

# DRAFT

MINUTES  
REGULAR MEETING  
CITY COUNCIL & REDEVELOPMENT AGENCY  
CITY OF YUBA CITY  
MAY 4, 2010  
6:00 p.m.—Closed Session  
7:00 p.m.—Regular Meeting

## Closed Session—Butte Room

Conducted Annual performance evaluation of City Manager pursuant to Government Code Section 54957.

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—Council Chambers

### Call to Order

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

### Roll Call

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

### Invocation

Rajan Zed gave the invocation.

### Pledge of Allegiance to the Flag

Councilmember Maan led the Pledge of Allegiance to the Flag.

### Presentations and Proclamations

1. **Proclamation for Donate Life California** was presented to Helen Bozzo.

Mayor Gill announced he was moving Items 14 and 17 up in the agenda.

### General Items

14. **Adoption of a Resolution Supporting the Creation of an Assessment District by the Sutter-Butte Flood Control Agency**

Public Works Director George Musallam said tonight we are asking for Council's support in the creation of an assessment district by the Sutter-Butte Flood Control Agency. This assessment will provide the mechanism to collect funds from property owners for flood and levee improvements. He introduced Bill Edgar from the Sutter-Butte Flood Control Agency.

Mr. Edgar said that on March 16<sup>th</sup> a detailed presentation was given. Two primary issues are the public safety of property and life, and economic sustainability. Much higher flood insurance rates and severe restrictions on the General Plan process will be the outcome

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if we don't deal with this issue. The urgency is the FEMA remapping and also there is an upcoming State floodplain mapping program, which requires land behind levees to be protected from a 200 year event. Money is available at the State through flood bond issues which were approved by voters. Seventy percent of the project would be funded by the State. We are more vulnerable since Yuba County has improved their levees. Town Hall meetings are being held this week at various locations to educate the public. Councilmembers agreed there is not a more important priority in this community than flood protection. Councilmember Dukes noted that if this is not approved, construction will stop—we will limit the growth of Yuba City.

Don Covey, 669 Plumas Street, Yuba City, spoke.

Mr. Edgar said the ballots will be going out on May 13 and 45 days will be allowed before they must be returned. The Public Hearing will be held June 30 at 6:00 p.m. On July 12 the vote will be announced.

Councilmember Miller moved to adopt Resolution No. 10-034 supporting the creation of an Assessment District by the Sutter-Butte Flood Control Agency. Councilmember Dukes seconded the motion that passed with a unanimous vote.

**17. Proposed Agreement with Interwest Homes for the reduction of Development Impact Fees in the Canterbury Estates residential subdivision**

Community Development Director Aaron Busch reviewed that in June 2009 the City Council agreed to allow Interwest Homes to take over the abandoned Canterbury Estates subdivision originated by Dunmore Homes. The subdivision had become blighted. Interwest proposed completing the partially built units and the build out the remaining units while finishing up the City improvements. As part of the project they proposed utilizing the 2004 impact fees that were part of the original construction by Dunmore. Council approved that agreement. They were allowed to use the 2004 impact fees with the exception of paying the current levee fee, water/sewer fee, and county and school fees. This was an opportunity to clean up a blighted subdivision, put back growth into the community and collect some building fees. Council also approved a citywide pool of similarly reduced units available to all builders. To date, only 11 of the 24 citywide permits have been issued. Conversely, Interwest has utilized all 24 unit permits allotted to them. Originally, they requested two years and 48 units. Council gave them half that request—one year and 24 units, which they have completed. This evening they are requesting that the additional 24 units and one year be issued. Staff also recommended that the citywide pool of the remaining 13 permits be continued another year.

Mayor Gill asked if anyone in the audience would like to speak and the following individuals spoke:

Cindy Carr, 1934 Nina Way, Yuba City  
Deana Ellis, 2024 Opportunity Drive, Roseville  
Derek Long, Interwest Homes  
Dr. Larry Ozeran  
Frank Tiff, 1961 Heidi Way, Yuba City

City Manager Steve Jepsen clarified that you are being asked to continue the second half of a program that was approved last year. If demand increases citywide we can return to Council for discussion. Mayor Gill said this community has been faced with the creation of jobs, and we also wanted to make this fair to all builders. Councilmember McBride said she has visited Interwest's jobsite and it is teeming with activity. These workers cause a trickle down effect. They buy products and services in our community. Councilmember Dukes said that last year we gave Interwest half what they asked for and

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basically said, come back in a year and we'll reevaluate. He said he supports this program. Councilmember Maan agreed and said he visited the jobsite and was impressed with the work completed and the people working. He supports the program. Councilmember Dukes noted that last year 24 permits were set aside for Interwest and 24 permits set aside for all other builders. Everyone in the community had equal opportunity. Councilmember Miller said he is in support of this action but noted the impact fees in Yuba City have been artificially low for years, which made it difficult to provide some of the services residents would have liked to have. A couple years ago impact fees were raised. As the economy gets better, we need to return to the stated impact fees.

Councilmember McBride moved to authorize the City Manager to sign a second Agreement with Interwest Homes allowing for the temporary reduction of development impact fees for homes to be constructed within the Canterbury Estates residential subdivision for either a period of one year or another 24 single family residential units; and, adopt Resolution No. 10-036 authorizing the extension of a temporary city-wide reduction of development impact fees for residential development projects that meet the established criteria in the resolution, for the remaining single family residential units from the previously approved pool of 24 units. Councilmember Maan seconded the motion that passed with a unanimous vote.

## Public Hearings

### **2. Zoning Code Amendment ZC 09-02 related to new standards for operating mobile and open air vending businesses within the City Limits**

Community Development Director Aaron Busch said this item has had a lengthy history. An Ad Hoc Committee was formed in response to Council's direction in February. Stakeholders provided input. Proposed changes were supported by these stakeholders. The one noteworthy issue was including a provision for recognizing three pre-existing non-conforming vending operations that did not comply with the terms and conditions of the proposed ordinance. The Ad Hoc Committee proposed including those provisions in the ordinance. Due to these changes, it had to go back to the Planning Commission for their consideration. The Planning Commission agreed with all the minor changes proposed by the Ad Hoc Committee but did not agree or recommend the provisions for including the pre-existing non-conforming uses. Staff recommends adopting the alternative recommendation from the Ad Hoc Committee that includes the provisions for pre-existing non-conforming uses.

Mayor Gill opened the public hearing. The following residents spoke:

Fotine Halikaskopriva  
Don Covey, 669 Plumas Street, Yuba City  
Cole English, Sequoia Drive, Yuba City  
Natalie Kaiser  
Abel Chavez  
Tim McKenna, 668 Plumas Street, Yuba City  
Paul Kaiser  
George Natale

Hearing no further comment, Mayor Gill closed the public hearing. Councilmember Maan stated he was on the Ad Hoc Committee where they addressed many issues, including health issues. They determined the County Health Department will issue a sticker annually. He feels this ordinance is a good ordinance. Councilmember Dukes said the Ad Hoc Committee was formed to work out all the issues. Tonight we are dealing with whether we are going to include the pre-existing non-forming use or not. The Planning

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Commission recommends not including it; the Ad Hoc Committee recommends including it. He noted each year the vendors will have to renew their license and get a health department sticker. He was in favor of the ordinance with the language supporting the pre-existing non-forming use. Councilmember McBride also supported the alternative recommendation. Mr. Busch responded to Council's questions.

After consideration of the Negative Declaration, Councilmember McBride moved to use the alternate recommendation, which is to: (a) Adopt the finding that, following review of the Initial Study/Negative Declaration, the proposed Zoning Code amendment to establish procedures and standards for allowing mobile and open air vendors to operate within the City has no significant impacts on the environment; (b) Adopt the Negative Declaration which is contained as Exhibit A; (c) Adopt the finding that Zoning Code Amendment ZC 09-02 is consistent with the General Plan; and (d) Introduce an Ordinance for approval of Zoning Code Amendment ZC 09-02, as shown in Exhibit B, with the inclusion of the modifications to Section 8-5.5375 indicated in the staff report, and waive the first reading. Councilmember Dukes seconded the motion that passed with the following vote:

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

### 3. **Community Development Block Grant (CDBG) Five Year Consolidated Plan, CDBG Neighborhood Revitalization Strategy, and CDBG Citizen Participation Plan**

Senior Planner Katie Ertmer said staff's intent is to create a plan that spends our federal dollars wisely and in the best interest of the City. She introduced Darrell Stamps of the Ramsay Group who is the consultant working on this process. He noted three important documents to be discussed are the Five Year Consolidated Plan, the CDBG Neighborhood Revitalization Strategy and the CDBG Citizen Participation Plan. In the last 4-5 months his firm has worked with City staff to create these documents. HUD asks communities to develop decent housing and expand opportunities for low and moderate income persons. HUD provides billions of dollars to communities. Cities are required to prepare a Five Year Consolidated Plan and Annual Action Plan. We went through the consultation process meeting with department director, housing agencies, social services, health services, homeless services, planning agencies, neighborhood associations, residents, community businesses and churches. We set priorities and developed the draft plans. Yuba City receives one type of funding—CDBG funds. CDBG priorities include: providing decent affordable housing to meet the needs of low to moderate income households; support the preservation and maintenance of existing housing; the replacement of unsafe or dilapidated housing; providing housing services for persons with equal opportunity to secure decent housing; and increasing the supply of housing.

Mayor Gill opened the public hearing to receive comments on the Five Year Consolidated Plan, the Neighborhood Revitalization Strategy, and the Citizen Participation Plan.

Bill Williamson, 1260 La Grande Ave, Yuba City, spoke on behalf of the Habitat for Humanity.

Hearing no further comment, Mayor Gill closed the public hearing.

Councilmember Miller moved to adopt Resolution No. 10-029 accepting the three Plans and authorizing staff to submit the Plans to the Department of Housing and Urban Development. Councilmember Maan seconded the motion that passed with a unanimous vote.

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## 4. **Proposed amendments to the 2009-2010 Community Development Block Grant Action Plan and proposed 2010-2011 Community Development Block Grant Action Plan**

Senior Planner Katie Ertmer said this item is an amendment to last year's document in order to meet HUD's requirement that we provide citizens notice anytime we make a change to the one year plan. We have three projects that HUD would consider slow moving projects: code enforcement, neighborhood cleanup and the Little League Tot Lot. With respect to the first two, we found it difficult to spend the money since we are constrained by having to spend it within two census tracts. The Neighborhood Revitalization strategy that Darrell Stamps spoke about will provide greater flexibility. We propose a rollover of these funds to the Neighborhood Revitalization Strategy implementation. The Little League was unable to get insurance for the Tot Lot equipment so an alternative use is ADA accessible parking and pads for the batting cages. Regarding the CDBG Action Plan, the City received \$875,000 in funding requests this year, plus we have administrative costs of about \$120,000, for a total of about a million dollars. Our allocation was almost \$600,000. Staff recommended allocations as stated in the staff report.

Mayor Gill opened the public hearing to receive comments.

Bill Williamson, La Grande Ave., Yuba City spoke.

Hearing no further comment, Mayor Gill closed the public hearing.

Councilmember Dukes moved to adopt Resolution No. 10-030 accepting both Plans and authorizing staff to submit the Plans to the Department of Housing and Urban Development. Councilmember Maan seconded the motion that passed with a unanimous vote.

## 5. **Participation in the Statewide Community Infrastructure Program in order to provide additional incentives for development in Yuba City**

Economic Development Director Darin Gale said three priorities were adopted in the Economic Development Work plan in 2009/10. The first was to create opportunities for well paying jobs. There is a program that was developed called the Statewide Community Infrastructure Program (SCIP). This was set up to allow development, both non-residential and residential, to finance impact fees and public improvements on projects over 20 or 30 years with a tax exempt bond at a statewide level. For Yuba City, this means new projects would be notified we are part of the SCIP program. To apply they would fill out an application and forward it to SCIP who would ask for our review and calculation of the exact fees. SCIP would hold onto these applications until enough are gathered to go out for a bond issue. Currently, we have one project we anticipate taking advantage of this project—New Earth Market. They have a little over \$200,000 in fees they hope to finance over 20 years. Repayment would appear on their property assessment bill. Mr. Gale responded to Council's questions. He confirmed the tax liability remains with the property if it is sold. The benefit to the City is that we receive the impact fees immediately and we have no liability.

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

Councilmember Maan moved to adopt Resolution No. 10-031 authorizing the City of Yuba City to join the statewide community infrastructure program; authorizing the California Statewide Communities Development Authority to accept applications from

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property owners, conduct special assessment proceedings and levy assessments within the City of Yuba City; approving form of acquisitions agreement (Exhibit B) for use when applicable; and authorize related actions. Councilmember Dukes seconded the motion that passed with a unanimous vote.

## **6. Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit B\_3**

Public Works Director George Musallam noted this item is a lighting and landscape district for the new Walgreen's which contains four lights. The assessment would be collected from the property owner through their tax bill.

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

Councilmember Dukes moved to adopt Resolution No. 10-032 confirming diagram and assessment and levying assessment for Fiscal Year 2010-2011 for Lighting and Landscape Maintenance District No. 6, Zone of Benefit B\_3. [Improvements associated with 1640 Lincoln Road, Walgreens Store project]. Councilmember Miller seconded the motion that passed with a unanimous vote.

### **Public Communication on Items Not on the Agenda**

7. **Written Requests** – we had two requests. Mr. Cole English has already spoken and Ron Sanderson has withdrawn his request to the next meeting.

8. **Appearance of Interested Citizens** – none.

### **Bid Openings**

## **9. Residential Resurfacing Project 2010**

Public Works Director George Musallam said this is our annual slurry seal contract. We received four bids. The engineer's estimate was \$425,000. The low bid was approximately \$462,000. The project includes slurry seals, cape seals and overlays. Work can begin the end of this month. Staff recommends approval.

Councilmember Maan moved to (a) Award Contract No. 10-06, Residential Resurfacing Project 2010, to California Pavement Maintenance Company Inc., of Sacramento, CA in the amount of their total bid of \$462,383.49; and (b) Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney. Councilmember Miller seconded the motion that passed with a unanimous vote.

## **10. Citywide HVAC Replacement Project (Award of Contract)**

General Services Director Devin Barber said this is the second of three projects paid with American Recovery and Reinvestment Act money through the Department of Energy. We were awarded money for energy conservation projects. Six bidders responded with WV Alton being the low bidder.

Councilmember Miller moved to (a) Award Contract No. 10-01, Citywide HVAC Replacement Project, to WV Alton, Marysville, CA in the amount of their bid of \$159,033.00; (b) Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney; and (c) Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$211,533 for work performed under the Citywide HVAC Replacement Project that is reimbursable through the American Recovery and Reinvestment Act (ARRA) Energy Efficiency and Conservation

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Block Grant (EECBG) to Account No. 941122 (ARRA HVAC Replacement).  
Councilmember Dukes seconded the motion that passed with a unanimous vote.

## Ordinances

### **11. Stormwater Management & Discharge Control (Second Reading)**

Public Works Director George Musallam noted this is the second reading for the Stormwater Management and Discharge Control ordinance which was introduced at the last meeting.

Councilmember Maan moved to adopt Ordinance No. 003-10 which will regulate and reduce pollutants in stormwater discharges to the maximum extent practicable and prohibit non-stormwater discharges from entering the storm drain system, and waive the second reading. Councilmember Dukes seconded the motion that passed with a unanimous vote.

## Consent Calendar

Councilmembers McBride and Dukes asked that Item 12 of the Consent Calendar be removed since they were not present for the April 20, 2010 meeting. Councilmember Miller moved to adopt Item 13 of the consent calendar. Councilmember Maan seconded the motion that passed with a unanimous vote.

### **13. Extend the contract of a Limited Term Constructor Inspector position in the Public Works Department**

Adopted Resolution No. 10-033 approving the extension of one limited term Construction Inspector position in the Public Works Department for a period not to exceed December 31, 2010 and authorize the Director of Finance to allocate funding through the Capital Improvement Program for the cost of the position.

Councilmember Miller moved to adopt Item 12 of the consent calendar. Councilmember Maan seconded the motion which carried unanimously with abstentions from Councilmembers McBride and Dukes.

### **12. City Council Approval of Minutes of April 20, 2010**

Approved the Council meeting minutes of April 20, 2010.

## General

### **15. SR-99 Median Improvement Project (Notice of Completion)**

Public Works Director George Musallam said this is the notice of completion of the Highway 99 median improvement project. Overall, we were below budget. We have applied for a permit from CalTrans for gateway banners on the light poles.

Councilmember McBride moved to adopt Resolution No. 10-035 accepting the subject project and authorizing the Public Works Director to file a Notice of Completion. Councilmember Miller seconded the motion that passed with a unanimous vote.

### **16. Presentation of Treasurer's Report – Quarter Ended March 31, 2010**

Assistant City Manager Steve Kroeger stated the City has an \$88 million portfolio. He reviewed a chart on the Portfolio Weighted Average Yield. We are earning just under

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2.5% on the portfolio. He reviewed the City's investment strategy of not locking in money for too long a period when rates may rise.

Noted & Filed Quarterly Treasurer's Report.

**18. Agreement to Negotiate Exclusively with regard to Redevelopment Agency property located at the northeast corner of Franklin Avenue and Plumas Boulevard (RDA)**

Economic Development Director Darin Gale said this item is for an exclusive negotiating agreement with Scot Patterson of California Gold Development Corporation regarding a project with the Veteran's Administration (VA). The VA is looking at opening an outpatient clinic somewhere in the Yuba-Sutter area. We have a significant retired military population. Mr. Patterson is looking at the former Yuba City Steel site in the Town Center. He has built two other sites. The proposal is for a 22,000 square foot building and associated parking. There are some contamination issues that Public Works is addressing with the State Water Quality Control Board. Mr. Gale stated Council was provided an updated negotiation agreement today. A statement was added that if the developer is not awarded the contract from the VA, this exclusive negotiating agreement would terminate.

Mr. Scot Patterson, 133 Old Wards Ferry Road, Sonora spoke. He noted he has built two other VA clinics in Merced and Sonora. This project would employ about three doctors and twenty-three employees. This is one of several sites the VA is considering. He responded to Council's questions.

Director Maan moved to authorize the Executive Director to execute and implement an Agreement to Negotiate Exclusively with Mr. Scot Patterson of California Gold Development Corporation with regard to Redevelopment Agency property located at the northeast corner of Franklin Avenue and Plumas Boulevard to be used for a Veterans Administration local medical clinic (APN 52-380-020 & 52-380-016). Director Dukes seconded the motion that passed with a unanimous vote.

## **Business from the City Council/Redevelopment Agency Board**

**19. City Council Reports**

- Councilmember Maan had nothing to report.
- Councilmember McBride attended an advocacy group meeting in Washington, D.C. where they met with the Department of Transportation. She hosted a breakfast, along with Mayor Kevin Johnson of Sacramento, to discuss regional relationships.
- Councilmember Miller had nothing to report.
- Mayor Pro Tem Dukes reported also going to Washington, D.C. where he met with legislators on flood control. Today he said he had lunch with Beale Air Force Base Major Jeffrey Peske.
- Mayor Gill said he and Councilmembers attended the groundbreaking for the New Earth Market. He said on May 15<sup>th</sup> the American Cancer Society would be hosting a black tie event, the Blossom Ball. He proudly reported the graduation of his daughter Harveen from Pepperdine University and her impending start of law school.

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## Adjournment

Mayor Gill adjourned the regular City Council meeting of the City of Yuba City in honor of Nathan Dukes, Councilmember Dukes' newest grandchild, at 9:28 p.m.

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Kash Gill  
Mayor

ATTEST:

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Terrel Locke  
City Clerk