

Visalia City Council Agenda

For the regular meeting of: Monday, May 21, 2007

Location: City Hall Council Chambers, 707 W. Acequia, Visalia, CA 93291

Mayor: Jesus J. Gamboa
Vice Mayor: Greg Kirkpatrick
Council Member: Greg Collins
Council Member: Donald K. Landers
Council Member: Bob Link

All items listed under the Consent Calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion on any item on the Consent Calendar, please contact the City Clerk who will then request that Council make the item part of the regular agenda.

4:00 P.M.

4:00 p.m. **NEW EMPLOYEE INTRODUCTION**
Introduction of new City Park Ranger, Homero Alcazar, by Vince Elizondo, Director of Parks and Recreation

WORK SESSION AND ACTION ITEMS (as described)

Public Comment on Work Session Items -

- 4:05 p.m. 1. Presentation by Paul Saito, Saito & Associates, on the conceptual site plan for Miki City Park recommended by the Parks and Recreation Commission.
- 4:15 p.m. 2. Update on Sequoia Shuttle
- 4:30 p.m. 3. Receive presentation from Brian Lewis, County Librarian, regarding the Visalia Library Remodel and Expansion Program; and authorization to contribute \$500,000 to the Visalia/Tulare County Expansion and Rehabilitation Project from the General Government Facilities Library Impact Fee Fund and authorize the City Manager to enter into an agreement for payment.
- 5:00 p.m. 4. Discuss and refer to the Parks and Recreation Commission, the Northeast Downtown Advisory Committee, the Board of Directors of ImagineU, adjacent property owners, and the East Downtown Task Force, the conceptual plan relating to the extension of Tipton Street and Liberty Street north to Douglas Avenue, the reconfiguration of Soroptimist Park including the location of the proposed new ImagineU Children's Museum building, a new park pond, and integrating these concepts into the Northeast Downtown Master Plan that is being discussed by various advisory groups and organized by Race Studios. Authorize the City Manager to execute an amendment to an existing contract with Sierra Design, Inc. for the preparation of the landscape plans for the Park/Basin area at an estimated cost of \$8,000.

** The time listed for each work session item is an estimate of the time the Council will address that portion of the agenda. Members of the public should be aware that the estimated times may vary. Any items not completed prior to Closed Session may be continued to the evening session at the discretion of the Council.*

ITEMS OF INTEREST

CLOSED SESSION

6:00 p.m. (Or, immediately following Work Session)

5. Conference with Legal Counsel – Anticipated Litigation (G.C. §54956.9)
Significant Exposure to Litigation pursuant to subdivision (b): one potential case
6. *Item removed at the request of staff*
7. Conference with Real Property Negotiators (G.C. §54956.8.)
Property: Right of way acquisition from a portion of a parcel located at the southwest corner of Riggins Avenue and Demaree Street (APN 077-180-011) for the widening of Riggins Avenue associated with the commercial development within The Village at Willow Creek Specific Plan area.
Under Negotiation: Consideration and approval of appraisal; Authority to negotiate price, terms and conditions of purchase
Negotiating Parties: Steve Salomon, Andrew Benelli, Donald A. Joseph

REGULAR SESSION

7:00 p.m.

PLEDGE OF ALLEGIANCE

INVOCATION – Pastor Paul Gendron, First Presbyterian Church

SPECIAL PRESENTATIONS/RECOGNITION

CITIZENS REQUESTS - This is the time for members of the public to comment on any matter within the jurisdiction of the Visalia City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item for discussion purposes. Comments related to Regular or Public Hearing Items listed on this agenda will be heard at the time the item is discussed or at the time the Public Hearing is opened for comment. The Council Members ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome. The Council cannot legally discuss or take official action on citizen request items that are introduced tonight. In fairness to all who wish to speak tonight, each speaker from the public will be allowed three minutes (speaker timing lights mounted on the lectern will notify you with a flashing red light when your time has expired). Please begin your comments by stating and spelling your name and providing your address.

Adjourn as Visalia City Council and convene as Visalia Public Finance Authority (VPFA)

VPFA CONSENT CALENDAR

8. Annual status report for the Visalia Public Finance Authority (VPFA) and appointment of directors and officers to the VPFA Board.

Adjourn as Visalia Public Finance Authority and reconvene jointly as Visalia City Council and Visalia Redevelopment Agency Board

**CHANGES TO THE AGENDA/ITEMS TO BE PULLED FOR DISCUSSION - City Council/
Redevelopment Agency**

JOINT CITY COUNCIL/REDEVELOPMENT AGENCY CONSENT CALENDAR

9. Authorization for the Administrative Services Director to enter into a loan agreement with Citizens Business Bank for the Mooney and Mooney Amendment Redevelopment Areas that will be used to complete projects in the Mooney Area.
10. Authorization to file Notice of Completion for the West Acequia Parking Structure located at 222 W. Acequia, project No. 3011-00000-720000-0-9536-2007, and; b) approval of Community Redevelopment Agency appropriation of \$800,000 from the Central Visalia Project Area to the West Acequia Parking Structure Project. *(Two separate motions required)*

Adjourn as Joint City Council and Redevelopment Agency Board and remain seated as Visalia City Council

CHANGES TO THE AGENDA/ITEMS TO BE PULLED FOR DISCUSSION - City Council

11. CONSENT CALENDAR - Consent Calendar items are considered routine and will be enacted by a single vote of the Council with no discussion. For a Consent Calendar item to be discussed, or voted upon individually, it must be removed at the request of the Council.
 - a) Authorization to read ordinances by title only.
 - b) Receive Planning Commission Action Agenda for the meeting of May 14, 2007.
 - c) Accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2006 and approve Resolution Number 2007-40 adopting the City of Visalia's annually updated Investment Policy and Delegating authority to invest funds for the City to the Administrative Services Director/Treasurer or his/her designee. **Resolution 2007-40 required.**
 - d) Adoption of Resolution 2007-41 determining unpaid assessments, providing for bond issuance and guaranteeing purchase of bonds for Village West Special Assessment District. **Resolution 2007-41 required.**
 - e) Introduction of Ordinance No. 2007-08 authorizing the City Manager to execute a new Lease Agreement with the PNK Hospitality Group for approximately 90,000 square feet of City of Visalia owned property located adjacent to the Visalia Airport, for the purpose of constructing and operating a hotel and restaurant.
 - f) Introduction of Ordinance 2007- 09 authorizing the Grant of Easement to Pacific Bell/ ATT for an underground communications facility on a portion of City - owned properties, APN #'s 119-060-061 and 119-060-071 for a fee of \$10,000 and authorize the City Manager to execute the agreement related to the grant of easement.
 - g) Authorization for the Administrative Services Director to re-allocate an additional \$70,000 in CDBG funding for the Village Park/Wittman Center project and authorize staff to re-scope the project to meet the new project budget of \$393,857.00.
 - h) Authorization to hire RRM Design Group to prepare a Master Plan for City-owned properties located in the two block West Downtown area bounded by Conyer Street, Mineral King Avenue, Johnson Street and Acequia Avenue, for a fee of \$42,452, and to authorize the Administrative Services Director to allocate these funds from the General Fund.

- i) Authorization for the City Manager to execute a contract for professional services with Environmental Consulting Services to prepare an Environmental Impact Report for the proposed Wal-Mart expansion located at 1819 E. Noble Avenue. (APN 100-040-038, 100-050-001.007,013,014)
- j) Award of park design contracts to The HLA Group for the design of two neighborhood parks for \$142,000; Royston, Hanimoto, Alley, and Abey for two neighborhood parks and an accessible playground at Recreation Park for \$202,310; and Sierra Design to develop schematic designs for two neighborhood park/storm basins and a playground at Mill Creek Garden Park for \$112,250 and authorize the City Manager to execute the consultant agreements for each project.
- k) Authorization to participate in the State and Federal Surplus Personal Property Program. **Resolution 2007-43 required.**

Authorization to file Notice of Completion on the following:

- l) Request authorization to file a Notice of Completion for project No. 4511-00000-720000-0-9831, the new Compressed Natural Gas (CNG) fueling facility located at 439 N. Cain.
 - m) Request authorization to file a Notice of Completion for Pheasant Ridge Unit No. 2, Phase 1 Subdivision, containing nine lots located east of Shirk Street at Delaware Court.
 - n) Request authorization to approve a partial Notice of Completion for Project #1231-00000-720000-0-9741, Shirk Sanitary Sewer trunk line, located in the Shirk Road alignment near Ferguson Ave. for the amount of \$325,000
 - o) Request authorization to file a Notice of Completion for the Main Street Storm Sewer Project adjacent to Redwood High School. (Final Construction Cost \$79,496.84); Project No. 1222-00000-720000-0-8020
12. **Public Hearing** – Authorization to amend the City’s Rates and Fees for Solid Waste and Sanitation (wastewater) effective for five (5) fiscal years beginning July 1, 2007. **Resolution 2007-42 required.**
 13. Award the computer-aided public safety dispatch system upgrade to Public Safety Systems, Inc. for \$472,275.
 14. *Continue to June 4, 2007 at applicant's request.* An Appeal by Cary S. Winslow (an interested person) of the Planning Commission’s denial of the Appeal of the Site Plan Review Committee’s approval of SPR 2006-162, a tenant improvement for a new market & meat shop in a 5,500 sq.ft. building on a 13,285 sq.ft. site in the P-C-DT (Planned Central Business District Retail) zone. The site is located at 118 NE 3rd Street [SPR Applicant: Munoz & Associates, Oscar Ramirez (Property Owner)] APN: 094-034-013.

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Approved - Labor Negotiators (G.C. §54957.6a) Employee organization: unrepresented

REPORT OF CLOSED SESSION MATTERS FINALIZED BETWEEN COUNCIL MEETINGS

Upcoming Council Meetings

Tuesday, May 29, 2007 - City Hall Council Chambers (Special Meeting for Planning
Commissioner interviews - 4:15 p.m.)

Monday, June 4, 2007 - City Hall Council Chambers

Monday, June 11, 2007 - Jt. City Council/Planning Commission - Convention Center

Monday, June 18, 2007 - City Hall Council Chambers

Work Session 4:00 p.m.

Regular Session 7:00 p.m.

City Hall Council Chambers

707 West Acequia Avenue

In compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing-Impaired - Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 3

Agenda Item Wording: Authorization by City Council to contribute \$500,000 to the Visalia/Tulare County Library Expansion and Rehabilitation Project from the General Government Facilities Library Impact Fee Fund and authorization for the City Manager to enter into an agreement for payment.

Deadline for Action: May 21, 2007

Submitting Department: Administration

Contact Name and Phone Number:

Phyllis Coring, Special Projects Manager, 713-4566

Department Recommendation:

Staff recommends that City Council authorize a \$500,000 contribution to the Visalia/Tulare County Library Expansion and Rehabilitation Project from the General Government Facilities Library Impact Fee Fund.

Summary/background:

Tulare County has embarked on a project to expand and rehabilitate the Visalia Branch Library. This project will renovate the 1936 library building, converting it into the Children's wing, and will construct a new lobby connecting the two library buildings. The new Children's wing will double the space available for children's programs and activities. It will provide room for a larger book collection and increase the number of public computers for children. This project will also provide for a homework center within the Children's wing. In addition to the Children's wing this project will improve access to Library Administration, expand the library's meeting room facilities, and provide an improved public computer lab.

The City of Visalia has been working with Tulare County on this project since 2002 in a number of ways. Regarding financing for the project, the City Council committed \$500,000 toward the project. In March, 2005, an ordinance adopting a Library Impact Fee was adopted and the current library project was identified.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

This action would formally authorize the previously committed contribution to be paid through the General Government Facilities Library Impact Fee and authorize the City Manager to enter into an agreement for payment. The terms of the agreement provide that half of the contribution would be made at 50% completion of the project and that the final payment would occur after the filing of the Notice of Completion of the project.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

I move to authorize the \$500,000 contribution to the Tulare County library expansion and rehabilitation project be funded through the General Government Facilities Library Impact Fee Fund and authorize the City Manager to enter into an agreement for payment.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia
Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 4

Agenda Item Wording: Discuss and refer to the Parks and Recreation Commission, the Northeast Downtown Advisory Committee, the Board of Directors of ImagineU, adjacent property owners, and the East Downtown Task Force, the conceptual plan relating to the extension of Tipton Street and Liberty Street north to Douglas Avenue, the reconfiguration of Soroptimist Park including the location of the proposed new ImagineU Children's Museum building, a new park pond, and integrating these concepts into the Northeast Downtown Master Plan that is being discussed by various advisory groups and organized by Race Studios.

In addition to that, authorize the City Manager to execute an amendment to an existing contract with Sierra Design, Inc. for the preparation of the landscape plans for the Park/Basin area at an estimated cost of \$8,000.

Deadline for Action: None

Submitting Department: Public Works Department.

Contact Name and Phone Number:

Andrew Benelli, Public Works Director	713-4340
Peter Spiro, Associate Engineer	713-4256
Steven Murch, Special Projects Coordinator	713-4382

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.) 15 min.

Review:

Dept. Head _____
(Initials & date required)

Finance N/A
City Atty N/A
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Department Recommendation:

Staff recommends that the City Council review and comment on the Master Plan based on the initial layouts that were done by Race Studios summarizing the different concepts discussed by the Northeast Downtown Advisory Committee and East Downtown Task Force for the Soroptimist Park area bounded by Douglas Avenue from the north, and the logical extension of Liberty Street, Tipton Street from the east and the west.

City staff directed Bruce Race, the consultant for the East Downtown Strategic Plan, to initialize some design concepts for the Soroptimist Park area since the need arose to delineate the boundaries of the potential children's museum building (proposed by the Non-profit organization ImagineU). The real estate aspects of that proposal were discussed in a previous closed session council meeting.

The following is summary of the recommendation and findings, Upon City Council directions, staff may present updated layouts in a following session:

- Street Extensions:

- a. Tipton Street: Only one half of the street right of way is currently on City property. The property owners of the west half of Tipton Street from Race to Douglas would be asked to dedicate the rest of the R/W with any proposed development on their properties. City staff supports extending Tipton Street since it will improve the overall circulation and continue the downtown grid system.
- b. Liberty Street : The full right of way is on City property. This connection will result in dedicating approximately 0.8 of an acre from the City property for road purposes. In addition to that, the construction costs of this connection will be significant since it will require backfilling existing slopes and possibly retaining walls, staff feels that this connection is not necessary specially that the East Downtown Strategic Plan showed Liberty being extended from Mineral King terminating at Center Street. More analysis on the costs will be done before this is brought back to the Council.

- ImagineU Museum:

The City of Visalia has worked with ImagineU on a permanent location and has offered Soroptimist Park as the location for the new ImagineU building. Located on Douglas Street near Santa Fe, the site is near the east downtown expansion and location of the future Civic Center. A Letter of Intent (LOI) was executed by both parties for the purpose of construction and occupation of certain permanent improvements by the ImagineU Museum at their cost.

Helping to design the building are B.J. Perch of Perch Construction, general contractor; Quad-Knopf, architect, and Brian Kempf, director of the Urban Tree Foundation. The new museum will be 12,000 to 15,000 square feet with open space to install permanent and rotating exhibits. Moving to the new space will be the current Imagination Stage, baby and toddler areas and the under construction grocery store and nutrition exhibit. With community support, other exhibits will follow, including such spaces as an outdoor botanical garden and science exhibits and other hands-on areas for classes and activities. There will also be room for a museum store, offices, a birthday party room and a warehouse to build and repair exhibits.

LOI Summary

- Term – Thirty (30) years, with two (2) ten (10) year options, to commence upon completion and occupation of the improvements
- Lease rate - \$1 a year for thirty (30) years
- Financial Plan due to the City no later than, January 17, 2008
- Site layout and design completed no later than January 17, 2009
- Construction Funding secured no later than January 17, 2010

- Construction completed no later than January 17, 2012

ImagineU Board of Directors

- Nick Anthony – President
 - Bill Whitlatch - Vice President
 - Donna Orozco - Secretary
 - Dick Torrigino - Treasurer
 - Libby Harrison
 - Kathy Hays
 - Luis Leal
 - Kristen Pinter
 - Sharon Sheltzer
 - Ralph Weber
 - Virginia Strawser
 - Bernie Siben
-
- Existing Oak trees: The Parks and Recreation Department indicated that there are two rare specie Oak trees that exist at the current park area. Staff will ensure that any proposed footprint for the building is designed in manner that protects these trees.
 - Strom Basin Capacity: The adopted 1994 Storm Drain Master plan indicated the need for a storm basin to serve the east/north east downtown areas, the location of that basin was the southeast corner of Burke Street and Goshen Ave. However, that location was reconsidered since it interfered with the Civic Center Master plan. This basin area was purchased using storm drainage acquisition funds and is considered a vital storm drainage facility that can't be relinquished especially with the possible new land uses (office or service commercial, higher runoff) of the northeast downtown area. In addition to that, engineering staff is considering the possibility of abandoning the existing storm pump at the south west corner of Burke Street and Goshen Ave. This pump will need to be abandoned or relocated with Burke/Goshen widening project. The required capacity for the service area shown on Exhibit "F" is 35 acre feet based on retention capacity (with no pump installation), or 20 acre ft. based or detention capacity (with pump installation). Any pump installation in this case will require a force main connection to discharge water into Mill Creek, approximate total cost estimate for such installation is \$400,000 based on the current construction prices.
 - Funding:
 - 1- Park/Basin :
The allocated budget for the basin for this fiscal year is \$ 226,579 and for the next fiscal year (07/08) is \$180,000. These funds will be used to landscape and improve the basin area, and it will also be used to fund Tipton Street /Douglas Avenue improvement by the

City's property frontage.

2- ImagineU Museum:

All Improvements shall be constructed at the direction of and at the sole cost of the museum.

Prior Council/Board Actions: Council has previously discussed the ImagineU Museum relocation in closed session on July 14, 2006.

Committee/Commission Review and Actions: None.

Alternatives: None.

Attachments:

Site aerial photo (Exhibit "A")

Race studios Schematic plans (Exhibit "B", "C")

Landscape Architect Plans (Exhibits "D", "E").

Tributary areas for the basin (Exhibit "F")

Recommended Motion (and Alternative Motions if expected):

I move to authorize the City Manager to execute an amended contract with Sierra Design Inc, a Landscape Architecture Firm, to prepare conceptual Landscape plans for the Soroptimist Park/Basin area.

Environmental Assessment Status

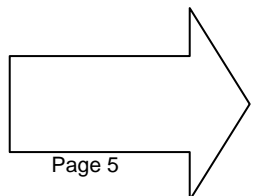
CEQA Review: N.A.

NEPA Review: N.A.

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

Exhibit "A", Aerial Photo



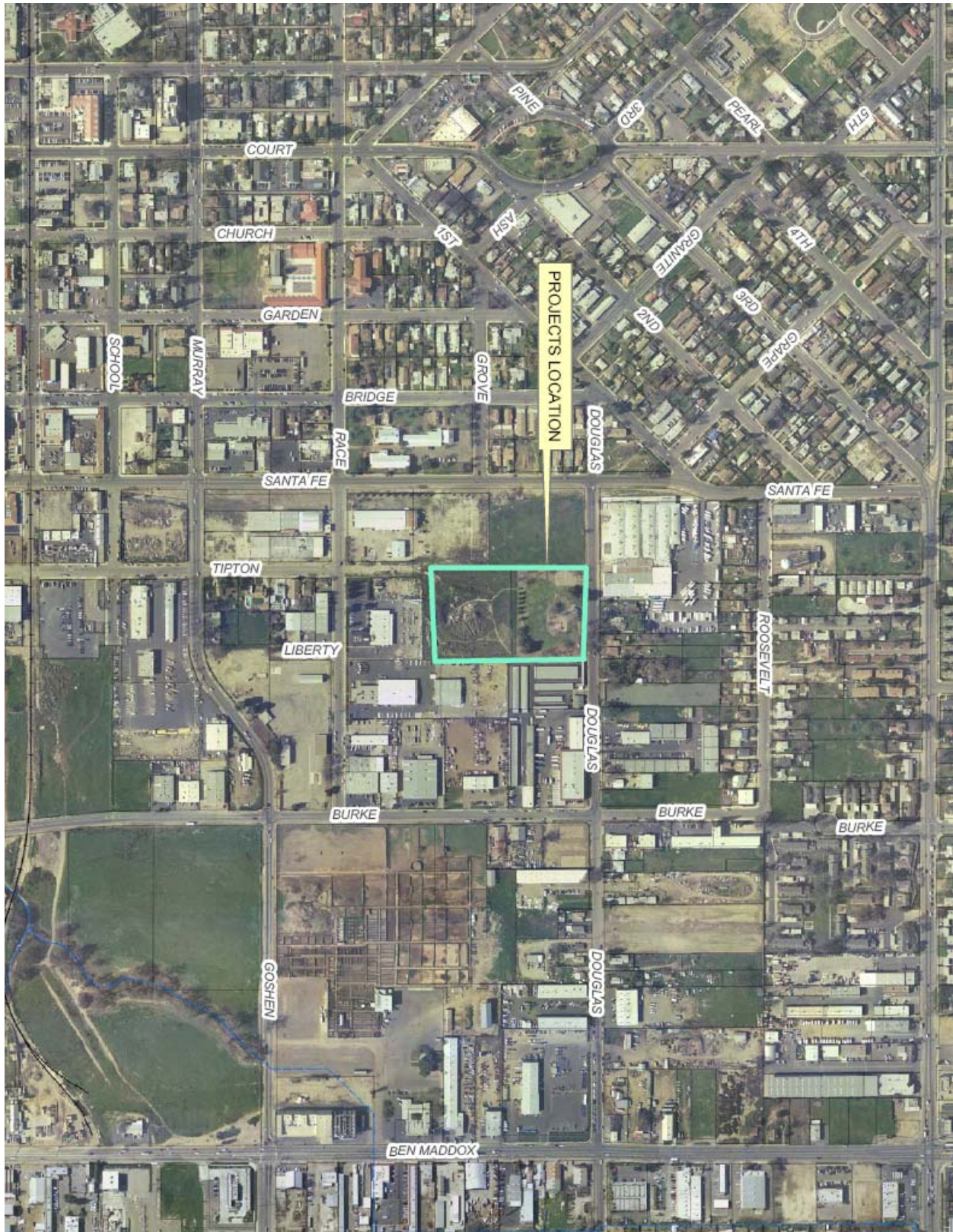
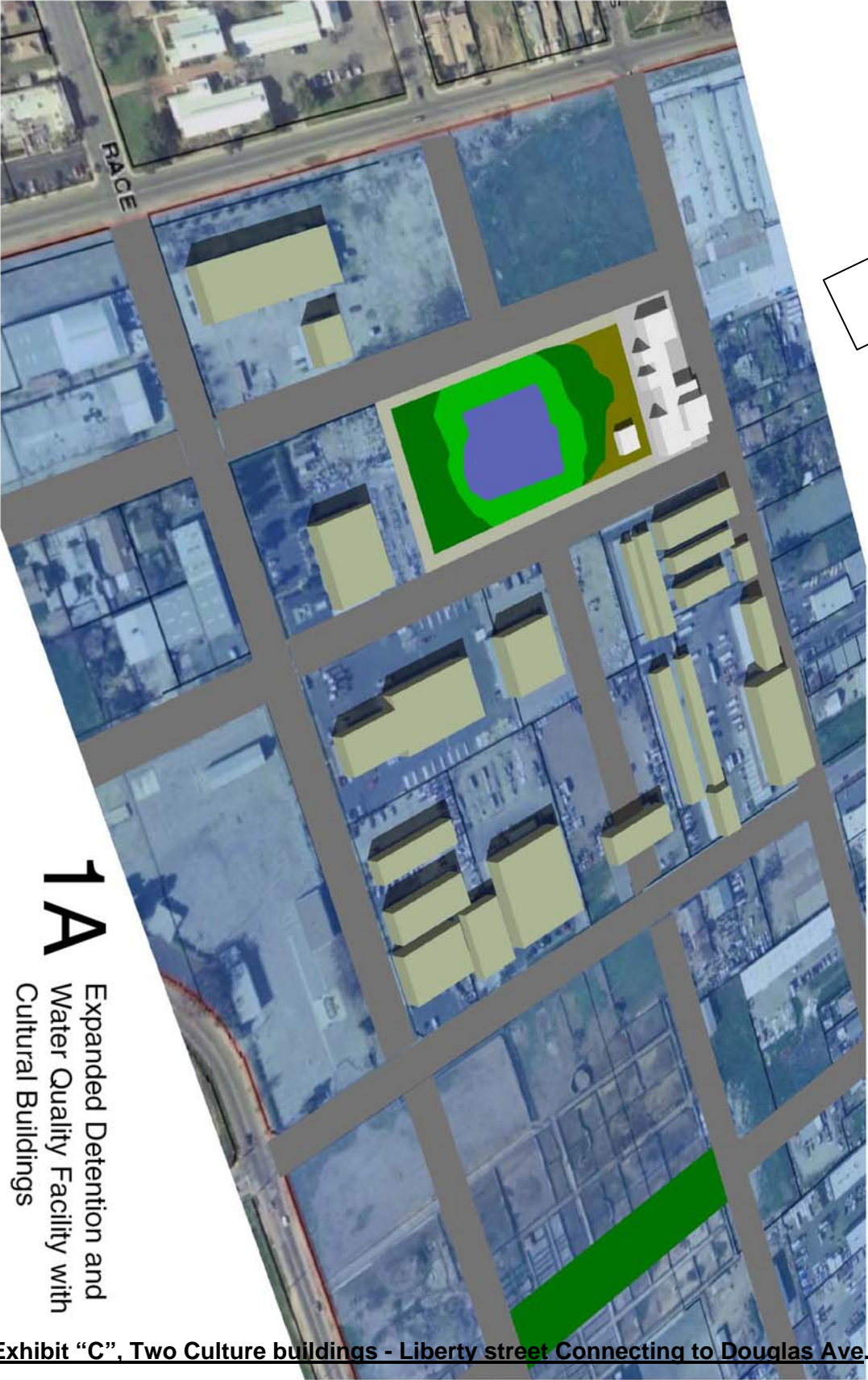
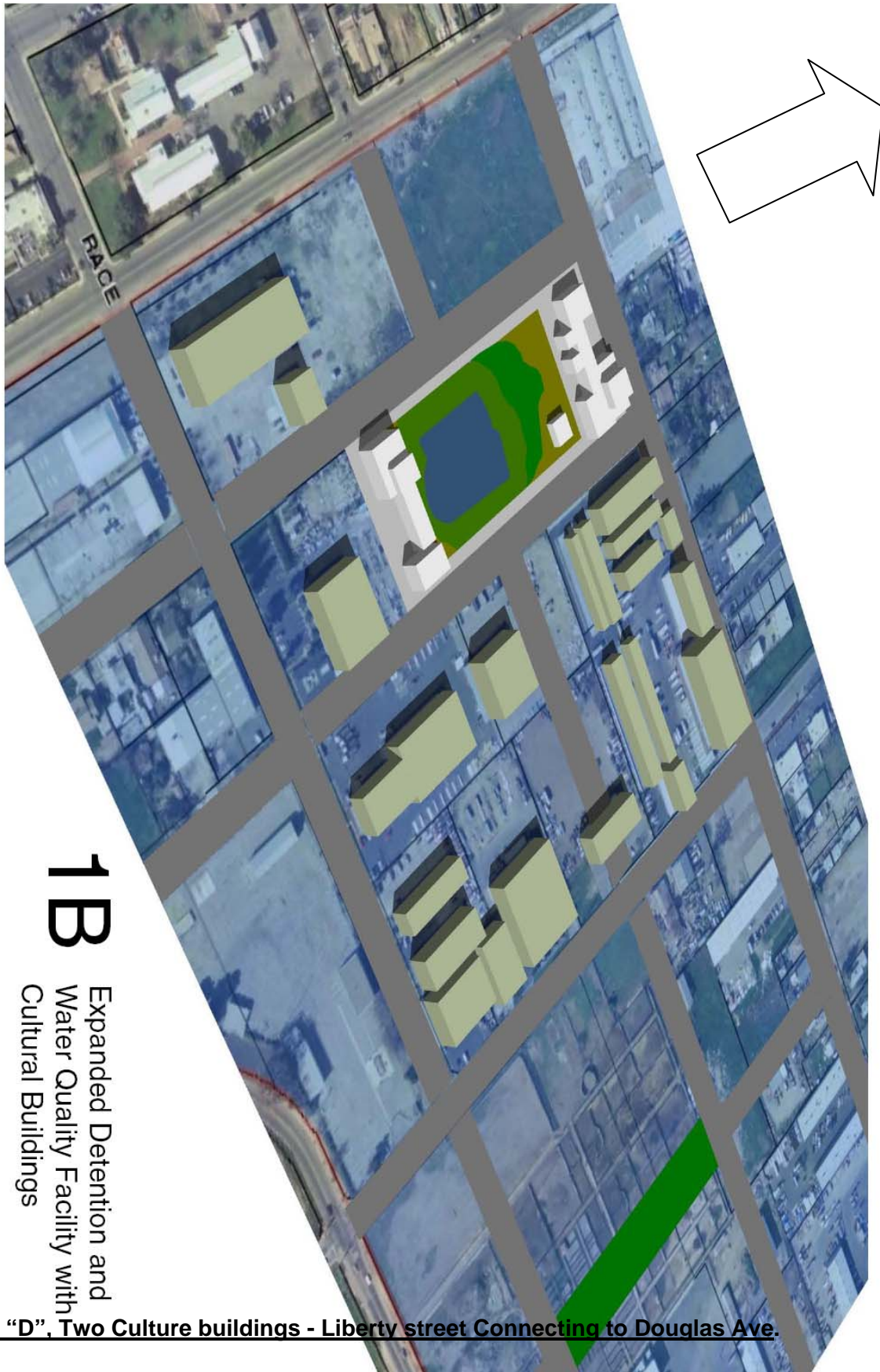


Exhibit "B", One Culture building - Liberty street Connecting to Douglas Ave.



1A
Expanded Detention and
Water Quality Facility with
Cultural Buildings

Exhibit "C", Two Culture buildings - Liberty street Connecting to Douglas Ave.



1B Expanded Detention and
Water Quality Facility with
Cultural Buildings

Exhibit "D", Two Culture buildings - Liberty street Connecting to Douglas Ave.



Exhibit "E". One Culture buildings - Liberty street Connecting to Douglas Ave

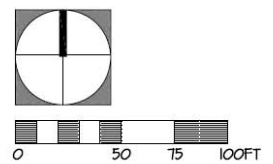
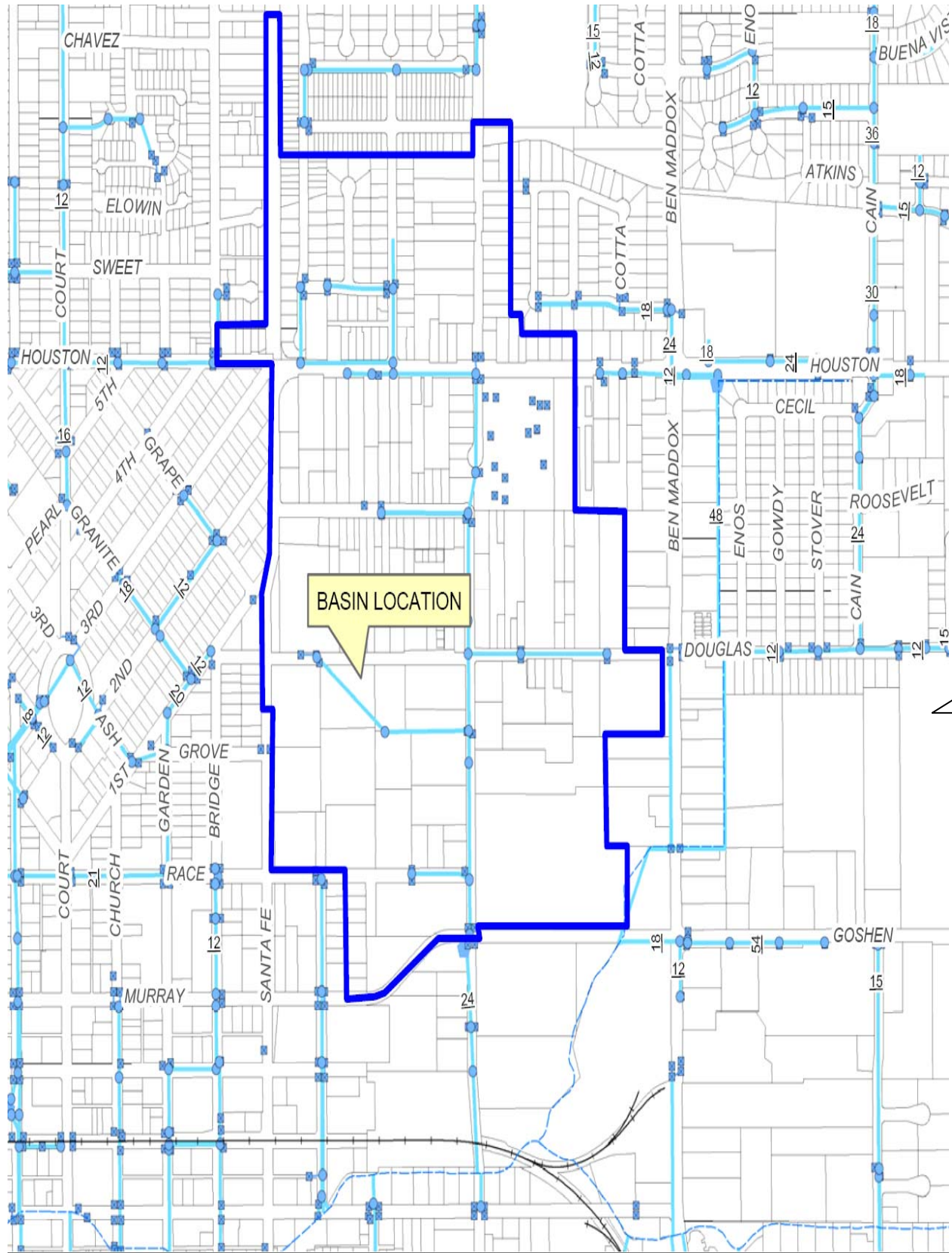


Exhibit "F"-Basin Service Area



City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 8

Agenda Item Wording: Annual status report for the Visalia Public Finance Authority (VPFA) and appointment of directors and officers to the VPFA board.

Deadline for Action: None

Submitting Department: Administration - Finance

Contact Name and Phone Number: Eric Frost 713-4474, Cass Cook 713-4425

Department Recommendation: Staff recommends Council appoint the following Directors and officers to the Board of Directors of the Visalia Public Finance Authority (VPFA):

Jesus Gamboa, Director
Greg Kirkpatrick, Director
Greg Collins, Director
Don Landers, Director
Bob Link, Director

Steve Salomon, Manager
Leslie Caviglia, Secretary
Eric Frost, Fiscal Officer

Discussion: The VPFA is a joint powers authority between the City and the Redevelopment Agency that was formed in February 1991 to assist the City's financing needs. Annually, the Visalia City Council members, who also preside as the Board of Directors for the VPFA, must receive and acknowledge a VPFA status report. This status report also fulfills the VPFA's requirement to hold an annual informational meeting. Additionally, directors and officers must be officially appointed on an annual basis.

The VPFA was used as the financing arm for several City projects. Currently, only one VPFA bond debt issue remains outstanding. In 2005, the VPFA refinanced its outstanding debt on the Convention Center and paid down the debt's principal by \$5 million. This action reduced the average interest cost from 5.7 to 4.0 percent and reduced the remaining term of the debt by 6 years.

In 1993, the VPFA was utilized to complete the issuance of the Mooney / Central Redevelopment bonds. These bonds were refinanced at a lower rate with a private bank loan in November 2004 and are now an obligation of the City. The VPFA was also used in 1996 to issue Golf Course Improvement bonds which were repaid by a General Fund loan to the Golf fund. The Mooney / Central loan and Golf Course loan are no longer debts of the VPFA.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 2

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

VPFA Debt Summary

2005 Refunding Certificates of Participation	<i>Issue Date</i>	<i>Orig. Principal</i>	<i>Principal Balance</i>	<i>Maturity Date</i>
Convention Center – 66% General Fund – 34%	May 2005	\$14,249,400 <u>7,340,600</u> \$21,590,000	\$16,835,100 <u>2,969,900</u> \$19,805,000	November 2020

Prior Council/Board Actions: The VPFA has been used to assist in several municipal financings, including the Mooney / Central Redevelopment, Golf Course improvements, and the Convention Center refinancing.

Committee/Commission Review and Actions:

Alternatives: No action required

Attachments:

Recommended Motion (and Alternative Motions if expected): Move to acknowledge the VPFA status report and approve the VPFA directors and officers.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 9

Agenda Item Wording: Authorization for the Administrative Services Director to enter into a loan agreement with Citizens Business Bank for the Mooney and Mooney Amendment Redevelopment Areas that will be used to complete projects in the Mooney Area.

Deadline for Action: June 18, 2007

Submitting Department: Administration - Finance

Contact Name and Phone Number: Eric Frost 713-4474
Cass Cook 713-4425
Ruth Martinez 713-4327

Department Recommendation: It is recommended that Council authorize the City Manager to enter into a loan agreement with Citizens Business Bank for the Mooney and Mooney Amendment Redevelopment Areas that will be used to complete projects in the Mooney Area.

Staff met with local banks to request rate quotes for a \$5,974,815 redevelopment loan. Four banks responded with quotes. Based on the quotes received, staff recommends entering into a loan agreement with Citizens Business Bank. Citizens Business Bank, offered a 6.04% fixed rate for five years and a variable rate not to exceed 7.50% for the remaining 15 years.

Redevelopment Law

The Mooney area is quickly approaching its deadline to enter into new debt. When a Redevelopment Project Area is formed, redevelopment law requires an agency to declare a time limit on debt establishment, project completion, and tax increment collection. Based on these requirements, the Mooney Area can issue new debt until July 1, 2007; complete projects through 2018 and collect tax increment until 2028. When the debt is fully repaid, the Project Area will be dissolved. Beyond the project completion deadline, 2018, the Project Area can only receive revenue equal to its obligations.

Project Area Program: Sections of Mooney Boulevard are marked by structures principally built during the 1960s. The sizes of the lots are not conducive to economic development in today's market. Staff recommends the funds from the new debt be used for revitalization and intensification of development along Mooney, primarily north of Walnut Avenue.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

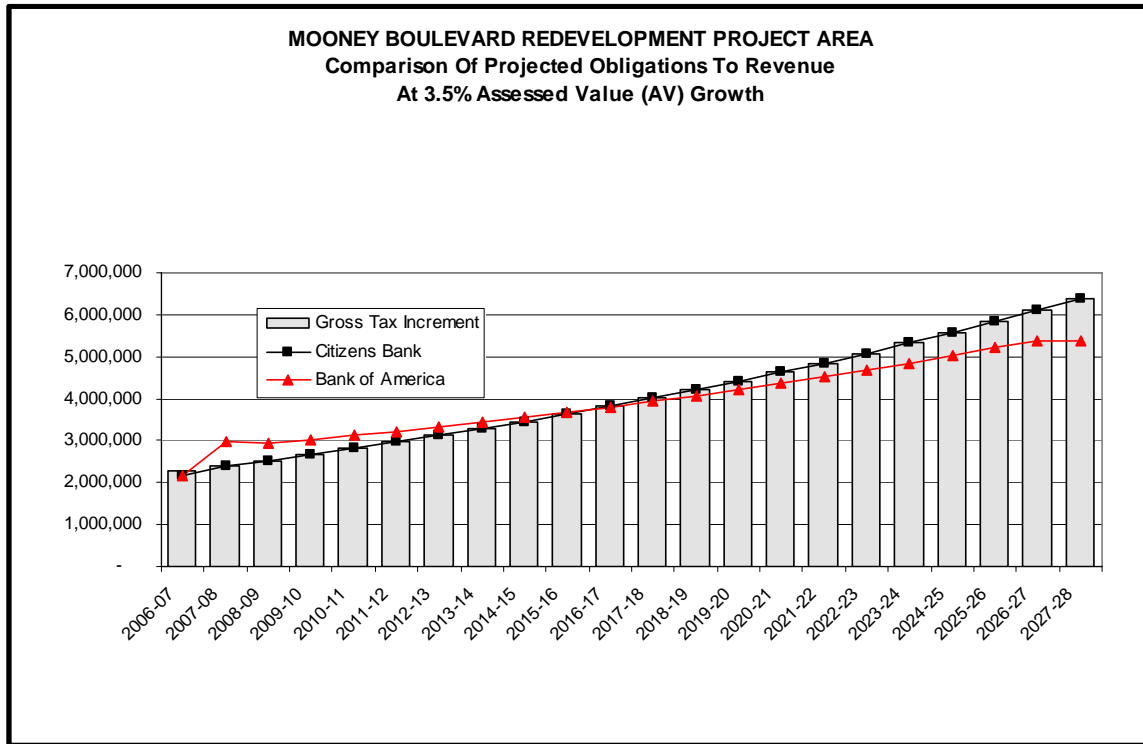
City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Mooney Revenue and Obligations – Chart 1

Chart 1 displays the projected revenue and obligations through 2028. In 2008-09, the obligations drop due to the final payment on the Visalia Mall development agreement. The projected present value available for debt service is approximately \$300,000 annually.

Chart 1 - Mooney Revenue and Obligations



Existing Debt: On September 7, 2004, the City Council/Redevelopment Agency Board/Visalia Public Finance Authority held a joint meeting and approved the refinancing of the 1993 Central and Mooney Tax Allocation Revenue Bonds with a Stockmen’s bank loan. The current balance on the Mooney Stockmen’s loan is \$2,510,216 with a variable rate currently at 4.30%.

Debt Capacity: Based on current property tax increment received and an assessed value growth projection of 3.5%, the Mooney Area can sustain additional debt of \$5.9M.

On March 19, 2007, the City Council approved the staff recommendation to seek a \$6.5 million bank loan financing prior to July 1, 2007 for the Mooney Redevelopment area. At that time staff presented Council with three debt scenarios based on different assessed value assumptions as shown in Table 1 (Mooney RDA Debt Issuance Capacity). The recommendation was to accept the middle growth assumption of 4% annual growth.

**Table 1
Mooney RDA Debt Issuance Capacity**

Projected Growth Rate	Available for Debt Service (millions)	Comments
2.00%	\$ 3.50	Allowable rate of reassessment without sale
4.00%	\$ 6.50	Middle growth assumption
5.15%	\$ 8.60	Average historical growth rate

The projections used in Table 1 were based on growth rates in the Mooney area and did not take into account growth rates in the Mooney Amendment area. The Mooney Amendment Area has averaged a 2% assessed value growth rate over its life. Upon further review of the growth rates in the Mooney and Mooney Amendment areas, staff now projects a 3.5% growth rate. The average over the life of the area has been 3.72%. This estimate will decrease the original projected loan amount from \$6.5 million to \$5.9 million.

Quotes: Staff received quotes from four banks, with the lowest quote coming from Citizens Business Bank. Staff's recommendation is to borrow \$5.9M from Citizens Business Bank at a rate of 6.04% for the first five years and a variable rate not to exceed 7.50% for the remaining 15 years.

As shown in Table 2 – Rate Quotes, three variable rate quotes were provided as well as three fixed rate quotes. Citizens Business Bank offered the lowest initial variable rate at 6.04%. Citibank quoted the lowest fixed rate at 6.56%. Staff recommends the Agency pursue the variable rate loan with Citizens Bank based on the following reasons:

1. Citizens offered the lowest initial rate of 6.04%. This is almost 100 basis points lower than the other variable rates offered and 50 basis points lower than the lowest fixed rate quote.
2. The Agency can lock in the rate for the next five years. The rate would reset every 5 years. The highest the rate could reach would be 7.50%. The Agency could refinance the loan at a future date if rates were to drop in the future.
3. Citizens Bank was unique in that it offered a payment schedule which matched the Mooney area's cash flow projection. The loans offered by other banks would require the General Fund to assist the Mooney area in making its debt payments in the first 10 years. The loan from the General could reach \$2.4 million.

Table 2- Rate Quotes

VARIABLE RATE LOAN				
	Citizens Business Bank	Bank of America	Valley Business Bank	Citibank
Loan Amount	5,974,815	5,974,815	4,600,000	no quote
Fees	15,000	-	23,175	
Maturity	21 yrs	20 yrs	21 yrs	
Initial Rate	6.04	6.91	7.25	
Floor	6.04	none	6.25	
Ceiling	7.50	none	10.25	
Adjustment	5 yrs	quarterly	3 yrs	
Prepayment Option	May prepay after 3 years	May prepay after 7 years	not stated	20% principal prepayment allowed per year
Payment Schedule	5 year interest only-capitalized \$543k interest	unmatched-deficit payments require GF assistance	3 year interest only-deficit payments require GF assistance	
Rate Determination	150 bp above 5 yr Treasury	3 month LIBOR + 1.655	Wall Street Journal Prime minus 1%	

FIXED RATE LOAN				
	Citizens Business Bank	Bank of America	Valley Business Bank	Citibank
Loan Amount	5,974,815	5,974,815	no quote	5,974,815
Fees	15,000	-		-
Maturity	21 yrs	20 yrs		21 yrs
Rate	7.00	6.82		6.56
Prepayment Option	May prepay after 3 years	May prepay after 7 years		20% principal prepayment allowed per year
Payment Schedule	5 year interest only-capitalized \$720k interest	unmatched-deficit payments require GF assistance		unmatched-deficit payments require GF assistance

Borrowing the money will allow taking advantage of the area's full tax increment and increase the project dollars available in the Mooney Area.

Prior Council/Board Actions: Approved refinancing the 1993 Central and Mooney Tax Allocation Revenue Bonds on September 7, 2004 with a Stockmen's Bank loan.

Committee/Commission Review and Actions:

Alternatives: If the Council desired to select a fixed rate option, staff would recommend pursuing the loan with Citi-Bank. This option would require a \$1.7 million General Fund Advance.

Attachments:

Recommended Motion (and Alternative Motions if expected): Move to authorize the Administrative Services Director to enter into a loan agreement with Citizens Business Bank for the Mooney and Mooney Amendment Redevelopment Area.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 10

Agenda Item Wording: Joint Meeting of the Visalia City Council and Visalia Community Redevelopment Agency

- A. Authorization by City Council to file a Notice of Completion for the West Acequia Parking Structure located at 222 W. Acequia, project no. 3011-00000-720000-0-9536-2007. Motion required.

- B. Approval of Community Redevelopment Agency appropriation of \$800,000 from the Central Visalia Project Area to the West Acequia Parking Structure Project. Motion Required

Deadline for Action: May 20, 2007

Submitting Department: Administration

Contact Name and Phone Number:

Phyllis Coring, 713-4566

Department Recommendation:

Staff recommends that the City Council authorize staff to file a Notice of Completion for the West Acequia Parking Structure, located at 222 W. Acequia (project 3011-00000-720000-0-9536-2007)

Staff further recommends that the Visalia Community Redevelopment Agency approve an appropriation of \$800,000 from the Central Visalia Project Area to complete the funding for the project. The appropriation would provide an addition of a net \$360,000 to the project.

Summary/background:

The five level West Acequia Parking Structure opened on April 12, 2007. The structure was designed by Chong Partners and was constructed by Seals/Biehle General Contractors. Harris & Associates performed the construction management of the project.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The project was initiated in 2002 in order to provide additional parking for the expansion of Kaweah Delta Health Care District hospital facility and to provide parking for the exiting and expanding office, retail and restaurant businesses in the core of Visalia's downtown.

Total project cost is approximately \$16.6 million consisting of the following components:

Construction Contract	\$13,645,834
Pre-Construction and Soft Cost Expenses; includes Design, Bid Process, Grant Assistance, Legal Fees, Environmental Review	1,120,411
Construction Management/Labor Compliance	696,932
Special Inspection & Various Permits	317,853
Property Related Expenses; includes property acquisition, relocation assistance, etc.	623,941
Construction Related, outside the construction contract (Includes demolition of existing building, asbestos removal, temporary parking lot, relocation of utilities, removal of underground vault, etc.)	188,395
Total	16,593,366.

The original construction contract was \$13,110,000. Change orders in the amount of \$535,834 (4.09%) were approved during the course of construction. The change orders consisted of:

Field Conditions (.58%) (includes patching Mill Creek culvert, conflicts with Mill Creek culvert, cleanouts in storm drain line, dewatering site and soil conditioning due to excessive rains, utility conflicts, removal of concrete foundation, etc.)	\$ 75,741
Costs Associated with Design Changes (2.46%) Elevators - \$41,273 Sump Pump & Storm Drain - \$138,981 Structural Changes, Beams, Columns, Screen attachment - \$90,743 Bollards and pipe guards - \$14,472 Costs of misc. changes & associated credits - \$36,482	\$321,951
Owner Requested (1.05%) (includes California Water Service required surge tank and a wall to protect it, upgrade to concrete finish, concrete strip in alley and curb along east property line, additional trellis and brick, guardrails, tree root guards, tactile warning strips etc. Also includes credits for savings from contractor suggested alternatives including powder coating instead of galvanizing and painting metal & using different system under brick veneer which eliminated plaster	\$138,142
Total	\$ 535,834

Parking Structure Funding

At the time the construction contract was awarded in December, 2005, the project cost was estimated at \$16.2 million. It is now estimated to be \$16.6 million and an additional \$340,000 is needed to complete the funding. The proposed appropriation from the Redevelopment Central Visalia Project Area replaces the funds originally anticipated from the Parking in Lieu Fund and adjustments in the value of permit parking. Parking in lieu fund monies and additional revenue that may be realized from parking permit programs can then be used for funding future parking structure projects.

The resultant parking financing would be as follows:

Parking Structure Funding

Parking In-Lieu	\$	857,000.00
Federal Community Development Block Grant (CDBG)	\$	2,011,801.00
Central Redevelopment Agency	\$	979,470.00
Downtown Redevelopment Agency	\$	300,000.00
Property & Business Improvement District	\$	650,000.00
Brownfields Economic Development Initiative	\$	244,000.00
State Housing & Community Development Grant	\$	156,227.00
U.S. Dept. of Commerce Economic Development Administration Grant	\$	3,940,000.00
Kaweah Delta Health Care District	\$	2,000,000.00
HUD Section 108 Loan	\$	4,200,000.00
Loan Capitalization Value of Permit Parking	\$	1,260,000.00
Total	\$	16,598,498.00

Prior Council/Board Actions:

City Council awarded the construction contract on December 19, 2005

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

Two motions are required:

I move to authorize staff to file a Notice of Completion on the West Acequia Parking Structure Project.

I move to authorize an appropriation of \$800,000 from the Central Visalia Redevelopment Project Area to the West Acequia Parking Structure Project.

Environmental Assessment Status

CEQA Review: SCH# 2002031029

NEPA Review: Finding of No Significant Impact 4-10-03

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11c

Agenda Item Wording: Accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2007 and approve Resolution Number 2007-40 adopting the City of Visalia's annually updated Investment Policy and Delegating authority to invest funds for the City to the Administrative Services Director/Treasurer or his/her designee.

Deadline for Action: None

Submitting Department: Administration - Finance

Contact Name and Phone Number: Eric Frost 713-4474, Cass Cook 713-4425

Department Recommendation: Staff recommends that Council take the following actions:

1. Accept the City of Visalia Cash and Investment Report for the quarter ending March 31, 2007.
2. Approve the annually adopted Investment Policy
3. Delegate authority of the investment program to the Administrative Services Director/Treasurer or his/her designee.

Economic Outlook

Market conditions suggest that a downward correction to rates is in the near future. The Treasury yield curve is currently inverted. An inversion occurs when short-term interest rates exceed long-term rates. The yield curve is a projection of future rates.

Over the last 50 years, the yield curve has inverted nine times, excluding the current inversion. A recession has followed eight of those inversions, the only times the U.S. economy has slipped into recession in that period.

An inverse yield curve predicts lower interest rates in the future as longer-term bonds are being demanded, sending the yields down. Long-term investors will settle for lower yields now if they think rates and the economy are going even lower in the future. They're betting that this is their last chance to lock in rates before rates fall.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 5

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Portfolio Performance

The March 2007 investment report had a managed balance of \$102.99 million. This is a decrease of \$11.90 million in the portfolio balance since the end of September 2006. The decrease in the balance is attributed to the increase in expenditures for the following capital projects:

- Sports Park
- Transit Maintenance Facility
- Police Precincts
- CNG Fueling Station
- Northwest Fire Station

The monthly portfolio earnings rate came to 4.42%. The year-to-date rate for 2006-07 (July-March) averaged 4.20%. Key benchmarks and performance statistics for the City's portfolio are shown below in Table 1, Managed Portfolio Performance Statistics.

Table 1: Managed Portfolio Performance Statistics (dollars in millions)

Quarter Ending	Portfolio Balance	City Monthly Portfolio Rate	LAIF Balance	LAIF Rate	2 YR Treasury	Weighted Average Maturity (WAM)
September, 2006	\$114.89	4.40%	\$5.94	5.09%	4.71%	1.82 years
December, 2006	\$101.43	4.29%	\$3.23	5.12%	4.81%	1.83 years
March, 2007	\$102.99	4.42%	\$4.79	5.18%	4.57%	1.64 years
Year-To-Date Rate for 2006-2007		4.20%		5.06%	4.73%	

Market Value Losses

In August the City sold investments which were maturing in less than a year and earning 3% and the proceeds of the sale were used to purchase investments earning over 5% and maturing in three to four years. In accounting for the sale of the investments an accounting loss was realized at the time of the transaction. As a result the monthly portfolio rate for August was 3.03%. As shown in the above table, the year-to-date portfolio rate is lower than the quarter ending rates for September, December and March. Accounting does not account for future unrealized gains. The portfolio is now comprised of investments earning over 5% for the next three to four years instead of owning investments earning 3% which would have matured in less than a year.

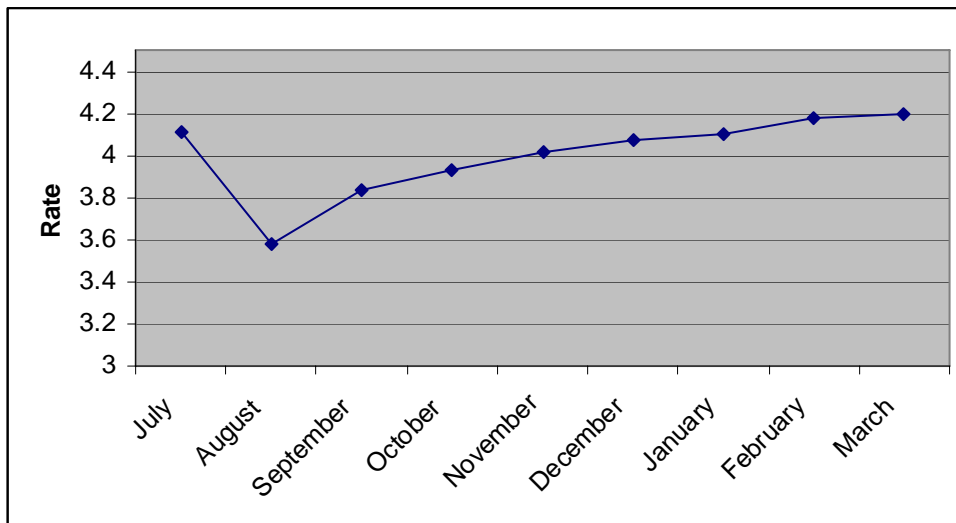
LAIF Rate v. Visalia Portfolio Rate

Through September of 2006 the City had been purchasing \$2-5 million worth of securities each month which matured in three to five years. Staff had followed this plan to increase the weighted average maturity of the investment portfolio and attempt to take advantage of the rate environment. As a result the weighted average maturity (WAM), rose from 1.26 years in

September of 2005 to 1.82 years in September of 2006. Conversely LAIF had been purchasing securities with shorter maturities. LAIF's WAM has averaged 5 to 6 months. From September of 2005 to September of 2006 Treasuries maturing in 5 years increased by only 39 basis points while Treasuries maturing in 6 months increased by 108 basis points. Because the City purchased securities with longer maturities, the portfolio rate did not rise as fast as if securities with shorter maturities were purchased. Consequently the City's portfolio rate has lagged the LAIF rate.

Since August the year-to-date portfolio rate has risen from 3.58% to 4.20% as shown in Table 2, Average Year-To-Date Portfolio Rate. During that time the City purchased approximately \$15 million worth of investments maturing in 3 to 5 years with an average yield of 5%. Over the same period, LAIF has averaged 5.06%. If the inverted yield curve proves to be an accurate predictor of falling rates, and it has been correct 8 out of the past 9 times, then the City has positioned itself to take advantage of the rate environment by locking in the 5% yields for 3 to 5 years.

Table II: Average Year-To-Date Portfolio Rate July through March



Future Management

The City manages the portfolio partly by considering the weighted average maturity (WAM) based upon management's expectations for rising, neutral or declining interest rates. Usually, the longer an investment's maturity, the higher the interest rate will be. However, as discussed previously the yield curve is currently inverted. Investments with shorter maturities have yields higher than investments with longer maturities. This is due to an expected downturn in rates. An inverted yield curve has predicted 8 of the past 9 recessions. The City has a target WAM based upon expected interest rate environments as shown on Table III, Target Weighted Average Maturity (WAM) Based on Interest Rate Expectations.

Table III

Target Weighted Average Maturity (WAM)
Based Upon Interest Rate Expectations

Forecasted Interest Rate Environment	Target WAM (Years)
Rising	0.50
Neutral	1.50
Declining	2.50

As previously discussed, there is a current inversion of the yield curve. This would indicate declining rates in the near future. However, rates appear to be steady for now. This is due to healthy corporate earnings, low unemployment, and continued consumer spending. Because of the conflicting economic messages the WAM goal is to have a weighted average maturity of 1.5 years. The WAM through March was 1.6 years.

Staff will continue to monitor the effects of the housing market on the economy. The risks to the economy due to slowdown in the housing market continue to persist. As of yet we haven't hit the bottom of the housing market. New home sales are down nationally. Housing related employment is also falling. If rates start to decline, the City will purchase investments with longer maturities. If rates begin to rise, the LAIF balance will be increased.

Cash Summary

The City's cash and investments consist of the following as shown on Table IV: Cash Summary at Par Value (in millions) as of 03/31/07.

Table IV: Cash Summary at Par Value, 03/31/07

Investment Type	Amount (in millions)
Managed Portfolio	
LAIF	\$4.79
CD's	\$5.20
Agencies	\$84.00
Medium Term Notes	\$7.00
Treasury Notes	\$2.00
Total Managed Portfolio	\$102.99
Trustee Cash and Investments	\$7.33
Banks & Depositories	\$3.74
Total Cash & Investments	\$114.06

This information is taken from the two report attachments: 1) City of Visalia Cash and Investments Summary as of March, 2007, attachment #1; and, 2) City of Visalia Managed Portfolio as of 03/31/2007, attachment #2.

The City's investments are diversified by the various maturities, call structures, and credit types in the above categories which are allowed by the City's Investment Policy and California

Government Code Section 53600 et seq. LAIF funds are highly liquid to meet the City's daily cash flow requirements while maintaining a high degree of safety and a higher rate of return over other suitable liquid investments.

Investment Authority: City Council has the authority to invest the funds of the City; however, California Government Code authorizes the Council to delegate that authority to the Treasurer (Administrative Services Director or ASD) on an annual basis. Council's motion to delegate that authority for one year to the Treasurer will be valid until that authority is revoked or expires. A committee consisting of the ASD, a Finance Manager, and three Financial Analysts meets on a monthly basis to discuss the market, availability of funds for investment and appropriate investments for the portfolio to ensure a disciplined investment management approach.

Investment Policy: The City Council is required by California Government Code to annually review and approve the City's Statement of Investment Policy. The policy is included as an attachment. There are no changes recommended to the policy at this time.

Prior Council/Board Actions:

Approved 2006 Second Quarter Investment Report
Authority for Administrative Services Director/Treasurer or his delegate to invest funds of the City approved in June 2006.

Alternatives:

Attachments:

Attachment #1, City of Visalia's Portfolio from March 31, 2007
Attachment #2, City of Visalia Cash and Investment Summary
Attachment #3, City of Visalia Investment Policy

Recommended Motion (and Alternative Motions if expected): Move to accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2007 and approve resolution No. 2007- ___ adopting the City of Visalia's annually updated Investment Policy and Delegating authority to invest funds for the City to the Administrative Services Director/Treasurer or his/her designee.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

RESOLUTION NO. 2007-40

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF VISALIA
ADOPTING THE CITY INVESTMENT POLICY

WHEREAS, the Council of the City of Visalia has adopted the Statement of Investment Policy; and

WHEREAS, California Government Code section 53646 requires annual review and adoption of the Investment Policy; and

WHEREAS, the authority to manage the City's investment program is derived from the City's Charter; and

WHEREAS, California Government Code section 53607 requires the authority to invest the funds of the City to be delegated annually to the Director of Administrative Services/Treasurer or his/her delegate,

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Visalia adopt the City of Visalia Statement of Investment Policy as revised, and delegate responsibility for the investment program to the Director of Administrative Services/Treasurer or his/her delegate.

PASSED AND ADOPTED:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF VISALIA)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11d

Agenda Item Wording: Resolution determining unpaid assessments, providing for bond issuance and guaranteeing purchase of bonds for Village West Special Assessment District.

Deadline for Action: May 21, 2007

Submitting Department: Community Development and Administrative Services

Contact Name and Phone Number: Eric Frost, x4474

Department Recommendation: That the following actions take place:

1. Adopt a resolution providing for issuance of bonds for unpaid assessments for the Village West street assessment; and,
2. Authorize the City to guarantee the purchase of the Village West Assessment bonds for the amount of \$72,020 to be paid back over 15 years at 6%.

Summary/background:

Village West is a subdivision built in the early 1970s with a private street, accessible to the public. The subdivision is located to the Northeast of the Walnut and Demaree intersection. The subdivision's private street, Royal Oaks Drive, provides a loop to the local residents. The City's street, also Royal Oaks Drive, intersects the loop as shown on Picture I, Village West Aerial Map. (The aerial map marks the private road as Royal Oaks. This street is Royal Oaks Drive; the intersecting private street is also called Royal Oaks Drive.) The private street was not built to City standards nor was the street ever accepted by the City. However, the street is open to the public.

The residents approved a ballot to create a street assessment and repair the private street. Part of the assessment process allows for a cash payment period. The cash payment period has ended with 13 assessments \$1,960 payments being made in full and one partial payment. The next step then is to determine the unpaid assessment and authorize the issuance of the bonds. In addition, because the City will purchase these bonds, the Council will be authorizing

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

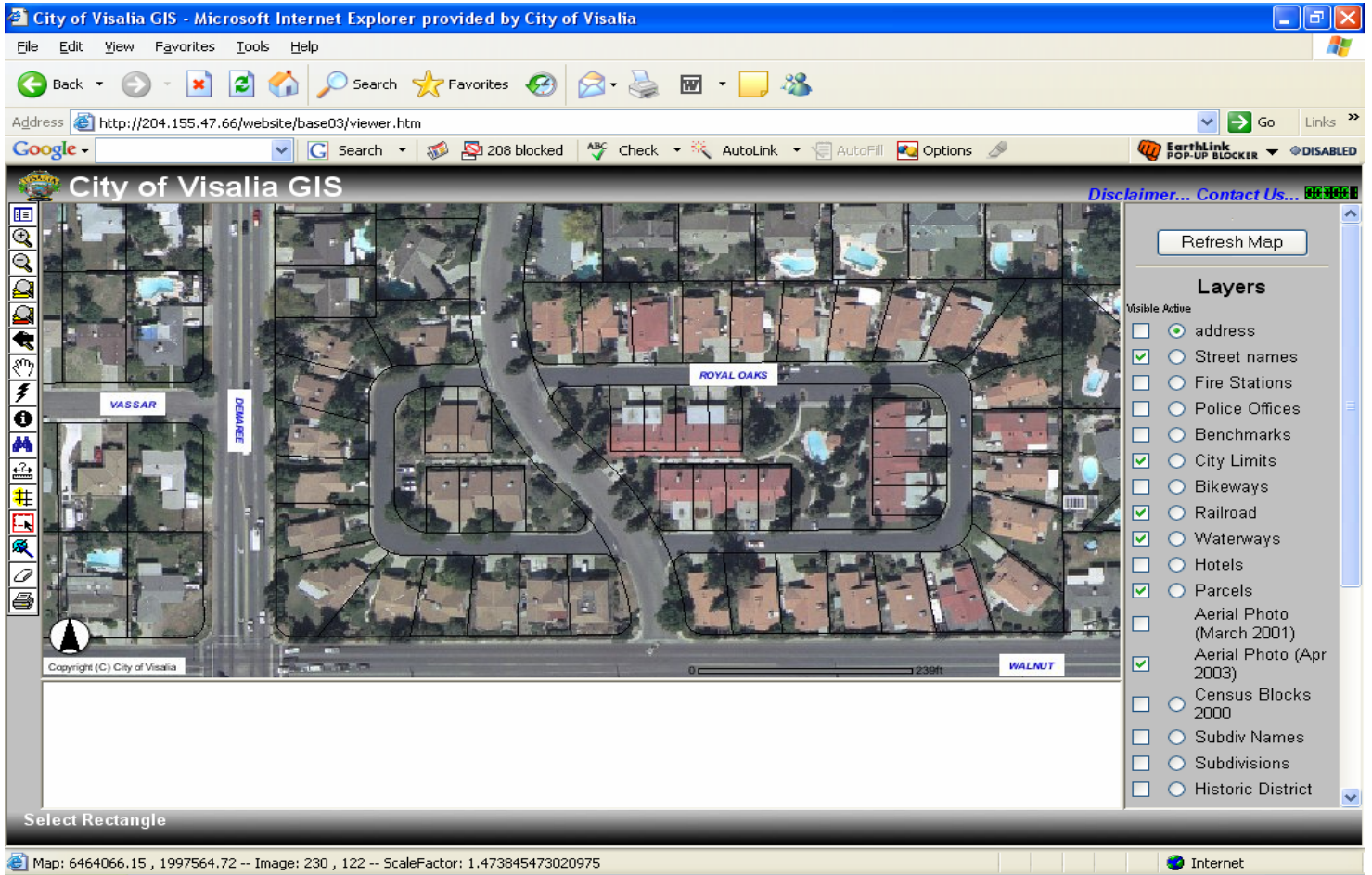
Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

the purchase of one street assessment bond for \$72,020 yielding 6% to be placed in the City's cash portfolio.

Picture I
Village West Aerial Map



Although the City will purchase the assessment as one bond, the City will retain the right to repackage the debt and sell the bonds in \$1,000 increments. The bond will have principal payments every September 2nd. Interest payments will occur every March 2nd and September 2nd.

As for the project, Public Works is proceeding forward with the project. Contract documents have about to be fully executed and the project should begin in May.

Prior Council/Board Actions: Council has conducted meetings on August 7, 2006, December 18, 2006, January 8, 2007 and March 5, 2007 on this matter.

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Item #11d Village West Special Assessment District

Recommended Motion (and Alternative Motions if expected):

I move to adopt the resolution determining unpaid assessments, providing for the issuance of the Village West Street Assessment Bonds and approving the form of the purchase guarantee.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to: The Homeowners Association of Village West

RESOLUTION NO. 2007-41

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA
DETERMINING UNPAID ASSESSMENTS, PROVIDING FOR THE ISSUANCE OF BONDS
PURSUANT TO THE "IMPROVEMENT BOND ACT OF 1915" AND APPROVING
THE FORM OF PURCHASE GUARANTEE

VILLAGE WEST IMPROVEMENT PROJECT

WHEREAS, the City Council (the "Council") of the City of Visalia, California (the "City") has heretofore undertaken proceedings pursuant to the "Municipal Improvement Act of 1913," being Division 12 of the Streets and Highways Code of the State of California;

WHEREAS, this Council has authority to issue bonds upon the unpaid assessments levied upon lands within a special assessment district described in Resolution of Intention No. 2007-02, adopted January 8, 2007 (the "Resolution of Intention"), for the construction of improvements, said special assessment district known and designated as VILLAGE WEST IMPROVEMENT PROJECT (hereinafter referred to as the "Assessment District");

WHEREAS, said proceedings provided for the issuance of bonds pursuant to the "Improvement Bond Act of 1915," being Division 10 of the Streets and Highways Code of the State of California, and it is necessary to establish terms and provisions of such issuance; and,

WHEREAS, a notice of the assessment has been recorded, the publication and the mailing of notice of the time within which assessments may be paid in cash has been duly published and mailed in the manner provided by law, and the time so provided for receiving payment of assessments in cash expired, and the Administrative Services Director of the City, the official who has been designated by this Council as Collection Officer for cash payments of said assessments, has filed herewith a list of all assessments which now remain unpaid.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Visalia as follows:

That the above recitals are all true and correct.

Unpaid Assessments

That the assessments now remaining unpaid, and the aggregate thereof, are as shown on the list entitled "List of Unpaid Assessments" (the "Unpaid List"), referenced by the name of this Assessment District, a copy of which is on file in the office of the Administrative Services Director and by reference made a part hereof and attached hereto as "Exhibit A."

Parcel Descriptions

That for a particular description of the lots or parcels of land bearing the respective assessment numbers set forth in said Unpaid List and upon which assessments remain unpaid, reference is hereby made to the assessment and to the diagram filed in the office of the Public Works Director and recorded with Tulare County Recorder's Office.

Issuance of Bonds

The Unpaid List is in the amount of \$72,020.00 and bonds shall be issued in said amount and upon the security of said unpaid assessments in accordance with the provisions of the "Improvement Bond Act of 1915," and under and pursuant to the provisions of said Resolution of Intention and the proceedings thereunder duly had and taken. The Bonds shall be designated the "City of Visalia Village West Improvement Project, Series 2007" (the "Bonds").

Registered Bond

Said Bonds shall be issuable either as one fully registered bond in the denomination of not to exceed \$72,020.00 or as fully registered Bonds in the denomination of \$1,000 or any integral multiple thereof, except for one Bond maturing in the first year of maturity, which shall include the amount of which the total issue differs from the maximum integral multiples of \$1,000 contained therein.

Date of Bonds

Said Bonds shall be dated the date the bonds are sold and delivered, as set forth in the Purchase Guarantee, a copy of which is attached hereto and identified as Exhibit "B."

Maturity

The Bonds shall be issued in serial or term form with annual maturities on September 2nd. The interest rates and principal amount maturing each year will be as set forth in the Purchase Guarantee.

Interest

Each Bond shall bear interest at the rate or rates specified in the Purchase Guarantee from the interest payment date next preceding the date on which the Bond is authenticated, unless the Bond is authenticated and registered as of an interest payment date, in which event it shall bear interest from such interest payment date, or unless the bond is authenticated and registered prior to March 2, 2008, in which event it shall bear interest from its date, until payment of such principal amount shall have been discharged, at the rates per annum stated in the Purchase Guarantee, payable semiannually on March 2 and September 2 (each being an "Interest Payment Date") in each year commencing March 2, 2008.

Paying Agent

The Administrative Services Director of the City is hereby appointed as Transfer Agent, Registrar and Paying Agent (the "Paying Agent"), upon the terms and conditions contained herein.

The Paying Agent will maintain the Bond registration books, as set forth in Section 14 hereof, and will register and authenticate the Bonds upon initial issuance as well as upon the transfer and exchange thereof.

Principal of and interest on the Bonds will be paid by the Paying Agent on each Interest Payment Date from moneys transferred to the Paying Agent by the City.

Place of Payment

The principal, interest and redemption premium on the Bonds shall be payable in lawful money of the United States of America, upon presentation and surrender at the designated office of the Paying Agent.

Principal and Interest on said Bonds shall be paid by check or draft on each Interest Payment Date to the registered owner thereof at his or her address as it appears on the books of registration, or at such address as may have been filed with the Paying Agent for that purpose, as of the fifteenth (15th) day immediately preceding each Interest Payment Date.

Optional Redemption

At the option of the City, any Bond, or a portion thereof if issued in a denomination greater than \$1,000 shall be subject to redemption and payment in advance of maturity in increments of \$1,000 as provided in Section 8768 of the Streets and Highways Code, on the 2nd day of March or September in any year, by giving at least thirty (30) days notice, by registered or certified mail, or by personal service, to the registered owner thereof at his or her address as it appears on the books of registration maintained by the Paying Agent, with interest on such redeemed amount, together with a premium equal to three percent (3%) of the redeemed principal amount. If less than the entire Bond is redeemed, the unredeemed portion shall be reissued to the registered owner thereof.

Transfer of Registered Bonds

Any fully registered Bond may, in accordance with its terms, be transferred upon the books of registration required to be kept pursuant to the provisions of Section 14 by the owner in whose name it is registered, or by his or her duly authorized attorney or legal representative, upon surrender of such fully registered Bonds for registration of such transfer, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent and by the owner of said Bonds, duly executed.

The Paying Agent shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such other transfer and such changes as provided for in the system of registration for registered debt obligations. No transfer of fully registered Bonds shall be required to be made during the fifteen (15) days next preceding each Interest Payment Date.

Exchange of Registered Bonds

Fully registered Bonds may be exchanged at the office of the Paying Agent, or designated transfer agent/registrar, for a like aggregate principal amount of Bonds of the same series, interest rate and maturity, subject to the terms and conditions provided in the system of registration for registered debt obligations, including the payment of certain charges, if any, upon surrender and cancellation of said Bonds. Upon such transfer and exchange, a new registered Bond or Bonds of any authorized denomination or denominations of the same

maturity for the same aggregate principal amount will be issued to the transferee in exchange therefor.

Books of Registration

There shall be kept by the Paying Agent sufficient books for the registration and transfer of the Bonds and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said register, the Bonds as hereinbefore provided. The register shall show the series, number, date, amount, rate of interest and last known holder of each bond, and the number and amount of each interest payment made.

Execution of Bonds

The Bonds shall be executed by the Administrative Services Director and by the City Clerk, by the manual or facsimile signature, and the corporate seal shall be reproduced by similar means on the Bonds. The Bonds shall then be delivered to the Paying Agent for authentication and registration. In case an officer who shall have signed or attested to the Bonds shall cease to be such officer before the authentication, delivery and issuance of the Bonds, such Bonds nevertheless may be authenticated, delivered and issued, and upon such authentication, delivery and issue, shall be as binding as though those who signed and attested the same had remained in office.

Authentication

Only the Bonds as shall bear thereon a certificate of authentication substantially in the form below, manually executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder, and are entitled to the benefits of this Resolution.

FORM OF PAYING AGENT'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution of Issuance which has been authenticated and registered on _____, 2007.

By: _____
Paying Agent

Negotiability, Registration and Transfer of Bonds

The transfer of any Bond may be registered only upon such books of registration upon surrender thereof to the Paying Agent together with an assignment duly executed by the owner or his or her attorney or legal representative, in satisfactory form. Upon any such registration of

transfer, a new Bond or Bonds shall be authenticated and delivered in exchange for such Bonds, in the name of the transferee, of any denomination or denominations authorized by this Resolution, and in an aggregate principal amount equal to the principal amount of such Bond or principal amount of such Bond or Bonds so surrendered. In all cases in which Bonds shall be exchanged or transferred, the Paying Agent shall authenticate at the earliest practical time, Bonds in accordance with the provisions of this Resolution. All Bonds surrendered in such exchange or registration transfer shall forthwith be canceled. The legislative body may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Paying Agent shall not be required to make such exchange or registration of transfer of Bonds during the fifteen (15) days immediately preceding any Interest Payment Date.

Ownership of Bonds

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and redemption premium, of any such Bond, and the interest on any such Bond, shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds, including the redemption premium, and interest thereon, to the extent of the sum or sums to paid.

Mutilated, Destroyed, Stolen or Lost Bonds

In case any Bond secured hereby shall become mutilated or be destroyed, stolen or lost, the legislative body shall cause to be executed and authenticated a new Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed, stolen or lost, upon the owner's paying the reasonable expenses and charges in connection therewith, and, in the case of a Bond destroyed, stolen or lost, his or her filing with the legislative body and the Paying Agent, with indemnity satisfactory to it.

Cancellation of Bond

All Bonds paid or redeemed, either at or before maturity, shall be canceled upon payment or redemption of such Bonds, and shall be delivered to the Paying Agent when such payment or redemption is made. All Bonds canceled under any of the provisions of this Resolution shall be destroyed by the Paying Agent and returned to the City.

Construction Fund

The Construction Fund shall be maintained by the Paying Agent. The proceeds from the sale of the Bonds, after deposit of required amounts in the Redemption Fund (as defined below), shall be placed in the fund hereby created, pursuant to Sections 10602 and 10424 of the California Streets and Highways Code, as amended, which shall be called the "Construction Fund, Village West Improvement Project" (the "Construction Fund"), and the moneys in the Construction Fund shall be used only for purposes authorized in said assessment proceedings.

The Paying Agent shall disburse moneys from the Construction Fund only upon receipt of a requisition of the City, signed by the City Manager, Assistant City Manager, Public Works Director, Assistant Public Works Director, Administrative Services Director, or any other officer of the City duly authorized by any of the foregoing officers to sign said requisitions. Said requisition shall state all of the following:

- (a) The amount of the request;
- (b) The purpose for which the money will be used;
- (c) The fact that said purposes are authorized under the assessment proceedings;
- (d) That said amount does not exceed the amount contemplated for such purposes under the assessment proceedings; and
- (e) That the officer executing the requisition is authorized to do so under this Resolution.

Each requisition shall be sequentially numbered and may contain other provisions required by the Paying Agent. No amounts may be disbursed from the Construction Fund except upon receipt of said requisition.

Any investment earnings on amounts on deposit in the Construction Fund shall be used for the purposes set forth in the assessment proceedings, subject to any rebate to the federal government.

Redemption Fund

The Redemption Fund shall be maintained by the Paying Agent. Principal of and interest on said Bonds shall be paid only out of the Redemption Fund created pursuant to Section 8671 of the California Streets and Highways Code (the "Redemption Fund"). Accrued interest paid by the purchaser of the Bonds, if any, and all prepaid capitalized interest, if any, shall be deposited in the Redemption Fund, which shall be a trust fund for the benefit of the Bondholders. Payment of the Bonds at maturity, or at redemption prior to maturity, and all interest and premiums on the Bonds shall be paid from the Redemption Fund. In all respects not recited herein, said Bonds shall be governed by the provisions of the "Improvement Bond Act of 1915," Division 10 of the California Streets and Highways Code, as amended.

Investment of Moneys

Subject to certain tax covenants described below and contained in the Non-Arbitrage Certificate and the Rebate Certificate, to be executed the day the Bonds are sold and delivered (the "Closing Date"), the Paying Agent shall invest the Construction Fund and the Redemption Fund in accordance with the City's investment policies. All investment earnings shall be credited to the fund in which they were earned, and said investment earnings may be applied for the purposes of such fund, subject to certain requirements regarding rebate to the federal government, if any.

Covenant to Foreclose

The City hereby covenants that upon default of any assessment payment due, it will cause foreclosure proceedings to be brought within one hundred fifty (150) days of such default and thereafter diligently prosecute such proceedings to completion.

Books and Accounts; Financial Statement

The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City in which complete and correct entries shall be made of all transactions relating to the project. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than ten percent (10%) of the principal amount of the Bonds then outstanding, or their representatives authorized in writing.

Protection of Security and Rights of Bond Owners

The City will preserve and protect the security of the Bonds and the rights of the Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any Bonds by the City, the Bonds shall be incontestable by the City.

Further Assurances

The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurance as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Resolution.

Tax Covenants

The City covenants to satisfy certain restrictions which relate to conditions precedent to the issuance of tax-exempt obligations, as contained in the Non-Arbitrage Certificate and the Rebate Certificate, to be executed on the Closing Date, and said covenants are incorporated herein by reference.

Supplemental Resolutions Effective Without Consent of the Owners

The City may from time to time, and at any time, without notice to or consent of any of the Bond Owners, adopt resolutions or orders supplemental to this Resolution for any of the following purposes:

- (a) to cure any ambiguity, to correct or supplement any provision in this Resolution which may be inconsistent with any other provision in this Resolution, or to make any other provision with respect to matters or questions arising under this Resolution or in any additional resolution or order, provided that such action shall not adversely affect the interest of the Bond Owners.

- (b) to add to the covenants and agreements of and the limitations and the restrictions upon the City contained in this Resolution, other covenants, agreements, limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this Resolution as theretofore in effect or are necessary to ensure that the interest on the Bonds remains excludable from gross income for federal income tax purposes; and
- (c) to modify, alter, amend or supplement this Resolution in any other respect which is not adverse to the interests of the Bond Owners.

Supplemental Resolution Effective With Consent of the Owners

Any modification or amendment of this Resolution and of the rights and obligations of the City and of the Owners of the Bonds, in any particular, may be made by a supplemental resolution, with the written consent of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds Outstanding at the time such consent is given. No such modification or amendment shall permit a) any extension of the maturity date of the principal of, or the payment date of interest on, any Bond, b) a reduction in the principal amount of, or the redemption premium on, any Bond or the rate of interest thereof, c) a preference or priority of any Bond or Bonds, or d) a reduction in the aggregate principal amount of the Bonds the Owners of which are required to consent to such modification or amendment without the consent of all the Owners of such Bonds, or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto.

Removal of Paying Agent

The City may at any time at its sole discretion remove the Paying Agent initially appointed, and any successor thereto, by delivering to the Paying Agent a written notice of its decision to remove the Paying Agent and may appoint a successor or successors thereto; provided that any such successor shall be a bank or trust company having a combined capital (exclusive of borrowed capital) and surplus of at least ten million dollars (\$10,000,000), and subject to supervision or examination by federal or state authority. Any removal shall become effective only upon acceptance of appointment by the successor Paying Agent. If any bank or trust company appointed as a successor publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Resignation of Paying Agent

The Paying Agent may at any time resign by giving written notice to the City and by giving to the Owners notice of such resignation, which notice shall be mailed to the Owners at their addresses appearing in the registration books in the office of the Paying agent. Upon receiving such notice of resignation, the City shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective only upon acceptance of appointment by the successor Paying Agent. Unless a Successor Paying Agent shall have been appointed by the City and shall have accepted its appointment within ninety (90) days after the resignation or

removal of the Paying Agent, as aforesaid, the Paying Agent may petition a court of competent jurisdiction to appoint a Paying Agent to fill such vacancy.

Order to Print and Authenticate Bonds

The Administrative Services Director is hereby instructed to cause Bonds, as set forth above, to be printed, and to proceed to cause said Bonds to be authenticated and delivered to an authorized representative of the purchaser, upon payment of the purchase price as set forth in the accepted proposal for the sale of Bonds.

Performance of Duties by Officers

Each and every officer of the City is authorized to perform his or her services on behalf of the City. The Administrative Services Director or his or her written designee, is authorized to pay the costs of such services as are necessary to effect the issuance of the Bonds. Such services shall include, but not limited to, printing the Bonds, legal services, Paying Agent's services and any other services appropriate for the issuance of the Bonds. These costs shall be paid from Bond proceeds.

Ratification of Previous Actions; Future Actions

All actions heretofore taken by officers and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the Mayor, City Manager, Administrative Services Director and City Clerk and the other officers of the City responsible for the fiscal affairs of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the issuance, sale, and delivery of the Bonds in accordance with the provisions of this Resolution. In the event that the Mayor is unavailable to sign any document authorized for execution herein, the City Manager or Administrative Services Director is hereby authorized to sign such document. Any document authorized hereby to be signed by the Clerk may be signed by a duly appointed deputy clerk.

Approval of the Purchase Guarantee

The City hereby officially approves the Purchase Guarantee by the City, in substantially the form on file with the City Clerk, a copy of which is attached to this resolution, provided the total principal amount of Bonds to be issued does not exceed \$72,020.00, the interest rate shall not exceed twelve percent (12%) per annum and the term of the Bonds shall not exceed fifteen (15) years (which is no greater than fourteen (14) years from the 2nd day of September next succeeding twelve (12) months from the date of the Bonds). The Mayor, the City Manager, or the Administrative Services Director is hereby authorized and directed to approve any changes in or additions to a final form of said Purchase Guarantee approved by the Mayor, the City Manager, or the Administrative Services Director, including but not limited to, interest rates, principal maturities, and the date of the Bonds, whose execution thereof shall be conclusive evidence of approval of any such changes and additions.

Other Officers

That the officers responsible for the execution of any of the agreements, orders, or covenants contained in any of the foregoing Sections or in any other document heretofore approved in these proceedings are hereby authorized and directed to take any actions and execute and deliver any and all further documents, agreements or certificates as are necessary to accomplish the issuance and sale of the bonds.

Continuing Disclosure

The City hereby covenants that it will comply with and carry out all the provisions of the Continuing Disclosure Certificate.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Council of the City of Visalia, held on the _____ day of _____, 2007, by Council Member _____, who moved its adoption, which motion being duly seconded by Council Member _____, was upon roll call carried and the resolution adopted by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

Mayor

ATTEST:

City Clerk

EXHIBIT A

**CITY OF VISALIA
VILLAGE WEST IMPROVEMENT PROJECT**

LIST OF UNPAID ASSESSMENTS

WHEREAS, an assessment and diagram was recorded in the Office of the Office of the Public Works Director of the City of Visalia, California on March 6, 2007, for the acquisition and/or construction of the improvements described in Resolution of Intention No. 2007-02 adopted by the City Council of the City of Visalia on January 8, 2007, and

WHEREAS, notice of the recordation of said assessment and of the time and place where and within which said assessments were to be paid has been duly performed and satisfied, and particular assessments have been paid in whole or in part.

NOW, THEREFORE, I, the undersigned Administrative Services Director of said City, do hereby certify that the list attached hereto is a true, correct and complete list of all assessments unpaid upon said assessment, and is hereby made and filed by me and on file with this office according to law, and said list with the respective assessment and diagram number of the lots or parcels of land assessed, and the amount unpaid thereon is as hereinafter set forth.

The total or aggregate amount of assessments unpaid is \$72,020.00.

IN TESTIMONY WHEREOF, I have hereunto set my hand this _____ day of April 2007.

Administrative Services Director,
City of Visalia

LIST OF UNPAID ASSESSMENTS
VILLAGE WEST IMPROVEMENT PROJECT

<u>Assessment No.</u>	<u>Assessor's Parcel No.</u>	<u>Assessment Amount</u>
1	095-242-029	\$ 1,960.00
3	095-242-031	\$ 1,960.00
6	095-242-034	\$ 1,960.00
7	095-242-035	\$ 1,960.00
8	095-242-036	\$ 1,960.00
9	095-242-037	\$ 1,960.00
10	095-242-038	\$ 1,960.00
11	095-241-002	\$ 1,960.00
12	095-241-003	\$ 1,960.00
13	095-241-004	\$ 1,960.00
14	095-242-028	\$ 1,960.00
15	095-242-042	\$ 1,960.00
17	095-242-040	\$ 1,960.00
18	095-242-039	\$ 1,960.00
21	095-242-043	\$ 1,960.00
22	095-241-005	\$ 1,460.00
24	095-242-044	\$ 1,960.00
26	095-241-006	\$ 1,960.00
27	095-242-045	\$ 1,960.00
28	095-242-047	\$ 1,960.00
29	095-242-048	\$ 1,960.00
30	095-242-049	\$ 1,960.00
31	095-242-050	\$ 1,960.00
32	095-241-014	\$ 1,960.00
34	095-241-016	\$ 1,960.00
35	095-242-046	\$ 1,960.00
36	095-242-025	\$ 1,960.00
37	095-241-007	\$ 1,960.00
39	095-241-008	\$ 1,960.00
40	095-242-023	\$ 1,960.00
42	095-241-009	\$ 1,960.00
43	095-242-021	\$ 1,960.00
44	095-242-020	\$ 1,960.00
45	095-242-019	\$ 1,960.00
46	095-242-018	\$ 1,960.00
47	095-241-013	\$ 1,960.00
49	095-241-011	<u>\$ 1,960.00</u>
	TOTAL:	\$72,020.00

EXHIBIT B

CITY OF VISALIA
VILLAGE WEST IMPROVEMENT PROJECT

PURCHASE GUARANTEE

Subject to the conditions set forth in Resolution No. _____, of the City Council of the City of Visalia, titled "A Resolution of the City Council of the City of Visalia Determining Unpaid Assessments, Providing for the Issuance of Bonds Pursuant to the 'Improvement Bond Act of 1915, and Approving the Form of Purchase Guarantee for the Village West Improvement Project," adopted by the City Council of the City on _____, 2007, the City of Visalia (the "City") hereby agrees to purchase the entire issue of the City's Limited Obligation Improvement Bonds for Village West Improvement Project, \$72,020.00 Series 2007, and guarantee as follows:

1. Upon the terms and conditions, and upon the representations set forth herein, the Bonds shall be purchased at their par value of \$72,020.00 which Bonds shall be issued as one bond, dated June ____, 2007 (the "Bond"); said Bond shall bear interest and mature serially in accordance with the terms set forth in Attachment 1 attached hereto, such interest being payable on March 2nd and September 2nd, commencing March 2, 2008.

2. The payment for and delivery of the Bond, and other actions contemplated hereby to take place at the time of such payment and delivery, shall occur no later than June ____, 2007 (the "Closing").

3. Proceeds of the sale of the Bond will be used by the City in accordance with the Bond Resolution. All actions, agreements and proceedings, including but not limited to this Purchase Guarantee and the Bond Resolution, relating to the issuance of the Bond and taken pursuant to the Municipal Improvement Act of 1913 (the "Improvement Act"), Improvement Bond Act of 1915 (the "Bond Law") and all other applicable laws are herein collectively referred to as the "Proceedings."

4. Any action under this Purchase Guarantee taken by the City, including payment for and acceptance of the Bond, and delivery and execution of any receipt for the Bond and any other instruments in connection with the Closing, shall be valid and sufficient for all purposes and binding upon the City, provided that any such action shall not impose any obligation or liability upon the City other than as may arise as expressly set forth in this Purchase Guarantee.

5. That the entire aggregate principal amount of the Bond authorized by the Bond Resolution shall be sold, delivered, purchased, accepted and paid for by the City at the Closing.

6. The City is a municipal corporation duly organized and existing under the Constitution and laws of the State of California, and has, and at the date of the closing will have, full legal right, power and authority (i) to enter into this Purchase Guarantee, (ii) to adopt the Bond Resolution and the other Proceedings relating to the Bond, (iii) to issue, sell, deliver and purchase the Bond as provided herein, and (iv) to carry out and consummate the transactions contemplated by this Purchase Guarantee and the Bond Resolution.

7. The City has complied, and will at the Closing be in compliance in all respects, with the Bond Resolution, the Improvement Act, the Bond Law and all other proceedings.

8. By official action of the City prior to or concurrently with the acceptance hereof, the City has duly adopted the Bond Resolution, has duly authorized and approved the execution, delivery and purchase of, and the performance by the City of the obligations contained in the Bond and this Purchase Guarantee, and has duly authorized and approved the performance by the City of its obligations contained in the Bond Resolution and the other Proceedings, and the consummation by it of all other transactions contemplated, including, without limitation, the pledge and obligation of the Bond proceeds.

9. The execution and delivery of this Purchase Guarantee and the Bond, the adoption of the Bond Resolution and the other Proceedings, and compliance with the provisions of each thereof, and the carrying out and consummation of the transactions contemplated, will not conflict with or constitute a breach of or a default under any applicable law or administrative regulation of the State of California or the United States, or any applicable judgment, decree, agreement or other instrument to which the City is a party or is otherwise subject.

10. There is no action, suit, proceeding or investigation before or by any court, public board or body pending or, to the knowledge of the City, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the City or the titles of its Council members and officers to their respective offices, (ii) enjoin, or restrain the issuance, sale and delivery of the Bond, the issuance and sale of the Bond and pledge of the proceeds thereof, (iii) in any way question or affect any of the rights, powers, duties or obligations of the City with respect to the moneys pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bond, (iv) in any way question or affect any authority for the issuance of the Bond, or the validity or enforceability of the Bond or the Proceedings, or (v) in any way questions or affect this Purchase Guarantee or the transaction contemplated by this Purchase Guarantee, or any other agreement or instrument to which the City is a party relating to the Bond.

11. The issuance and sale of the Bond is not subject to any transfer of other documentary stamp taxes of the State of California or any political subdivision thereof.

12. The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond or note issuer whose arbitrage certifications may not be relied upon.

13. Any certificate signed by any official of the City authorized to do so shall be deemed a representation and warranty by the City as to the statements made therein.

14. The representations and warranties of the City contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing.

15. At the time of the Closing the Proceedings shall be in full force and effect, and shall not have been amended, modified or supplemented, except in as may have been agreed to by the City.

16. At the time of the Closing, all official action of the City relating to the Proceedings shall be in full force and effect, and there shall have been taken all such actions as, in the opinion of Robert M. Haight, Attorney at Law, bond counsel ("Bond Counsel"), shall be necessary or appropriate in connection therewith, with the issuance of the Bond and with the transactions contemplated hereby.

17. The City shall have the right to terminate its obligations under this Purchase Guarantee to purchase, to accept delivery of and to pay for the Bond by notifying all property owners listed on Attachment 1 of the Bond Resolution of its election to do so if, after the execution hereof and prior to the Closing: (i) the marketability of the Bond or the market price thereof, in the opinion of the City, has been materially and adversely affected by any decision issued by a court of the United States (including the United States Tax Court) or of the State of California, by any ruling or regulation (final, temporary or proposed) issued by or on behalf of the Department of the Treasury of the United States, the Internal Revenue Service or other governmental agency of the United States, or any governmental agency of the State of California, or by a tentative decision with respect to legislation reached by a committee of the House of Representatives or the Senate or the Congress of the United States, or by legislation enacted by, pending in, or favorably reported to either the House of Representatives or the Senate or the Congress of the United States or either house of the Legislature of the State of California, or formally proposed to the Congress of the United States by the President of the United States or to the Legislature of the State of California by the governor of the State of California in an executive communication, affecting the tax status of the City, its property or income, its bonds (including the Bond) or the interest thereon, or any tax exemption granted or authorized by the Improvement Act or Bond Law; (ii) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency, or there shall have occurred any other outbreak of hostilities, or a local, national or international calamity or crises, financial or otherwise, the effect of such outbreak, calamity or crises being such as, in the reasonable opinion of the City, would affect materially and adversely the ability of the City to market the Bond (it being agreed by the City that there is no outbreak, calamity or crises of such a character as of the date hereof); (iii) there shall have occurred a general suspension of trading on the New York Stock Exchange or the declaration of a general banking moratorium by the United States, New York State or California State authorities; (iv) there shall have occurred a withdrawal or downgrading of any rating assigned to any securities of the City by a national municipal bond rating agency; (v) any of the proposed developments shall have been repudiated by the City, or, any litigation or proceedings shall be pending or threatened questioning the proposed developments or seeking to enjoin the development thereof; (vi) any Federal or California court, authority or regulatory body shall take action materially and adversely affecting the ability of a City to proceed with the development; and (vii) any other event or occurrence which, in the sole discretion of the City, would negatively affect the public interest or necessity for the purchase of the Bond.

18. If the City shall be unable to satisfy the conditions or obligations to issue, sell, purchase, accept delivery of and pay for the Bond contained in this Purchase Guarantee, or if the obligations of the City to purchase, accept delivery of and pay for the Bond shall be terminated for any reason permitted by this Purchase Guarantee this Purchase Guarantee shall terminate, and the City shall be under further obligation hereunder.

19. This Purchase Guarantee is made solely for the benefit of the City and its successors and assigns, and no other person shall acquire or have any right hereunder or by virtue hereof.

20. This Purchase Guarantee shall become effective upon the execution of the acceptance hereof by the Mayor of the City, and shall be valid and enforceable as of the time of such execution.

Dated this _____ day of _____, 2007.

CITY OF VISALIA

ACCEPTED: _____
Administrative Services Director

ATTACHMENT 1

CITY OF VISALIA
VILLAGE WEST IMPROVEMENT PROJECT

MATURITY SCHEDULE

<u>Date</u> <u>(September 2)</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Amount</u>
2008	6.0%	\$1,020.00
2009	6.0%	\$5,000.00
2010	6.0%	\$5,000.00
2011	6.0%	\$5,000.00
2012	6.0%	\$5,000.00
2013	6.0%	\$5,000.00
2014	6.0%	\$5,000.00
2015	6.0%	\$5,000.00
2016	6.0%	\$5,000.00
2017	6.0%	\$5,000.00
2018	6.0%	\$5,000.00
2019	6.0%	\$5,000.00
2020	6.0%	\$5,000.00
2021	6.0%	\$5,000.00
2022	6.0%	<u>\$6,000.00</u>
		\$72,020.00

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11e

Agenda Item Wording:

Introduction of Ordinance No. 2007-08 authorizing the City Manager to execute a new Lease Agreement with the PNK Hospitality Group for approximately 90,000 square feet of City of Visalia owned property located adjacent to the Visalia Airport for the purpose of constructing and operating a hotel and restaurant.

Deadline for Action: None

Submitting Department: Administrative Services

Contact Name and Phone Number:

Mario Cifuentez, Airport Manager: 713-4480

Department Recommendation:

That Council adopt the ordinance and authorize the City Manager to execute an agreement with the PNK Hospitality Group for the construction and operation of a hotel and restaurant on City owned property adjacent to the Visalia Airport.

Summary/background:

In October 2002, Staff enlisted the services of Zeeb Commercial Real Estate to market the two parcels of airport property located adjacent to the John Jay Inn. After years of marketing the property, Mr. Zeeb received 2 separate proposals for similar hotel designs in April 2006.

After Council provided direction for development of the property, staff asked each developer to provide a formal proposal for the property. PNK Hospitality Group submitted a proposal and a conceptual design for a 100 room hotel and a 3,000 square foot restaurant.

The PNK group owns 22 hotel properties in California and Texas. The group has already received franchise approval from two separate chains to build hotels at the airport site. Their primary focus would be a Candlewood Suites property offering studio and one bedroom suites to all guests, however they are exploring the option of constructing two (2) separate lodging facilities separated by the restaurant.

The proposed project has been reviewed for compatibility with the Airport Land Use Policy. The proposed project falls into zone "C" which allows commercial activities and densities up to 125 people per acre. Based on the size of the development, staff sees no conflict with the airport

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 10

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

zoning. These parcels are currently zoned Highway Commercial and the proposed development is compatible with existing zoning and surrounding development.

After several months of negotiations, the City has come to terms with the PNK Group on a lease agreement. The lease is similar to the terms and conditions set forth in the John Jay Inn agreement. The lease term is for thirty (30) years, with four five year options. Staff has consulted with the FAA regarding the additional options and they are amenable to the lease term as proposed. Initially, the lease will provide for an additional \$54,500 in revenue to the airport enterprise fund. The lease rate will increase at a rate of 3% per year effective every five years.

Prior Council/Board Actions:

March 16, 1998 – Council adopted Ordinance 97-27 authorizing a lease agreement by and between the City of Visalia and Meyer-Trettin Ltd. for the construction of a hotel occupying approximately 53,000 square feet of property in the same location.

June 9, 2006 – Council authorized staff to begin negotiations with the PNK Hospitality Group for the purpose of developing a lease agreement per the requirements of the proposal submitted to the City.

Committee/Commission Review and Actions: The Airport Committee concurs with staff's recommendations and recommends execution of this lease.

Alternatives: Choose not to adopt the ordinance and deny new construction of lodging and restaurant facilities.

Attachments:

1. Lease Agreement
2. Proposed Ordinance
3. Exhibit "A" Property Map

Recommended Motion (and Alternative Motions if expected): I move to: Adopt Ordinance No. 2007-08 and authorize the City Manager to execute the new agreement with PNK Hospitality Group for the construction and operation of a hotel and restaurant adjacent to the Visalia Municipal Airport.

Environmental Assessment Status

CEQA Review: N/A

NEPA Review: N/A

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Execution of the referenced Agreement after Ordinance Process
Coordinate billing with Finance

Copies of this report have been provided to:

ORDINANCE NO. 2007-08

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF VISALIA

**AUTHORIZING THE CITY MANAGER TO EXECUTE AN AIRPORT
GROUND LEASE FOR CERTAIN REAL PROPERTY AT THE VISALIA
MUNICIPAL AIRPORT TO PNK HOSPITALITY GROUP**

WHEREAS, the City of Visalia owns certain real property generally known as Parcel 2 of Parcel Map No. 2004 per map recorded in Book 21 of Parcel Maps at page 5, Tulare County Records; and

WHEREAS, PNK Hospitality Group has a desire to lease a portion of this certain real property for the purposes of constructing a hotel and restaurant; and

WHEREAS, the Airport has seen significant growth over the past decade and has a need for nearby supplementary services such as lodging and restaurants; and

WHEREAS, the subject real property is more particularly and legally described in Exhibit "A" attached hereto.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA:

Section 1. The City Manager of the City of Visalia be, and is hereby authorized to execute on behalf of the City of Visalia, that certain Lease Agreement by and between the City of Visalia as Lessor and PNK Hospitality Group as Lessee, dated as of May 1, 2007 is hereby approved and the City Manager of the City of Visalia is hereby authorized to execute the same on behalf of the City of Visalia.

Section 2. This ordinance shall go into effect thirty (30) days after its passage.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11f

Agenda Item Wording: First reading of Ordinance 2007-09 authorizing the Grant of Easement to Pacific Bell / ATT for an underground communications facility on a portion of City – owned properties, APN #'s 119-060-061 and 119-060-071 for a fee of \$10,000 and authorize the City Manager to execute the agreement related to the grant of easement.

Deadline for Action: May 21, 2007

Submitting Department: Park and Recreation Department

Contact Name and Phone Number: Don Stone, 559-713-4397

Department Recommendation: Adopt Ordinance 2007- ___ authorizing the Grant of Easement to Pacific Bell / ATT for an underground communications facility on a portion of City – owned properties, APN #'s 119-060-061 and 119-060-071for a fee of \$10,000 and authorize the City Manager to execute an agreement related to the grant of easement.

Summary/background: Pacific Bell / ATT is requesting a ten foot wide easement over City owned property for the installation of a communications line to serve La Joya Middle School. The easement will run between Akers Road to Crenshaw Street a distance of approximately 1,390 feet crossing Combs Park and run parallel to a culvert for Evans Ditch. Pacific Bell intends to bore for the conduit on the park property. The boring process will not disturb any above ground park improvements and Pac Bell will be responsible to restore any infrastructure damaged during construction.

The area of the easement on Combs Park is approximately a tenth of an acre and the Evans Ditch area is two-tenths of an acre. Staff, in consultations with the City Attorney, has determined that the value of the easement to be \$10,000. The purchase price is based on the land area of the easement, and the fact that City improvements lie within proximity to the proposed easement. Pacific Bell is agreeable to pay this amount. Staff recommends that the proceeds from the sale go to the Sports Park Reserve Fund.

Prior Council/Board Actions: N/A

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Committee/Commission Review and Actions:

Alternatives:

Attachments: Location map, Grant of Easement, Ordinance

Recommended Motion (and Alternative Motions if expected): Adopt first reading of Ordinance 2007-09 authorizing the Grant of Easement to Pacific Bell / ATT for an underground communications facilities on a portion of City – owned properties, APN #'s 119-060-061 and 119-060-071 for a fee of \$10,000 and authorize the City Manager to execute an agreement related to the grant of easement.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

ORDINANCE NO. 2007-09

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF VISALIA
AUTHORIZING THE CITY MANAGER TO EXECUTE AN EASEMENT
GRANT DEED AGREEMENT BETWEEN THE CITY OF VISALIA AND
PACIFIC TELEPHONE CO., DBA AT&T**

WHEREAS, the City of Visalia owns and operates certain real property commonly referred to as the Combs Park and adjacent Evans Ditch Right of Way, which property is more specifically identified in the attached Easement Grant Deed (Attachment 1); and

WHEREAS, the City of Visalia desires to grant an easement over said property for the benefit of Pacific Telephone Co., dba AT&T for the purposes of installation and maintenance of a utility line and conduit; and

WHEREAS, pursuant to the Charter of the City of Visalia, the City Council may by ordinance authorize the sale of an interest in real property;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA:

Section 1. The City Manager of the City of Visalia be, and is hereby authorized to execute on behalf of the City of Visalia, that certain Easement Grant Deed in the form as provided in Attachment 1 attached hereto, and further authorizes the City Manager to make any non-substantive administrative changes to Attachment 1 that may be necessary or appropriate.

Section 2. This ordinance shall go into effect thirty (30) days after its passage.

PASSED AND ADOPTED:

JESUS GAMBOA, MAYOR

ATTEST:

STEVEN M. SALOMON, CITY CLERK

APPROVED BY CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF VISALIA)

I, Steven M. Salomon, City Clerk of the City of Visalia, certify the foregoing is the full and true Ordinance 2006-13 passed and adopted by the Council of the City of Visalia at a regular meeting held on August 28, 2006 and certify a summary of this ordinance has been published in the Visalia Times Delta.

Dated:

STEVEN M. SALOMON, CITY CLERK

By Leslie Caviglia, Deputy City Clerk

ATTACHMENT A

LEGAL DESCRIPTION

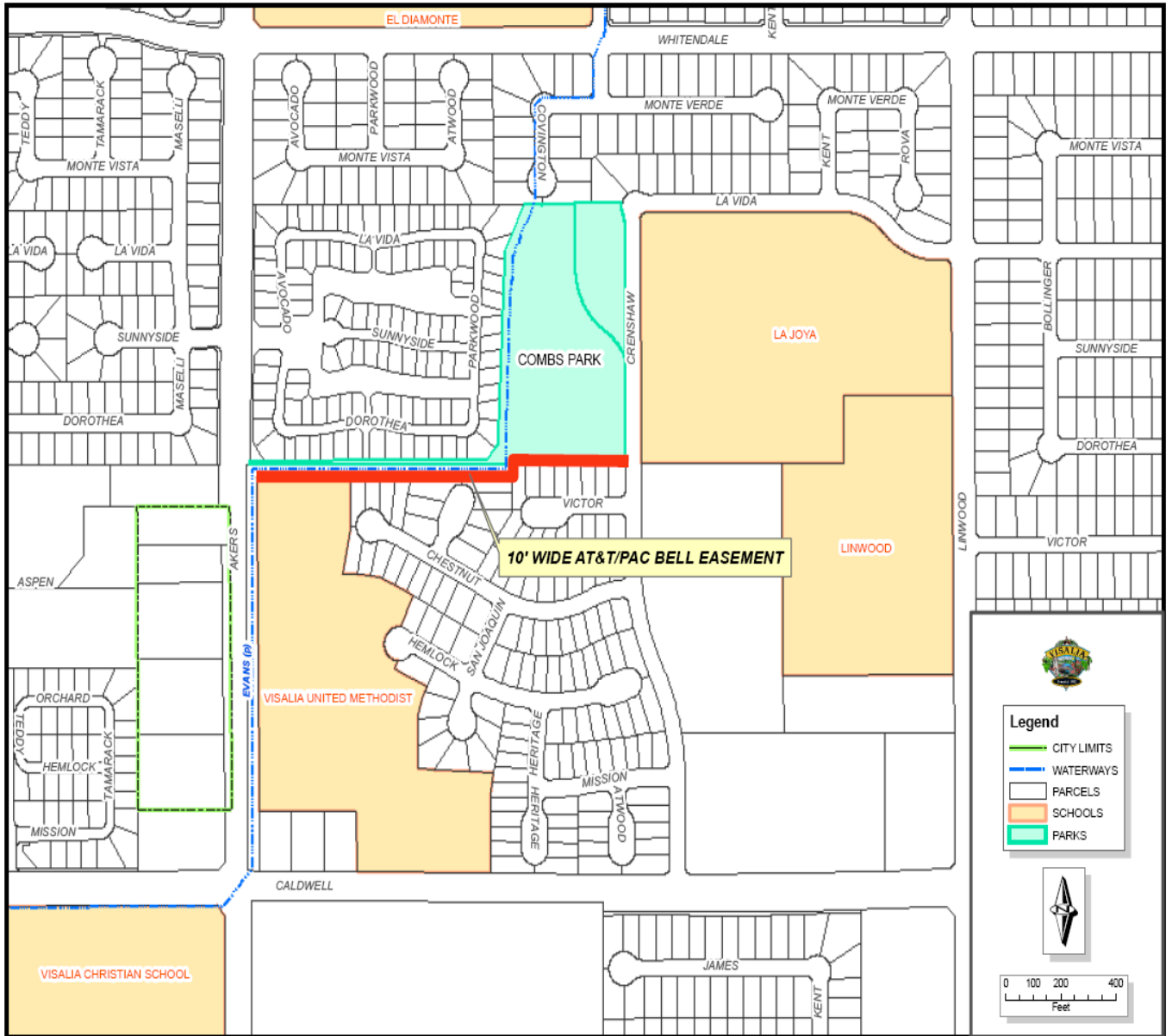
City of Visalia
Tulare County
A.P.N. 119-06-61 & 71

An easement, 10.00 feet in width, over and across all that portion of that certain real property conveyed to The City of Visalia, a Municipality, by deed recorded February 20, 1985 as Instrument Number 8000, in Volume 4276 of Official Records, Page 851, Tulare County Records, and a portion of the Evans Ditch property, adjacent to the North line of the West 585.01 feet, and the "Remainder" parcel, of Westwind Subdivision Unit No. 2, filed for record December 23, 1988, in Volume 33 of Maps at Page 72, Tulare County Records, in a portion of the Southwest quarter of Section 2, Township 19 South, Range 24 East, Mount Diablo Base and Meridian, in the City of Visalia, County of Tulare, State of California, the South line of which is described as follows:

BEGINNING at the Northeast corner of Parcel 4, as per Parcel Map no. 3585 filed for record February 12, 1988, in Book 36 of Parcel Maps at Page 88, Tulare County Records, said point being on the West right of way line of Crenshaw Avenue and the South property line of said City of Visalia property; thence North 89° 39' 18" West 413.00 feet along the North line of said Parcel 4, and the North line of said Westwind Subdivision Unit No. 2, to an angle to the left; thence South 58° 39' 32" West 76.15 feet to the North line of said Westwind Subdivision Unit No. 2, to an angle to the right; thence North 89° 39' 18" West 900.00 feet, more or less, along said North line of said Westwind Subdivision Unit No. 2, and its Westerly prolongation, to the East line of Akers Road, as shown on said map, and the point of termination.

See attached Exhibit "B"





**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk):

Agenda Item Wording: Request that the City Council authorize the Administrative Services Director to re-allocate an additional \$70,000 in CDBG funding for the Village Park/Wittman Center project and authorize City staff to re-scope the project to meet the new project budget of \$393,857.00.

Deadline for Action: None

Submitting Department: Community Development

Contact Name and Phone Number:

Vince Elizondo, Director of Parks and Recreation, 713-4367
Sharon Sheltzer, Project Manager, 713-4414

Department Recommendation:

Council to authorize the following recommended actions to accommodate a funding shortage for the Wittman Center/Village Park refurbishment:

1. Authorize the Administrative Services Director to add \$70,000 to the budget from available CDBG funds; and
2. Eliminate the tot courtyard remodel while retaining the gymnasium remodel, and the soccer field/play structure area (with certain scope reductions).

The revised project budget would be \$393,857. Staff will request Canby Architectural Studios to revise the drawings to accommodate the revised budget. This would include the elimination of the courtyard area (fencing and gate, play equipment, demolition and colored concrete paving, planters and landscaping, tables and lighting) and any revisions to the basketball gym area and soccer field as needed to meet the budget.

On December 8, 2007, two contractor bids were received for the Village Park/Wittman Center remodel:

Lockwood General Engineering, Inc.	\$557,200
Sequoia Construction	\$564,184

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time
(Min.): __10__

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required
or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

On February 20, 2007, Council rejected the bids, approved a scope reduction review and recommended that staff return with a scope reduction plan.

The courtyard area was determined by staff to be the least important of the three areas and therefore it would be recommended for deletion resulting in a \$50,000 cost savings.

Background:

On November 1, 2004 City Council authorized staff to submit an application for a Proposition 40 competitive soccer grant to improve Village Park and the basketball gym at the Wittman Center. The project was awarded \$224,518 in November of 2005. The City budgeted more than the required 30% match with \$99,857 of CDBG funds designated for the project. The total budgeted funding for the construction contract is \$323,857. In addition, the City has a \$38,357 State conservation grant to purchase the play structure

The project previously included the remodel of the basketball gymnasium within the larger Wittman facility and the remodel of the adjacent Village Park soccer field, play structure area, and outdoor basketball courts, new lighting, new landscaping with trees, new irrigation system and soccer field, a new tot courtyard play area to replace deteriorated asphalt, a new metal fence surrounding the play areas, new and repainted picnic tables and benches and a new volleyball set-up on the basketball courts.

The gym remodel included the demolition of the concession stand and minor improvements in the existing kitchen. It included removal of the drop acoustical ceiling and replacement with new light fixtures, new evaporative coolers, insulation in the exposed roof structure, improved code compliant drinking fountain, code compliant supports for an existing heater unit, accessibility improvements, painting and basketball equipment.

The scope revision and budget reduction will attempt to retain the most important features of the basketball gym remodel but if it is determined that the existing funding is inadequate to accomplish this goal, then the project will be put out to bid for the Village Park improvements only.

The Administrative Services Director and City Manager determined that there was an additional \$70,000 in undesignated CDBG funds for the upcoming fiscal year that could be made available for this project.

Prior Council/Board Actions:

November 1, 2004	Authorized staff to apply for Proposition 40 Grant
February 20, 2007	Council authorized bid rejection

Committee/Commission Review and Actions:

Alternatives: Eliminate the gymnasium and tot courtyard remodel while retaining the soccer field/play structure area and re bid the project with the anticipation that no additional funds will be needed.

Attachments: Site Plan

Recommended Motion (and Alternative Motions if expected):

Environmental Assessment Status

CEQA Review:

NEPA Review: Completed as part of Community Campus project.

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11h

Agenda Item Wording: Authorization to hire RRM Design Group to prepare a Master Plan for City-owned properties located in the two block West Downtown area bounded by Conyer Street, Mineral King Avenue, Johnson Street and Acequia Avenue, for a fee of \$42,452, and to authorize the Administrative Services Director to allocate these funds from the General Fund.

Deadline for Action: None

Submitting Department: Community Development

Contact Name and Phone Number:

Michael Olmos, Assistant City Manager, 713-4332
Sharon Sheltzer, Project Manager, 713-4414

Department Recommendation:

Staff recommends that Council authorize preparation of a master plan for future, long term development of the City-owned properties located in the two block area bounded by Conyer, Mineral King, Johnson, and Acequia, by RRM Design Group for a fee of \$42,452. The master plan would focus on multi-story medical office uses to support the Kaweah Delta Hospital expansion, with multi-family housing units integrated for a mixed use development with creek side parks/public space.

Summary/background:

On September 18, 2006 City Council authorized staff to hire an urban design firm to prepare a Master Plan for this West Downtown area. The selection process for the East Downtown Parks and Infrastructure Master Plan identified several highly qualified urban design firms. RRM Design Group was among the highest rated firms and Council offered them the opportunity to provide the City with a proposal for the West Downtown based upon the strength of their related proposal for the East Downtown Master Plan. RRM is located in San Luis Obispo, is presently the architect for Fire Station No.1. RRM also completed the Visalia Waterways and Trails Master Plan in 2004.

The two block area under consideration currently contains a variety of uses, most of which are City-owned municipal facilities. The area currently contains the City Hall West complex, including City Council Chambers, Public Safety Headquarters for Police and Fire Services, Police operations, Fire Station No. 1, Finance and Human Resources offices, temporary and permanent parking lots, and open space areas along Mill Creek. A recently constructed medical office building owned by John Barbis is located within the subject area at the southwest

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 2

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

corner of Stevenson Street and Acequia Avenue. Please refer to the attached map for location of existing facilities.

Efforts are currently underway that will relocate several of the municipal facilities in the two block area to the East Downtown area on the Oak Street extension.

These activities will enable the City to fulfill its previous commitment to facilitate conversion of the two block area to medical office and associated uses that will support the Kaweah Delta Hospital expansion. The feasibility of mixed use development to potentially include a residential component will also be considered in the planning process.

The two block area is bisected north-south by Stevenson Street and east-west by Mill Creek. The master plan will evaluate the future need and design for Stevenson Street. In addition, preservation and enhancement of Mill Creek as part of the site design will be a high priority. Miki City Park which will be located south of Mill Creek on the east block is presently being designed by Paul Saito and will be incorporated into the Master Plan.

Staff recommends that Council authorize the preparation of a master plan for the two block area. If authorization is given, RRM Design Group will be hired to prepare a plan utilizing contemporary urban design concepts in a manner that complements the downtown and Kaweah Delta Hospital and enhances the linear park qualities of Mill Creek. In doing so, staff and RRM will gather existing data, conduct committee meetings and a public workshop, prepare alternative design concepts and develop a preferred design concept with planning principles.

Prior Council/Board Actions:

September 18, 2006 Authorization to hire an Urban Design firm

Committee/Commission Review and Actions:

Alternatives: None recommended

Attachments: Site plan, RRM Scope of Services and Compensation Worksheet

<p>Recommended Motion (and Alternative Motions if expected):</p> <p>1. Authorization to hire RRM Design Group to prepare a Master Plan for City-owned properties located in the two block West Downtown area bounded by Conyer Street, Mineral King Avenue, Johnson Street and Acequia Avenue, for a fee of \$42,452, and;</p> <p>2. Authorize the Administrative Services Director to allocate these funds from the General Fund.</p>

<p style="text-align: center;"><i>Environmental Assessment Status</i></p> <p>CEQA Review:</p> <p>NEPA Review:</p>
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Tracking Information: Sign contract
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Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11i

Agenda Item Wording: Request for City Council authorization for the City Manager to execute a contract for professional services with Environmental Consulting Services to prepare an Environmental Impact Report for the proposed Wal-Mart expansion located at 1819 E. Noble Avenue. (APN: 100-040-038, 100-050-001, 007, 013, 014)

Deadline for Action: None

Submitting Department: Community Development

Contact Name and Phone Number:

Andrew J. Chamberlain, AICP, Senior Planner – 713-4003
Fred Brusuelas, Assistant Director, Community Development - 713-4364

Department Recommendation and Summary:

Authorize the City Manager to enter into a contract for professional services with Environmental Consulting Services as outlined in the attached Proposal to Prepare an Environmental Impact Report for the Wal-Mart Expansion subject to the applicant depositing with the City the full estimated fee plus 10% City processing fee. (Total estimated fee \$297,869).

Discussion:

The existing Wal-Mart store at 1819 E. Noble Avenue is proposed for a conditional use permit to expand the store from 126,783 square feet, to approximately 226,802 square feet as a Wal-Mart Supercenter. Retail stores over 40,000 square feet in floor area require approval of a conditional use permit in the Commercial Shopping Office (CSO) zone. This would include expanding the site to the east by 3.82 acres to a total of 18.35 acres. The proposed project includes a variance to sign standards in the Commercial Shopping Office zone to allow approximately 1,024 square feet of signage instead of the maximum 150 square feet allowed in the Sign Ordinance.

City staff has concluded that the appropriate CEQA analysis for this project necessitates preparation of an environmental impact report. Given the magnitude of the project, a professional environmental consulting team should be hired to prepare the EIR. The EIR would be paid for by the applicant, and managed by the City staff. A 10% City administration/processing fee will be added to the EIR pre-payment.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 0

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

The Consultant

Staff recommends using Environmental Consulting Services, based in Monterey, as the prime professional firm to prepare the document. Sub-consultants will be hired by the prime firm to provide the necessary expertise for this project. The consultant, Bert Verrips, of Environmental Consulting Services, has previously worked for the City of Visalia; some of his recent work is listed below

1. Visalia Auto Mall - prepared EIR
2. Packwood Creek Phase II - prepared follow-up environmental Stonebrook Bridge over Packwood Creek - coordinated permitting from resource agencies for DBO; later the project was reduced to a utility crossing with new applications for agency permits Lowery Ranch - prepared supporting documentation for Williamson Act Contract cancellations for Mangano Homes; assisted with investigation into feasibility of Section 1240 exchanges
3. EIR for the Packwood Creek Specific Plan.

Process

If approved by the City Council, a contract for professional services would be prepared for review and signatures. The applicant would proceed with providing the Proposal Fee of \$270,790.00, plus the City Manager Consultant Work fee (10% of proposal cost) of \$27,079.00 to the City of Visalia. The contract fee would be placed in a holding account for payment of consulting services.

The processing of the EIR would begin once all of the contracts and fees are in place. The applicant has filed applications for the conditional use permit and variance. The proposal has been through the Site Plan Review process.

The consultant's timeline anticipates an EIR completion in approximately 43 weeks from the start date. Staff estimates that if the consultant begins work in early June of 2007, the Planning Commission will conduct a public hearing on the EIR, CUP and variance in early April of 2008.

Committee/Commission Review and Actions:

Site Plan Review Committee has been working with the applicant on the preparation of the site plan and associated drawings.

Prior Council/Board Actions:

None

Attachments:

- Proposal to Prepare an Environmental Impact Report for the Wal-Mart Expansion on East Noble Avenue
- Exhibit "A" – Letter of acceptance for from Tom Navarro representing Wal-Mart for the proposed consultant work and associate costs.
- Location Map

Recommended Motion (and Alternative Motions if expected):

I move to authorize the City Manager to enter into a contract for professional services with Environmental Consulting Services as outlined in the attached Proposal to Prepare an Environmental Impact Report for the Wal-Mart Expansion project.

Environmental Assessment Status

CEQA Review: this action would enable the start of an Environmental Impact Report.

NEPA Review: None.

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11j

Agenda Item Wording: Award of park design contracts to The HLA Group for the design of two neighborhood parks for \$142,000; Royston, Hanimoto, Alley, and Abey for two neighborhood parks and an accessible playground at Recreation Park for \$202,310; and Sierra Design to develop schematic designs for two neighborhood park / storm basins and a playground at Mill Creek Garden Park for \$112,250 and authorize the City Manager to execute the consultant agreements for each project.

Deadline for Action: N /A

Submitting Department: Park & Recreation Department

Contact Name and Phone Number: Vincent Elizondo, 713-4367 ; Don Stone, 713-4397

Department Recommendation: Recommend award of park design contracts to The HLA Group for the design of two neighborhood parks for \$142,000; Royston, Hanimoto, Alley, and Abey for design of two neighborhood parks and an accessible playground at Recreation Park for \$202,310; and Sierra Design to develop schematic designs for two neighborhood park / storm basins and a playground at Mill Creek Garden Park for \$112,250.

Summary/background:

In January the City advertised for proposals (RFP) architectural services to design six neighborhood parks and an accessible playground at Recreation Park. Invitations to bid were sent to approximately fifty-one landscape architectural and engineering firms requesting proposals. Ten firms responded to the Request for Proposal for this project; Copley Design, The HLA Group, MTW Group, Project Design Group, RJM Design Group, RICK Engineering, Royston, Hamamoto, Alley, and Abey Landscape Architects (RHAA), RRM Design Group, Sierra Design Landscape Architects, and Tatsumi Partners.

The selection process followed the criteria set forth in the Request for Proposal. A group of six raters, including Russ Desch Park and Recreation Commissioner, Brian Kempf, Vince Elizondo, Park and Recreation Director, Peter Spiro, senior city engineer, Sharon Sheltzer, Community Services project manager, and Bill Wagenhalls, project manager participated in the rating process. Six firms were selected to make presentation to the selection committee; The HLA Group, RJM Design Group, Sierra Design, Tatsumi Partners, Royston, Hamamoto, Alley,

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Abey, RRM Design Group. The committee evaluated the firms for their ability to provide innovative park designs, experience in conducting public participation processes, and their track record in delivering projects within budget.

The committee recommended that the six park projects and two playground designs be awarded to The HLA Group, RHAA Design, and Sierra Design as follows:

Project	Firm	Fee	Design	Project Completed
Neighborhood Park @ Linwood Ave and Prospect	RHAA	\$73,290	Summer 2007	Summer 2008
Neighborhood Park @ County Center and Visalia Park way	RHAA	\$87,555	Summer 2007	Summer 2008
Recreation Park Accessible Playground	RHAA	\$41,465	Summer 2007	Winter 2008
Neighborhood Park @ McAuliff St and Tulare Ave	HLA	\$72,750	Summer 2007	Summer 2008
Neighborhood Park @ Ferguson and Babcock	HLA	\$69,250	Fall 2007	Fall 2008
Neighborhood Park @ Goshen and Virmargo	Sierra Design	\$70,000	Fall 2007	Not scheduled **
Neighborhood Park @ St Johns Parkway and Rd 148	Sierra Design	\$12,750 *	Summer 2008	Not scheduled **
Playground @ Mill Creek Garden Park	Sierra Design	\$29,500	Fall 2007	Summer 2008

* Fee does not include construction drawings and project administration.

** Construction will depend on build out of homes in service area.

The HLA Group is a landscape architect firm from Sacramento that has extensive experience in working with City staff on the Riverway Sports Project. In 2000 they were selected to develop the sports park master plan and continued on the project with design development, constructions drawings and project administration for the first phase of the project. The firm has demonstrated their strong commitment to the public input process during the master planning of the sports park and continued with excellent construction drawings. Currently change orders on the sports park project are approximately 1%. Civil engineering services will be provided by Provost & Pritchard Engineering Group and Gurcinas & Assoc. of Visalia will provide electrical engineering services.

Royston Hanamoto Alley & Abey (RHAA) is a landscape design firm located in Mill Valley, CA. that also has extensive experience working with various cities in Tulare and Kings County and throughout California. The firm has been in existence since 1958 and is known for innovative park designs. Recently RHAA designed Del Largo Park for the City of Tulare and Freedom Basin Park in Hanford. Gateway Engineering, Inc. in Clovis is the civil engineering consultant and Gurcinas & Assoc, Visalia is the electrical engineer.

Sierra Design Inc. is a Visalia landscape design firm that was selected to design two park / storm basins and the renovation at Mill Creek Garden Park. Principals Dan Veyna and Kay Hutmacher are very familiar with these projects. Mr. Veyna originally designed Mill Creek Garden Park and developed the St Johns River Master Plan. They are currently developing

landscape plans two storm basins for the Engineering Division. Engineering services will be provided by Lane Engineers and the electrical engineer is Rose Sing Associates.

The staff feels that the selection of three firms will result in unique park designs. Each firm will bring their individual design style and experiences to each project. For each project there will be a minimum of two public meeting at or near the project location to provide information on and to obtain input from residents regarding their vision for the park. Each firm expressed a strong commitment to the public process and will work with the Park and Recreation Commission and the surrounding residents to develop a park that will be an asset to the surrounding neighborhood and meets the recreation needs for the area.

Funding for design services is budgeted in the 2006-08 Capital Improvement Program for each project.

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions:

Alternatives:

Attachments: Location Map

Recommended Motion (and Alternative Motions if expected): Move to recommend award of park design contracts to The HLA Group for the design of two neighborhood parks for \$142,000; Royston, Hanimoto, Alley, and Abey for design of two neighborhood parks and an accessible playground at Recreation Park for \$202,310 ; and Sierra Design to develop schematic designs for two neighborhood park / storm basins and design a playground at Mill Creek Garden Park for \$112,250 and authorize the City Manager to execute the consultant agreements for each project.

Environmental Assessment Status

CEQA Review: To be completed during design phase.

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11k

Agenda Item Wording: Authorization to participate in the State and Federal Surplus Personal Property Program, appropriate funds (from grants already approved) in the amount of \$32,000 for the move and acquisition of eight (8) Federal Emergency Management Agency (FEMA) trailers, authorize the City Manager to sign the necessary documents and adopt Resolution No. 2007-43 required.

Deadline for Action: May 21, 2007.

Submitting Department: Administration – Transit Division

Contact Name and Phone Number:
Monty Cox 713-4591

Department Recommendation: Authorization to participate in the State and Federal Surplus Personal Property Program, appropriate funds (from grants already approved) in the amount of \$32,000 for the move and acquisition of eight (8) Federal Emergency Management Agency (FEMA) trailers, authorize the City Manager to sign the necessary documents and adopt Resolution No. 2007-43 required.

Summary/background: The City's authorization to participate in the State and Federal Surplus Personal Property Program has expired and needs to be renewed. The purpose of participating in the State and Federal Surplus Personal Property Program is to give the City the opportunity to acquire surplus federal property.

Staff has been working on the Sequoia Shuttle project with our contractor, MV Transportation. Part of the project requires MV staff to operate shuttle buses within the park. These employees may need to stay in the Sequoia National Park overnight in order to provide the daily shuttle service. Staff recommends that the City acquire eight (8) Federal Emergency Management Agency (FEMA) trailers to house the MV employees assigned to the shuttle. The National Park Service (NPS) has offered eight (8) trailer pads located in the park for the City to use for this purpose. The trailer pads are typically rented by the NPS for \$400 per month. The City will sublease these trailers to MV for their employees at a discount rate of \$200 per month. This is the rate that was determined to be appropriate given the need to attract drivers to this project. This is within the budget for the Sequoia Shuttle service.

The FEMA trailers were first acquired by FEMA to assist with housing the volunteers and people displaced by the natural disasters during the past few years. The federal program While there are several locations where these are stored, staff worked with the federal surplus office to

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

obtain the newest and cleanest trailers available. The acquisition required staff to go and participate in a lottery process where they identify the exact trailers to be used by each agency. It is the responsibility of the agency obtaining the trailers to arrange transportation of the trailers. The cost of the transportation plus a federal handling fee is about \$4500 for each trailer. The Federal Surplus Personal Property Program allows the agencies using the trailers to own them after 18 months of use. Since the Sequoia Shuttle is currently funded with a three year grant, staff will use them for each year the shuttle is operated, thereby meeting the requirements of the program. If after the 18 month period the City does not need to use the trailers we will be able to sell them at public auction and use the proceeds for other transit related expenses.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives: The City could elect not to participate in the program

Attachments: Copy of the application and resolution

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I move that the City Council approve to authorize staff to participate in the State and Federal Surplus Personal Property Program, appropriate funds (from grants already approved) in the amount of \$32,000 for the move and acquisition of eight (8) Federal Emergency Management Agency (FEMA) trailers, authorize the City Manager to sign the necessary documents and adopt Resolution No. 2007-43 required.

<i>Financial Impact</i>			
Funding Source:			
Account Number:			
Budget Recap:			
Total Estimated cost:	\$32,000	New Revenue:	\$ 0
Amount Budgeted:	\$32,000	Lost Revenue:	\$
New funding required:	\$ 0	New Personnel:	\$
Council Policy Change:	Yes_____	No	<u>X</u>

<i>Environmental Assessment Status</i>	
CEQA Review:	
Required?	No
Review and Action:	Prior:
	Require:
NEPA Review:	
Required?	No
Review and Action:	Prior:

Require:

Tracking Information: *Record a Notice of Completion with the County Recorder*

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11 L

Agenda Item Wording: Request authorization to file a Notice of Completion for project No. 4511-00000-720000-0-9831, the new Compressed Natural Gas (CNG) fueling facility located at 439 N. Cain.

Deadline for Action: May 21, 2007

Submitting Department: Administration Department – Transit Division

Contact Name and Phone Number: Monty Cox, X4591

Department Recommendation

It is recommended that Council authorize staff to file a Notice of Completion for project No. 4511-00000-720000-0-9831 for the new Compressed Natural Gas (CNG) fueling facility located at 439 N. Cain.

Summary

The Compressed Natural Gas (CNG) fueling facility was completed on April 30, 2007. All the work has been completed on this project by the design/build contractor, Pinnacle CNG Systems, at a final cost of \$1,664,174. The contract amount for this job included two parts, the equipment purchase and installation, and an option to do concrete and paving work around the equipment. The equipment design, purchase and installation totaled \$1,405,307 and the concrete/paving work was \$227,012. The additional expense of \$31,855 was for additional work required to make the project compliant with specific building codes.

Due to the unique nature of constructing a CNG facility this project was processed as a design-build request for proposal (RFP). The RFP required the contractor to design and install CNG equipment that would meet the projected natural gas needs of the City for many years as the City completed its conversion to natural a gas fleet. The selected contractor, Pinnacle CNG, also included an option to provide concrete and paving work which the City took advantage of after determining that it was offered at a competitive rate. The option was to complete the concrete and paving for the public access portion of the project facing Cain Street. This portion of the contract totaled \$227,012.

There was one change order for this project that was required by the City building department to meet flood zone requirements. We constructed a three foot concrete wall around the

For action by:

- City Council
- Redev. Agency Bd.
- Cap. Impr. Corp.
- VPFA

For placement on which agenda:

- Work Session
- Closed Session

Regular Session:

- Consent Calendar
- Regular Item
- Public Hearing

Est. Time (Min.): _____

Review:

**Dept. Head LBC 5907
(Initials & date required)**

**Finance _____
City Atty _____
(Initials & date required
or N/A)**

**City Mgr _____
(Initials Required)**

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compressor compound. The cost of the wall was \$31,855, or less than 2% of the total cost of the project.

The following is a summary of the project costs as described above:

1) Equipment design, purchase and installation	\$1,405,307
2) Public access concrete and paving	\$ 227,012
3) Flood proofing wall change order	\$ 31,855
Total	\$1,664,174

Discussion:

The Compressed Natural Gas (CNG) fueling facility was completed under the direction of the Transit Division on property adjacent to the new bus operations facility and the Corporation yard. The project encompassed three parts. The main part is located at 439 N. Cain where there is a compressor compound. The compound includes pumps, compressors and storage tanks sufficient to provide the projected amount of CNG fuel used by the Transit, Solid Waste, Public Works and other private fleets. This part of the facility also includes a public CNG fuel dispenser adjacent to the compressor compound and accessible from Cain street for private CNG vehicles in Visalia.

The second part of the facility is directly west of the compressor compound on part of the Corporation yard. There are 48 slow-fill dispensers installed where the natural gas solid waste and public works vehicles park every night. These dispensers are connected to the compressor compound via natural gas lines installed with the project. These slow-fill dispensers allow the Solid Waste and other Public Works employees to park, connect the fill hose to the vehicle and leave, saving the City thousands of dollars a year in staff time for fueling vehicles. The dispensers are automatically turned on during the night when electric rates are lower and turn off automatically when all the vehicles are full.

The third part of the facility is on the Transit operations fueling island. Here there are two fast-fill dispensers that will be used to fuel all the transit CNG vehicles. These dispensers are also connected to the compressor compound via natural gas lines and are high speed dispensers designed specifically for the large fuel tanks installed on the buses. This will allow the City's bus contractor to fuel all City buses in a more efficient manner while other safety checks are performed on the buses.

The design of this facility is such that the maximum efficient use of the equipment will be achieved. The solid Waste and Public Works vehicles will be connected to the slow fill dispensers at the end of each operator's shift. The system will come on automatically between 12 midnight and 3 am to fill these vehicles. In the morning the operators will disconnect the hose and go to work without spending any payroll hours fueling. The transit buses will be fast filled on site from 9pm to 12am by a fueler and the public dispenser will be available 24 hours a day.

The City has a 10-year maintenance contract with Pinnacle to provide all the required maintenance and repairs on the facility. As the owner of the facility, the City will save a significant amount of money over the cost of CNG fuel used in the City's growing natural gas

fleet. Within the next 10 to 12 years, it is expected that all the City heavy duty vehicles will be using this fuel thereby increasing savings.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives: None

Attachments: None

Recommended Motion (and Alternative Motions if expected):

I move to authorize staff to file a Notice of Completion for project No. 4511-00000-720000-0-9831, the new Compressed Natural Gas (CNG) fueling facility located at 439 N. Cain.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11m

Agenda Item Wording: Request authorization to file a Notice of Completion for Pheasant Ridge Unit No. 2, Phase 1 Subdivision, containing nine lots located east of Shirk Street at Delaware Court.

Deadline for Action: N/A

Submitting Department: Public Works Department

Contact Name and Phone Number:

Andrew Benelli 713-4340
Patrick Barszcz 713-4241

Department Recommendation:

The recommendation is that City Council give authorization to file a Notice of Completion as all the necessary improvements for this subdivision have been completed and are ready for acceptance by the City of Visalia. The subdivision was developed by Larry and Gayle Nelson. Larry Nelson has submitted a maintenance bond in the amount of \$5,946.57 as required by the Subdivision Map Act to guarantee the improvements against defects for one year.

Summary/background:

Prior Council/Board Actions: Final Map recording was approved at Council meeting of December 5, 2005.

Committee/Commission Review and Actions: The tentative subdivision map for Pheasant Ridge Unit No. 2, Phase 1 was approved by Planning Commission on October 25, 2004.

Alternatives: N/A

Attachments: Location sketch and vicinity map.

Recommended Motion (and Alternative Motions if expected):

I hereby authorize filing a Notice of Completion for Pheasant Ridge No. 2 Phase 1.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 1 Min.

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Environmental Assessment Status

CEQA Review: Environmental finding completed for tentative subdivision map.

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

City of Visalia Agenda Item Transmittal

Meeting Date: May 21st, 2007

Agenda Item Number (Assigned by City Clerk): 11n

Agenda Item Wording: Request authorization to approve a partial Notice of Completion for Project #1231-00000-720000-0-9741, Shirk Sanitary Sewer Trunk line, located in the Shirk Road alignment near Ferguson Avenue for the amount of \$325,000.

Deadline for Action: None

Submitting Department: Public Works Department

Contact Name and Phone Number:

Andrew Benelli 713 4340
Peter Spiro 713 4256

Department Recommendation: Staff recommends that the City Council approves a partial Notice of Completion for Project #1231-00000-720000-0-9741, Shirk Sanitary Sewer Trunk line, located in the Shirk Road right of way near Ferguson Avenue.

Summary/background:

This project installed approximately one thousand lineal feet of 48-inch sewer pipe in Shirk Road near Ferguson Avenue. The pipeline was installed by McMillin Homes as a part of their Pheasant Ridge and Eagle Creek residential subdivisions. McMillin is also widening Shirk Road and constructing Ferguson Avenue in this area. The City is planning to construct a new fire station on the southeast corner of this intersection.

The City's Sewer Collection System Master Plan recommends that a new sewer trunk line be installed in the Shirk Road alignment from Walnut Avenue to Riggan Avenue. This project constructed a short section of this planned trunk line. One other segment of this pipe has been installed from south of State Route 198 to Hurley Avenue. The entire trunk line is not needed at this time to accommodate sewer flows. However, staff determined that it would be not be cost effective to widen and improve Shirk with new pavement without installing the sewer trunk line. This is large pipe that was installed fairly deep so the work required a wide trench with significant pavement removal. McMillan agreed to install the pipe for \$325 per linear foot, which was comparable to some recent projects where the City has retained competitive bids. The total cost was \$325,000.

Prior Council/Board Actions: Approved recording the final maps for Eagle Creek Units# 1 (May 16th, 2005), Unit #2 (August 7th, 2006) and pheasant Ridge unit #1 with the associated public improvements related to the subdivisions.

Committee/Commission Review and Actions: None

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):_1__

Review:

Dept. Head _____
(Initials & date required)

Finance _____ N/A
City Atty _____ N/A
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Alternatives: Not to approve the partial notice of completion.

Attachments: Exhibit #1 – Project location,
Exhibit #2 – Disclosure Form for Firms and Contractors

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I hereby move to authorize approving a partial Notice of Completion for Project #1231-00000-720000-0-9741, Shirk Sanitary Sewer Trunk line, located at the East side of Shirk Road at Ferguson Avenue for the amount of \$325,000.

Financial Impact

Funding Source:

Account Number: Project #1231-00000-720000-0-9741

Budget Recap:

Total Estimated cost:	\$ 325,000	New Revenue:	\$
Amount Budgeted:	\$1,043,493	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change:	Yes _____ No <u>X</u>		

Environmental Assessment Status

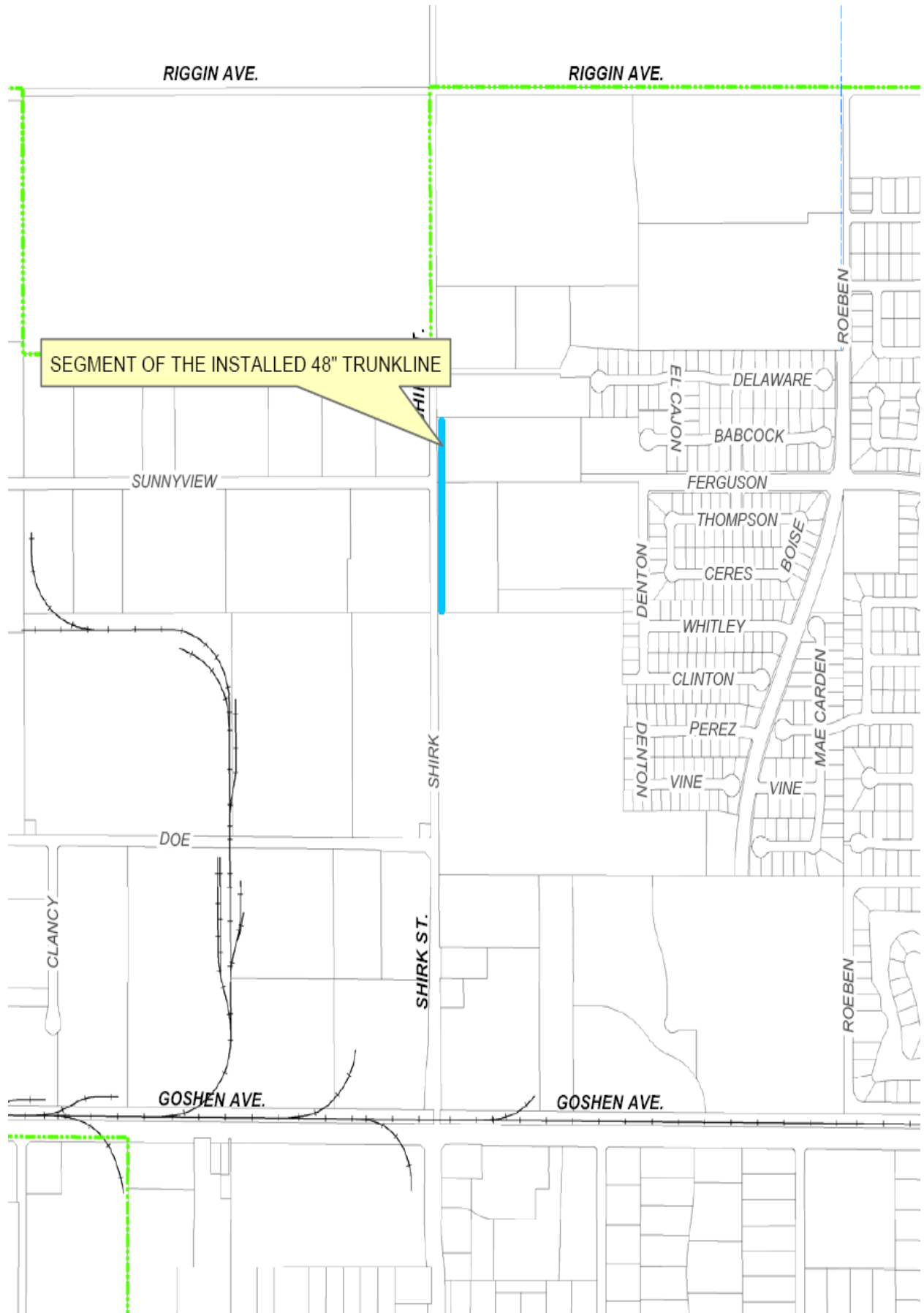
CEQA Review:

Required? No
Review and Action: Prior:

NEPA Review:

Required? No
Review and Action: Prior:
Require:

Tracking Information: *Record a Notice of Completion with the County Recorder*



RIGGIN AVE.

RIGGIN AVE.

SEGMENT OF THE INSTALLED 48" TRUNKLINE

SUNNYVIEW

DOE

GOSHEN AVE.

GOSHEN AVE.

SHIRK ST.

CLANCY

ROEBEN

ROEBEN

EL CAJON

DELAWARE

BABCOCK

FERGUSON

THOMPSON

CERES

DENTON

BOISE

WHITLEY

CLINTON

PEREZ

DENTON

VINE

MAE CARDEN

VINE

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 11o

Agenda Item Wording: Request authorization to file a Notice of Completion for the Main Street Storm Sewer Project adjacent to Redwood High School. (Final Construction Cost \$ 79,496.84); Project No. 1222-00000-720000-0-8020

Deadline for Action: None

Submitting Department: Public Works Department

Contact Name and Phone Number: Michael Carr, 713-4595,
Andrew Benelli 713-4340

Department Recommendation: Staff recommends that authorization be given to file a Notice of Completion for the Main Street Storm Sewer Project adjacent to Redwood High School. Project No. 1222-00000-720000-0-8020

Summary/background: The Main Street Storm Sewer Project included the installation of a ten-inch (10") diameter storm sewer line in Main Street from a drain inlet in front of Redwood High School's recently constructed handicap parking area to an existing storm sewer line in Conyer Street. The original storm sewer pipe material failed several years ago and recently Visalia Unified School District installed a dry well on-site to keep the parking stall from flooding in rain events.

All of the work has been completed on this project by Bill Nelson General Engineering Construction at a final cost of \$79,496.84. The awarded contract amount for this project was \$75,440.00. The overage of \$4,056.84 (5.4%) was due to one approved change order. The approved changes are:

- 1) Working on Sunday to allow a street closure that was less of an impact than a work day closure. (\$1,770.64)
- 2) Excavation and removal of unforeseen concrete slab found on-site, in trench (\$2,286.20)

Prior Council/Board Actions: Award of contract on March 5, 2007.

Committee/Commission Review and Actions: None

Alternatives: None

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):_1__

Review:

Dept. Head _____
(Initials & date required)

Finance _____ N/A
City Atty _____ N/A
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

Attachments: Exhibit #1 – Project Location Map, Exhibit #2 – Disclosure Form For Firms and Contractors (from executed Contract Document)

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I hereby move to authorize filing the Notice of Completion for the Main Street Storm Sewer Project located adjacent to Redwood High School; Project No. 1222-00000-720000-0-8020;

Copies of this report have been provided to:

Financial Impact

Funding Source:

Account Number: 1222-00000-720000-0-8020 (Storm Sewer Deficiency Fund)

Budget Recap:

Total Estimated cost: \$ 97,775.00	New Revenue: \$
Amount Budgeted: \$125,000.00	Lost Revenue: \$
New funding required:\$ 0.00	New Personnel: \$
Council Policy Change: Yes ___ No <u>X</u>	

Environmental Assessment Status

CEQA Review:

Required? Done
Review and Action: Prior: Cat Exempt
Require: None

NEPA Review:

Required? No
Review and Action: Prior: None
Require: None

Tracking Information: *Record a Notice of Completion with the County Recorder*

**City of Visalia
Agenda Item Transmittal**

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 12

Agenda Item Wording: Authorization to amend the City's Rates & Fees for Solid Waste and Sanitation (Wastewater) effective for 5 (five) fiscal years beginning July 1, 2007

Deadline for Action: May 21, 2007

Submitting Department: Administration - Finance
Public Works

Contact Name and Phone Number:

Eric Frost	Admin. Services Director	713-4474
Earl Nielsen	PW Mgr. - Support Services	713-4533
Jim Ross	PW Mgr. – Wastewater	713-4466
Jim Bean	PW Mgr. – Solid Waste	713-4564
Gus Aiello	Finance Manager	713-4423
Tim Fosberg	Financial Analyst	713-4565

Department Recommendation:

That City Council conduct a Public Hearing to receive public testimony on adjusting the City's Solid Waste and Sanitary Sewer (Wastewater) fees for the 5 (five) fiscal years beginning July 1, 2007, adopt Resolution No 2007-42 amending the fees and direct staff to amend the City's Rates and Fees document for the six fiscal years beginning July 1, 2007.

Staff recommends Wastewater fees be raised 5.0% annually and that Solid Waste fees be raised 5.5% annually for the five years beginning July 1, 2007, except for the 2008 increase. For 2008, the rate increase is proposed for April.

Beginning in April 2007, an administrative adjustment was made on customer's bills. The adjustment adds 1/12 of a month's solid waste and wastewater billing amount and was made in order to match current City billing cycles with Cal Water's billing cycle. This adjustment will end in March 2008 and the increase for fiscal year 2008-09 is recommended to be implemented beginning April, 2008. The remaining recommended increases will be implemented at the beginning of each fiscal year (July 1). The proposed rate increase in April of 2008 will coincide with a commensurate decrease in fees as the City synchs up utility bills with Cal Water's billing cycle.

Solid Waste had an approved 4 year rate increase of 2.5% that started in June 2005. The increase was approved specifically for unanticipated additional capital costs for alternative

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):_30__

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

fuel vehicles. The proposed rate increases for solid waste for fiscal years 2007-08 and 2008-09 include the Council approved 2.5% and the recommended increase of 5.5%. Chart I, Utility Rate Recommendations, details the rates as recommended by staff.

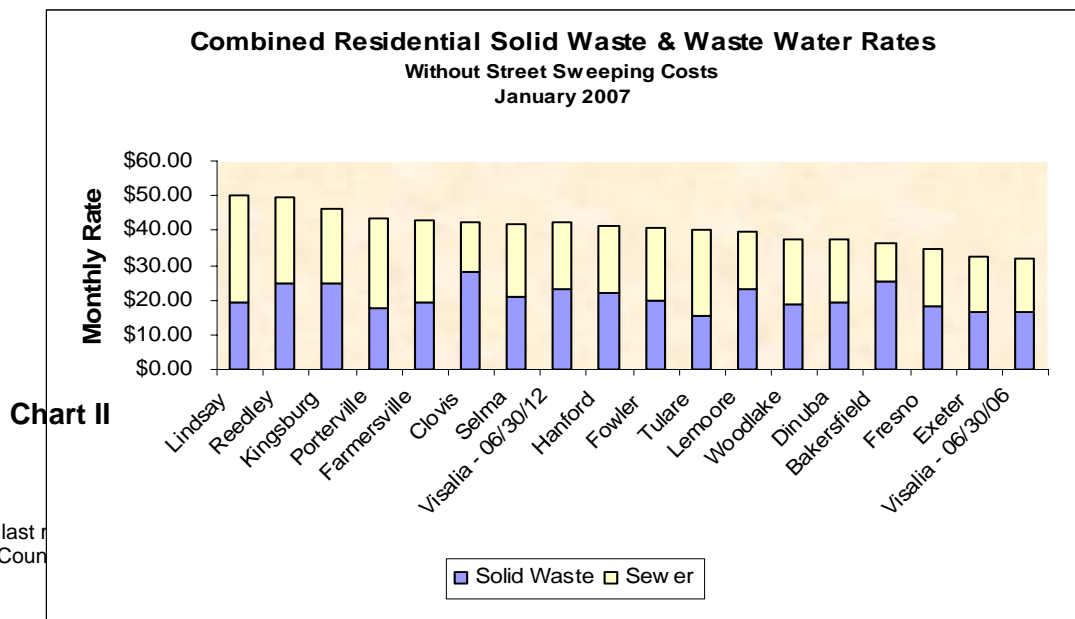
**Chart I
Utility Rate Recommendations**

	<u>Jul. 1 2007</u>	<u>Apr. 1 2008</u>	<u>Jul. 1 2009</u>	<u>Jul. 1 2010</u>	<u>Jul. 1 2011</u>
PERCENTAGE Increases:					
Solid Waste	8.0%*	8.0%*	5.5%	5.5%	5.5%
* Includes 2.5% fee increase as approved by Council in 2005					
Waste Water	5.0%	5.0%	5.0%	5.0%	5.0%
RATE Amounts:					
SOLID WASTE	\$ 18.05	\$ 19.50	\$ 20.55	\$ 21.70	\$ 22.90
Waste Water	16.00	16.80	17.65	18.50	19.45
Total	\$ 34.05	\$ 36.30	\$ 38.20	\$ 40.20	\$ 42.35

Summary

Due to increased capital and operating costs, the City’s two significant utility operations, Solid Waste and Wastewater, request an increase in fees to maintain adequate cash flow revenue to fund operations. These two utilities over the years continue to operate efficiently and their rates are among the lowest in the South San Joaquin Valley. Chart II, Combined Residential Sewer and Refuse Rates, compares the combined residential sewer and solid waste rates to other local communities.

Currently, the City’s combined sewer and solid waste rates are the lowest in the area. If NO increases occurred over the next 6 years in the surrounding communities, Visalia’s rates would still only be in the middle of the pack, as shown on Chart II.



City Utilities

A 5 year program is being proposed, as the City has a tradition of adjusting rates using smaller, regular increases rather than large infrequent increases. This year's proposed recommendation increases the City's Utilities fees (Solid Waste & Sanitary Sewer Waste Water) over a 5 year period due to significant increases in operational and capital costs. Solid Waste's rate increase is driven by substantial increases in disposal costs, capital replacement costs, and fuel costs. Waste Water's costs increases are mainly due to discharge requirement increases leading to the need for approximately \$35 million of required capital costs.

Solid Waste

Other than the 2.5% increase over the past two fiscal years (specifically for the implementation of CNG vehicles), solid waste rates have not been increased since 1996. Factors contributing to the need for a rate increase include both operational and capital costs. Items to consider include:

- The cost of diesel has increased approximately \$2.00 per gallon since 1996.
- Vehicle maintenance costs have risen approximately 68% since 1996. Hourly rates for vehicle maintenance were approximately \$44 per hour compared to the current rate of \$70 per hour.
- Disposal Fees are projected to increase for Tulare County Recycling by 16 percent this year. Future increases are also expected.
- Capital costs, including CNG vehicles that cost more than diesel powered trucks. The original budget of \$200,000 per truck was used in 2003. Currently, CNG vehicles cost in excess of \$300,000, a 50% increase.
- \$650k - Parking lot pavement at the Corporation Yard for the CNG slow fill area. This project will be completed over a six year period and includes 72,000 square feet of asphalt, 1,400 linear feet of curb and gutter and the installation of a storm drain system. This project will accommodate the garbage trucks slow fill compressed natural gas area.

The cumulative effect of all these increases is reflected in Table I, Solid Waste Cash Flows, which includes a recommended 5.5% rate increase over the next 5 fiscal years.

Table I – Solid Waste Cash Flows

Solid Waste Revenues/Expenses Projections 2007-08 to 2011-12

Proposed Rate Increase	5.5%	5.5%	5.5%	5.5%	5.5%
	Projected 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
OPERATING Cash - Beg. (7/1)					
Beginning Cash	\$ 540,384	\$ 169,419	\$ 100,662	\$ 486,344	\$ 1,144,041
SUBVENTIONS AND GRANTS	300,000	300,000	300,000	300,000	300,000
CHARGES FOR CURRENT SRV	13,916,837	15,406,026	16,638,508	17,969,588	19,407,155
One time Sync up fee	900,000				
OTHER MISC REVENUE	5,935	6,083	6,235	6,391	6,551
NON'OP INTEREST REVENUE	0	0	0	0	0
NON'OPERATING OTHER REVENUE	331,764	340,058	348,559	357,273	366,205
CHARGES'OTHER DEPTS	2,014,808	2,065,179	2,116,808	2,169,728	2,223,972
REVENUE TOTAL	17,469,344	18,117,345	19,410,110	20,802,981	22,303,882
Expenditures					
SAL/WAGES/BENEFITS	3,597,515	3,741,416	3,891,072	4,046,715	4,208,584
Growth drivers/maintenance staff/supervisors	132,000	275,280	502,291	772,383	959,278
EMPLOYEE RELATED EXP	206,188	214,436	223,013	231,934	241,211
OPERATING SUPPLIES	9,690	10,078	10,481	10,900	11,336
SPEC DEPT SUPPLIES/SERV	51,434	53,491	55,631	57,856	60,170
OUTSIDE SERVICES	3,447,772	3,585,683	3,729,110	3,878,275	4,033,406
adjustment for unanticipated increases in recycling and landfill costs (TCR up	413,733	430,282	447,493	465,393	484,009
UTILITIES/FUELS/OILS	110,717	115,145	119,751	124,541	129,523
OTHER EXPENSES	100,949	104,987	109,186	113,553	118,096
NON-OP INTEREST EXPENSE (Revenue)	(18,913)	(5,930)	(3,523)	(17,022)	(40,041)
CAPITAL OUTLAY/OPERATG	804,075	836,238	869,688	904,475	940,654
IN LIEU ALLOCATIONS	252,595	262,699	273,207	284,135	295,501
VARIABLE SERV PROVIDED	2,341,095	2,434,739	2,532,128	2,633,413	2,738,750
Increase for additional fleet FUEL & maintenance costs	117,055	121,737	126,606	131,671	136,937
Increase for additional fleet (2 trucks @ yr.)	90,042	180,084	270,126	360,168	450,211
FIXED SERVICES PROVIDED	686,575	714,038	742,599	772,303	803,195
VARIABLE CHARGES-ALLOCATIONS	6,637	6,902	7,178	7,465	7,764
FIXED CHARGES-ALLOCATIONS	3,091,151	3,214,798	3,343,389	3,477,125	3,616,210
CAPITAL					
CAPITAL IMPRVMT PROGRAM	2,400,000	1,800,000	1,500,000	1,800,000	3,200,000
Increase for Additional CNG Capital costs		90,000	75,000	90,000	160,000
adjust for facility growth needs			200,000		200,000
EXPENSE TOTAL	17,840,309	18,186,102	19,024,428	20,145,284	22,754,793
FUND Cash Total End. (7/1)	169,419	100,662	486,344	1,144,041	693,131

WASTEWATER

The Waste Water Fund has a number of challenges, but almost universally the issues come back to producing a discharge that meets the increasingly stringent water standards of the Regional Water Quality Control Board.

The plant operates at a very high compliance level. Annually, the plant processes 30,000 lab samples to determine water quality compliance. Only 2 of these samples last year did not meet water quality levels: both were considered abnormalities of a particular sample.

The wastewater plant was issued a new discharge permit by the Regional Water Quality Control Board this last year. This permit requires various upgrades to the facility which could range from \$20 to \$40 million. Plans for implementing the requirements are due by September 30, 2007. Studies are currently underway to identify the needed upgrades and funding to accomplish the upgrades. Once specific capital costs and potential funding sources are identified, staff will return to Council with specific recommendations.

Staff is recommending a rate increase which will fund approximately \$35 million in plan improvements, along with funding operations. Table II, Waste Water Cash Flows, illustrates the effects of the proposed increases. The major points are as follows:

1. **5.0% annual increase for FY's 2007-08 through FY 2011-12**
2. **A \$29 million debt is obtained in FY 08-09**

The proposal maintains the fund's current level of cash, provides the resources necessary to begin constructing the required discharge facilities and maintains funding for ongoing operations.

Table II
Wastewater - OPERATIONS - Cash Flow Projections
For the 5 Years Ending June 30, 2013

Proposed Rate Increase	5.0%	5.0%	5.0%	5.0%	5.0%
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
OPERATING Cash - Beg. (7/1)	\$ (608,995)	\$ 1,220,359	\$ 367,127	\$ 158,215	\$ 463,618
Revenues					
Fees - Monthly User	9,630,000	10,304,100	11,025,387	11,797,164	12,622,966
Fees- Septage Receiving	535,000	572,450	612,522	655,398	701,276
Fees- Sewer Lateral	66,600	68,000	68,000	70,000	70,000
Fees & Other Revenues	171,200	183,184	196,007	209,727	224,408
Revenue - Farm Land	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Revenue - Contributed Capital	5,350,000	5,724,500	6,125,215	6,553,980	7,012,759
Revenue - Interest Earnings	(21,315)	42,713	12,849	5,538	16,227
One time Cal Water Sync-Up Revenue	802,500				
	<u>17,533,985</u>	<u>17,894,947</u>	<u>19,039,980</u>	<u>20,291,807</u>	<u>21,647,635</u>
Expenditures					
Salary's & Benefits	(2,514,720)	(2,615,309)	(2,719,921)	(2,828,718)	(2,941,867)
Materials & Services	(4,737,200)	(4,926,688)	(5,123,756)	(5,328,706)	(5,541,854)
NPDES Operating Costs (mtls & labor)		(100,000)	(250,000)	(375,000)	(375,000)
Depreciation	(2,300,000)	(2,300,000)	(2,500,000)	(2,300,000)	(2,850,000)
Transfer - Contributed Capital	(5,350,000)	(5,724,500)	(6,125,215)	(6,553,980)	(7,012,759)
Transfer - Debt Service (all debts)	(802,711)	(3,081,682)	(2,530,000)	(2,600,000)	(2,700,000)
Transfer - Reconciling					
Reconciling Adj. - Liab. Increase (decreases)					
	<u>(15,704,631)</u>	<u>(18,748,179)</u>	<u>(19,248,892)</u>	<u>(19,986,404)</u>	<u>(21,421,479)</u>
OPERATING Cash - End. (6/30)	\$ 1,220,359	\$ 367,127	\$ 158,215	\$ 463,618	\$ 689,774
CAPITAL CASH - Beg. (7/1)	5,577,304	5,879,410	6,197,189	7,014,091	7,583,584
Increases					
Transfers - Debt Service					
Transfers - Capital Set Aside (Depr	2,300,000	2,300,000	2,500,000	2,300,000	2,850,000
Transfers - Capital Assets / WIP	5,350,000	5,724,500	6,125,215	6,553,980	7,012,759
Transfers - Reconciling adj.	0	0	0	0	0
Invest. / Int. Earnings	195,206	205,779	216,902	245,493	265,425
Other income					
Debt Proceeds					
	<u>7,845,206</u>	<u>8,230,279</u>	<u>8,842,117</u>	<u>9,099,473</u>	<u>10,128,184</u>
Decreases					
CIP - Constructed	(2,193,100)	(2,188,000)	(1,900,000)	(1,976,000)	(2,055,040)
CIP - Contributed	(5,350,000)	(5,724,500)	(6,125,215)	(6,553,980)	(7,012,759)
	<u>(7,543,100)</u>	<u>(7,912,500)</u>	<u>(8,025,215)</u>	<u>(8,529,980)</u>	<u>(9,067,799)</u>
CAPITAL CASH - End. (6/30)	\$ 5,879,410	\$ 6,197,189	\$ 7,014,091	\$ 7,583,584	\$ 8,643,969
FUND Cash Total End. (6/30)	\$ 7,099,769	\$ 6,564,316	\$ 7,172,306	\$ 8,047,202	\$ 9,333,743

Summary

The proposed rate increases follow the objective of making smaller, more frequent increases as opposed to larger, less frequent increases. Although these proposed increases are a little more

than inflation, they are not dramatically greater than inflation. Finally, Visalia's rates typically lower if not the lowest in the South San Joaquin area. As a result, these proposed increases meet the objective of providing a quality service that is supported by a financially sound rate structure.

Prior Council / Board Actions: The City's more recent adjustments to the Solid Waste and Wastewaters fees are:

<u>Fee</u>	<u>Date</u>	<u>Action</u>
Solid Waste	April 2, 2005	2.5% for 4 years for CNG capital costs
Wastewater	April 2, 2001	5-year program
Solid Waste	Oct 1996	

Committee / Commission Review and Actions:

The Citizens Advisory Committee (CAC) reviewed this proposed 5-year rate adjustment program at their May 2, 2007 meeting. The CAC approved by vote to recommend to City Council to adopt the proposed 5-year rate increase program. Upon further review, staff revised the timing of the proposed rates and adjusted the solid waste rate down by 1% a year and increased the wastewater rate by 1% a year from what was presented to the CAC.

Alternatives: Adjust the fees by a different percentage or and / or for a different number of years.

Attachments: Resolution #2007-42
Attachment 1 – Solid Waste and Wastewater Rates & Fees Schedule – Proposed Recommendations

Recommended Motion (and Alternative Motions if expected):

- 1.) I Move to open the Public Hearing on the proposed adjustments to amend the City's Solid Waste and Wastewater fees for the five fiscal years beginning fiscal year 2007-08.
- 2.) I Move to approve the proposed adjustments to amend the City's Solid Waste and Wastewater fees for the five fiscal years beginning fiscal year 2007-08.

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

RESOLUTION NO. 2007- 42

A RESOLUTION OF THE COUNCIL OF THE CITY OF VISALIA, APPROVING THE ADJUSTMENTS TO THE CITY'S SOLID WASTE AND WASTEWATER RATES AND FEES FOR THE FIVE FISCAL YEARS 2007/08 THROUGH AND INCLUDING FISCAL YEAR 2011/12.

WHEREAS, the adjustments to the solid waste and wastewater rates and fees are recommended; and

WHEREAS, Resolution No. 92-123 established a policy and procedure for the annual review and approval of the City fees and charges which is compiled in a document entitled: *City of Visalia Administrative Policy on Fees and Charges*; and

WHEREAS, the City of Visalia has complied with its fee adjustment policy and procedures, its ordinances related to fee adjustment, the California Constitution, and California statutes relating to the adoption and amendment of fees and charges; and

WHEREAS, the fees and charges related to ministerial projects are statutorily exempt from the provisions of the California Environmental Quality Act pursuant to CEQA Guidelines section 15268; and

WHEREAS, adoption of the Transportation Impact Fees, Storm Drainage Impact Fees, Park Acquisition & Development Fees, Northeast Development Impact Fees, Waterways Acquisition Fees, Trunk Line Capacity Charge, Treatment Plant Connection Capacity Charges and Sewer Main Facilities Charges are consistent with, and addressed in, the individual master plans and General Plan elements, and their respective environmental documents in accordance with CEQA as follows:

- a) Transportation Impact Fee - 1989 Circulation Element and Environmental Impact Report (EIR) (Resolution No. 89-63);
- b) Storm Drainage Impact Fee - 1994 Storm Water Master Plan Update and EIR (Resolution No. 94-170);
- c) Park Acquisition & Development Fee, and Waterways Acquisition Fee - 1989 Conservation, Open Space, Recreation & Parks and Negative Declaration (Resolution Nos. 89-59 & 97-10);
- d) Northeast Development Impact Fee - 1988 Northeast Specific Plan and EIR (Resolution No. 88-19);
- e) Waterways Acquisition Fees – General Plan Amendment No. 96-28 (Resolution No. 97-10);
- f) Trunk Line Capacity Charge – Sanitary Sewer Master Plan and EIR (Resolution No. 94-64 & 94-65);
- g) Treatment Plant Connection Capacity Charges and Sewer Main Facilities Charges – 1987 WasteWater Treatment Plant Master Plan and EIR (Resolution No. 92-157).

WHEREAS, the Charter of the City of Visalia authorizes the imposition and adjustment of fees for city services including city-wide administrative services, general governmental services, community development services, community services, public safety services, public works services and

engineering and transportation services, and directs the City Council to establish fees by resolution to provide for their adjustment; and

WHEREAS, Visalia Municipal Code (“VMC”) section 8.28.140, authorizes the imposition of refuse fees and directs the City Council to establish fees by resolution to provide the sum of money necessary to pay the estimated total cost based on findings enumerated in the Code; and

WHEREAS, VMC section 8.28.020 permits the revisions to fees and charges for refuse service by City Council; and

WHEREAS, VMC section 13.08.750, et seq., authorizes the imposition of treatment plant connection charges by resolution for connection to the sanitary sewer system and provides that review and amendment of such fees may be initiated by the Council from time to time as necessary to meet increasing costs or changed conditions of providing trunk sewer or oversize service and adjusted by resolution; and

WHEREAS, VMC section 13.08.840, authorizes by resolution of the City Council the imposition of sewer service charges and any required adjustments also to be set by resolution of the City Council; and

WHEREAS, the sewer connection, water connection, and capacity charges identified above are being adjusted in accordance with Government Code section 66013 such that such fees and charges do not exceed the estimated reasonable cost of providing the services for which the fee or charge is imposed; and

WHEREAS, in compliance with California Government Code Section 66016, et seq., notice of the time and place for the hearing on adjustment of the fees outlined herein has been given; and

WHEREAS, the City Council of the City of Visalia has reviewed the proposed City of Visalia Rates and Fees proposal for Fiscal Year 2007/08 – 2011/12 regarding the adjustments of solid waste and wastewater rate and fees; and

WHEREAS, the City Council of the City of Visalia did conduct a public hearing on the proposed 2007/08 - 2011/12 Rate and Fee Schedule on May 21, 2007.

NOW, THEREFORE, the City Council of the City of Visalia finds:

1. The fee and charge adjustments proposed herein comply with the *City of Visalia Administrative Policy on Fees and Charges*; or
2. The fee and charge adjustments proposed herein comply with the adjustment requirements required by the authorizing ordinances; or
3. The fee and charge adjustments proposed comply with the increase requirements contained in Government Code section 66016, et seq.
4. The fees and charge adjustments are statutorily exempt from the California Environmental Quality Act either as fees and charges related to ministerial projects or that meeting operating expenses, financial reserve needs, further capital projects for services, or the purchasing or leasing of supplies; and
5. The findings required by authorizing ordinances enumerated herein to adopt fees have been made as a part of the respective original adopting resolutions of the Council.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Visalia adopts the adjustment of the Rates and Fees for the five fiscal years 2007/08 through and including fiscal year 20011/12. Unless otherwise indicated in the Rates & Fees document (attached hereto as Attachment "A"), these rates and fees go into affect on July 1, 2007.

PASSED AND ADOPTED: _____

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF VISALIA)

I, _____, City Clerk of the City of Visalia, certified the foregoing is the full and true Resolution No. 2007-_____, passed and adopted by the Council of the City of Visalia at a regular meeting held on May 21, 2007.

DATED: _____, CITY CLERK

Attachment 1
Proposed Waste Water Fees
SANITARY SEWERS (Wastewater)

		PROPOSED									
		FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12					
		5%	5%	5%	5%	5%					
<u>Non-Industrial</u>											
\$	16.00	\$	16.80	\$	17.65	\$	18.50	\$	19.45	Per month	Residential
	7.35		7.70		8.10		8.50		8.95	Per month	Lifeline residential
	1.45		1.50		1.60		1.70		1.80	Per CCF *	Commercial and retail
	2.45		2.55		2.70		2.85		3.00	Per CCF *	Commercial Mixed Complex
	3.20		3.35		3.50		3.70		3.90	Per CCF *	Restaurants, bars and fraternal lodges
	1.90		2.00		2.10		2.20		2.30	Per CCF *	Laundries
	1.10		1.15		1.20		1.25		1.30	Per CCF *	Car washes
	3.05		3.20		3.35		3.50		3.70	Per CCF *	Groceries with garbage grinders
	5.05		5.30		5.55		5.85		6.15	Per month	Per room for hotels / motels
	0.50		0.55		0.60		0.65		0.70	Per month	Per student per school
	1.45		1.50		1.60		1.70		1.80	Per CCF *	Rest homes

* 100% of the Dec., Jan. and Feb. average water consumption. Minimum charge = Residential monthly charge

<u>Septage Receiving Station</u>											
\$	57.35	\$	60.22	\$	63.23	\$	66.39	\$	69.71	Per 1,000 gal	Septage receiving station
	68.89		72.34		75.95		79.75		83.74	Per 1,000 gal	Portable toilet and grease trap waste

<u>Industrial</u>											
\$	872.65	\$	916.30	\$	962.10	\$	1,010.20	\$	1,060.70	Per MG	Flow
	0.15		0.16		0.17		0.18		0.19	Per lb.	B.O.D.
	0.20		0.21		0.22		0.23		0.24	Per lb.	Suspended Solids

<u>Permit Fees</u>											
	No Change									per annum	Septic Hauler Annual Permit
	\$ - 0 -									per annum	Industrial Waste Discharge Permit
	\$ - 0 -									per annum	Non-significant Discharge Permit

<u>Property Tax Roll Administration</u>											
	No Change		No Change		No Change		No Change		No Change	Per delinquent account	Property tax administration fee for placement on the property tax roll.

<u>Late & Penalty Charges</u>											
Non-Industrial:											
	No Change		No Change		No Change		No Change		No Change	Per month	All charges more than 30 days past due.
The minimum late charge of \$10.00 will be applied to the combined sewer/refuse bill).											
Industrial:											
	No Change		No Change		No Change		No Change		No Change	10% of unpaid delinquent balance	
	No Change		No Change		No Change		No Change		No Change	Per month	All charges more than 30 days past due.
The minimum late charge of \$10.00 will be applied to the combined sewer / refuse bill.											
Discharge Penalty:											
	No Change		No Change		No Change		No Change		No Change	Times normal charge	For discharge in excess of the permitted levels for the month of violation.

STORM SEWER

Each commercial account or each single family residential account or each multi-dwelling unit will be billed the following monthly charges:

	No Change		No Change		No Change		No Change		No Change	per 1,000 sq.ft. of parcel size	For Operations & Maintenance
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PLUS, the following monthly charge per account,

SOLID WASTE

8% 8% 5.50% 5.50% 5.50%

PROPOSED

FY 06-07 **FY 07-08** **FY 07-08** **FY 08-09** **FY 09-10** **FY 10-11** **FY 11-12**
 Current Adopted

AUTOMATIC LIFT CONTAINER SERVICE

Baseline Residential Service:

Baseline service consists of once a week pickup of either one divided container and one yard waste container, each collected one time per week.

Multi-Family Households are the same as Single Family Households for the purpose of determining baseline residential service if each household is serviced individually.

Includes Street Cleaning Charge of \$1.01 per month

\$16.70	\$17.05	\$18.00	\$19.45	\$20.50	\$21.60	\$22.80	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
1.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month

Baseline Rate per household/unit
 Each additional divided container
 Each additional yard waste container
 Unincorporated area service charge

Grandfather Rate:

13.10	No Change	No Change	No Change	No Change	No Change	No Change	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
1.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month

Per household / unit / 60 gal. inside City limits
 Each additional divided container
 Each additional yard waste container
 Unincorporated area service charge

Senior Citizen Life Line Discount:

Senior Citizen residential customers, who apply for and are accepted into the Life Line Service Program will be billed at the following rates:

1/2 of Baseline Residential

7.10	No Change	9.00	9.70	10.25	10.80	11.40	Per month
8.10	No Change	10.00	10.70	11.25	11.80	12.40	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
4.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month
1.00	No Change	No Change	No Change	No Change	No Change	No Change	Per month

Divided / Yardwaste Container Service
 "Grandfathered" 60 Gal. Serv. - Inside city
 "Grandfathered" 60 Gal. Serv. - Outside city
 Each additional divided container
 Each additional yard waste container
 Unincorporated area service charge

Minimum Refuse Service

15.50	No Change	\$ 16.75	\$ 18.10	\$ 19.10	\$ 20.15	\$ 21.25	Per month
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Per account with water but no refuse cans per customer's request

Commercial Service:

5.80	6.10	\$ 6.25	\$ 6.75	\$ 7.15	\$ 7.55	\$ 7.95	Per month
PLUS			PLUS	PLUS	PLUS	PLUS	
6.10	No Change	\$ 6.60	\$ 7.15	\$ 7.55	\$ 7.95	\$ 8.40	Per empty
PLUS			PLUS	PLUS	PLUS	PLUS	
2.80	No Change	\$ 3.00	\$ 3.25	\$ 3.45	\$ 3.65	\$ 3.75	Per month
OR			OR	OR	OR	OR	
4.20	No Change	\$ 4.55	\$ 4.90	\$ 5.15	\$ 5.45	\$ 5.75	Per month

Per account for refuse collection
 In each week
 Per 60 gal. container, disposal charges
 Per divided container, disposal charges

Special Services

Additional Service:

\$ 2.10	No Change	\$ 2.25	\$ 2.40	\$ 2.55	\$ 2.70	\$ 2.85	Per empty
2.10	No Change	\$ 2.30	\$ 2.50	\$ 2.60	\$ 2.75	\$ 2.90	Per empty
Free	No Change	No Change	No Change	No Change	No Change	No Change	Per month
18.20	No Change	\$ 19.65	\$ 21.20	\$ 22.35	\$ 23.60	\$ 24.90	Per month

Per container, roll out service / per 20 feet
 Handling locks and/or gates
 Residential Pack-Out Service -
 - For Qualifying Individuals
 Residential Pack- Out Service

Scheduled Empty - Commercial :

9.55	10.05	\$ 10.30	\$ 11.15	\$ 11.75	\$ 12.40	\$ 13.10	Per empty
PLUS		PLUS	PLUS	PLUS	PLUS	PLUS	
1.25	No Change	\$ 1.35	\$ 1.45	\$ 1.55	\$ 1.65	\$ 1.75	Per empty

For truck
 Per divided or yardwaste container

Residential - Contaminated Empty:									
No Charge	No Change	No Change	No Change	No Change	No Change	No Change	No Change	Per container	Contamination first occurrence
7.00	No Change	\$ 7.55	\$ 8.15	\$ 8.60	\$ 9.10	\$ 9.60		Per container	Contamination second occurrence
11.00	No Change	\$ 11.90	\$ 12.85	\$ 13.55	\$ 14.30	\$ 15.10		Per container	Contamination third occurrence
15.00	No Change	\$ 16.20	\$ 17.50	\$ 18.45	\$ 19.45	\$ 20.50		Per container	Contamination fourth or more occurrence

Temporary Service, Scheduled, for Regular Customers

Commercial:									
9.55	10.05	\$ 10.30	\$ 11.15	\$ 11.75	\$ 12.40	\$ 13.10		Per account	For delivery of container(s) (1-6)
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS			
17.25	18.15	\$ 18.65	\$ 20.15	\$ 21.25	\$ 22.40	\$ 23.65		Per 30-day increment	For once weekly collection
OR	OR	OR	OR	OR	OR	OR			
28.65	30.20	\$ 30.95	\$ 33.45	\$ 35.30	\$ 37.25	\$ 39.30		Per 30-day increment	For twice weekly collection

Items Outside Container, Scheduled, for Regular Customers (3 free per year, up to 10 items):

9.55	10.05	\$ 10.30	\$ 11.15	\$ 11.75	\$ 12.40	\$ 13.10		Per pick up	For truck, Commercial
OR	OR	OR	OR	OR	OR	OR			
6.40	6.75	\$ 6.90	\$ 7.45	\$ 7.85	\$ 8.30	\$ 8.75		Per pick up	For Truck, Residential
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS			
1.25	No Change	\$ 1.35	\$ 1.45	\$ 1.55	\$ 1.65	\$ 1.75		Per container	Commercial or Residential

Special Service:

\$ 18.85	\$ 19.85	\$ 20.35	\$ 22.00	\$ 23.20	\$ 24.45	\$ 25.80		Per delivery	Up to 15 90-gallon containers
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS			
6.40	6.75	\$ 6.90	\$ 7.45	\$ 7.85	\$ 8.30	\$ 8.75		Per empty	For Side Loader
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS			
1.25	No Change	\$ 1.35	\$ 1.45	\$ 1.55	\$ 1.65	\$ 1.75		Per container	Commercial or Residential

MANUAL SIDE LOAD CAN SERVICE

Single and Multiple Family Households:

17.75	18.70	\$ 19.15	\$ 20.70	\$ 21.85	\$ 23.05	\$ 24.30		Per month	Per unit, inside city limits, twice weekly collection, up to five items
18.85	19.85	\$ 20.35	\$ 22.00	\$ 23.20	\$ 24.45	\$ 25.80		Per month	Per unit, outside city limits, twice weekly collection, up to five items

Commercial Business:

17.25	18.15	\$ 18.65	\$ 20.15	\$ 21.25	\$ 22.40	\$ 23.65		Per month	Per unit, once weekly collection, up to 5 items
28.65	30.20	\$ 30.95	\$ 33.45	\$ 35.30	\$ 37.25	\$ 39.30		Per month	Per unit, twice weekly collection, up to 5 items

Special Service

Additional Service:

2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90		Per empty	Per container, roll out service / per 20 feet
2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90		Per empty	Handling locks and/or gates
1.25	No Change	\$ 1.35	\$ 1.45	\$ 1.55	\$ 1.65	\$ 1.75		Per item	Additional items above limit of five (5)

Scheduled Service:

9.55	10.05	\$ 10.30	\$ 11.15	\$ 11.75	\$ 12.40	\$ 13.10		Per empty	Scheduled additional service, Commercial
OR	OR	OR	OR	OR	OR	OR			
6.40	6.75	\$ 6.90	\$ 7.45	\$ 7.85	\$ 8.30	\$ 8.75		Per empty	Scheduled additional service, Residential
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS			
1.25	No Change	\$ 1.35	\$ 1.45	\$ 1.55	\$ 1.65	\$ 1.75		Per item	Commercial or Residential

PERMANENT COMMERCIAL BIN AND BOX SERVICE

Permanent Commercial Front Load BIN Service

Regular Service:

\$ 19.65	\$ 20.70	\$ 21.20	\$ 22.90	\$ 24.15	\$ 25.50	\$ 26.90	Per empty	Weekly collection
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		
10.00	No Change	\$ 10.80	\$ 11.65	\$ 12.30	\$ 13.00	\$ 13.70	Per cubic yard	Times the # of weekly empties of Refuse
OR	OR	OR	OR	OR	OR	OR		
7.50	No Change	\$ 8.10	\$ 8.75	\$ 9.25	\$ 9.75	\$ 10.30	Per cubic yard	Times the # of weekly empties of Green Waste
OR	OR	OR	OR	OR	OR	OR		
2.50	No Change	\$ 2.70	\$ 2.90	\$ 3.05	\$ 3.20	\$ 3.40	Per cubic yard	Times the # of weekly empties of Recyclables
OR	OR	OR	OR	OR	OR	OR		
29.95	No Change	\$ 32.35	\$ 34.95	\$ 36.90	\$ 38.95	\$ 41.10	Per cubic yard	Times the number of weekly empties of compacted refuse
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		
6.75	No Change	\$ 7.30	\$ 7.90	\$ 8.35	\$ 8.80	\$ 9.30	Per month or fraction of 1 cubic yard bin rental	
OR	OR	OR	OR	OR	OR	OR		
7.50	No Change	\$ 8.10	\$ 8.75	\$ 9.25	\$ 9.75	\$ 10.30	Per month or fraction of 2 cubic yard bin rental	
OR	OR	OR	OR	OR	OR	OR		
8.30	No Change	\$ 8.95	\$ 9.65	\$ 10.20	\$ 10.75	\$ 11.35	Per month or fraction of 3 cubic yard bin rental	
OR	OR	OR	OR	OR	OR	OR		
9.10	No Change	\$ 9.85	\$ 10.65	\$ 11.25	\$ 11.85	\$ 12.50	Per month or fraction of 4 cubic yard bin rental	
OR	OR	OR	OR	OR	OR	OR		
10.60	No Change	\$ 11.45	\$ 12.35	\$ 13.05	\$ 13.75	\$ 14.50	Per month or fraction of 6 cubic yard bin rental	

Scheduled Special Empty Service:

12.10	12.75	\$ 13.08	\$ 14.10	\$ 14.90	\$ 15.70	\$ 16.55	Per bin emptied	
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		
2.35	No Change	\$ 2.55	\$ 2.75	\$ 2.90	\$ 3.05	\$ 3.20	Per cubic yard	Uncompacted refuse
OR	OR	OR	OR	OR	OR	OR		
6.90	No Change	\$ 7.46	\$ 8.05	\$ 8.50	\$ 8.95	\$ 9.45	Per cubic yard	Compacted refuse

Unscheduled (Same Day) Special Empty Service:

32.80	34.55	\$ 35.40	\$ 38.25	\$ 40.35	\$ 42.55	\$ 44.90	Per empty	
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		
2.35	No Change	\$ 2.55	\$ 2.75	\$ 2.90	\$ 3.05	\$ 3.20	Per cubic yard	Uncompacted refuse
OR	OR	OR	OR	OR	OR	OR		
6.90	No Change	\$ 7.46	\$ 8.05	\$ 8.50	\$ 8.95	\$ 9.45	Per cubic yard	Compacted refuse

Scheduled, Multiple Special Empty Service (Additional Empties, Same Day):

22.10	23.30	\$ 23.85	\$ 25.75	\$ 27.15	\$ 28.65	\$ 30.20	Per empty	
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		
2.35	No Change	\$ 2.55	\$ 2.75	\$ 2.90	\$ 3.05	\$ 3.20	Per cubic yard	Uncompacted refuse
OR	OR	OR	OR	OR	OR	OR		
6.90	No Change	\$ 7.46	\$ 8.05	\$ 8.50	\$ 8.95	\$ 9.45	Per cubic yard	Compacted refuse

Proposed Recommendations

Proposed Recommendations

Commercial Recycling Bin Service:

\$ 29.95	\$ 31.55	\$ 32.35	\$ 34.95	\$ 36.90	\$ 38.95	\$ 41.10	Per one yard	One time per week
52.40	55.25	56.60	61.15	64.50	68.05	71.80	Per one yard	Two times per week
74.85	78.90	80.85	87.30	92.10	97.15	102.50	Per one yard	Three times per week
97.30	102.55	105.10	113.50	119.75	126.35	133.30	Per one yard	Four times per week
119.70	126.15	129.30	139.65	147.35	155.45	164.00	Per one yard	Five times per week
33.55	35.35	36.25	39.15	41.30	43.55	45.95	Per two yard	One time per week
58.75	61.90	63.45	68.55	72.30	76.25	80.45	Per two yard	Two times per week
84.00	88.55	90.70	97.95	103.35	109.05	115.05	Per two yard	Three times per week
109.20	115.10	117.95	127.40	134.40	141.80	149.60	Per two yard	Four times per week
134.45	141.70	145.20	156.80	165.45	174.55	184.15	Per two yard	Five times per week
37.20	39.20	40.20	43.40	45.80	48.30	50.95	Per three yard	One time per week
65.20	68.70	70.40	76.05	80.25	84.65	89.30	Per three yard	Two times per week
93.25	98.25	100.70	108.80	114.80	121.10	127.80	Per three yard	Three times per week
121.20	127.75	130.90	141.40	149.20	157.40	166.10	Per three yard	Four times per week
149.20	157.25	161.10	174.00	183.60	193.70	204.40	Per three yard	Five times per week
48.00	50.60	51.80	55.90	59.00	62.20	65.60	Per six yard	One time per week
84.45	89.00	91.20	98.50	103.90	109.60	115.60	Per six yard	Two times per week
120.75	127.25	130.40	140.80	148.50	156.70	165.30	Per six yard	Three times per week
157.10	165.60	169.70	183.30	193.40	204.00	215.20	Per six yard	Four times per week
193.40	203.85	208.90	225.60	238.00	251.10	264.90	Per six yard	Five times per week

Permanent Commercial Roll Off Box Service

Empty - Permanent, Scheduled:

105.55	111.25	\$ 114.00	\$ 123.10	\$ 129.90	\$ 137.00	\$ 144.50	Per empty
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	County of Tulare Landfill fee and/or green waste / / recycling fee charged to the City
1.00	No Change	No Change	No Change	No Change	No Change	No Change	Per empty

Empty - Permanent, On Call:

116.65	122.95	\$ 126.00	\$ 136.10	\$ 143.60	\$ 151.50	\$ 159.80	Per empty
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	County of Tulare Landfill fee and/or green waste / / recycling fee charged to the City
1.00	No Change	No Change	No Change	No Change	No Change	No Change	Per time emptied

Proposed Recommendations

Proposed Recommendations

Box Rental Service:									
\$ 27.00	No Change	\$ 29.20	\$ 31.50	\$ 33.20	\$ 35.00	\$ 36.90	Per month or fraction of	20 cubic yard open box rental	
35.00	No Change	\$ 37.80	\$ 40.80	\$ 43.00	\$ 45.40	\$ 47.90	Per month or fraction of	30 cubic yard open box rental	
60.00	No Change	\$ 64.80	\$ 70.00	\$ 73.90	\$ 78.00	\$ 82.30	Per month or fraction of	42 cubic yard open box rental	
60.00	No Change	\$ 64.80	\$ 70.00	\$ 73.90	\$ 78.00	\$ 82.30	Per month or fraction of	42 cubic yard compactor box rental	
43.10	No Change	\$ 46.50	\$ 50.20	\$ 53.00	\$ 55.90	\$ 59.00	Per month or fraction of	20 cubic yard sludge box rental, box 4392	
42.00	No Change	\$ 45.40	\$ 49.00	\$ 51.70	\$ 54.50	\$ 57.50	Per month or fraction of	20 cubic yard sludge box rental, box 4393	
Special Service - Additional Service:									
2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90	Per empty	Handling locks and/or gates	
2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90	Per empty	Roll out bin each additional 20 feet	
\$ 157.75	\$ 166.25	\$ 170.40	\$ 184.00	\$ 194.10	\$ 204.80	\$ 216.10	Per empty	Per box, unscheduled (same day service),	
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	County of Tulare Landfill fee and/or green waste /	/ recycling fee charged to the City	
194.40	204.90	\$ 210.00	\$ 226.80	\$ 239.30	\$ 252.50	\$ 266.40	Per empty	For delivery after 4:00 PM to the County of Tulare Landfill. County charges City this amt. For keeping landfill open past 4:00 PM.	
133.30	140.50	\$ 144.00	\$ 155.50	\$ 164.10	\$ 173.10	\$ 182.60	Per empty	Per box, additional empties, same day	
PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	County of Tulare Landfill fee and/or green waste /	/ recycling fee charged to the City	
85.00	No Change	\$ 91.80	\$ 99.10	\$ 104.60	\$ 110.40	\$ 116.50	Per Box	Per cleaning after 1 free cleaning per calendar year	
45.00	No Change	\$ 48.60	\$ 52.50	\$ 55.40	\$ 58.40	\$ 61.60	Per Bin	Per cleaning after 1 free cleaning per calendar year	

TEMPORARY COMMERCIAL BIN AND BOX SERVICE

The minimum charges for temporary service are monthly rental of the bin/box PLUS one empty charge per month or fraction thereof. If no empty services are provided during the month, the minimum of one empty charge shall be billed to the account.

Temporary Commercial Bin Service (2 cubic yard bin, ONLY)

Temporary Commercial Bin Service are PER 2 CUBIC YARD BIN.

Standard Service:

50.00	No Change	\$ 54.00	\$ 58.30	\$ 61.50	\$ 64.90	\$ 68.50	Prepayment	Per Bin-Equals total of delivery+one rent+one empty
7.50	No Change	\$ 8.10	\$ 8.75	\$ 9.25	\$ 9.75	\$ 10.30	Rent	Per month or fraction of
22.25	23.45	\$ 24.00	\$ 25.90	\$ 27.30	\$ 28.80	\$ 30.40	Delivery	Per scheduled delivery
17.35	18.30	\$ 18.70	\$ 20.20	\$ 21.30	\$ 22.50	\$ 23.70	Scheduled Empty	Per empty or removal

Green Waste Service:

56.10	No Change	\$ 60.60	\$ 65.40	\$ 69.00	\$ 72.80	\$ 76.80		Per Bin-Equals total of delivery+one rent+one empty
7.50	No Change	\$ 8.10	\$ 8.75	\$ 9.25	\$ 9.75	\$ 10.30	Rent	Per month or fraction of
22.25	23.45	\$ 24.00	\$ 25.90	\$ 27.30	\$ 28.80	\$ 30.40	Delivery	Per scheduled delivery
15.80	16.65	\$ 17.10	\$ 18.50	\$ 19.50	\$ 20.60	\$ 21.70	Scheduled Empty	Per empty or removal NOTE: MUST be on day specified by the City

Optional Service:

\$ 42.20	\$ 44.50	\$ 45.60	\$ 49.20	\$ 51.90	\$ 54.80	\$ 57.80	Delivery	Per UNSCHEDULED (same day) delivery
22.25	23.45	\$ 24.00	\$ 25.90	\$ 27.30	\$ 28.80	\$ 30.40	Relocation	Per SCHEDULED relocation

Special Service - Additional Service:

2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90	Per empty	Handling locks and/or gates
38.00	40.05	\$ 41.00	\$ 44.30	\$ 46.70	\$ 49.30	\$ 52.00	Per empty	2 cubic yd. unscheduled (same day service)
27.35	28.85	\$ 29.50	\$ 31.90	\$ 33.70	\$ 35.60	\$ 37.60	Per empty	2 cubic yd. additional empties, same day

Special Service - Additional Service - Green Waste:

36.55	38.50	\$ 39.50	\$ 42.70	\$ 45.00	\$ 47.50	\$ 50.10	Per empty	2 cubic yd. unscheduled (same day service)
25.85	27.25	\$ 27.90	\$ 30.10	\$ 31.80	\$ 33.50	\$ 35.30	Per empty	2 cubic yd. additional empties, same day

Proposed Recommendations

Proposed Recommendations

Temporary Commercial Box Service (15, 20, 30, or 40 cubic yard open boxes)

Prepayment:	375.00	No Change	No Change	No Change	No Change	No Change	No Change	No Change	Prepayment	Per Box
Delivery Service:	55.55	58.55	\$ 60.00	\$ 64.80	\$ 68.40	\$ 72.20	\$ 76.20		Per delivery	Per box
	94.45	99.55	\$ 102.00	\$ 110.20	\$ 116.30	\$ 122.70	\$ 129.40		Per delivery	Per UNSCHEDULED (same day) per box
Scheduled, Empty Service:	116.65	122.95	\$ 126.00	\$ 136.10	\$ 143.60	\$ 151.50	\$ 159.80		Per empty	
	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		County of Tulare Landfill fee and/or	/ recycling fee charged to the City
	1.00	No Change	No Change	No Change	No Change	No Change	No Change		Per time emptied	
Box Rental Service:	24.00	No Change	\$ 25.90	\$ 28.00	\$ 29.50	\$ 31.10	\$ 32.80		Per month	15 cubic yard open box rental
	27.00	No Change	\$ 29.20	\$ 31.50	\$ 33.20	\$ 35.00	\$ 36.90		Per month	20 cubic yard open box rental
	35.00	No Change	\$ 37.80	\$ 40.80	\$ 43.00	\$ 45.40	\$ 47.90		Per month	30 cubic yard open box rental
	42.00	No Change	\$ 45.40	\$ 49.00	\$ 51.70	\$ 54.50	\$ 57.50		Per month	40 cubic yard open box rental
Relocation Service (Optional):	55.55	58.55	\$ 60.00	\$ 64.80	\$ 68.40	\$ 72.20	\$ 76.20		Per relocation	Per box
Special Service - Additional Service:	2.10	No Change	\$ 2.25	\$ 2.45	\$ 2.60	\$ 2.75	\$ 2.90		Per empty	Handling locks and/or gates
	157.75	166.25	\$ 170.40	\$ 184.00	\$ 194.10	\$ 204.80	\$ 216.10		Per empty / removal	Per UNSCHEDULED (same day) per box
	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		County of Tulare Landfill fee and/or green waste /	/ recycling fee charged to the City
	133.30	140.50	\$ 144.00	\$ 155.50	\$ 164.10	\$ 173.10	\$ 182.60		Per empty	Per box, additional empties, same day, or re
	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS		County of Tulare Landfill fee and/or green waste /	/ recycling fee charged to the City
	194.40	204.90	\$ 210.00	\$ 226.80	\$ 239.30	\$ 252.50	\$ 266.40		Per empty	For any delivery after 4:00 PM to the County Tulare Landfill. County charges City this a For keeping landfill open past 4:00 PM.

SPECIAL HAUL SERVICE/SPECIAL BILLING SERVICE

Charges for collection of excessive amounts, or empties at times other than scheduled, or collection of hazardous and / or hard-to-handle waste, or administrative charges for specialized billing will be determined by the director based on the cost of providing those services. The basis may include, but is not limited to:

\$ 50.00	\$ 54.00	\$ 58.30	\$ 61.50	\$ 64.90	\$ 68.50	Per 1/2 hour	For driver overtime
200.00	\$ 216.00	\$ 233.30	\$ 246.10	\$ 259.60	\$ 273.90	Per call back	Per 2 hour increment, for driver to return to work (2 hour minimum)

PENALTIES FOR DELINQUENT FEES

Penalty charges for delinquent accounts will be assessed monthly as follows:

Each delinquent account more than 30 days past due:

Residential - \$10. per month for all charges. (the minimum late charge of \$10.00 will be applied to the combined sewer/refuse bill.)

Commercial - 10% of the unpaid delinquent balance or \$10.00 per month, whichever is greater.

The minimum late charge of #10.00 will be applied to the combined sewer/refuse bill.

Property Tax Administration Fee - A property tax administration fee of \$50.00 will be assessed for each delinquent account placed on the property tax rolls

RE-START FEES FOR ACCOUNTS IN THE UNINCORPORATED AREAS

The account may have been stopped as a result of delinquency or by customer request.

35.00	No Change	No Change	No Change	No Change	No Change	No Change	Per re-start	Automatic lift container service
35.00	No Change	No Change	No Change	No Change	No Change	No Change	Per re-start	Manual side load can service
40.00	No Change	No Change	No Change	No Change	No Change	No Change	Per re-start	Permanent commercial bin service
65.00	No Change	No Change	No Change	No Change	No Change	No Change	Per re-start	Permanent roll off box service

RESIDENTIAL VACANCY ADMIN FEE

45.00	No Change	No Change	No Change	No Change	No Change	No Change	The account may have been stopped as a result of, delinquency or by customer request.	
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City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk): 13

Agenda Item Wording: Award the computer-aided public safety dispatch system upgrade to Public Safety Systems, Inc for \$472,275.

Deadline for Action: N/A

Submitting Department: Police, Fire, Information Services

Contact Name and Phone Number:

Police Chief Carden, x4215
Fire Chief Sandoval, x4218
Information Services Manager Mike Allen, x4515

Department Recommendation: Award the computer-aided public safety dispatch system upgrade to Public Safety Systems, Inc for \$472,275.

Summary/background: On April 16, 2007, Council approved the Police Chief Carden's presentation and recommendations on how to move forward with a consolidated dispatch. The second part of that recommendation was to award the public safety dispatch system upgrade to Public Safety Systems, Inc (PSSI). Staff was directed to negotiate pricing with PSSI and return to Council with a final proposal. This agenda item presents that final proposal.

The current computer-aided dispatch system (CAD) provided by PSSI has been in-use for over 23 years. Through that time, several software upgrades have been performed, various system interfaces have been implemented, and the system has worked quite well. However, due to hardware obsolescence, this system must be either completely replaced or upgraded. In addition, there are numerous new services or technologies that Fire and Police would like to implement, but are restricted from doing so by the existing systems. The interconnectedness and integration complexities are illustrated in the attached Fire Support Matrix and Police Support Matrix. All of this is discussed in detail in the previously accepted Public Safety Technology Master Plan (June 2006).

Cost Estimates

Computer Aided Dispatch systems can be a very expensive undertaking. In the last few years some cities, comparable in size to Visalia, have gone through this experience. The cities of San Leandro, Fairfield, Vallejo, Santa Rosa, and Vacaville recently replaced their dispatch, records,

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): _____

Review:

Dept. Head _____
(Initials & date required)

Finance _____
City Atty _____
(Initials & date required or N/A)

City Mgr _____
(Initials Required)

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and MDT systems; the price tag for those replacements ranged from \$2.5 to \$4-plus million dollars. The good news is that Visalia's public safety technology investment recommendations to **upgrade** are considerably less expensive than this.

PSSI Final Proposal

The original **budgetary proposal** from PSSI came to a total of about \$790,000 and included a \$60,000 hardware cost. The **revised proposal** from PSSI has a total of \$472, 275 and represents a 31% discount off the \$688,000 list price. A table showing those cost breakdowns is attached (PSSI System Upgrade Proposal). This pricing also reflects an *increase* in the number of Police MDT units, to 85 total. Of that \$472,275 proposal, less than half of that is for system upgrades – the replacement of existing PSSI software modules and features.

Additional software and hardware from other vendors than PSSI is needed to accomplish this and is included in the already approved CIP budget for this project (5111-00000-720000-0-8001). One key hardware component *may* be purchased through PSSI – this is a special fault-tolerant server platform (Stratus brand). The least costly way to acquire this \$60,000 server may be through PSSI, but staff is still investigating this.

ADSi Budgetary Proposals

Tulare County's CAD vendor, ADSi, gave an initial budgetary price \$519,500 that was revised in a second budgetary quote excluding the Fire records management system for \$432,000. This included \$52,000 for all data conversion, project management, and implementation costs. The Zetron and E911 interfaces are still an unknown as well as transitional interfacing to the existing Police MDT software. Lastly, addressing would be entered manually rather than through a GIS application interface. A limited RFP between PSSI and ADSi was proposed (November 2006) to fully evaluate and document each vendor's product and final pricing. ADSi, in February declined to participate in the proposed vendor evaluation.

Alternatives and Expectations

The first alternative would be to reject the PSSI proposal and go out to competitive RFP for a comprehensive computer-aided dispatch system. This should require consultant assistance to assemble the RFP and evaluate responses. Consultant costs for this would probably be around \$100,000. Based on the recent experience of comparable cities, the project cost may well be in the \$1+ million range. The award to a software vendor might be anticipated a year from now, with implementation following that.

A second alternative would be to reject the PSSI proposal and simply do nothing. Information Services can probably scrounge parts from online sources for the obsolete equipment for a couple more years. This alternative does *NOT* address current MDT usability issues, field reporting, addition of Fire MDTs, automated mapping, the "hardwired" dispatch system itself (tethered to the basement of the current Public Safety building). ***This is not a recommended alternative.***

A third alternative would be to re-solicit ADSi to participate in the detailed evaluation, demonstration, and pricing process with an outside consultant. DeltaWRX consultants were selected through an RFP process to facilitate this at a cost of about \$50,000. Award to either PSSI or ADSi might be anticipated in six to nine months, with implementation following that.

Summary

Staff considered the several alternatives, recapped in Table I, CAD Alternatives, and recommends authorizing the upgrade to the current PSSI system.

Table I
CAD Alternatives

<u>Alternative</u>	<u>PSSI Upgrade</u>	<u>Do Nothing</u>	<u>Resolicit</u>	<u>Full RFP</u>
<u>Cost</u>	\$472,275	No immediate cost	ADSi, \$432,000	Unknown
<u>Major Points</u>	Moves CAD forward now	Makes no improvements now	Potential Vendor has already declined	Takes substantial time
<u>Pros/Cons</u>	Known vendor	Will have down time, does not add features, limits flexibility	Some interfaces missing, data conversion costs	Comparable city costs from \$2 to \$4 million

Prior Council/Board Actions:

June 12, 2006 – Staff presentation to Council of the Public Safety Technology Master Plan. This comprehensive plan outlined suggested systems for replacement, wireless communications directions, and priorities for Police and Fire. Staff recommendation was to proceed with an upgrade to the existing PSSI software. (Approved, with later direction to evaluate Tulare County’s ADSi system with an eye towards dispatch consolidation)

November 6, 2006 – Staff recommendation to Council to proceed with an RFP for consultants to conduct a detailed comparison of ADSi and PSSI software proposals for Public Safety after an initial staff review of the systems (Approved)

February 20, 2007 – Staff recommendation to Council to award the RFP for consultant for the above comparison to DeltaWRX for \$49,464. This item was pulled from consideration due to the forthcoming dispatch consolidation and software recommendation from Chief Carden. (No Action)

April 2, 2007 – Staff recommendation to Council to utilize Verizon Wireless for mobile data communications for various city services (Police, Fire, inspections, code enforcement, etc.). (Approved)

April 16, 2007 – Staff recommendation to Council to move forward with the Public Safety Master Plan recommendations and continue to study a consolidated regional dispatch. Council requested the return of the PSSI award at a later date. (Approved as Amended)

Committee/Commission Review and Actions:

Alternatives:

- 1) Reject PSSI proposal and perform an open RFP for computer-aided dispatch systems. Total cost anticipated to be \$1+ million dollars. Award in about a year, implementation following.
- 2) Reject PSSI proposal and continue to source parts from online salvage companies. Does not address any usability issues.
- 3) Solicit ADSi to participate in the two-vendor RFP process with DeltaWRX. Consultant cost of about \$50,000 and award in six to nine months.

Attachments:

- 1) Fire Services Matrix
- 2) Police Services Matrix
- 3) PSSI System Upgrade Proposal

Recommended Motion (and Alternative Motions if expected): Staff recommends Council award the computer-aided dispatch system replacement to Public Safety Systems, Inc (PSSI) for \$472,275. If PSSI is low-bid on the Stratus server, staff would also recommend the approval of that award for approximately \$60,000.

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

PSSI System Upgrade Proposal

<i>Component</i>	<i>What It Does</i>	<i>Regular Price</i>	<i>Project Management Cost</i>	<i>Upgrade Discount</i>	<i>Net Price</i>
CAD System Upgrade	Actual dispatch system upgrade, includes redundant backup server licensing and 5 dispatch positions.	\$ 95,250	\$ 18,500	\$ (24,675)	\$ 89,075
CAD Web System	Allows remote monitoring of all units, incident history, and pending calls. Highly useful for management viewing.	\$ 22,500	\$ 5,500	\$ (6,000)	\$ 22,000
CAD Interfaces	Cost is for new Mapping interface. Existing interfaces already included are E911, CLETS (Dept of Justice), ZETRON (Fire), Fire Station printers, and the existing Bio-Key MDT system.	\$ 24,500	\$ -	\$ (7,350)	\$ 17,150
ICIS Records System	City currently owns the ICIS Police records system. This integrates that system with real-time pin-mapping capabilities at 2 positions.	\$ 11,000	\$ 3,500	\$ (4,350)	\$ 10,150
Fire Records Interface	Integration of the existing Bio-Key / SunPro Fire records system with dispatch.	\$ 25,000	\$ 3,500	\$ (7,500)	\$ 21,000
Mobile Computer System	Mobile data computer software (replaces Bio-Key) and integration of MDT/MDCs with ICIS records.	\$ 80,000	\$ 19,500	\$ (24,000)	\$ 75,500
Police Mobile Licenses	Police MDT licensing - 85 units	\$ 85,000	\$ -	\$ (25,500)	\$ 59,500
Police Mobile Field Reporting	Police MDT field reporting - 85 units	\$ 106,250	\$ -	\$ (31,875)	\$ 74,375
Police Mobile Mapping	Police vehicle (AVL) mapping - 85 units	\$ 42,500	\$ -	\$ -	\$ 42,500
Fire Mobile Licenses	Fire MDT licensing - 12 units	\$ 12,000	\$ -	\$ (3,600)	\$ 8,400
Fire Mobile Mapping	Fire vehicle (AVL) mapping - 12 units	\$ 6,000	\$ -	\$ -	\$ 6,000
Mapping System	Mapping system utilized by 5 dispatch positions, Police and Fire MDTs.	\$ 35,000	\$ 15,000	\$ (10,500)	\$ 39,500
Geo-Server System	Performs address verification and recommends units, as well as integrates with mapping system. Utilizes a GIS system interface to reduce dispatch keying of addresses.	\$ 70,100	\$ 7,500	\$ (18,000)	\$ 59,600
Subtotals		\$ 615,100	\$ 73,000	\$ (163,350)	\$ 524,750
Less Additional Upgrade Discount				\$ (52,475)	\$ (52,475)
Total Discount				\$ (215,825)	
Total		\$ 615,100	\$ 73,000	\$ (215,825)	\$ 472,275
Total Discount Received					31%

City of Visalia Agenda Item Transmittal

Meeting Date: May 21, 2007

Agenda Item Number (Assigned by City Clerk):

Closed Session Report Out

Agenda Item Wording: Confidential and Department Head Employees Annual Compensation & Benefits Changes for Fiscal Year 2007-08

Deadline for Action:

Submitting Department: Administrative Services

Contact Name and Phone Number: Janice Avila, Human Resources Manager 713-4417, Eric Frost, Administrative Services Director 713-4475.

Department Recommendation:

Council approved the recommended salary and benefits changes for the Department Head Group and Confidential Employee Group for the fiscal year 2007/08, at closed session on May 7, 2007. The employees in these groups are not represented for bargaining purposes and therefore do not have a formal Memorandum of Understanding in place and this transmittal will serve as documentation for the purpose of maintaining these changes for a period of one year. The approved salary and benefits changes are being reported at the May 21, 2007 meeting and are as follows:

- 4% salary range increase, effective March 31, 2007.
- Share increases in future health plan costs (if any) up to 50%; but no more than the least bargained benefit.
- Participation in the City's Health Benefits Committee via the management representative (if five out of the six groups (5 represented groups and management) agree upon health plan changes, the health plan changes shall take effect. Savings achieved by the City's Health Benefits Committee shall be credited to the employees' contribution for health plan cost increases as established for other bargaining units.
- Inclusion of the optional in-service death benefit (Pre-retirement Optional Settlement 2 Death Benefit, section 21548) which provides the surviving spouse the same retirement benefit as if the employee had retired at the time of death.
- Section 125 – all (employee and dependent) health premiums shall be taken out on a pre-tax basis unless employee opts out by written notification during open enrollment period.

For action by:

City Council
 Redev. Agency Bd.
 Cap. Impr. Corp.
 VPFA

For placement on which agenda:

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(Initials Required)

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- Increase tuition assistance from \$1,000 per fiscal year to \$1,200 per fiscal year for those pursuing a BA or higher degree.
- Implementation of the opt in Medicare plan for employees hired before April 1, 1986, including the option to purchase 5 years of service. Employee would be responsible for their service cost.
- Inclusion in a two-tiered retirement system as agreed to by other bargaining units.
- Non-exempt (Administrative employees) allowed to sell back their 8-hour Floating Holiday in November each year, if not used, at their regular hourly rate.
- Non-exempt (Administrative employees) to continue receiving the additional 6 hours Comp time (to a total of 14 hours), granted in January 2008.
- Continuance of Administrative Leave Buy-Back based upon vacation leave usage for classifications designated as Exempt for FLSA purposes.
- Employee health insurance contribution - \$100 per month.

Fire Battalion Chief Classification: As outlined above, in addition to the following:

- Provide shift coverage pay (for Administrative Fire Battalion Chiefs only) to provide for full duty coverage – at \$775. This shift coverage pay is to compensate Administrative Battalion Chiefs when they are called to cover a 24-hour shift. The recommended amount is equal to the regular hourly rate (\$32.32) for a Fire Battalion Chief serving on a 24-hour shift.
- Uniform allowance of \$400 annually,

Department Head Group: As outlined above, in addition to the following:

- Reimbursement of up to \$250 for service club membership.
- Monthly vehicle allowance of \$425 for those department heads not assigned a City vehicle.

Summary/background:

Currently there are twenty-three (23) Confidential employees and nine (9) members of the Department Head Group. For purposes of bargaining, these employees are not represented by outside parties and rely upon City administration to represent their interests. (A list of these employees and their classifications for each group is attached – see Attachment A.)

Representatives from the groups have met and presented their requests to the City's labor relations staff for consideration. After discussion with these groups and the City Manager, reviewing salary and/or benefit changes set and/or anticipated for other bargaining units, and an initial review of salary survey information from the City's comparable agencies, staff is recommending the above changes.

Prior Council/Board Actions: April 2, 2007, May 7, 2007

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Unrepresented Confidential and Department Head Classifications Listing

Recommended Motion (and Alternative Motions if expected):

Environmental Assessment Status

CEQA Review:

NEPA Review:

Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

**Department Head
and Confidential
Group Employees**
Feb-07

Department Head Group

Employee	Position	FLSA Status
Eric Frost	Administrative Services Director	Exempt
Carol Cairns	Assistant City Manager	Exempt
Mike Olmos	Assistant City Manager	Exempt
Leslie Caviglia	Deputy City Manager	Exempt
George Sandoval	Fire Chief	Exempt
Vince Elizondo	Parks & Recreation Director	Exempt
Bob Carden	Police Chief	Exempt
Andy Benelli	Public Works & Eng Services Director	Exempt
Vacant	Housing & Econ. Dev. Director	Exempt

**Confidential
Unrepresented**

Fred Brusuelas	Asst. Comm. Dev. Director	Exempt
vacant	Asst. PW & Eng Services Director	Exempt
Donjia Huffmon	Chief Deputy City Clerk	Exempt
Susie Alter	Executive Assistant	Exempt
Gus Aiello	Finance Manager	Exempt
Renee Nagel	Finance Manager	Exempt
Janice Avila	Human Resources Manager	Exempt
Charlotte Dunn	Insurance & Benefits Manager	Exempt
Diane Davis	Management Analyst	Exempt
Sonni Burrell	Management Analyst	Exempt
Diane Lopez	Administrative Assistant	Non-Exempt
Jonda MacLennan	Administrative Assistant	Non-Exempt
Linda Wright	Payroll Technician	Non-Exempt
Carina Mello	Sr. Administrative Assistant	Non-Exempt
Kim McGee	Sr. Administrative Technician	Non-Exempt
Lupe Hernandez	Sr. Administrative Technician	Non-Exempt
Michele Martin	Sr. Personnel Analyst	Non-Exempt
Charlie Norman	Fire Battalion Chief	Exempt
Danny Wristen	Fire Battalion Chief	Exempt
Doyle Sewell	Fire Battalion Chief	Exempt

Kevin Gildea	Fire Battalion Chief	Exempt
Brian Adney	Fire Battalion Chief	Exempt
Dennis Swiney	Assistant Chief of Police	Exempt