

**MINUTES
REGULAR MEETING
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
APRIL 3, 2007 – 7:00 P.M.**

The Closed Session scheduled for 5:30 p.m. was canceled:

Closed Session 5:30 p.m.—Butte Room

Confer with labor negotiators Steven Jepsen and Steve Johnson regarding negotiations with the following associations: Yuba City Police Officers, Police Sergeants, Yuba City Firefighters Local 3793, Yuba City Fire Management, Confidential Employees, Executive Services Employees, First Level Managers, Mid Managers, and Yuba City Employees, pursuant to Section 54957.6 of the Government Code.

Regular Meeting 7:00 p.m.—Council Chambers

Call To Order

The City Council of the City of Yuba City was called to order by Mayor Miller at 7:00 p.m.

Roll Call

Present: Councilmembers Gill, Maan, McBride, Ramirez, and Mayor Miller
Absent: None

Invocation

Police Chief Richard Doscher gave the invocation.

Pledge of Allegiance to the Flag

Councilmember Ramirez led the Pledge of Allegiance to the Flag.

Mayor Miller and all the Councilmembers heartily welcomed Councilmember Ramirez back after his absence due to health issues. Councilmember Ramirez remarked he has received an outpouring of love from the community and was happy to be back.

Presentations and Proclamations (Item 1 - 3)

1. Presentation of the California Counties Facilities Services Association Award of Excellence

Assistant City Manager Steve Kroeger and Mayor Miller presented the California Counties Facilities Services Association Award of Excellence to Facilities Manager Bill Kunde and his staff. This is the first year the award has been given and Yuba City was one of seven agencies in the state to receive it.

2. Senior Commission Presentation

Senior Commissioner Luciea Fisher gave the report. Due to another resignation, the commission has three vacant commission seats.

3. Proclamation Proclaiming April as Child Abuse Prevention Month

Mayor Miller stated a proclamation for Casa de Esperanza for Child Abuse Prevention Month had been prepared. There was no one to accept it and it will be mailed to them.

Public Hearings (Items 4 - 5)

4. General Plan Amendment and Rezone at 1185 and 1189 Live Oak Boulevard to change the land designation from Medium Density Residential to Office and Office Park and to change the zoning from R-3, Multiple-Family Residence District, to C-O, Office Commercial District; Applicant: Dan Cucchi; Property owner: Bhartpal Panu

Associate Planner Katie Ertmer reviewed the proposed General Plan amendment and rezoning. The property is currently designated as Medium Density Residential and the applicant would like to rezone it to Office Commercial. Currently, there are offices to the east of the property and residences to the south. At this time there are no plans to develop the property. Since General Plans can only be amended four times a year, staff is requesting that Council wait until the next agenda item is discussed to approve this General Plan amendment.

Mayor Miller opened the public hearing. The applicant, Dan Cucchi of 3932 Halsey Ave., Yuba City, spoke in favor of the project. Hearing no further comment, the public hearing was closed.

After consideration of the Mitigated Negative Declaration, Councilmember Maan moved to concur with the Planning Commission's recommendation, which is to: adopt the recommended findings; adopt the Mitigated Negative Declaration; and tentatively approve General Plan Amendment GP 06-03 and Rezone RZ 06-07, postponing final action until the public hearing on the following General Plan Amendment and rezoning applications. Councilmember McBride seconded the motion that passed with a unanimous vote.

5. General Plan Amendment and Rezone at 1619 Franklin Road to change the land use designation from Medium Density Residential to Community Commercial and to change the zoning from R-3, Multiple-Family Residence District to C-2, Community Commercial District; Owner/Applicant: Siri Pritam Khalsa

Associate Planner Katie Ertmer noted this item is to change the zoning designations at 1619 Franklin Road. There are no structures on this property. It is currently designated Medium Density Residential. It is logical that all four corners should be zoned Community Commercial. Adjacent lots are vacant land, a church and several single-family homes. At this time there are no proposals for construction on the site.

Mayor Miller opened the public hearing. The applicant, Siri Pritam Khalsa, spoke in favor of the project. Hearing no further comment, the public hearing was closed.

After consideration of the Negative Declaration, Councilmember McBride moved to concur with the Planning Commission's recommendation, which is to: adopt the recommended findings; adopt the Negative Declaration; adopt Resolution No. 07-027 for General Plan Amendment GP 07-01 from the Medium Density Residential designation to the Community Commercial designation, as shown on Exhibit A of the resolution, and for General Plan Amendment GP 06-03 from the Medium Density Residential designation to the Office and Office Park designation, as shown on Exhibit B of the resolution; introduce Ordinance No. 005-07 for approval of Rezoning RZ 07-01 for amendments to the Official Zoning Map to amend the zoning from the R-3, Multiple-family Residence District, to C-2, Community Commercial District, as shown on Exhibit B, and waive the first reading; and introduce Ordinance No. 006-07 for approval of Rezoning RZ 06-07 (previously heard) for amendments to the Official Zoning Map to change the zoning from the R-3, Multiple Family Residence District, to C-O, Office Commercial District, as shown on Exhibit C, and waive the first reading. Councilmember Maan seconded the motion that passed with a unanimous vote.

Public Communication on Items Not On the Agenda (Items 6 - 7)

- 6. **Written Requests** - None
- 7. **Appearance of Interested Citizens** - None

Bid Openings (Items 8 – 10)

8. 2007 Slurry Seal Project

Public Works Director George Musallam asked that the slurry seal contract be awarded to the low bidder, California Pavement Maintenance Company. Councilmember McBride asked how staff decides which streets should receive a slurry seal. Mr. Musallam responded many streets need maintenance. Some can use a slurry seal but some would not benefit. They need reconstruction or an overlay. The streets selected for this contract will benefit from a slurry seal and it will extend their life. Mayor Miller asked how long a slurry seal would last. Mr. Musallam responded it will be six or seven years before an overlay is needed. Councilmember Maan asked about the scheduling of slurry seal projects. Mr. Musallam stated there is a mandatory pavement management program. Input is received from street crews and the City's engineers. Councilmember Gill noted we are under budget, which is good to see.

Councilmember Gill moved to: 1) Award Contract No. 07-02, 2007 Slurry Seal Project, to California Pavement Maintenance Company, Inc., of Sacramento in the amount of their low bid of \$200,321.53; 2) Authorize the Public Works Director to execute the contract on behalf of the City, following approval by the City Attorney; 3) Authorize the Public Works Director to execute all documents related to the administration of the contract in accordance with the provisions of the Public Contract Code and Caltrans guidelines; and 4) Authorize transfer of \$31,967.90 from Account No. 92040-65501 (Gray Avenue Improvements) to the CIP Streets & Roads Fund Account No. 92003-65501 (Reconstruction/ Repair/Sealing). Councilmember McBride seconded the motion that passed with a unanimous vote.

9. Bridge Street Storm Drain Project between Plumas and Shasta Streets

Public Works Director George Musallam said this contract is for storm drainpipes on Bridge Street between Plumas and Shasta. Railroad track removal is part of this contract within the limits of the project. Staff plans to return very soon to Council with a request for a bid for railroad track removal in the whole city. Mr. Musallam said he is working with staff for a funding source to accomplish that project. Mayor Miller asked about railroad tracks outside the project area. Mr. Musallam responded anything beyond Plumas and Shasta is not included in this contract, but there is some contingency money we might utilize. Mayor Miller encouraged staff to remove all the tracks in that area if at all possible. Councilmember McBride asked if the cost of this project is included in the Plumas Street project. Mr. Musallam responded yes.

Councilmember McBride moved to: 1) award Contract No. 07-04, Bridge Street Storm Drain, to Sutter Constructors, Inc., in the amount of their bid of \$150,350.00; 2) authorize the Public Works Director to execute the contract on behalf of the City, following approval by the City Attorney; 3) authorize the Public Works Director to execute all documents related to the administration of the contract in accordance with the provisions of the Public Contract Code and Caltrans guidelines; and 4) authorize transfer of \$6,014.00 from Account No. 90623-65501 (Plumas Street Improvements) to the Plan Check & Inspection Engineering revenue account 100-42240 to cover the Engineering Division's inspection costs. Councilmember Gill seconded the motion that passed with a unanimous vote.

10. North Yuba City Storm Pump Station #2

Public Works Director George Musallam recommended approval of the north Yuba City Storm Pump Station #2. It is under budget and the project cost has been verified with the contractor. The contractor doesn't use subs; he is licensed to do all the work himself. Councilmember Ramirez asked if the contractor has a bond. Mr. Musallam responded they would be required to furnish bonds. They have done previous work for the City and have performed well.

Councilmember Maan moved to: 1) award a contract to Clyde Steagall, Inc., of Loomis for the North Yuba City Storm Pump Station #2 project in the amount of their bid of \$382,026.00; 2) authorize the Public Works Director to execute the contract on behalf of the City, following approval by the City Attorney; 3) authorize the Public Works Director to execute all documents related to the administration of the contract in accordance with the provisions of the Public Contract Code and Caltrans guidelines; 4) authorize creation of new Capital Improvement Program project account 931022-65501, transfer \$414,911 from Butte Vista Assessment District 2002-01 to the project account, transfer \$142,115 from Account No. 304-20215 (Impact Fee CIP – Deferred Revenue) and approve all related supplemental appropriations as required; and 5) authorize transfer of \$15,281.04 to the Plan Check & Inspection Engineering revenue account 100-42240 to cover the Engineering Division's inspection costs. Councilmember Gill seconded the motion that passed with a unanimous vote.

Ordinances (Item 11)

11. Pre-annexation Rezone located at the north side of Lincoln Road, east of Karen Drive from R-3, Multiple-family Residence District to R-1, One-family Residence District on a portion of the subject properties—Applicant: S.E. Caminito Corporation; Property owners: S.E. Caminito Corporation, Dewart Family Trust, Floyd Jones

Community Development Director Aaron Busch noted that on March 20, 2007 Council approved the rezoning request on this property. Tonight staff asks that you adopt this ordinance.

Councilmember Maan moved to adopt Ordinance No. 004-07 for approval of Rezoning RZ 06-08 for amendments to the Official Zoning Map to amend the pre-annexation zoning from the R-3, Multiple Family Residence District to R-1, One Family Residence District, and waive the second reading. Councilmember Ramirez seconded the motion that passed with a unanimous vote.

Consent Calendar (Items 12 - 14)

Councilmember Gill moved to adopt the Consent Calendar as presented. Councilmember McBride seconded the motion that passed with a unanimous vote.

12. City Council Approval of Minutes of March 20, 2007

Approved the Council meeting minutes of March 20, 2007.

13. Great Pacific Associates – Professional Services Agreement

Authorized the Public Works Director to execute a Professional Services Agreement with Great Pacific Associates of El Dorado, California, for a Phase II Environmental Investigation at the former Yuba City Steel Site (AP# 52-380-016) located at the northeast corner of Franklin Avenue and Plumas Boulevard, in an amount not to exceed \$42,000, with the finding that it is in the best interest of the City; and approved a related supplemental appropriation to Account No. 6011-62701.

14. Amendment of Indenture of Trust Relating to the 2004 Tax Allocation Bonds

Adopted Redevelopment Resolution No. 07-001 approving an Amendment of the Indenture of Trust Relating to the 2004 Tax Allocation Bonds.

General Items (Items 15 - 18)

15. 457 Deferred Compensation Plan Consolidation

Human Resources Analyst Odeana Chisum said the City presently has three 457 plan choices for employees. Staff is proposing a consolidation of these plans into one provider. CalPers, Hartford and ICMA are the current providers. A consultant, Jason Davidson of Arnerich-Massena, was hired to review our plans and make a recommendation. Interviews were held with all the providers. Staff recommends naming ICMA as the sole provider for the City's 457 plan. ICMA will eliminate administrative fees, and will charge a fund fee cap of .65%, compared to the 1.41% we now pay. ICMA offers more flexibility. Service performance has penalties if there is non-performance. Participants will save an estimated \$75,000 in investment costs annually. If approved tonight, the transition should occur in the next three to four months. Ms. Chisum responded to questions from Council.

Councilmember Maan moved to adopt Resolution No. 07-028 authorizing the City Manager to execute an Agreement with ICMA-RC Corporation as the sole provider of a 457 Deferred Compensation Plan for City employees. Councilmember McBride seconded the motion that passed with a unanimous vote.

16. Issuance and Sale of Tax Allocation Bonds (Redevelopment)

Assistant City Manager Steve Kroeger introduced Don Fraser, our fiscal consultant for the Redevelopment Agency; Mark Northcross, financial advisor; Chick Adams, bond counsel from Jones Hall; and Craig Hill of Northcross, Hill & Ach.

Mr. Fraser gave an overview of the history of redevelopment. In 1945 the State of California adopted the Community Redevelopment Act to clean up blighted areas. There was no funding mechanism so in 1952 the voters approved tax increment financing. Mr. Fraser gave an in-depth explanation of tax increment financing. Redevelopment projects completed in Yuba City include the Town Center, the mall, and the Sunsweet project.

Mark Northcross reviewed the bond sale process. He stated the City has seen dramatic improvement in the tax increment. There will be some lost revenue when Sutter North becomes tax exempt and as power plants seek lower assessed property values, but the City's Redevelopment Agency still has the cash flow to pay the annual debt service, due to growth in redevelopment property values. Mr. Northcross and Mr. Fraser responded to questions from Council.

Chick Adams said there are three action items on bonds tonight. The first is the adoption of a resolution by the Redevelopment Agency authorizing the issuance of a maximum \$16 million in bonds. Any projects in the redevelopment area are eligible for funds from these bonds. The resolution approves the sale of the bonds to the Public Financing Authority. The second resolution is a requirement that the City Council approve every bond issue of the Redevelopment Agency. The third resolution of the Public Financing Authority authorizes the purchase of the bonds by the Redevelopment Agency and the sale to the investors.

Mr. Kroeger said the bonds will not be issued until the bids are received on the Plumas Street project. The bonds will be paid with tax increment financing, which uses higher tax revenues the City receives from the increased value of properties in the redevelopment area.

Director Ramirez moved to adopt Redevelopment Resolution No. 07-002 approving the issuance and sale of not to exceed \$16,000,000 principal amount of tax allocation bonds relating to the Yuba City Redevelopment project, approving related documents and authorizing official actions. Director McBride seconded the motion that passed with the following vote:

AYES: Directors Gill, Maan, McBride, Ramirez, and Chairperson Miller
NOES: None
ABSENT: None

17. Issuance by the Redevelopment Agency of Tax Allocation Bonds (City Council)

Councilmember McBride moved to adopt Resolution No. 07-029 approving the issuance by the Redevelopment Agency of the City of Yuba City of not to exceed \$16,000,000 principal amount of tax allocation bonds relating to the Yuba City Redevelopment Project; and approve amendment of the Gauche Park Project financing plan to substitute RDA bond proceeds for \$3.7 in General Funds, which are needed for other purposes. Councilmember Maan seconded the motion that passed with the following vote:

AYES: Councilmembers Gill, Maan, McBride, Ramirez, and Mayor Miller
NOES: None
ABSENT: None

18. Purchase and Sale of Redevelopment Tax Allocation Bonds (Public Financing Authority)

Director McBride moved to adopt PFA Resolution No. 07-001 authorizing the purchase and sale of Tax Allocation Bonds from the Redevelopment Agency, approving related documents and authorizing official actions. Director Gill seconded the motion that passed with the following vote:

AYES: Directors Gill, Maan, McBride, Ramirez, and Chairperson Miller
NOES: None
ABSENT: None

Business from the City Council/Redevelopment Agency Board/Public Financing Authority (Items 19 - 22)

19. Sutter Co. Representative Appointment to the Yuba City Planning Commission

Councilmember Ramirez moved to approve the appointment of Jose Flores, Sutter County Representative, to serve on the Yuba City Planning Commission. Councilmember McBride seconded the motion that passed with a unanimous vote.

20. City Council Reports

- Councilmember Gill stated he attended a Feather River Air Quality Management meeting. He also attended a Planning Commission Conference in San Diego. Next year the conference will be in Sacramento. He would like to discuss the City's role with the Economic Development Corporation (EDC) at a later date.
- Councilmember Maan reported on an EDC meeting he attended. He said the Chamber of Commerce is considering moving some staff to the EDC to have a presence in Yuba City. At a Levee District One meeting the subject of Star Bend matching funds was discussed. They asked for help from the City. Public Works Director George Musallam asked them to send a formal request.
- Councilmember McBride attending a Consolidated Area Housing Authority Meeting. They are spending the CDBG block grant funds in the appropriate timeframe.
- Councilmember Ramirez had nothing to report.
- Mayor Miller reported on his trip to Washington, D.C. to lobby legislators and government agencies for monies for the city and county for levee repairs and other projects. He was accompanied by City Manager Steve Jepsen; County Administrator Larry Combs; and Sutter County Supervisors Silva, Munger, and Montna.

21. Appointments to the Bi-County Transportation Agency

Mayor Miller moved to approve Councilmembers Maan and McBride as the selection of the City Council representative and alternate to serve as Yuba City representatives, to the Bi-Counties Transportation Agency (BCTA) Joint Powers Authority in 2007. Councilmember Ramirez seconded the motion that passed by a unanimous vote.

22. Resolution of support for MILCON funding to provide for a new Child Development Center at Beale Air Force Base

Councilmember Ramirez moved to adopt Resolution No. 07-030 providing support for the advancement of MILCON (military construction) funding for a new Child Development Center at Beale Air Force Base as part of the current budget consideration. Councilmember Gill seconded the motion that passed by a unanimous vote.

Adjournment

Mayor Miller adjourned the regular City Council meeting of the City of Yuba City at 8:59 p.m.

John S. Miller
Mayor

ATTEST:

Steve Johnson
City Clerk