pilot Project – In scenario #2, if MVMCC was selected for the PG&E pilot project and electricity infrastructure replacements begin soon, staff would propose coordinating with PG&E on the major infrastructure replacement projects, taking into account the disruption to residents and the trenching and asphalt cuts required to do so. In this case, projects would begin much sooner than in scenario #1, possibly as early as 2016/17 and continuing through 2020/2021.

Mr. Cochran went on to explain how the reserves would work and the various reserve policies assumed for the model. In conclusion, he stated that this was a very much a working draft and that more would be known once the PG&E announced whether we would be part of the pilot project.

COUNCILMEMBER QUESTIONS

Mayor Pro Tem Eklund asked, regarding Scenario #1, whether the estimated costs for capital improvements were based on today's dollars or 2022, to which Mr. Cochran replied that they were based on current estimates and might need revision. Mr. Skinner added that the numbers came from the infrastructure study done a few years ago that was meant to quantify overall needs and that we will put a harder number together.

Mayor MacLeamy asked whether the estimates included any funding for storm drains, to which Mr. Skinner replied that there was not much storm drain funding, but did include some site drainage. Mr. Cochran added that we kept \$180,000 in the bank to pay the operating expenses of the Park.

PUBLIC COMMENT

11. Jay Shelfer stated that, with either scenario, the forecast showed that there was no need for a rent increase.
12. John Hanson spoke in opposition to a rent increase, stating that seniors have the smallest incomes and, to them, a few dollars makes a huge difference.

Mr. Cochran responded to questions and comments raised during Public Comment, stating the forecast was very basic and was only intended to model how we might approach paying for these things, but was not meant to be a policy statement or predict the future. Ms. Capriola added that the forecast was meant, at a high level, to show that the gap would not be that large if we did get the PG&E funding and that the City did have ability to provide a loan at this level.

6. FY 15/16 BUDGET – OPERATING AND CAPITAL FOR MVMCC

Consider reviewing, accepting input, and taking action on the FY 15/16 Operating and Capital Budget for the Marin Valley Mobile Country Club.

Ms. Capriola gave the staff report, explaining the process that had been undertaken to review the budget and highlighting key staff recommendations which included a 1.5% rent increase, budget adjustment for emergency preparedness once the amount of grant funding was known, a raise in compensation for Matt Greenberg for his exceptional performance as on-site Park Manager, non-renewal of the cable television contract with Comcast and advising residents that they must make their own arrangements, additional funding for fire abatement, a line item for minor Park improvements, funding for emergency preparedness and funding for short-term CIP projects and long term infrastructure improvements and planning. She said that the plan was to put off installing an elevator, and to emphasize parking and repair of the swimming pool.

COUNCILMEMBER QUESTIONS

Mayor Pro Tem Eklund asked, regarding the Comcast issue, whether Horizon was an option, to which Ms. Capriola replied that the recommendation was to move away from one service and allow residents to make their own choices. The Mayor Pro Tem asked how the 1.5% increase in rent was chosen, to which Mr. Cochran responded that the CPI for the Bay Area was between 1.2 and 1.4 %, and that the Federal target was 2%, which made 1.5% look like a good number to match inflation and generate a bit of revenue as our operating expenses were increasing. He added that his increase did not cover our costs, which were at 2.8%.

Councilmember Lucan asked for clarification on the rent increase history to which Mr. Cochran replied that we did not raise rents during the 2013 cycle at the request of the PAC, and therefore, there had been no increases for five years.

Councilmember Kellner asked for clarification about proposed studies, to which Mr. Skinner responded that the study referenced in the Capital Budget was more like a preliminary design for what infrastructure replacement would occur and that the new study would be more detailed, like a master plan, which would be carried out through phases.

Councilmember Athas asked about the debt service ratio requirement and what we would do if CIP came in higher, to which Ms. Capriola said that we the flexibility to decide on the amount of rent increase.

PUBLIC COMMENT

13. Jay Shelfer stated that rents currently are sufficient to cover expenses and to have reserve and that, if the PG&E program goes forward, it would greatly reduce Park expenses. He asked that there be no rent increase until the outcome was known.
14. David King also spoke in opposition to the rent increase, stating that it was not accurate to base assumptions on concept studies, but rather on what was needed right now and pointed out areas in the budget, such as resident humanitarian services, where savings could be realized.
15. Joseph Davila spoke against the rent increase, stating that CPI did not reflect what it took to live in Marin County.
16. Mike Read spoke against the rent increase, stating that the City Council was supposed to look out for Park residents and that rents have increased an average of 1.9 % per year since 1997, amounting to \$1M.

Ms. Capriola clarified that the resident humanitarian fund was for assistance for one-time emergencies, not ongoing problems. She said that the idea of a rent subsidy could be explored for cases where need was established. She gave a reminder that the rent increase would not go into effect until January and added that Mr. Read's assertion of the \$1M figure was not correct, and that it was actually more like \$190,000.

Mayor Pro Tem Eklund asked for clarification regarding potential PG&E improvements, to which Ms. Capriola responded that, if we received PG&E funding, it would only pay for gas and electric and we would still need to take care of the other utilities which would involve separate trenches and a lot of engineering work. She added that there was no PUC requirement that we do infrastructure improvements but that it would be a matter of Council policy and staff recommendation. Mayor Pro Tem Eklund followed up by asking what the impact would be to the next fiscal year budget if the rent increase were not implemented, to which Mr. Cochran responded that the increase would generate \$42,000, about half of our operating increases, and that we could cover it for the next year but were starting to get on low side of debt service coverage and were too close to the minimum requirement.

Councilmember Kellner asked for clarification on some of staff's recommendations, to which Ms. Capriola responded that the bonuses were meant for staff other than the general manager; that, on average over the last 10 years, the operating budget has gone up 2.9%; that the proposed budget was intended to reflect reality and reinvestment in the Park to make it a nicer environment overall; that, regarding the humanitarian fund, we could move funds around in January during an annual budget update; and that the rent increase, if approved, would be for one year as each budget was independent and that the ceiling was 1.5% but it could be lower

Mayor MacLeamy discussed a possible approach to implementing a rent subsidy, to which Ms. Capriola responded it would make sense to look at all the topics globally and that staff could come back to Council with a report of what was and what was not possible and to receive policy direction.

*Councilmember Lucan moved, Seconded by Councilmember Kellner to approve the FY 2015/16 Operating and Capital Budget for the Marin Valley Mobile Country Club. **The motion carried unanimously.***

Following the vote, Councilmembers made comments regarding their support of the budget adoption, and explaining their thoughts on the rent increase and the possibility of instituting some sort of rent subsidy using the humanitarian fund when need was demonstrated.

7. CONSIDERATION OF POSSIBLE APPROVAL OF RULE CHANGES
 RELATING TO USE OF THE CLUBHOUSE AND LANDSCAPING AND
 AUTHORIZING THE FORMAL NOTICING TO THE RESIDENTS OF SUCH
 CHANGES

Consider approving proposed amendments to the rules for the Marin Valley Mobile Country Club relating to use of the Clubhouse and Landscaping and authorizing formal noticing to the residents of such rule changes.

Assistant City Attorney Nebb gave the presentation and outlined the rules as stated in staff report. She described the recommended changes regarding the use of the clubhouse and the planting of trees and shrubs, as well as pruning, trimming and removal requirements. Following her report, the Councilmembers asked specific questions about what would and would not be allowable under the new rules, to which Ms. Nebb provided responses. Among them, she explained that for-profit enterprises would not be allowed to use the clubhouse, that outside groups are not allowed to use it for their own purposes other than the allowable four times per year with permission and that a meeting was held with residents to discuss the proposed policy changes.

PUBLIC COMMENT

17. Connie Marelich stated that the Lion's Club had met in the clubhouse on Saturdays for the last few years and asked that they be grandfathered in.

18. Carole Rosvold inquired about the landscaping rules, stating that heritage trees should not be recommended for removal.

19. Jack Brandon addressed the tree and shrub policy, stating that it should be modified because requiring a schematic was unrealistic.

Mr. Greenberg stated that outside organizations were charged a strictly a refundable cleaning deposit and that they must have insurance, adding that the Lion's Club has been using the facility but that the policy strictly prohibits routine use and that allowing use four times per year was a good way to provide all residents with fair access to hosting at the clubhouse. In response to a question from Mayor Pro Tem Eklund, he explained that past uses by outside organizations were in conflict with existing rules and that it was his responsibility to enforce the policy.

Ms. Nebb added that the rules should be administered fairly to all and Ms. Capriola added that allowing broad usage would reduce the availability of the amenity to residents and that it was not a public facility to be rented and made available. If Council wanted to open it up, the alternative would be to make it open to all and charge a fee.

*Councilmember Kellner moved, Seconded by Councilmember Lucan to approve amendments to the rules for the Marin Valley Mobile County Club relating to use of the Clubhouse and Landscaping and authorizing the formal noticing of residents of such rule changes. **The motion carried unanimously.***

F. REGULAR REPORTS

8. PARK MANAGEMENT UPDATE: MATT GREENBERG

Mr. Greenberg provided an update on the cutting of tall dry grass that would be completed by July 1. Regarding the pool, he stated that some of the underground pipes had been temporarily repaired. He also reported installation of a security system had been completed, a new accounting system had been implemented for rent collection and financial monitoring and that the HVAC upgrade had been completed. He added that there would soon be money available for free weatherization, based on income, and that the information on that could be found in the newsletter.

9. UPDATE FROM PAC: JAY SHELFER, PAC PRESIDENT

Mr. Shelfer reported that he was beginning to see a much clearer picture between all involved parties at the Park, and noted that there was better communication and constant improvement. He thanked Mr. Greenberg and his ability to address issues that had been ignored in the past and bring about vast improvement. He stated that spending money and to upgrade the facility was worthwhile and supported the idea of doing projects in house with assistance from the City, at a savings.

G. BOARD/STAFF COMMENTS

None

H. ADJOURNMENT

At 9:28 p.m., the meeting was adjourned.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the Novato City Council.

/Sheri Hartz/

Sheri Hartz, City Clerk