

PIEDMONT CITY COUNCIL

Regular Meeting Minutes for Monday, November 6, 2017

A Regular Session of the Piedmont City Council was held November 6, 2017, in the City Hall Council Chambers at 120 Vista Avenue. In accordance with Government Code Section 54957(b), the agenda for this meeting was posted for public inspection on November 2, 2017.

- CALL TO ORDER** Mayor McBain called the meeting to order at 7:31 p.m. with the Pledge of Allegiance.
- ROLL CALL** Present: Mayor Bob McBain, Vice Mayor Teddy Gray King, and Councilmembers Betsy Smegal Andersen, Jennifer Cavanaugh, and Tim Rood
- Staff: City Administrator Paul Benoit, City Attorney Michelle Marchetta Kenyon, Chief of Police Jeremy Bowers, Finance Director Michael Szczech, and City Clerk John Tulloch
- CONSENT CALENDAR** The following items were considered under one vote by the Council:
- Minutes** Approval of Council Meeting Minutes for 10/02/17
- Annual Turkey Trot Race** Approval of a Street Use Permit for the Annual Turkey Trot Race Sponsored by PTT Thanksgiving Race, Inc. (1000)
- Resolution No. 91-17**
RESOLVED, that the City Council approves the Consent Calendar Items 1 and 2.
Moved by King, Seconded by Rood
Ayes: Andersen, Cavanaugh, King, Rood, McBain
Noes: None
- Council Liaison Assignments** Mayor McBain stated that he pulled this item for individual consideration in order to amend the proposed liaison assignments. He suggested that Councilmember Cavanaugh serve as liaison to the Recreation Commission and that he serve as liaison to the Park Commission and that all of the other proposed liaison assignments remain the same.
- Resolution No. 92-17**
RESOLVED, that the City Council approve the liaison assignments as amended above.
Moved by King, Seconded by Rood
Ayes: Andersen, Cavanaugh, King, Rood, McBain
Noes: None
(0085)
- PUBLIC FORUM** Kevin Mead commended the City on the recent renovations to Hampton Field.
- Dimitri Magganis suggested that residents consider the purchase of earthquake insurance as well as ensuring that their fire insurance coverage is adequate to cover increased property values.
- Roy Connors indicated support for recently proposed cell phone towers.
- REGULAR AGENDA** The Council considered the following items of regular business:

**Police Department
Quarterly Report**

Chief Bowers presented the quarterly Police Department report, outlining a decrease in reportable crime, increased calls for services, and increased community engagement. Chief Bowers summarized the use of technology in solving crimes, including ALPR and the pilot program of public safety cameras. He reviewed the success of Coffee with a Cop on October 4, 2017. He also highlighted the Department's partnership with the Piedmont Unified School District regarding educating students and parents about legalization of marijuana, and the subjects of inclusion and diversity. Chief Bowers discussed the two recent parties at which a teenage girl was transported to the hospital for acute alcohol intoxication. He summarized the recent robbery on Oakland Avenue and discussed the Dog Walker Watch program.

The Council thanked Chief Bowers for his letter regarding youth parties, discussed the need to educate the youth and party hosts and continue ongoing dialogue. Councilmembers called attention to the dramatic drop in collisions and encouraged the public to remove items from vehicles.
(0785)

Mayor McBain announced that as his home is within one of the undergrounding districts whose bonds will be refinanced in the next item, he recused himself from its consideration and left the Council Chambers.

**Refinancing of Limited
Obligation Bonds
Ord. 736 N.S.**

City Administrator Paul Benoit explained that, due to favorable markets rates, the opportunity to refinance limited obligations bonds which were issued for the undergrounding of utilities in four districts within Piedmont had presented itself. He emphasized that the bonds for these districts are not obligations of the City, but rather are secured by liens on the properties within the district.

Mr. Benoit noted that the property owners within the districts and not the City would benefit from the projected savings of approximately \$850,000. Mr. Benoit recommended that the Council approve the first reading of Ordinance 736 N.S. which would authorize the issuance of limited obligation bonds to refinance the existing bonds as well as the adoption of a resolution appointing the financing team and approving a debt management policy, as required by state law.

Finance Director Michael Szczech described the proposed financing team and the details of the proposed debt management policy. The policy and its customizations for Piedmont were further described by James Wawrzyniak, representing bond counsel Jones Hall.

Joseph Yew, representing FirstSouthwest, a division of Hilltop Securities, Inc., provided background on the firm and its role as financial advisor. He summarized the refunding analysis and proposed refinance at a lower interest rate. He stated the rate would be fixed for the term of the bonds. He also indicated that the cost of issuance of the proposed refunding bonds would be approximately \$132,000 and that this cost would be paid from the proceeds of the bonds.

In response to a question from Council regarding whether proceeds of the refunding could be used to recover the general fund subsidy that had been made to complete the Piedmont Hills project, Mr. Wawrzyniak explained that under the provisions of the California Constitution the City could not do so.

There was no **Public Testimony** on this matter.

Council asked if this matter could or should be referred to the Budget Advisory and Financial Planning Committee. Mr. Benoit stated that because there is little risk to the City and because the proposed issuance is of significant benefit to the residents of the districts, he did not think it would be necessary for the committee to consider the transaction, but that the Council could refer it to the committee if it desired.

Council requested that ample notice of the refinancing and individual savings be given to the property owners who will be affected by this transaction.

Resolution No. 93-17

WHEREAS, this City Council of the City of Piedmont (“City”), previously issued the following obligations (collectively, “Prior Bonds”), in each case, payable from assessments levied on the parcels within the applicable assessment district: (i) City of Piedmont: Dudley/Blair/Mountain/Pacific/Hagar & Vicinity Undergrounding Assessment District Limited Obligation Improvement Bonds, Series 2002-A, (ii) City of Piedmont: Wildwood/Crocker Avenues Undergrounding Assessment District Limited Obligation Improvement Bonds, Series 2005-A, and (iii) City of Piedmont: Piedmont Hills Underground Assessment District Limited Obligation Improvement Bonds Series 2009-A; and

WHEREAS, the City Council intends to authorize the issuance of a series of bonds to refund the Prior Bonds, under and pursuant to the Refunding Act of 1984 for 1915 Improvement Act Bonds, Division 11.5 of the Streets and Highways Code of California (“Act”), to be designated the “City of Piedmont Limited Obligation Refunding Bonds, Reassessment District No. 2017-1” (“Bonds”), or such other similar designation and payable from the reassessments to be levied on the parcels within said reassessment district; and

WHEREAS, the City Council desires to authorize and direct City staff to enter into services contracts with consultants to the City to assist with the refinancing of the Prior Bonds via the issuance, sale and delivery of the Bonds; and

WHEREAS, Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies such as the City, including the adoption of a debt policy meeting the requirements of California Government Code 8855; and

WHEREAS, the City Council wishes at this time to approve a debt policy that is compliant with California Government Code 8855 to govern future issuances of debt by the City, including the Bonds.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Piedmont does hereby resolve, declare, determine, and order as follows:

SECTION 1. The above recitals are correct and are incorporated into this Resolution as findings of the City Council.

SECTION 2. In connection with the refinancing transaction described in this Resolution, the firm of FirstSouthwest, a division of Hilltop Securities Inc., is hereby designated to serve as municipal advisor, the firm of Jones Hall, A Professional Law Corporation, is hereby designated to serve as bond counsel,

the firm of NBS is hereby designated to serve as reassessment engineer, and the firm of Stifel, Nicolaus & Company, Incorporated is hereby designated to serve as placement agent for the Refunding Bonds.

SECTION 3. The City Council hereby approves and adopts the Debt Management Policy in the form presented to the City Council, and attached hereto. The Debt Management Policy shall govern the issuance and administration of debt issued by the City, in accordance and subject to the conditions set forth in such policy.

SECTION 4. Official Actions. Whenever in this Resolution any officer of the City is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Moved by Rood, Seconded by Cavanaugh
Ayes: Andersen, Cavanaugh, King, Rood
Noes: None
Recused: McBain

Resolution No. 94-17

RESOLVED, that the City Council approves the first reading of Ord. 736 N.S., Authorizing a Refinancing of Limited Obligation Bonds Related to Undergrounding Assessment Districts

Moved by Rood, Seconded by Cavanaugh
Ayes: Andersen, Cavanaugh, King, Rood
Noes: None
Recused: McBain
0475, 0705, 1075

Mayor McBain returned to the Council Chambers and took his seat at the dais.

**REPORTS AND
ANNOUNCEMENTS**

Vice Mayor King commended the Recreation Department on the Haunted House and reminded residents to sign up for Winter Camps.

Councilmember Rood announced the Climate Action Plan Workshop on November 7, 2017, 7:30 p.m. in Community Hall.

Councilmember Cavanaugh announced the neighborhood meeting on the Plans at Linda Beach Field on November 16, 2017. City Administrator Benoit invited all residents. Mayor McBain discussed the opportunity to make substantive improvements and requested input from the community.

ADJOURNMENT

There being no further business, Mayor McBain adjourned the meeting at 9:04 p.m.