

AGENDA

REGULAR MEETING

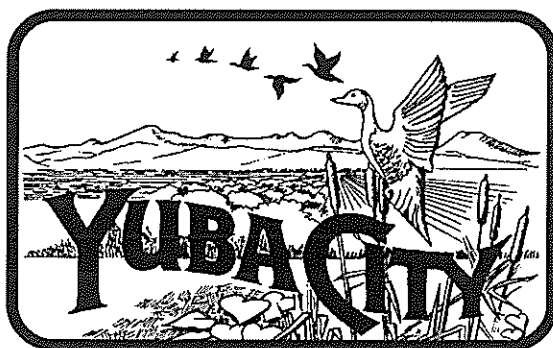
**CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY**

**JUNE 1, 2010
7:00 P.M.
COUNCIL CHAMBERS**

**KASH GILL
Mayor**

**JOHN DUKES
Mayor Pro Tem**

**LESLIE McBRIDE
Councilmember**



**TEJ MAAN
Councilmember**

**JOHN MILLER
Councilmember**

**STEVEN JEPSEN
City Manager**

**TIMOTHY HAYES
City Attorney**

**Council Chambers Wheelchair Accessible
1201 Civic Center Blvd., Yuba City, CA**

If you need assistance in order to attend the City Council meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the City Council, the City is happy to assist you. Please contact City offices at 530/822-4601 at least 72 hours in advance so such aids or services can be arranged.

City Hall TDD: 530-822-4732

**AGENDA
REGULAR MEETING OF
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
COUNCIL CHAMBERS
JUNE 1, 2010 - 7:00 P.M.**

Materials related to an item on this Agenda submitted to the Council/Redevelopment Agency after distribution of the agenda packet are available for public inspection in the City Clerk's office at 1201 Civic Center Blvd., Yuba City, during normal business hours. Such documents are also available on the City of Yuba City's website at www.yubacity.net subject to staff's availability to post the documents before the meeting.

Closed Session—Butte Room – Follows Regular Meeting

Regular Meeting—Council Chambers

Call to Order

Roll Call: _____ Mayor Gill
 _____ Mayor Pro Tem Dukes
 _____ Councilmember Maan
 _____ Councilmember McBride
 _____ Councilmember Miller

Invocation

Pledge of Allegiance to the Flag

Presentations and Proclamations

- 1. Proclamation Officially Recognizing the Tsi-Akim Maidu Tribe**

Public Hearings

- 2. Authorization to Accept Grant Funding, Approve Expenditure Recommendations and Budget Modifications as Required in the Amount of \$26,359.00**

Recommendation: Conduct a Public Hearing, then adopt a resolution authorizing the Chief of Police to accept the FY 2010/2011 Edward Byrne Memorial Justice Assistance Grant funding and approve expenditure recommendations. Authorize the Mayor to execute the associated memorandum of understanding with Sutter County on behalf of the City, following approval by the City Attorney. Further, authorize the Chief Financial Officer to make budget adjustments as necessary.

Public Communication

You are welcome and encouraged to participate in this meeting. Public comment is taken on items listed on the agenda when they are called. Public comment on items not listed on the agenda will be heard at this time. Comments on controversial items may be limited and large groups are encouraged to select representatives to express the opinions of the group.

- 3. Written Requests**

Members of the public submitting written requests, at least 24 hours prior to the meeting, will be normally allotted 5 minutes to speak.

4. Appearance of Interested Citizens

Members of the public may address the City Council on items of interest that are within the City's jurisdiction. Individuals addressing general comments are encouraged to limit their statements to 3 minutes.

Bid Openings

5. Waste Activated Sludge Thickening Polymer (FB10-08)

Recommendation: Award a contract to the low bidder for Rotary Drum Thickener (RDT) polymer to US Polymer of Tupelo, MS in the amount of \$27.07 per ton.

6. Corporation Yard Solar Panel Installation Project (Award of Contract)

Recommendation:

- a. Award Contract No. 10-05, Corporation Yard Solar Panel Installation Project, Emard Electric of Loomis, CA in the amount of their bid of \$196,000.
- b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
- c. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$287,281.00 for work performed under the Corporation Yard Solar Panel Installation Project that is reimbursable through the American Recovery and Reinvestment Act (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) to Account No. 941123 (Corp Yard Solar).
- d. Authorize the Finance Director to transfer remaining funds between previous DOE EECBG projects to this project which is the last to be completed with these funds.

Ordinances

7. Repeal then re-enact Chapter 11 of Title 5 to the Yuba City Municipal Code regarding Public Vehicles for Hire (Second Reading)

Recommendation: Staff recommends the City Council adopt an Ordinance for the repeal and re-enactment of Chapter 11 of Title 5 of the Yuba City Municipal Code and waive the second reading.

Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that Council votes on the motion unless members of the City Council, staff or public request specific items to be discussed or removed from the Consent Calendar for individual action.

8. City Council Approval of Minutes of May 17, 2010

Recommendation: Approve the Council meeting minutes of May 17, 2010

9. Stimulus Street Rehabilitation – ARRA 2009 (Live Oak Blvd Overlay - Notice of Completion)

Recommendation: Adopt a resolution accepting the subject project and authorizing the Public Works Director to file a Notice of Completion.

10. Approval of a Resolution authorizing the Public Works Director to prepare, sign, and submit documents associated with the California Department of Fish & Game to apply for grant funding for the Yuba City Feather River Fish Screen Project

Recommendation: Adopt a Resolution authorizing George Musallam, Public Works Director, to sign and submit all required documents associated with the Yuba City Feather River Fish Screen Project and to execute an agreement with the California Department of Fish and Game on behalf of the City.

General Items

11. Authorization to Purchase Video Equipment for Patrol Vehicles Utilizing a Sole Source with an Anticipated Maximum Expenditure of \$68,000

Recommendation: Authorize the Chief of Police to enter into a purchasing agreement with Hub-Data911 for the sole source purchase of patrol vehicle video equipment (a cost of \$63,657.75) with the finding that it is in the best interest of the City; and authorize the cost of installation of the equipment, not to exceed \$68,000.00.

12. Approval of an Agreement with Yuba City and the Yuba City Unified School District in Support of the School District's Assessments for Flood Control Improvements to the Feather River Levee System

Recommendation: Authorize the City Manager to Develop an Agreement with the Yuba City Unified School District for the Support of the School District's final assessments in an amount not to exceed 6.0 percent or \$12,000 of the annual assessment.

13. Approval of amendment to Loan Agreement between the Sutter Butte Flood Control Agency and Yuba City for funding of Lower Feather River Set Back Levee at Star Bend

Recommendation: Authorize the Mayor to execute an amendment to Loan Agreement between the Sutter Butte Flood Control Agency and Yuba City for funding of lower Feather River set back levee at Star Bend.

Business from the City Council/Redevelopment Agency Board

14. Discuss Cancellation of the July 6, 2010 City Council Meeting

15. City Council Reports

- Councilmember Maan
- Councilmember McBride
- Councilmember Miller
- Mayor Pro Tem Dukes
- Mayor Gill

Adjourn to Closed Session-Butte Room

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

Confer 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.

Adjournment

CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Police Department
Presentation By: Robert D. Landon, Chief of Police

Summary

Subject: **AUTHORIZATION TO ACCEPT GRANT FUNDING, APPROVE EXPENDITURE RECOMMENDATIONS AND BUDGET MODIFICATIONS AS REQUIRED IN THE AMOUNT OF \$26,359.00**

Recommendation: Conduct a public hearing, then adopt a resolution authorizing the Chief of Police to accept the FY 2010/2011 Edward Byrne Memorial Justice Assistance Grant funding and approve expenditure recommendations. Authorize the Mayor to execute the associated memorandum of understanding with Sutter County on behalf of the City, following approval by the City Attorney. Further, authorize the Chief Financial Officer to make budget adjustments as necessary.

Fiscal Impact: \$26,359.00 to account 100-43116 (Federal Law Enforcement Grant) – (No City match required). Funds will be drawn down through account 2190-69201 for technology improvements.

Background: The U.S. Department of Justice, Office of Justice Programs' Bureau of Justice Assistance, offers funding to local, state, and tribal efforts to prevent or reduce crime and violence under the Edward Byrne Memorial Justice Assistance Grant Program.

We have been notified by the U.S. Department of Justice that the Yuba City Police Department is eligible for \$26,359.00 in funding through this grant. We are required to make a joint application and operate under the terms of a memorandum of understanding with Sutter County. Sutter County will serve as the fiscal agent. As such, Sutter County will receive the grant funds for both entities and provide the City of Yuba City its share in the amount of \$26,359.00. No cash match is required in order to receive these funds.

Analysis: We intend to use \$14,912.82 to pay half of the 2011/2012 fiscal year radio vault rental costs and equipment maintenance costs for the

Sutter Buttes Gateway System public safety interoperable radio communications equipment. The Sutter County Sheriff's Department will pay the other half of these costs.

The Sutter Buttes Gateway System provides interoperable radio communications capability to public safety entities, (including federal, state, local, and private), within the surrounding four county area. The system was designed and constructed with the use of federal public safety interoperability grant funds and utilizes state and federally licensed public safety mutual aid radio frequencies.

The remaining funds, \$11,446.18 will be used towards the purchase of three portable radios and accessories to be used by police personnel. These radios will have the capability to operate on digital and analog frequencies.

Fiscal Impact:

The City will receive \$26,359.00 from the U.S. Department of Justice under the Edward Byrne Memorial Justice Assistance Grant through a required funding pass through agreement with Sutter County. Sutter County will serve as the fiscal agent for this grant as described in the attached memorandum of understanding.

Alternatives:

Provide staff with alternative spending paths which will not supplant routine expenditures in the general fund.

Recommendation:

Conduct a public hearing, then adopt a resolution authorizing the Chief of Police to accept the FY 2010/2011 Edward Byrne Memorial Justice Assistance Grant funding and approve expenditure recommendations. Authorize the Mayor to execute the associated memorandum of understanding with Sutter County on behalf of the City, following approval by the City Attorney. Further, authorize the Chief Financial Officer to make budget adjustments as necessary.

Note:


Public Hearing notification requirements have been met.
\$26,359.00 account 100-43116 (State Grant Law Enforcement-Equipment) – (No City match required)

Prepared By:



Thomas C. Tappe
Police Lieutenant

Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Department Head

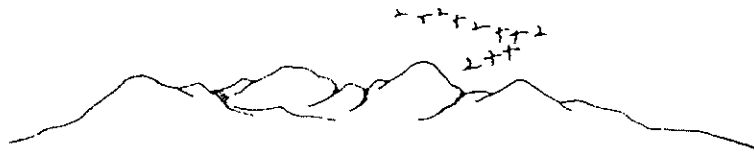
Finance

City Attorney

Other: (Name, Title)

ROL
MS
BY E-MAIL
N/A

**CITY
OF
YUBA CITY**



City Clerk

1201 Civic Center Blvd. • Yuba City California 95993

NOTICE OF PUBLIC HEARING

Notice is hereby given that on Tuesday, June 1, 2010 at 7:00 p.m. in the City Hall Council Chambers, 1201 Civic Center Boulevard, Yuba City, or as soon thereafter as may be heard, the City Council of the City of Yuba City will hold a public hearing to obtain public comment about projected uses of the FY 10/11 Edward Byrne Memorial Justice Assistance Grant Funds. The award amount for this grant is expected to be \$26,359.00.

THE CHIEF OF POLICE DOES RECOMMEND AS FOLLOWS

1. The 10/11 Edward Byrne Memorial Justice Assistance Grant in the amount of \$26,359.00 be accepted and tracked in grant account # 100-43116.
2. The grant funds will be used to pay half of the radio vault rental costs and equipment maintenance costs for the Sutter Buttes Gateway interoperable public safety radio communications system for the 2011-2012 fiscal year. The remaining funds will be used towards the purchase of three portable radios with accessories for use by police personnel.
3. Prior to expenditure, funds will be held in appropriate fund tracking accounts and bear interest as allowed. Purchases will be in accordance with established City purchasing guidelines and policies.

Members of the public who have questions or concerns relative to these grants and/or the projected funding paths are encouraged to contact Police Chief Robert Landon at (530) 822-4667.

All interested parties are invited to attend the hearing to express their opinions. Written or verbal statements will be accepted. The City Council Chambers are accessible by wheelchair. If you require auxiliary aids or services (i.e., signing services or hearing amplification) to make a presentation to the City Council, the City will be available to assist you. Please contact the City Clerk's office (530-822-4609; TDD 530-822-4732) at least 72 hours in advance so such aids or services can be arranged.

Terrel Lock, City Clerk

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING RECEIPT, ALLOCATION AND EXPENDITURE, OF THE FY 2010-2011 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT.

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

That the City, through the Chief Financial Officer and the Chief of Police, accept, account for, track, allocate and expend funds as directed by the FY 10/11 Edward Byrne Memorial Justice Assistance Grant. It is acknowledged the Byrne Grant funding would be in the amount of \$26,359.00. It is recognized there is no cash match requirement. It is acknowledged that the City will operate under the terms of a memorandum of understanding with Sutter County with respect to grant administration and funding pass through as Sutter County will serve as the fiscal agent.

That said, expenditures be in accordance with grant guidelines, specifically in the area of frontline law enforcement uses and related technology improvements as might be deemed appropriate by the Chief of Police consistent with the practice and Council policy of this and previous years.

That purchases be in accordance with State of California and City of Yuba City purchasing guidelines.

That the Chief Financial Officer be given authority to adjust the budget as required for grant purposes.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 1st day of June 2010.

AYES:

NOES:

ABSENT:

ATTEST:

MAYOR

CITY CLERK

GMS APPLICATION NUMBER #2010-H4781-CA-DJ

**SUTTER COUNTY SHERIFF
MOU # 2010-01**

**THE STATE OF CALIFORNIA
COUNTY OF SUTTER**

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF YUBA CITY, CALIFORNIA AND
THE COUNTY OF SUTTER, CALIFORNIA**

2006 BYRNE JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD

This Agreement is made and entered into this ____ day of _____, 2010, by and between the COUNTY of SUTTER, acting by and through its Board of Supervisors hereinafter referred to as COUNTY, and the CITY of Yuba City, acting by and through its governing body, the City Council, hereinafter referred to as CITY, both of Sutter County, State of California.

WHEREAS the undersigned entities will receive federal grant funds for law enforcement purposes from the Edward Byrne Memorial Justice Assistance Program (“JAG”);

WHEREAS, each governing body, in performing governmental functions or in paying for the performance of governmental function hereunder, shall make that performance or those payments from current revenues legally available to that party: and

WHEREAS, each governing body finds that the performance of this Agreement is in the best interests of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement: and

WHEREAS the City and County have received a disparate allocation and believe it to be in their mutual best interest to reallocate between them the JAG funds;

WHEREAS, the COUNTY agrees to provide the CITY \$26,359 from the JAG award to accomplish such reallocation: and

NOW THEREFORE, the COUNTY and CITY agree as follows:

Section 1.

COUNTY agrees to pay CITY a total of \$26,359 of JAG funds.

Section 2.

Nothing in the performance of this Agreement shall impose any liability for claims against COUNTY other than claims for which liability may be imposed by the Tort Claims Act.

Section 3.

Nothing in the performance of this Agreement shall impose any liability for claims against CITY other than claims for which liability may be imposed by the Tort Claims Act.

Section 4.

The parties to this Agreement do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

COUNTY OF SUTTER

CITY OF YUBA CITY

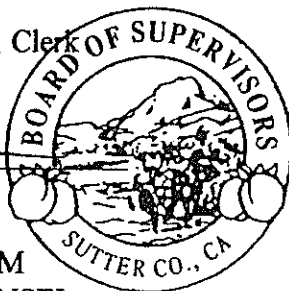
By Stan Cleveland Dated: 5-18-10
Stan Cleveland, Chairman
Sutter County Board of Supervisors

By _____ Dated: _____
Kash Gill, Mayor
City of Yuba City

ATTEST:

DONNA M. JOHNSTON, Clerk

By Lisa Busch
Deputy



APPROVED AS TO FORM
SUTTER COUNTY COUNSEL

By W. W. W.

**City of Yuba City
Staff Report**

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: General Services Department
Presentation By: Devin Barber, General Services Director

Summary

Subject: **Waste Activated Sludge Thickening Polymer (FB10-08)**
Recommendation: Award a contract to the low bidder for Rotary Drum Thickener (RDT) polymer to US Polymer of Tupelo, MS in the amount of \$27.07 per ton.
Fiscal Impact: \$81,030: Polymer RDT account 8120-63740. The actual cost may vary based on usage.

Background:

Polymer is a coagulant used to separate solids from water in the thickening process. This polymer is for use on the Rotary Drum Thickener equipment at the Utilities Department's Wastewater Treatment Plant. The use of this polymer is for the specific purpose of removing water and thickening wastewater solids. Thickening is necessary to prevent hydraulic overloading of the next treatment process. Additionally it is necessary for digesters to maintain a temperature of 98 degrees and thicker solids require less energy to maintain the optimum temperature.

Analysis:

General Services worked closely with the Wastewater Treatment Plant personnel to develop specifications and to conduct testing for this purchase. Bids were formally solicited, advertised, and publically opened. Thirteen (13) bid notices were sent out with three (3) vendors responding and testing.

Vendors were first requested to submit resumes. All three vendors submitting were approved and requested to participate in a jar or bench test. All three vendors passed the jar test and were invited to complete full scale testing. The reason for testing was to determine the effectiveness of the polymers to remove water from the wastewater solids. The testing was used to develop a dosage factor; the dosage factor is the amount of polymer (lbs) required to treat and remove water from one ton of solids. The bid specifications indicated the water content allowed in the ton after each treatment. The dosage factor was then used to determine the cost of treating one ton of solid. Vendors were present and a part of the testing.

The bid responses below are shown in price per ton of treated solids.

Vendor	RDT
US Polymer	\$27.07/ton
Polydyne	\$30.83/ton
Ashland	\$31.33/ton

Wastewater Treatment annual estimates for tons treated are 3000 tons.

The contract period is for three (3) years. After the initial three (3) years, the contract will have one (1) renewal opportunity for two (2) years. The contract will not exceed five (5) years.

Fiscal Impact:

81,030: Polymer RDT account 8120-63740. The actual cost may vary based on usage.

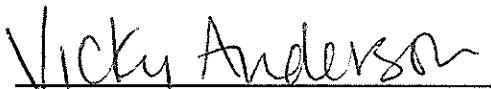
Alternatives:

- 1) Instruct staff to prepare new bid
- 2) Award to alternative firm(s)

Recommendation:

Award a contract to the low bidder for Rotary Drum Thickener (RDT) polymer to US Polymer of Tupelo, MS in the amount of \$27.07 per ton.

Prepared By:



Vicky Anderson
Administrative Analyst

Submitted By:



Steven R. Jepsen
City Manager

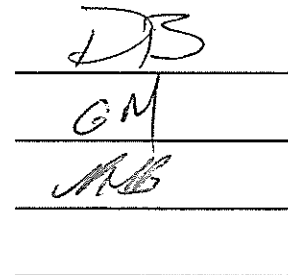
Reviewed By:

Department Head

Public Works

Finance

City Attorney



CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: General Services Department
Presentation by: Devin Barber, General Services Director

Summary

Subject: Corporation Yard Solar Panel Installation Project (Award of Contract)

Recommendation:

- a. Award Contract No. 10-05, Corporation Yard Solar Panel Installation Project, Emard Electric of Loomis, CA in the amount of their bid of \$196,000.
- b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
- c. Authorize the Finance Director to make necessary supplemental appropriations in the amount of \$287,281.00 for work performed under the Corporation Yard Solar Panel Installation Project that is reimbursable through the American Recovery and Reinvestment Act (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) to Account No. 941123 (Corp Yard Solar).
- d. Authorize the Finance Director to transfer remaining funds between previous DOE EECBG projects to this project which is the last to be completed with these funds.

Fiscal Impact: \$338,058.43 – Account No. 941123 (Corp Yard Solar), fully funded by an EECBG grants and broken down as follows:

- \$196,000.00 - Account No. 941123-65501 (Construction)
- \$137,648.65 - Account No. 941123-65504 (Construction Contingency)
- \$ 4,409.78 - Account No. 941123-65503 (Const/Admin Cost)

Background:

The City has received federal funds available through the American Recovery and Reinvestment Act (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) in the amount of \$574,700.00 for three projects, including the Corporation Yard Solar Installation project.

The Corporation Yard Solar Panel Installation project consists of installing photovoltaic panels on the roof of one of the metal sheds at the Corporation Yard and an inverter at the back of the building to generate electricity. This new system will result in a significant savings on electrical cost for this facility. The grant stipulates all savings generated through this system must be used to fund future

energy conservation projects. Staff estimated the annual savings to the City as a result of this project to be approximately \$10,173.00.

On March 16, Council approved the plans and specifications for the Corporation Yard Solar Panel Installation project and authorized the General Services Department to advertise for bids.

Analysis:

The project was advertised for bid in March 2010. Plans and specifications were provided to local builder/contractor exchanges. On April 15, 2010, five (5) bids were received and opened in the City Clerk's office. A list of the bids received and the engineer's estimate are shown below.

Company	Bid Amount
Emard Electric	196,000
Premier Power Reusable Energy	197,313
California Solar Electric	218,350
Erickson Construction Company	219,928
Beutler Corporation	260,942
Engineer's Estimate	\$226,000.00

Emard Electric of Loomis, CA is the low bidder.

Contract administration and inspection of the project will be performed by General Services Department, with assistance from Public Works Department staff. Project construction is expected to begin in June and continue through July 2010.

Additionally, both previous ARRA EECBG projects, Senior Center Solar and Citywide HVAC replacements, came in under budget in construction cost as well as in administration cost. Staff recommends a construction contingency of \$137,648.65 to assure that all remaining ARRA funds are expended. The contingency amount will provide sufficient funding to increase the size of the photovoltaic system at the Corporation Yard and allows the City to maximize the use of ARRA funds.

Fiscal Impact:

The Corporation Yard Solar project is funded from the American Recovery and Reinvestment Act (ARRA) funds. These funds come to the City via the Department of Energy (DOE) Energy Efficiency and Conservation Block Grant (EECBG) totaling \$338,058.43.

The City will receive a Performance Based Incentive (PBI) structure rebate from PG&E in an estimate amount of \$69,035.00 received over a five year period. These monies will also be allocated back into the fund to be used for future energy conservation projects as stipulated by the grant.

All cost associated with this project will be reimbursed.


Alternatives:

Do not award the contract and reject all bids.

Recommendation:

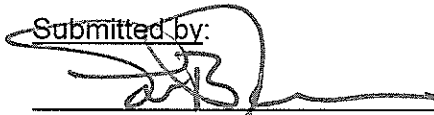
- a. Award Contract No. 10-05, Corporation Yard Solar Panel Installation Project, to Emard Electric of Loomis, CA in the amount of their bid of \$196,000.
- b. Authorize the City Manager to execute the contract on behalf of the City, following approval by the City Attorney.
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- d. Authorize the Finance Director to transfer remaining funds between previous DOE EECBG projects to this project which is the last to be completed with these funds.

Prepared by:



Vicky Anderson
Analyst

Submitted by:




Steven R. Jepsen
City Manager


Reviewed by:

Department Head

Finance

City Attorney





CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Police Department
Presentation By: Jeffrey Webster, Assistant Chief of Police

Summary

Subject: Repeal then re-enact Chapter 11 of Title 5 to the Yuba City Municipal Code regarding Public Vehicles for Hire. (Second Reading)

Recommendation: Staff recommends the City Council adopt an ordinance for the repeal and re-enactment of Chapter 11 of Title 5 of the Yuba City Municipal Code and waive the second reading.

Fiscal Impact: No substantial fiscal impact is anticipated.

Background:

The current Chapter 11 of Title 5 was originally enacted in 1947; the ordinance has been modified five times since and most recently in 1993. Some of the California Vehicle Codes mentioned in Chapter 11 have been changed over time and the municipal code and vehicle code are not consistent with each other. Over time there was an informal agreement reached with the City of Marysville that they would license and regulate vehicles for hire. This was because the only taxi cab companies in the area were operating out of Marysville. Now there are at least four taxi cab companies operating in Yuba City. Since the original ordinance was enacted the City of Yuba City has seen a great increase in population accounting for the increase in taxi cab companies. As a result of this population increase, change in laws, and insurance requirements, it is necessary to update Chapter 11 of Title 5 of the Yuba City Municipal Code.

Analysis:

In the past few months the Police Department has worked with the City Attorney's Office to create a new ordinance regulating public vehicles for hire. Staff determined that the current ordinance is vague and can be open to great interpretation by all parties involved. This is especially true regarding the issuance of operator and driver permits. The proposed revision specifically outlines who can and cannot be issued either an operator or driver permit. In order to protect the community and the City, all vehicles must be subject to inspection to ensure they are in good working order. In the current ordinance the insurance requirements are far less than what is recommended by the City's insurer. In the proposed revision, the insurance requirements have been updated to the current recommendations of the City of Yuba City's insurer. By adopting the proposed ordinance the City will be better protected from civil liability from incidents involving public vehicles for hire.

Fiscal Impact:

No real fiscal impact is anticipated by enacting the proposed ordinance however, there will be some staff time needed to issue the necessary permits as prescribed by the ordinance.

Alternatives:

Retain the current ordinance or direct staff to research additional alternatives.

Recommendation:

Staff recommends the City Council adopt an ordinance for the repeal then re-enactment of Chapter 11 Title 5 of the Yuba City Municipal Code and waive the second reading.

Prepared By:



Brian Baker
Traffic Sergeant

Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Department Head

Finance

City Attorney

Other: (Name, Title)

ROK
By Email
By Email

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
YUBA CITY REPEALING AND REENACTING CHAPTER 11 OF TITLE 5 OF THE
YUBA CITY MUNICIPAL CODE REGARDING
PUBLIC VEHICLES FOR HIRE

THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY ORDAIN
AS FOLLOWS:

Section 1. Chapter 11 of Title 5 of the Yuba City Municipal Code is hereby repealed.

Section 2. Chapter 11 of Title 5 is hereby added to the Yuba City Municipal Code to
read as follows:

CHAPTER 11

TAXICABS AND VEHICLES FOR HIRE

Sections:

5-11.050	Findings and Authority
5-11.010	Definitions
5-11.020	Annual permits required for operators, drivers and vehicles
5-11.030	Operator's permits
5-11.040	Vehicle permits
5-11.050	Driver's permits
5-11.060	Suspension of permits
5-11.070	Revocation of permits
5-11.080	Liability insurance requirements.
5-11.090	Indemnification
5-11.100	Registration, licensing and conspicuous posting
5-11.110	Vehicle color scheme and markings
5-11.120	Equipment requirements
5-11.130	Maintenance and inspection requirements
5-11.140	Rates
5-11.150	Standards for driver conduct
5-11.160	Operating regulations for services provided
5-11.170	Taxicabs and vehicles for hire from other locations
5-11.180	Disclaimers
5-11.190	Violation--Penalty
5-11.200	Severability

Section 5-11.050 Findings and Authority

A. The regulation of privately operated taxicabs promotes the safety, reliability and public benefits of that transportation service;

B. The ordinance codified in this chapter is enacted pursuant to section 53075.5 of the Government Code.

Section 5-11.010 Definitions.

A. "City" means the city of Yuba City, California.

B. "Driver" means every individual who operates any taxicab or vehicle for hire as an employee of an operator, independently owns the taxicab or vehicle for hire and operates under the auspices of such operator, or has independently contracted with such operator to operate the taxicab or vehicle for hire pursuant to a lease, license or any other form of agreement.

C. "Employee" includes any person who is self-employed as an independent driver.

D. "Motor vehicle" means every motor vehicle used for public hire propelled by mechanically produced power and intended for use on public streets and highways, except street cars, trains and motor buses.

E. "Operator" means any entity engaged in the business of providing vehicles for the purpose of carrying passengers in a taxicab or other vehicle for hire, whether comprised of an individual, group of individuals, partnership, limited partnership, joint venture, corporation or any other organizational structure.

F. "Taxicab" means a motor vehicle which is designed for carrying not more than eight passengers, excluding the driver, which is used in the transportation of passengers over the public streets of the city and operated at rates per mile, per destination or per mile and destination, irrespective of whether the operations extend beyond the limits of the city, and which is made available for hire on call or demand, at taxi stands or by telephone.

G. "Vehicle for hire" means any motor or electric vehicle which is offered to the public for hire with the services of a driver, which is used for the transportation of passengers over the public streets of the city, irrespective of whether such operations extend beyond the boundary limits of the city, at rates per distance, per trip, per hour, per day, per week, per month and where the route is under the control of the persons hiring the same. "Vehicle for hire" shall not include a charter-party carrier of passengers within the meaning of the Passenger Charter-party Carriers' Act, Article 8 (commencing with Section 5351) of Division 2 of the Public Utilities Code. "Vehicle for hire" includes taxicabs.

Section 5-11.020 Annual Permits Required for Operators, Drivers and Vehicles.

A. No person, corporation, partnership, cooperative, business, fictitious name or dispatch center shall engage in the business of operating any kind of taxicab or vehicle for hire within the city, without an operator's permit, driver's permit and vehicle permit issued by the city. Each permit shall be valid for one year, unless suspended or revoked and must thereafter be renewed. Such permits shall not be assigned, sold or transferred to another operator, driver or vehicle.

B. City council shall set by resolution the fees required for obtaining operator's, driver's and vehicle permits. Such fees shall be due and payable upon submission of an application to the chief of police and shall not be refundable, regardless of the disposition of the application. In addition to such permit fees, the applicant shall pay currently any and all other taxes or fees as may be required by the provisions of this code, including but not limited to, city business licenses and fingerprinting fees.

C. All permits shall be valid for a period not to exceed one calendar year. Unless otherwise provided by the chief of police, applications for all permits shall be submitted to the chief of police on or before November 1st of each year for the following calendar year and all permits shall expire on December 31st of each year. Permits may be renewed annually by application to the city. Current permit holders have priority for annual renewal.

D. Every person holding a permit issued under this chapter shall at all times keep the city notified of his or her current address and shall notify the city in writing within ten days of any address change.

Section 5-11.030 Operator's Permits.

A. Any person or entity seeking to operate a business providing taxicab or vehicle for hire service shall submit an application in writing, signed by the operator, and shall set forth all information required, including but not limited to the following:

1. Name and address of each operator applying to operate taxicabs or vehicles for hire;
2. Fictitious business name of the operator, if any;
3. Mailing address and business telephone number of the operator;
4. Name, address, age and driver's license number of each employee who will be driving the operator's vehicles;

5. Total number of vehicles to be operated in the city under the operator's permit and, for each of such vehicles the manufacturer, model year, vehicle type, vehicle identification number ("VIN"), license plate number, passenger capacity and proof of commercial registration;
6. Description of the color scheme, insignia, trade style and/or any other unique characteristics of the taxicab or vehicle for hire design and placement of city required markings and company markings;
7. The street address(es) from which the operator conducts or will conduct the taxicab or vehicle for hire business; where dispatch will be conducted; and each location at which the business's vehicles will be garaged;
8. Prior experience of the operator in a taxicab or vehicle for hire business, including the details of any prior permit denial, revocation or suspension by any public agency of any type of operator's or driver's permit, license or certificate;
9. A certification that no driver employed or to be employed by the operator has been convicted of driving under the influence of alcohol or drugs in any state within three calendar years preceding the date of application;
 - a. A certification that no driver employed or to be employed by the operator has been convicted of any felony offense or sex-related offense.
10. Rates to be charged to the public throughout the term of the operator's permit;
11. Federal taxpayer identification or social security number of the operator;
12. Satisfactory proof of insurance as provided in Section 5-11.080 of this chapter for each driver and vehicle to be operated in the city under the permit;
13. Satisfactory evidence that the operator has complied and currently complies with the provisions of California Government Code Section 53075.5(b)(3), or any successor provision, pertaining to pre-employment and periodic testing of drivers for controlled substances and alcohol, and with provisions pertaining to payment for drug and alcohol testing programs and related reporting requirements. The operator must also provide satisfactory evidence from a city-approved lab that each driver who will operate a taxicab or vehicle for hire within the city has tested negative for drugs and alcohol as required by Section 53075.5;

14. Unless otherwise provided by law, evidence that the operator has procured worker's compensation insurance covering all drivers to be employed by the operator;
 15. Submission of Department of Motor Vehicles (DMV) pull notice program requestor code number, as defined in Vehicle Code Section 1808.1, issued to the operator. As a condition of accepting an operator's permit, the operator is required to notify the city immediately if it receives a DMV pull notice on one of its drivers that would affect that person's driver's permit. In the event a driver's DMV record indicates that a driver no longer qualifies for a driver's permit, the operator must require the driver to surrender the driver's permit to the chief of police. DMV pull notice records must be made available for review by the city upon request;
 16. Submission of records of any convictions in any court of any state of the United States or in any United States court with respect to any operator or driver identified in the operator's permit application; including any such convictions following a plea of no contest or nolo contendere. City council specifically authorizes the chief of police or designee to receive state and local summary criminal history information in fulfilling his licensing duties under this chapter; and
 17. Satisfactory proof that the business will be operated in compliance with all provisions of this chapter.
 18. A city business license.
- B. An operator's permit shall be granted unless:
1. The operator fails to submit a complete application;
 2. The operator makes any omission, untrue statement or material misrepresentation in the application or provides fraudulent documentation with the application;
 3. The operator has violated this chapter within the last three years;
 4. The public convenience is not served;
 5. The operator is not morally or financially responsible;
 6. Any vehicle proposed to be operated lacks the required equipment, is improperly licensed or is unsafe;
 7. There is an absence of satisfactory proof that the taxicab or vehicle for hire operator will comply with the provisions of this chapter;

8. Additional taxicab or vehicle for hire service will have a detrimental effect on traffic and parking within the city or will otherwise be contrary to the public welfare;
9. The operator has been convicted of any felony offense or sex-related offense, including any such convictions following a plea of no contest or nolo contendere, taking into consideration the nature of the conviction, the age of the operator at the time of the conviction, any evidence of rehabilitation and the relationship of the conviction to the propriety of the operator operating a taxicab or vehicle for hire; or
10. The operator has not otherwise complied with this chapter.

C The issuance of an operator's permit is conditional upon such owner ensuring that each taxicab or vehicle for hire operated by such operator has a vehicle permit issued by the city and each driver of such taxicab or vehicle for hire has a driver's permit issued by the city. The operator shall notify the city immediately upon termination of employment of an employee hired to operate a taxicab or vehicle for hire in the city.

Section 5-11.040 Vehicle Permits.

A. No taxicab or vehicle for hire shall operate in the city without a vehicle permit from the city. Application for a vehicle permit shall be in writing, signed by the owner, and shall set forth all information required, including, but not limited to the following:

1. A copy of the state vehicle registration under owner's name, license plate number and corresponding vehicle identification number of each vehicle to be operated in the city;
2. Make, model or type, year of manufacture and passenger-seating capacity of each motor vehicle for which such application is made; and
3. Certificates of insurance from the insurance carrier verifying the coverage required in Section 5-11.080 of this chapter for each vehicle to be operated in the city.
4. The sworn statement by a proprietor of a public garage or state licensed mechanic who has inspected and examined the vehicle for which the permit is requested verifying that the vehicle complies with the requirements of this chapter and is in safe operating condition, as required by Section 5-11-120 regarding equipment requirements.

- B. A vehicle permit shall be granted unless:
1. The operator fails to submit a complete application;
 2. The operator makes any omission, untrue or material misstatement or provides fraudulent documentation with the application;
 3. The operator has violated this chapter within the last three years; or
 4. There is an absence of satisfactory proof of compliance with the provisions of this chapter.

C. An applicant for a vehicle permit must hold a valid operator's license issued pursuant to this chapter and must ensure that any driver of a taxicab or vehicle for hire has been issued a driver's permit pursuant to this chapter.

Section 5-11.050 Driver's Permits.

A. Any person seeking to operate a taxicab or vehicle for hire as a driver shall apply for a permit in the manner set forth in this section. The application shall be in writing, signed by the driver, and shall set forth all the information required in the permit application form including, but not limited to, the following:

1. Name, age and address of the applicant;
2. Any convictions in any court of any state of the United States or in any United States court, including any conviction following a plea of no contest or nolo contendere. City council specifically authorizes the chief of police or designee to receive state and local summary criminal history information in fulfilling the licensing duties under this chapter;
3. Applicant's past experience in operating a motor vehicle;
4. Applicant's current California Class C driver's license number and a photocopy of that license; including any endorsement pursuant to Vehicle Code Sections 15275 and 15278 to operate a commercial motor vehicle;
5. Name and address of all employers during the five calendar years preceding the application;
6. The disclosure of whether any state driver's license, taxi driver's permit or commercial or chauffeur's driver's license, issued by the state or any state or governmental agency, held by the applicant

has ever been revoked or suspended;

7. Name and address of the operator by whom he or she is employed as a driver, or for whom he or she intends to operate a taxicab or vehicle for hire;
8. Current certificate of negative test for drugs and alcohol, as required by Government Code Section 53075.5;
9. Two recent photographs of the driver (size one and one-half inch by one and one-half inch), one to be filed with the application and one to be permanently attached to the driver's permit when issued;
10. State Department of Motor Vehicles driving record report;
11. A list of all jurisdictions in which the applicant is permitted to operate a taxicab or vehicle for hire, including the identification number and expiration date of each permit;
12. Satisfactory proof that the insurance required by Section 5-11.080 of this chapter covers the driver when operating the taxicab or vehicle for hire;
13. Assent to fingerprinting by the city's police department; and
14. Any other information the city may require which is reasonably related to the application for the driver's permit.

B. A driver's permit shall be granted unless:

1. The applicant fails to submit a complete application;
2. The applicant makes any omission, untrue or material misstatement or provides fraudulent documentation with the application;
3. Within the preceding three years Department of Motor Vehicle records of any state of the United States indicate that the department has taken administrative action which resulted in actual suspension or revocation of the applicant's driver's license, unless such suspension or revocation was based on a non-driving related matter;
4. The applicant has violated this chapter within the last three years;
5. There is an absence of satisfactory proof that the taxicab or vehicle for hire will be operated in compliance with the provisions of this

article;

6. The applicant has failed to maintain a valid California driver's license; or
7. The applicant has been convicted of any felony offense or sex-related offense, including any such convictions following a plea of no contest or nolo contendere, taking into consideration the nature of the conviction, the age of the applicant at the time of the conviction, any evidence of rehabilitation and the relationship of the conviction to the propriety of the applicant operating a taxicab or vehicle for hire.

C. The issuance of a driver's permit is conditional upon the driver ensuring that he or she will only operate a vehicle which has received a valid vehicle permit for an operator who has received a valid operator's permit.

D. The driver's permit shall become void upon termination of such driver's employment driving a taxicab or vehicle for hire, including termination of self-employment as an independent driver, and the driver shall immediately return the driver's permit to the city upon such termination of employment.

E. The issuance of a driver's permit is conditioned upon the driver complying with the mandatory controlled substance and alcohol testing and program certification set forth in Government Code Section 53075.5.

F. The chief of police may, in his or her discretion, grant a temporary permit to drive or operate any taxicab or vehicle for hire pending final action on any application for a permanent driver's permit, but no such temporary permit may be issued to any person who does not have a valid, unrestricted driver's license issued by the state.

Section 5-11.060 Suspension of Permits.

A. The chief of police may suspend any operator's permit, driver's permit or vehicle permit if:

1. A taxicab or vehicle for hire is operating without required insurance or registration or is being operated by an unlicensed or unpermitted driver;
2. A fact exists which would have been grounds for refusing to issue the permit;
3. There has been a violation of any of the terms of this chapter; or
4. There is damage to, or mechanical malfunction of, a taxicab or

vehicle for hire such that it cannot be operated safely.

B. Such permit suspension shall be lifted upon a showing that the violations have been corrected. If no such showing is made within a reasonable time, depending on the type of violation, the city may issue a notice of revocation and proceed as set forth in this chapter. It is unlawful for the permittee to exercise any of the rights granted under this chapter during the time that the permit is suspended, provided that the notice of suspension contains facts supporting a finding that the continued operation of the business, the continued operation of a taxicab or vehicle for hire, or possession of a driver's permit represents an unsafe condition for the public, and the chief of police so concludes.

Section 5-11.070 Revocation of Permits.

A. Any permit issued by the city under this chapter may be revoked by the chief of police for any of the following reasons including but not limited to the following:

1. The existence of any fact which, at the time of application, would have caused the chief of police to deny the application, whether such fact existed at the time of the application or occurred thereafter;
2. Any violation of laws relating to the operation of a motor vehicle, including, but not limited to, reckless driving, driving under the influence of alcohol or controlled substances or other violations indicating that a driver is not competent to operate a taxicab or vehicle for hire;
3. A motor vehicle accident resulting in injuries to persons or property caused by the culpable act or omission of the driver or operator;
4. Failure to pay any judgment for damages arising out of the unlawful or negligent operation of any taxicab or vehicle for hire;
5. Failure to maintain insurance as required by this chapter;
6. Failure to maintain a taxicab or vehicle for hire in a safe and sanitary condition such that the vehicle could pass, at any time throughout the permit period, the inspection required for the issuance of a vehicle permit; or
7. Any violation of this chapter.

B. The permit holder shall be entitled to appeal the city's decision to revoke or suspend the permit by filing a written notice of appeal with the city clerk within ten days from the date the notice of revocation is mailed. The appeal shall set forth the

reasons why such action is not proper. Failure to set forth specific reasons why the action is improper or to timely file such appeal shall constitute a waiver of the right to appeal, and the proposed adverse action shall become final.

C. If the permit holder files a timely request for appeal, a hearing shall be held with at least ten days written notice of the hearing date, time and location to the appellant. The hearing shall be conducted by the City Manager. The appellant shall be entitled to present evidence and testimony in this hearing and the City Manager's decision shall be final.

D. Pending the appeal hearing it shall be lawful for the permit holder to operate his or her business or operate a taxicab or vehicle for hire unless the permit at issue has been suspended, with a finding by the chief of police that continued operation represents an unsafe condition for the public. If the notice of revocation is affirmed on appeal, the permit at issue immediately shall be revoked and surrendered to the city. Any operator or driver whose permit has been revoked shall not be eligible to apply for another permit for one year after the effective date of revocation. City council may establish by resolution a fee for such appeals.

Section 5-11.080 Liability Insurance Requirements.

To obtain an operator's permit from the city, the operator must demonstrate that it maintains, at its sole expense, liability insurance meeting the following requirements:

A. General Liability coverage of \$2,000,000 per occurrence for bodily injury, personal injury and property damage.

B. Separate commercial automobile liability insurance for each vehicle proposed to be operated within the city pursuant to the operator's permit, with at least the following limits of liability: \$1,000,000 per accident for bodily injury and property damage.

C. Evidence that the operator has procured Workers Compensation Insurance covering all drivers to be employed by the operator.

D. Required insurance must be issued by companies admitted to do business in California, with a current A.M. Best rating of no less than A:VII. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

E. Each insurance policy required by this Section 5-11.080 shall provide a minimum scope of insurance at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).

2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, Code 1 (any auto).

F. The General Liability and Automobile Liability policies are to contain the following provisions:

1. The city, its officers, agents, officials, employees and volunteers must be named as additional insureds under the policies. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or equivalent) to the operator's insurance policy, or as a separate owner's policy.
2. For any claims related to the operator's permit or vehicle, the operator's insurance coverage shall be primary insurance as respects the city, its officers, agents, officials, employees and volunteers.
3. Each insurance policy required by this Section 5-11.080 shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice has been provided to the city.
4. Any deductible or self-insured retentions must be declared to and approved by the city. At the option of the city, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the city, its officers, officials, employees, and volunteers, or the operator shall provide a financial guarantee satisfactory to the city guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

Section 5-11.090 Indemnification.

As a condition of receiving an operator's permit, the operator will be required to execute a statement agreeing to indemnify, defend and hold harmless the city, its employees and officials from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from bodily injury, death, personal injury, property damage, loss of use or property loss, however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless will include, but not be limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions or willful misconduct of the operator, its officers, employees, agents, joint venturers, subcontractors or vendors. The operator's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of the city, its employees and officials, except for liability resulting solely from the negligence or willful misconduct of the city

employees or officials. Payment by the city will not be a condition precedent to enforcement of this indemnity. In the event of a dispute between the operator and the city as to whether liability arises from the sole negligence of the city employees or officials, the operator will be obligated to pay for the city employees and officials' defense until a final judgment has been entered adjudicating the city employees or officials as solely negligent. In the event a final judgment is entered adjudicating the city employees or officials as solely negligent, the operator will not be entitled to a reimbursement of any defense costs, including but not limited to, attorney's fees, expert fees and costs of litigation. This indemnity will apply regardless of whether the city approved an operator's, vehicle or driver's permit or whether the city inspected or approved any vehicle used in conjunction with a permit.

Section 5-11.100 Registration, Licensing and Conspicuous Posting.

A. All drivers shall carry their license to operate a motor vehicle in the state at all times while operating a taxicab or vehicle for hire in the city.

B. All taxicabs and vehicles for hire within the city shall carry the State Department of Motor Vehicles registration in the vehicle at all times and all such vehicles shall be registered in the name of the operator or the driver to whom a permit has been issued.

C. Every taxicab or vehicle for hire authorized to operate under this chapter shall have attached to the left rear window a current vehicle permit issued by the city in accordance with the provisions of this chapter and all expired permits will be removed.

D. Every taxicab or vehicle for hire shall have conspicuously displayed in full view of the passenger or passengers a card not less than two inches by four inches in size which shall have stated thereon the name of the operator, together with the business address and telephone number of the business, and the identifying number of such vehicle, and also the rates of fare to be charged for the use of such vehicle. Rates of fare are also to be conspicuously displayed in both the front and rear of the interior of the taxicab or vehicle for hire.

E. The driver's permit shall be posted in full view of the passenger at all times while the driver is operating the vehicle. Every driver's permit shall show the photograph of the driver, the driver's permit number, the name of the operator which employs the driver and the telephone number of the business.

Section 5-11.110 Vehicle Color Scheme and Markings.

A. It is unlawful to operate a taxicab or vehicle for hire within the city which does not have printed or placed upon doors on both sides of the vehicle and on the rear deck of such taxicab or vehicle for hire the name and telephone number of the operator. All such lettering shall be in letters not less than two inches in height. In addition, the dome light markings shall read the same as the operator's name or fictitious name

written upon the rear doors and rear of the vehicle or only shall read "Taxi." In addition, every taxicab or vehicle for hire shall have printed or placed upon the exterior in conspicuous letters of the same color not less than three and one-half inches in height, of a color in contrast to the color of the taxicab or vehicle for hire, the number of such taxicab or vehicle for hire, which numbering shall be printed or placed on each side of the vehicle on the leading edge of the front door and on the rear of the trunk.

B. The taxicabs or vehicles for hire of each owner holding a permit under this chapter shall be numbered from number one to a number corresponding with the total number of taxicabs or vehicles for hire for which such permit has been issued. Such vehicle numbers shall be given to the city in writing at the time of the making of the application for a permit and must be approved by the chief of police.

Section 5-11.120 Equipment Requirements.

A. Every taxicab and vehicle for hire authorized by city permit must fulfill the following equipment requirements by possessing:

1. A trunk device which will permit the opening of the trunk lid from the inside of the trunk;
2. A permanent fixture to display the taxicab or vehicle for hire driver's permit in prominent view of the passengers;
3. No fewer than four working doors, except that a handicapped accessible mini-van may be used;
4. A fire extinguisher;
5. Four flares;
6. At least two emergency reflectors;
7. Spare tire and jack;
8. Windows which patrons can open from the inside;
9. Working headlights, taillights, turn-signals, back-up lights and brake lights;
10. A light of not less than two candlepower within such vehicle, so arranged as to illuminate the entire passenger compartment. The light shall be kept constantly lighted at all times while any passengers are being loaded into or unloaded from any such vehicle from one-half hour after sunset of any day until one-half hour before sunrise of the next day, and no shades or blinds shall

be drawn over the windows of any such vehicle while the same is occupied; and

11. Safety belts in good working order for use of passengers.

B. The operator must obtain a sworn statement, made by either the proprietor of a public garage engaged in auto repair who is licensed by the state or by a mechanic licensed by the state and employed by the applicant, who has inspected and examined such vehicles, that each taxicab and/or vehicle for hire used in its business complies with the above-listed requirements and is in safe operating condition.

C. It is unlawful for any operator or driver to operate any taxicab or vehicle for hire while the same or any of the equipment used thereon or therewith is in a defective, unsafe or unsanitary condition.

Section 5-11.130 Maintenance and Inspection Requirements.

Any city official charged by the chief of police with the authority to enforce this chapter shall have the right, after displaying the proper identification, to enter into or upon any permitted taxicab or vehicle for hire in the city for the purpose of ascertaining whether or not any of the provisions of this chapter are being violated. The scope of this inspection is limited to determining compliance with the requirements of this chapter and may be done without notice, warrant or individualized suspicion of wrongdoing.

Section 5-11.140 Rates.

The city council may set by resolution the maximum rates to be charged per flag drop, per mile and per minute of waiting time or traffic delay time. In the event such a resolution is adopted, it shall be unlawful for the taxicab operator or driver to fix, charge, collect or receive a rate in excess of the rates established and set by resolution of the city council. Any charge or rate in excess of the rate set by resolution of the city council shall be cause for revocation of the operator's permit.

5-11.150 Standards for Driver Conduct.

A. It is unlawful for the driver of any taxicab or vehicle for hire to solicit fares by misrepresenting in any manner the identity of the operator of the taxicab or vehicle for hire, and it is unlawful to misrepresent the location of, travel time or distance to any destination.

B. It is unlawful for the driver of any taxicab or vehicle for hire to interfere in any manner with any person who is negotiating for, inquiring about transportation in or employing a taxicab or vehicle for hire.

C. It is unlawful for a driver or operator to refuse a prospective fare based on the distance of the route for which the service is requested (except where that distance

exceeds a total of fifty miles beyond the city limits of the city of Yuba City), or to take any action to actively discourage a prospective fare solely on the basis of race, creed, color, age, sex, sexual orientation, national origin or physical disability, including use of service animals.

Section 5-11.160 Operating Regulations for Services Provided.

A. A taxicab or vehicle for hire is authorized to provide exclusive ride service, which shall mean exclusive use of a taxicab by one or more passengers at a time, and shared ride service, which shall mean non-exclusive use of a taxicab by two or more unrelated passengers, traveling between different points of origin and/or destination and traveling in the same general direction.

B. Flag loads, meaning passengers soliciting a taxicab or vehicle for hire at random points on the street, may be picked up at any location within the city except when it is apparent that the prospective fare has already phoned for a taxicab or vehicle for hire operated by another person or firm and is waiting for such taxicab or vehicle for hire to arrive.

C. Solicitation of fares is permitted when located at areas as may be declared open to solicitation by all properly permitted operators or drivers. No driver of any taxicab or vehicle for hire shall seek employment by repeatedly driving his or her vehicle back and forth in a short space in front of, or by otherwise interfering with, the proper and orderly access to or egress from any theater, hall, hotel, railway or other place or public gathering; or by leaving his or her vehicle or otherwise approaching and soliciting patronage by any pedestrian upon the sidewalk, in any theater, hall, hotel, railway or street railway loading point.

D. All persons other than the driver shall ride in the passenger compartment of the taxicab or vehicle for hire, except passengers who are physically disabled, are unable to get into the passenger compartment or have extreme difficulty in doing so, and except where there are more passengers than can be accommodated in such compartment or where it is necessary to have someone seated with the driver in connection with the normal operation of the taxicab or vehicle for hire.

E. The driver of a taxicab or vehicle for hire employed to carry passengers to a definite point shall take the most direct route possible that will carry the passengers safely, lawfully and expeditiously to the destination.

F. Persons engaging a taxicab or vehicle for hire shall be entitled to have such valises, small hand baggage or wheel chairs as can be conveniently carried within the vehicle loaded, conveyed and unloaded without charge.

G. Every operator approved to operate under the provisions of this chapter shall regularly and daily operate his or her business to the extent reasonably necessary

to meet the public demand for service. Upon abandonment of such business for a period of thirty consecutive days by such operator, approval to operate under this chapter may be revoked.

H. Smoking shall be prohibited in taxicabs and vehicles for hire. The driver of the vehicle shall promptly direct any passenger smoking in a taxicab or vehicle for hire to promptly and safely extinguish any cigarette or other smoking device. The refusal of any passenger to extinguish a cigarette or other smoking device shall constitute sufficient reason for the driver to immediately suspend service to the passenger.

I. Every owner or driver of a taxicab or vehicle for hire operated on a highway shall maintain safety belts in good working order for the use of the occupants of the vehicle. The driver of a taxicab or vehicle for hire shall not operate the taxicab or vehicle for hire unless (i) passengers five years of age or younger and weighing less than 60 pounds, are seated in the rear seat; and (ii) passengers six years of age or over or weighing 60 pounds or more, in the front seat, are properly restrained. The driver of a taxicab or vehicle for hire shall require all passengers sixteen years of age or over to be properly restrained by a safety belt when the taxicab or vehicle for hire is being driven on a public highway.

Section 5-11.170 Taxicabs and Vehicles For Hire From Other Locations.

Taxicabs and vehicles for hire which do not possess city permits and whose place of business is not located within the city, may bring passengers into the city but may neither solicit nor pick-up any passenger in the city for any destination, within or outside of the city.

Section 5-11.180 Disclaimers.

By providing for the regulation of taxicabs, vehicles for hire and drivers in the manner provided for in this chapter, the city is protecting the general welfare. It is neither assuming nor imposing on the city, or its officers and employees, an obligation for which there may be liability and money damages to any person who claims that such breach proximately caused injury.

Section 5-11.190 Violation--Penalty.

It is unlawful for any person to violate any provision or to fail to comply with any of the requirements of this chapter. Any person violating any provision of this chapter shall be deemed guilty of an infraction.

Section 5-11.200 Severability.

If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this chapter. The city council declares that it would have adopted this

chapter, including every section, subsection, sentence, clause and phrase, irrespective of whether one or more sections, subsections, sentences, clauses or phrases is held invalid.

Section 3. This ordinance shall become effective thirty (30) days after its adoption. A summary of this ordinance shall be published once at least five (5) days prior to the adoption of this ordinance and once within (15) days after its adoption, in the Appeal Democrat, a newspaper of general circulation in the City of Yuba

Introduced and read at a regular meeting of the City Council of the City of Yuba City on the 18th day of May, 2010, and adopted at a regular meeting thereof held on the ___ day of _____, 2010.

AYES:
NOES:
ABSENT:

Kash Gill, Mayor

ATTEST:

Terrel Locke, City Clerk

APPROVED AS TO FORM:

Timothy P. Hayes
City Attorney

DRAFT

MINUTES
SPECIAL WORKSHOP
CITY COUNCIL & REDEVELOPMENT AGENCY
CITY OF YUBA CITY
COUNCIL CHAMBERS
MAY 17, 2010, 3:30 P.M.

Call To Order

The City Council of the City of Yuba City was called to order by Mayor Gill at 3:30 p.m.

Roll Call

Present: Councilmembers Maan, McBride, and Mayor Gill
Absent: Councilmember Dukes & Miller (arrived at 3:35 p.m.)

General Items

1. **FY 09/10 Budget Update and FY 10/11 Budget Review**

City Manager Steven Jepsen welcomed the bargaining unit representatives in attendance today.

Mr. Jepsen said that as revenue drops and expenses increase, we are left with a few options which Finance Director Robin Bertagna will review. We will need help from our employees. Healthcare increases will be 15-20% over the next two years. Pension increases are passed onto the City by PERS. Pension reform is necessary.

Finance Director Robin Bertagna said she anticipates we will have a \$2.5 million deficit in 2010/11. She recommends we use \$700,000 in economic stabilization funds and \$1.8 million in one time funds to cover it.

She reviewed Revenue/Expenditures from 2003/04 through 2011/12. Since 2008/09, when expenditures exceeded revenues for the first time, the gap between revenue and expenditures has increased dramatically and continues to widen.

Property tax revenues peaked in 2007/08 at \$12.1 million. For FY 10/11, we expect to receive just under \$10.9 million, a decline of \$1.2 million from the peak. The reduction for FY 10/11 is estimated at 4%.

Sales tax peaked in 2005/06 at \$11.1 million. In 2010/11 we are projecting it at \$8.8 million, a decline of \$2.3 million from the peak. The decline from FY 09/10 to FY 10/11 is estimated at 4%. Ms. Bertagna reviewed quarterly sales tax results compared to a year ago.

She noted increases in dental/medical/vision and PERS costs have gone down due to attrition, but we pay more per person.

Additional property tax revenue reduction is expected. The issues of the costs for the new animal control facility and flood control costs for City properties must be addressed.

We will probably be looking at rate increases for water and wastewater next January. A Prop 218 notice to customers must go out first.

DRAFT

Mr. Jepsen said we have a \$3.4 million gap for 2011/12 and there are concession options. His contract is up for renewal and he has offered to increase the furlough from 5% to 10%, and to pay pension and health care increases. If all employees also gave these concessions, we would still have a shortfall of \$800,000 in 2011/12. At some point, we will want to restore these concessions. Layoffs of 5% in public safety and 10% general employees will probably be necessary.

In summary, concessions are the best scenario to close the gap, along with layoffs to fix the structural problem.

Mr. Jepsen said fee options include increasing the trash disposal franchise fee from 5 to 10% to equal another \$500,000. A hotel tax overlay of 3% would bring in an additional \$190,000, and a lighting and landscape overlay could be initiated.

Mayor Gill stated Council will be asking employees to do more with a lot less. He is glad to see a two year forecast and hopes to restore concessions in a few years.

Councilmember Miller said he feels any increases in healthcare and pensions needs to be borne by the employees. The entire community is suffering. The employees are doing a wonderful job during difficult times.

Councilmember McBride noted she also took a pay cut at her job this year to save jobs at the company and she appreciates City employee efforts.

Councilmember Maan stated they are going through similar issues in Yuba County where he works. Layoffs and concessions are necessary during difficult times like these. He told employees he appreciates the concessions they have given.

Councilmember Dukes said the private sector is taking a hit too. His business is down 40% and he feels the pain also. We are just trying to keep the City solvent.

City Manager Steve Jepsen said after July 1, he will ask that we open the bargaining unit contracts.

Public Communication on Items on the Agenda

2. Appearance of Interested Citizens – none.

Adjournment

Mayor Gill adjourned the Special City Council Workshop of the City of Yuba City at 4:33 p.m.

Kash Gill
Mayor

ATTEST:

Terrel Locke
City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: George Musallam, Public Works Director

Summary

Subject: Stimulus Street Rehabilitation – ARRA 2009 (Live Oak Blvd Overlay - Notice of Completion)
Recommendation: Adopt a resolution accepting the subject project and authorizing the Public Works Director to file a Notice of Completion.
Fiscal Impact: None.

Background:

The City has obtained approximately \$753,000 in American Recovery and Reinvestment Act (ARRA) of 2009 funds. On February 16, 2010, Council awarded the Stimulus Street Rehabilitation – ARRA 2009 Project (Live Oak Blvd Overlay) to A. Teichert & Son, Inc. in the amount of their bid of \$549,178.90. With the award, Council identified \$250,000 for contingency costs, resulting in a total project cost of \$799,178.90.

Analysis:

All required improvements have been constructed in conformance with the approved plans and specifications. The project is scheduled to be completed on May 21, weather permitting, which is within the contract time period. With Council acceptance of the project, A. Teichert & Son, Inc. will be required to warranty the project for one year. Also, once the Notice of Completion has been filed the 35-day waiting period for release of retention funds will begin.

Fiscal Impact:

The budgeted amount for construction was \$799,178.90. The final construction cost is \$735,160.90, which is funded entirely through ARRA grant funding. Contingency funds were used to adjust the contract quantities to maximize the use of ARRA funds.

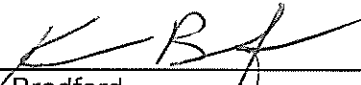
Alternatives:

Do not accept the improvements.

Recommendation:


Adopt a resolution accepting the subject project and authorizing the Public Works Director to file a Notice of Completion.

Prepared by:



Kevin Bradford
Associate Civil Engineer

Submitted by:



Steven R. Jepsen
City Manager

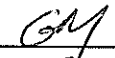
Reviewed by:


Department Head

Finance

City Attorney

Other





RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
ACCEPTING THE WORK PERFORMED UNDER THE
STIMULUS STREET REHABILITATION – ARRA 2009 PROJECT
(CONTRACT NO. 09-10), AND DIRECTING THE PUBLIC WORKS
DIRECTOR TO EXECUTE AND RECORD A NOTICE OF COMPLETION.**

WHEREAS, the City of Yuba City has heretofore contracted with A. Teichert & Son, Inc., for certain work performed under that certain project known as the Stimulus Street Rehabilitation – ARRA 2009 Project, being Contract No. 09-10; and

WHEREAS, said work of improvements, as called for by the contract between the City of Yuba City and A. Teichert & Son, Inc., referable to said project was completed on May 21, to the satisfaction of the City; and

WHEREAS, there has been posted a bond insuring the work of improvements from a maintenance standpoint for a period of one year from and after completion.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Yuba City that it hereby accepts the work performed on those certain improvements, the subject of a contract between the City of Yuba City and A. Teichert & Son, Inc., known and referred to as the Stimulus Street Rehabilitation – ARRA 2009 Project and authorizes and directs the Public Works Director of the City of Yuba City to execute and record a Notice of Completion in connection with said work of improvement.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 1st day of June 2010.

AYES:

NOES:

ABSENT:

ATTEST:

MAYOR

CITY CLERK

CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Utilities Department
Presentation By: George Musallam, Public Works Director

Summary

Subject: Approval of a Resolution authorizing the Public Works Director to prepare, sign, and submit documents associated with the California Department of Fish & Game to apply for grant funding for the Yuba City Feather River Fish Screen Project.

Recommendation: Adopt a Resolution authorizing George Musallam, Public Works Director to sign and submit all required documents associated with the Yuba City Feather River Fish Screen Project and to execute an agreement with the California Department of Fish and Game on behalf of the City.

Fiscal Impact: There is no fiscal impact at this time.

\$6,560,000 total project cost. The City has secured \$900,000 from the United States Fish and Wildlife Service. Applying for this grant would provide an additional \$500,000 from the California Department of Fish and Game. The remaining project costs could be funded through a State Revolving Fund Loan.

Background:

December 2001 the City petitioned the State Water Resource Control Board for an extension of two water right permits. These permits serve as the main water supply during non summer months. September 2006 the City Council approved an environmental document related to the time extension. The environmental document concluded that the City's current diversions may have a significant adverse impact on the Spring-run and Fall-run Chinook salmon and Steelhead trout. In order to mitigate this potential impact the City has initiated a project to install fish screens on its Feather River Intake Structure.

Current water demands plus planned growth during the next 15 to 20 years will utilize the screens constructed as part of this project. The screens are designed to have the ability to be expanded in the future in order to meet the water demands of the entire sphere of influence.

Analysis:

The Yuba City Feather River Fish Screen project is eligible to apply for \$500,000 in funding from the California Department of Fish and Game. The California Department of Fish and Game requires that the City of Yuba City, City Council adopt a resolution designating personnel to sign documents associated with the potential agreement.

Fiscal Impact:

There is no fiscal impact at this time.

\$6,560,000 total project cost. The City has secured \$900,000 from the United States Fish and Wildlife Service. Applying for this grant would provide an additional \$500,000 from the California Department of Fish and Game. The remaining project costs could be funded through a State Revolving Fund Loan.

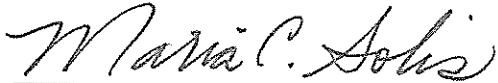
Alternatives:

Do not adopt the Resolution and provide direction to staff. Without approval of the Resolution the City would not be able to pursue the \$500,000 grant funding.

Recommendation:

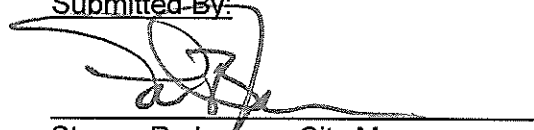
Adopt a Resolution authorizing George Musallam, Public Works Director to sign and submit all required documents associated with the Yuba City Feather River Fish Screen Project and to execute an agreement with the California Department of Fish and Game on behalf of the City.

Prepared By:



Maria C. Solis, Assistant Utilities Director

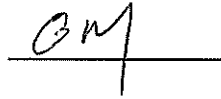
Submitted By:



Steven R. Jepsen, City Manager

Reviewed By:

Department



Finance

City Attorney

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF YUBA CITY AUTHORIZING THE PUBLIC WORKS
DIRECTOR GEORGE MUSALLAM TO SIGN AND SUBMIT ALL
REQUIRED DOCUMENTS ASSOCIATED WITH THE YUBA CITY
FEATHER RIVER FISH SCREEN PROJECT AND TO EXECUTE AN AGREEMENT TO
RECEIVE GRANT FUNDING FROM THE
CALIFORNIA DEPARTMENT OF FISH AND GAME ON
BEHALF OF THE CITY OF YUBA CITY**

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

WHEREAS, the City Council of the City of Yuba City considered recommendations of the City Utilities Department on the matter of the California Department of Fish and Game grant application;

WHEREAS, the City Council of the City of Yuba City finds that it is in the best interest of the City to apply for \$500,000 in grant funding from the California Department of Fish and Game for the Yuba City project known as the Yuba City Feather River Fish Screen Project;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City hereby authorized and directed the Public Works Director George Musallam to sign and submit all required documents for grant funding to the California Department of Fish and Game and to execute an agreement with the California Department of Fish and Game on behalf of the City of Yuba City.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 1st of June, 2010.

AYES:

NOES:

ABSTAIN:

ABSENT:

MAYOR

ATTEST:

City Clerk

CITY OF YUBA CITY
STAFF REPORT

Date: *Tuesday, June 1, 2010*
To: Honorable Mayor & Members of the City Council
From: *Police Department*
Presentation By: *Commander Jeremy Garcia*

Summary

Subject: **AUTHORIZATION TO PURCHASE VIDEO EQUIPMENT FOR PATROL VEHICLES UTILIZING A SOLE SOURCE WITH AN ANTICIPATED MAXIMUM EXPENDITURE OF \$68,000.**

Recommendation: Authorize the Chief of Police to enter into a purchasing agreement with Hub-Data911 for the sole source purchase of patrol vehicle video equipment (a cost of \$63,657.75) with the finding that it is in the best interest of the City; and authorize the cost of installation of the equipment, not to exceed \$68,000.00.

Fiscal Impact: 2010 State COPS grant funds will be used for the purchase with a maximum expenditure of \$68,000.

Background: Over the past several years the police department has investigated equipping its patrol vehicles with video recording equipment to enhance officer safety, help fight crime, and strengthen public support of the department. This technology, when used by law enforcement, is capable of providing high quality video evidence to protect both the public and the agency.

Video technology has improved greatly over the past several years, transitioning from analog (tapes) to digital, allowing for substantial operating and maintenance cost decreases.

Analysis: Department staff evaluated several different vendors to determine the best solution for upgrading the department's interview rooms with digital video recording equipment. Staff concluded Hub-Data911 (the vendor who supplies the patrol car computers) had one of the best solutions and their past history for support made them the overwhelming choice. The interview rooms were equipped utilizing funds from the state through NET-5 (no cost to the City), since they often use our interview rooms. With that equipment, server software and hardware were purchased to allow over 2TB of video storage and an archiving system. The server software and hardware can be

utilized for storage and archiving of video captured from the patrol vehicles if it were compatible.

Staff has determined that exploiting the use of the current patrol car computers (sold by Hub-Data911) and the interview room server equipment (sold by Hub-Data911) would be the most fiscally responsible choice in securing a completely compatible system.

Fiscal Impact:

On March 2, 2010 the Council adopted a resolution accepting \$100,000 from the FY 2009/2010 California Citizens' Option for Public Safety (COPS) funding from the state. The COPS grant requires no matching funds. An additional year of support is included in this purchase; therefore no maintenance costs are foreseeable until FY 2012-2013.

Alternatives:

Provide staff with alternative spending paths which will not supplant routine expenditures in the general fund.

Recommendation:

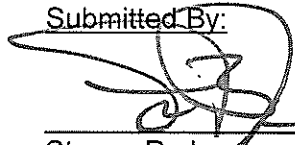
Authorize the Chief of Police to enter into a purchasing agreement with Hub-Data911 for the sole source purchase of patrol vehicle video equipment (a cost of \$63,657.75) with the finding that it is in the best interest of the City; and authorize the cost of installation of the equipment, not to exceed \$68,000.00.

Prepared By:



Jeremy Garcia
Police Commander


Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Department Head
Finance
City Attorney
Other: (Name, Title)



Reviewed by email
Reviewed by email

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Administration
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Approval of an Agreement with Yuba City and the Yuba City Unified School District in Support of the School District's Assessments for Flood Control Improvements to the Feather River Levee System

Recommendation: Authorize the City Manager to Develop an Agreement with the Yuba City Unified School District for the Support of the School District's final assessments in an amount not to exceed 6.0 percent or \$12,000 of the annual assessment.

Fiscal Impact: An Agreement with Yuba City Unified School District would increase Yuba City's cost for Levee Assessments up to \$12,000 per year. This amount will be in addition to the proposed levee improvement assessments for Yuba City owned parcels of \$49,000. The increased cost of this Agreement for the 30-year life of the assessments would total \$360,000.

Background:

The Sutter-Butte Flood Control Agency (SBFCA) is in the process of forwarding a Proposition 218 voting process for the consideration of Assessments necessary to fund improvements to the Feather River Levee System to provide flood protection to Sutter and Butte Counties including the Yuba City Basin. The preliminary assessments were based on a combination of flood risk, depth of flood and value of property in the flood way. The final assessments will refine the preliminary estimates and may vary slightly on a year to year basis, but cannot exceed the preliminary assessment submitted for vote as part of the ongoing Proposition 218 process.

The Yuba City Unified School District was provided preliminary assessment for the Levee Improvements in relationship to school owned properties in the Yuba City Basin totaling \$174,000. The School District relied on these preliminary numbers in the preparation of the FY 2010/2011 Budget. Since the release of the preliminary assessments, last minute adjustments necessitated by changes in flood depths and agricultural use auxiliary buildings has changed several preliminary assessments both up and down. One of the hardest hit by these revised assessments was the Yuba City Unified School District. The School District, as the area's largest value property owner, is also the largest payee of the proposed levee assessments with current revised assessments estimated at \$198,000 per year.

Analysis:

The Yuba City Unified School District has asked the SBFCA for relief from the proposed Assessment in the form of honoring the prior levee assessment. Unfortunately, the formula base

used for the levee improvement assessment calculations does not allow for discretion in the valuation process. In recognition of the School District's hardship and ability to pay the revised assessments, the City of Yuba City and Sutter County have been asked by the School District to share equally in the cost differential between the prior and current assessments totaling \$24,000 per year. This total subsidy equals 12 percent, or 6.0 percent each from the City of Yuba City and Sutter County, of the School District's Final Assessment amount to be set at \$198,000 per year or less.

What differentiates this request from any other distressed entity subject to the proposed levee assessment is that the Yuba City Unified School District is a public agency serving the education of the community's youth. This public agency is almost wholly dependent on taxes and funding through the State for support of its services. The change in assessment allocation came late in the planning process and has added to an already difficult budget situation for the School District.

Fiscal Impact:

The proposal has the cost of the School District Assessment subsidy shared equally between the City and County. The differential between the prior assessment of \$174,000 and the current assessment of \$198,000 is 12 percent or \$24,000 per year. Yuba City and Sutter County would share equally in reimbursements to the Yuba City Unified School District in the amount not to exceed 6 percent of the assessment or \$12,000 per year each, or \$360,000 each during the 30-life of the assessments.

Recommendation:

Authorize the City Manager to Develop an Agreement with the Yuba City Unified School District for the Support of the School District's final assessments in an amount not to exceed 6.0 percent or \$12,000 of the annual assessment.

Submitted By:



Steven R. Jepsen
City Manager

CITY OF YUBA CITY
STAFF REPORT

Date: June 1, 2010
To: Honorable Mayor & Members of the City Council
From: Department of Public Works
Presentation by: George L. Musallam, Public Works Director

Summary

Subject: Approval of amendment to Loan Agreement between the Sutter Butte Flood Control Agency and Yuba City for funding of lower Feather River set back levee at Star Bend.

Recommendation: Authorize the Mayor to execute an amendment to Loan Agreement between the Sutter Butte Flood Control Agency and Yuba City for funding of lower Feather River set back levee at Star Bend.

Fiscal Impact: City funds have been allocated previously as a loan to the Sutter Butte Flood Control Agency to partially fund the re-construction of the Starr Bend levee in Sutter County. This amendment to the loan Agreement will allow the use of \$500,000 of unused City loaned funds to support the operational and capital cost needs of SBFCA.

Background:

The Sutter-Butte Flood Control Agency (SBFCA) entered into agreements with Sutter County and Yuba City on April 16, 2008 and April 17, 2008 respectively for a loan to fund the local cost share of the Star Bend levee setback project which was managed by Levee District 1. The project is completed and currently Levee District 1 is going through closeout process of the project with the State.

Analysis:

Levee District 1 informed SBFCA, that there is \$1 M in excess funds in the current appropriations for the project because of the favorable construction bids they received, and that these funds could be released for other purposes. Please see the letter from Bill Hampton dated March 10, 2010, which is attached to this staff report.

Since Levee District 1 is releasing funds from the appropriation for their project, SBFCA is asking the use \$500,000 of City funds allocated to Starr Bend to support agency operational and capital cost needs. These funds will also be provided as a loan to the Agency until the funds from the assessments are received assuming the property owners approve the assessment which is currently being voted on. The Board of Directors of SBFCA approved the attached Amendment to the Agreement at their last meeting this month.

Fiscal Impact:

City funds have been allocated previously as a loan to the Sutter Butte Flood Control Agency to partially fund the re-construction of the Starr Bend levee in Sutter County. This amendment to the loan Agreement will allow the use of \$500,000 of unused City loaned funds to support the operational and capital costs of the Agency.

Alternatives:

Do not approve the amendment

Recommendation:

Authorize the Mayor to execute an amendment to Loan Agreement between the Sutter Butte Flood Control Agency and Yuba City for funding of lower Feather River set back levee at Star Bend.

Prepared by:



George L. Musallam
Public Works Director

Submitted by:



Steven R. Jepsen
City Manager

Reviewed by:

Department Head

Finance



FIRST AMENDMENT
TO LOAN AGREEMENT BETWEEN
SUTTER-BUTTE FLOOD CONTROL AGENCY
AND CITY OF YUBA CITY

This First Amendment to the Loan Agreement between Sutter-Butte Flood Control Agency and the City of Yuba City ("Amendment") is made and entered into this ____ day of _____, 2010, by and between Sutter-Butte Flood Control Agency ("Agency") and the City of Yuba City ("City").

RECITALS:

WHEREAS, Agency and City entered into a loan agreement dated April 17, 2008 ("Loan Agreement") under which the City loaned the Agency \$1.6 million to be used the fund the local cost share of the Star Bend project;

WHEREAS, Article 5 of the Loan Agreement states that amendments to the terms of the Loan Agreement shall be in writing and signed by both parties;

WHEREAS, Agency and City desire to amend the Agreement;

NOW, THEREFORE, Agency and City agree as follows:

1. Article 1 of the Loan Agreement is hereby replaced in its entirety by the following: "The City agrees to lend to the Agency the sum of One Million Six Hundred Thousand Dollars (\$1,600,000)(the "Loan") to be used to fund the local cost share of the Project and to further the purposes of the Agency. Specifically, the Agency may utilize up to \$500,000 of the Loan for Agency purposes. Interest on the Loan shall be paid at the County pooled treasury rate."
2. Article 2 is hereby amended as follows:
 - a. By re-titling the Article as follows: "Disbursement of Loan Funds for the Project"; and
 - b. By adding the following to the beginning of the first sentence: "For Loan funds being used to fund the local cost share of the Project,"; and
 - c. By replacing the final sentence in its entirety with the following: "The Agency shall not disburse such Loan funds for activities not included in the Project scope approved by DWR."

All other terms and conditions contained in the Agreement shall remain in full force and effect.

This Amendment is hereby executed on the _____ day of _____, 2010.

SUTTER-BUTTE FLOOD
CONTROL AGENCY

CITY OF YUBA CITY

By: _____
William H. Edgar
Interim Executive Director

By: _____
Kash Gill
Mayor

Dated: _____

Dated: _____

APPROVED AS TO FORM:

ATTEST:

Scott Shapiro
Agency Counsel

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Timothy Hayes
City Attorney

Date: March 10, 2010

Memorandum for Record

Subject: Left-Over Local Share Funds for the Star Bend Set-Back Levee Project

TO: Board of Directors, Levee District One

Mr. Bill Edgar has inquired about the left-over local share funds from the Star Bend Set-back Levee Project. We cannot release all of the funds back to the County and City until a full audit is performed by the State. The State could reject some claims that we have submitted. In this case, we would have to use local share funds.

Of the \$4,500,000.00 dollars that the City, County, and Calpine put in, we have only drawn \$1,620,000.00. This is not counting the \$750,000.00 that Levee District One spent of our own funds.

It is my suggestion we use all the \$1,300,000.00 Calpine funds. This would mean the County and City only has given us \$320,000.00. This would leave \$2,880,000.00 on deposit with Sutter Buttes.

I would suggest we could give back \$1,000,000 to the County and City at this time and hold the remaining \$1,880,000.00 until after the audit.

Respectfully submitted,

Bill Hampton