

**MINUTES
REGULAR MEETING
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
AUGUST 4, 2009
6:00 p.m. – Closed Session
7:00 p.m. – Regular Meeting**

Closed Session 6:00 p.m.

Conferred with legal counsel pursuant to Government Code section 54956.9 (b) regarding potential litigation - one potential case.

Conferred with labor negotiators Steven Jepsen and Steve Kroeger 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 McBride at 7:00 p.m.

Roll Call

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

Invocation

Councilmember Dukes gave the invocation.

Pledge of Allegiance to the Flag

Councilmember Gill led the Pledge of Allegiance to the Flag.

Public Hearings

1. General Plan Amendment GP 09-02 to adopt the 2008 update to the Yuba City Housing Element

Community Development Director Aaron Busch said this item is the required five year update of our Housing Element for 2008-2013. The purpose of the Housing Element is to address current and future housing needs and to ensure Yuba City provides quality affordable housing to all segments of the community. The document has been prepared in compliance with state law and it compliments the General Plan policies. Components include a needs assessment, resource and constraints analysis, a past performance evaluation and a five year policy implementation program. We are able to meet the required SACOG allocation numbers. A lot of public outreach was conducted. All comments were included in this document and are addressed in detail. Mr. Busch asked that Council adopt the negative declaration. If approved, we will be able to apply for additional state and federal funding grants to move forward with first time homebuyer programs and owner occupied rehab programs.

Mayor McBride opened the public hearing. Hearing no comment, Mayor McBride closed the public hearing.

After consideration of the Negative Declaration, Councilmember Gill moved to concur with the Planning Commission's recommendations, which are to: (a) Adopt the finding that following review and consideration of the Negative Declaration and any comments received, there is no substantial evidence that the project will have a significant impact on the environment; (b) Adopt the Negative Declaration as contained in Exhibit A; (c) Adopt the finding that General Plan amendment GP 09-02 for the adoption of the 2008 Housing Element is in the public interest; and (d) Adopt Resolution No. 09-074 approving General Plan amendment GP 09-02 to adopt the Housing Element. Councilmember Miller seconded the motion that passed with a unanimous vote.

2. General Plan Amendment GP 09-01 to change the Sphere of Influence and to assign a land use designation of "Public & Semi-Public" and Rezone 09-01 to assign pre-annexation Zoning classification of "Public Facilities – PF" on 20 acres located north of the City Limits and east of State Route 99 to accommodate Yuba College

Community Development Director Aaron Busch said this is a twenty acre project located north of the City's current Sphere of Influence is for the Yuba Community College District. It will require annexation into the City. First, the zoning needs to be changed from agriculture to public facilities. The project includes approximately 50,000 square feet of classrooms, 30,000 square feet of district offices, and required parking. The project will be required to connect to City services and annex into the City. The college is the lead agency, and they have provided a Mitigated Negative Declaration. The Council will be asked to approve their Negative Declaration.

Mayor McBride opened the public hearing. The following individuals spoke in favor of the project:

Al Alt, Vice Chancellor of Administrative Service, Yuba Community College, 2088 N. Beale Road, Marysville

Jim Buchan, Board of Trustees, Yuba Community College, 477 Trinity Ave., Yuba City

Leela Rai, Board of Trustees, Yuba Community College, 750 Lincoln #79, Yuba City

Hearing no further comment, Mayor McBride closed the public hearing. Mr. Busch responded to questions from Councilmembers regarding City services, Sphere of Influence, and the campus layout. Councilmember Miller asked if the college's administrative offices would be moving to Yuba City. Councilmembers expressed their excitement at the prospect of having the college in Yuba City.

Dr. Kevin Trudna, V.P. of Academic and Student Service, Yuba Community College, 1646 Rebecca Drive, Yuba City, responded that yes, the district's administrative offices will move to Yuba City and there will be 17-20 classrooms.

After consideration of the Mitigated Negative Declaration, Councilmember Maan moved to concur with the Planning Commission's recommendations, which are to: (a) Adopt the finding that the Mitigated Negative Declaration prepared and adopted by the Yuba Community College District adequately mitigates environmental impacts below a level of significance; (b) Adopt the finding that General Plan amendment GP 09-01 to amend the Sphere of Influence and to assign a land use designation of "Public & Semi-Public" is in the public interest; (c) Adopt Resolution No. 09-075 approving General Plan amendment GP 09-01 to amend the Sphere of Influence and to assign a land use designation of "Public & Semi-Public", as shown on Exhibit A of the Resolution; (d) Adopt the following findings for Rezone RZ 09-01: (1) RZ 09-01 is consistent with the "Public & Semi-Public" land use designation as amended and as described in the Yuba City General Plan, (2) RZ 09-01 is consistent with the planned surrounding land uses, and (3) There are or will be adequate public facilities available to properly serve the development, including streets to adequately handle the anticipated traffic; (e) Introduce an ordinance for approval of Rezoning RZ 09-01 to assign pre-annexation Zoning of Public Facilities District (PF), as shown on Exhibit C, and waive the first reading. Councilmember Gill seconded the motion that passed with a unanimous vote.

3. Yuba City Landscape Maintenance District No. 1 (Stabler Lane/Garden Highway and Town Square Areas, respectively) - Resolution Confirming Diagram and Assessment and Levying the Assessment

Principal Engineer Diana Langley this public hearing is to receive comment and adopt the resolution confirming the assessment for 2009-10 for Landscape Maintenance District No. 1. Once adopted, the Sutter County assessor places it on the tax roll.

Mayor McBride opened the public hearing. Hearing no comment, Mayor McBride closed the public hearing.

Councilmember Maan moved to adopt Resolution No. 09-076 confirming the diagram and assessment and levying the assessment for FY 2009-10, pursuant to the Landscaping and Lighting Act of 1972. Councilmember Miller seconded the motion that passed with a unanimous vote.

4. Yuba City Lighting and Landscape Maintenance District No. 2, 3, 4 & 5 (Town Center and 69 subdivisions throughout the City) - Resolution Confirming Diagram and Assessment and Levying the Assessment

Councilmembers Gill and Miller recused themselves due to a possible conflict of interest.

Mayor McBride opened the public hearing. Hearing no comment, Mayor McBride closed the public hearing.

Councilmember Dukes moved to adopt Resolution No. 09-077 confirming the diagram and assessment and levying the assessment for FY 2009-10, pursuant to the Landscaping and Lighting Act of 1972. Councilmember Maan seconded the motion that passed with a unanimous vote.

Councilmembers Gill and Miller rejoined the meeting.

5. Yuba City Lighting and Landscape Maintenance District No. 6 (Commercial District – Sunsweet Area, Harter Parkway, Cinemark Movie Theater, La Bella Vita) - Resolution Confirming Diagram and Assessment and Levying the Assessment

Mayor McBride opened the public hearing. Hearing no comment, Mayor McBride closed the public hearing.

Councilmember Dukes moved to adopt Resolution No. 09-078 confirming the diagram and assessment and levying the assessment for FY 2009-10, pursuant to the Landscaping and Lighting Act of 1972. Councilmember Gill seconded the motion that passed with a unanimous vote.

6. Yuba City Residential Street Light Maintenance Districts (Walton Area and Tierra Buena Area) – Resolution Confirming Diagram and Assessment and Levying the Assessment

Councilmember Dukes recused himself due to a possible conflict of interest.

Mayor McBride opened the public hearing. Hearing no comment, Mayor McBride closed the public hearing.

Councilmember Miller moved to adopt Resolution No. 09-079 confirming the diagram and assessment and levying the assessment for FY 2009-10, pursuant to the Benefits Assessment Act of 1982. Councilmember Gill seconded the motion that passed with a unanimous vote.

Councilmember Dukes rejoined the meeting.

Public Communication on Items Not on the Agenda

7. Written Requests - none

8. Appearance of Interested Citizens - none

Bid Openings

9. SR-99 Median Improvement Project (City Council & RDA)

Public Works Director George Musallam said we receive nine bids on the landscaping of the Highway 99 median near the Sunsweet Boulevard intersection. The lowest bidder was Newland Entities for \$199,000. When Council previously approved the plans, you directed staff to contact CalTrans to see if the City could use street lights for hanging banners. Unfortunately, CalTrans will not allow the hanging of banners on street lights. Council discussed whether the lights should be removed from the project. Ultimately, Council decided to leave them in the project because the lights will improve visibility, safety and the City's image.

Councilmember Gill moved to (a) Award Contract No. 08-26, SR-99 Median Improvement Project, to Newland Entities Inc., of Yuba City, CA in the amount of their total bid of \$199,883.91; (b) Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney; (c) Adopt Resolution No. 09-080 of the City Council approving and authorizing execution of a public works agreement with the Redevelopment Agency for construction of the SR-99 Median Improvement Project; and (d) Adopt Resolution No. 09-009 of the Redevelopment Agency approving and authorizing execution of a public works agreement with the City of Yuba City for construction of the SR-99 Median Improvement Project. Councilmember Miller seconded the motion that passed with a unanimous vote.

Consent Calendar

Councilmember Gill asked that Item 11 of the Consent Calendar be removed for further discussion. Councilmember Miller moved to adopt the balance of the consent calendar. Councilmember Maan seconded the motion that passed with a unanimous vote.

10. Yuba-Sutter Economic Development Corporation 2009-2010 Comprehensive Economic Development Strategy (CEDS)

Adopted Resolution No. 09-081 approving the 2009-2010 CEDS to continue the Yuba-Sutter Economic Development District's eligibility for financial assistance another year.

12. **Request for City authorization of an application for a grant of up to two million, one hundred thousand, dollars (\$2,100,000) from the HOME Investment Partnerships Program (“HOME”) through the State of California Department of Housing and Community Development for construction financing for Plumas Family Apartments.**

Adopted Resolution No. 09-083 of the City Council of the City of Yuba City authorizing submittal of an application to the California State Department of Housing and Community Development for funding under the HOME Investment Partnerships Program and authorizing, if selected, the execution of a standard agreement, any amendments thereto and of any related documents necessary to participate in the HOME Investment Partnerships Program.

13. **Amend ground lease, easement and guarantee agreement with Gilroy Energy Center, LLC for the Feather River Energy Center Power Plant guarantee date**

Adopted Resolution No. 09-084 approving amendment of Gilroy Energy Center, LLC lease. Authorize the City Manager to make minor non-substantive changes as recommended by the City Attorney.

14. **Senior Center Solar Panel Installation Project**

Adopted Resolution No. 09-085 approving the plans and specifications for the Senior Center Solar Panel Installation Project and authorizing advertisement for bids. [Engineer’s Estimate - \$200,000]

11. **Request for authorization to apply for an \$800,000 grant from the HOME Investment Partnerships Program (“HOME”) through the State of California Department of Housing and Community Development to fund a First Time Home Buyer Down Payment Assistance Program**

Community Development Director Busch said this resolution is to authorize the City to apply for the state HOME Investments Partnership Program which is a grant in the amount of \$800,000. The City has routinely applied for this grant. The program provides qualified First Time Homebuyers an opportunity to receive a zero percent, 30 year loan for up to \$170,000. Last year Yuba City provided 14 new home ownerships under this program. It is a powerful and productive program. Mr. Busch responded to Council’s questions.

Councilmember Gill moved to adopt Resolution No. 09-082 of the City Council of the City of Yuba City authorizing submittal of an application to the California State Department of Housing and Community Development for funding under the HOME Investment Partnerships Program and authorizing, if selected, the execution of a standard agreement, any amendments thereto and of any related documents necessary to participate in the HOME Investment Partnerships Program. Councilmember Miller seconded the motion that passed with a unanimous vote.

General

15. **Presentation of Treasurer’s Report – Quarter Ended June 30, 2009**

Assistant City Manager Steve Kroeger presented the quarterly Treasurer’s Report. The City has \$104 million in the total portfolio, slightly lower than the previous quarter larger due to capital projects, such as the construction of Fire Station #4. The majority of the City’s funds are held by federal agencies. Liquidity has improved. Retail sales continue to slide and the housing slump also continues. Mr. Kroeger responded to questions from Council. Council directed the filing of the Quarterly Treasurer’s Report.

16. **Request to authorize the Mayor to accept a grant for \$1.4 million and enter into Grant Agreement Number R81761-0 with the State of California, The Natural Resources Agency, to construct Phase I of the Feather River Parkway – Willow Island Project**

Parks & Recreation Director Brad McIntire asked that Council accept the subject grant for the Willow Island Project. The components of the project include: an extensive river trail system for pedestrians, preserve a natural habitat for wildlife, create recreational activities, educate the parkway user about the ecosystem of the river and provide parking. The project must be completed by March 2011, per the grant agreement. We are also in the second round of a competitive grant for Proposition 84. Councilmember Miller said this is a great project because it is in an underutilized area. Councilmember Maan noted this is an awesome project particularly since it will be constructed with grant funds.

Councilmember Miller moved to enter into a Grant Agreement Number R81761-0 with the State of California, The Natural Resources Agency. Councilmember Maan seconded the motion that passed with a unanimous vote.

17. Approval of \$3,500,000 Funding Agreement under State Drinking Water State Revolving Fund American Recovery and Reinvestment Act funding for water meter installation

Utilities Director Bill Lewis reviewed the timeline of the American Recovery and Reinvestment Act to show how fast it is moving. In mid February President Obama signed the Act. Ten days later Yuba City submitted 27 water projects totaling \$45 million. We receive preliminary funding for three projects totaling about \$4.4 million, or 3% of the total amount available in California. The largest of the three is the water meter project. Council approved the submission in June. Staff submitted the application in July. We received the funding agreement last week. Council must approve the resolution within five days, and then it must be submitted within seven days.

The public has questioned the cost per meter. The Ad Hoc Committee estimated the cost at \$500. When we submitted the application, staff estimated the cost to be \$1,000. The City has decided to contract the installation and felt the cost could be closer to \$1,000. Staff also researched the cost other cities incurred or estimated. If the actual cost comes in lower, the money will be reallocated by the state to other projects. Mr. Lewis displayed a water meter, its components and their cost. The equipment alone is almost \$400. The schedule is: bid opening in August, award the bid the first meeting in September, begin construction in December, and complete the project in the summer of 2010.

Councilmember Dukes asked about reducing the cost of the meters and installation to our customers. Mr. Lewis responded that originally their surcharge would be \$3,500 and now it will be about \$3,000, or if paid over time, it drops the cost \$2.80/month.

Councilmember Miller asked where the meters will be installed. Mr. Lewis said installation has to be on the service line. Approximately 606 meters will be in driveways (driveways will have to be saw cut), 1500 in lawns and 1,000 in landscaped areas.

Councilmember Gill moved to adopt Resolution No. 09-086 authorizing acceptance of a State Drinking Water State Revolving Fund and American Recovery and Reinvestment Act funding and designation of the Utilities Director to sign and submit all required documents. Councilmember Maan seconded the motion that passed with a unanimous vote.

City Manager Steve Jepsen noted Mr. Lewis and his staff demonstrated extraordinary effort in obtaining this funding. Having been rejected, Mr. Lewis reapplied and was able to receive these funds. Mayor McBride said the entire Council appreciates the efforts of Mr. Lewis and his staff in reducing the cost of the water meter project by obtaining this funding.

Business from the City Council/Redevelopment Agency Board

18. City Council Reports

- Councilmember Dukes – nothing to report.
- Councilmember Maan – nothing to report.
- Councilmember Miller – nothing to report.
- Mayor Pro Tem Gill said he gave the State of the City address to the Chamber of Commerce. He appreciated the attendance and support of City Manager Steve Jepsen, Economic Development Manager Darin Gale, and Parks & Rec Director Brad McIntire.
- Mayor McBride – nothing to report, but she thanked Mayor Pro Tem Gill for speaking at the Chamber of Commerce in her absence.

Adjournment

Mayor McBride adjourned the regular City Council meeting of the City of Yuba City at 8:03 p.m.

Leslie McBride
Mayor

ATTEST:

Terrel Locke
City Clerk