

**CITY COUNCIL
CITY OF PALM SPRINGS, CALIFORNIA**



MINUTES
WEDNESDAY, JUNE 4, 2008
City Hall Council Chamber

CALL TO ORDER: Mayor Pougnet called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE: Boy Scout Troop 262, led the Pledge.

INVOCATION: Rev. Michael Kearney, Palm Springs Church of Religious Science.

ROLL CALL:

PRESENT: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

ABSENT: Mayor Pro Tem Foat.

ALSO PRESENT: City Manager Ready, City Attorney Holland, City Clerk Thompson.

PRESENTATIONS:

The Resource Conservation Commission announced the program and the winner of the Palm Springs Unified School District and the City of Palm Springs Recycling Art Contest.

Joshua Ochoa, Asian-American Club of the Palm Springs High School International Business Group, reported on their January, 2008, expo.

Carrie Allan, Sunup Rotary Club, reported on the Club sponsored trip to South Korea, and presented a gift to the City from the City of Danji, South Korea.

REPORT OF CLOSED SESSION: City Attorney Holland reported that at 4:30 p.m. the meeting was called to order and the City Council recessed into Closed Session to discuss items on the posted Closed Session Agenda. No reportable actions were taken.

ACCEPTANCE OF THE AGENDA:

City Clerk Thompson stated staff has requested Item 2.E. and Item 5.B. be withdrawn from the Agenda.

Councilmember Weigel requested Item 2.I. be removed from the Consent Calendar for separate discussion.

Mayor Pougnet requested Items 2.H. and 2.J. be removed from the Consent Calendar for separate discussion.

ACTION: Accept the Agenda as amended. **Motion Councilmember Mills, seconded by Councilmember Hutcheson and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

The City Council continued at 6:30 p.m. as a Joint Meeting of the City Council and the Community Redevelopment Agency.

1. JOINT PUBLIC HEARINGS:

1.A. JOINT PUBLIC HEARING FOR THE FISCAL YEAR 2008-09 BUDGET:
City Manager Ready provided background information on the proposed Fiscal Year 2008-09 Budget.

Mary Jo Ginther, Director of Tourism, outlined the budget request for the Bureau of Tourism.

Councilmember Hutcheson requested the Bureau of Tourism staff address if additional programs could be transferred to the website, reducing the cost of fulfillment of producing and mailing hard copies.

Mayor Pougnet requested staff address the amount of the cost of living adjustment allowed by the contract for the Bureau of Tourism, and stated his support for the Life = Fun tagline.

City Manager Ready and Police Chief Dominguez provided information on the Capital Improvement recommendations for the Police Department.

Councilmember Mills requested the Chief work with Desert Regional Medical Center as a partner in public safety.

Councilmember Weigel stated we have purchased defibrillators for public places, but we have not developed a training program for their use.

Geoffrey Kiehl, Director of Finance, outlined projected revenues and appropriations for Fiscal Year 2008-09.

Mayor Pougnet and Councilmember Mills reported on the updated information from the County Clerk regarding assessments and property taxes.

Mayor Pougnet opened the public hearing, and the following speakers addressed the City Council.

APRIL HILDNER, provided an update on the proposed Tahquitz Creek Mini-Park and the preparation of the area master plan, and requested the City Council continue the \$25,000 appropriation for the Master Plan for next fiscal year.

No further speakers coming forward, the public hearing was closed.

Councilmember Weigel requested staff address the funding of the Tahquitz Creek Mini-Park, and requested the funding of this request be returned to the City Council.

Councilmember Hutcheson thanked staff for the updated discussion and supports the direction to possibly delay some expenditures until revenue projections are confirmed, requested a facade improvement program be funded from the Community Redevelopment Agency, commented on the \$700,000 loss every year on the Municipal Golf Course, and requested the City Manager bring back recommendations to curb the \$700,000 paid by the City, questioned if a policy exists on the use of reserves, and recommended a policy be developed on the use and target of reserves, and requested a transfer of specific funded grants to the unallocated events for community input.

Councilmember Mills requested staff address the decrease in appropriations for Marketing and Tourism, commented on the recommendation for the percentage of reserves that should be retained, and on Special Events funding.

Councilmember Weigel stated his support for use of fund balance if the SDF funds are not received from the State.

Mayor Pougnet requested Finance Staff provide a history of fund balance, requested staff address the status of funding of the proposed Tahquitz Creek Mini-Park, requested the \$25,000 be placed in the capital improvement budget and stated his support for an additional \$7,500 request, commented on the Police Department capital requests, and requested the City Manager address the decrease in funding of special events.

Councilmember Hutcheson commented on the special events funding and restated his support for the transfer of special events to unallocated grants, and the deferring of some expenses until the revenue forecasts are confirmed.

Councilmember Weigel commented on the Special Events and Contributions, stated we had allocated \$1M and there is \$100,000 to unallocated grants.

No action taken.

1.B. CONVENTION CENTER RELATED SUBLEASE AND DEBT SERVICE PAYMENTS FOR A 1.77 ACRE PARCEL AT THE SOUTHWEST CORNER OF CALLE ALVARADO AND AMADO ROAD, MERGED REDEVELOPMENT PROJECT AREA NO 2:

John Raymond, Director of Community and Economic Development, provided background information as outlined in the staff report dated June 4, 2008.

Mayor Pougnet opened the public hearing, and no speakers coming forward the public hearing was closed.

ACTION: Adopt Resolution No. 22236, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, MAKING CERTAIN FINDINGS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33445 RELATING TO PAYMENT OF ALL OR PART OF THE COSTS OF THE INSTALLATION AND CONSTRUCTION OF CERTAIN BUILDINGS, FACILITIES, STRUCTURES, AND OTHER IMPROVEMENTS WITHIN MERGED REDEVELOPMENT PROJECT AREA NO. 2." **Motion Councilmember Mills, seconded by Councilmember Weigel and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

The Community Redevelopment Agency adjourned at 7:42 p.m. and the City Council continued.

1. PUBLIC HEARINGS:

1.C. PROPOSED RESOLUTION ADOPTING MODIFICATIONS TO CERTAIN USER FEES AND CHARGES AND ADOPTING THE COMPREHENSIVE FEE SCHEDULE FOR FISCAL YEAR 2008-09:

ACTION: 1) Continue the Public Hearing to June 11, 2008, with no public testimony; and 2) Direct the City Clerk to post a Notice of Continued Public Hearing. **Motion Councilmember Weigel, seconded by Councilmember Mills and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

PUBLIC COMMENT:

CHRIS VARGO, thanked the City for the audio cross-walk devices installed at locations in the City, and proposed a program titled Planet Palm Springs.

STEFANIE FRITH, Desert Sun, commented on the Desert Sun text message alerts for road closures and other topics, and announced a new reporter will be supplementing her work for the Desert Sun.

PETER MORUZZI, Palm Springs, commented on the Town and Country Center, in relation to the initial review of the Specific Plan for the Museum Market Plaza.

BARBARA NEWMAN, Palm Springs, requested the City enforce the City ordinance with respect to unleashed dogs.

SHEILA GRATTAN, Palm Springs, commented on the City reserves, provided a history of the Blue Ribbon Budget Committee, stated the Committee recommended at least a 15% Reserve Fund, and requested the City Council and/or staff explain the sale of property and the use of RDA funds.

SHERYL HAMLIN, commented on historical preservation and the creation of historical preservation districts, and stated the Southwest corner of Cahuilla and Tahquitz Canyon should not be included in the Museum Market Plaza Specific Plan.

CRAIG BLAU, commented on the Museum Market Plaza Specific Plan.

COUNCILMEMBER COMMENTS: None.

CITY MANAGER'S REPORT: None.

2. CONSENT CALENDAR:

ACTION: Approve Items 2.A., 2.B., 2.C., 2.D., 2.F., 2.G., 2.K. and 2.L. **Motion Councilmember Mills, seconded by Councilmember Hutcheson and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

2.A. REPORT ON POSTING OF THE AGENDA:

ACTION: Receive and file Report on the Posting of the June 4, 2008, City Council Agenda. **Approved as part of the Consent Calendar.**

2.B. APPROVAL OF MINUTES:

ACTION: Approve the City Council Minutes of May 28, 2008. **Approved as part of the Consent Calendar.**

2.C. APPROVAL OF PAYROLL WARRANTS, CLAIMS AND DEMANDS:

ACTION: Adopt Resolution No. 22237, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING PAYMENT OF PAYROLL WARRANTS FOR THE PERIOD ENDED 5-17-08 BY WARRANTS NUMBERED 413391 THROUGH 413434 TOTALING \$71,531.02, LIABILITY CHECKS NUMBERED 1028380 THROUGH 1028400 TOTALING \$147,594.74, FOUR WIRE TRANSFERS FOR \$65,899.03, AND THREE ELECTRONIC ACH DEBITS OF \$1,096,374.52, IN THE AGGREGATE AMOUNT OF \$1,381,399.31 DRAWN ON BANK OF AMERICA." **Approved as part of the Consent Calendar.**

2.D. STAFF AUTHORIZED AGREEMENTS FOR MAY 1 THROUGH MAY 31, 2008:

ACTION: Receive and file the Staff Authorized Agreements covering the period May 1 through May 31, 2008. **Approved as part of the Consent Calendar.**

2.F. ANNUAL RENEWAL OF THE PALM SPRINGS BUSINESS IMPROVEMENT DISTRICT:

ACTION: Adopt Resolution No. 22239, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, DECLARING ITS INTENTION TO RENEW THE PALM SPRINGS BUSINESS IMPROVEMENT DISTRICT TO PROVIDE BUSINESS PROMOTIONAL ACTIVITIES IN THE DOWNTOWN AND UPTOWN AREAS OF PALM SPRINGS AND SETTING A PUBLIC HEARING DATE FOR THE ADOPTION OF THE FISCAL YEAR 2008-09 BUDGET AND

PROGRAM AUTHORIZING THE LEVY OF ASSESSMENTS." Approved as part of the Consent Calendar.

2.G. AGREEMENT WITH ZEUS CONSTRUCTION, INC. FOR THE CONVENTION CENTER RESTROOM REMODEL PROJECT IN THE AMOUNT OF \$179,775:

ACTION: 1) Approve an agreement with Zeus Construction, Inc. for the Convention Center Restroom Remodel Project, in the amount of \$179,775, CP 08-01; and 2) Authorize the City Manager to execute all necessary documents. A5674. **Approved as part of the Consent Calendar.**

2.K. GROUND LESSOR'S CONSENT, NONDISTURBANCE AND ATTORNMENT, AND ESTOPPEL AGREEMENT WITH AP-PALM SPRINGS, LLC AND BANK OF AMERICA:

ACTION: Approve the Ground Lessor's Consent, Nondisturbance and Attornment, and Estoppel Agreement, with AP-Palm Springs, LLC and Bank of America. Original agreement with Abbey Properties, Agreement No. A2528. **Approved as part of the Consent Calendar.**

2.L. ACCEPT WITH REGRET THE RESIGNATION OF JEFF BOWMAN, CITY OF DESERT HOT SPRINGS REPRESENTATIVE TO THE PALM SPRINGS INTERNATIONAL AIRPORT COMMISSION:

ACTION: 1) Accept with regret the resignation of Jeff Bowman; and 2) Direct the City Clerk to post a Notice of Vacancy for the unexpired term ending June 30, 2008. **Approved as part of the Consent Calendar.**

EXCLUDED CONSENT CALENDAR:

2.E. MAIN STREET PALM SPRINGS BYLAWS AND BUDGET AMENDMENT:

Withdrawn from the Agenda at the request of staff.

2.H. AGREEMENT FOR THE COLLECTION, TRANSPORTATION, AND DISPOSAL OF WASTE MATERIALS WITH ASBURY ENVIRONMENTAL SERVICES:

Mayor Pougnet requested staff address the ABOP Collection site, and the wide discrepancy of the bids.

Councilmember Mills provided an update on the ABOP facility.

ACTION: 1) Approve an agreement with Asbury Environmental Services for the proper collection, transportation, disposal and/or destruction of waste materials, at a fixed unit price, at the Airport, Fleet Operations, and Facilities Maintenance Divisions for three-years, with two one-year options including CPI adjustments; and 2) Authorize the City Manager to execute all necessary documents. A5675. **Motion Mayor Pougnet, seconded by Councilmember Hutcherson and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.
NOES: None.
ABSENT: Mayor Pro Tem Foat.

2.I. ONE-YEAR TIME EXTENSION FOR TTM 30047 FROM LARRY MATHENA OF CT-EAGLE MEMBER, LLC, A PREVIOUSLY APPROVED SUBDIVISION OF AN APPROXIMATE 80-ACRE PARCEL FOR 75 SINGLE-FAMILY RESIDENTIAL LOTS AND 155 TOWNHOMES LOCATED AT THE WEST SIDE OF SOUTH PALM CANYON DRIVE AND SOUTH OF BOGERT TRAIL:

Councilmember Weigel requested staff address the grading and rock crushing aspects of the original project as approved, requested the City Council allow grading only on areas that will be developed, and the elimination of rock crushing.

Councilmember Mills requested the City Attorney address the process for the extensions of tentative tract maps.

Councilmember Hutcheson stated he would be in support of staff discussing grading and rock crushing with the Developer.

ACTION: Continue to the City Council meeting of June 18, 2008. **Motion Councilmember Weigel, seconded by Councilmember Mills and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.
NOES: None.
ABSENT: Mayor Pro Tem Foat.

2.J. AMENDMENT NO. 1 TO AGREEMENT NO. A5090 FOR REAL PROPERTY SERVICES WITH RIVERSIDE COUNTY ASSOCIATED WITH THE INDIAN AVENUE / INTERSTATE 10 INTERCHANGE PROJECT:

Mayor Pougnet requested the City Engineer provide an update on the City's I10 Interchanges and the timing of such.

ACTION: 1) Approve Amendment No. 1 to Agreement No. A5090 with the County of Riverside, for real property services associated with the Indian Avenue/Interstate 10 Interchange, CP 00-14; and 2) Authorize the City Manager to execute all necessary documents. A5090. **Motion Councilmember Mills, seconded by Councilmember Weigel and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.
ABSENT: Mayor Pro Tem Foat.

3. LEGISLATIVE:

3.A. AMENDMENTS TO THE CITY'S HOTEL OPERATIONS INCENTIVE PROGRAM:

Thomas Wilson, Assistant City Manager, provided background information as outlined in the staff report dated June 4, 2008.

ACTION: 1) Waive the reading of the ordinance text in its entirety and read by title only; and 2) Introduce on first reading Ordinance No. 1742, "AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING SECTIONS 5.26.020 AND 5.26.040 OF THE PALM SPRINGS MUNICIPAL CODE, RELATING TO AMENDMENTS TO THE CITY'S HOTEL OPERATIONS INCENTIVE PROGRAM." **Motion Councilmember Mills, seconded by Mayor Pougnet and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

4. UNFINISHED BUSINESS:

4.A. INITIAL REVIEW OF SPECIFIC PLAN FOR MUSEUM MARKET PLAZA:

Craig Ewing, Director of Planning Services, provided background information as outlined in the staff report dated June 4, 2008.

Councilmember Mills requested the City Engineer be involved in the street alignment process, parking and landscaping, commented on the consideration of project alternatives, and stated his support for the staff recommendation in the Administration section of the staff report.

Mayor Pougnet stated his support for the staff report on the visions, questioned why the Palm Hotel site was included in the Specific Plan and the status of the Development Agreement for the parking deck, stated his support for staff report land use discussion, stated his concerns with the density and the rational of residential/hotel units and height, and requested additional information on the design.

Councilmember Hutcheson questioned the process and providing updates and input during the process with the City Council, expressed concerns with massing and height, stated his support to focus on the gathering and people places, commented on the street grid, coordination with the Tribe,

preservation of buildings, stated his support of a parking and traffic study, and stated he would like additional information on the design and architecture as the project progresses.

Councilmember Weigel thanked staff for the comprehensive report, and stated his support for the recommendations.

Councilmember Mills stated the application for a specific plan does not deal with architecture and design.

No action taken.

5. NEW BUSINESS:

5.A. PURCHASE AND SALE OF PUBLIC ARTWORK ENTITLED "RED ECHO" FROM KONSTANTIN DIMOPOULOS IN THE AMOUNT OF \$44,790, APPROVAL OF AMENDMENT NO. 5 TO AGREEMENT NO. A5101 WITH PALM SPRINGS CLASSIC, LLC, AND PLACEMENT OF ARTWORK AT THE MEDIAN LOCATED AT SOUTH PALM CANYON DRIVE AND INDIAN CANYON DRIVE:

John Raymond, Director of Community and Economic Development, provided background information as outlined in the staff report dated June 4, 2008, and requested the City Council not designate the placement site at this time.

ACTION: 1) Approve a Purchase and Sale of Public Artwork Agreement with Konstantin Dimopoulos, for artwork entitled "Red Echo", in the amount of \$44,790; 2) Approve Amendment No. 5 to Agreement No. A5101 with Palm Springs Classic, LLC, to not install the artwork "Red Echo," reducing the reimbursement amount to \$306,800; and 3) Authorize the City Manager to execute all necessary documents. A5676. A5101. **Motion Councilmember Weigel, seconded by Councilmember Hutcheson and unanimously carried 4-0 on a roll call vote.**

AYES: Councilmember Hutcheson, Councilmember Mills, Councilmember Weigel, and Mayor Pougnet.

NOES: None.

ABSENT: Mayor Pro Tem Foat.

5.B. PURCHASE OF 2 NEW TRUCKS FOR USE BY THE DOWNTOWN MAINTENANCE DIVISION OF THE PARKS AND RECREATION DEPARTMENT, AND AUTHORIZATION TO PURCHASE AN ESCAPE HYBRID AT A FUTURE DATE:

Withdrawn from the Agenda at the request of staff.

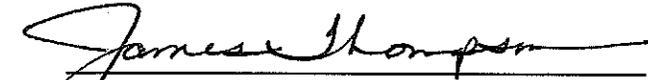
COUNCILMEMBER COMMENTS, REQUESTS, AND REPORTS: None.

ADJOURNMENT: The City Council adjourned at 9:20 p.m. to a Study Session and Adjourned Regular Meeting, Wednesday, June 11, 2008, at 6:00 P.M. in the Council Chamber, City Hall, preceded by a Closed Session at 4:30 P.M., Small Conference Room, City Hall, 3200 East Tahquitz Canyon Way, Palm Springs.

**APPROVED BY A MOTION OF THE PALM SPRINGS CITY COUNCIL THIS
9TH DAY OF JULY, 2008.**


STEPHEN P. POUGNET, MAYOR

ATTEST:


JAMES THOMPSON, CITY CLERK