



Joint Meeting

VISALIA CITY COUNCIL COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT

Monday, March 17, 2008
Visalia Convention Center, 303 E. Acequia, Visalia, CA
4:00 p.m.

City of Visalia
Mayor: Jesus J. Gamboa
Vice Mayor: Bob Link
Council Member: Greg Collins
Council Member: Donald K. Landers
Council Member: Amy Shuklian

College of the Sequoias Board of Trustees
President: John Zumwalt
Vice President: Lori Cardoza
Clerk: Greg Sherman
Board Member: Earl Mann
Board Member: Sue Shannon

AGENDA

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

INTRODUCTIONS/COMMENTS

CITIZENS REQUESTS - This is the time for members of the public to comment on any matter within the jurisdiction of the College of the Sequoias District/Visalia City Council. The Board Members and Council ask that you keep your comments brief and positive. The Board/Council members 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 or a total of 20 minutes per topic. Please begin your comments by stating your name and providing your street name and city.

(Additional written materials, if any, will be made available at the meeting)

1. Update of the California State University Fresno/COS Center
2. COS Fast Facts
3. COS Bond in November

ADJOURNMENT

Filename: 031708 Jt mtg - COS
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Visalia City Council Agenda

For the regular meeting of: MONDAY, March 17, 2008

Location: Convention Center, 303 E. Acequia, Visalia CA 93291

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

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.

WORK SESSION AND ACTION ITEMS (as described)

5:00 p.m. (or immediately following the Joint meeting with COS)

EMPLOYEE INTRODUCTIONS

- Introduction of Eddy Gomez (Solid Waste) and Steve Ellis (Fleet), by Jim Bean
- Introduction of Rebecca Keenan, Civil Engineer, by Adam Ennis

Public Comment on Work Session and Closed Session Items -

1. Shopping Cart Ordinance Proposal

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)

2. Conference with Legal Counsel - Anticipated Litigation (3)
(Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 GC)
3. Conference with Real Property Negotiators (G.C. §54956.8)
Property: Outlot A and Outlot C of Parcel Map No. 4843 for riparian setback purposes on Packwood Creek
Under Negotiation: Price, terms, conditions of purchase
Negotiators: Steve Salomon, Vince Elizondo, Paul Shepard, DBO Development No. 33
- 3a. Conference with Real Property Negotiators (G.C. §54956.8)
Property: County Center Drive Land (south of South Police Precinct)
Under Negotiation: Price, terms, conditions of potential sale
Negotiators: Steve Salomon, Vince Elizondo, Ricardo Noguera

REGULAR SESSION

7:00 p.m.

PLEDGE OF ALLEGIANCE

INVOCATION – Pastor Brian Malison, Christ Lutheran Church

SPECIAL PRESENTATIONS/RECOGNITION

Presentation of award by Jim Bean to Sue Brown, on behalf of CIGNA Health Care for recycling efforts from the Consolidated Waste Management Authority.

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 street name and city.

4. **INFORMATION ONLY** - no action required. Receive Planning Commission Action Agenda for the meeting of March 10, 2008.

CHANGES TO THE AGENDA/ITEMS TO BE PULLED FOR DISCUSSION

5. **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) Authorization to file Notice of Completion for McAuliff Street Improvement Project. Project No. 1241-00000-720000-0-9475.
 - c) Appointment of Glen Stewart to the Transit Advisory Committee.
 - d) Authorization to apply for a grant from the Department of Alcoholic Beverage Control for \$58,935 to combat unlawful sales of alcohol to minors.
 - e) Authorization to accept, if awarded, a STEP (Selective Traffic Enforcement Program) grant from the State Office of Traffic Safety (OTS).
 - f) Authorization to invest monies in the Local Agency Investment Fund (LAIF) by delegated authorities. **Resolution 2008-17 required.**
 - g) Authorization for the City Manager to send a letter to the Imagine U Museum Board extending the Letter of Intent performance periods for the property located at Douglas between Burke and Santa Fe.

- h) Authorization to submit two grant application in the amount of \$2,009,048 to the Federal Transit Administration (FTA) for partial funding for bus shelters, FY 2008 operating assistance , and two (2) under 35 ft. CNG replacement buses.
 - i) Authorization to file a Notice of Completion for Parcel Map 2007-03, located east of Mooney Blvd. between Cameron Avenue and Visalia Parkway.
 - j) *Item removed at the request of staff.*
 - k) Second Reading of **Ordinance 2008-03** authorizing the Grant of Easement to Southern California Edison Company to construct & maintain electric distribution facilities on a portion of City owned property, APN 073-210-001, and authorize the City Manager to execute the agreement related to the grant of easement.
 - l) Authorize the City Manager to execute a Joint Use Agreement (REL06148574 - J.O. 3750) between Southern California Edison Company and the City of Visalia for the relocation of facilities on the east side of McAuliff Street south of Walnut Avenue.
 - m) Approval to appoint Carla Calhoun as a Parks & Recreation Commissioner, and Jeff Boswell and Travis Griffith as Commissioner Alternates effective April 1, 2008.
 - n) Approval of the recommendation to name certain park amenities in Riverway Sports Park in accordance with City's policy on naming park facilities.
 - o) Authorization to form a Visitor/Shuttle Center Planning Task Force to look at sites and space needs and to identify parties interested in space in the facility.
 - p) Authorization for the City of Visalia to submit an abstract request to form a partnership with Southern California Edison and Southern California Gas.
6. Update of the Mid Year Budget.
7. Award contracts to Paychex Time & Attendance, Inc. dba Stromberg and Principal Decision Systems International (PDSI) for the purchase and installation of time / attendance and public safety scheduling software, respectively.

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

REPORT OF CLOSED SESSION MATTERS FINALIZED BETWEEN COUNCIL MEETINGS

Upcoming Council Meetings

- Monday, March 31, 2008, Joint Meeting with Parks and Recreation Commission – 5:00 p.m. Convention Center, 303 E. Acequia
- Monday, April 7, 2008, Work Session 4:00 p.m. Regular Session 7:00 p.m. – City Council Chambers, 707 W. Acequia
- Monday, April 21, 2008, Work Session 4:00 p.m. Regular Session 7:00 p.m. – City Council Chambers, 707 W. Acequia

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.

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City of Visalia Agenda Item Transmittal

Meeting Date : March 17, 2008

Agenda Item Number (Assigned by City Clerk): 1

Agenda Item Wording: Shopping Cart Ordinance Proposal

Deadline for Action: None

Submitting Department: Housing and Economic Development

Contact Name and Phone Number:

Ricardo Noguera, Director 713-4190

Tim Burns, Neighborhood Preservation Manager 713-4172

Department Recommendation: Authorize staff to proceed with the: development of a Shopping Cart Municipal Code Ordinance, including provisions to require a cart management plan at the development phase for future retail establishments providing shopping carts for their customers' use.

Summary/background: Abandoned shopping carts on public and private property promote blight and deterioration. They constitute an attractive nuisance creating a hazard to the health and safety of the residents and guests of the City. Abandoned shopping carts are aesthetically detrimental to the image of the City.

Abandoned shopping carts can be observed throughout the City. They can be observed abandoned on gateways to the community. They can be located abandoned on major roadways, in commercial areas, residential neighborhoods, in City parks and in waterways and storm drainage systems.

Unauthorized removal and mechanisms for owner retrieval of shopping carts have been identified as matters of statewide concern, and are regulated by Business and Professions Code Section 22435-22435.8. However, to be utilized most effectively, these provisions necessitate that the implementing authority adopt an ordinance which facilitates their enforcement. For example, the Business and Professions Code provisions are only applicable to carts with certain ownership information and use limitations permanently affixed to them, but there is no requirement that the owner of the cart do so. A City ordinance could require that all shopping cart owners affix such information to their carts. The ordinance could also supplement the Business and Professions Code by identifying specific contact information which shopping cart owners must provide so as to keep the onus on the owners to retrieve their own carts, and to streamline the procedures by which the City can put them on notice of the need to do so, and thereby minimize the necessary City enforcement assets.

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 development and implementation of a Shopping Cart Ordinance will require participation and assistance from the City Attorney's Office, the Police Department, the Public Works Department, the Planning Division and the Neighborhood Preservation Division.

Next Steps: With Council's consent and authorization, the next steps will be as follows:

1. The City Attorney's Office will prepare a Shopping Cart Ordinance for consideration;
2. Staff will provide draft ordinance to Chamber of Commerce, shopping Center owners, and other interested parties for their review and input;
3. Council will consider ordinance at a Council meeting;
4. Once approved and implemented, the Police Department will assist Neighborhood Preservation staff in the collection of carts from individuals in possession without permission from the retail establishment owning the cart(s);
5. Collected carts will be temporarily stored at the Public Works Corporation Yard pending return or disposal;
6. Future retail establishments using shopping carts will be required to submit a cart management plan to Planning Division staff during the development process through the Site Plan Review Committee;
7. Neighborhood Preservation staff will be responsible for the required noticing and return of the carts or disposition.

Outreach to Grocers in Visalia. To date, twenty-five (25) retail establishments providing shopping carts for their customers have been contacted for input regarding the possibility of the creation and implementation of a Shopping Cart ordinance. All have been cooperative and supportive of the idea. All have been invited to attend the work session to provide comment to Council.

Cost to operate and fund a Shopping Cart Ordinance is estimated to range between \$25,000. and \$30,000. annually. Costs include the hiring of an hourly Code Enforcement Technician (1,000 hour position) to perform the duties created by the program. The program will be evaluated annually to evaluate the need for staffing. Approximately \$3,000 will be spent for a low profile trailer to collect abandoned carts and approximately \$2,000. for security fencing of the carts. It is anticipated that a truck required to tow the trailer will be acquired through the CIP process. The program will be funded through the Solid Waste Enterprise Fund.

It is anticipated that the program will partially support itself through cost recovery fees, fines and recycling fees collected.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives:

1. Enforce current Business and Professions Code regulating Shopping Carts.
2. Staff will provide a draft ordinance to the Chamber of Commerce, shopping cart owners' and other interested parties for their review and input.
3. Council will consider an ordinance at a future Council meeting.

Attachments: Copy of the Business and Professions Code regulating Shopping Carts

Recommended Motion (and Alternative Motions if expected):

Authorize staff to proceed with the development of a Shopping Cart Ordinance, including provisions to require a cart management plan at the development phase for future retail establishments providing shopping carts for their customers.

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:

Filename: Item 1 Shopping Cart Ordinance Staff report2
Directory: H:\(1) AGENDAS for Council\2008\031708
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**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2007

Agenda Item Number (Assigned by City Clerk): 5b

Agenda Item Wording: Request authorization to file a Notice of Completion for Project No. 1241-00000-720000-0-9475 McAuliff Street Improvement Project.

Deadline for Action: None

Submitting Department: Public Works

Contact Name and Phone Number: Andrew Benelli 713-3115,
Fred Lampe 713-4270

Department Recommendation: Staff recommends that authorization be given to file a Notice of Completion for Project No. 1241-00000-720000-0-9475 McAuliff Street Improvement Project.

Summary/background: The project extended McAuliff Street south from Houston Avenue (State Route 216) and extended Mill Creek Parkway east from Manzanita Street to provide a second southern route to the residences, businesses, and Visalia Unified School District's campuses at the intersection of Houston Avenue and McAuliff Street. Extensive work was done to the intersection of Houston Avenue and McAuliff Street, adding curb returns, turn lanes, and modifying the existing traffic signal. A traffic signal was added to the intersection of Lovers Lane and Mill Creek Parkway and street and storm drain improvements were constructed on Douglass Avenue and McAuliff Street.

The project was the second phase of a three phase plan to improve and extend McAuliff Street from Golden West High School to Mineral King Avenue. Phase one began on the north end and constructed street improvements and a traffic signal at McAuliff Street and Saint Johns Parkway near the stadium at Golden West High School. Phase two constructed the center portion of the project. Phase three will build bridges over Mill Creek and Evans Ditch on the south end of the project. The bridges will allow McAuliff Street traffic to travel directly to Mineral King Avenue. In addition to constructing the bridges, phase three will remove and rebuild the headworks of Evans Ditch and rebuild a Parshall Flume in Mill Creek. Construction of phase three is scheduled to begin in August or September 2009 when the waterways are dry and right of way acquisition is complete.

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 NA
City Atty NA
(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 Houston Avenue – McAuliff Street intersection is linked with the future Caltrans project to widen Houston Avenue (State Route 216) from Lovers Lane to Road 152. Caltrans is also the permitting agency for all work done in the State Route 216 right of way. The design for the widening of State Route 216 has been and still is changing as it moves closer to construction. Different alignments have been considered because of land values, utility locations, and projected traffic volumes. The City's design of the Houston Avenue – McAuliff Street intersection was controlled by Caltrans anticipated needs. As the City project progressed through environmental compliance, right of way acquisition, and design, the City's plans for the Houston Avenue – McAuliff intersection changed several times to meet the requirements of the future State Route 216 project. Because of the several width and alignment changes made to Houston Avenue (State Route 216) some street improvements were designed on property that was never purchased for right of way. The need for the additional right of way was not discovered until after the construction contracts were signed. Efforts to change the plans to fit within the existing right of way resulted in increasing the cost of the construction contract. Sections 4 and 5 of the following cost categories detail the expenses related to this delay.

All of the work included in this contract has been completed by R.J. Berry Jr., Inc. at a final cost of \$1,974,112.51. The original contract amount was \$1,676,409.50. The overage of \$297,703.01 was 17.8% of the original contract.

The extra costs fall into six categories:

1. City requested changes \$39,718, 2.4%. These changes were requested by the City after the contract was executed. They include adding a sidewalk on the south side of Douglas Avenue, consolidating two large stockpiles of soil, extending an 18-inch storm drain in Douglas Avenue east of McAuliff Street, and adding bike lane striping to McAuliff Street.

The sidewalk was added for improved safety of students walking to school from subdivisions being constructed on the south side of Douglas Avenue, west of McAuliff Street. Bike lane striping was also added to conform to the City's Bikeway Plan Update adopted February 2006 and to provide safer routes for students. The soil was stockpiled by a temporary storm basin to facilitate its future abandonment. The storm drain was added to Douglas Avenue because of development that began east of McAuliff after the project was designed.

2. Unforeseen conditions \$4,885, 0.3%. The project abandoned an old well site found in the right of way, rebuilt and adjusted a manhole hidden by pavement, and added batteries not included in state furnished battery backup signal equipment.

3. Extra improvements to the Lovers Lane – Mill Creek intersection \$51,403, 3.1%. These include new curb returns with sidewalk and handicap ramps, and additional signing and striping. Modifications to the medians were added including electrical pull boxes requiring under street boring of conduit. One signal pole was relocated to avoid conflict with an existing gas main and an additional under street conduit was bored for the power supply. Many of these changes were requested by Caltrans after the construction contract had been awarded.

The City's design for the signal at the intersection of Lovers Lane – Mill Creek called for little change in the existing curbs and striping. Caltrans felt that the safety of the intersection would be improved with the changes and asked that they be incorporated into the project. The signal will be owned and operated by Caltrans.

4. Extra improvements to the Houston Avenue – McAuliff Street intersection \$48,883, 2.9%. The items included a crash cushion array at an existing power pole, relocation of a private

driveway, additional pavement removal and replacement to meet Caltrans cross slope requirements, extra signing and striping for the new intersection layout. These changes were required when it was discovered that some of the planned improvements were outside of the State right of way on private property. The plans were redrawn to fit within the existing right of way and were re-submitted to Caltrans for approval. The subsequent plan submittals and redesigns added several months to the construction time. Caltrans approval came in three stages. First, grading and pavement plans were approved. Second, traffic signal and lighting plans were approved. Third, traffic signing and striping plans were approved.

5. Contractor costs incurred due to the delay in project completion, \$142,514, 8.5%. The extra costs include overhead costs, increase in asphalt and aggregate base costs, increase in sales tax (Measure R), extra mobilization, more equipment days, increased labor, trucking, handling, and traffic control. Delay costs occurred when the plans for the Houston Avenue – McAuliff Street intersection were redrawn to fit into the existing road right of way. It took longer than anticipated to redesign the intersection and gain Caltrans approval.

Items included in categories four and five are related to the street improvements being drawn on property that was never purchased as right of way. These items make up the majority of the increase in the contract price. Some non contract items could be considered to mitigate the additional cost of construction at the Houston Avenue and McAuliff Street intersection. First, the city did not purchase the additional right of way, and second, the city did not have to relocate poles belonging to Southern California Edison. Purchasing the right of way and relocating the poles could have cost \$70,000 to \$100,000 and delayed the project an equal amount of time. In addition, the City's consultant, Quad Knopf, forgave \$13,300 in fees to help mitigate some of the extra construction costs at the intersection.

6. Plan discrepancies \$10,300, 0.6%. Two of the signal poles, specified on the plans for the Houston Avenue - McAuliff Street intersection, were not correct. New poles were ordered. The City's design consultant, Quad Knopf, has reimbursed the City \$10,300 for the costs associated with the signal poles.

The City was fortunate to have R.J. Berry Jr., Inc. as the general contractor on this project. All work outside Caltrans right of way was completed on schedule. Through the additional months the contractor completed different stages as Caltrans approval was granted. This required moving equipment and crews on and off the site several times.

Prior Council/Board Actions:

4/17/06 Council awarded the construction contract to R.J. Berry Jr., Inc.

Committee/Commission Review and Actions:

Alternatives: Do not file the notice of completion.

Attachments: Site Map
Ownership Disclosure Form

Recommended Motion (and Alternative Motions if expected): I move that authorization be given to file a Notice of Completion for the McAuliff Street Improvement Project.

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)*

By contract, all money held in retention will be paid to the contractor 35 days after filing of the Notice of Completion.

Copies of this report have been provided to:

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**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5c

Agenda Item Wording: Appointment of Glen Stewart to the Transit Advisory Committee.

Deadline for Action: March 17, 2008

Submitting Department: Administration Department – Transit Division

Contact Name and Phone Number: Monty Cox, X4591

Department Recommendation

It is recommended that Glen Stewart be appointed to the Transit Advisory Committee for a three year term ending 2011.

Summary/Background

The Transit Advisory Committee currently has 1 vacancy. Applicants were recruited from various organizations in addition to the general public. An interview process was held by the Transit Advisory Committee on February 6 to review the applications that were received. During this process, the committee felt Glenn Stewart had the experience and interest that the committee requires. Glen Stewart served as Transit Advisory Committee member from 2000 through 2005 and is a current transit rider. The committee recommends Glenn Stewart be appointed. The Citizens Advisory Committee (CAC) reviewed and approved this recommendation on March 5. The recommendation is now being forwarded to the City Council for approval and appointment.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives: A new recruitment be undertaken.

Attachments: Application for Glen Stewart.

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.

Recommended Motion (and Alternative Motions if expected):
I move to appoint Glen Stewart to the Transit Advisory Committee.

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)*

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**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5d

Agenda Item Wording: Authorization to apply for a grant from the Department of Alcoholic Beverage Control for \$58,935 to combat unlawful sales of alcohol to minors.

Deadline for Action: N/A

Submitting Department: Police

Contact Name and Phone Number: Police Chief Bob Carden ext. 4215 or Lieutenant Michele Figueroa ext. 4303 or Sergeant Brian Winter ext. 4161

Department Recommendation: It is recommended that the Visalia Police Department be authorized to apply for a grant from the Department of Alcoholic Beverage Control for \$58,935 to combat unlawful sales of alcohol to minors.

Summary/background: The Department of Alcoholic Beverage Control (A.B.C.) is offering several California Police agencies the opportunity to apply for grants of up to \$100,000 to enforce underage drinking laws. The grant will provide money for enforcement, training, and equipment. All associated costs will be covered by the grant so no additional or matching funds will be needed to fulfill the grant requirements from the City of Visalia. The funds from the grant will fund overtime hours by existing police officer positions to conduct the enforcement details included in the grant so no new or additional personnel will be required from the City of Visalia. By seeking only the requested amount, officers will be able to maximize enforcement efforts on an overtime basis without affecting the basic police services provided to our citizens.

The grant period will run from July 1, 2008 through June 30, 2009. During that time, officers will conduct several enforcement details targeting the unlawful sale of alcohol to minors at the 130 on-sale alcohol establishments including bars and restaurants in the city. These details will include the use of minor decoy stings, education to businesses and the public, party patrols, and surveillance of alcohol retail locations. Desired measurable outcomes will include a 20% reduction in sales of alcohol to minors at on-sale alcohol establishments and an increase in merchant and public awareness regarding underage drinking and access of alcohol by minors. The deadline to apply for the A.B.C. grant is March 28, 2008.

Prior Council/Board Actions: N/A

Committee/Commission Review and 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.):_1__

Review:

Dept. Head _____

Finance _____
City Atty _____
City Mgr _____

Alternatives: Refuse to apply for the A.B.C. grant funds.

Attachments: N/A

Recommended Motion (and Alternative Motions if expected): I move to approve the request to apply for the \$58,935 A.B.C. grant to provide underage drinking enforcement.

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)*

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Number of Characters: 2,626 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5e

Agenda Item Wording: Authorization to accept, if awarded, a STEP (Selective Traffic Enforcement Program) grant for \$105,387 STEP grant from the State Office of Traffic Safety (OTS).

Deadline for Action: March 17, 2008

Submitting Department: Police

Contact Name and Phone Number: Police Chief Bob Carden, ext 4215, or Sgt. Bill Blankenship, ext 4232

Department Recommendation: It is recommended that the City Council accept, if awarded, from the State Office of Traffic Safety (OTS) a non-matching fund grant up to \$105,387 for selective traffic enforcement focusing in the areas of excessive speed, red light enforcement, and intersection details.

Summary/background: The State Office of Traffic Safety is sponsoring the STEP grant, which provides participating agencies the overtime funds, and equipment resources needed to operate selective traffic enforcement programs. With various strategies, speed enforcement is aggressively targeted through speed enforcement details, street racing details, and intersection details.

The grant is for up to \$105,387, and requires no matching funds. The grant will provide for all operational, administrative, and equipment costs associated with the campaign. In addition to the overtime expenses, the STEP grant will provide the funds for the Visalia Police Department to purchase 10 LIDAR units, to be used in the implementation of this program. It will also provide for the training of an in-house LIDAR instructor.

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 STEP grant will run from October 1, 2008, through September 30, 2009. The objectives for the campaign are as follows:

1. To ensure that a minimum of 5 sworn police department personnel are trained to properly conduct inspections of vehicles suspected of being equipped with illegal street racing equipment by September 30, 2009
2. To conduct 2 special enforcement operations targeting vehicles suspected of being equipped with illegal street racing equipment by September 30, 2009.
3. To conduct 4 special enforcement operations targeting red light running enforcement by September 30, 2009.
4. To conduct 2 special enforcement operations at or near intersections with a disproportionate number of traffic collisions by September 30, 2009.
5. To conduct 10 special enforcement operations targeting drivers exhibiting excessive speed by September 30, 2009.

The grant provides for all participating agencies the overtime needed for allocated personnel.

This grant application had a deadline of January 30, 2008, which required us to submit it pending Council approval.

Breakdown of Expenditures:

Overtime personnel expenses	\$51,922
Equipment (LIDAR) purchases	\$48,990
Travel/Training expenses	\$ 4,475
Total	<u>\$105,387</u>

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: N/A

Alternatives: Refuse grant funding.

Attachments:

Recommended Motion (and Alternative Motions if expected): I move that authorization be given to the Police Department to accept, if awarded, a STEP (Selective Traffic Enforcement Program) grant for \$105,387 from the State Office of Traffic Safety (O.T.S.).

Financial Impact

Funding Source: California Office of Traffic Safety
Account Number: (Call Finance for assistance)

Budget Recap:

Total Estimated cost: \$ 105,387	New Revenue:\$ 105,387
Amount Budgeted: \$	Lost Revenue:\$
New funding required:\$	New Personnel:\$
Council Policy Change: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Copies of this report have been provided to:

Environmental Assessment Status

This document last revised:
File location and name:

CEQA Review:

Required? Yes No X

Review and Action: Prior:
Required:

NEPA Review:

Required? Yes No X

Review and Action: Prior:
Required:

Review and Approval - As needed:

Department Head Review (Signature):

Risk Management Review (Signature):

City Attorney Review (Signature):

Administrative Services Finance Review (Signature):

Others:

Filename: Item 5e STEP Grant
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
Creation Date: 03/13/2008 2:31 PM
Change Number: 2
Last Saved On: 03/13/2008 2:31 PM
Last Saved By: sealte
Total Editing Time: 3 Minutes
Last Printed On: 03/13/2008 3:53 PM
As of Last Complete Printing
Number of Pages: 4
Number of Words: 706 (approx.)
Number of Characters: 4,074 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5f

Agenda Item Wording: Approve Resolution Number 2008-17 authorizing investment of monies in the Local Agency Investment Fund (LAIF) by delegated authorities.

Deadline for Action: None.

Submitting Department: Administration - Finance

Contact Name and Phone Number: Eric Frost – 713-4474,
Jason Montgomery – 713-4391

Department Recommendation: Staff recommends that Council delegate authority to the Administrative Services Director/Treasurer Eric Frost, Finance Manager Gus Aiello, and Financial Analyst Jason Montgomery, as well as each of their successors, to invest monies in the Local Agency Investment Fund.

Local Agency Investment Fund: The current City of Visalia Statement of Investment Policy empowers the City by statute to invest in the Local Agency Investment Fund (LAIF). The LAIF was established by the State of California to enable treasurers to place funds in an investment pool. Each participating agency is limited to an investment of \$40.0 million per account. The City uses this fund for short term investments. Invested funds held in LAIF are available on demand and interest is paid quarterly. Presently, the City maintains two LAIF accounts, one being the main City account and the other being the Visalia Public Finance Authority (VPFA) account. As of February 29, 2008, the yield on LAIF was 4.41%. LAIF requested that the City update the list of officers who can conduct business with LAIF.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Attachment #1: City of Visalia Resolution authorizing investment of monies in the Local Agency Investment Fund.

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.

Recommended Motion (and Alternative Motions if expected): Move to approve resolution number 2008-17 authorizing the investment of monies in the Local Agency Investment Fund and delegating authority to the Administrative Services Director/Treasurer Eric Frost, Finance Manager Gus Aiello, and Financial Analyst Jason Montgomery, as well as each of their successors, to invest those monies in LAIF.

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)*

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF VISALIA**

AGENCY
ADDRESS: 707 W. Acequia Ave. Visalia, CA 93291

AGENCY
PHONE #: 559 713-4425

AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the City Council does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the City of Visalia.

NOW THEREFORE, BE IT RESOLVED, that the City Council does hereby authorize the deposit and withdrawal of the City of Visalia monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following City of Visalia officers **or their successors in office** shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

<u>Eric Frost</u> (name)	<u>Gus Aiello</u> (name)	<u>Jason Montgomery</u> (name)
<u>Admin. Services Director</u> (title)	<u>Finance Manager</u> (title)	<u>Financial Analyst</u> (title)
_____ (signature)	_____ (signature)	_____ (signature)

PASSED AND ADOPTED, by the City Council of The City of Visalia, Tulare County of the State of California on _____.

Filename: Item 5f Authorization to invest in LAIF
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
Creation Date: 03/13/2008 1:49 PM
Change Number: 3
Last Saved On: 03/13/2008 2:17 PM
Last Saved By: sealte
Total Editing Time: 4 Minutes
Last Printed On: 03/13/2008 3:54 PM
As of Last Complete Printing
Number of Pages: 3
Number of Words: 725 (approx.)
Number of Characters: 3,974 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5g

Agenda Item Wording: Authorization for the City Manager to send a letter to the Imagine U Museum Board extending the Letter of Intent performance periods for the property located at Douglas between Burke and Santa Fe.

Deadline for Action: N/A

Submitting Department: Administration

Contact Name and Phone Number:

Department Recommendation

It is recommended that the Council extend the Letter of Intent performance periods with the Imagine U Museum. The recommendation is to extend the January 17, 2008 deadline to September 1, 2008, and to also extend the subsequent performance periods by nine months.

Department Discussion

In July, 2006, the Council authorized the City Manager to negotiate a long term lease with the Imagine U Museum Board for the property located on Douglas between Burke and Santa Fe (Soroptimist Park). Negotiations ensued, and in January, 2007, a Letter of Intent (copy attached) was issued to the Board that contained specific performance measures and deadlines.

The first performance deadline was in January, at which time the organization was required to “submit for the City’s review and approval a financially feasible plan for fully constructing and operating the new building. The plan must identify the amount of money needed for the construction, and include fund raising targets and dates, as well as a viable operating funding program. The City must determine that both the construction and operating portions of the plan are feasible in order for this agreement to continue and construction to proceed. The Museum will be given 3 years to secure funding for the construction.” Additional performance periods are outlined, including a submission of the design improvements and site layout by January, 2009, and construction completed and the building occupied by 2012.

On February 1, 2008, the Board President submitted a feasibility operations plan update. (Letter attached). The letter outlines the progress the Board has made to design and construct a new children’s museum on the Douglas Street site, to raise the funds necessary to pay for the building construction and on-going operations. While the update falls short of fully complying with the Letter of Intent requirements, staff believes that significant progress has been made,

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 22808

Finance

City Atty

City Mgr

and that an extension to September 1, 2008 is warranted. At that time, a full report, in compliance with the provisions of the Letter of Intent, would be required. A draft letter extending the deadline and specifically outlining the expectations for that report is attached.

If the recommended extension is granted, staff also recommends that the subsequent performance timelines also be extended, specifically that the next performance report would be due September, 2009, and the construction/occupancy deadline be extended to September 1, 2012.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Original Letter of Intent dated January 17, 2007

Update letter from Imagine U Museum Board dated February 1, 2008

Draft extension letter

Recommended Motion (and Alternative Motions if expected):

I move that the City Council authorize the City Manager to send a letter to the Imagine U Museum Board extending the Letter of Intent performance periods for the property located at Douglas between Burke and Santa Fe.

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)*

Filename: Item 5g Imagine U 2008
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
Creation Date: 02/29/2008 4:08 PM
Change Number: 3
Last Saved On: 03/13/2008 11:14 AM
Last Saved By: lbcavi
Total Editing Time: 1 Minute
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Number of Pages: 2
Number of Words: 597 (approx.)
Number of Characters: 3,245 (approx.)

City of Visalia Agenda Item Transmittal

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5h

Agenda Item Wording: Authorization to submit two grant applications in the amount of \$2,009,048 to the Federal Transit Administration (FTA) for partial funding for bus shelters, FY 2008 operating assistance, and two (2) under 35ft CNG replacement buses.

Deadline for Action: March 17, 2008.

Submitting Department: Administration – Transit Division

Contact Name and Phone Number:
Monty Cox 713-4591

Department Recommendation: Authorization to submit two grant applications in the amount of \$2,009,048 to the Federal Transit Administration (FTA) for partial funding for bus shelters, FY 2008 operating assistance, and two (2) under 35ft CNG replacement buses.

Summary/background: The grants are for the federal share of the purchase of bus shelters, operating assistance, and two replacement buses for the City of Exeter Dial-A-Ride service. The grants are through the FTA and consist of federal appropriated funds distributed through the annual federal transportation budget process.

These funds have been programmed for these specific purposes in the Federal Transportation Improvement Program (FTIP) which is one of many requirements necessary to be eligible to receive funds. Once they are appropriated by the federal government and programmed through the FTIP, the City must submit a formal application in order to receive the funds.

The first grant consists of partial funding for bus shelters and FY 2008 operating assistance. Funding for the bus shelters comes from two sources. Approximately eighty percent (80%) comes from federal funding and twenty percent (20%) from the Local Transportation Fund (LTF) which is derived from the ½ cent county sales tax and can only be used for transportation purposes. Funding for the operating assistance is funded fifty percent (50%) with federal funds and fifty percent (50%) comes from passenger fares and State Transportation Development Act (TDA) funds which are included in the City Transit operating budget.

The second grant is being filed on behalf of the City of Exeter which is part of the Visalia Urbanized Area. The current memorandum of Understanding (MOU) has been revised 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.

include wording on filing grant applications on behalf of the City of Exeter. The grant is to purchase two (2) under 30 ft replacement buses to operate Dial-A-Ride service. The City of Exeter has appropriated funding for the purchase and will include those funds in the LTF portion given to the City of Visalia. This will have no negative impact on the City of Visalia's ability to secure bus funding.

Prior Council/Board Actions: None

Committee/Commission Review and Actions: None

Alternatives: None

Attachments: None

City Manager Recommendation:

Recommended Motion (and Alternative Motions if expected): I move that the City Council authorize staff to submit two grant applications in the amount of \$2,009,048 to the Federal Transit Administration (FTA) for partial funding for bus shelters, FY 2008 operating assistance, and two (2) under 35ft CNG replacement buses.

Financial Impact

Funding Source:

Account Number:

Budget Recap:

Total Estimated cost:	\$ 0	New Revenue:	\$ 0
Amount Budgeted:	\$ 0	Lost Revenue:	\$
New funding required:	\$ 0	New Personnel:	\$
Council Policy Change:	Yes_____ No <u>X</u>		

Environmental Assessment Status

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:

Filename: Item 5h Grant applications - Transit
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
Creation Date: 03/12/2008 2:58 PM
Change Number: 3
Last Saved On: 03/13/2008 11:16 AM
Last Saved By: sealte
Total Editing Time: 2 Minutes
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As of Last Complete Printing
Number of Pages: 3
Number of Words: 698 (approx.)
Number of Characters: 3,803 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5i

Agenda Item Wording: Request authorization to file a Notice of Completion for Parcel Map 2007-03, located East of Mooney Blvd between Cameron Avenue and Visalia Parkway.

Deadline for Action: March 17, 2008

Submitting Department: Public Works Department

Contact Name and Phone Number:

Andrew Benelli – 713-4340
David Bruce – 713-4188

Department Recommendation:

The recommendation is that City Council give authorization to file a Notice of Completion as all the necessary improvements for this Parcel Map have been completed and are ready for acceptance by the City of Visalia. The parcel map was developed by D.B.O. Development No. 33. This parcel map was processed for the third phase of the Packwood Creek Shopping Center. Costco has built a new store in this shopping center and several other stores and restaurants are planned. D.B.O. Development No. 33 has submitted a maintenance bond in the amount of \$260,890.00 as required by the Subdivision Map Act to guarantee the improvements against defects for one year.

Summary/background:

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: The tentative Parcel Map 2007-03 was approved by Planning Commission on May 14, 2007.

Alternatives: N/A

Attachments: Location sketch and vicinity map.

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.

Recommended Motion (and Alternative Motions if expected):

I hereby authorize filing a Notice of Completion for Parcel Map 2007-03.

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:

Filename: Item 5i Parcel Map NOC Costco
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
Creation Date: 02/27/2008 10:38 AM
Change Number: 5
Last Saved On: 03/13/2008 11:17 AM
Last Saved By: sealte
Total Editing Time: 2 Minutes
Last Printed On: 03/13/2008 3:56 PM
As of Last Complete Printing
Number of Pages: 2
Number of Words: 348 (approx.)
Number of Characters: 1,919 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5k

Agenda Item Wording: Second reading of Ordinance 2008-03 authorizing the Grant of Easement to Southern California Edison Company to construct & maintain electric distribution facilities on a portion of City owned property, APN 073-210-001, and authorizing the City Manager to execute the Grant of Easement, subject to the City Attorney's approval as to form.

Deadline for Action: N/A

Submitting Department: Public Works/Engineering

Contact Name and Phone Number:

Andrew Benelli (559)713-4340
Adrian Rubalcaba (559)713-4271

Department Recommendation: Adopt Ordinance 2008-03 authorizing the Grant of Easement to Southern California Edison Company to construct & maintain electric distribution facilities on a portion of City owned property, APN 073-210-001, and authorizing the City Manager to execute the Grant of Easement, subject to the City Attorney's approval as to form.

Summary/background: Southern California Edison Company (SCE) is requesting an easement for various strips of land that exceed the existing six-foot public utility easement fronting City owned property. The easement will permit SCE to construct and maintain necessary electric facilities to serve the new light industrial development in the area.

The easement is located at 10529 West Legacy Avenue just west of Freedom Street, Parcel 5 of Parcel Map 4800, which was dedicated by said map to the City for storm water retention purposes. SCE's proposed facilities include a five-foot tall transformer mounted to a concrete pad approximately 5.5' x 6.0' in size, and a PME (Pad Mounted Equipment) consisting of a switch and a manhole cover atop a 5.0' x 10.5' concrete pad; the structure extends approximately seven feet underground. The proposed facilities will encumber a small portion of the basin's frontage, just outside the fenced perimeter, but will not interfere with the regular operation and maintenance of the retention basin and any future landscaping, irrigation, or street trees. The easement location is outside the existing chain link fence and behind the existing sidewalk fronting the property. The installation and operation of street-lights to illuminate the newly constructed public streets and power supply to the drainage basin pump

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.

station awaits the installation and energizing of said facilities. SCE can immediately begin installation once the easement has been granted.

The area of the easement requested consists of three small strips of land equaling approximately 510 square feet and not exceeding more than nine feet past the existing public utility easement. Staff recommends said easement described and attached hereto be granted. The area outside the existing six-foot easement is insignificant to initiate a property appraisal. As previously stated, the easement will not interfere with the operation and maintenance of the retention basin or any future landscaping, irrigation, and street trees.

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: N/A

Alternatives: None recommended

Attachments: Location map, Ordinance, Attachment 1.

Recommended Motion (and Alternative Motions if expected): Adopt Ordinance 2008-03 authorizing the Grant of Easement to Southern California Edison Company to construct & maintain electric distribution facilities on a portion of City owned property, APN 073-210-001, and authorizing the City Manager to execute the Grant of Easement, subject to the City Attorney's approval as to form.

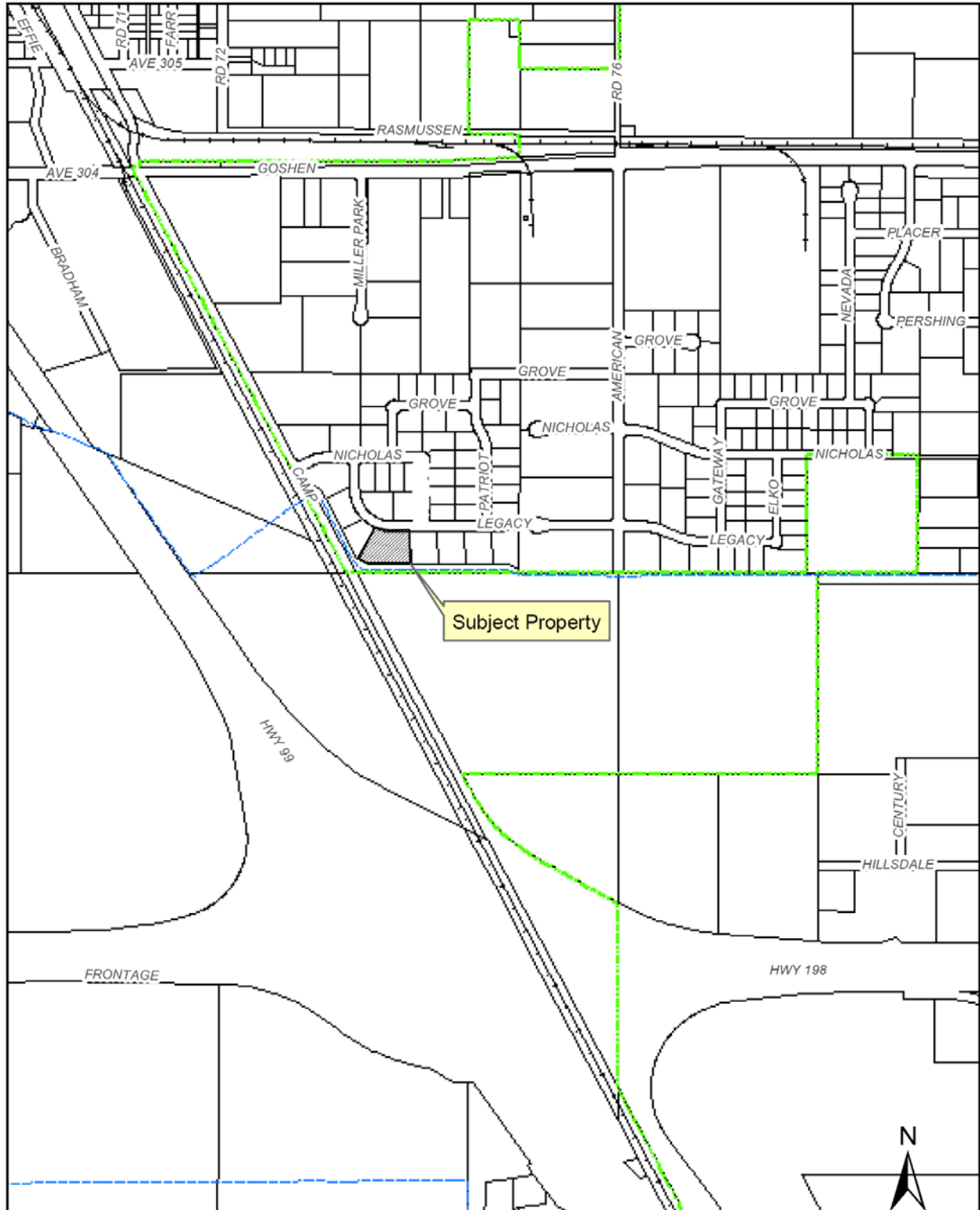
Environmental Assessment Status

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:



Location Map

Scale: 1"=800'

ORDINANCE NO. 2008-03

**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 SOUTHERN CALIFORNIA EDISON
COMPANY**

WHEREAS, the City of Visalia owns and operates certain real property as a storm water retention basin within the American Industrial Park – West, and being Parcel 5 of Parcel Map 4800 recorded Dec. 12, 2006 in Book 49 of Maps, at Page 5, T.C.R.; and

WHEREAS, the City of Visalia desires to grant an easement over said property for the benefit of Southern California Edison Company for the purposes of installation and maintenance of electric distribution facilities; and

WHEREAS, pursuant to the Charter of the City of Visalia, the City Council may by ordinance authorize the grant 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, subject to the City Attorney’s approval as to form, to execute on behalf of the City of Visalia, that certain Grant of Easement to Southern California Edison Company in the form as provided in Attachment 1 attached hereto, and is further authorized to make any necessary or appropriate administrative changes to Attachment 1.

Section 2. This ordinance shall go into effect thirty (30) days after its final 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 2008-03 passed and adopted by the Council of the City of Visalia at a regular meeting held on March 17, 2008 and certify a summary of this ordinance has been published in the Visalia Times Delta.

Dated:

STEVEN M. SALOMON, CITY CLERK

By Donjia Huffmon, Deputy City Clerk



RECORDING REQUESTED BY

SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

ATTACHMENT 1

WHEN RECORDED MAIL TO

SOUTHERN CALIFORNIA EDISON COMPANY

Corporate Real Estate
14799 Chestnut Street
Westminster, CA 92683-5240

Attn: Distribution/TRES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF
EASEMENT**

DOCUMENTARY TRANSFER TAX \$ NONE (VALUE AND CONSIDERATION LESS THAN \$100.00)	DISTRICT	WORK ORDER	IDENTITY	MAP SIZE
	San Joaquin Valley	6751-2541	7-2501	
SCE Company BIG. OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	FIM 71-12B	APPROVED:	BY	DATE
	APN : 073-210-001	CORPORATE REAL ESTATE	SLS/BT	2/25/08

CITY OF VISALIA (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), a non-exclusive easement and right of way to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time underground electrical supply systems and communication systems (hereinafter referred to as "systems"), consisting of wires, underground conduits, cables, vaults, manholes, handholes, and including above-ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and for transmitting intelligence by electrical means, in, on, over, under, across and along that certain real property in the County of Tulare, State of California, described as follows:

VARIOUS STRIPS OF LAND LYING WITHIN PARCEL 5 OF PARCEL MAP NO. 4800, AS PER MAP FILED IN BOOK 49, PAGE 5 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, THE NORTHERLY LINES OF SAID STRIPS BEING DESCRIBED AS FOLLOWS:

STRIP #1 (5.00 FEET WIDE)

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 5; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 5, SOUTH 89°59'32" WEST 28.90 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHERLY LINE OF PARCEL 5, SOUTH 89°59'32" WEST 9.12 FEET TO A POINT OF ENDING, SAID POINT HEREINAFTER REFERRED TO AS POINT "A".

STRIP #2 (15.00 FEET WIDE)

BEGINNING AT SAID POINT "A"; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 5, SOUTH 89°59'32" WEST 18.50 FEET TO A POINT OF ENDING, SAID POINT HEREINAFTER REFERRED TO AS POINT "B".

STRIP #3 (9.00 FEET WIDE)

BEGINNING AT SAID POINT "B"; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL 5, SOUTH 89°59'32" WEST 20.81 FEET TO A POINT OF ENDING.

FOR SKETCH TO ACCOMPANY LEGAL DESCRIPTION, SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

This legal description was prepared pursuant to Sec. 8730(c) of the Business & Professions Code.

Grantor agrees for himself, his heirs and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls and fences on the above described real property. The Grantee, and its contractors, agents and employees, shall have the right to trim or cut tree roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.

EXECUTED this ____ day of _____, 20__.

GRANTOR

CITY OF VISALIA

Signature

Print Name

Title

State of California)
)
County of _____)

On _____ before me, _____, personally
(here insert name and title of the officer)

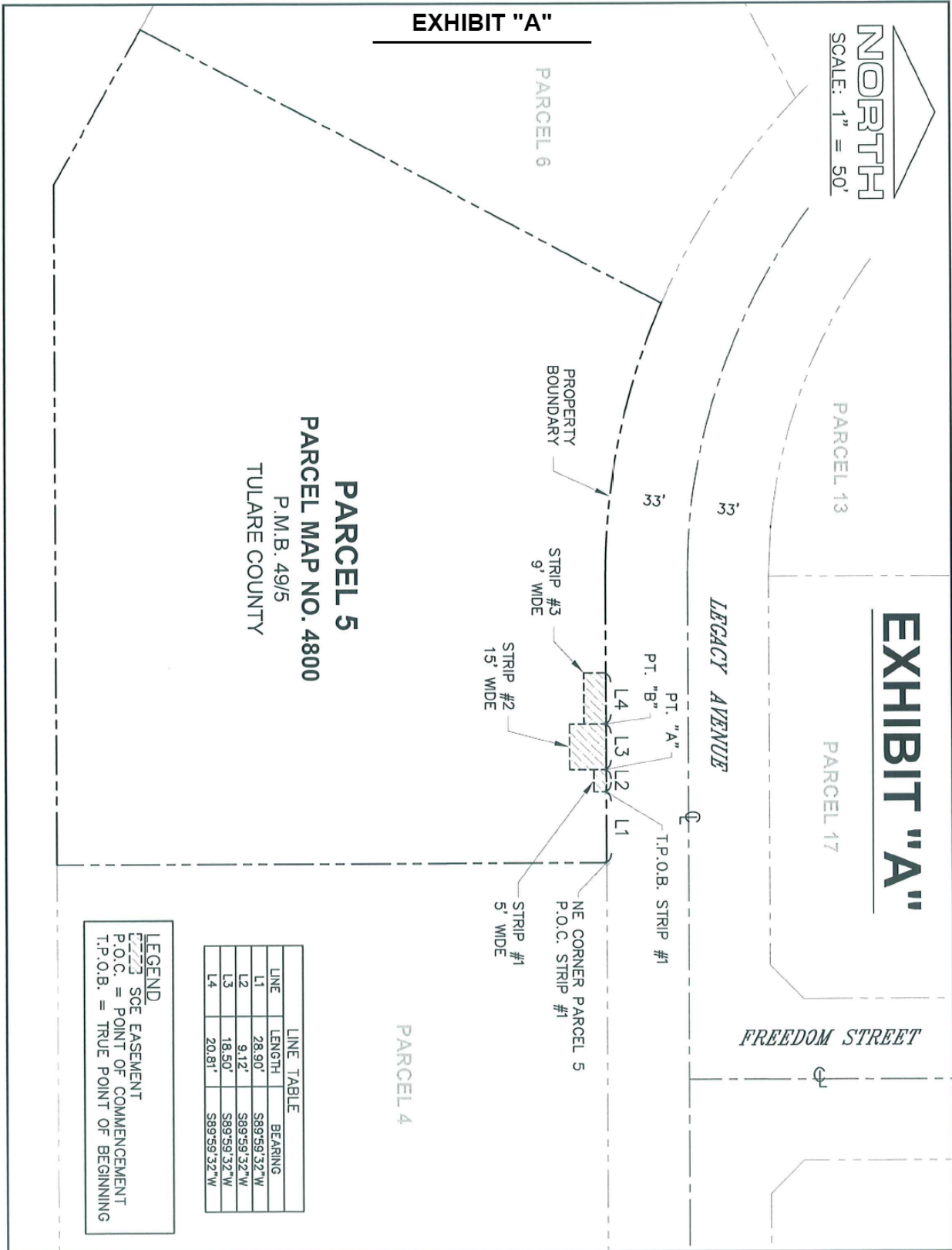
appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

Signature _____

(This area for notary stamp)



Filename: Item 5k SCE Grant of Easement(2nd Reading)
Directory: H:\(1) AGENDAS for Council\2008\031708
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Title: City of Visalia
Subject:
Author: Adrian Rubalcaba
Keywords:
Comments:
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Change Number: 12
Last Saved On: 03/13/2008 11:23 AM
Last Saved By: arubalcaba
Total Editing Time: 117 Minutes
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Number of Pages: 7
Number of Words: 989 (approx.)
Number of Characters: 5,416 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5I

Agenda Item Wording: Authorize the City Manager to execute a Joint Use Agreement (REL06148574 - J.O. 3750) between Southern California Edison Company and the City of Visalia for the relocation of facilities on the east side of McAuliff Street and south of Walnut Avenue.

Deadline for Action: N/A

Submitting Department: Public Works

Contact Name and Phone Number:

Andrew Benelli 713-4340
Doug Damko 713-4268

Department Recommendation:

Staff recommends that the City Council authorize the City Manager to execute the Joint Use Agreement with Southern California Edison Company (SCE) for the relocation of facilities on the east side of McAuliff Street and south of Walnut Avenue. The relocation is completed and was necessary for the new construction of the east one-half of McAuliff Street required with the Woodside Sousa Property Unit No. 1 subdivision.

Summary/background:

The City required the Woodside Sousa Property Unit No. 1 subdivision to complete the east one-half of McAuliff Street across the frontage of the subdivision. McAuliff Street is a designated collector street in the City's Circulation Element. The completion of the east one-half of McAuliff Street required the relocation of 7 power poles. Prior to relocation, these facilities were located in multiple existing SCE easements that were obtained in 1948. The relocation was necessary for the completion of the east one-half of McAuliff Street.

The Woodside Sousa Property Unit No. 1 subdivision map dedicated the right of way for the east one-half of McAuliff Street. The relocated power poles are within this additional right of way but outside of the existing SCE easement. In order for SCE to keep their rights that the existing easement afforded them, the City is establishing a strip of land for joint use of the public right of way. In the future if any rearrangement, relocation, reconstruction or removal these SCE facilities are necessary, the City will be responsible for the costs incurred in complying with such work. SCE will consent to the construction, reconstruction, maintenance or use by the City of a street over, along and upon the SCE existing easement.

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)

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Prior Council/Board Actions: N/A

Committee/Commission Review and Actions: N/A

Alternatives: None recommended. The existing power poles were located in an existing SCE easement and they have been moved to allow the street widening.

Attachments: Location Map, Joint Use Agreement

Recommended Motion (and Alternative Motions if expected):

Move to authorize the City Manager to execute a Joint Use Agreement (REL06148574 - J.O. 3750) between Southern California Edison Company and the City of Visalia for the relocation of facilities on the east side of McAuliff Street and south of Walnut Avenue.

Environmental Assessment Status

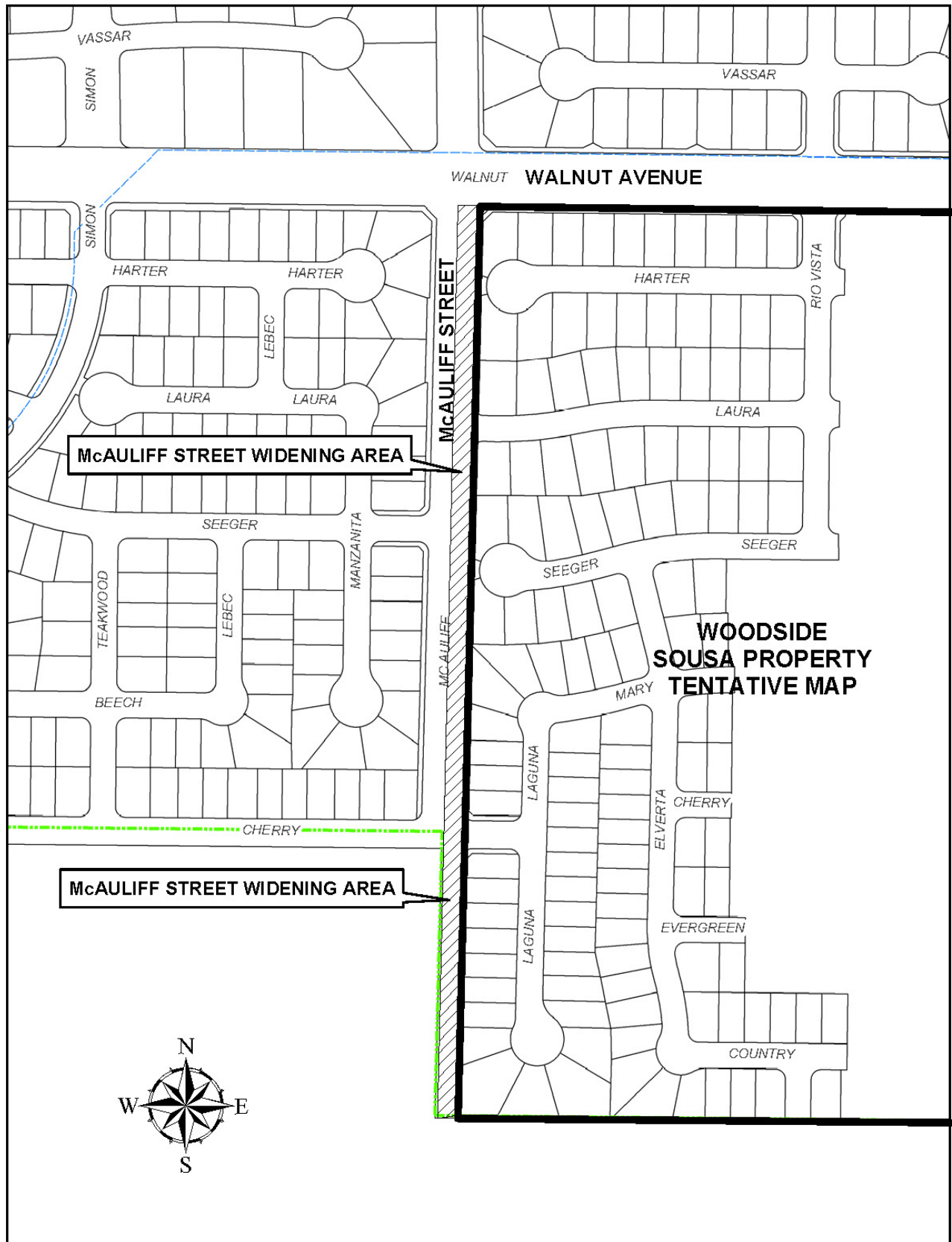
CEQA Review:

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:

LOCATION MAP



Filename: Item 5I Joint Use Agreement REL06148574 on McAuliff
south of Walnut
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: F:\Templates\City Council Agenda Transmittal - blank.dot
Title: City of Visalia
Subject:
Author: dsdamk
Keywords:
Comments:
Creation Date: 02/21/2008 11:33 AM
Change Number: 22
Last Saved On: 03/13/2008 11:24 AM
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Number of Pages: 3
Number of Words: 572 (approx.)
Number of Characters: 3,058 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5m

Agenda Item Wording: Recommendation to Appoint Carla Calhoun as a Parks & Recreation Commissioner, and Jeff Boswell and Travis Griffith as Commissioner Alternates, effective April 1, 2008.

Deadline for Action: N/A

Submitting Department: Parks & Recreation Department

Contact Name and Phone Number: Vincent Elizondo, 713-4367

Department Recommendation:

Recommendation to appoint Carla Calhoun as a Parks & Recreation Commissioner, and Jeff Boswell and Travis Griffith as Commissioner Alternates effective April 1, 2008.

Background:

The five member Parks & Recreation Commission will have a vacancy after March 31, 2008 when the term of Commissioner Tom Link will expire. The Commission will also lose Commissioner Bill Dillberg in November 2008 when his term officially expires.

Anticipating these vacancies, and with the recent election of Amy Shuklian to the City Council, the Parks & Recreation Department initiated a recruitment process for new Commissioners.

The City received five applications and these individuals were interviewed by the Commission on January 15, 2008, during a regular Parks & Recreation Commission meeting.

At their regular meeting of February 19, 2008, the Commission made a recommendation to appoint Carla Calhoun to the Commission effective April 1, 2008. The Commission also recommended that Jeff Boswell and Travis Griffith be appointed as Commissioner Alternates.

Ms. Calhoun currently serves on the Waterways, Trails, and Pedestrian Committee and has agreed to resign from that Committee --- per current Commission rules and guidelines. It should

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)

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also be pointed out that Commissioner applicant Byron Darrington requested to be removed from consideration as a Commissioner until a future date due.

On March 5, 2008, the Citizens Advisory Committee (CAC) also approved the recommendation of Ms. Calhoun to the City Council for consideration as a new Commissioner. The CAC recommendation also included the approval of Jeff Boswell and Travis Griffith as Commissioner Alternates effective April 1, 2008. The Parks & Recreation Commission has historically had two alternates.

Committee/Commission Review and Actions: Parks and Recreation Commission meeting of February 19, 2008 and Citizens Advisory Committee (CAC) meeting of March 5, 2008.

Attachments: Original February 20, 2008 memorandum recommending Commissioner appointee and alternates.

Recommended Motion (and Alternative Motions if expected): Recommendation to appoint Carla Calhoun as a Parks & Recreation Commissioner, and Jeff Boswell and Travis Griffith as Commissioner Alternates effective April 1, 2008.

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)*

Filename: Item 5m P&RComm031708
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
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Comments:
Creation Date: 03/10/2008 10:16 AM
Change Number: 5
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Number of Pages: 2
Number of Words: 505 (approx.)
Number of Characters: 2,916 (approx.)

City of Visalia Agenda Item Transmittal

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5n

Agenda Item Wording: Approve the recommendation to name certain park amenities in Riverway Sports Park in accordance with the City's policy on naming park facilities.

Deadline for Action: N/A

Submitting Department: Parks & Recreation Department

Contact Name and Phone Number: Vincent Elizondo, 713-4367

Department Recommendation and Summary:

The Parks & Recreation Commission recommends to the City Council the naming of certain park amenities in Riverway Sports Park in accordance with the City's policy on naming park facilities. Specifically, the Commission is recommending the naming of the 1000 Hands Playground to the "*Jim Byrd Playground*" and to name one soccer field the Centex Soccer Field.

Background:

For several years now, the Visalia Parks & Recreation Foundation, in coordination with the Parks & Recreation Department, has been raising funds to help defray the costs of the Visalia Riverway Sports Park. These contributions have been big and small, both cash and in-kind contributions.

Major donors have had the opportunity to "sponsor" certain park amenities in accordance with the City's Ordinance related to the **Naming of City Owned Facilities, Buildings, and Parks** (City Code 12.060.020).

The ordinance includes some guidelines and policies to follow when implementing the program. Some key elements of the policy are outlined below:

- *"The policy ... may be applied to entire facilities, or to portions of a facility, such as fields at a park, or rooms in a building."*
- *"It is understood that a facility may be selected in recognition of a financial contribution.... The following are general guidelines regarding financial contributions for which a naming opportunity may be extended ..."*

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)

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- *“For a major prominent facility that exceeds \$500,000 in cost, a significant monetary contribution may be considered to be 10% in cash, property, securities, or in-kind services, of the total value of the development.”*
- *“If a facility is named in recognition of a financial contribution, an agreement should be signed between the donor and the City that specifies conditions of the gift, the responsibilities of each party and the minimum length of time the name will be used, signage and other appropriate provisions. The recommended minimum sunset should be no less than 15 years.”*

The following is a list of two sponsors being recommended for approval as part of this staff report for the Visalia Riverway Sports Park:

<u>Park Facility</u>	<u>Sponsor</u>	<u>Amt.</u>	<u>Term</u>
Jim Byrd Playground	Carpenter Family Foundation	\$ 60,000	20 years
Centex Soccer Field	Centex	\$150,000	15 years

Contracts for the contributions outlined above are being finalized in accordance with the City’s naming policy. Donations are initially deposited with the Parks & Recreation Foundation, and then turned over to the City of Visalia.

This report specifically cites the contributions of the Carpenter Family Foundation and Centex. The Carpenter’s would like to name the “1000 Hands Playground” in the Riverway Sports Park as the “*Jim Byrd Playground*”.

Also, Centex Homes has contributed \$150,000 towards the project --- the largest contribution of any donor. Previously Centex had not requested the naming rights to any specific amenity --- but now wishes to have a soccer field named on behalf of their company.

Donors are also recognized in the Heritage Court area on one of the five pillars (on a black marble stone) that will be recognizing all current and future major park donors.

The following is a listing of sponsors that was previously approved by the City Council for the Riverway Sports Park on July 16, 2007:

<u>Park Facility</u>	<u>Sponsor</u>	<u>Amt.</u>	<u>Term</u>
Soccer Complex	Mangano Homes	\$100,000	20 years
Group Shelter Lg	Visalia Host Lions Club	\$ 25,000	20 years
Group Shelter Sm	Food For Less	\$ 15,000	15 years
Group Shelter Sm	Oak Liquidators	\$ 15,000	15 years
Leathers Playground	Carpenter Family Foundation	\$ 60,000	20 years
Soccer Field	The Allen Group	\$ 25,000	15 years
Soccer Field	Food For Less	\$ 20,000	15 years
Soccer Field	Dooley Herr & Peltzer	\$ 20,000	15 years
Concession	AYSO	\$100,000	20 years

Committee/Commission Review and Actions: Park and Recreation Commission meeting of January 15, 2008.

Recommended Motion (and Alternative Motions if expected): The Parks and Recreation Commission recommends to the City Council the naming of certain park amenities in Riverway Sports Park in accordance with the City's policy on naming park facilities. Specifically, the Commission is recommending the naming of the 1000 Hands Playground to the "Jim Byrd" Playground" and to name one soccer field the Centex Soccer Field.

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)*

Filename: Item 5n Riverway Park
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
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Author: Leslie Caviglia
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City of Visalia Agenda Item Transmittal

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5o

Agenda Item Wording: Authorization to form a short-term Visitor/Shuttle Center Planning Task Force to look at sites and space needs and to identify parties interested in space in the facility.

Deadline for Action: N/A

Submitting Department: Administration

Contact Name and Phone Number: Leslie Caviglia, 713-4317, Monty Cox, 713-4591

Department Recommendation

It is recommended that the Council authorize staff to form a short-term Visitor/Shuttle Center Planning Task Force to look at sites and space needs, and to identify parties interested in space in the facility.

Department Discussion

On Monday, Dec. 17, 2007, the Visalia City Council authorized staff to apply for a Public Transportation Modernization, Improvement, and Service Enhancement (Prop 1B) grant funds in the amount of \$1,015,390 for development of a Visitor/Sequoia Shuttle information center/or additional parking near the Visalia Transit Center.

In February, the City was informed that the request for authorization for these non-competitive funds had been approved. The City has two years to spend the funds as indicated. Given the relatively limited time to plan and spend the funds, staff is recommending that work on this project begin immediately.

It is believed that the Visitor's Center could be a good opportunity to blend a number of related entities to create a synergy that will ultimately attract visitors and generate greater interest in Visalia's downtown, the Sequoia Kings Canyon National Park, the greater Sequoia Valley area as a tourism destination, and the use of public transportation as a means for visiting these areas.

In order to fully asses the potential for this facility, staff is recommending that a Task Force be formed to consider potential sites in the general downtown area, space needs, potential uses for the site and consider possible funding and/or partnership opportunities.

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 31208

Finance

City Atty

City Mgr

In forming the Task Force, staff will look to be inclusive, and to seek participation from a number of organizations who have a potential interest in the direction and success of this facility. The initial list includes, but is not limited to, the Visalia Visitors and Convention Bureau, Downtown Visalians, Downtown PBID, the Transit Advisory Committee, the Citizen's Advisory Committee, the Sequoia Kings Canyon National Park, the Sequoia National Forest, the Sequoia Natural History Foundation, the Sequoia Fund, the Sequoia Valley Regional Tourism Council, the County of Tulare, the Tulare Kings Hispanic Chamber of Commerce, and the Tulare County Farm Bureau.

Part of the funding for this Center will come from the California Proposition 1B grant, which must be spent within two years. Therefore, the project must be moved forward expediently. To aide in this process, staff recommends that Councilwoman Amy Shuklian Chair the task force. Both She and Vice Mayor Bob Link represent the Council on the Visalia Visitors and Convention Bureau and the Vice Mayor is in concurrence with this recommendation.

Staff recommends that the Task Force meet within the next 30 days, and return with an update to the Council in July.

Prior Council/Board Actions:

Dec. 17 – Council authorized staff to apply for Prop 1B funding for Visitor/Sequoia Shuttle information Center.

Committee/Commission Review and Actions:

N/A

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

I recommend the approval of staff's recommendation to form a Visitor/Shuttle Center Planning Task Force to look at sites and space needs, and to identify parties interested in space in the facility.

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)*

Filename: Item 5o Tourism Center
Directory: H:\(1) AGENDAS for Council\2008\031708
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Subject:
Author: Leslie Caviglia
Keywords:
Comments:
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Total Editing Time: 1 Minute
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Number of Pages: 3
Number of Words: 640 (approx.)
Number of Characters: 3,526 (approx.)

City of Visalia Agenda Item Transmittal

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 5p

Agenda Item Wording: Authorization for the City of Visalia to submit an abstract request to form a partnership with Southern California Edison and Southern California Gas.

Deadline for Action: March 17, 2008

Submitting Department: Administration

Contact Name and Phone Number:

Leslie Caviglia, 713-4317, Shawn Ogletree, 713-4530, Nancy Loliva, 713-4535

Department Recommendation

It is recommended that the Visalia City Council approve the submittal of an abstract proposal to form a Partnership with Southern California Edison and/or Southern California Gas.

Department Discussion

On February 21, the California Public Utilities Commission (CPUC) released a call for abstracts to cities and counties interested in developing a formal energy-efficiency partnership with investor owned utilities.

In the call for abstracts, the CPUC outlined the purpose of the Local Government Partnership Programs as a three-year program beginning in 2009 with the goal of providing reliable and measurable direct energy savings through the installation of energy efficiency measures and program services. While the program is still being developed, the PUC and the utilities are looking for government agencies who are willing to partner with them to do audits and retrofits in municipal buildings, and to promote businesses and residential retrofits. The government agencies involved are given greater incentives and the agencies, and the community at large, can be eligible for more and different programs than are available to the general public.

Partners are expected to be role models in their communities and will encourage others to take similar actions. Therefore, if Visalia is successful in becoming involved in the program, the City would commit to communicate the benefits to other cities in the area and urge them to participate.

The utilities have a number of partnerships throughout the state that will continue, and it's expected that an additional five will be approved through this selection process. In the instances where there are long-term, successful partnerships with municipalities, like the Palm Desert

For action by:

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

For placement on which agenda:

Work Session
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Regular Session:

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Est. Time (Min.): _____

Review:

Dept. Head LBC 31208

Finance

City Atty

City Mgr

area, there are specific programs and significant incentives that benefit the community at large in reducing the amount of energy being used.

The intent for the Partnerships includes, but is not limited to:

- Leveraging local government resources and work with local communities to maximize program penetration. (Promoting current programs that businesses and citizens can benefit from)
- Achieving short and long-term energy savings and demand reduction for Partners and the communities they serve, as well as reduction of greenhouse gas emissions. (Encouraging both retrofit and initial design/installation/construction features that will reduce energy usage.)
- Achieving short and long-term energy savings and demand reduction for Partners and the communities they serve, as well as reduction of greenhouse gas emissions. The Partners are expected to leverage their local infrastructure to initiate “outreach” advertising about energy efficiency and deepen the reach of statewide and local energy efficiency programs and services. (For example, utility statement stuffers, bus ads, etc.)
- Acting as an outreach portal for energy services (e.g., energy efficiency, demand, self-generation, etc.). The partnerships are expected to commit to providing delivery of energy information to the communities, and training and education for local government facility managers, energy managers, and planners for identifying and implementing energy efficiency opportunities. (Provide training for building inspectors, maintenance personnel, planners, etc.)
- Developing an energy action plan (Already agreed to via the MOU with the SJVCEO).
- Implementing energy efficiency projects (Already underway through current audit process)

Staff is recommending that the Partnership focus on initially on Visalia, with the potential to expand throughout the County, with an emphasis on the areas that already work with the City’s Transit system (Farmersville, Exeter, Goshen, Three Rivers and the Sequoia National Park). These areas were selected as the first expansion area of focus because of the outreach opportunities that exist in and on the buses, and the bus stops.

The abstracts are very general concept proposals. If accepted, a detailed implementation plan will be developed with the utilities, and will be brought to the Council for consideration and approval. An announcement from the PUC regarding the recommended partnerships is expected in early April.

A partnership between the utilities and the City of Visalia is recommended by the San Joaquin Valley Clean Energy Organization who has committed to assisting with the abstract, and, if selected, plan development, and implementation.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Recommended Motion (and Alternative Motions if expected):

I move to approve approval the submittal of an abstract proposal to form a Partnership with Southern California Edison and/or Southern California Gas.

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)*

Filename: Item 5p Utility abstract
Directory: H:\(1) AGENDAS for Council\2008\031708
Template: C:\windows\TEMP\AGENDA.dot
Title: City of Visalia
Subject:
Author: Leslie Caviglia
Keywords:
Comments:
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Number of Characters: 4,845 (approx.)

**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 6

Agenda Item Wording: FY 2007/08 mid-year financial report on the General Fund, Measure T, Transportation Funds and Enterprise Funds; preliminary projections for FY 2008/10 General Fund with recommended actions

Deadline for Action: None

Submitting Department: Administrative Services - Finance

Contact Name and Phone Number:

Eric Frost, Administrative Services Director	713-4474
Gus Aiello, Finance Manager	713-4423
Renee Nagel, Finance Manager	713-4475
Melody Murch, Financial Analyst	713-4379
Tim Fosberg, Financial Analyst	713-4565

Summary/background:

The purpose of this report is to outline the current operational financial status of the General Fund, Measure T Fund, and the Enterprise Funds for FY07/08. Additionally, Finance has made preliminary General Fund forecasts for FY 08/09 & FY 09/10 along with several recommended budgetary actions to meet the needs of the City.

The General Fund Situation

Current Fiscal Year. The General Fund for the current year is balanced. The budget forecast is shown on Table I, General Fund Forecast. This situation is somewhat different than other local governments in California. Sacramento is laying off 500 employees, 10% of their workforce. Vallejo has considered bankruptcy until they meet with their employee groups to revise their MOUs. Clovis is facing a multi-million dollar deficit as revenues trail off due to the slowing economy. In contrast, Visalia's budget picture remains stable.

Visalia's Revenues are about even with the budget. Property tax is higher than budgeted, still benefiting from the housing boom since the beginning of the decade. However, this increase is offset by lagging sales taxes.

Interest earnings also show a decline. Overall, interest revenues are expected to approach the budget estimate. However, much of that interest will accrue to Council designations such as the Sports Park, the Civic Center project and the Oaks Stadium. As a result, the interest earnings available for General purposes have been decreased.

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.

License and Permit revenue is also substantially down due to declines in building activity.

Table I

General Fund Projections				
Fiscal Years 07/08				
All Amounts in Millions	Current - 07/08		Variance	
REVENUES	Budget	Projection	Fav/(Unfav)	
Property Taxes	\$ 22,117	\$ 22,747	\$ 630	
Sales Taxes	17,313	16,469	(844)	
Other Taxes	5,595	6,185	590	
Subventions and Grants	3,140	3,755	615	
License and Permits	3,575	2,900	(675)	
Fees and Fines	1,106	1,269	163	
Use of Money and Property	2,313	1,461	(852)	
Charges for Current Services	3,053	2,900	(153)	
Miscellaneous	332	316	(16)	
Total Operating Revenues	58,544	58,002	(542)	
Fund Balance for Designated Capital Projects	8,836	8,836	-	
Prior Year Capital Roll-Over	3,600	3,600	-	
Total Resources	\$ 70,980	\$ 70,438	\$ (542)	
EXPENDITURES				
General Government	\$ 1,276	\$ 1,153	\$ 123	
Community Development	5,752	5,606	146	
Public Safety:				
Police	23,819	23,795	24	
Fire	10,253	10,558	(305) a	
Public Works	3,556	3,641	(85) b	
Parks and Recreation	7,036	6,557	479	
Total Operating Expenditures	51,692	51,310	382	
Capital Outlay	15,158	6,487	8,671	
Capital Outlay Rollover		8,671		
Transfers Out of Other Funds	4,085	4,085	-	
Total Expenditures	70,935	70,553	9,053	
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 45	\$ (115)	\$ (9,595)	
Issues				
a	Reimbursable State Fire call 07/08, expect to be down \$100k next year			
b	Public Works worked an extra street crew last summer			

Visalia's Operating Expenditures are very close to budget. Fire's cost is higher than expected partially due to a mutual aid response to the Southern California Fires this last summer. About \$100,000 of these costs will be reimbursed. Other costs include disaster response and other overtime cost this winter.

One challenge that is not readily evident from Table I, General Fund Projections, is the status of the Building Safety Fund. Building Safety is currently a General Fund division but its revenues and expenses are tracked internally to the General Fund. Thus, the City produces monthly reports such as the report the City produced in February, recording activity through January 31, 2008. As shown in Table II, Building Safety Fiscal Results, FY 07/08 Estimated Actuals for Revenues and Expenses.

Table II
Building Safety Fiscal Results

FY 07/08 Estimated Actuals for Revenues and Expenses							
	Estimated Actuals						
	July	Aug	Sept	Oct	Nov	Dec	Jan
Revenues	\$329,176	\$313,995	\$247,409	\$264,439	\$262,042	\$248,970	\$175,283
Expenses	\$304,246	\$265,747	\$330,990	\$265,421	\$322,921	\$305,536	\$243,498
Difference	\$24,930	\$48,248	-\$83,582	-\$982	-\$60,879	-\$56,566	-\$68,215
Balance of the Building Safety Fund	-\$21,792	\$26,456	-\$57,126	-\$58,108	-\$118,987	-\$175,553	-\$243,768

The table shows that revenues are falling off from the building industry, leaving the Building Safety Fund in a greater hole. The City has already taken several actions, including:

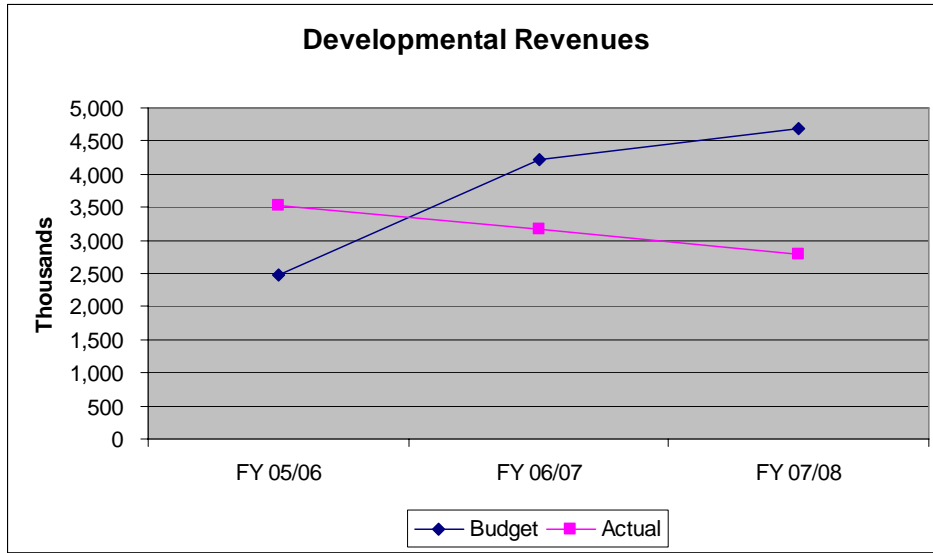
- A rate increase that was effective June 2, 2007
- Terminating three contract inspectors positions as of March 15, 2008
- Holding vacant 5 additional positions including the Assistant Building Official
- Reduced outside plan check services by having City staff do more plan check
- Limited weekend inspection overtime to emergency call out only
- Minimized overtime expenditures
- Shifted staff from development services to capital improvement projects

However, the decline in Building Safety Revenues is just an example of what is occurring with all developmental revenues. The change is illustrated in Table III, Comparison of Major Developmental Revenues, FY 06/07 compared to FY 07/08. The decline underscores the importance of reorganizing the City's resources to fit the new revenue environment.

The Table and Chart illustrate that when the last budget was prepared, it appeared that revenues and demand would continue to increase. At the time, the City was in the biggest building boom the City had every experienced. Demands upon Building Safety, Community Development and Engineering Services were immense. As a result, the City budgeted increasing revenues. In contrast, revenues actually trended down despite the increased fees implemented last June.

The bottom line is that the City will need to adjust a new budget reality; revenues and work demand are down. The City needs to restructure its services to meet the demand. Developmental revenues have declined from \$3.55 to \$2.80 million, \$750,000. The City has

Table III
Comparison of Major Developmental Revenues, FY 05/06 to FY 07



FY 07/08		Budget	12/31/2007	Forecast	Variance
18241	431102 CONSTRUCTION PERMITS	3,525,000	1,620,459	2,430,689	(1,094,311)
33311	461531 SUBDIV CHKING & INSPCT	799,700	153,434	230,151	(569,549)
18111	461513 COND USE PERMIT APP	145,500	63,161	94,742	(50,759)
18111	461534 TENATIVE SUBDV FILG FEE	124,537	12,012	18,018	(106,519)
33311	461542 FINAL SUBDVSN FILG FEES	94,900	5,281	7,921	(86,979)
		4,689,637	1,854,347	2,781,521	(1,908,116)

FY 06/07		Budget	12/31/2006	Actual	Variance
18241	431102 CONSTRUCTION PERMITS	3,075,000	1,004,241	2,317,592	(757,408)
33311	461531 SUBDIV CHKING & INSPCT	776,400	399,529	593,075	(183,325)
18111	461513 COND USE PERMIT APP	141,300	59,326	140,082	(1,218)
18111	461534 TENATIVE SUBDV FILG FEE	134,605	23,890	70,590	(64,015)
33311	461542 FINAL SUBDVSN FILG FEES	92,100	35,464	40,831	(51,269)
		4,219,405	1,522,450	3,162,170	(1,057,235)

FY 05/06		Budget	12/31/2005	Actual	Variance
18241	431102 CONSTRUCTION PERMITS	2,003,410	1,186,243	2,419,100	415,690
33311	461531 SUBDIV CHKING & INSPCT	275,000	439,720	735,883	460,883
18111	461513 COND USE PERMIT APP	55,415	67,163	130,617	75,202
18111	461534 TENATIVE SUBDV FILG FEE	86,315	104,589	169,680	83,365
33311	461542 FINAL SUBDVSN FILG FEES	51,000	50,226	78,869	27,869
		2,471,140	1,847,941	3,534,149	1,063,009

Change from FY 05/06 to FY 07/08 (752,628)

taken steps to reduce costs by almost \$600,000 by holding vacant or reducing a number of development related positions being:

- | | |
|-----------------------------|------------------------------------|
| Assistant Planner | Three contract Building Inspectors |
| Assistant Building Official | Public Works Inspector |
| Combined Building Inspector | |
| Assistant Plan Checker | |

Staff proposes to do the following to further bridge the funding gap by reassigning a planner with current planning duties to work on the General Plan and to propose to Council a site plan review fee of perhaps \$100 per meeting (Each site plan review costs the City approximately \$1,400.) The City will need to continue to monitor what is occurring in development and may need to propose further reductions to assure that developmental expenditures are supported by developmental revenues. In fact, staff proposes setting up the Building Safety division as an enterprise fund.

At a minimum, the City should strive to reduce costs by at least the drop in revenues. The City has taken some steps already as shown in Table IV, Actions Taken to Reduce Cost As Development Revenues Decline.

Table IV

Actions Taken to Reduce Cost As Development Revenues Decline					
Building Safety and Planning Position			Other Ben.		
Left Vacant	Mo. Salary	Health Ins.	@ 17%	Total	Annual
Asst. Planner	3,935	994	669	5,598	
Asst. Bldg. Official	5,988	994	1,018	7,999	
Comb. Bldg. Inspector	4,712	994	801	6,507	
Asst. Plan Checker	3,168	994	539	4,701	
Building Inspector	4,095	994	696	5,786	
Building Inspector	3,900	994	663	5,557	
Building Inspector	3,900	994	663	5,557	
Subtotals	29,699	6958	5,049	41,705	500,466
Engineering Position Left Vacant					
Public Works Inspector held open	4,270	994	726	5,990	71,879
Current Actions					572,345
Other Proposals					
1) Building Safety Raised permit fees last June.					
2) Divert one planner from current planning to General Plan coordination (Senior Planner)	6,415	994	1,091	8,500	101,995
3) Site Plan Fee @ \$100 per visit @ 5 per week, 52 per year (Planning Estimates that a site plan review costs \$1,400)					
Proposed Actions					127,995
Total					700,339

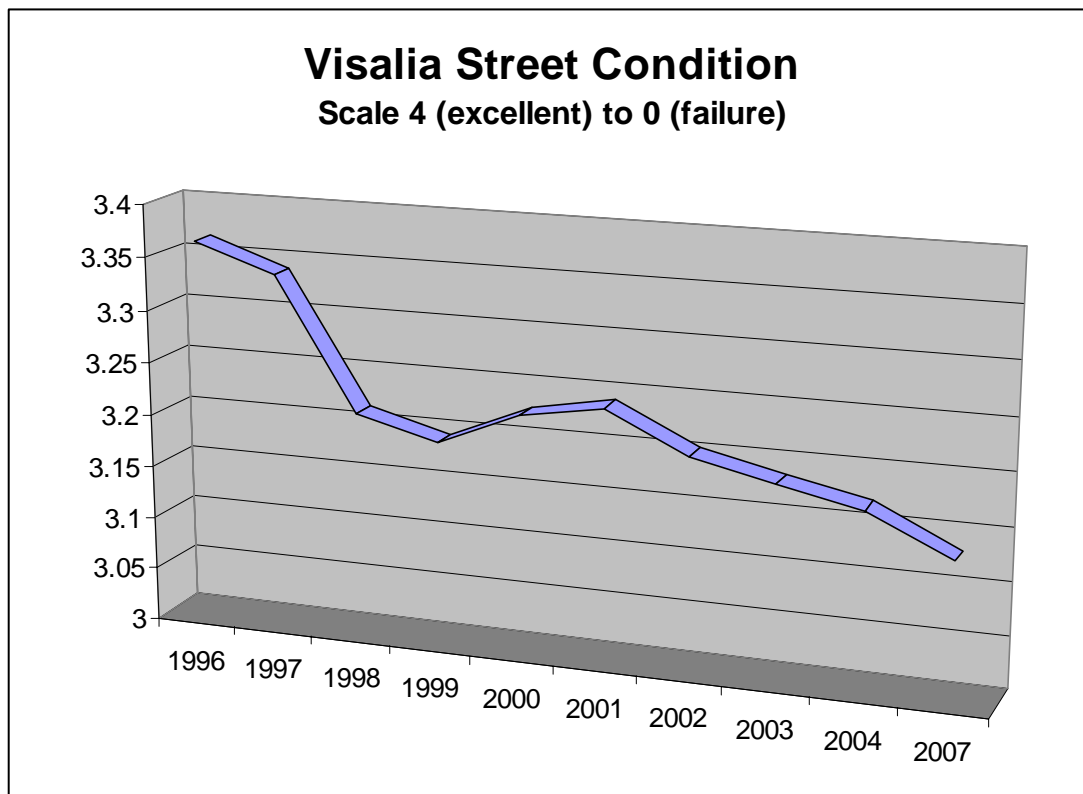
These proposed actions begin to bridge the gap and more may need to be done. The one potential revenue item, a Site Plan Review Fee of \$100 for each submittal is currently fully funded from the Building Permit Fee. Staff recommends that this fee remain fairly low to not discourage use of the Site Plan review process but to encourage wise use of the process. It also has the effect of helping bridge the budget gap.

Strategic Option in Streets. Air quality rules require that the City's fleet meet certain air pollution standards by January 1, 2009. The City has been acquiring new street equipment to meet air quality standards. In the streets division, the City has had to buy new dump trucks, loaders and pavers, all expensive equipment. The old equipment is still serviceable but will not meet air quality standards as of January 1, 2009.

The strategic opportunity for the City is to run two street crews this summer instead of one. The City has received almost all of the new paving equipment and has the potential to staff two crews with full-time workers supplemented with seasonal workers.

The reason to pursue this effort this year would be that the City would not have to pay for the equipment cost for repairing streets because this summer the City has two crews worth of equipment. The City would still have to pay for labor and materials, but the equipment value of a street crew is significant. Renting the equipment which will be retired at the end of this year would be about \$3,000 a day. Over the 6 month paving period, the equipment rental would be about \$400,000, about half in the current fiscal year and half in the second fiscal year. (\$3,000/day x 130 work days = \$390,000).

Graph I



To fund this additional material expense, management recommends that Vehicle License Fee Fund appropriate \$398,090 in additional street materials and another \$443,870 in personnel and equipment cost be charge to the General Fund, which will be reimbursed from the Gas Tax fund to do this additional road maintenance work. The same work that will cost the City about \$800,000 this year will cost Visalia \$1.2 million next year. (\$0.4 labor + \$0.4 materials + \$0.4 equipment = \$1.2 million).

Recommendation:

- Authorize the employment of a second street crew this summer for the 07/08 Fiscal Year by:
 - Increasing Gas Tax Operating costs for street crews by \$443,870 and,
 - Increasing the materials budget from Vehicle License Fee Fund by \$398,090.

Preliminary Forecast for 08/09 and beyond.

This coming fiscal year offers a number of challenges, such as:

- A general decline in economic activity, particularly in the development area;
- A dramatic budget problem at the State level which means less State grants and probably some revenue take-aways;
- Struggles of other governmental partners, such as the Visalia Unified School District (VUSD); and,
- A continuing challenge of meeting increasing operating costs such as wage contracts, health costs and energy costs.

Of these several variables, the impact of the State budget on the City is the most difficult to assess. The reason for the uncertainty is the sheer size of the State's budget problem, \$16 billion over the current and next fiscal year. For example, VUSD is trying to assess the potential impact to their budget. Their current assessment is that their budget next year could be down \$5 million if the proposed Legislative Analyst's budget was adopted and \$10 million if the Governor's January budget was adopted. Almost all of these cuts are in the school district's discretionary budget. Thus, these cuts represent between 5 and 10% of their General Fund Budget.

The school districts current strategy is to use their reserves to let the State Budget crisis dust settle and then plan how to work out of whatever problem they are presented. Nevertheless, the school district may have to face some tough challenges. If faced with that dilemma, one item they would have to consider is the current \$0.5 million contract the City has with VUSD for Youth Service Officers along with many other budget alternatives, probably in their 09/10 budget.

Although the current Governor's proposals mainly delays when the City will receive revenues, the Legislative Analyst's Office has offered an alternative budget which would take revenues from cities. Specifically, if the LAO's recommendations were implemented, the City could lose the following:

- \$500,000 year shift of the City's proposition 172 public safety sales tax from cities to counties
- \$200,000 a year loss of the State booking fee reimbursement
- loss of future COPS grants (the City has a grant scheduled to end in June of 2009), about \$120,000 a year

As a result, the City must build in a certain level of flexibility in this year's budget to be able to withstand state take-aways. Staff's current proposal is to freeze General Fund capital spending until the State budget challenge clears.

Another challenge that might face the City is the allocation of property tax. After Proposition 13 passed in 1978, counties across California had to come up with new allocation methods to distribute property tax revenues. One of the methods used to allocate new assessments has been to distribute those new assessments from one specific area in a general county pool. This methodology has been successfully challenged in court and our county, like other counties, are striving to determine how to be meet the requirements of the law. One method would be to impound some portion of the property tax revenues in order to make adjustments caused by new assessments. This would allow changes to not be implemented over time, but might cause all property tax receiving jurisdictions to be shorted some amount in one year to form the

impound account. If the account was 5% of one year's revenues, the City's General Fund would lose \$1 million.

With this background, Finance has prepared preliminary estimates of the City's General Fund position as shown on Table V, General Fund Projections, 07/08 to 09/10. The projection builds

Table V
General Fund Projections, 07/08 to 09/10

General Fund Projections							
Fiscal Years 07/08 to 09/10							
All Amounts in Millions							
	Current - 07/08		Variance	08/09		09/10	
REVENUES	Budget	Projection	Fav/(Unfav)	Growth Assumption	Projection	Growth Assumption	Projection
Property Taxes	\$ 22,117	\$ 22,747	\$ 630	2.0%	22,702 c	2.0%	24,176
Sales Taxes	17,313	16,469	(844)	1.0%	17,139 d	3.0%	17,653
Other Taxes	5,595	6,185	590	2.0%	6,309	4.0%	6,561
Subventions and Grants	3,140	3,755	615	0.0%	3,755	2.0%	3,830
License and Permits	3,575	2,900	(675)	-10.3%	2,600	2.0%	2,652
Fees and Fines	1,106	1,269	163	0.0%	1,269	0.0%	1,269
Use of Money and Property	2,313	1,461	(852)	0.0%	1,461	2.0%	1,490
Charges for Current Services	3,053	2,900	(153)	2.0%	2,958	2.0%	3,017
Miscellaneous	332	316	(16)	3.9%	328	3.3%	339
Total Operating Revenues	58,544	58,002	(542)	0.9%	58,521	4.2%	60,987
Fund Balance for Designated Capital Projects	8,836	8,836	-		-		-
Prior Year Capital Roll-Over	3,600	3,600	-		-		-
Total Resources	\$ 70,980	\$ 70,438	\$ (542)		\$58,521		\$60,987
EXPENDITURES							
General Government	\$ 1,276	\$ 1,153	\$ 123	4.0%	1,199	4.0%	1,247
Community Development	5,752	5,606	146	0.0%	5,606	0.0%	5,606
Public Safety:							
Police	23,819	23,795	24	4.0%	24,746	4.0%	25,736
Fire	10,253	10,558	(305) a	4.0%	10,980	4.0%	11,419
Public Works	3,556	3,641	(85) b	1.6%	3,700	4.0%	3,848
Parks and Recreation	7,036	6,557	479	4.0%	6,820	4.0%	7,093
Total Operating Expenditures	51,692	51,310	382	3.4%	53,051	3.6%	54,949
Capital Outlay	15,158	6,487	8,671		1,400 e		1,900
Capital Outlay Rollover		8,671					
Transfers Out of Other Funds	4,085	4,085	-	0.0%	4,085	0.0%	4,085
Total Expenditures	70,935	70,553	9,053		58,536		60,934
Excess (Deficiency) of Revenues Over/(Under) Expenditures	\$ 45	\$ (115)	\$ (9,595)		\$ (15)		\$ 53
Issues							
a	Reimbursable State Fire call 07/08, expect to be down \$100k next year						
b	Public Works worked an extra street crew last summer						
c	Property Impound for reassessments, maybe 5%, about \$1 mm, taken \$500k a year over two years						
d	Sales Tax Misallocation 06/07 by \$500k - increase by \$500k 08/09						
e	Propose Freezing \$1 million in capital until mid-year to assure budget is balanced						

upon this year's budget forecast and expected growth in revenues and expenditures. The projection assumes that the City will strive for a status quo budget: no increase in operating budget and only cost of living in personnel costs except when a position is funded by new

revenues. This type of budget will be difficult to achieve. But it promises to keep the General Fund sound and ready to add some new programs in the 09/10 budget.

In another area, Council has made progress on setting aside reserves for emergencies and retiree health care. Council policy is that the emergency reserves be equal to represent 25 percent of operating expenditures, about \$12 million. Ideally, these reserves would be fully fund from cash. At present, however, \$6 million is in cash and another \$6 million has been lent out to other funds to cover cash flow needs of those funds. As the City has additional cash needs, staff recommends that the City seek external borrowing to retain the present level of emergency reserves.

Further, to help better manage the City's retiree health care, staff recommends that the upcoming budget include a new internal service fund, Retiree Health Care. The fund will include all current contributions to retiree health care as well as the cost of funding this benefit.

Over time, the City's objective should be to fund retiree health care like a pension. In other words, contribute resources as an employee works to the program so that when the employee retires, the benefit is funded. The advantage of this approach is that the eventually benefit will then be largely funded by accumulate interest earnings. In the PERS retirement program, PERS estimates that 70% of the benefit is paid from interest earnings.

To help the City move in that direction, staff recommends that the budget:

- Charge all new General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined but estimated to be \$6,700 a year.
- As much as possible, charge all non-General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined but estimated to be \$6,700 a year.

Recommendations: That the Council authorizes the following:

1. Preparation of a status quo budget for Fiscal Year 08/09, not increasing line items except as required by contract or major necessity, to be more fully reviewed at budget time.
2. Freeze \$1,000,000 of General Fund capital spending until the State's budget solution is settled, holding off spending until January 2009.
3. Release non-profit grant applications at the same level as last budget cycle. The City Council delegated responsibility for administering the City's non-profit grants to the Citizens' Advisory Committee. The committee has prepared grant applications and is ready to send these applications out but would like to announce what monies are available. Staff recommends that the grant amounts be kept at last year's level, at least until the full budget is considered by Council in June.
4. Include a new fund in the 08/09 – 09/10 Budget: Internal Service Fund for Retiree Health Care.
5. Charge all new General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined but estimated to be \$6,700 a year.

6. As much as possible, charge all non-General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined.

MEASURE T FUND EVALUATION

The Measure T funds remain in good financial health. The uncertainty funds representing 25% of the current year's budget are both fully funded. However, the slowing economy will impact the level of revenue enjoyed over the past three fiscal years. The current projection for fiscal year 2007-08 is for revenues to come in \$31,000 less than budget, a reflection of the slowing economy. Chart I – Measure T Revenues, displays budget to actual details of the first three years and the projection for the current fiscal year.

Chart I - Measure T Revenues

<u>Fiscal Year</u>	Measure T Plan Budget		Adopted Budget		Actual/ Projection		Difference From Actual Budget	
	Police	Fire	Police	Fire	Police	Fire	Police	Fire
2004-05	2,700	1,800	2,747	1,831	2,530	1,688	(217)	(143)
2005-06	2,754	1,836	2,796	1,864	3,116	2,078	320	214
2006-07	2,809	1,873	2,950	1,966	3,245	2,162	295	196
2007-08	2,865	1,910	3,048	2,032	3,030	2,019	(18)	(13)
Total	11,128	7,419	11,541	7,693	11,921	7,947	380	254

From an operational perspective, both police and fire are able to fund the daily operations of implementing the Measure T plan. Through the first four years of the plan, operational expenses are currently projected to be \$532,927 lower than budget as displayed in Chart II – Measure T Operational Expenditures, below.

Chart II - Measure T Operational Expenditures

<u>Fiscal Year</u>	Budget		Actual/ Projection		Difference	
	Police	Fire	Police	Fire	Police	Fire
2004-05	546,600	20,000	497,840	52,709	48,760	(32,709)
2005-06	1,071,570	245,600	978,403	61,666	93,167	183,934
2006-07	1,592,481	468,366	1,499,384	470,705	93,097	(2,339)
2007-08	2,220,042	506,471	2,132,350	445,146	87,692	61,325
Total	5,430,693	1,240,437	5,107,977	1,030,226	322,716	210,211

Council recently approved a staff recommendation whereby any vacant police officer and firefighter positions in the General Fund would be filled prior to filling Measure T vacancies. Upon further thought, staff is concerned that the prior recommendation did not fully consider the level of police officer vacancies in the General Fund. The recruitment for police officers is continuous. General Fund vacancies exist most of the time. If staff implements the policy of filling General Fund vacancies until all are filled, then hires officers out of Measure T, the concern is that the Measure T funds may not be used, as the General Fund seems to consistently have vacancies. Staff will review this concern with the City's auditors and present a potential solution to Council during the Measure T plan recertification.

Capital projects continue to move forward. To date, the following capital items have been completed:

- Construction of 2 police precincts

- 20 police vehicles have been purchased
- New fire apparatus has been purchased
- Design of a northwest fire station and training facility have been completed

Although the construction costs of the police precincts and fire facility came in more than originally budgeted in the plan, both funds are able to pay for their portions of the projects.

Transportation Funds

Although the mid-year report focuses on operating funds, several transportation related funds need Council attention.

Measure R Evaluation.

Measure R, the County-wide, ½ cent sales tax, became effective April 1, 2007. The first remittance from the state was received in July 2007. The sales tax is split into three components:

- Local Program (35%) - Funds are to be used for street improvements/maintenance.
- Transit/Bike/Environmental Projects (14%) – Funds are to be used to enhanced transit services and the environment.
- Regional Projects (50%) – Funds are to be used for specific projects listed in the ballot measure.

Overall, the Measure R sales tax is projected to collect an additional 13% this fiscal year. Tulare County Associations of Government (TCAG) in early 2007 projected the measure to collect \$21.8 million for fiscal year 2007/08. Today TCAG is projecting Measure R to collect \$25.1 million.

Staff recommends funding \$810,000 in additional projects from the Measure R Local Program. In July, the TCAG Board approved advancing one year of Local Programs revenue to FY 07/08 to enable Cities to complete additional street projects. Staff is proposing to add new projects and augment current projects that need additional funds. Table VI – Measure R Local Program shows the original budget plus the additional appropriation staff is recommending. In addition, Table 1 shows a ending cash balance of \$565,920 that staff will be proposing to spend on projects during the 6 Year Capital Plan that will be presented to Council in the next couple of months.

Transportation Funds. The Transportation Impact Fee Fund is currently being reviewed by staff. Since the last report in December, a great deal of staff work has been done to examine the transportation impact fee and each component that makes up the fee. During the next couple of months, staff will be working with Muni Financial and the Transportation Impact Fee Committee to review staff's work. Staff will be bringing the fee to Council in May for their consideration and, if approved by Council, proceed toward Fee Implementation by June.

Staff requests that Council fund 1 new project, appropriate additional funds to 2 existing projects, and move funding for 1 project. The total appropriation requested is \$1.1 million. Each project is shown below in Table VII – 07/08 Additional Funding for Street Projects. The funding for this request partly comes from a reallocation of projects.

Staff proposes that Transportation projects be reduced as these projects are also funded by Measure R Regional funds. These monies then can be reallocated to other street projects.

Table VI – Measure R Local Program

**Measure R - Local Programs (1131 Fund)
Capital Improvement Projections**

		2007-08 Budget	2007-08 Addition	2007-08 Total
Beginning Cash		\$ (93,733)		\$ (93,733)
Measure R (Local Programs)		\$1,687,000	205,803	\$ 1,892,803
Measure R (Local Program Advance from Future Year)			1,892,803	\$ 1,892,803
Interest Earnings			87,069	\$ 87,069
Advances to Regional Projects/Bond Payment				\$ (700,000)
Capital Expenditures		(1,703,022)	(810,000)	\$(2,513,022)
Ending Cash				\$ 565,920

	Capital Project Description	CIP #	2007-08 Budget	Addition/ Deductions	2007-08 Total
	<i>Street Maintenance</i>				
1	Local Street Rehabilitation. A list of streets for rehabilitation and funding is attached. (Project total \$592k; \$267k is funded by Gas Tax Fund)	9301	325,000		325,000
2	Major Street Rehabilitation. A list of streets and funding for rehabilitation is attached. (Project total \$1.4m; \$984k is funded by Gas Tax Fund)	9225	450,000		450,000
	<i>Street Projects</i>				
3	Ferguson Ave extension to Mooney Blvd (Project total \$500k)	8060		250,000	250,000
4	Widen Houston / Santa Fe Roundabout. (Project total \$2.5m; \$723,700 is funded by Prob 1B)	9026	135,662	525,000	660,662
5	Extend Oak Ave from Tipton St to Burke St. (Project total \$1.3m; \$830k is funded by Gas Tax Fund)	9924	150,000		150,000
6	Develop Santa Fe Avenue Master Plan & Environmental	8034	20,000	100,000	120,000
7	Install sidewalks along various school routes	8035	100,000		100,000
8	Reconstruct Goshen Ave from Ben Maddox to Lovers Lane (postpone until development occurs.)	9947	180,000	(180,000)	-
9	Connect Burke St between Roosevelt to Houston. Phase 1 is for project facilitation and concept design. ROW and construction to be funded in 08/09.	8031	7,360	15,000	22,360
10	School Ave extension from Liberty to Burke (Project total \$650k - \$950k;)			100,000	100,000
11	Install Preston Street bridge over Mill Creek near Hillsdale.	8032	335,000		335,000
	Total Capital Project Expenditures		\$ 1,703,022	\$ 810,000	\$ 2,513,022

Before Measure R was passed, several projects were to be funded from the Vehicle License Fund, Gas Tax Fund, Transportation Impact Fee Fund, and Transportation Fund. Once Measure R passed, Council approved funding seven projects with Measure R Regional Funds. Staff is requesting to release the duplicate funding for these seven projects. Below in Table VIII

– 07/08 Regional Projects, is a list of projects and appropriations for fiscal year 2007/08. The total appropriation to be released from various Transportation Funds is \$14.5 million.

Table VII – 07/08 Additional Funding for Street Projects

#	Project Description	Funding Sources					Total Increase	
		Vehicle License (0012)	Gas Tax (1111)	Transp. Impact (1241)	Traffic Congestion Relief (1613)	Downtown RDA (1921)		
1	Study current traffic trends in Downtown for design of future projects. Due to the development of the Civic Center and other Downtown development this study will be used to help determine design needed for street additions and improvements.					\$ 210,000	\$ 210,000	
2	Install lights and landscaping along Center Street. This project is the second phase of the Center Street angled parking project.	8016	\$ 60,000				\$ 60,000	
3	Reconstruct minor streets when the streets have gone beyond maintenance.	9301		\$ 443,870	\$ 398,090		\$ 841,960	
4	Widen Akers St between Mineral King and Tulare Ave to three lanes in both directions and widen Cypress Ave to allow two east bound lanes. This project will also upgrade the median turn pockets on Cypress Ave to allow dual left turns.	9944		\$ 680,000	\$(680,000)		\$ -	
Total			\$ 60,000	\$1,123,870	\$(680,000)	\$ 398,090	\$ 210,000	\$1,111,960

Note: Project #4 is switching funding sources. The original funding source is Transportation Impact Fee. The Impact Fee can not be used to fund projects that are not listed in the Transportation Impact Fee Program.

Table V III – 07/08 Regional Projects

#	Project Description	Ballot Projects - Measure R Regional (1133)	Duplicate Projects				Total to Release	
			Vehicle License (0012)	Gas Tax (1111)	Transp. Impact (1241)	Transp. (1611)		
Phase 1 (years 1-15)								
1	Widen Plaza Dr. including Hwy. 198 overcrossing to Goshen; widening to 6 lanes from Hwy. 198 to Hurley and 4 lanes from Hurley to Goshen. Estimated project cost \$14 million.	9438	\$ 1,500,000			\$1,294,274	\$1,294,274	
2	Widen Shirk Bridge in conjunction with Shirk widening project. Estimated project cost \$10 million.	9822	\$ 500,000		\$ 526,721		\$ 526,721	
3	Lovers Lane and SR 198 interchange. Estimated project cost \$7 million.	9958	\$ 500,000	\$ 748,953			\$ 748,953	
4	Santa Fe bridge widening. Remove existing railroad tracks and widen bridge to accommodate 5 lanes. Signals will be added at Mineral King/Santa Fe and Noble/Santa Fe. Construction will begin Winter 2008 and is expected to cost \$6.3 million.	9236 9942	\$ 3,500,000	\$4,190,205	\$1,926,175		\$6,116,380	
5	Ben Maddox bridge widening. Widen bridge to by an additional 3 lanes to accommodate a total of 8 lanes. Three signals will be upgraded: Ben Maddox/Noble, Ben Maddox/Mineral King, & Noble/SR 198 ramp. Construction will begin Winter 2008 and is expected to cost \$9.5 million.	9242	\$ 2,780,000	\$3,524,287	\$ 829,960		\$4,354,247	
Phase 2 (years 16-30)								
6	Widen Riggan Ave in phases from Plaza Drive to Dinuba Blvd. Estimated project cost \$5 million.	9825	\$ 1,000,000		\$1,121,107		\$1,121,107	
7	Provide signal synchronization for Caldwell Avenue between Akers Street and Shady Street	9773	\$ 300,000	\$ 299,618		\$ 99,745	\$ 399,363	
Total			\$ 10,080,000	\$ 1,048,571	\$ 7,714,492	\$ 4,403,963	\$ 1,394,020	\$14,561,045

Redevelopment

The City has 4 redevelopment project areas. All but the Central Redevelopment project area have passed their debt issuance date. This means that except for incurred obligations, the Downtown, Mooney and East Visalia project areas do not have any discretionary money for projects. The Central project area's debt issuance deadline is November, 2009.

Because these project areas appear to be at the end of their project life, the City is working with a consultant to determine how best to manage these project areas. A full report is expected at a Council meeting in April.

However, in this report staff is recommending using \$210,000 from the Downtown Redevelopment Project area to conduct a traffic study. The Downtown Redevelopment project area no longer can issue debt but the project area has approximately \$1million available for projects from monies accumulated. The proposed use of these other monies will be presented to Council with the budget

ENTERPRISE FUND EVALUATIONS

Enterprise Funds have different accounting requirements than the Governmental Funds. Accounting for the General Fund focuses on paying current year's operating expenditures, with totally separate accounting for capital assets and debt service.

However, the accounting for enterprises must:

1. Cover current operating costs, and
2. Pay debt service, and
3. Purchase and replace capital assets.

Therefore, the evaluation of enterprise funds must determine if all of these financial measurements are occurring or if there are financial circumstances that allow the enterprise to overcome these financial necessities. If the first two items are being covered, then an evaluation of the individual fund's cash balance is needed to determine if the fund has adequate resources for purchasing capital assets.

CONVENTION CENTER

<i>Covering operations:</i>	<i>No</i>
<i>Meeting budget objective:</i>	<i>Yes</i>
<i>Meeting debt service:</i>	<i>No</i>
<i>Meeting capital needs:</i>	<i>No</i>

Comment: Supported by the General Fund as planned

Consider Table IX, Convention Center. This operation is treated as an enterprise even though the revenues do not cover operating costs, debt service or capital purchases. It can be argued that this City activity should not be accounted for as an enterprise. However, the fund is accounted for as an enterprise because it supplies a service that is based upon user fees.

The financial statements, however, do not reflect the new money the convention center brings to the local economy when events book the Center. For example, the Center brings many visitors to Visalia, which increases hotel occupancy taxes and helps generate new revenues for local merchants, especially in the downtown area. A study by HVS International is evaluating the current operations, potential for expansion and the economic impact on the local community and recommendations from this study will be brought to Council in the near future.

The objective of the Center is to be a catalyst for economic growth and a community gathering place that provides exceptional customer service while minimizing the impact to the General

Fund. With that objective in mind, the Center's projected results are better than budget with revenues exceeding budget by 15.3% while expenses only increased by 6.7% over budget.

**Table IX
Convention Center**

Convention Center		
Fiscal Year 07/08		
OPERATIONS	Budget	Projected
REVENUES		
Operating Revenues	\$ 2,661,111	\$ 3,068,000
EXPENSES		
Personnel	(2,090,681)	(2,244,000)
Operations & Maintenance	(1,529,698)	(1,647,000)
Allocated Costs	(400,213)	(397,000)
	(4,020,592)	(4,288,000)
OPERATIONS	\$ (1,359,481)	\$ (1,220,000)
OTHER / NON-OPERATING		
Revenues - Interest Income & Misc.	21,390	129,000
Debt Service Expenditures	(1,343,826)	(1,567,000)
General Fund Transfers	2,537,076	3,530,000
	1,214,640	2,092,000
CURRENT YEAR RESOURCES		
AVAILABLE FOR CAPITAL	\$ (144,841)	\$ 872,000
CASH AVAILABLE FOR CAPITAL ASSETS		
Beginning Capital Asset Cash	706,067	706,000
Add: Curr. Yr. Available Resources	(144,841)	872,000
Less: Capital Purch. - Curr. Yr.	(33,000)	(34,000)
Less: Capital Purch. - Prior Yr. Rollover	(1,559,447)	(1,544,000)
ENDING CAPITAL ASSET CASH	\$ (1,031,221)	\$ -

An indicator of the Center's continuing success is the overall occupancy rate. For FY 06/07 overall occupancy was 50%, up from 40% the year before as shown in Table X, Occupancy By Room Type. Staff is expecting that Exhibit Hall occupancy for 07-08 to be flat or slightly dip due to the long window of time the room was blocked from usage due to the installation of the raised platform telescopic seating. The new seating and black velvet drapery has been a hit with many clients and prospective clients and it is anticipated the Exhibit Hall occupancy in future years will once again rise. The Center has added an extra \$1.00 surcharge on box office ticket sales to help offset the cost of the telescopic seating. This year with the purchase of the telescopic seating, the operating cash transfers from the General Fund were increased to fund this acquisition.

The General Fund has transferred to the Convention Center additional monies for their telescopic seating. This additional advance is to be repaid by not transferring to the Convention Center an annual capital grant of \$300,000. The project was budgeted at \$1.45 million. It

appears that the final cost will less. Thus, over five budget years from FY 06/07 to FY 11/12, the City will not make an additional capital transfer into the Convention Center. At the same time, the Convention Center is enthusiastic about the response to the new seats. Events are considering the Center which would not in the past. In a sense, the City has a new facility.

In evaluating the Convention Center, it is important to note that their top four customers make up approximately 20 percent of their revenues. These four customers are a dance promoter, home show promoter, a church and a university. The first two customers will probably always use the Convention Center as their place of business. However, the last two may find other venues in the future. As a result, the Convention Center needs to continue to develop other clients to use the facility.

Table X
Occupancy By Room Type
FY 04-05, 05-06, & 06-07

	<u>F.Y.</u>	<u>Mon.</u>	<u>Tues.</u>	<u>Wed.</u>	<u>Thurs.</u>	<u>Fri.</u>	<u>Sat.</u>	<u>Sun.</u>	<u>Total</u>
Charter Oak Ballroom	04-05	18%	38%	44%	48%	46%	89%	53%	48%
	05-06	24%	45%	50%	46%	57%	80%	99%	57%
	06-07	39%	38%	51%	51%	56%	83%	96%	59%
Meeting Rooms Downstairs	04-05	20%	36%	37%	37%	35%	41%	31%	34%
	05-06	28%	43%	51%	53%	50%	50%	76%	50%
	06-07	33%	44%	44%	53%	33%	58%	80%	49%
Meeting Rooms Upstairs	04-05	7%	20%	41%	34%	18%	37%	49%	30%
	05-06	33%	48%	61%	58%	30%	42%	56%	47%
	06-07	48%	46%	61%	69%	27%	52%	74%	54%
Exhibit Hall	04-05	19%	29%	19%	40%	54%	69%	35%	38%
	05-06	15%	19%	19%	25%	44%	71%	31%	33%
	06-07	25%	35%	31%	42%	58%	83%	52%	46%
TOTAL FACILITY PERCENTAGE								04-05	38%
								05-06	40%
								06-07	50%

Recommended Action: NONE

The Convention Center continues to improve its operations and exceed expectations.

VALLEY OAK GOLF

Covering operations: Yes
Meeting debt service: Yes
Meeting capital needs: No

Comment: CIP rate surcharge is currently paying for some capital assets.

The Valley Oaks Golf course has been managed by CourseCo Golf since February of 2000. Prior to the management contract, the fund accumulated significant debt due to a 9-hole expansion and some operating losses. The debt has since been reduced from \$3.5 million to \$2.6 million.

In the past, the golf course operations have not been able to meet its scheduled debt service. This year's Golf's revenues and expenses are close to projections and revenues are projected to be \$212,000 higher than last year and while expenses are virtually the same, as shown on Table XI, Valley Oaks Golf. This additional revenue and accumulated cash from last years increase,

Table XI

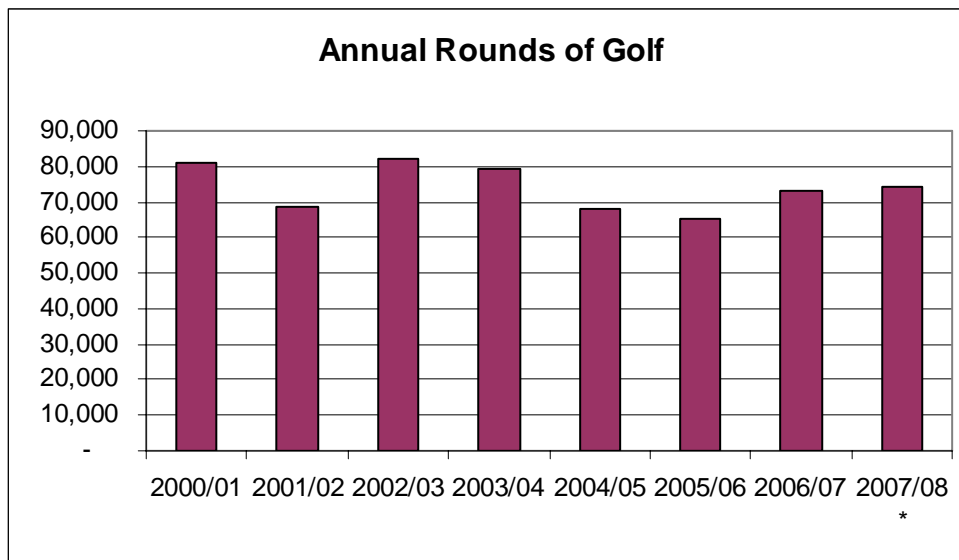
Valley Oaks Golf				
Fiscal Year 07/08				
OPERATIONS			Budget	Projected
<u>REVENUES</u>				
	Operating Revenues		\$ 2,559,270	\$ 2,643,000
<u>EXPENSES</u>				
	Management Fees		(130,987)	(129,000)
	Operations & Maintenance		(1,573,948)	(1,647,000)
	Allocated Costs		(41,616)	(64,000)
			(1,746,551)	(1,840,000)
	OPERATIONS		\$ 812,719	\$ 803,000
<u>OTHER / NON-OPERATING</u>				
	Miscellaneous		-	(2,000)
	Depreciation Expense		-	(265,000)
	Debt Service Expenditures		(451,839)	(536,000)
			(451,839)	(803,000)
CURRENT YEAR RESOURCES AVAILABLE FOR CAPITAL			\$ 360,880	\$ -
<u>CASH AVAILABLE FOR CAPITAL ASSETS</u>				
	Beginning Cash - Operational Only		449,109	449,000
	Add: Curr. Yr. Resources Available		360,880	-
	Add: Depreciation Transfer		-	265,000
	Less: Capital Purchases Authorized - Curr. Yr.		(1,894,000)	(90,000)
	Less: Capital Purchases Authorized - Prior Yrs.		(105,022)	(68,000)
	Less: Payment to City Debt Principal			(358,000)
	ENDING CAPITAL ASSET CASH		\$ (1,189,033)	\$ 198,000

should allow Valley Oaks to pay an additional approximately \$350,000 this year on its debt. If the course could make such debt service payments in future years, the course would be able to repay the general fund debt in line with the original 15 year amortization schedule, retiring the debt by 2013. At the same time, the upcoming opening of a golf course in Dinuba (late summer or early fall) may reduce Valley Oaks recent operating gains as the course will have to remain competitive to continue compete in the golf market.

In addition, the course has an upcoming \$1.7 million irrigation system replacement project. In the past, the City has internally financed such projects. As the General Fund has increased its advances to other funds in the past few years and is currently spending reserves to build saved for community projects, it may be more appropriate that this project be externally financed and whether the financing can be a tax exempt financing or not. Staff will be bringing back to Council at budget time a final recommendation on financing this project.

Chart III, Annual Rounds of Golf, compares several years of golf rounds. During the early part of this decade, annual rounds were approximately 80,000 a year and declined to a low of 65,000 for fiscal year 05-06. Starting last fiscal year, rounds increased to 74,000 or a little better. This year rounds are expected to reach that same level.

Chart III



As part of the City's management agreement, CourseCo has reviewed local rates and currently proposes to maintain rates at their current level. Valley Oaks rates remain competitive to the local area.

Recommended Action: NONE

Continue to monitor debt repayment and consider external financing arrangements for the \$1.7 million irrigation replacement project.

AIRPORT

Covering operations: Yes
Meeting debt service: Yes
Meeting capital needs: Yes

Comment: Capital needs subsidized by Federal Grants.

The Airport remains fiscally sound because of the Federal grants it receives for capital projects. Without those grants, the fund would not be able to replace its capital assets. Operating revenues are about equal to operating expenses as shown on Table XII, Airport. As long as the Airport receives capital grant funding to replace and expand the Airport's capital assets the fund will remain healthy.

**Table XII
 Airport
 Fiscal Year 07/08**

OPERATIONS		Budget	Projected
REVENUES			
	Operating Revenues	\$ 1,830,376	\$ 2,343,000
EXPENSES:			
	Personnel	(396,918)	(408,000)
	Operations & Maintenance	(1,186,800)	(1,629,000)
	Allocated Costs	(187,603)	(192,000)
		(1,771,321)	(2,229,000)
	OPERATIONS	\$ 59,055	\$ 114,000
OTHER / NON-OPERATING			
	Revenues - Grants and Misc.	1,034,636	1,426,000
	Depreciation	(465,000)	(465,000)
	Debt Service Expenditures	-	(27,000)
		569,636	934,000
	CURRENT YEAR RESOURCES AVAILABLE FOR CAPITAL	\$ 628,691	\$ 1,048,000
CASH AVAILABLE FOR CAPITAL ASSETS			
	Beg. Capital Asset Cash	350	-
	Add: Curr. Yr. Net Oper. Resources Avail.	628,691	1,048,000
	Add: Depreciation Transfer	465,000	465,000
	Add: Grant Funding - AIP		
	Less: Capital Purch. - Curr. Yr.	(890,000)	(1,302,000)
	Less: Capital Purch. - Prior Yr. Rollover	(8,555,900)	(51,000)
	ENDING CAPITAL ASSET CASH	\$ (8,351,859)	\$ 160,000

Operating revenues and operating & maintenance costs are projected to exceed budgets by approximately \$513,000 and \$419,000 respectively. This variance is mainly due to fuel costs and the respective sales price being higher than budgeted. Table XIII, Airport - Gallons of Fuel

Sold, also reflects the increase in the amount of fuel sold, which is projected to increase by 17% this fiscal year over and above the 19% increase realized last fiscal year.

This increase is driven by the amount of fuel sold to the air carrier, Mesa Airlines, over the previous carrier. This air carrier, however, has given notice that it wishes to leave the Visalia market. Without the airline fuel purchases, overall fuel purchases would be down, reflecting the overall economic slow down.

**Table XIII
Airport - GALLONS of Fuel Sold**

	<u>FY02-03</u>	<u>FY03-04</u>	<u>FY04-05</u>	<u>FY05-06</u>	<u>FY06-07</u>	<u>Projected FY07-08</u>
GALLONS Sold						
100 Av. Gas	150,546.0	150,280.0	126,400.9	140,599.0	139,964.5	134,164.8
Jet Fuel	98,777.2	148,348.4	136,068.7	163,365.0	161,116.0	142,567.2
Jet Fuel - Air Carrier	243.1	167.2	-	22,787.0	87,332.4	176,046.0
	<u>249,566.3</u>	<u>298,795.6</u>	<u>262,469.6</u>	<u>326,751.0</u>	<u>388,412.9</u>	<u>452,778.0</u>
Annual GALLONS % Increase		20%	-12%	24%	19%	17%
Price Per Gallon (Self Service)						
100 Av. Gas	\$2.31	\$2.50	\$3.06	\$3.91	\$3.98	\$4.40
Jet Fuel	\$2.40	\$2.15	\$3.01	\$3.74	\$3.87	\$4.00

The City's new and yet to arrive air carrier, Great Lakes, has not begun service in Visalia. This is due to Mesa quitting a number of local markets and another Essential Air Service airline, Big Sky, going bankrupt at the same time. Great Lakes is currently working to bring other airports on line as they are with Visalia and we are anticipating that we should have service by April. The City will continue to work to try and ensure that future flights scheduled out of Visalia arrive at McCarran airport at an early enough time so passengers can board connecting flights to other destinations.

Recommended Action: NONE

Continue to monitor the airport and work with the new carrier to implement essential air service.

TRANSIT

Covering operations: Yes
Meeting debt service: Yes
Meeting capital needs: Yes

Comment: Capital and operational needs are subsidized by Federal and State funding.

The City's Transit operation is somewhat similar to the Airport, as it remains financially sound because of significant federal and state funding it receives. Without these funds, Transit would not be able to operate or replace its capital assets. In fact, Transit is more dependent than the Airport on grants: the Airport does not receive operating grants; the Transit operation receives grants and subsidies which pay approximately 80 % of its operating costs. Nevertheless, as long as Transit continues to receive adequate operating and capital funding from state and federal grants, the fund will remain healthy.

Table XIV, Transit, projects the operating deficit for the fiscal year to almost match the budget. Transit receives grant funding that support both operational deficits and capital projects.

**Table XIV
Transit
Fiscal Year 07/08**

OPERATIONS		Budget	Projected
REVENUES			
	Operating Revenues	\$ 1,124,350	\$ 1,769,000
	Non Operating (Grants, Reimburse., etc.)	8,252,403	5,188,000
		9,376,753	6,957,000
EXPENSES:			
	Personnel	(351,248)	(368,000)
	Operations & Maintenance	(4,708,750)	(4,812,000)
	Depreciation	(700,000)	(700,000)
	Allocated Costs	(149,436)	(158,000)
		(5,909,434)	(6,038,000)
	OPERATIONS	(5,909,434)	(6,038,000)
	CURRENT YEAR RESOURCES		
	AVAILABLE FOR CAPITAL		
		\$ 3,467,319	\$ 919,000
CASH AVAILABLE FOR CAPITAL ASSETS			
	Beg. Capital Asset Cash	581,349	581,000
	Add: Curr. Yr. Net Oper. Resources Avail.	3,467,319	919,000
	Add: Depreciation Transfer	700,000	700,000
	Add: Grant Funding - Prior Yr. Capital	3,949,163	
	Less: Capital Purch. - Curr. Yr.	(3,392,661)	(921,000)
	Less: Capital Purch. - Prior Yr. Rollover	(3,949,163)	(1,279,000)
	ENDING CAPITAL ASSET CASH	\$ 1,356,007	\$ 0

This year in addition to replacing 5 CNG Dial-a-Ride buses and 3 CNG trolleys, 2 busses were purchased for the shuttle to the Sequoia National Park. The Sequoia Shuttle will start its 2nd year of operation on the Wednesday before the Memorial Day weekend. This successful service is increasing its efforts in bringing tourism to the City of Visalia by marketing campaigns and improved efficiency. Last year the shuttle transported approximately 5,000 locals, southern Californians and Europeans. The Gateway Shuttle averaged 30% capacity and is anticipated to increase ridership by 30% this next summer.

The City's Transit operation started receiving Measure R funds in July 2007 which totals \$684,000 a year. The City used the Transit portion of the Measure R funds to implement and cover the cost of three route expansions that otherwise would not have been funded for several years. Those route expansions include an expanded route in northwest Visalia to Riggins Ave. and Demaree St., an additional bus on Mooney Blvd., and increased Sunday service from 3:30 to 6:30 pm. In addition to this ongoing expansion, we have programmed \$1.0 million of Measure R to be used on expanding the Transit Center to include a Visitor Center and additional parking.

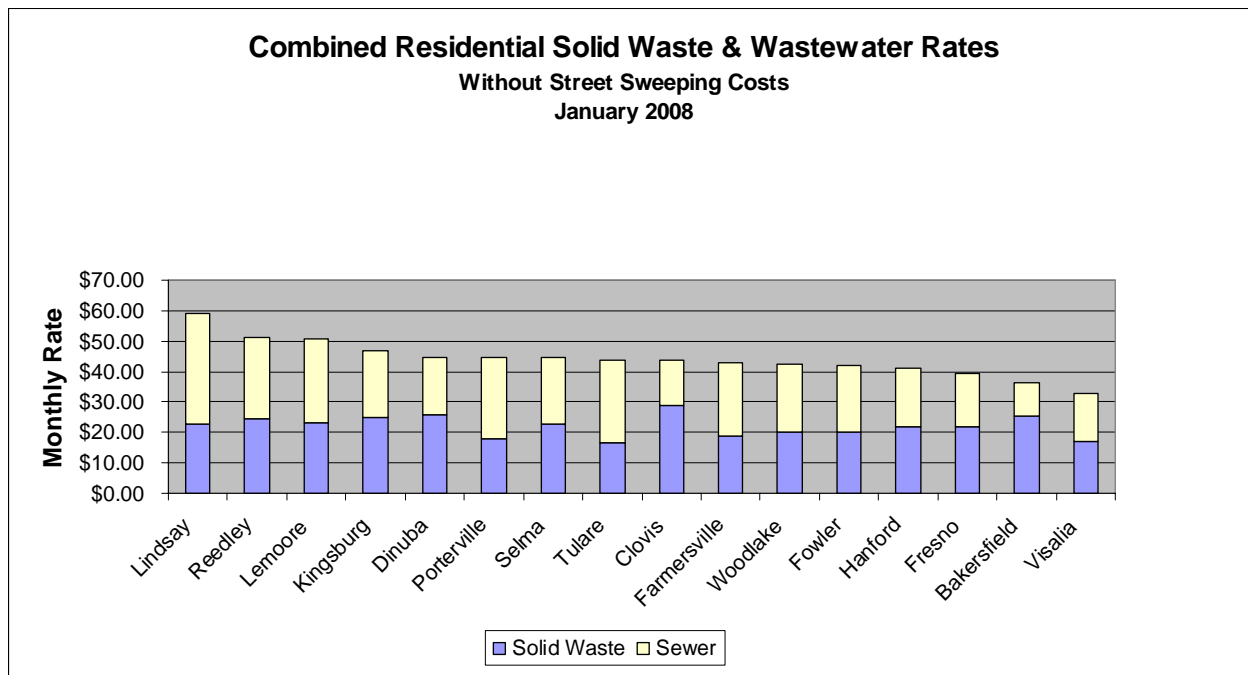
Recommended Action: NONE

Monitor the expending of Measure R funds, and continue to monitor operations and funding of Transit and encourage greater use of the City's Transit system.

UTILITY ENTERPRISES

The City has three utility operations: sewer, storm water and solid waste. These three utilities operate very efficiently and tend to be among the lowest costs in the South San Joaquin Valley. Chart IV, Combined Residential Sewer and Refuse Rates, compares the combined residential sewer and solid waste rates to other local communities. The fact is that Visalia has some of the lowest rates in the area.

Chart IV



Solid Waste Rates

A five year, 5.5%-per-year Solid Waste rate increase was approved last year, and will continue to be implemented through 2011-12, except for this year which includes an additional 2.5% for implementing the Compressed Natural Gas fleet. Expenses are anticipated to increase at a rate higher than these approved increases due primarily to continued vehicle conversion and increasing costs associated with CNG vehicles; Federal, State and County environmental regulations; tipping fees; and, more effective environmental and recycling efforts city-wide. One major factor for costs increasing that would require the City to review its rates would be if the County of Tulare or other tipping fees are increased as they are a significant portion of the cost of providing solid waste service and would need to be immediately passed on through to the rate payers. Currently there are discussions that the County of Tulare might be raising its landfill tipping fee. These costs need to be monitored to assure that the Solid Waste Fund remains fiscally sound.

Sewer Rates

Wastewater rates currently have a 5 year 5%-per-year rate increase in place that extends through 2011-12, and while the fund currently is self-supporting, staff will also be evaluating the cash flow effects of the after the capital costs required to accomplish the required NPDES upgrades.

Storm Water Rates

The Storm Water rate has not been increased since 2004; staff is currently evaluating this enterprise. If the revenues are sufficient, a rate increase may not be needed. However, in keeping with small, incremental rate increases, it may be appropriate to seek a cost of living increase. If a rate is increase in needed, the City could be balloting users during calendar year 2008.

Solid Waste

<p><i>Covering operations: Yes</i> <i>Meeting debt service: Yes</i> <i>Meeting capital needs: No</i></p>

<p><i>Comment: Review rates for recovery of capital replacement costs.</i></p>

Solid Waste is currently projected to meet the objective of covering operating costs, as shown on Table XV, Solid Waste for the current year. Cash for capital purchases is projected to be depleted by fiscal year end. This current year and the next two fiscal years have a higher than normal amount of trucks being replaced. This abnormal spike in large capital purchases has caused the funds cash position to be extremely low, even using its operating cash to fund the latest capital purchases.

The projected financial results suggest that the Solid Waste Fund will need to borrow funds to complete its anticipated capital purchases this year. The next year, however, appears to repay that borrowing.

Staff will look at both the capital costs built into the rates and the timing of the next few years of capital purchases and report to Council, during the upcoming biennial Rate & Fee process, the cash flow status of this fund.

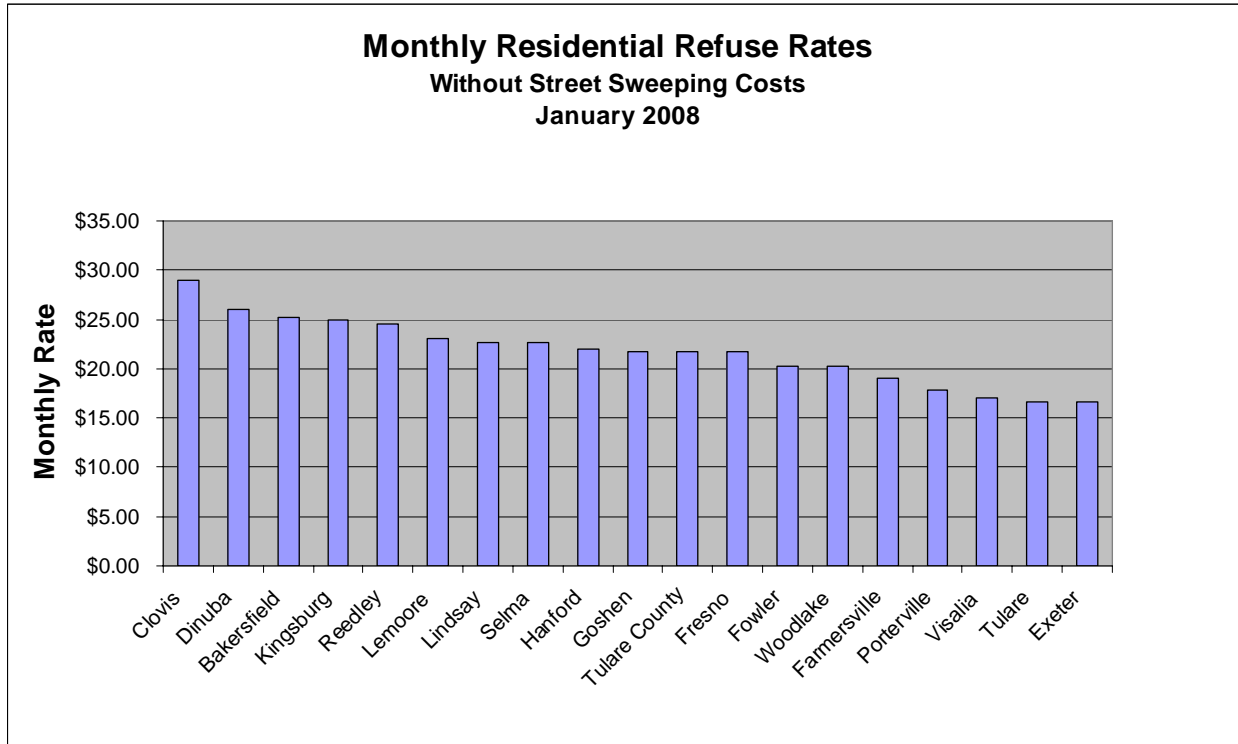
Table XV Solid Waste

Fiscal Year 07/08

OPERATIONS		Budget	Projected
	REVENUES		
	Charges & Fees	\$ 13,512,716	\$ 13,951,000
	EXPENSES		
	Personnel	(3,989,476)	(3,976,000)
	Operations & Maintenance	(4,980,507)	(4,922,000)
	Allocated Costs	(4,429,565)	(4,517,000)
		(13,399,548)	(13,415,000)
	OPERATIONS	113,168	536,000
	OTHER / NON-OPERATING		
	Revenues - Penalties, Grants & Misc.	769,869	830,000
	Depreciation Expense	(850,000)	(850,000)
	Debt Service Expenditures	-	(6,000)
		(80,131)	(26,000)
	CURRENT YEAR RESOURCES AVAILABLE FOR CAPITAL	\$ 33,037	\$ 510,000
	CASH AVAILABLE FOR CAPITAL ASSETS		
	Beginning Capital Asset Cash	28,506	29,000
	Add: Curr. Yr. Resources Available	33,037	510,000
	Add: Depreciation Transfer	850,000	850,000
	Less: Capital Purchases Authorized - Curr. Yr.	(2,644,000)	(292,000)
	Less: Capital Purchases Authorized - Prior Yrs.	(1,427,828)	(1,397,000)
	ENDING CAPITAL ASSET CASH	\$ (3,160,285)	\$ (300,000)

The City's residents are paying nearly the lowest monthly refuse fees as compared to the surrounding communities as evidenced by Chart V, Monthly Residential Refuse Rates. Visalia residents are the beneficiary of a well managed enterprise, even when including the remaining next two years of increases, Visalia's rates would remain among the lowest in the South San Joaquin Valley, which benefits our customers by providing both a high quality service at a low cost.

Chart V



Finally, it should be noted that approximately 1/3 of Solid Waste's operating costs are tipping fees (disposal and recycling cost). Currently these fees are increasing between 4 and 6% per year. If the county were to increase their fee at the landfill, the City would need to immediately pass-through this increase excluding and no proposal exists for increasing tipping fees.

Recommended Action: NONE

Staff will review capital costs, their related funding and related timing of major purchases to assure that the fund remains fiscally sound.

If tipping fee increases and determine if a pass-through of these costs to rate payers is needed.

WASTEWATER

Covering operations: Yes
Meeting debt service: Yes
Meeting capital needs:
 Current year - Yes
 Future years - Unclear

Comment: A Master Plan is being developed that will guide expansion of the plant.

As shown in Table XVI, Wastewater, total revenues and expenses are slightly above budget. Wastewater currently has a projected net cash balance totaling \$6.6 million (including both Operational and Capital Cash balances). Income from operating and non-operating activities is projected to have a deficit of \$246,000 this fiscal year, a 2.5% variance expected to not occur in the future.

The current rate structure will need to be adjusted to provide for these capital expenditures. Fortunately the WWTP will be making its final debt payment this coming December on \$18.6 million of Revenues Bonds issued in 1992. When this debt is paid off, revenues become available to fund another debt of approximately \$20 million.

**Table XVI
Wastewater
Fiscal Year 07/08**

OPERATIONS		Budget	Projected
REVENUES			
	Charges & Fees	\$ 10,205,207	\$ 10,371,000
EXPENSES			
	Personnel	(2,456,033)	(2,522,000)
	Operations & Maintenance	(3,636,205)	(3,619,000)
	Allocated Costs	(1,424,282)	(1,456,000)
		(7,516,520)	(7,597,000)
	OPERATIONS	2,688,687	2,774,000
OTHER / NON-OPERATING			
	Revenues - Walnuts & Misc. Revenues	1,247,957	2,642,000
	Depreciation Expense	(2,270,000)	(2,270,000)
	Debt Service Expenditures	(2,992,000)	(3,392,000)
		(4,014,043)	(3,020,000)
	CURRENT YEAR RESOURCES AVAILABLE FOR CAPITAL	\$ (1,325,356)	\$ (246,000)
CASH AVAILABLE FOR CAPITAL ASSETS			
	Beginning Capital Asset Cash	6,097,593	6,098,000
	Add: Curr. Yr. Resources Available	(1,325,356)	(246,000)
	Add: Depreciation Transfer	2,270,000	2,270,000
	Less: Capital Purchases Authorized - Curr. Yr.	(3,633,100)	(500,000)
	Less: Capital Purchases Authorized - Prior Yrs.	(6,962,688)	(785,000)
	ENDING CAPITAL ASSET CASH	\$ (3,553,551)	\$ 6,837,000

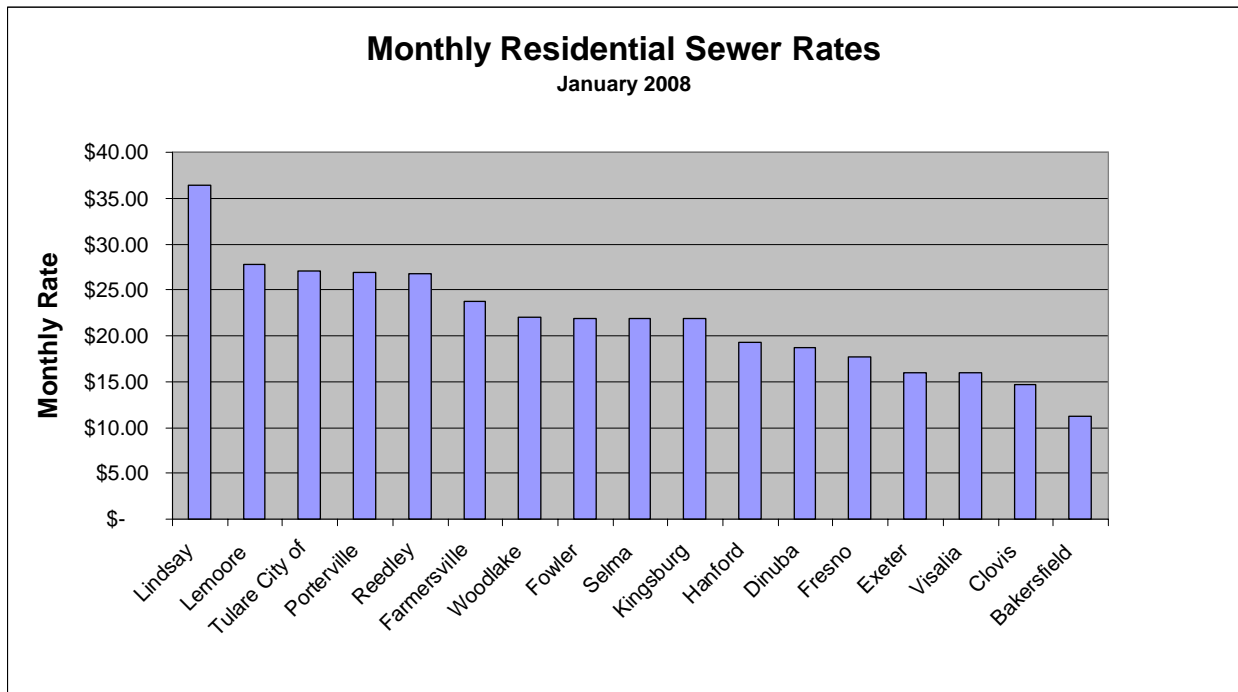
As stated, the budgeted deficit in Cash Available for Capital Assets is directly attributable to \$4.6 million in NPDES permit costs that are being budgeted in anticipation of future costs. A new discharge permit was issued by the Regional Water Quality Control Board and various upgrades to the facility which is expected to be substantial, between \$30 to \$50 million. Studies are being finalized to identify the needed upgrades and funding to accomplish the upgrades. Staff will return to Council with specific recommendations in April.

At the same time, the Waste Water Treatment Plant should continue to increase in new revenue as new homes are added to Visalia and California Dairies is in the process of bringing on line a doubling of their capacity. Thus, the City expects revenues in this enterprise to increase faster than inflation.

Of interest is that Wastewater owns over 850 acres south of the plant on Avenue 280. In 2005, the City removed 250 acres of the least productive walnut orchard and leased it out for fodder crops. The remaining 600 acres of walnut orchard is contracted out to a farmer for a set fee. The 2005 walnut harvest was 1 ton per acre, 2006 was nearly 1.45 tons per acre, and the 2007 harvest increased to 1.55 tons per acre, and walnut prices are near all time highs. The City should receive approximately \$2.0 million of revenue. The orchard will continue to be monitored to determine what effect various management techniques have on production. The benefit of this revenue source reduces the cost eventually charged to Visalia's rate payers.

Chart VI, Monthly Residential Sewer Rates, compares sewer charges for surrounding communities. For the residents of Visalia, one measurement of success for the treatment plant is the rate they pay. Visalians enjoy a sewer rate that tends to be among the lowest in the surrounding communities. As of April 1, 2008, the rates are scheduled to increase 5.5%.

Chart VI



Recommended Action: NONE

Report back to Council the recommended needed upgrades and funding to accomplish the required NPDES upgrades when the study is completed.

Storm Water

Covering operations: Yes
Meeting capital needs: Yes

Comment: Review rates for recovery of capital costs.

Storm Water is currently projected to meet the objective of covering operating and capital costs for the current year, as shown on Table XVII, Storm Water for the current year. The financial statements suggest that the fund is operating adequately. However, staff is reviewing what capital assets are currently paid for by this fund and will review operating costs as maintenance costs for existing infrastructure have been increasing. Future capital costs need to be also reviewed.

Storm Water is currently charging around \$5.00 per month for residential property and has not been increased since 2004. If it is determined that an increase is needed, the City could be balloting users during calendar year 2008.

**Table XVII
Storm Water**

<u>OPERATIONS</u>	<u>Budget</u>	<u>Projected</u>
<u>REVENUES</u>		
Charges & Fees	\$ 1,064,000	\$ 1,095,000
<u>EXPENSES</u>		
Operations & Maintenance	(527,400)	(459,000)
Allocated Costs - Public Works & Wastewater	(450,965)	(431,000)
Allocated Costs	(72,296)	(72,000)
	<u>(1,050,661)</u>	<u>(962,000)</u>
OPERATING	<u>13,339</u>	<u>133,000</u>
<u>OTHER / NON-OPERATING</u>		
Miscellaneous	37,000	88,000
Depreciation Expense	(450,000)	(450,000)
	<u>(413,000)</u>	<u>(362,000)</u>
CURRENT YEAR RESOURCES		
AVAILABLE FOR CAPITAL	\$ (399,661)	\$ (229,000)
 <u>CASH AVAILABLE FOR CAPITAL ASSETS</u>		
Beginning Capital Asset Cash	46,251	46,000
Add: Curr. Yr. Resources Available	(399,661)	(229,000)
Add: Depreciation Transfer	450,000	450,000
Less: Capital Purchases Authorized - Curr. Yr.	-	(50,000)
Less: Capital Purchases Authorized - Prior Yrs.		
ENDING CAPITAL ASSET CASH	\$ 96,590	\$ 217,000

Recommended Action: NONE

Review operational and capital charges and report back to Council.

Summary

The City of Visalia is a complex system, offering a variety of governmental services and projects. The current State Budget situation and the general economic slow down will require that the City hold the budgetary line this year. However, capital projects continue to go forward and the City's enterprises offer services to the community at costs less than most other communities.

With care, the City's fiscal house will remain in good shape.

Prior Council / Board Actions: Mid-cycle Budget Adoption, June 20, 2007

**Committee / Commission Review and Actions:
Alternatives:**

Attachments:

Recommended Motion (and Alternative Motions if expected): That the City Council authorizes the following actions:

1. Approve the recommended General Fund budget parameters for FY 08/10 of:
 - a. Preparation of a status quo budget for Fiscal Year 08/09, not increasing line items except as required by contract or major necessity, to be more fully reviewed at budget time.
 - b. Freeze \$1,000,000 of General Fund capital spending until the State's budget solution is settled, holding off spending until January 2009.
 - c. Release non-profit grant applications at the same level as last budget cycle. The City Council delegated responsibility for administering the City's non-profit grants to the Citizens' Advisory Committee. The committee has prepared grant applications and is ready to send these applications out but would like to announce what monies are available. Staff recommends that the grant amounts be kept at last year's level, at least until the full budget is considered by Council in June.
 - d. Include two new funds in the 08/09 – 09/10 Budget: Building Safety as an Enterprise Fund and Retiree Healthcare as an Internal Service Fund.
 - e. Charge all new General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined but estimated to be \$6,700 a year.
 - f. As much as possible, charge all non-General Fund allocated positions the annual required contribution to fully fund retiree health care at a cost to still be determined.
2. For the summer of 2008, authorize additional temporary staffing and materials for this next summer in order to run two street crews, increasing the Streets operating budget as Included in the Transportation recommend items.
3. Take the following actions in regards to transportation projects:

a. Measure R Local appropriations to augment current projects:

\$525,000	#9026	Widen Houston – Santa Fe Turnabout
100,000	#8034	Develop Santa Fe Master Plan and EIR
15,000	#8031	Connect Burke St. between Roosevelt and Houston
100,000	TBD	School Ave extension From Liberty to Burke
<u>250,000</u>	#8060	Ferguson Ave. extension to Mooney Blvd.
\$990,000	Total	

b. Make available for reallocation the following projects which were replaced by Ballot Measure R Project funding:

i. from the Vehicle License Fund

\$748,953	#9958	Lovers Lane and SR 198 Interchange
\$299,618	#9773	Signal synchronization for Caldwell, Akers to Shady

ii. from the Gas Tax Fund

\$4,190,205	#9236/42	Santa Fe Bridge Widening
\$3,524,287	#9242	Ben Maddox Bridge Widening

iii. from the Transportation Impact Fee Fund

\$ 526,721	#9822	Widen Shirk Bridge
\$1,926,175	#9236/42	Santa Fe Bridge Widening
\$ 829,960	#9242	Ben Maddox Bridge Widening
\$1,121,107	#9825	Widen Riggins Ave, Plaza to Dinuba Blvd.

iv. from the Transportation Fund

\$1,294,274	#9438	Widen Plaza Drive from 198 to Goshen
\$ 99,745	#9773	Signal synchronization for Caldwell, Akers to Shady

c. Appropriate the following monies to proposed street projects

v. from Vehicle License Fund

\$ 60,000	Install lights and landscaping along Center Street
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vi. from the Gas Tax Fund

\$443,870	Reconstruct minor streets (summer 2008 second street crew)
\$680,000	Widen Akers between Mineral King and Tulare, removing the project from the Traffic Impact Fee because it does not qualify for TIF monies

vii. from the Traffic Congestion Relief Fund

\$398,090	Reconstruct minor streets (summer 2008 second street crew)
-----------	--

viii. from Downtown Redevelopment Fund

\$210,000 Traffic study of Downtown traffic patterns



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)*

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**City of Visalia
Agenda Item Transmittal**

Meeting Date: March 17, 2008

Agenda Item Number (Assigned by City Clerk): 7

Agenda Item Wording: Award contracts to Paychex Time & Attendance, Inc. dba Stromberg and Principal Decision Systems International (PDSI) for the purchase and installation of time / attendance and public safety scheduling software, respectively.

Deadline for Action: March 17, 2008

Submitting Department: Finance

Contact Name and Phone Number:

Gus Aiello, 713-4423

Department Recommendation: That Council authorize the City Manager to enter into contracts to:

- Paychex Time & Attendance, Inc. dba Stromberg for \$97,500; and,
- Principal Decision Systems International (PDSI) for \$85,000

for the purchase and installation of time / attendance and public safety scheduling software, respectively for a total of \$182,500, plus tax.

Summary/background:

Included in the current fiscal year budget, Council approved a \$250,000 capital improvement project to purchase and install software to improve staff time and attendance management. A request for proposal was issued and a committee consisting of staff members from police, fire, public works, parks and recreation, information services, convention center and finance reviewed each proposal. Staff recommends that Council award contracts to Stromberg and PDSI for the purchase and installation of time / attendance and public safety scheduling software.

Discussion

The current fiscal year budget includes a capital improvement program for the purchase and installation of a time and attendance system. The project was budgeted, and has been in the works for several years, as a solution to the current time recording system, which is extremely manual, repetitive and time consuming for all City departments. The process is also subject to errors and

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.

does not lend itself to high level management of the City's most important resource, employee time. The City needs to implement a modern time and attendance system for at least four reasons:

1. **Better manage the City's principal resource, employee time.** The City annually spends \$30 million on wages. Benefits increase that cost by another 50%. As a result, the City needs to pay attention to how time is being used. However, the current system does not lend itself to gather management information. Rather, the current system requires each employee to turn in time cards, to be countersigned by supervisors, collated by divisional staff and summarized by a departmental payroll officer before being presented to payroll. The sheer effort of this task is immense and does not leave information in a format for management review.
2. **Save processing time.** Nine department individuals are charged with summarizing payroll beyond the time spent by supervisors and divisional clerical staff. These individuals spend ½ to 2 days every pay day preparing payroll. The proposed solution will save some amount of processing time. Estimating that ½ of the time is saved at a \$25 per hour, the City will save annually about \$25,000. Thus, the project has an 8 year payback period, just in processing time.
3. **Reduce potential error.** The City has an obligation to comply with certain wage and hour rules. The current process is more subject to errors than the proposed, integrated system. Within the last year, the City had to settle a Fair Labor Standards Act investigation, paying out some \$13,000 in pay that was calculated incorrectly. Other errors go undetected. Such problems may still exist but would be reduced with an integrated system.
4. **Prevent fraud.** In the City's recent past, an individual took advantage of the City's current process, costing the City at least \$70,000 in fraud. The root cause of the fraud was the ability to hide irregularities. An integrated system reduces that ability to hide fraud.

Larger corporations have gone to more sophisticated time and attendance solutions for these very reasons. Although the change may cause a need to work with bargaining groups, the City's bargaining groups have asked that the City standardize its pay practice and have a more integrated payroll system, standardizing time clocks and payroll practices. Staff believes that this system address these issues.

Selection Process

In an effort to complete the project, a request for proposals was released by the City's purchasing division and nine responses were received. A review committee consisting of individuals from police, fire, public works, parks and recreation, information services, convention center and finance individually reviewed each RFP response, then voted on a list of the top three vendors based on the firms that appeared to best meet the RFP qualifications. Table I - Evaluation Criteria, details the specific criteria used for each RFP response.

Table I - Evaluation Criteria

Criteria	Weight
1. Solution most closely meets the city's basic feature/function requirements and objectives	30%
2. Vendor client list includes cities and/or entities with comparable requirements.	10%
3. Stable Vendor/Product with a proven track record for quality products and services.	10%
4. Product, once installed and operational, can be administered with minimal Vendor support	20%
6. Software license, hardware costs, and ongoing support /customization costs	25%
7. Initial consulting, training, customization, and other project requirements	5%
TOTAL	100%

The three finalists were IntelliTime, Kronos and Stromberg. After identifying them, the committee began the arduous task of making a final selection.

Top Three Review Process

The review process of the three finalists proved to be a challenge. All three firms were capable of providing a system to record and track time and attendance. One issue which came to light during the review discussions was functionality to provide scheduling services in the public safety departments. Although the majority of City departments can standardize time and attendance with one system, police and fire are unique in their scheduling and require a system which can best meet their scheduling needs. In addition to 24 hour coverage with multiple work schedules, the ability to have a call back system in the event of an absence is a tremendous need and would provide significant staff time savings. A front runner in providing the public safety scheduling system is a company called Principal Decision Systems International (PDSI), who produces software called Telestaff. The program is the industry leader in the public safety arena.

However, because the top three vendors originally demonstrated only the time and attendance portion of their systems, they were all asked to return to demonstrate their public safety scheduling modules. After completing the scheduling demonstrations, it became apparent that the best solution for public safety was the PDSI Telestaff solution.

Once it was clear that Telestaff was the best solution, the final decision was which vendor to chose to provide the time and attendance system. Upon considering the evaluation criteria and taking into consideration references, ease of use and cost, it is recommended that Stromberg be chosen to provide the time and attendance system. With regards to cost, the Stromberg / Telestaff solution is the least expensive, as evident in Table II – Cost Comparison.

Table II
Cost Comparison

Vendor	Base Price	Scheduler	Subtotal	Annual Mntc	Total
Intellitime	\$ 93,300	\$ 58,925	\$ 152,225	\$ 20,230	\$ 172,455
Kronos	\$ 84,310	\$ 101,228	\$ 185,538	\$ 15,455	\$ 200,993
Stromberg	\$ 67,688	\$ 84,228	\$ 151,916	\$ 10,032	\$ 161,948

Table II does not include time clocks because several different solutions could be used. If Council accepts staff's recommendation, another \$29,500 would be needed for 11 time clocks to be positioned around the City.

Interface

Stromberg's time and attendance system will need to interface with the City's finance system to produce payroll checks. In the City's background research, City staff found that in at least one city the Stromberg interface was not completed. In investigating the problem, Staff contacted Stromberg and had the City's IS division review the interface problem. City staff is confident that the interface can be accomplished and Stromberg remains the City's proposed time keeping solution.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to enter into a contract with Stromberg and Telestaff, as a subvendor of Stromberg, for time and attendance software, the low cost alternative from the City's RFP. The total acquisition cost is \$182,500 plus tax.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives: Do not award contracts to Stromberg or PDSI

Attachments:

Recommended Motion (and Alternative Motions if expected): I move to authorize the City Manager to enter into contracts with Paychex Time & Attendance, Inc. dba Stromberg and Principal Decision Systems International (PDSI) for the purchase and installation of time / attendance and public safety scheduling software, for \$97,500 and \$85,000, respectively.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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