

**MINUTES
REGULAR MEETING
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
December 1, 2009
6:00 p.m.—Closed Session
7:00 p.m.—Regular Meeting**

Closed Session 6:00 p.m.—Butte Room

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

Conferred with real property negotiators Steven Jepsen and Steve Kroeger pursuant to Government Code Section 54956.8 regarding negotiations regarding the possible purchase of the following property or portion thereof: 510 Boyd Street, APN 52-502-008.

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 Gill at 7:07 p.m.

Roll Call

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

Invocation

Councilmember Dukes gave the invocation.

Pledge of Allegiance to the Flag

Councilmember Miller led the Pledge of Allegiance to the Flag.

Public Hearings

1. Public Hearing for the Yuba City Feather River Fish Screen Draft Environmental Assessment/Initial Study Report

Assistant Utilities Director Maria Solis said the proposed water intake structure would be 50 feet upstream from the existing pipeline and would include fish screens. The purpose of the project is to satisfy a mitigation measure listed in the 2006 environmental document the City published. This environmental document will aid in extending our existing State Water Board water supply permit. Utilities Director Bill Lewis added that the mitigation measure will add fish screens to the existing water supply structure.

Mayor Gill opened the public hearing. Hearing no comment, he closed the public hearing.

Councilmember Miller asked if, in the future, we were to build another water intake facility, would you use the same fish screen. Ms. Solis responded no, any future project would be constructed closer to the levee and would be a new project. Mayor Gill confirmed that the project will cost \$6 million and we will receive \$900,000 in grant funds and remainder will be paid by the State Revolving Loan Fund. He asked if additional grant funds could be obtained. She responded they have spoken to the U.S. Fish & Wildlife Service who has tentatively agreed to reimburse us for environmental and engineering costs. If at the end of their program there are funds available, they will consider giving additional funds but that will not occur until November 2010. Mayor Gill asked if we could, instead, put new fish into the river. Ms. Solis responded it was not an option given to the City when the environmental document was adopted and the fishery agencies approved moving forward.

Utilities Director Bill Lewis said that without mitigation for the salmon and steelhead, the state would likely not renew two of Yuba City's 20 year water permits, which provide 65% of the city's water for free. About 10,000 homes would have to be constructed before a larger intake structure would be needed. He also clarified that the new screens can be used on a future water supply pump station located near the levee and the structure is

being designed to be expanded to serve the entire Sphere of Influence. An expansion is not anticipated to be need in the next 10-15 years.

Councilmember Gill asked when the project needs to be completed. Mr. Lewis responded 2010 but he felt we might be able to add a year to that. Water rights contracts need to be extended. They are critical to the City.

Mayor Gill noted no formal action is required on this item.

Public Communication on Items Not on the Agenda

2. Written Requests

A request to speak was received from R. Lee Hixson, 1497 Gray Avenue, who was present and spoke.

3. Appearance of Interested Citizens – moved to end of meeting.

Consent Calendar

Councilmember McBride moved to adopt the consent calendar as presented. Councilmember Miller seconded the motion that passed with a unanimous vote.

4. City Council Approval of Minutes of November 10, 2009

Approved the Council meeting minutes of November 10, 2009

5. Karnegis Estates Unit 2 – Acceptance and Final Map Approval – 17 parcel subdivision located north of Lincoln Road on the east side of Sanborn Road

Adopted Resolution No. 09-109 accepting certain street and related improvements pursuant to the Karnegis Estates Unit 2 Amended Subdivision Agreement and authorizing the developer to file a Notice of Completion; and adopted Resolution No. 09-110 approving the final map for Karnegis Estates Unit 2, accepting dedication of rights-of-way and easements shown thereon and authorizing the filing of the map.

6. Amended Reimbursement Agreement – Karnegis Estates No. 2 – Amendment to change developer name and add reimbursement for installation of sewer lines on Sanborn Road and Cherry Street

Adopted Resolution No. 09-111 approving the execution of an Amended Reimbursement Agreement with EAG Investments LLC for the installation of a water line and sanitary sewer lines on Sanborn Road and Cherry Street associated with the Karnegis Estates No. 2 subdivision. [17 parcel subdivision located north of Lincoln Road on the east side of Sanborn Road]; and Authorized the Chief Financial Officer to make a supplemental appropriation.

7. Authorize City representatives to sign Federal Emergency Management Agency /California Emergency Management Agency application related documents

Adopted Resolution No. 09-112 authorizing City representatives to sign Federal Emergency Management Agency/California Emergency Management Agency applications, claims and other related documents.

8. Garden Highway Water Storage Tank Improvements Project—Approval of Plans and Specifications

Adopted Resolution No. 09-113 approving the Plans and Specifications for the Garden Highway Storage Tank Improvements Project and authorize advertisement for competitive bids.

9. Garden Highway Water Pump Station Improvements Project—Approval of Plans and Specifications

Adopted Resolution No. 09-114 approving the Plans and Specifications for the Garden Highway Water Pump Station Improvements Project and authorize advertisement for competitive bids.

General

10. Annual Report from the Downtown Yuba City Business Improvement District and Proposed Levy of Annual Assessment

Councilmember Miller recused himself due to a conflict of interest.

Assistant City Manager Steve Kroeger stated this item is the annual report of the Downtown Business Association (DBA). Tonight you will hear from Tim McKenna,

president of the DBA. If approved, the public hearing will be set for the December 15, 2010 meeting. The DBA collects approximately \$26,000 from benefiting businesses in the downtown area, the Business Improvement District. Those funds are used for marketing and promotion of the downtown.

DBA President Tim McKenna noted they have had excellent results in taking promotion of events in house. Volunteers promote events, such as the Christmas Stroll and Summer Stroll. Vendor space and sponsor support has been high for the upcoming Christmas Stroll/Parade. Approval of this assessment will help the DBA continue this work. The DBA hopes to institute a PBID for a property improvement district to keep the properties and sidewalks clean and for maintaining the properties.

Councilmember Dukes moved to approve the Annual Report as filed, adopt Resolution No. 09-115 of Intention to Levy and Collect 2010 Annual Assessments, and set a public hearing for December 15, 2009. Councilmember Maan seconded the motion that passed with a unanimous vote.

11. Use of Housing Set-Aside Loan funds being held by the Consolidated Housing Authority of Sutter County for the Installation of On-Demand Water Heaters for the Kingwood Commons Apartments

Assistant City Manager Steve Kroeger said that in 2003 the Consolidated Area Housing Authority of Sutter County purchased the 64 unit Spencer Arms Apartments, thereafter renamed Kingwood Commons. As part of the bond sale, \$800,000 in Redevelopment Agency loan funds were provided in set asides to acquire and rehabilitate the properties.

Housing Authority Executive Director Linda Nichols said both the exteriors and interiors of this property have been improved. She said it presently takes 20 minutes for some units to receive hot water. She is asking for approval to install on demand water heaters.

Councilmember McBride, who sits on the Board for this agency, asked for approval of this project. Individual meters will not only provide immediate hot water, it will help to conserve water. Councilmember Maan noted it will cost \$6,000/unit for water heaters, which seems expensive. Housing Authority representative Larry Tinker responded underground piping will also be replaced. PG&E will be installing meters but the Housing Authority will run the gas lines to each individual unit, as well as the water lines. About 25% of the cost is the water heater with the remainder being infrastructure and water/gas lines.

Councilmember Maan moved to authorize the use of 2003 loan funds being held by the Housing Authority for the installation of On-demand Water Heaters and corresponding improvements for the Kingwood Commons Apartments at a cost of \$384,357 and direct staff to complete the appropriate documents. Councilmember McBride seconded the motion that passed with a unanimous vote.

12. Amendment to the Community Development Block Grant (CDBG) Housing Rehabilitation Loan Program Guidelines

Community Development Director Aaron Busch noted the City operates multiple housing programs for first time homebuyers and owner occupied rehab. One program is the CDBG rehabilitation program. He recommended lowering the interest rate from 5% to 3% to be consistent with the Home and Cal Homes programs. He also asked that a cap be placed on funding toward mobile home rehabs to ensure it is not the larger demographic being served. Councilmember Dukes asked what the cap will be on mobile homes. Mr. Busch responded 5% of the total money in the rehab account or about 4 to 6 mobile homes. Councilmember Dukes asked for confirmation that the interest received goes back into the program, and Mr. Busch responded that is correct.

Councilmember Miller moved to concur with the recommendation of the City's Loan Committee and amend the CDBG Housing Rehabilitation Loan Program Guidelines (CDBG Guidelines). Councilmember Dukes seconded the motion that passed with a unanimous vote.

13. Purchase of Water Treatment Plant Filter Underdrain System and Approval of Plans and Specifications

Utilities Director Bill Lewis said this item is for the purchase and installation of a filter underdrain system. It has to do with our conventional sand and anthracite filters, not the membranes we have installed. One of these sections has failed, likely due to changes in operation since the membranes were installed. The underdrains have not been exposed to chlorine, and this may have led to some plugging of the underdrains. To prevent future failures we have installed additional pressure gauges for monitoring, and we will use chlorine once a week. All the underdrains will be inspected and tie downs installed. We are asking for approval for replacement of three sections, although we believe we will only have to replace one. We are not installing membranes at this time because the cost,

about \$10 million, would be quite expensive and it would add capacity to the plant, which we do not need at this time. We are currently permitted at 30 million gallons per day. Installation of membranes is the long-term plan when we do need more capacity.

Councilmember Dukes asked when we might have to switch over to the membranes. Mr. Lewis responded probably not until an additional 10,000 homes are built.

Councilmember McBride moved to (a) Adopt Resolution No. 09-116 approving plans and specifications for the Filter Underdrain Repair Project and direct advertisement for bids; and (b) purchase replacement underdrain system for portions of up to three existing conventional water treatment plant filters from ITT Water and Wastewater – Leopold Company Inc. in an amount not to exceed \$168,900 with the finding that it is in the best interest of the City to do so. Councilmember Miller seconded the motion that passed with a unanimous vote.

14. 2009 Homeland Security Grant Program

Interim Fire Chief Pete Daley said this grant will allow for the purchase of four HazMat suits and two vehicle extrication cutters. It will pay for HazMat training and fund some overtime and backfill for Rescue Systems I training, which deals primarily with collapsed buildings. The grant is 100% reimbursed by the state.

Councilmember Miller moved to direct the City's Financial Officer to make the following budget supplemental appropriations: (a) Make a motion to accept the award of the 2009 Homeland Security Grant in the amount of \$36,173.00; (b) Approve revenue adjustment to the Fire Department in the amount of \$36,173.00; and (c) Approve supplemental budget appropriations to the Fire Department's account 2325-62711 – Emergency Preparedness in the amount of \$21,000.00 for the purchase of HazMat suits and vehicle extrication cutters, and to account 2325-63920 – Firefighter Training School in the amount of \$15,173.00 for HazMat and Rescue Systems I training. Councilmember Dukes seconded the motion that passed with a unanimous vote.

Business from the City Council/Redevelopment Agency Board

15. Appointment to Council Committees and Regional Boards

Mayor Kash Gill stated only two committees have changes since last year: the Mayor must serve on the Gilsizer Committee and the Mayor and Vice Mayor serve on the Screening Committee.

Councilmember Dukes moved to acceptance the appointments to the Council Committees and Regional Boards. Councilmember Miller seconded the motion that passed with a unanimously passed.

3. Appearance of Interested Citizens – Stephanie Ruscigno of Yuba City spoke.

16. City Council Reports

- Councilmember Maan attended a Muscular Dystrophy fundraiser several weeks ago. He also met with Postal officials, Congressman Herger, and Yuba and Sutter County Officials regarding the possible closure of the Postal Service Processing Center in Olivehurst. A drive through protest will be held from 1-3 p.m. on December 13th at Peach Tree Mall. Closure would result in the loss of 170 jobs.
- Councilmember McBride – nothing to report.
- Councilmember Miller – nothing to report.
- Mayor Pro Tem Dukes said he attended a dinner for the retirement of Fire Chief Boomgaarden. He also met with some local commercial real estate developers to discuss the City's role in economic development and the education of businesses on levee assessments next year.
- Mayor Gill enjoyed representing the City at the Veteran's Town Hall meeting. The City has written a letter of support to Congressman Herger for the Postal Processing Center in Yuba County. He also met with the commercial real estate developers. They did not realize the importance of flood protection for the community. He reminded everyone of this Friday's Christmas Stroll/Parade on Plumas Street which will be a fun evening. He congratulated Pete Daley on his new position.

Adjournment

Mayor Gill adjourned the regular City Council meeting of the City of Yuba City at 8:10 p.m.

Kash Gill
Mayor

ATTEST:

Terrel Locke
City Clerk