



**City of Yuba City
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TO: Mayor & City Council

cc: Department Heads
Timothy Hayes

FROM: Steven Jepsen, City Manager

DATE: September 14, 2007

SUBJ: **City Manager's Weekly Report**

Utilities Department

- **Walton Area Groundwater:** The California Department of Public Health has authorized Yuba City to prepare a notice of acceptance of a State Drinking Water Fund loan for approximately \$19,750,000 at an interest rate of 2.28 percent for 20 years. An additional \$1,000,000 must come from another funding source. Funds from this loan can be used to either convert the Walton groundwater customers to surface water or make permanent long term repairs to remove arsenic from the groundwater supply.

A second meeting announcement was mailed to the Walton Groundwater customers. The meeting will take place on September 24 from 6 to 9 pm. The meeting announcement includes answers to many questions. The meeting will be an open house format with short general presentation every half hour, and several booths where specific questions can be answered and more specific handout information will be available. The meeting announcement is also being placed on the Yuba City website.

Public Works

- **Sienna Estates Temporary Sewer Lift Station:** Work was completed on the regional lift station at George Washington Boulevard and State Route 20. The temporary station at Hooper Road and the North Frontage Road was taken off line this week and the sewer directed to the new sewer lift station.
- **Railroad Track Removal Contract:** Work is anticipated to start the week of October 1, 2007 and be completed in November of 2007.
- **Residential Street Rehab Project:** Work is anticipated to start the week of October 1, 2007 and be completed by the end of October, pending good weather.

Community Development

- **Impact Fees:** The Ad-hoc Committee for Development Impact Fees presented their recommendations on the proposed fee increases for non-residential projects to the City Council this week at a special public workshop on Tuesday, September 11th. Staff will now forward the item to the City's Planning Commission for review and comment. The item is planned for formal City Council review in October.
- **New Master Plan:** The Planning Department received an application this week for a proposed Master Plan for the non-residential property located on State Hwy. 99 between Bogue Road and Richland Road. The Master Plan application includes: a General Plan Amendment, Rezone, Pre-Annexation Zoning, and, a Development Plan for the future construction of regional retail shopping center approximately 1 million (maximum) square feet in size on the west side of Hwy 99 between Smith and Lincoln Roads.

Employee Benefits

- **Employee Health Benefits' Cost:** The City's healthcare coverage provider, Blue Cross of California, has proposed a 29% increase in rates for continued coverage with current benefits. By switching to another Blue Cross policy through a public agency co-op, the City can reduce premium rate increases from 29 to 13%, a savings of \$211,000 a year. The Employee Benefits' Committee is presently reviewing options for alternative healthcare providers and will make a recommendation to the City Manager on savings and services in the near future. The City Council would need to act on insurance provider changes in October.
- **Retirement Healthcare Accounts:** The City is looking into setting up "employee funded" healthcare retirement accounts to pay for future medical cost of retirees. The IRS has changed the rules for the establishment of such accounts to make participation mandatory by bargaining group instead of by individual beneficiaries. The new IRS rules take effect January 1, 2008.

Flood Control Mapping Reprieve

- FEMA's remapping representative has advised City and County staffs of their intention to finish the south Sutter County mapping process by the end of the year. FEMA has also indicated to Yuba City that all current properties in the City would be removed from the current south county mapping efforts. The remapping of Yuba City and north Sutter County will be delayed until 2009, and it will take approximately two years to complete. This could push back Yuba City's final remapping to 2011. FEMA's priorities have shifted to the Sacramento area.