

March 15, 2016  
6:00 p.m.  
City of Turlock Yosemite Room  
156 S. Broadway, Turlock, California

**MINUTES**  
**Special Meeting**

\*\*and via teleconference:  
320 N. Dearborn St, Chicago, IL 60654  
(312) 744-1900

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1. **A. CALL TO ORDER** - Mayor Soiseth called the meeting to order at 6:04 p.m.  
PRESENT: Councilmembers Amy Bublak, Bill DeHart, Matthew Jacob (*via teleconference*),  
Steven Nascimento, and Mayor Gary Soiseth.  
ABSENT: None

**B. SALUTE TO THE FLAG**

2. **PUBLIC PARTICIPATION:** None

3. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

4. **CONSENT CALENDAR:**

Councilmember Jacob noted an error on the votes on Item 6B from the minutes of the special February 20, 2016 City Council meeting.

**Action:** Motion by Councilmember Bublak, seconded by Councilmember Nascimento, to adopt the consent calendar as amended, correcting both votes on Item 6B from 5/0 to 3/2. Motion carried 5/0 by the following vote:

Councilmember DeHart	Councilmember Nascimento	Councilmember Bublak	Councilmember Jacob	Mayor Soiseth
Yes	Yes	Yes	Yes	Yes

- A. Motion: Accepting Minutes of Special Meeting of February 20, 2016

5. **PUBLIC HEARINGS:** None

6. **SCHEDULED MATTERS**

- A. Parks, Recreation & Public Facilities Director Allison Van Guilder presented the staff report on the request to select an operator to operate, manage and market a certified farmers market located on City of Turlock property. Ms. Van Guilder noted green sheets to Item 6A and that order of presentation had been selected prior to the meeting with the result being Golden State Farmers Market Association presenting first.

Council discussion included verification and research that has taken place or that may be conducted before finalization of an agreement by Council.

John Klotsche, Attorney for Golden State Farmers Market Association, began the presentation for the Golden State Farmers Market Association by providing information on laws and regulations pertaining to farmers markets and noted adequate vendors being a key component to a better market. Mr. Klotsche spoke regarding concerns about the Turlock Certified Farmers Market proposal including their non-profit status, tax return submittal and tax exemption claimed by the market, and 2014 and 2015 certification inconsistencies.

Peter Cipponeri, Director of Operations for the Golden State Farmers Market Association, presented the GSFMA's proposal including background and experience, market goals and vision, market team, marketing strategy, special events, and other benefits to the community such as additional parking, revenue to the City for ag awareness, and self-improvement through monitoring other markets. Mr. Cipponeri also spoke regarding venue consistency and direct access to growers.

Council discussion included the number of vendors/patrons and marketing efforts at Mr. Cipponeri's Carmel by the Sea Market, no website address for the Carmel market, his proposal previously being reported as a year round market, commitments from existing vendors, previous actions on the part of Mr. Cipponeri related to market obstruction, market probation status, and past litigation matters.

Brandon Follett presented information about TCFM including market history and experience, market goals, partnerships and events, vendor engagement, TCFM role as a business incubator, educational opportunities, sponsor partnerships, marketing strategies, and TCFM's marketing team.

Council discussion included income tax returns, filing recommendations, TCFM's non-profit status, differences between non-profit and tax exempt status designations, discrepancies with TCFM's certified producer designation, differences between the two markets, and whether CVB monies were conveyed to the TCFM. Jodie Huber, Certified Public Accountant for Turlock Certified Farmers Market, was in attendance at the meeting and provided information relative to the filing requirements for non-profit organizations.

Mayor Soiseth asked for public comment.

Brad Bates spoke regarding concerns over certain members of the City Council having conflicts of interest due to campaign contributions received, a potential tin cup ordinance, availability of scoring sheets to the public after the meeting, and being in favor of the Turlock Certified Farmers Market.

City Attorney Phaedra Norton presented information regarding regulations and rulings related to conflicts of interest as provided by the Institute for Local Government, the California Attorney General's Office, the California Fair Political Practice Commission and the California Supreme Court, explaining that campaign contributions are not an economic interest under the conflict of interest provisions of the Political Reform Act of 1974.

Jeani Ferrari spoke in favor of the Turlock Certified Farmers Market for reasons including its long term success, early partnership with the City of Turlock, volunteer efforts, past procedure of applying for City road closures, and the process for becoming a non-profit 501(c)(3) organization.

Council and staff spoke regarding development of the RFP process, potential litigation, the current street closure process being inadequate, and the importance of clearly defined processes moving forward.

Michelle Park spoke in favor of the Turlock Certified Farmers Market for reasons including their service to the community and keeping money local, and against the Golden State Farmers Market Association and Peter Cipponeri for reasons including reported motives of greed and spite as presented in a recent Modesto Bee article. Ms. Park also spoke regarding kindness and urged the Council to do the right thing. Mr. Cipponeri noted the bias of the Modesto Bee article and GSFMA's proposal to donate \$5,000 to the City for a positive community event.

Elizabeth Claes spoke in favor of the Turlock Certified Farmers Market for reasons including the benefits it provides to both the community and small farmers, and that farmers choose to sell at their market.

Nick Schuller spoke in favor of the TCFM for reasons including their success, volunteerism, and the unique blend of vendors it provides. Mr. Schuller spoke regarding the importance of an RFP process when the City has a need for a service, and expressed concerns over the City's involvement in the process and over Mr. Cipponeri's past behavior.

John Jaureguay spoke in favor of the Turlock Certified Farmers Market. Mr. Jaureguay questioned the number of vendors listed in the Golden State Farmers Market Association RFP, how their market would triple the amount of volunteers, and the legality of using volunteers for a for-profit market.

Gerard Wellman spoke in favor of Mayor Soiseth's donation of his mayoral salary to the Mayor's Public Policy Award, but against the City Council erecting barriers to volunteerism, the importance of fairness, and his concerns about public policy decisions currently being made by the Council.

Charlie Fernandez spoke in favor of the Turlock Certified Farmers Market for reasons including its venue and management being the best he has ever worked with. Mr. Fernandez also noted his organic crops for the 2016 market have already been planted.

Sheli Fleshman spoke in favor of the Golden State Farmers Market Association and Peter Cipponeri. Ms. Fleshman noted her concerns over efforts to get around the RFP process, poor ethics exhibited by members of the Turlock Farmers Market Association, and that other Councilmembers have received donations from the same donor. She noted the importance of working together for the community, the transfer of knowledge, and challenging processes to make them better.

Bob Crawford spoke in favor of the Turlock Certified Farmers Market for reasons including the charitable opportunities provided at the market, it being an admirable market, and its proven performance records. Mr. Crawford spoke regarding concerns over Peter Cipponeri's management skills, a hostile takeover by the Golden State Farmers Market

Association of the market, and setting precedents that could affect organizations such as Turlock Youth Soccer Association and the local little league with respect to use of fields.

*Councilmember Dehart stepped down from the dais at 8:45 p.m.*

Victor Herrera of Resendiz farms spoke against the Golden State Farmers Market Association for reasons including concerns over website linking irregularities, past confrontations involving Peter Cipponeri, and his decision to not participate in the Turlock market if the GSFMA is selected to run the farmers market.

Will Wiersig spoke in favor of the Golden State Farmers Market Association for reasons including its successful leadership and noted the purpose of a farmers market is to build strong communities and make healthy food available to everyone. Mr. Wiersig noted concerns that the Turlock Certified Farmers Market's website does not provide helpful information to the public and it only having eight farms.

*Councilmember DeHart returned to the dais at 8:47 p.m.*

*Councilmember Nascimento stepped down from the dais at 8:48 p.m.*

Lynn Sarraille spoke in favor of the Turlock Certified Farmers Market for reasons including its use of local vendors.

*Mayor Soiseth adjourned the meeting for a 5 minute break at 8:55 p.m.*

*Mayor Soiseth reconvened the meeting at approximately 9:00 p.m.*

Brian Kennedy spoke in favor of the Turlock Certified Farmers Market and voiced concerns over campaign contributions and morality issues related to the RFP decision.

Susan Neufeld spoke in favor of the Turlock Certified Farmers Market for reasons including the benefits it offers to non-profit organizations. Ms. Neufeld voiced concerns with the Golden State Farmers Market Association and Peter Cipponeri related to their sense of community, non-profit organizations having a place in the market, location of the market, and questions about vendor fees.

Amy Colnic spoke on behalf of her husband, Dave Colnic, in favor of the Turlock Certified Farmers Market for reasons including the economic benefits it has brought to the community and to local farmers, and voiced concerns that a minor loophole was turned into a big deal and that the RFP had an appearance of favoritism and cronyism.

Hailey Kelstrom spoke in favor of the Turlock Certified Farmers Market for reasons including it is serving the community in the way it should and networking opportunities it has provided for her business. Ms. Kelstrom noted she would not participate in the Turlock market should the Golden State Farmers Market Association be selected to run the market in Turlock.

Kevin Wang spoke against the Golden State Farmers Market Association for reasons including its attempt to steal what others have worked for and concerns related to the vendor list provided, claims the market would run all year, there being no website for the Carmel market, and associated legal issues.

Cathy Doo spoke regarding her love for Turlock, the division resulting from this matter, the Million Acts of Kindness initiative, and encouraged Mr. Cipponeri to find another location to hold a year round market and allow the Turlock Certified Farmers Market to remain downtown.

Ken Packwood spoke in favor of the Turlock Certified Farmers Market for reasons including the market being for small, Turlock farmers, his past involvement with the organization, and the local produce being offered. Mr. Packwood asked the Council to make the right decision and noted that if Mr. Cipponeri is selected he will not participate in the Turlock market.

Nick King spoke in favor of the Turlock Certified Farmers Market for reasons including his desire to only operate as a vendor at TCFM's market, that it has established a place for people in the community to meet, and that it provides an outlet and new opportunities for local businesses. Mr. King spoke regarding Councilmembers holding themselves to a higher level of accountability and transparency and asked that Council listen to the people.

Holli Walker spoke regarding the importance of non-profit groups, the benefits a farmers market provides to them, and inquired as to if booths would be provided free of charge if the market changes hands.

"Jeanette" spoke in favor of the Turlock Certified Farmers Market for reasons including its use of local vendors, the sense of community it creates, and market sustainability. She inquired about how bringing in vendors from outside the area creates community and the source/use of the \$5,000 donation identified by the Golden State Farmers Market Association.

Stephanie Valgos spoke in favor of Peter Cipponeri for reasons including the "heart" he has and his vision for a larger farmers market. Ms. Valgos spoke in favor of the job the Turlock Certified Market has done, the sense of community farmers markets bring, her desire to see market growth, and the possibility of both markets working together.

George Kapor spoke in favor of the Turlock Certified Farmers Market and asked that Council choose TCFM based on merit and the relationship they have established with the community and business owners.

Lauren Byerly spoke regarding her experience with access to the Turlock Certified Farmers Market website and that the Resendiz Farm website did direct to a Cipponeri website, noting it did not contain any information about the ownership of the website. Ms. Byerly spoke regarding collaboration, produce, and concerns over vendors that will not participate if the award is made to Golden State Farmers Market Association.

Erin Cuarenta spoke in favor of the Turlock Certified Farmers Market and the Golden State Farmers Market Association bringing a second market option to the community to improve and enrich our community. Ms. Cuarenta inquired about the RFP process and commonalities for use with road closures and farmers markets, use of the score sheet provided with the staff report, and the process for handling duplicate requests. City Attorney Norton provided information about the RFP process, the street closure process identified in 25101(e) CVC, and the score sheet provided for use by the Council.

Catherine Keiper spoke in favor of Turlock Certified Farmers Market for reasons including the market improves each year, TCFM's volunteers, and that it is a family-friendly social hub.

Ryan Scagliotti spoke in favor of the Turlock Certified Farmers Market for reasons including it is a growing, thriving market with an influx of new customers. Mr. Scagliotti spoke regarding the City Council's Action Plan as it relates to retaining, attracting and expanding existing businesses, creating and retaining jobs, supporting the business community, collaborating with economic development stakeholders, and promoting and supporting tourism and asked the Council to live up to its goals by keeping Turlock Certified Farmers Market as the operator of the farmers market.

Hilary Smith Callis spoke in favor of the Turlock Certified Farmers Market for reasons including it being a safe place for her young family, local produce and goods, and that it has become a wonderful community within the wonderful community of Turlock. Ms. Smith Callis noted security concerns with a large increase in attendance and the loss of a sense of community.

Mike Warda spoke regarding the success of the downtown being related to businesses investing heavily in the area, the farmers market being a very valuable commodity, the existing market spending 60% of income on employees, the vendors speaking tonight being motivated by profit, the importance of providing consumers access to growers, and a pattern by Turlock Certified Farmers Market of restricting the number of producers to protect their profits.

*Councilmember DeHart stepped down from the dais at 10:14 p.m.*

Gail Hayden introduced her husband, Doug Hayden, Director of Operations of the California Farmers Market Association, and spoke regarding her experience as Executive Director of the California Farmers Markets Association. Ms. Hayden explained legislation related to farmers markets, spoke regarding her concerns about a possible conflict of interest with Peter Cipponeri managing a market where his family sells fruit, and offered help in resolving the matter.

*Councilmember DeHart returned to the dais at 10:15 p.m.*

Mayor Soiseth closed public comment.

Council discussion included a desire to do what is best for the community, the possibility of having two markets, the potential for collaboration between the two entities, and mediation between the two parties. Council discussion in favor of collaboration between the two parties included the importance of exhausting all options, encouraging the parties to come together one last time as an investment in the community, and that collaboration was an option outlined in the RFP. Council discussion against the collaboration between the two parties included that since the process was created a decision should be made, the expectation there would be a vote, and it not being the best use of everyone's time.

Peter Cipponeri noted that after all the division he is not looking to have two markets, that two markets would further create the divide, and that it was not his intent to have a hostile takeover.

Brandon Follett noted past offers to include Mr. Cipponeri on the TCFM board, Mr. Cipponeri's proposal for the TCFM Board to work under him, and being unclear as to how a partnership would work.

Based upon inquiries and statements made under the public participation portion of the meeting and that the RFP requires staff to investigate the performance record and the ability to perform the duties required of running a farmers market, Mayor Soiseth asked both markets to provide verification documentation. Mayor Soiseth asked that Turlock Certified Farmers Market provide information verifying how long they have been a non-profit, three (3) years of tax information, an explanation of the 2014 erroneous checking of the box indicating certified producer, and verification that 60% of income is spent on wages. Mayor Soiseth asked that Golden State Farmers Market Association provide information verifying how they can triple the number of volunteers, if it is legal for volunteers to assist a for-profit entity according to FLSA regulations, good status with other markets, how much will he make off of each vendor, substantiate the non-profit booth price as free, verify the source and use of the \$5,000 donation mentioned in his proposal, and how they plan to address security concerns. Mayor Soiseth asked that this information be provided to staff no later than noon on Friday, March 18, 2016.

Mayor Soiseth introduced a motion to continue this item to the March 22, 2016 City Council meeting and formally request both parties to meet and combine proposals with the assistance of the moderator in the back, Gail Hayden, as this is in the best interest of the City. Councilmember DeHart seconded the motion. Mayor Soiseth then entertained discussion by the Council.

Jeani Ferrari spoke regarding concerns over the process. City Attorney Phaedra Norton noted the RFP identified that the City had a right to confer and combine if in the best interest of the City and that this option was also identified as an alternative in the staff report.

Brandon Follett and Elizabeth Claes advised the Council that based upon the desired action of the Council, Turlock Certified Market would withdraw their application.

Mayor Soiseth noted there was still a motion on the floor, that Council's opinion is that there is still an opportunity for the two groups to work together, and asked that the Clerk call the roll. Councilmember Nascimento noted he desired further discussion and brought up a point of order to the decision to end debate. City Attorney Norton noted that Council did not adopt Roberts Rules of Order and that Council meetings are governed by rule of the chair. Mayor Soiseth allowed Councilmember Nascimento to make a statement. Councilmember Nascimento asked that Turlock Certified Farmers Market not walk away from the process for the sake of the community and for the young people who have established businesses through the Turlock Certified Farmers Market.

**Action:** Motion by Mayor Soiseth, seconded by Councilmember DeHart, to continue this item to the March 22, 2016 City Council meeting and formally request both parties to meet and combine proposals with the assistance of the moderator in the back, Gail Hayden, as this is in the best interest of the City. Motion carried 4/1 by the following vote:

Councilmember DeHart	Councilmember Nascimento	Councilmember Bublak	Councilmember Jacob	Mayor Soiseth
Yes	No	Yes	Yes	Yes

**7. ADJOURNMENT**

Motion by Councilmember Bublak, seconded by Councilmember Jacob, to adjourn the meeting at 10:47 p.m.

RESPECTFULLY SUBMITTED

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Kellie E. Weaver  
City Clerk