

Regular Meeting Agenda

Visalia City Council



Mayor: Bob Link
Vice Mayor: Amy Shuklian
Council Member: Warren Gubler
Council Member: Mike Lane
Council Member: Steve Nelsen

Monday, June 21, 2010

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

Work Session 4:00 p.m.; Closed Session 6:00 p.m. (or immediately following Work Session)

Regular Session 7:00 p.m.

4:00 p.m.

EMPLOYEE INTRODUCTIONS

- Vanessa Gonzalez, Management Analyst Finance Division - introduced by Administrative Services Director Eric Frost
- Police Officer Julie Moore - introduced by Police Chief Colleen Mestas

WORK SESSION AND ACTION ITEMS (as described)



1. Consider specific actions designed to encourage greater local purchases by the City of Visalia. **Receive public comment.**
2. Update on progress and discussion on revised approach for the South East Area Specific Plan (SEASP) and Environmental Impact Report. **Receive public comment.**

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

6:00 p.m.

CLOSED SESSION (immediately following Work Session)

3. Conference with Legal Counsel - Existing Litigation (G.C. §54956.9)
City of Visalia Retirees v. COV - TCSC Case No: 09-232173
4. Conference with Legal Counsel - Anticipated Litigation
Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: 2 potential cases
5. *Item removed at the request of staff*
6. Conference with Labor Negotiators (G.C. §54957.6)
Agency designated representatives: Steve Salomon, Eric Frost, Diane Davis, Shelline Bennett
Employee Organization: All employee groups

7:00 p.m. **CALL TO ORDER REGULAR SESSION**

PLEDGE OF ALLEGIANCE

SINGING OF NATIONAL ANTHEM - Kimi Gubler

INVOCATION - Pastor Suzy Ward, Visalia Episcopal Church

SPECIAL PRESENTATIONS/RECOGNITION - Proclaim July "Parks and Recreation Month"

PUBLIC COMMENTS - *This is the time for citizens to comment on subject matters that are not on the agenda that are within the jurisdiction of the Visalia City Council.*

This is also the time for citizens to comment on items listed on the Consent Calendar or to request an item from the Consent Calendar be pulled for discussion purposes. Comments related to Regular or Public Hearing Items that are listed on this agenda will be heard at the time that item is discussed or at the time the Public Hearing is opened for comment.

In fairness to all who wish to speak tonight, each speaker from the public will be allowed three minutes (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.

7. **CONSENT CALENDAR** - *Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.*

- a) Authorization to read ordinances by title only.
- b) Request to extend the Exclusive Negotiations Agreement (ENA) with Mill Creek Professional Center, LLC for six months for the completion of pre-development due diligence and planning activities necessary for the negotiation of a Development Agreement for approval by the City Council for the phased sale and development of city-owned land situated between Acequia, Mineral King, Stevenson and Conyer Streets.
- c) Accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2010.
- d) Authorization to accept a \$39,395 grant from the Department of Alcoholic Beverage Control to combat the unlawful sales of alcohol to minors and authorization for the City Manager to execute the grant agreement. **Resolution 2010-29 required.**
- e) Award contract for the supply and installation of an estimated 1,395 cubic yards of engineered wood fiber safety surface in various playgrounds throughout the City to Mike Filice, Filice Enterprises Inc. per specifications of RFB 09-10-45.
- f) Award contract to provide contractual landscape repair services to Bryan Maze, Evergreen Landscape and Sprinklers Inc. per specifications of RFB 09-10-40.
- g) Authorize the City Manager to sign a contract in an amount not to exceed \$99,300 for the annual street striping contract for the maintenance of painted traffic lines to Safety Striping Service, Inc. (Project No. 1111-0-72-0-9226)

- h) Second reading and adoption of Ordinance amending portions of Title 16 and 17 of the Visalia Municipal Code pertaining to the review of Planning Commission decisions by the City Council. **Ordinance No. 2010-03 required.**
- i) Request by the Tulare County Association of Governments (TCAG) to execute an amended Joint Powers Agreement for Tulare County and the eight Cities in the County to modify the powers of the TCAG. **Resolution 2010-30 required.**
- j) Appoint Duane Goodwin to the Visalia Environmental Committee.
- k) Second reading and adoption of Ordinance requiring property owners to remove graffiti within three (3) business days when the City personally serves notice or provides notice by telephone and written notice instead of the current 15 days that is allowed per Visalia Municipal Code 9.16.070(C) and adding language to strengthen provisions allowing recovery of abatement costs from the person responsible for the graffiti. **Ordinance 2010-02 required.**
- l) Acknowledge and authorize staff's effort to pursue grant funding through the Federal Water Resources Development Act for the construction of an expanded recycled water distribution system.
- m) Approval of proposed Bus and Trolley Route changes.
- n) Authorization to file a Notice of Completion for Riverway Sports Park; Phase 2, Project 3011-720000-0-0-8029, for the construction of on-site improvements at a final cost of \$3,190,014.20.
- o) First reading of Ordinance amending Section 2.02.080 of the Municipal Code related to Council Member Compensation to reduce Council salaries during the 2010-2011 budget year. **Ordinance 2010-04 required.**
- p) Authorization to award a construction contract and authorize the City Manager to execute an agreement for the Whitendale Avenue Street Widening Project located between Central Street and 500' west of Mooney Boulevard (SR63) to the low bidder, Teichert Construction, in the amount of \$1,004,637.65, for (Project No. 1241-9252/ RFB 09-10-07).
- q) Authorize the City Manager to execute an agreement with the College of the Sequoias to provide participation in the Federal Work Study Program for the 2010/2011 fiscal year.

REGULAR ITEMS AND PUBLIC HEARINGS - *Comments related to Regular Items and Public Hearing Items are limited to three minutes per speaker, for a maximum of 30 minutes per item, unless otherwise extended by the Mayor.*

- 8. **PUBLIC HEARING** (*Request continuance to 7/12/10 at the request of applicant. Previously continued from 6/7/10.*)
For property located at the northwest corner of Plaza Drive and Riggin Avenue, adjacent to the City of Visalia, and inside the County of Tulare. (APN: 077-120-012, 015)
 - a) Certification of Negative Declaration No. 2010-22. **Resolution 2010-26 required.**
 - b) Initiation of Proceedings for Annexation No. 2009-01 (Doe): a request by Russell Doe, applicant (Michael Porte, agent) to annex two parcels totaling approximately 156 acres into the City limits of Visalia for the purpose of facilitating future heavy industrial

- development on the property. **Resolutions 2010-27 and 2010-28 required.**
- c) Authorization for City Manager to sign and enter into a Pre-Annexation Agreement.
 - d) Detachment of property from County Service Area No. 1.

Convene jointly as the Visalia City Council and the Visalia Redevelopment Agency Board

9. RDA CONSENT CALENDAR

- a) Authorize the Executive Director to amend Affordable Housing Agreement between the City of Visalia Redevelopment Agency and Kaweah Management Company and Visalians Interested in Affordable Housing (VIAH) to disburse HOME Investment Partnership funds in the amount of \$124,728.02 for properties located at the north east corner of South Court Street and East Paradise Avenue.

10. RDA PUBLIC HEARING – Five-Year Implementation Plan (2009-14) for the Community Redevelopment Agency of the City of Visalia; adoption of resolutions relating to use of the Redevelopment Funds and Loan for Payment of State Take-away Funds. RDA Resolutions 2010-01 and 2010-02 required.

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

11. Presentation and discussion of the 2010/12 City of Visalia Budget.
12. Adjourn regular meeting to Monday, June 28, 2010, 7:00 p.m. at the Visalia Convention Center, 303 E. Acequia for the following items: *(Motion required)*
 - PUBLIC HEARING on the 2010/12 Budget
 - Adoption of the City Manager’s Recertified Measure T Plan
 - Adoption of the Proposition 4 Spending Limit
 - Adoption of the City of Visalia and City of Visalia Redevelopment Agency 2010/12 Budget
 - Second reading and adoption of Ordinance 2010-04 reducing Council salaries for 2010-11 budget year
 - Authorization to allow the City of Visalia to place one contested delinquent service charge case on the Miscellaneous Special Assessments of the Tulare County secured property tax roll.
 - Approval of property lease of two City-owned properties located at 700 E. Murray and 335 N. Burke to the Urban Tree Foundation.
 - Update on the Visalia Hazardous Materials Program

CLOSED SESSION REPORT (if any)

Upcoming Council Meetings

- Monday, June 28, 2010, 6:00 p.m. Closed Session, 7:00 p.m. Regular Adjourned Meeting, Convention Center 303 E. Acequia
- Monday, July 12, 2010, 4:00 p.m. Work Session, 7:00 p.m. Special Session; Council Chambers, 707 W. Acequia
- Monday, August 2, 2010, 4:00 p.m. Work Session, 7:00 p.m. Regular Session; City Hall Council Chambers 707 W. Acequia

Note: Meeting dates/times are subject to change, check posted agenda for correct details.

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.

Any written materials relating to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the Office of the City Clerk, 425 E. Oak Street, Visalia, CA 93291, during normal business hours.

The City's newsletter, Inside City Hall, is published after all regular City Council meetings. To self-subscribe, go to http://www.ci.visalia.ca.us/about/inside_city_hall_newsletter.asp. For more information, contact Community Relations Manager Nancy Loliva at nloliva@ci.visalia.ca.us.

Proclamation Declaring July as Parks & Recreation Month

Whereas, Parks and Recreation preserve and protect the historic, natural and cultural resources in our community, and makes lives and communities better now and in the future; and

Whereas, Recreation fosters human development, provides positive alternatives for children and youth during non-school hours to reduce crime and mischief thereby helping children and youth develop and grow into healthy and productive adults; and

Whereas, Parks and Recreation offer places, spaces and programs to facilitate social connections, human development, therapy, the arts, and lifelong learning. It also strengthens community image, sense of place and increases cultural unity; and

Whereas, thousands of Visalia children, adults and seniors benefit from the wide range of services, facilities and programs offered by the Visalia Parks and Recreation Department; and

Whereas, the City of Visalia urges all its residents to recognize that parks and recreation enriches the lives of its residents and visitors as well as adding value to the community's homes and neighborhoods.

NOW, THEREFORE, the Visalia City Council hereby proclaims that Parks Make Life Better! and proclaims the month of July, 2010 as "Parks & Recreation Month" and in doing so, urges all citizens to use and enjoy our parks and recreational opportunities.

Dated: June 21, 2010



Bob Link, Mayor



Amy Shuklian, Vice-Mayor



Michael Lane, Councilmember



E. Warren Gubler, Councilmember



Steven A. Nelsen, Councilmember

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 1

Agenda Item Wording: Consideration by City Council on specific actions designed to encourage greater local purchases by the City of Visalia

Deadline for Action: None

Submitting Department: Administrative Services

Contact Name and Phone Number: Eric Frost, x4474

Department Recommendation: That the City Council direct staff to:

- 1) Conduct annually, preferably with a partner such as the Chamber of Commerce, a seminar for local businesses on how to do business with the City of Visalia;
- 2) Authorize a purchasing policy of allowing local vendors to match pricing with state or national contacts when placing orders; and,
- 3) Direct staff to institute an administrative policy or develop an ordinance to provide a local preference for local vendors which allows a local vendor who is within 5% of the low bid to match that price if:
 - a. The contract is not a construction contract governed by the contracting code of California;
 - b. The award is funded solely from local monies which are not restricted by Federal or State competitive bidding procedures;
 - c. The vendor is a local vendor defined as having both a City of Visalia business license for at least 6 months and a physical business location within the City's jurisdiction;
 - d. The award is for over \$25,000; and,
 - e. The local vendor matches the price within 24 hours notice of the opportunity to match the low price.

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.

Summary/background:

This report is in response to Council's direction to develop alternatives which would further encourage local businesses to provide goods and services to the City of Visalia.

Several types of preferences could be considered to help local vendors, namely:

- **Price Preference** in which a local vendor might receive a percentage allowance above the apparent low cost alternative, say 5%, and still be deemed the low cost alternative;
- **Match Preference** in which a local vendor whose offer is within a certain percentage of the apparent low offer would be able to match the low price and win the contract; and,
- **Local Knowledge Preference** which occurs because a local vendor simply knows how to work with the local government better than other vendors.

The City of Visalia has a number of policies designed to assure that the City's purchasing actions are well reasoned and transparent. Summaries of these policies and procedures are attached as Attachments #1 and #2 for the City Council's review. Suffice it to say that the policies encourage openness of awards and encourage transparency to those wishing to examine the award process.

Within that framework, the City's Charter states in Article XVI:

Section 20. When making purchases for all departments of the City, local merchants shall be given the preference, quality and prices being equal.

Based upon the Charter, it appears that a price preference is prohibited by the City's charter. At the same time, Purchasing has interpreted this to mean when prices and quality are equal, the local vendor should be awarded the contract. Further, the potential sales tax benefit is also credited to the local vendor, providing the vendor with another 1.75% benefit. (1% General Sales Tax, 0.25% Measure T Public Safety Sales Tax and 0.50% Measure R County-wide Roads Sales Tax.) Additionally, the purchasing process itself encourages the use of local vendors, simply from the convenience of obtaining the goods or services quickly.

However, many times the City needs to find vendors from outside the area because:

- The City needs a specialty product not produced locally; or,
- Specific skills or expertise is needed that is not available locally;

Finally, local vendors are sometimes available yet are more expensive than the alternative vendor, even after providing some allowance for the local benefits.

To better understand the potential for increasing local vendor usage, Finance examined all the Purchase Orders placed this last year, as shown in Table I, Purchase Orders in FY 08/09. The analysis indicates that 27% of all awards are made to local vendors. When they are not, it is usually because:

- such goods or services are not locally available, such as Police Software; or
- Federal funding does not allow a local preference.

Nevertheless, if a local preference existed, an additional 8 percent of the City's awards may have be awarded to local vendors than without the preference.

Table I
Purchase Orders in FY 08/09

	08/09 POs	Dollars (Thousands)	Average \$ Amount
PE = Product/Equipment	217	10,424	48.0
C = Construction	31	14,106	455.0
PS = Professional Service	50	8,473	169.5
S = Service	5	51	10.2
	303	33,054	
PO s in excess of \$25,000	95		
PO s less than \$25,000	208		

The purchase orders represented over \$33 million in spending. The purchase orders were divided into four categories of:

- Product or Equipment
- Construction
- Professional Services
- Services

Staff asked the question, of the purchase orders awarded, how many more could have been awarded to local vendors but were not. To do this research, staff focused on only those purchase orders in excess of \$25,000. Ninety-five purchase orders were examined whose value represents \$31 of the \$33 million spent in fiscal year 08/09. Table II, Analysis of Purchase Orders in Excess of \$25,000 in FY 08/09 provides the results of Finance's analysis.

Table II
Analysis of Purchase Orders in Excess of \$25,000 in FY 08/09

<i>PO s by Type</i>	Total Number	Visalia Vendor	Sole source	Non-Local Funds	Unable to identify local alternative	Less Multi-category items	Potential
Construction	20	6	2	12	2	-8	6
Equipment/Supplies	54	13	20	8	11	-3	5
Professional Services	21	7	4	8		-1	3
	95	26	26	28	13	-12	14
		27%	27%	29%	14%	-13%	15%
					w/o construction		8%

The complete list of the 95 purchase orders is found in appendix #3. Nevertheless, the analysis shows that 27% of the purchase orders were placed with local companies. Of the remaining monies:

- 27% were placed with a specific vendor because that vendor was the sole source of that service or product. For example, once the City selects a software vendor, they come to be the source for that product until the City decides to use a different software vendor.
- 29% of the awarded purchase orders were funded by Federal or State funds. When that occurs, the City's ability to award to the local vendor who is not the lowest cost provider

is greatly limited. Thus, these non-local funded awards could not be subject to a local preference provision.

- 14% were not awarded to a local vendor because no local alternative was able to be identified. Table III, POs in Which a Local Vendor not Able to be Identified, details these POs.

This left 15% which had a potential local vendor. Seven percent of these potential vendors were for construction contracts. Construction contracts are governed by the State contracting code which does not allow for a local preference. Thus, 8% may benefit from a local preference. Table IV, Potential Beneficiaries of a Local Preference Option, does not reveal any awards that would have been placed locally, even with a 5% preference.

Table III
POs in Which a Local Vendor not Able to be Identified

Vendor Name	Date	PO Amount		City Location	Bid #
ANTHONEY J. PRIETO WA	05/15/2009	52,985.00	C	Selma, CA	Relocation of Ag well
MUSCO SPORTS LIGHTING	01/21/2009	516,747.25	PE	Oskaloosa, IA	Negotiated Pricing-Rawhide
ALLEN VANGUARD TECHNO	09/24/2008	25,296.84	PE	Ottawa, ON Canada	PD - Bomb Suits
PDM CORPORATION	04/16/2009	25,490.75	PE	Woodland, TX	PD Quotes - Interviewer DVR
L N CURTIS & SONS	11/14/2008	26,373.60	PE	Oakland, CA	Fire - Thermal Imager
PROGRESSIVE DESIGN PL	02/19/2009	37,140.91	PE	Vista, CA	Playground Equipment
NSP3	05/22/2009	38,930.98	PE	Redding, CA	CMAS - Jefferson Park
JAM SERVICES	07/29/2008	55,582.20	PE	Livermore, CA	Traffic Signal Poles - quotes
COOK'S COMMUNICATION	01/22/2009	59,743.32	PE	Fresno, CA	Fire Equipt.
J & E RESTAURANT SUPP	08/01/2008	68,042.38	PE	Bakerfield, CA	Conv.Cntr - Dishwasher
JEFFCO PAINTING & COA	04/22/2009	106,300.00	PE	Vallejo, CA	Prep and coating of WWTP Concrete
CENTRAL VALLEY GOLF &	11/17/2008	40,483.80	PE	Fresno, CA	08-09-09-Golf Carts
YAMAHA GOLF CAR CO.	02/24/2009	253,050.00	PE	Newman, NJ	Golf Carts
PARSONS WATER & INFRA	06/19/2009	5,871,117.00	PS	Pasadena, CA	WWTP – Design for Expansion
WILLDAN FINANCIAL SER	07/14/2008	65,000.00	PS	Temecula, CA	07-08-38-Ag Land Mitigation
MINTIER HARNISH	11/21/2008	90,850.00	PS	Sacramento, CA	08-09-02-Housing Element
COURSE CO, INC	05/01/2009	110,000.00	PS	Petaluma, CA	Golf Course Irrigation Const. Mng

Table IV
Potential Beneficiaries of a Local Preference Option

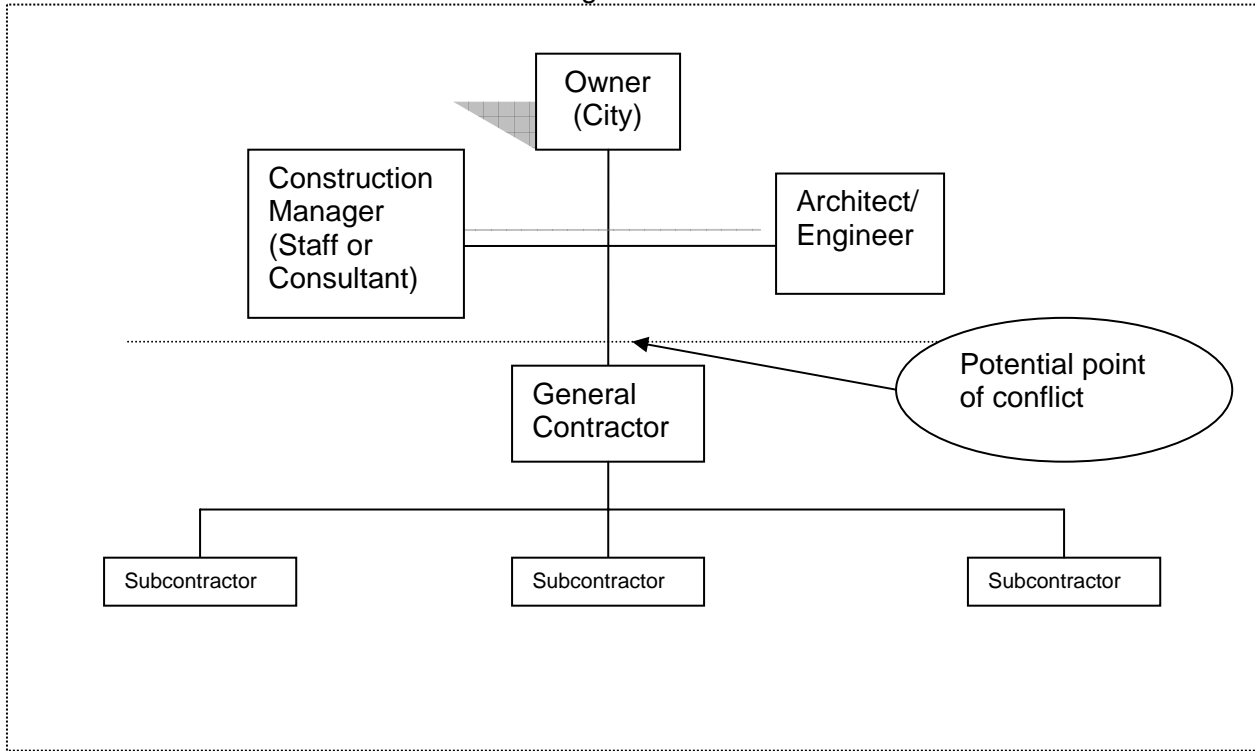
Vendor Name	Date	PO Amount		City Location	Local Alt?	Local Bid	Bid #
INTERNATIONAL SURFACI	07/24/2008	1,318,325.14	C	Modesto, CA	Asphalt Maint.Co.of CA	1,144,884.68	Cape Seal Various Streets
A & D CONSTRUCTION	10/03/2008	102,687.64	C	Tulare, CA	Dunn's Sand	89,060.00	ENGINEERING - Pking Lot #44
R J BERRY JR INC	04/28/2009	498,363.00	C	Selma, CA	Glen Wells	385,516.98	ENGINEERING- Ferguson Ave Extension
AGEE CONSTRUCTION COR	02/25/2009	5,403,250.12	C	Clovis, CA	Lee's Paving	6,693,181.00	ENGINEERING - Santa Fe Overcrossing
APPLGATE JOHNSTON, I	02/17/2009	3,186,444.20	C	Modesto, CA	Seals/Biehle	3,637,000.00	08-09-17-Riverway
SERNA CONSTRUCTION IN	04/07/2009	82,978.69	C	Fresno, CA	Sierra Range Const	104,244.11	ENGINEERING- Pking Lot #45
COALINGA MOTORS INC	10/23/2008	33,738.38	PE	Coalinga, CA	Giant Chev.	Could not meet/beat pricing	CMAS - Fire/Suburban
WONDRIES FLEET GROUP	03/04/2009	107,611.00	PE	Alhambra, CA	Groppetti	Could not meet/beat pricing	CMAS
RUSH ADVERTISING SPEC	10/13/2008	39,506.40	PE	Fresno, CA	Premier Color	41,508.24	07-08-57 - Magnets
MULCH MADNESS, INC	04/10/2009	77,764.38	PE	Redding, CA	Primow	118,250.00	08-09-24 - Mulch
B S K LABORATORIES	04/06/2009	89,249.00	PS	Fresno, CA	CVT	none	ENGINEERING- Material Testing 198-
MENDOZA & ASSOCIATES	10/01/2008	714,240.00	PS	San Francisco	Provost & Pritchard		Negotiated Price
SWINERTON MANAGEMENT	02/17/2009	197,664.00	PS	San Francisco	Seals/Biehle		Construction Mgr – Santa Fe Bridge
							Construction Mgr – Sports Park

Therefore, even though a local preference shows the City's willingness to help local vendors, other actions are probably more important than just a dollar preference. Some of those actions may include:

- Better Outreach to Local Vendors. Staff has contacted Glenn Morris of the Chamber of Commerce about providing some type of local training for local businesses on how to work with the City. He indicated that such a venture would be welcome and could be very beneficial to all.
- An ability to match state or national contracts. Purchasing staff would like to adopt a policy which would allow local vendors to match state or national contracts which substantially match the City's purchasing process. In those cases that a local vendor matched such contract, the award would go to the local vendor.
- Weight of Local Knowledge in Request for Proposals. When seeking professional services, the City looks beyond price and usually uses a Request for Proposal process. In such a process, the City defines criteria which would be used to judge the proposals. One of the elements may be local knowledge. Typically, the City has used a 5 point factor. Although not recommended, an alternative might be to increase that factor to 10 points.
- Use of alternative acquisition methods, such a Multi-prime. To understand this approach, consider the method the City uses to deliver major projects as organized in Chart I, Design/Bid/Build.

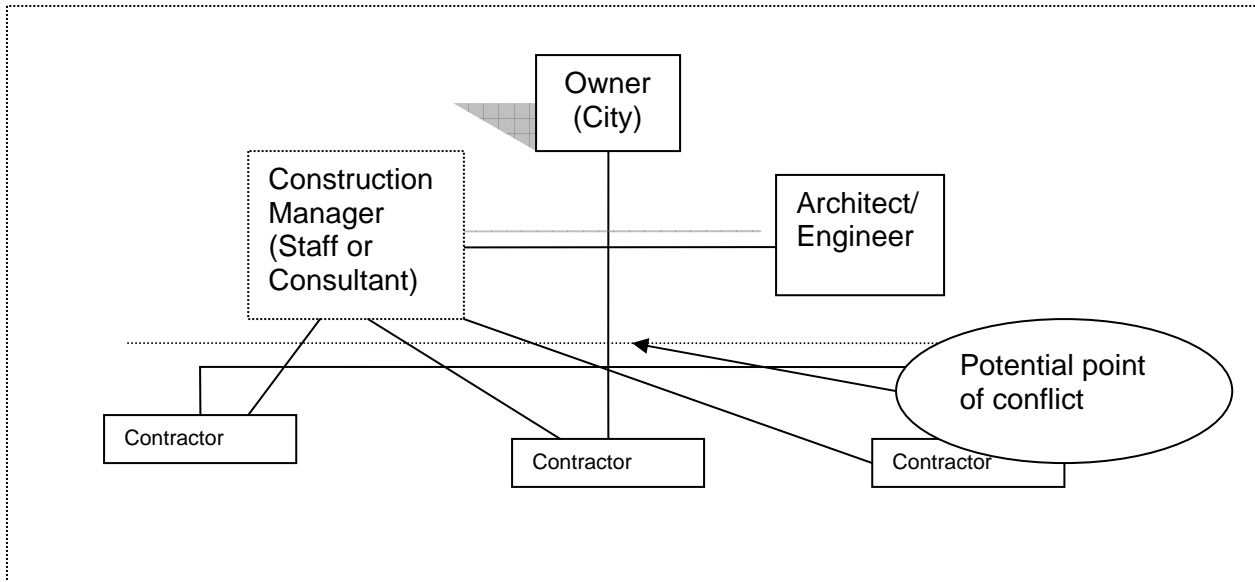
On most projects, City staff acts as the owner's representative. When the staff has sufficient experience, the process works well. However, as the size and scope of projects increases, the potential for problems and required skills increases. As a result, many public agencies hire construction managers to represent them in the building process. Despite everyone's best efforts, design and actual construction will vary. As a result, those conflicts will need to be resolved between the City and the General Contractor. To extent one party has better information than the other, the outcome will tend to favor the more informed party. Hiring a construction manager improves the City's representation but comes at a cost, typically 5-7% of the construction contract.

Chart I
Design/Bid/Build



There are other ways to organize the delivery method. An additional method is to hire a construction manager who in essence acts as the City's general contractor and the City enters into multiple contracts to develop the facility. Chart II, Multi-prime Construction Management, provides a schematic of this possible arrangement. The potential benefit of this process is to reduce costs by having the role of General Contractor become a City representative. The downside would be that the many contracts complicate the construction process.

Chart II
Multi-prime Construction Manager



The Multi-prime method is used a great deal by schools on constructing school buildings. This may produce more local subcontractor bids because when an out-of-area General Contractor knows an out-of-area subcontractor, the out-of-area subcontractor might come to Visalia. Without that relationship, the out-of-area subcontractor is less likely to come.

The downside to this method is that it is much more staff intensive. The City used a method similar to a multi-prime when it built the Fire Training Facility. Instead of managing one contract, the City had to manage 30 contracts, greatly increasing the work staff did and the complexity in completing the process. Further, Council would need to decide if a project engineer would be hired for each major project or if current staff would provide the project oversight. If the City's engineers were tasked to run such a project, their project load would necessarily need to be more limited because each project would be much more intensive. If the City were to pursue this method again, increased staff would be essential for Purchasing and Engineering. Further, the benefits seem best achieved on very large, complex projects in which the City does not have a great deal of internal expertise.

Summary

The analysis suggests that a local preference may help local vendors but will not greatly change how purchases are made in Visalia. As a result, staff believes that additional efforts such as vendor informational outreach and processes such as contract matching may prove as or more effective in reaching local vendors.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives:

- Attachments:**
- #1 Flow Chart of Purchasing Procedures
 - #2 Purchasing Overview
 - #3 FY 08/09 PO Awards in Excess of \$25,000

Recommended Motion (and Alternative Motions if expected):

Environmental Assessment Status

CEQA Review:

NEPA Review:

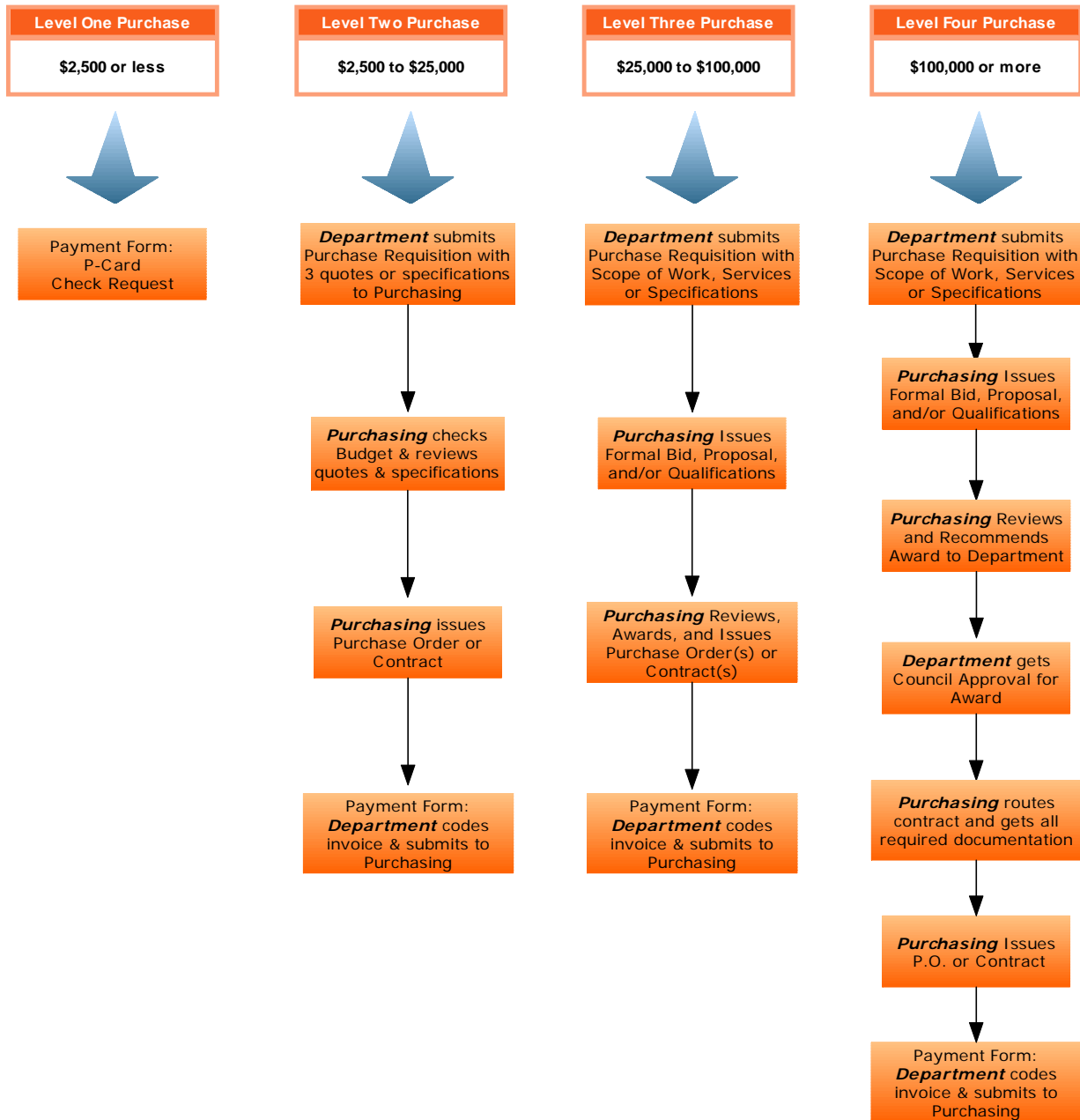
Tracking Information: *(Staff must list/include appropriate review, assessment, appointment and contract dates and other information that needs to be followed up on at a future date)*

Copies of this report have been provided to:

#1 Purchasing Procedures

City of Visalia

Purchasing Procedures



The City of Visalia requires its suppliers and contractors to maintain insurance covering them against claims or judgments arising from their products or activities for the City. For questions please call 713-4334.

Overview of Purchasing Methods

1. Purchases Less Than or Equal to \$2,500

For small dollar purchases, employees are encouraged to seek three quotes. Usually, departments carry out these acquisitions without Purchasing's involvement. Documented purchasing activities are not required.

- Purchasing Card – **PREFERRED METHOD AT THIS LEVEL**
Facilitate small dollar purchases, online ordering for office depot and travel expenses. There is a per transaction limit of \$2,500.
- Petty Cash
Reimburse employees for minor purchases such as business meetings, meals for travel, supplies and materials. There is a per transaction limit of \$50.00/\$100 for Council
- Request for Check
Used to issue advance payment for books and subscriptions, insurance, memberships and dues, tuition reimbursement, conference registration, and employee reimbursement related to travel or petty cash. Requires two signatures.
- Annual Contract
Contracts usually are established through the formal bid process, including other entities such as the State of California. The contract should provide substantial discounts not otherwise available. They are typically for one year with renewable options. These may include professional service agreements.

2. Purchases Greater Than \$2,500 but Less Than \$25,000

Purchases in excess of \$2,500 begin with a purchase requisition being sent to Purchasing. These purchases require more documentation. In most cases, three written quotes are needed. Amounts over \$10,000 need to have CIP numbers.

- The informal process requires that the purchasing have at least three written quotes.*
- Annual Contract

- Informal Bid Process

3. Purchases Greater Than \$25,000 but less than \$100,000

These purchases begin with a requisition and require greater documentation and are conducted under the authority of the City Manager. May result in contract.

- Annual Contract
- Formal Bid Process
The formal process requires that bid specifications are written, newspaper notices are made and sealed bids are submitted. Awards are made based upon most responsive and lowest priced.
- Formal Request for Proposal
The formal request for proposal differs from a bid primarily in that the precise solution is not specified, rather, the problem to be solved is explained and the vendor is given latitude to suggest a solution. Requires that desired results are stated, newspaper notices are made and sealed proposals are submitted. Awards are made based upon most responsiveness to proposal which may not be the lowest price.

4. Purchases Greater Than \$100,000

These purchases begin with a requisition and require the most documentation. Final approval must be given by the City Council at a Council Meeting by resolution. Usually result in a contract.

- Formal Bid Process
- Formal Request for Proposal

- Annual Contract

5. Other Processes

Sole Source. If a product for various reasons can only be purchased from one source, a sole source justification must be completed. The process still requires approval at the various approval levels.

Emergency. Emergency purchases require justification after the fact and when possible should be coordinated through Purchasing.

Appendix #3: Purchase Orders Greater than \$25,000, FY 08/09

PO#	Vendor Name	Date	PO Amount	City Location	Fed Funds	Local Alt?	Local Bid	Bid #
3951	PARSONS WATER & INFRA	06/19/2009	5,871,117.00	PS Pasadena, CA	Local	none		WWTP
3840	AGEE CONSTRUCTION COR	02/25/2009	5,403,250.12	C Clovis, CA	Local	Lee's Paving	6,693,181.00	ENGINEERING - Santa Fe Overcrossing
3776	ORION BUS INDUSTRIES	11/24/2008	3,314,982.24	PE Oriskany, NY	Grant	Sole Source		Transit Buses
3832	APPLEGATE JOHNSTON, I	02/17/2009	3,186,444.20	C Modesto, CA	Local	Seals/Biehle Asphalt Maint.Co.of CA	3,637,000.00	08-09-17-Riverway
3672	INTERNATIONAL SURFACI	07/24/2008	1,318,325.14	C Modesto, CA	Local	FAA Grant	1,144,884.68	07-08-23
3652	BALES ENGINEERING CON	08/08/2008	791,445.00	C Big Bear City, CA	Local	Lee's Paving	1,192,602.00	07-08-67
3694	GOLDEN STATE FIRE APP	08/21/2008	763,504.26	PE Modesto, CA	Local	Sole Source		Sole Source
3730	MENDOZA & ASSOCIATES	10/01/2008	714,240.00	PS San Francisco	Local	Provost & Pritchard		07-08-71 - Negotiated Pricing
3740	SIERRA RANGE CONSTRU	10/14/2008	645,051.85	C Visalia, CA	Local	-----		07-08-59
3747	CRUCO CONSTRUCTION GR	10/22/2008	556,097.49	C Fresno, CA	Grant	none		ENGINEERING - Acequia Two-Way
3809	MUSCO SPORTS LIGHTING	01/21/2009	516,747.25	PE Oskaloosa, IA	Local	none		Negotiated Pricing-Rawhide
3852	VISALIA FORD	03/06/2009	507,922.95	PE Visalia, CA	Local	-----		PD
3906	R J BERRY JR INC	04/28/2009	498,363.00	C Selma, CA	Local	Glen Wells	385,516.98	ENGINEERING - Ferguson Ave Extension
3869	RUCKSTELL CA SALES IN	03/19/2009	291,092.29	PE Fresno, CA	St Funds	Sole Source		Waste Trucks
3780	TAYLOR TETER PARTNERS	12/03/2008	272,300.00	PS Visalia, CA	Grant	-----		Transit Ops & Maint.
3888	QUAD-KNOPF CONSULT IN	04/07/2009	268,775.00	C Visalia, CA	Local	-----		ENGINEERING - 198 & Santa Fe
3838	YAMAHA GOLF CAR CO.	02/24/2009	253,050.00	PE Newnan, NJ	Local	none - CMAS		Golf Carts
3886	DALE ATKINS CONTRACT	04/06/2009	226,568.13	C Visalia, CA	Grant	-----		08-09-18-Wittman Center
3763	NICK CHAMPI ENTERPRIS	11/12/2008	225,800.00	C Hanford, CA	Grant	Sierra Range Const	168,213.00	07-08-45
3831	SWINERTON MANAGEMENT	02/17/2009	197,664.00	PS San Francisco	Local	Seals/Biehle		08-09-14 - Negotiated Price
3755	JWT GENERAL ENGINEERI	10/29/2008	190,349.12	C Clovis, CA	Grant	Lee's Paving	229,908.40	ENGINEERING - Akers & Cypress
3789	CANBY ARCHITECTURE ST	12/15/2008	180,000.00	PS Visalia, CA	Grant	-----		Transit Center
3890	DC FROST ASSOC INC	04/08/2009	152,055.00	PE Walnut Creek, CA	Local	Sole Source		WWTP
3875	A-PED INC	03/27/2009	147,723.92	PE Visalia, CA	Local	-----		08-09-31 - Rawhide
3940	BUS WEST	06/03/2009	146,520.19	PE Carson, CA	Grant	none		Sole Source
3741	T P G CONSULTING INC	10/14/2008	141,130.00	PS Visalia, CA	Grant	-----		07-08-48 - Lincoln Oval
3909	PROVOST & PRITCHARD	04/29/2009	120,000.00	PS Visalia, CA	Local	-----		WWTP - Effluent study
3952	SIERRA DESIGNS, INC	06/23/2009	114,889.00	PS Visalia, CA	St Funds	-----		07-08-60-St.Johns
3911	COURSE CO, INC	05/01/2009	110,000.00	PS Petaluma, CA	Local	none		Golf Course Irrigation Const. Mng
3846	WONDRIES FLEET GROUP	03/04/2009	107,611.00	PE Alhambra, CA	Local	Groppetti	Could not meet	CMAS
3903	JEFFCO PAINTING & COA	04/22/2009	106,300.00	PE Vallejo, CA	Local	none		08-09-16
3732	A & D CONSTRUCTION	10/03/2008	102,687.64	C Tulare, CA	Local	Dunn's Sand	89,060.00	ENGINEERING - Pking Lot #44
3737	ROADLINE PRODUCTS INC	10/08/2008	102,618.36	PE Downey, CA	Local	Sole Source		piggyback on Contract/City of Bell Garden
3713	TURF STAR INC	09/24/2008	99,999.97	PE Hayward, CA	Local	Sole Source		CMAS
3659	TURF STAR INC	07/08/2008	96,402.80	PE Hayward, CA	Local	Sole Source		CMAS
3742	ALTEC INDUSTRIES INC	10/16/2008	95,518.96	PE Dixon, CA	Local	Sole Source		CMAS
3673	FLOORTEC, INC.	07/28/2008	91,005.47	PE Fresno, CA	Grant	Sole Source-CMAS		M.Hernandez Cntr
3772	MINTIER HARNISH	11/21/2008	90,850.00	PS Sacramento, CA	Local	none		08-09-02-Housing Element
3887	B S K LABORATORIES	04/06/2009	89,249.00	PS Fresno, CA	Local	CVT	none	ENGINEERING - Material Testing 198-
3889	SERNA CONSTRUCTION IN	04/07/2009	82,978.69	C Fresno, CA	Local	Sierra Range Const	104,244.11	Negotiated Price
3945	CARVER PUMP	06/11/2009	81,307.29	PE Visalia, CA	Local	n/a		ENGINEERING - Pking Lot #45
3757	LENNAR FRESNO INC	11/03/2008	80,000.00	C Fresno, CA	Local	Sole Source-Council Approved		Airport Well Relocation
3764	YARBS ENTERPRISE, INC	11/12/2008	79,955.00	C Calwa, CA	Grant	Larry Nelson Const	96,810.40	ENGINEERING - St. Johns
3800	HEWLETT PACKART-GOV./	12/23/2008	79,441.62	PE Omaha, NE	Local	Sole Source - WSCA Contract		MIS
3892	MULCH MADNESS, INC	04/10/2009	77,764.38	PE Redding, CA	Local	Primow	118,250.00	08-09-24 - Mulch
3681	LRG CONSTRUCTION CO.,	08/08/2008	76,523.44	C Visalia, CA	Grant	-----		07-08-39-Transit Tenant Improve
3666	MOORE & ASSOCIATES	07/14/2008	76,232.96	PS Valencia, CA	Grant	TPG		07-08-47-Transit short range plan - negotiated price
3859	DOWNTOWN FORD	03/12/2009	73,970.66	PE Sacramento, CA	Local	Sole Source - CMAS		Solid Waste
3795	DOWNTOWN FORD	12/18/2008	72,644.94	PE Sacramento, CA	Local	Sole Source - CMAS		WWTP
3781	AMERICAN INCORPORATED	12/03/2008	71,776.00	C Visalia, CA	Local	-----		08-09-04-Roof Top Commun.
3679	J & E RESTAURANT SUPP	08/01/2008	68,042.38	PE Bakerfield, CA	Local	none		Conv.Cntr - Dishwasher
3823	RRM DESIGN GROUP	02/02/2009	66,645.00	PS SLO, CA	Grant	none		07-08-60-Packwood Crk Design
3824	NSP3	02/02/2009	65,880.21	PE Redding, CA	Local	Sole Source - CMAS		Playground Equipment
3925	OMNI-MEANS LTD	05/15/2009	65,453.00	PS Visalia, CA	Local	-----		ENGINEERING - Traffic Analysis
3665	WILLDAN FINANCIAL SER	07/14/2008	65,000.00	PS Temecula, CA	Local	none		07-08-38-Ag Land Mitigation
3726	VISALIA HONDA-GM	09/26/2008	61,797.38	PE Visalia, CA	Local	-----		PD Vehicles
3748	COALINGA MOTORS INC	10/23/2008	61,596.70	PE Coalinga, CA	Local	Groppetti - Could not meet/beat CMAS		Fire Vehicles
3902	CA HIGHWAY PATROL	04/21/2009	61,025.60	PS Sacramento, CA	Local	Sole Source		Construction Zone Enforcement
3744	PROVOST & PRITCHARD	10/17/2008	60,000.00	PS Visalia, CA	Local	CDBG		Environment Consult Service
3810	COOK'S COMMUNICATION	01/22/2009	59,743.32	PE Fresno, CA	Local	none		Fire Equip.
3864	ARCOM	03/18/2009	58,903.56	PE Concord, CA	Local	Sole Source		PD Vehicle - Uplifting
3676	JAM SERVICES	07/29/2008	55,582.20	PE Livermore, CA	Local	none		Traffic Signal Poles - quotes
3922	ANTHONEY J. PRIETO WA	05/15/2009	52,985.00	C Selma, CA	Local	none		Relocation of Ag well
3942	VISALIA TOYOTA	06/09/2009	52,497.94	PE Visalia, CA	Local	-----		PD Vehicles
3663	PUBLIC SAFETY SYSTEMS	07/09/2008	52,475.00	PE Lanham, MD	Local	Sole Source		MIS - Software License
3947	VISALIA FORD	06/16/2009	50,632.93	PE Visalia, CA	Grant	-----		Sequoia Shuttle - Transit
3784	TAYLOR TETER PARTNERS	12/09/2008	50,582.56	PS Visalia, CA	Grant	Sole Source		Sequoia Shuttle - Transit
3861	VISALIA FORD	03/12/2009	50,124.80	PE Visalia, CA	Local	-----		PD Vehicles
3807	AMERICAN INCORPORATED	01/21/2009	49,562.00	PE Visalia, CA	Local	-----		Rawhide - Rec Park
3873	ALLSTEEL	03/24/2009	48,988.83	PE Muscantine, IA	Local	Sole Source - CMAS		Rawhide - Rec Park
3794	XOTECH CORP	12/16/2008	42,566.04	PE Eden Prarie, MN	Local	Sole Source		MIS - Drives & Licenses
3798	MAINLINE INFORMATION	12/22/2008	41,227.38	PE Tallahassee, FL	Local	Sole Source		MIS - software
3768	CENTRAL VALLEY GOLF &	11/17/2008	40,483.80	PE Fresno, CA	Local	none		08-09-09-Golf Carts WWTP
3683	ROSENOW SPEVACEK GROU	08/08/2008	40,000.00	PS Santa Ana, CA	Local	-----		Implementation Plan - Comm Develop
3739	RUSH ADVERTISING SPEC	10/13/2008	39,506.40	PE Fresno, CA	Local	Premier Color	41,508.24	07-08-57 - Magnets
3934	NSP3	05/22/2009	38,930.98	PE Redding, CA	Local	none		CMAS - Jefferson Park
3884	ALL PURPOSE MANUFACTU	04/03/2009	37,580.50	PE Oceanside, CA	Grant	none		Transit Bus Shelters
3833	PROGRESSIVE DESIGN PL	02/19/2009	37,140.91	PE Vista, CA	Local	none		Playground Equipment
3749	COALINGA MOTORS INC	10/23/2008	33,738.38	PE Coalinga, CA	Local	Giant Chev.	Could not meet	CMAS - Fire/Suburban
3658	NELSON CONSTRUCTION L	07/08/2008	33,308.70	C Visalia, CA	Local	-----		ENGINEERING - Quotes
3877	XOTECH CORP	03/30/2009	31,834.08	PE Eden Prarie, MN	Local	Sole Source		MIS - System Port upgrade
3912	VISALIA FORD	05/04/2009	31,059.25	PE Visalia, CA	Local	-----		Fire
3923	VISALIA FORD	05/15/2009	29,309.14	PE Visalia, CA	Local	-----		PD
3883	CA DEPT OF TRANSPORTA	04/01/2009	29,000.00	PS Sacramento, CA	Local	Sole Source		ENGINEERING - 198 Overcrossing
3928	SEFAC, INC	05/19/2009	28,505.00	PE Baltimore, MD	Grant	none		Sequoia Shuttle - Transit
3950	AWARD CONSTRUCTION &	06/18/2009	28,456.00	C Exeter, CA	Local	CDBG		Comm Development - Quote
3796	DOWNTOWN FORD	12/18/2008	27,920.33	PE Sacramento, CA	Local	Sole Source-CMAS		WWTP
3743	SURROZ MOTORS INC	10/17/2008	27,664.95	PE Visalia, CA	Local	-----		PD
3808	JS COMMUNICATIONS IN	01/21/2009	26,875.31	PE Visalia, CA	Local	-----		PD & MIS
3669	ALL PURPOSE MANUFACTU	07/21/2008	26,600.00	S Oceanside, CA	Grant	-----		Bus Shelter Install - Transit
3767	L N CURTIS & SONS	11/14/2008	26,373.60	PE Oakland, CA	Local	none		Fire - Thermal Imager
3943	VISALIA TOYOTA	06/09/2009	26,224.89	PE Visalia, CA	Local	-----		PD
3849	SIERRA DESIGNS, INC	03/05/2009	25,750.00	PS Visalia, CA	Local	Sole Source		Rawhide - Rec Park
3898	PDM CORPORATION	04/16/2009	25,490.75	PE Woodland, TX	Local	none		PD Quotes - Interviewer DVR
3718	ALLEN VANGUARD TECHNO	09/24/2008	25,296.84	PE Ottawa, ON Canada	Local	none		PD - Bomb Suits
			95	30,928,606.97				

City of Visalia Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 2

Agenda Item Wording: Update on progress and discussion on revised approach for the South East Area Specific Plan (SEASP) and Environmental Impact Report. Receive public comment.

Deadline for Action: N/A

Submitting Department: Community Development Department/
Planning Division

Contact Name and Phone Number:

Paul Scheibel, AICP, Planning Services Manager – 713-4369

Department Recommendation: Staff requests that the City Council accept this update and provide comments or direction as appropriate.

Summary: The SEASP document (alternately referred to as Plan) and its associated environmental Impact Report (EIR) documents are nearing completion. The next steps in the process for the SEASP will be undertaken in the coming weeks. The next steps include circulation of the EIR, and public hearings on the Plan before the Planning Commission and City Council.

Staff has closely managed the consultants to complete the two separate documents and make them internally consistent. Outstanding conflicts related to drainage, infrastructure financing and circulation have been the focus of efforts in this regard.

The thirteen property owners and other development community stakeholders have been engaged in an intensive consensus building exercise in recent months. The recommendations presented here are the result of this recent process and are mutually agreed upon. This report summarizes these major issues. It should be noted however that this report is an overview of the larger issues related to the SEASP project. It does not provide substantial depth of analysis of these issues or the many other minor details of the project the Council will be asked to consider. These issues will be presented in the public hearing process for the SEASP document and EIR in the coming weeks:

- The Plan should be adopted as a master plan or guideline document (incentive-based allowances), not as a regulatory Specific Plan.
- Individual property boundaries must be respected and accounted for in the planning and development process.

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 30

Review:

Dept. Head _____
(Initials & date required)

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

City Mgr _____
(Initials Required)

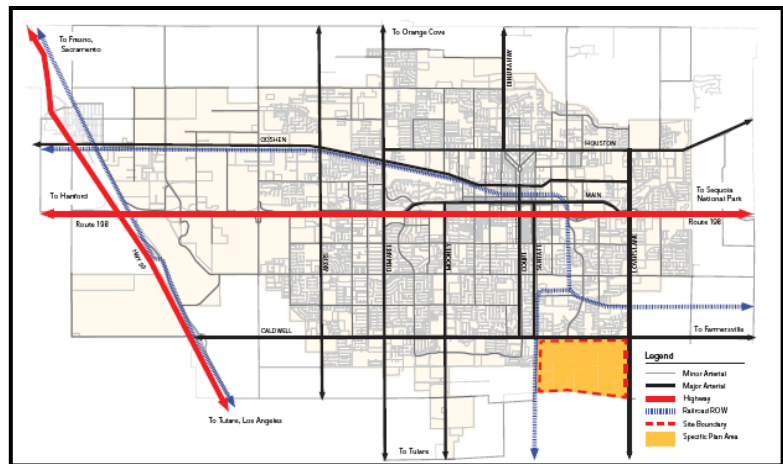
If report is being re-routed after revisions leave date of initials if no significant change has affected Finance or City Attorney Review.

- The current General Plan Circulation Element road network should form the backbone road network for the project area.
- The public open space and facilities should be reduced in acreage and specificity to include only the existing oak grove, elderberry bush thicket, and trail/riparian corridor setback along Cameron Creek.
- Stormwater management will be accomplished with onsite detention basins in advance of incremental development of area-wide and regional storm drainage facilities.
- Backbone infrastructure will be programmed and installed incrementally for maximum density and mix of uses as allowed by the Plan.
- Early development projects along Caldwell Avenue may proceed using existing infrastructure capacities.

Staff and the property owners view these departures from the original Plan as a prudent and necessary solution to adopting the Plan essentially as written now. It is believed that the alternative to the Plan holds the best opportunity to achieve a practical balance of the realities of the local marketplace and the owners' individual goals for their property with many of the best features contained in the Plan.

Discussion:

Background: The original impetus to undertaking the effort that has resulted in the SEASP dates back to General Plan Land Use Policy 1.1.11 which states in part: *“Consideration shall be given for provisions of a golf course and master planned development in the southeast between Santa Fe, Lovers Lane, Caldwell and Avenue 272,”* (please see Attachment 1). A



task force was formed in October 2004 which led to the award of a contract to Moule & Polyzoides to prepare a master plan and EIR for the 857-acre project area in July 2005. The contract for preparation of a master plan and EIR was upgraded to preparation of a Specific Plan in July 2006, with a final contract budget of \$757,210.

The consultant contract costs for the City are broken down into three areas, with budgeted funds remaining (as of June 10, 2010) as follows:

Consultant	Component	\$\$Original Contract	\$\$Expended as of 6-10-10	\$\$ Remaining	% Remaining
Moule & Polyzoides	Specific Plan document	\$582,757	\$556,075	\$26,682	4.5%
Crawford, Multari & Clark	EIR	\$109,000	\$77,460	\$31,540	29%
Omni-Means	Traffic Study	\$65,453	\$64,000	\$1,453	2%

Challenges With Adopting and Implementing the SEASP as a Specific Plan: The consultant and City staff have worked on the premise that the final deliverable was that of a Specific Plan that meets the statutory requirements of Government Code section 65451 (please see



Attachment 2) This includes the requirement for a program of implementing measures, including a viable financing plan to implement the Specific Plan. The primary challenges with the Plan being able to meet the criteria prescribed by state law and also being practically feasible after adoption in its current form are in two areas.

First is that the Plan does not identify or establish a “master developer” that brings together all of the property owner interests under a

legal and financial entity that shares a common development goal. Staff would strongly recommend against inserting the City to serve as this entity. Since the Plan was commissioned by the City and not a committed developer of the property, there was no original and ongoing entity with the purpose and financial wherewithal to undertake and sustain the site’s infrastructure financing and development goals. Compounding this inherent flaw is that the Plan didn’t originate as a development goal from among the property owners cannot be said to have common purpose buy-in of the entire Plan since their individual properties, and longterm development goals and timelines are so diverse.

Second, the Plan presently lacks sufficient detail in some areas to serve as a baseline to justify the sizing and costs of infrastructure and the several public facilities that are proposed in the Plan. In addition, the Plan would need to incorporate a method of spreading par value among the diverse properties, as would be an essential partnership pre-requisite for a complex development plan as is proposed by the SEASP. For example, there is presently no incentive under the Plan for the owner of the oak grove to provide his property for the benefit of his neighbors who would enjoy substantial development potential- in part owing to the open space value of the oak grove over that of its development potential.

The original budgeted funds for the Plan and EIR are close to being depleted. The costs to remedy these flaws cannot be justified, nor is there assurance that the end result would serve the intended purpose of a Specific Plan. Staff’s conclusion is that the Plan can be modified internally to serve as a guideline document under the terms of the current contract and within the current budget. Although this is not an ideal solution, it still accords the City and the stakeholders the ability to salvage value from the work and funds expended to date.

Since submittal of the screencheck draft EIR in October 2009, City staff management of the Plan and EIR has been changed, and renewed emphasis to make the Plan and EIR internally consistent and technically sound has been given a high priority. In addition, renewed outreach to the property owners was undertaken with the primary goal of identifying desirable and mutually agreeable aspects of the Plan. The results of these efforts are discussed below:

The Plan should be adopted as a guideline document (incentive-based allowances), not as a regulatory Specific Plan. This would make the Plan a guideline land use document only, and not a regulatory document. As such, individual developers would be free to develop their land in accordance with the existing Land Use designations and policies and Zoning Code requirements. As an incentive, developers could take advantage of the significant density increases and variety of uses accorded by the Plan. Each new project (presumably initiated by individual property owners within their existing property lines) would be evaluated in accordance

with the terms of the Plan or the standard General Plan and Zoning Code provisions, depending on the preference of the developer. It is anticipated a “Southeast Area Overlay” would be adopted by ordinance after final adoption of the Plan. This is similar to how the City employs design districts under the Zoning Code.

Individual property boundaries must be respected and accounted for in the planning and development process. This was an early criticism of the Plan voiced by both property owners and the development community. The Plan was never intended to subrogate individual property boundaries, although under the strict terms of the Plan as presently written, it would substantially complicate the independent development of individual properties within the Plan area. This can be remedied by elimination of the regulatory aspects of the plan and by revision of several of the common facilities in favor of allowing these facilities to be developed incrementally or self-contained on site. For example, a project could develop well ahead of construction of the Plan’s storm drain system by using constructing an onsite detention basin. The onsite basin would function until the regional system is functional, at which time the former onsite basin could be developed for its ultimate best use. Similarly, individual projects could design their circulation systems to serve the project needs while providing connection points to the backbone circulation system. These techniques are presently standard development practices used throughout the City.

The current General Plan Circulation Element road network should form the backbone road network for the project area. Rather than mandating an extensive network of smaller roads and alleys throughout the project area, staff recommends that the current Circulation Element street plan be retained as shown on the map below. The major interior north/south roads are Ben Maddox and Pinkham. The major east/west road is Road 276. As recommended, projects would be free to design their onsite road systems. Their area-wide requirement would be to construct to and connect with their portion of Circulation Element roads, and to provide for logical connection points with adjacent properties.



The public open space and facilities should be reduced in acreage and specificity to include only the existing oak grove, elderberry bush thicket, and trail/riparian corridor setback along Cameron Creek. The Plan currently calls for over 122 acres of land devoted to public uses (exclusive of the 100-acre KDHCD property), including natural open space (oak grove and elderberry bush habitat), waterway trails, parks and plazas, and community facilities such as a museum, community buildings, and amphitheater. Under the master plan concept, these public space lands would be reduced to approximately 45 acres. These would be limited to a more narrowly defined oak grove and elderberry bush habitat area, and the standard 50-

foot riparian setback along for Cameron creek (per the Waterway Trails Ordinance) Eliminating the other public facilities and especially the public buildings would significantly reduce the overall cost of public open space. It is intended that desirable open space gathering areas and landmark features would be included in developments on the site, but would be built and maintained by private entities such as property owners associations.

Stormwater management will be accomplished with onsite detention basins in advance of incremental development of area-wide and regional storm drainage facilities. The extensive stormwater drainage plan that uses onsite bio-swale technology for low flows, and a series of regional detention basins outletting into Cameron Creek and the Tulare Ditch would be retained as the ultimate stormwater management plan. It is unlikely that such a system could be constructed at one time (estimated cost over \$13,000,000). The recommended plan is to require use of bioswale technology for all low impact water runoff, but to allow the use of temporary onsite detention facilities with each individual development. Over time, it is anticipated most if not all of the regional stormwater management system will be constructed with combinations of capital improvement projects and incremental facilities construction. At such time as the development value of the land being used for the temporary facilities warrants their re-use, those developments can tie in to the regional system. This practice is presently being used in the City.

Backbone infrastructure will be programmed and installed incrementally for maximum density and mix of uses as allowed by the Plan. The infrastructure plan is based on higher development densities and mixes of urban uses than that of the existing General Plan Land Uses. Staff and the property owners concur that infrastructure sizing should be based on the maximum development densities allowed under the Plan. Doing so ensures that there would be no limitation on the amount of development that could occur if all of the individual properties developed in accordance with the Plan. The incremental cost difference is marginal when balanced against the development density potential.

Early development projects along Caldwell Avenue may proceed using existing infrastructure capacities. It is anticipated that the first development projects within the Plan area will be along Caldwell Avenue. The proponent of the 60-acre parcel that is already within the City limits has submitted their conceptual development plan for Site Plan Review (SPR) consideration and comments. In addition, the KDHCD property at the southwest corner of Caldwell and Lovers Lane is also likely to be developed ahead of the other properties in the Plan area. The City Engineer has determined that there is sufficient existing utility capacity to accommodate these developments using capacity in the utility lines on Caldwell and Lovers Lane. This would be effected by an agreement to construct new “dry” lines within the Plan area, with an agreement to connect to the new lines when necessary.

Draft Environmental Impact Report (EIR)

The draft EIR has been completed and is ready for distribution to interested parties and Responsible Agencies through the State Clearing House for a mandatory 45-day review and comment period. This will occur following any revisions or new direction that stems from this Worksession. The EIR will be applicable whether the Plan is adopted as a Specific Plan or as a master plan, and analyzes Plan area build out under a range of development scenarios and intensities.

The EIR identifies several environmental categories for which a Statement of Overriding Considerations would need to be adopted in order to approve the project. These include loss of agricultural land, loss of species habitat, traffic impacts, and air quality.

Caltrans provided comments in review of the traffic study prepared in conjunction with the EIR. Caltrans has stated the traffic study is inadequate in their opinion because it does not address all of the intersections that affect their jurisdictional road intersections, such as Akers Rd/Noble Ave. In total Caltrans believes an additional 20 intersections should be analyzed for traffic impacts. Staff does not concur with this determination, nor are there funds available to conduct these additional intersection studies. It is anticipated that Caltrans will continue to request these intersection analyses. The City will continue to work with Caltrans to resolve this issue before certifying the EIR. In the end, it will be up to the City to determine the adequacy of the traffic study as it's presently prepared.

Processing Schedule and Follow-on Tasks:

It is anticipated that the project and EIR will be ready for public hearings beginning in August. If adopted by City Council resolution as a master plan, the Plan text will be revised to reflect the guideline nature of the Plan, along with any other revisions resulting from the public hearing process. The EIR will be certified along with any Statements of Overriding Considerations adopted with the project approval. Staff estimates that there are marginally sufficient fund balances in the various consultant contracts to complete these tasks.

Additional follow-on tasks after adoption of the Plan will be amendments to the General Plan and Zoning Ordinance to reflect to Southeast Plan overlay concept, and ultimately, annexation of the balance of the Plan area. It is anticipated that the follow-on tasks will be undertaken internally as time and resources permit.

Prior Council/Board Actions:

On July 16, 2005, The City Council awarded a contract to the consulting firm of Moule & Polyzoides to prepare the Southeast Area Plan

On July 15, 2006, The City Council upgraded the contract to prepare a Specific Plan document.

Alternatives: N/A

- Attachments:** ATTACHMENT 1 – General Plan Land Use Policy 1.1.11
ATTACHMENT 2 – CGC Section 65451 (Specific Plans)
ATTACHMENT 3 – SEASP Draft dated May 3, 2010
ATTACHMENT 4 – SEASP Public Review Draft EIR, dated May 26, 2010

Recommended Motion (and Alternative Motions if expected): Motion that Council accepts this update from staff.

Copies of this report have been provided to:

- Planning Commission
- SEASP Area Property Owners
- Home Builders Association (HBA)
- Chamber Governmental Affairs Committee
- SEASP Consultants

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7b

Agenda Item Wording: Request to extend Exclusive Negotiations Agreement (ENA) with Mill Creek Professional Center, LLC, for six (6) months for the completion of pre-development due diligence and planning activities necessary for the negotiation of a Development Agreement for approval by the City Council for the phased sale and development of city-owned land situated between Acequia, Mineral King, Stevenson and Conyer Streets.

Deadline for Action: July 12, 2010

Submitting Department: Housing & Economic Development

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director (x4190)

Department Recommendation: Authorize the City Manager to extend the existing Exclusive Negotiations Agreement (ENA) scheduled to expire on July 30, 2010, for an additional six (6) months; January 31, 2011.

Summary/background: Over the past few years, the City has sought a pro-active approach to creating an office environment conducive to the growth of Downtown's most influential use: medical-related activities. The hospital has continued to implement its' master plan with the addition of a state-of-the-art hospital expansion (100,000 square feet) and a five-story administrative building. In working in collaboration with the hospital, the City has sought to relocate City Hall West and police administrative functions to a new East Downtown site. The relocation of such activities (does not include the existing Fire Station) will free up almost two square blocks to support medical-related office uses.

On August 20, 2008 the City released an Request For Proposal (RFP) for the acquisition and development of medical offices, parking structure and a possible mixed-use building (retail/residential). On February 9, 2009 Council authorized staff to commence negotiations on an Exclusive Negotiations Agreement (ENA) with Mill Creek Professional Center, LLC for completion of pre-development due diligence and planning activities necessary for the negotiation of a Development Agreement for a phased development of city-owned property bounded by Acequia Avenue (north); Mineral King (south); Stevenson Avenue (east); and Conyers Street (west).

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.

Project Status: The October 5, 2009 ENA calls for several deliverables on the part of the development team and the City. It also contains a 270-day time period which allows for either party to terminate or extend the ENA if they choose to do so. Key deliverables include:

Development Team Requirements

1. Completion of a site plan with a multi-phased development scheme. Since the October 5th approval date, a conceptual site plan has been prepared but this should not be construed as a formal site plan. The development team has also proposed to commence development south of Mill Creek with potentially a two to three story office building totaling between 30 to 45,000 square feet. The actual size will be based on market conditions and the ability of the development team to secure investors and/or tenants.
2. Completion of designs, elevations and other documentation identifying improvements and facilities for Phase I development. This has not been provided by the development team to date.
3. Analysis of parking requirements for the development, including proposed use of parking in-lieu. Although there have been discussions regarding development of surface parking south of the creek and possible leasing of existing parking north of the creek, there has been no formal analysis provided to date.

City's Requirements

1. Timely review and comment on all plans submitted by the Development team. To date only conceptual plans have been submitted for discussion purposes therefore the City is unable to provide a thorough analysis on plans.
2. The development agreement has yet to be drafted since the deliverables above required from the developer have yet to be fulfilled.
3. Completion of an appraisal. The City has completed an appraisal on the property and furnished the development team with a copy.

Downturn in the Economy Slowing Progress: As evidenced in the attached letter dated April 20, 2010, the downturn in the economy has made it difficult for the development team to secure suitable investors/tenants for a potential office building. As a result, the deliverables required from the development team have not been fulfilled except for the completion of a conceptual site plan. At present, the ENA is set to expire on July 30, 2010 (270-days from signing of the ENA). The development team and city staff has agreed to extend the ENA for an additional six (6) months expiring on January 31, 2011. At or before this new date, the developer and staff will meet and determine whether it makes sense to extend or terminate the ENA. Staff anticipates returning to Council in February 2011 with recommendations.

Prior Council/Board Actions:

- On June 25, 2007, Council considered a proposal by the development team and opted to release an RFP instead of negotiating at that time;
- In October 2007, Council authorized the release of an RFP for a city-owned parcel at the southeast corner of Acequia and Conyer streets;
- On July 14, 2008, council authorized the release of an RFP for $\frac{3}{4}$'s of the block bounded by Acequia, Stevenson, Conyer and Mineral King Streets;
- On February 9, 2009, Council selected Mill Creek Professional, LLC as the preferred developer to commence negotiations for an Exclusive Negotiations Agreement;
- On October 5, 2009, Council approved an Exclusive Negotiations Agreement with Mill Creek Professional, LLC

Committee/Commission Review and Actions: None

Alternatives: None presently recommended.

Attachments:

- Aerial of proposed development site
- Letter dated April 20, 2010 to Harvey May re. ENA
- Conceptual Site Plan and Rendering

Recommended Motion (and Alternative Motions if expected): : Authorize the City Manager to extend the existing Exclusive Negotiations Agreement (ENA) scheduled to expire on July 30, 2010, for an additional six (6) months; January 31, 2011.

Environmental Assessment Status

CEQA Review:

NEPA Review: Will be required for purchase of properties.

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

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7c

Agenda Item Wording: Accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2010.

Deadline for Action: None

Submitting Department: Administration - Finance

Contact Name and Phone Number: Eric Frost 713-4474,
Jason Montgomery 713-4425

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

1. Accept the City of Visalia Cash and Investment Report for the quarter ending March 31, 2010.

Introduction

In the course of the City's business, significant cash assets are accumulated before they are spent on a variety of governmental operations. While this cash is idle, the City invests these funds.

City Investment Policy

The City's investments are diversified by the various maturities, call structures, and credit types which are allowed by the City's Investment Policy and California Government Code Section 53600 et seq. It is the policy of the City to invest public funds in a manner which will provide the greatest security with the maximum investment return while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. One way the City meets this objective is by investing in the Local Agency Investment Fund (LAIF). LAIF funds are highly liquid to meet the City's daily cash flow requirements while maintaining a high degree of safety and a higher rate of return over other suitable liquid investments.

The City continues to maintain its conservative and prudent investment objectives, which in order of priority are safety, liquidity, and yield, while maintaining compliance with federal, state, and local laws and regulations. These investments enable the City to meet its expenditure requirements for the next six months, as required by state law.

Economic Outlook

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.

The economy continued to show signs of stabilizing as real gross domestic product (GDP) grew at a 3.2% annual rate in the first quarter of 2010. The main contributor to the growth was a rise in inventories, contributing 1.60% to the growth, as production was increased to help inventories realign with sales. At its March 16, 2010 meeting, the FOMC repeated its pledge to keep rates extremely low for an extended period. FOMC members agreed the employment situation was stabilizing and the economy was strengthening. They noted, in particular, strength in business spending for equipment and software and strength in retail sales. However, these improvements were offset by continued weakness in housing and in commercial real estate. The federal funds rate (the interest rate at which banks and other depository institutions lend money to each other) currently is at 0.25%.

Portfolio Performance

The March 31, 2010 investment report had a managed balance of \$118.84 million with a monthly portfolio earnings rate of 0.99%. The earnings rate for 2009-10 (July 09 – March 10) was 1.25%. Key benchmarks and performance statistics for the City’s portfolio are shown in Table 1, Managed Portfolio Performance Statistics.

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

Quarter Ending	Portfolio Balance	City Monthly Portfolio Rate	LAIF Balance	LAIF Rate	2 YR Treasury	Weighted Average Maturity (WAM)
December, 2009	\$119.69	1.00%	\$86.00	0.61%	1.14%	0.21 years
March, 2010	\$118.84	0.99%	\$79.61	0.56%	1.02%	0.20 years
Fiscal Year 2009-2010		1.25%		0.73%	0.93%	

Rates have continued to remain low. As investments mature, the City has to re-invest the money into investments with lower rates. As a result, the city’s managed investment portfolio rate has fallen. Since June of 2009 the fiscal year to date portfolio rate has fallen from 2.93% to 1.25% or 57%. For comparison purposes, since June of 2009, the fiscal year to date LAIF rate has fallen from 2.25% to .73% or 68% and the fiscal year to date 2 year Treasury rate has fallen from 1.31% to .93% or 29%.

Treasury yields continue to remain low as investors refuse to purchase longer securities in hopes that patience will translate into better yields down the road. There continues to be no incentive to purchase longer securities as these could be under water in as little as six months.

LAIF

As mentioned, the Local Agency Investment Fund (LAIF) is a an investment option for California’s local governments and special districts. LAIF is a part of a pooled investment account that has oversight from the State Treasurer, Director of Finance, and State Controller. The City invests a portion of its portfolio in LAIF because it is a liquid investment with a competitive yield.

At the end of March 2010 LAIF had 65% of its investments maturing within six months.

Future Management

The City manages the portfolio partly by considering the weighted average maturity (WAM) based upon management's expectations for rising, neutral or declining interest rates. Usually, the longer an investment's maturity, the higher the interest rate will be. However, the longer the maturity, the more at risk the portfolio is to market gains or losses due interest rate changes. As a result, the City has a target WAM based upon expected interest rate environments as shown on Table II, Target Weighted Average Maturity (WAM) Based on Interest Rate Expectations.

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

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

As previously discussed, rates have fallen. Staff believes that rates will begin to increase in the coming months and have positioned the portfolio to take advantage of future rising rates. When rates are rising, the stated goal for the portfolio WAM is 0.50 years. At the end of March 2010 the portfolio WAM was 0.20 years.

Another consideration in managing the investment portfolio is what investment alternatives exist if the City wanted to buy longer term securities such as 3 or 5 year securities. At earnings rates of 1.40% or 2.31%, respectively, the risk/reward calculations do not justify buying longer term securities at this time. As a result, staff will continue to only invest in short-term securities and will continue to keep the WAM short until it feels that rates will remain steady at which point the WAM will be increased to 1.50 as reasonable investment alternatives begin to become available.

Cash Summary

The City's cash and investments consist of the following as shown on Table III: Cash Summary at Market Value (in millions) as of 3/31/10.

Table III: Cash Summary at Market Value, 3/31/10

Investment Type	Amount (in millions)
Managed Portfolio	
LAIF	\$79.62
CD's	\$25.24
Agencies	\$5.43
Corporate Note	\$4.06
Citizens Sweep Account	\$4.49
Total Managed Portfolio	\$118.84
Trustee Cash and Investments	\$11.48
Banks & Depositories	\$.28
Total Cash & Investments	\$130.60

This information is taken from the two report attachments: 1) City of Visalia Investment Position Report as of 3/31/10, attachment #1; and 2) City of Visalia Cash and Investments Summary as of March 31, 2010, attachment #2.

Attachments:

Attachment #1, City of Visalia Investment Position Report

Attachment #2, City of Visalia Cash and Investment Summary

Recommended Motion (and Alternative Motions if expected): Move to accept the City of Visalia Cash and Investment Report for the third quarter ending March 31, 2010.

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:

Attachment #1

City of Visalia
Investment Position Report
31-Mar-10

			Coup. Rate	Yield (YTM)	Maturity Date	Face Value	Purchase Price	General Ledger Balance	Current Market Value	Purchase Date
<u>Checking Accounts</u>			3.8%							
Citizens Business Bank			0.90%	0.90% *	31-Mar-10	4,489,654	4,489,654	4,489,654	4,489,654	Various
Totals			0.90%	0.90%		4,489,654	4,489,654	4,489,654	4,489,654	
Average Maturity (Days/Years)				1						
* Note: Interest is based on an average daily balance.										
<u>Agency Notes</u>			4.6%							
FFCB	31331XG30	08-143	5.45%	4.42%	21-Jun-12	3,000,000	3,127,320	3,302,820	3,268,140	13-Nov-07
FHLB	3133XLX73	08-096	5.00%	4.71%	14-Sep-12	2,000,000	2,025,140	2,173,760	2,164,380	28-Sep-07
Totals				4.28%		5,000,000	5,152,460	5,476,580	5,432,520	
Average Maturity (Days/Years)				799	2.19					
Average Duration										
<u>CD'S</u>			21.2%							
CDARS - Bank of The Sierra	10-083		1.35%	1.36%	09-Sep-10	5,000,000	5,000,000	5,000,000	5,000,000	09-Sep-09
CDARS - Bank of The Sierra	10-250c		0.94%	0.94%	12-Aug-10	5,000,000	5,000,000	5,000,000	5,000,000	11-Feb-10
CDARS - Citizens Business Bank			1.00%	1.00%	06-May-10	5,000,000	5,000,000	5,000,000	5,000,000	05-Nov-09
CDARS - Citizens Business Bank	10-227a		1.10%	1.11%	20-Jan-11	5,000,000	5,000,000	5,000,000	5,000,000	21-Jan-10
Visalia Community Bank			1.30%	1.31%	08-Oct-10	240,000	240,000	240,000	240,000	08-Oct-09
Citizens Business Bank CD	10-035a		1.15%	1.17%	24-Jul-10	5,000,000	5,000,000	5,000,000	5,000,000	24-Jul-09
Totals				1.12%		25,240,000	25,240,000	25,240,000	25,240,000	
Average Maturity (Days/Years)				149	0.41					
<u>Corporates</u>			3.4%							
Wells Fargo & Co.	09-323		4.63%	4.19%	09-Aug-10	4,000,000	4,022,000	4,102,200	4,058,560	15-Apr-09
Totals				4.12%		4,000,000	4,022,000	4,102,200	4,058,560	
Average Maturity (Days/Years)				129	0.35					
<u>LAIF</u>			66.9%							
LAIF - CITY				0.56%	Demand	21,194,824	21,194,824	21,194,824	21,194,824	Various
LAIF - VPFA				0.56%	Demand	39,803,393	39,803,393	39,803,393	39,803,393	Various
LAIF - RDA				0.56%	Demand	18,616,362	18,616,362	18,616,362	18,616,362	Various
						79,614,579	79,614,579	79,614,579	79,614,579	
Totals				0.99%		118,344,233	118,518,693	118,923,013	118,835,313	
Average Maturity (Days/Years)				74	0.20					
Change from	28-Feb-10		Rate	0.00%						
			Days	-8						

(1) Agency Notes are considered to be investments of high quality as they are government sponsored entities (GSE). GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government.

(2) CDARS is the Certificate of Deposit Account Registry Service. CDARS is a convenient way to enjoy full FDIC insurance on deposits of up to \$50 million. Under a CDARS account, funds are placed into certificates of deposits (CD's) issued by banks in the CDARS network. This occurs in increments of less than the standard FDIC insurance maximum (currently \$250,000) to ensure that both principal and interest are eligible for full FDIC insurance.

Attachment #2

CITY OF VISALIA CASH & INVESTMENTS SUMMARY
As of March 31, 2010

<u>INSTITUTION</u>	<u>PURPOSE</u>	<u>BALANCE</u>	<u>TOTAL</u>
<u>CASH IN BANKS</u>			
BANK OF AMERICA	CONVENTION CENTER - working cash for operations	\$ 29,001	
BANK OF AMERICA	GOLF - working cash for operations	54,786	
CITIZENS BUSINESS BANK	A/P & PAYROLL	188,711	
PETTY CASH	VARIOUS DEPTS	10,934	
	Total Cash Deposits	<u>283,432</u>	\$ 283,432
<u>CASH AND INVESTMENTS WITH FISCAL AGENTS (TRUSTEE)</u>			
US BANK	2002 WASTE WATER BONDS	864,013	
	2003 EAST VISALIA REDEVELOPMENT	394,057	
	2005 CERTIFICATE OF PARTICIPATION	2,061,407	
ACCEL (Workers Compenation)	EXCESS LIABILITY DEPOSITS	966,143	
CITIZENS BUSINESS BANK	RDA LOAN - MOONEY DISTRICT	6,116,646	
DELTA DENTAL	DENTAL PREFUNDING	60,700	
EIA HEALTH	HEALTH PREFUNDING	962,052	
KEENAN & ASSOC	WORKERS COMP PREFUNDING	45,080	
VSP	VISION PREFUNDING	11,210	
	Total Trustee Deposits	<u>11,210</u>	11,481,307
<u>PORTFOLIO INVESTMENTS (MARKET VALUE)</u>			
UNION BANK OF CALIFORNIA INVESTMENTS		9,491,080	
LOCAL AGENCY INVESTMENT FUND		79,614,579	
SWEEP ACCOUNT (CITIZENS)		4,489,654	
CD'S		25,240,000	
	Total Portfolio Investments	<u>25,240,000</u>	118,835,313
TOTAL CASH AND INVESTMENTS			<u>\$ 130,600,052</u>

City of Visalia
Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7d

Agenda Item Wording: Authorization to accept a \$39,395 grant from the Department of Alcoholic Beverage Control to combat the unlawful sales of alcohol to minors and authorization for the City Manager to execute the grant agreement.

Deadline for Action: June 21, 2010

Submitting Department: Police

Contact Name and Phone Number: Police Chief Colleen Mestas, ext 4215, or Sgt. Ron Epp, ext 4160

Department Recommendation: It is recommended that the Council authorize the Visalia Police Department to accept a \$39,395 grant from the Department of Alcoholic Beverage Control to combat the unlawful sales of alcohol to minors and authorize the City Manager to execute an agreement with the Department of Alcoholic Beverage Control (ABC).

Summary/background: The Visalia Police Department was awarded a grant from the Alcoholic Beverage Control in the amount of \$39,395 to provide overtime staffing / resources for a 1 year enforcement and training campaign aimed at reducing sales of alcohol to minors at all on-sale and off-sale ABC establishments and reducing alcohol related crimes at the 141 on-sale ABC licensed businesses. The goals for grant include a 20% reduction in the sales of alcohol to minors at on-sale and off-sale establishments, and a 20% reduction in calls for service at on-sale establishments.

The ABC enforcement and education grant will allow the Visalia Police Department to conduct numerous enforcement details including minor decoy details, party patrols, compliance checks, and educational seminars for ABC establishments.

The ABC enforcement and education grant will provide up to \$39,395 with no matching funds required by the City of Visalia. The funding period for this grant is July 1, 2010 through June 30, 2011.

Prior Council/Board Actions: N/A

Committee/Commission Review and Actions:

Alternatives: Refuse to accept the grant funding.

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 N/A
(Initials & date required or N/A)

City Mgr _____

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

Attachments: None

Recommended Motion (and Alternative Motions if expected): I move that the Council authorize the Visalia Police Department to accept a \$39,395 grant from the Department of Alcoholic Beverage Control and authorize the City Manager to execute an agreement with the Department of Alcoholic Beverage Control.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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

Copies of this report have been provided to:

RESOLUTION 2010-29

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VISALIA
AUTHORIZING THE ACCEPTANCE OF THE ALCOHOLIC BEVERAGE
ENFORCEMENT AND EDUCATION GRANT**

WHEREAS, THE City Council of the City of Visalia desires to undertake a certain project designated as The Alcoholic Beverage Enforcement and Education grant to be funded in part from funds made available through the Grant Assistance Program (GAP) administered by the Department of Alcoholic Beverage Control (hereafter referred to as ABC);

NOW, THEREFORE, BE IT RESOLVED that the City Manager of the City of Visalia is authorized to execute on behalf of Visalia City Council the attached contract, including any extensions or amendments thereof and any subsequent contract with the State in relation thereto.

IT IS AGREED that any liability arising out of the performance of this contract, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and ABC disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

IT IS ALSO AGREED that this award is not subject to local hiring freezes.

I hereby certify that the foregoing is a true copy of the resolution adopted by the City Council of the City of Visalia in a meeting thereof held on 21st day of June, 2010 by the following vote:

Ayes:

Nays:

Absent:

PASSED AND ADOPTED:

STEVEN M. SALOMON, CITY CLERK

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 Resolution _____ passed and adopted by the Council of the City of Visalia at a regular meeting held on _____.

Dated:

STEVEN M. SALOMON, CITY CLERK

By Donjia Huffmon CMC, Chief Deputy City Clerk

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21st, 2010

Agenda Item Number (Assigned by City Clerk): 7e

Agenda Item Wording Award the supply and installation contract of an estimated 1395 cubic yards of engineered wood fiber safety surfacing in various playgrounds throughout the City to Mike Filice, Filice Enterprise Inc. per specifications of RFB 09-10-45.

Deadline for Action: June 21st, 2010

Submitting Department: Parks and Recreation Department, Urban Forestry Division

Contact Name and Phone Number: David Pendergraft, Parks & Urban Forestry Supervisor, 713-4295

Recommendation:

Staff recommends that Mike Filice, Filice Enterprise Inc., be awarded the supply and installation contract of engineered wood fiber, safety surfacing in various playgrounds through out the City. Approximately 1,395 cubic yards at \$52,576.16 per year, \$37.68 per yard.

Background:

It is the responsibility of the playground maintenance personnel to monitor the critical height value of the protective surfacing as needed in playground areas. Replenishing the engineered wood fiber, the safety surfacing material in the playgrounds areas is needed as a safety precaution to protect children from falling onto hard surfaces. Guidelines are set in the standards established by ASTM F1487-05 and the guidelines established by CPSC's Handbook for Public Playground Safety, Publication #325 (2008).

Per the Cities Purchasing Policy, all contracts will be re-bid after the fifth year.

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.

On April 22nd, 2010 and April 28th, 2010 bids were solicited by advertising in the Visalia Times Delta and by mailing bid notices to contractors. In addition, the bid was also posted on Bid- Net and approximately 150 letters were sent out to various companies from Fresno to Bakersfield and in between.

Two contractors submitted bids as shown below.

BIDDER'S SUMMARY

Bidder's Name		ANNUAL COST	PER YARD COST
Filice Enterprises Inc.	San Jose, CA	\$52,576.15	\$37.68 / yard
RC General Eng. Inc.	Visalia, CA	\$65,565.00	\$47.00 / yard

Staff has called the references listed and all were very positive with the level of work. Mike Filice, Filice Enterprises Inc. was the lowest most qualified bidder at \$52,576.15 / year, \$37.68 / yard for the supply and installation of approximately 1395 cubic yards of engineered wood fiber safety surfacing material. Russ Carrell, RC General Engineering Inc. was the second most qualified bidder at \$65,565.00 / year, \$47.00 / yard. Staff has requested a list of equipment and personnel from the contractor. Staff is satisfied that Mike Filice has the equipment and man power to provide and install the wood fiber safety material requested.

Annual price increase adjustments at time of renewal of contract are based on the Consumer Price Index. Cost for future additions to the project area (if necessary) will be calculated by multiplying the Contractor's Unit Price by the square footage of area being added to contract.

The contractual agreement is for a one-year period, but can be extended by the City for a period not-to-exceed five years providing satisfactory performance is provided by Mike Filice, Filice Enterprises Inc. The services for this contract are budgeted in the Parks maintenance fund, 0011-31322-551000, and 1513-32303-551000, Landscape and lighting Districts Fund and will not need a budget amendment.

Recommended Motion (and Alternative Motions if expected): Staff recommends that Mike Filice, Filice Enterprises Inc., be awarded the Wood Fiber contract at 1,395 cubic yards, \$37.68 / yard installed @ \$52,576.15 / per year.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21st, 2010

Agenda Item Number (Assigned by City Clerk): 7f

Agenda Item Wording Award landscape repair services when requested by the city to Bryan Maze, Evergreen Landscape and Sprinklers Inc., per specifications of RFB 09-10-40.

Deadline for Action: June 21, 2010

Submitting Department: Parks and Recreation Department, Urban Forestry Division

Contact Name and Phone Number: David Pendergraft, Parks & Urban Forestry Supervisor, 713-4295

Recommendation:

Staff recommends that Bryan Maze, Evergreen Landscape and Sprinklers Inc., be awarded the contract to furnish all materials, labor, equipment and transportation necessary to provide contractual landscape repair services when requested by the city at a cost of \$35.00 dollars per hour.

Background:

As the Landscape and Lighting Districts, Roadside and Medians and Riparian Waterways increase in acreage, it is the responsibility of staff to order repairs due to vehicular damage on an "as needed" basis to all city property.

Throughout the year, serious vehicular damage is caused to block walls, landscape and irrigation systems in our Landscape and Lighting Districts. The same can be said of damage in our medians with destruction of signs, landscape and irrigation.

Our current process for repairs requires purchasing to obtain three bids before awarding the contract for repairs. This causes a significant delay in repairs. In many cases, we require a quick or immediate response by a contractor to repair damage that exposes private property. For this reason, staff has finds it necessary to retain a contractor for immediate availability for damage incurred from accidents or vandals.

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.

On April 15 and April 21, 2010, bids were solicited by advertising in the Visalia Times Delta and by mailing bid notices to contractors. In addition, the bid was also posted on Bid-Net and approximately 150 letters were sent out to various companies located between Fresno and Bakersfield. Six contractors submitted bids as shown in Table I.

**Table I
Bid Summary**

RFB-09-10-40, Landscape Repair Services							
Item	Service	Hourly Rate					
		Evergreen Landscape, Tulare CA	Elite Landscape, Fresno CA	Primow Landscape Visalia CA	Grijalva Landscape, Tulare CA	Creative Landscape Visalia CA	Quality Landscape, Visalia CA
1	Irrigation repair of controllers, trace irrigation control valves, wires, etc.	\$35.00	\$35.00	\$65.00	\$36.50	\$50.00	\$43.00
2	Replacement of backflow prevention devices and cages	\$35.00	\$35.00	\$65.00	\$36.50	\$45.00	\$43.00
3	Repair damaged Masonry walls, wooden fences and concrete curbing mow strips	\$35.00	\$45.00	\$65.00	\$38.50	\$57.00	\$47.00
4	Repair and replace damaged turf, planter, trees and irrigation in landscape as needed	\$35.00	\$30.00	\$45.00	\$32.50	\$40.00	\$28.00
		\$140.00	\$145.00	\$240.00	\$144.00	\$192.00	\$161.00

The lowest, most qualified bid came in from Evergreen Landscape and Sprinklers, Inc. References were verified and positive comments received about the level of work performed by this contractor. Staff has requested a list of equipment and personnel from the contractor and is satisfied that Bryan Maze, Evergreen Landscape and Sprinklers, Inc., can provide services as requested.

The contractual agreement is for a one-year period, but can be extended by the City for a period not to exceed five years, providing satisfactory performance is achieved. Per the City's Purchasing Policy, all contracts will be re-bid after the fifth year. The services for this contract are budgeted and will not need a budget amendment.

Note: Annual price increase adjustments at time of renewal of contract are based on the Consumer Price Index.

Recommended Motion (and Alternative Motions if expected): Staff recommends that Bryan Maze, Evergreen Landscape and Sprinklers Inc., be awarded the Landscape Services contract at \$35.00 per hour.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7g

Agenda Item Wording: Award the annual street striping contract for the maintenance of painted traffic lines to Safety Striping Service, Inc. (of Goshen) for an amount not to exceed \$99,300.00 for fiscal year 2010-2011. (Project No. 1111-0-72-0-9226)

Deadline for Action: July 4, 2010

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:

Eric Bons, Senior Civil Engineer-Traffic, 713-4350
Chris Young, Community Development Director, 713-4392

Department Recommendation: Staff recommends that the City Council award the annual street striping contract for the maintenance of painted traffic lines to Safety Striping Service, Inc. (of Goshen) for an amount not to exceed \$99,300.00 for fiscal year 2010-2011 (Project No. 1111-0-72-0-9226).

Summary/background: For the past three years, the City has contracted with Safety Striping Service, Inc. for the striping and striping maintenance needed on City streets. The existing contract allowed for two yearly extensions to the annual contract that was originally executed for the 2007-2008 fiscal year. Since second extension expires on June 30, 2010, it was necessary that we advertise for bids for fiscal year 2010-2011.

The annual striping contract is for the painting of center line markings, lane line markings, bicycle lanes, crosswalk lines, parking "T" markings, curb painting, stenciling letters, stenciling arrows, installation of raised pavement markers, and the removal of existing roadway markings.

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 2 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.

On June 4 2010, the City received bids from four (4) contractors. The bids are listed below with total amount bid (in descending order).

<u>Company Name and Location</u>	<u>Bid Amount</u>
Safety Striping Service, Inc., Goshen, CA	\$ 92,080.00
Sierra Striping, Inc., Loomis, CA	\$ 105,500.00
Chrisp Company, Fremont, CA	\$ 157,575.00
Central Striping Service, Rancho Cordova, CA	\$ 242,505.80

This contract is an annual maintenance contract that has the potential of being extended for three additional years (following the initial fiscal year 2010-2011). The unit prices shall be subject to adjustment at the commencement of each subsequent year per the local consumer price index.

The detailed results of the bids are shown in "Attachment A". The quantities of work listed in the bid document are estimated quantities to allow a bid cost for each work item. The cost of the total work performed will not exceed the maximum amount of the contract. In discussions with the submitting contractors, their unit costs were higher than anticipated due to the uncertainty of future production cost and availability of painting materials. There is an industry wide shortage of some of the key ingredients used in the manufacturing of the roadway paints. There are provisions within the "special provisions" of the contract that allows for unit price adjustments without increasing the total contract amount.

Safety Striping Service, Inc. is a local firm that has been in business for over 60 years and has similar maintenance contracts with the cities of Tulare, Porterville, Exeter, Venture, and Oxnard. It is staff's opinion, that Safety Striping Service is a very capable contractor with good references and an excellent performance history during their previous contract period with the City of Visalia.

Prior Council Actions: October, 2007, award of prior striping maintenance contract

Committee/Commission Review and Actions: None

Alternatives: Not to award contract

Attachments: Bid Results
Contract

Recommended Motion (and Alternative Motions if expected): Staff recommends that the City Council award the annual street striping contract for the maintenance of painted traffic lines to Safety Striping Service, Inc. (of Goshen) for an amount not to exceed \$99,300.00 for fiscal year 2010-2011. (Project No. 1111-0-72-0-9226)

Environmental Assessment Status

CEQA Review: Not Required

NEPA Review: Not Required

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:

Attachment A

PR OJECT NO. 1111-0-72-0-9266
 PROJECT TITLE: Striping Contract for Maintenance of Painted Traffic Lines

ITEMS	UNIT	QTY	ENGINEERS ESTIMATE		Safety Striping Service Goshen, CA		Sierra Striping Incorp. Loomis, CA		Chrip Company Fremont, CA		Central Striping Service Rancho Cordova, CA	
			UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
1 Double solid yellow with 3" black between	L.F.	150,000	\$ 0.14	\$ 21,000.00	\$ 0.13	\$ 19,500.00	\$ 0.11	\$ 16,500.00	\$ 0.20	\$ 30,000.00	\$ 0.17	\$ 25,500.00
2 Two way left turn pattern	L.F.	30,000	\$ 0.25	\$ 7,500.00	\$ 0.12	\$ 3,600.00	\$ 0.10	\$ 3,000.00	\$ 0.20	\$ 6,000.00	\$ 0.11	\$ 3,300.00
3 Lane line, broken, 4" wide, (7'-17' cycle)	L.F.	100,000	\$ 0.04	\$ 4,000.00	\$ 0.05	\$ 4,500.00	\$ 0.05	\$ 5,000.00	\$ 0.14	\$ 14,000.00	\$ 0.04	\$ 4,000.00
4 6" wide solid white	L.F.	50,000	\$ 0.10	\$ 5,000.00	\$ 0.10	\$ 5,000.00	\$ 0.08	\$ 4,000.00	\$ 0.15	\$ 7,500.00	\$ 0.10	\$ 5,000.00
5 4" wide solid white or yellow, incl. edge line	L.F.	50,000	\$ 0.08	\$ 4,000.00	\$ 0.08	\$ 4,000.00	\$ 0.07	\$ 3,500.00	\$ 0.15	\$ 7,500.00	\$ 0.08	\$ 4,000.00
6 DELETED												
7 8" wide solid white	L.F.	15,000	\$ 0.13	\$ 1,950.00	\$ 0.14	\$ 2,100.00	\$ 0.20	\$ 3,000.00	\$ 0.20	\$ 3,000.00	\$ 0.18	\$ 2,700.00
8 Paint removal (grinding method)	S.F.	1,000	\$ 1.50	\$ 1,500.00	\$ 1.50	\$ 1,500.00	\$ 3.00	\$ 3,000.00	\$ 2.60	\$ 2,600.00	\$ 6.00	\$ 6,000.00
9 Bike Lane stencils, including arrows	EA.	100	\$ 14.00	\$ 1,400.00	\$ 16.50	\$ 1,650.00	\$ 40.00	\$ 4,000.00	\$ 26.00	\$ 2,600.00	\$ 76.76	\$ 7,676.00
10 4" wide x variable length parking stall stripes (white, 15'-17')	L.F.	10,000	\$ 0.23	\$ 2,300.00	\$ 0.25	\$ 2,500.00	\$ 0.50	\$ 5,000.00	\$ 0.50	\$ 5,000.00	\$ 1.16	\$ 11,600.00
11 White parallel parking T markings	EA.	200	\$ 8.00	\$ 1,600.00	\$ 6.00	\$ 1,200.00	\$ 5.00	\$ 1,000.00	\$ 7.00	\$ 1,400.00	\$ 37.61	\$ 7,522.00
12 12" wide white or yellow crosswalk lines	L.F.	9,000	\$ 1.00	\$ 9,000.00	\$ 1.15	\$ 10,350.00	\$ 1.00	\$ 9,000.00	\$ 2.00	\$ 18,000.00	\$ 2.73	\$ 24,570.00
13 Blackout (temp. removal)	S.F.	2,000	\$ 0.50	\$ 1,000.00	\$ 1.00	\$ 2,000.00	\$ 1.00	\$ 2,000.00	\$ 2.00	\$ 4,000.00	\$ 3.88	\$ 7,760.00
14 Pavement stencil letters	EA.	2,000	\$ 5.50	\$ 11,000.00	\$ 7.20	\$ 14,400.00	\$ 9.00	\$ 18,000.00	\$ 11.00	\$ 22,000.00	\$ 20.19	\$ 40,380.00
15 RXR stencils & limit bars	EA.	30	\$ 125.00	\$ 3,750.00	\$ 128.00	\$ 3,840.00	\$ 200.00	\$ 6,000.00	\$ 250.00	\$ 7,500.00	\$ 639.66	\$ 19,189.80
16 Curb markings (All colors)	L.F.	2,000	\$ 1.00	\$ 2,000.00	\$ 1.15	\$ 2,300.00	\$ 1.00	\$ 2,000.00	\$ 1.35	\$ 2,700.00	\$ 638.00	\$ 12,760.00
17 Raised Pavement Markers	EA.	1,500	\$ 5.50	\$ 8,250.00	\$ 2.85	\$ 4,275.00	\$ 3.00	\$ 4,500.00	\$ 3.85	\$ 5,775.00	\$ 3.51	\$ 5,265.00
18 Type I or IV Arrows	EA.	200	\$ 15.00	\$ 3,000.00	\$ 17.25	\$ 3,450.00	\$ 25.00	\$ 5,000.00	\$ 30.00	\$ 6,000.00	\$ 69.41	\$ 13,882.00
19 Type VI or VII Arrows	EA.	50	\$ 40.00	\$ 2,000.00	\$ 48.30	\$ 2,415.00	\$ 60.00	\$ 3,000.00	\$ 80.00	\$ 4,000.00	\$ 140.42	\$ 7,021.00
20 Handicap Symbols	EA.	200	\$ 15.00	\$ 3,000.00	17.5	\$ 3,500.00	\$ 40.00	\$ 8,000.00	\$ 40.00	\$ 8,000.00	\$ 171.90	\$ 34,380.00
TOTAL =			\$	91,750.00		\$92,080.00		\$105,500.00		\$157,575.00		\$242,505.80

Engineering/Forms:Bidopen.xls

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7h

Agenda Item Wording:

- 1. **Second Reading of Ordinance No. 2010-03;** for Zoning Text Amendment No. 2010-05: Amending Portions Of Titles 16 And 17 Of The Visalia Municipal Code Pertaining To The Review Of Planning Commission Decisions By The City Council.

Deadline for Action: None.

Submitting Department: City Attorney and Community Development Department – Planning Division

Contact Name and Phone Number:

Chris Young, Community Development Director/City Engineer (559) 713-4392
Alex Peltzer, City Attorney, (559) 636-0200
Paul Scheibel, AICP, Planning Service Manager, (559) 713-4369
Paul Bernal, Senior Planner (559) 713-4025

Department Recommendation: Staff recommends that the City Council conduct the second reading and adoption of Ordinance No. 2010-03 for Zone Text Amendment No. 2010-05 amending portions of Titles 16 and 17 of the Visalia Municipal Code.

Background on Zone Text Amendment No. 2010-05: The City Council held a public hearing on this item on June 7, 2010, and approved the first reading of the ordinance change.

If the second reading for Zone Text Amendment No. 2010-05 is approved, this ordinance would delete subsection B of Municipal Code Section 16.04.040 of the Visalia Municipal Code, pertaining to appeal procedures applicable to planning commission decisions made pursuant to Title 16 (Subdivisions). The ordinance also makes changes to later subsections of that section in order to delete procedures related to councilmember appeals, which would no longer be necessary. Finally, the ordinance deletes references in two other Municipal Code sections that refer to “City Council review” of Planning Commission decisions.

With these deletions, the only mechanism for review of Planning Commission decisions by the City Council is through the “appeal” procedures, which can be triggered by the project proponent or any “interested party.”

Committee/Commission Review and Actions: The Planning Commission held a public hearing on May 10, 2010, and recommended approval of Zone Text Amendment No. 2010-05 by a 5-0 vote. During the public hearing no persons spoke to the item and no further discussion by the Planning Commissioners was requested

Prior Council/Board Actions: Council introduced the ordinance on June 7, 2010.

Alternatives: City Council can choose to not approve the second reading of the ordinance.

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.):5mins

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.

Attachments:

- Exhibit A – Ordinance No. 2010-03.

Recommended Motion: I move to conduct the second reading of Ordinance No. 2010-03 for Zone Text Amendment No. 2010-05, amending portions of Titles 16 and 17 of the Visalia Municipal Code pertaining to the review of Planning Commission decisions by the City Council.

Environmental Assessment Status

CEQA Review: The project is considered Categorical Exempt under Section 15305 of the Guidelines for the Implementation of the California Environmental Quality Act (CEQA). (Categorical Exemption No. 2010-19)

NEPA Review: None Required

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

Copies of this report have been provided to:

EXHIBIT "A"

ORDINANCE NO. 2010-03

AMENDING PORTIONS OF TITLES 16 AND 17 OF THE VISALIA MUNICIPAL CODE
PERTAINING TO THE REVIEW OF PLANNING COMMISSION DECISIONS BY THE CITY
COUNCIL

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA

Section 1 – Appeals of Decisions of Planning Commission Pertaining to Maps: Section 16.04.040 of the Visalia Municipal Code, pertaining to appeal procedures applicable to planning commission decisions made pursuant to Title 16 (Subdivisions), shall be amended to read as follows (italics indicate new provisions; strikethrough indicates deleted provisions):

16.04.040 Appeals.

A. The subdivider or any interested person adversely affected may, upon payment of an appeal fee as may be established by resolution of the city council, appeal any decision, determination or requirement of the planning commission by filing a notice thereof in writing with the city clerk, setting forth in detail the action and the grounds upon which the appeal is based within ten (10) days after the action which is the subject of the appeal. Such notice shall state specifically where it is claimed there was an error or abuse of discretion by the planning commission.

~~B. A member of the city council may call for the review of a planning commission decision on a tentative map application made pursuant to Chapter 16.16 by making such request in writing to the city manager within 10 days of the planning commission's action. Such request shall state the policy issues related to the tentative map to be addressed upon the council's review of the tentative map application, but the council member shall not take a position regarding support for or opposition to the application. Upon receipt of such request from any single council member, the matter shall be considered to be under appeal, and the city council shall set the matter for hearing in the manner prescribed by subparagraph C. below. If the tentative map for which further review is sought by the council is conditioned upon the approval of any other development entitlement whether pursuant to this Title or other municipal code provisions, such as a conditional use permit, and such entitlement was approved by the Planning Commission in conjunction with the tentative map approval, such other entitlement shall also be considered to be under appeal, and shall be reviewed by the City Council pursuant to this section.~~

~~B.C. Upon the filing of an appeal, or upon the receipt by the city manager of a call for review of the matter from any one city council member, the city council shall set the matter for hearing. Such hearings shall be held within thirty (30) days after the date of filing the appeal or receipt of council member request. The city clerk shall give notice of the hearing according to the procedure required by the Visalia Municipal Code for the initial action by the planning commission.~~

~~C.D. In holding the hearing on the matter, the council may receive any and all information pertinent to the matter, regardless of whether such information was first presented to the planning commission. In the case of appeals that result from a council member request to review the matter, the requesting council member shall be entitled to fully participate in the deliberation and decision on the matter unless such council member has a disqualifying conflict. In the case of decisions by the planning commission that followed a public hearing, the city council shall hold a new public hearing on the matter. Upon the close of the hearing, the Council shall vote to either confirm the decision of the planning commission, overturn the decision, or confirm the decision with modifications, and the Council may continue the item to the next meeting if necessary to direct staff to prepare a conforming resolution with findings, which shall be considered by the Council at the next scheduled Council meeting. In the case of~~

tentative maps, the Council may also take any action identified in Chapter 16.16, including specifically those actions identified in Section 16.16.120. In the case of a tie vote, the planning commission decision shall stand, and shall be considered final as of the date of the Council vote.

Section 2 – Appeals of Decisions of Planning Commission Pertaining to Zoning Law

Ambiguities: Section 17.02.050 of the Visalia Municipal Code, pertaining to ambiguity decisions of the planning commission, shall be amended to read as follows (strikethrough indicates deleted provisions):

17.02.050 Ambiguity.

Except as otherwise expressly provided pursuant to other provisions of this title, if ambiguity arises concerning the appropriate classification of a particular use within the meaning and intent of this title, or with respect to height, yard requirements, area requirements or zone boundaries, as set forth herein and as they may pertain to unforeseen circumstances, including technological changes in processing of materials, it shall be the duty of the planning commission to ascertain all pertinent facts and by resolution, set forth its findings and interpretations, and thereafter such interpretations shall govern unless appealed to the city council ~~or review of such interpretation is requested to be reviewed by the city council~~ pursuant to section 17.02.145. Upon review, such interpretation may be approved, disapproved or modified by the city council.

Section 3 – Appeals of Site Plan Review Committee Determinations: Section 17.28.050 of the Visalia Municipal Code, pertaining to planning commission decisions on appeals of site plan review committee decisions, shall be amended, and 17.128.060 shall be deleted, to read as follows (italics indicate new provisions; strikethrough indicates deleted provisions):

17.28.050 Appeals to the planning commission.

The applicant or any interested person may appeal, in writing, setting forth his reason for such appeal to the commission. Such appeal shall be filed with the city planner within ten days after notification of such decision. The appeal shall be placed on the agenda of the commission's next regular meeting. If the appeal is filed within five days of the next regular meeting of the commission, the appeal shall be placed on the agenda of the commission's second regular meeting following the filing of the appeal. The commission shall review the site plan and shall approve, approve with conditions, or disapprove, based on the findings set forth in Section 17.28.040. The decision of the commission shall be final unless appealed to ~~or reviewed by~~ the council pursuant to Section 17.02.145.

Section 4: Effective Date: This ordinance shall become effective thirty days after passage hereof.

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7i

Agenda Item Wording: Request by the Tulare County Association of Governments (TCAG) to execute an amended Joint Powers Agreement for Tulare County and the eight Cities in the County to modify the powers of the TCAG.

Resolution No. 2010- 30 needed.

Deadline for Action: June 21, 2010

Submitting Department: Administration

Contact Name and Phone Number: Mike Olmos 713-4332

Department Recommendation: Staff recommends that the City Council adopt Resolution No. 2010-30 approving the amended joint powers agreement for the Tulare County Association of Governments.

Background:

The Tulare County Association of Governments was established in May, 1971 by the eight Cities in Tulare County and the County government to serve as a regional transportation planning agency and conduit for transportation, air quality and other regional funding opportunities. The powers of TCAG are established through a joint powers agreement (JPA) executed by the eight Cities and the County. Following the inception of TCAG, the JPA was amended in June 1975 and February 1976. No amendments have occurred since 1976.

TCAG has submitted a proposed JPA amendment to the Cities and County. The JPA amendment is intended to update TCAG's powers and duties by incorporating changes that have occurred or are anticipated to occur in TCAG's operations or activities.

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.

Two key changes to the JPA are noteworthy and supported by City staff:

LAFCO Services: The amended JPA will authorize TCAG to provide staff services for the Local Agency Formation Commission (LAFCO). LAFCO is a county-wide agency whose primary function is to make final decisions on annexations to cities and special districts. Historically, LAFCO staff services have been provided by Tulare County Planning staff. The Executive Director of LAFCO has historically been a senior County planner. The transfer of LAFCO staff responsibility to TCAG is viewed as a positive change by eliminating potential conflict of interests and because TCAG by its structure is broadly representative of the Cities and County as a group. This addition is item **o**) on page 3 of the amended agreement.

Van Pool Services: Van pooling has significant benefits for reducing vehicle trips and vehicular air emissions. Demand for van pool services is increasing for farm workers and other employee groups who commute long distances for work, often across multiple counties. Currently, Kings County Association of Governments is providing van pool services in our region. However, service demands have grown and van pool programs are in need of expansion. TCAG is working with councils of governments for Kern, Fresno, Kings and other counties to form a regional joint powers authority for van pool services. To participate in the joint powers authority, TCAG must add “operation of van pool services”, including obtaining grants and borrowing funds to purchase and lease vans, to its list of authorized powers. This addition is item **p**) on page 3 of the amended agreement.

Effect of Recommended Action

TCAG must receive approval from all nine entities (eight Cities and County) to enable the amended joint powers agreement to go into effect. If any of the nine entities will not approve the amended agreement, the amended agreement will not go into effect, and TCAG will continue to operate under the current joint powers agreement as amended in 1976.

As noted earlier, the proposed amended agreement will create authority for TCAG to provide staff services for LAFCO. This change is scheduled to occur on July 1, 2010 and is favored by all the Cities. Because the change is scheduled to occur very soon, staff recommends that Council take action on June 21 to approve the resolution authorizing the amended joint powers agreement.

Prior Council/Board Actions: On April 19, 2010 Council considered a previous draft JPA amendment including two proposed additional powers for TCAG of concern to the City. The two proposed additional powers were the ability to acquire and dispose of real property and the ability to enter into joint powers agreements (unspecified). Council did not approve the previous amended JPA with these two additional powers. Following the April 19 meeting TCAG removed the two items of concern from the amended JPA.

Separate JPA amendments may be processed in the future for these additional powers requiring future Council action(s).

Committee/Commission Review and Actions: NA

Alternatives: None recommended.

Attachments:

1. Resolution No. 2010-30
2. Proposed amended Tulare County Association of Governments Joint Powers Agreement (Exhibit to Resolution)

Recommended Motion (and Alternative Motions if expected): Move to adopt Resolution No. 2010-30 approving the amended TCAG joint powers agreement.

Environmental Assessment Status

CEQA Review: NA

NEPA Review: NA

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: NA

RESOLUTION NO. 2010-30

RESOLUTION APPROVING THE AMENDED JOINT POWERS AGREEMENT FOR
THE TULARE COUNTY ASSOCIATION OF GOVERNMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VISALIA AS
FOLLOWS:

The City Council hereby approves and authorizes the Mayor to execute the amended
Joint Powers Agreement attached as Exhibit A to this resolution.

PASSED AND ADOPTED

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7j

Agenda Item Wording: Appointment of Duane Goodwin to the Visalia Environmental Committee

Deadline for Action: N/A

Submitting Department: Administration / Natural Resource Conservation

Contact Name and Phone Number:

Kim Loeb, Natural Resource Conservation Manager, 713-4530
Leslie Caviglia, Deputy City Manager, 713-4317

Department Recommendation: It is recommended that Duane Goodwin be appointed to the Visalia Environmental Committee.

Background:

The Visalia Environmental Committee reviewed the available applications and interviewed the candidates. Based on this information, the Committee recommended to the Citizen's Advisory Committee (CAC) that Duane Goodwin be appointed to fill a vacant position. The term would be through December 2012. The CAC reviewed the recommendation and concurred with the Environmental Committee's recommendation.

Mr. Goodwin has been a resident of Visalia for the past 36 years and is Director of the Mathematics Engineering Science Achievement (MESA) Program at the College of the Sequoias. He has a Bachelor of Science in Engineering from CSU Fresno and is pursuing a Masters Degree in Rehabilitation Counseling also at CSU Fresno.

Mr. Goodwin has previously served on the Cypress Advisory Board and the City's Disability Advocacy Committee. He also brings experience as an Air Quality Engineer for the San Joaquin Valley Air Pollution Control District (2002-2006). If appointed, Mr. Goodwin is interested in assisting the Visalia Environmental Committee to address Visalia's environmental issues and to help to preserve and share our natural environment and surrounding parks. Mr. Goodwin has attended and contributed to recent Environmental Committee meetings.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

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 61110
(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.

May 2010 – Visalia Environmental Committee recommended the applicant to the CAC.
June 2010 – CAC reviewed and concurred with the Visalia Environmental Committee recommendation.

Alternatives:

Position remain vacant.

Attachments:

Application

Recommended Motion (and Alternative Motions if expected):

I move to appoint Duane Goodwin to the Visalia Environmental Committee to serve the recommended term.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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

Copies of this report have been provided to:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7k

Agenda Item Wording: Second Reading and Adoption of Ordinance 2010-02 requiring property owners to remove graffiti within three (3) business days when the City personally serves notice or provides notice by telephone and written notice instead of the current 15 days that is allowed per Visalia Municipal Code 9.16.070(C) and adding language to strengthen provisions allowing recovery of abatement costs from the person responsible for the graffiti.

Deadline for Action: None

Submitting Department: Housing and Economic Development

Contact Name and Phone Number:

Ricardo Noguera, Housing and Economic Development Director 713-4190; Jim Koontz, Deputy City Attorney 636-0200
Tracy Robertshaw, Code Enforcement Officer 713-4187.

Department Recommendation: Staff recommends that the City Council approve Ordinance 2010-02 reducing the requirement for graffiti removal from fifteen to three days when the City personally serves notice or provides notice by telephone. In addition Ordinance 2010-02 would strengthen existing provisions by allowing the City to secure abatement expenses as a lien against property owned by the person found responsible for the graffiti.

Summary/background:

On June 7, 2010, Council was presented with an ordinance to reduce the number of days to abate graffiti from 15 days to three business days if the property owner has been personally served a notice to remove the violation or is provided notice by telephone followed by written notice. After proper notification has been provided to the property owner, the City will then be able to abate the violation or impose administrative penalties on the property if the owner has failed to comply with the notification.

The ordinance also included the authority to collect the cost of graffiti abatement from the person that created, caused, or committed, the nuisance and to file a lien against land owned by the person that created the nuisance or land owned by the parents of the person that created the nuisance and file an abatement lien against real property owned by the person that defaced the property or the person's parents if the person is a minor.

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.

On June 21, 2010, Council is requested to adopt Ordinance No. 2010-02 amending the Graffiti Ordinance.

Prior Council/Board Actions: None

Committee/Commission Review and Actions:

Alternatives: N/A

Attachments: 1) Ordinance 2010-02

Recommended Motion (and Alternative Motions if expected):

I move to approve the first reading of Ordinance 2010-02 authorizing approval for enforcement on private property where graffiti has remained in excess of three business days.

Environmental Assessment Status

CEQA Review: N/A

NEPA Review: N/A

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

Copies of this report have been provided to:

ORDINANCE NUMBER 2010-02

ADDING TO THE VISALIA MUNICIPAL CODE PROVISIONS TO REDUCE THE TIME ALLOTTED TO REMOVE GRAFFITI

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VISALIA

Section 1: Consistent with its control over municipal affairs and the powers vested in the City of Visalia through the California Constitution, the City of Visalia is authorized to secure and promote the public health, comfort, safety and welfare of its citizenry. Therefore, the City Council of the City of Visalia hereby adopts Chapter 9.16 of Title 9 of the Municipal Code ” attached hereto as Attachment “1” and made a part hereof.

Section 2: Section 9.16.070 (C) of the Visalia Municipal Code is hereby amended to read as follows (italics denote the new provisions):

“C. Notice of Affected Area; Requirement to Remove Graffiti.

1. Where graffiti is located upon private property and said graffiti is capable of being viewed by persons utilizing any public right-of-way or sidewalk within the city, it is the property owner's duty to remove said graffiti promptly from the property and to restore said property at least to the condition it was in prior to such act of vandalism. If the property owner fails to promptly remove said graffiti, the city shall cause a written notice to be served upon the owner of the affected property notifying the owner of the location and description of the graffiti and of the property owner's obligation to remove said graffiti. *The notice shall request the owner provide the city with contact information, including a telephone number.* It shall be the responsibility of the property owner to commence removal of the graffiti described in the notice within fifteen (15) days of service *by mail or within three working days of personal delivery of the notice, or within three working days of a city official notifying the property owner or property owner's agent by telephone of the issue and mailing the notice.* *The property owner shall diligently and promptly pursue total removal of said graffiti; provided, that an exception may exist in cases of undue hardship as established pursuant to Section 9.16.070(C)(2).* *Working days for purposes of this section are days which are neither Saturday, Sunday, nor a nationally observed holiday.* The service is complete at the time of deposit of the notice in the U.S. mail or by personal delivery of the notice to the owner of the property subject to removal of graffiti. The failure of any person to receive such notice shall not affect the validity of any proceeding.
2. Undue Hardship--Optional Procedure for Removal. In the event the property owner cannot comply with the requirement of Section 9.16.070(C)(1) due to hardship, the property owner shall file a written request for waiver of the removal requirement with the city. The property owner shall explain his/her reason(s) for making such request. The written request shall be filed within the fifteen (15) day removal period stated in Section 9.16.070(C)(1) *when service of notice was by mail or three (3) working days when notice was personally served or the owner was notified by telephone and written notice was also mailed.* In determining whether the request for waiver will be granted, and subsequent assistance provided to the property owner in removal of said graffiti, the city shall consider the following circumstances:”

Section 3: Section 9.16.090 of the Visalia Municipal Code is hereby amended to read as follows (italics and strikeouts denotes the new provisions):

9.16.090 Responsibility.

A. Any individual who is found guilty of violating Section 9.16.070(A) shall pay restitution to the property owner, in addition to authorized penalties *to the city*. If the violator is a minor, the parent or guardian shall be responsible for payment of restitution. If unable to pay *the city*, the juvenile may be permitted to work off his/her ~~payment~~ *penalty owed to the city* under the direction of at least one parent *and the city* by ~~painting out~~ *abating an equivalent amount of any* graffiti.

B. *The city may, as permitted by California law, file a lien to collect abatement and related administrative costs incurred in the summary abatement of any nuisance resulting from the defacement by a minor or other person of the property of another by graffiti or any other inscribed material. The city may record this lien on real property belonging to the person who defaced the property, or if the person is a minor, on real property owned by the parent or guardian having custody and control of the minor. This lien may only be filed against the individual who is found guilty of violating Section 9.16.070(A) or if the individual is a minor the parent or guardian having custody and control of the individual.*

C. *Prior to recording a graffiti nuisance abatement lien, the city shall serve notice on the person who defaced the property, or if the person is a minor, the city shall serve notice on the parent or guardian having custody and control of the minor. The notice shall be served in the same manner as a summons in a civil action. If the minor or other person cannot be found after diligent search the notice may be served by posting a copy of the notice upon the property owned by the minor or other person, in a conspicuous place, for a period of 10 days. The notice shall also be published pursuant to Government Code Section 6062 in a newspaper of general circulation that is published in the county in which the property is located. If the parent or guardian having custody and control of the minor, after diligent search, cannot be found, the notice may be served by posting a copy of the notice upon the property owned by the parent or guardian having custody and control of the minor, in a conspicuous place, for a period of 10 days. The notice shall also be published pursuant to Government Code Section 6062 in a newspaper of general circulation that is published in the county in which the property is located. The notice shall include an itemized description of the abatement and related administrative costs, the date of the abatement order, a description of the lien process, and the facts supporting the lien on the property.*

D. *The graffiti nuisance abatement lien shall be recorded in the county recorder's office in the county in which the parcel of land is located. From the date of recording, the lien shall have the force, effect, and priority of a judgment lien.*

E. *The graffiti nuisance abatement lien shall specify the amount of the lien; that it is recorded on behalf of the city; the date of the abatement order; the street address, legal description and assessor's parcel number of the parcel on which the lien is imposed; and the name and address of the recorded owner of the parcel.*

F. *If the lien is discharged, released or satisfied, either through payment or foreclosure, notice of the discharge containing the information specified in subdivision (d) shall be recorded by the city.*

G. *The graffiti nuisance abatement lien authorized by this ordinance may be satisfied through foreclosure in an action brought by the city.*

H. The city may recover any costs incurred regarding the processing and recording of the lien and providing notice to the property owner as part of its foreclosure action to enforce the lien. As used in this chapter, "abatement and related administrative costs" include, but are not limited to, court costs, attorney's fees, costs of removal of the graffiti or other inscribed material, costs of repair and replacement of defaced property, and the law enforcement costs incurred by the city in identifying and apprehending the minor or other person. Attorney's fees may be awarded to the prevailing party in any litigation initiated under this ordinance.

I. As an alternative to obtaining a lien as described above, as permitted by California law, the city may make the abatement and related administrative costs a special assessment against a parcel of land owned by the individual who is found guilty of violating Section 9.16.070(A) or if the individual is a minor the parent or guardian having custody and control of the individual. The assessment may be collected at the same time and in the same manner as ordinary municipal taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ordinary municipal taxes. All laws applicable to the levy, collection, and enforcement of municipal taxes shall be applicable to the special assessment. However, if any real property to which the abatement and related administrative costs relate has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon prior to the date on which the first installment of the taxes would become delinquent, then the abatement and related administrative costs shall instead be transferred to the unsecured roll for collection. Notices or instruments related to the abatement proceeding or special assessment may be recorded.

J. The city may impose a special assessment by keeping an account of the cost of abating such nuisance and shall embody such account in a report. The report shall refer to each separate lot or parcel of land by description sufficient to be assessed against each such separate lot or parcel. A copy of the report shall be mailed to the property owner of record. The city shall also send in writing to the property owner of record: the date of the abatement; the street address, legal description and assessor's parcel number of the parcel on which the assessment is imposed; a description of the assessment process; when the report will be submitted to the city council for hearing and confirmation and the facts supporting the assessment. Said notice shall advise owners that they may appear at the time and place of the city council hearing and state any objections to the assessment.

K. The city clerk shall post a copy of such report at city hall, together with the notice of filing thereof and of the time and place when and where it will be submitted to the city council for hearing and confirmation. After confirmation of the report and assessment by the city council, a copy of the report and assessment shall be sent to the city finance officer.

L. The city finance officer may receive payments for the amount due until the city refers the matter to the county auditor for placement on the tax rolls. On or before the 10th day of August of each year, a certified copy of the report shall be filed with the Tulare County Auditor for the amounts of the respective assessments against the respective parcels of land as they appear on the roll at the same time and in the same manner as municipal taxes. They shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for property taxes. All laws and ordinances applicable to the levy collection and enforcement of city taxes are made applicable to such special assessments, and the lien of said assessment shall have priority of the taxes with which it is collected.

M. The procedure provided in this chapter shall be cumulative and in addition to any other procedure or procedures provided in ordinances of this city or by state law for the abatement of graffiti, including, summary abatement. This section is not intended to affect any other action, civil or criminal, for maintenance of any such condition.

Section 4: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstances, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not effect the validity or enforceability of the remaining sections, subsections, subdivision, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Visalia hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 5: Construction. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section 6: Effective Date. This Ordinance shall take effect thirty days after its adoption.

Section 7: Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED AND ADOPTED:

Robert Link, Mayor

ATTEST:

Steven M. Salomon, City Clerk

APPROVED AS TO FORM
BY CITY ATTORNEY:

Alex M. Peltzer, City Attorney

City of Visalia Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 71

Agenda Item Wording:

Acknowledge and authorize staff's effort to pursue grant funding through the Federal Water Resources Development Act for the construction of an expanded recycled water distribution system.

Deadline for Action: None

Submitting Department: Public Works

Contact Name and Phone Number: Jim Ross, Public Works Manager, 713-4466

Department Recommendation:

It is recommended that Council acknowledge and authorize staff's effort to pursue grant funding through the Federal Water Resources Development Act for the construction of an expanded recycled water distribution system.

Summary/background:

In 2009, the City of Visalia contracted with Provost and Pritchard to identify and study potential uses of the nearly 13-million gallons per day (mgd) of treated effluent from the Visalia Water Conservation Plant (WCP). The study identified several options that could be implemented in the near-term, including the irrigation of nearby agricultural areas and city-owned public areas. The study also outlined a potential exchange with local irrigation districts whereby the City would receive water throughout and up-gradient of the City in exchange for treated effluent. Work is currently underway in each of these areas.

The study also identified several other reuse options that could be implemented over a much longer period of time. Examples include the irrigation of large open space areas (such as Mooney Grove and City parks, school grounds, street medians, playing fields, highway landscaping, etc.), use as non-potable industrial supply water (cooling, for example), and direct recharge of groundwater. Each of these long term options is dependent on a recycled water distribution network that is significantly more far-reaching than that currently in design. As currently conceived, three pipelines would form the backbone of the distribution network and would be generally located in the northern, central, and southern portions of the City. The initial project cost estimate for the expanded system is \$20 million.

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.

As part of the federal budget process, local and regional projects are identified for funding through the Water Resources Development Act (WRDA). This program offers grant funding for water related projects with a typical project in the \$15-\$20 million price range and on a five-year planning horizon. A 25% local cost-share is required.

The improvements to the Water Conservation Plant, that are currently being designed, are scheduled to be completed in late 2011 or early 2012. The WRDA funds won't be available until 2012 or later, so the current improvement project is not a good candidate for this WRDA grant. The project that was submitted is envisioned to be an expansion or second phase of the distribution system that is now being designed.

In late April 2010, the City's lobbyist in Washington DC (Van Scoyoc and Associates) received notification from Senator Feinstein's office that this program was accepting project proposals, but would only be doing so for a very short time. Because the expanded recycled water distribution network project met program guidelines, staff submitted the project for consideration and sent letters to both Senator Feinstein and Senator Boxer requesting their support.

As our lobbyist describes the process:

"This is merely an authorization bill, meaning that we're hoping Congress tells themselves that in the future they can appropriate funding for the project during the annual appropriations process.

"If we are successful in first getting an authorization, when the next WRDA bill is passed (which likely won't happen this year), we still have to compete for appropriations during the annual process. So, while a 25% cost-share would eventually be required for any Federal funding received, this is not something that is likely to happen soon.

"We are setting the stage here for future success."

Prior Council/Board Actions: None

Alternatives:

Attachments:

Project description

Copy of letter to Senator Feinstein

Recommended Motion (and Alternative Motions if expected):

Move to give staff after-the-fact authorization to pursue grant funding through the Federal Water Resources Development Act for the construction of a recycled water distribution system.

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:

May XX, 2010

The Honorable Dianne Feinstein
331 Hart Senate Office Building
Washington, DC 20510

Dear Senator Feinstein:

Our community of more than 125,000 people in the southern San Joaquin Valley currently depends solely on groundwater to meet our potable water needs. The groundwater basin also supports Tulare County's \$5 billion agriculture industry that ranked second in the state in 2008. However, a recent study showed that overdraft of our aquifer has resulted in a steadily increasing depth to groundwater. With less surface water being delivered to agriculture, their reliance on pumped groundwater has steadily increased. If this condition persists, the rate of overdraft in the region is expected to increase substantially, potentially causing fertile agricultural lands to lay fallow. In a county with an 18.7% unemployment rate, this would be devastating.

To mitigate this trend, we have instituted an aggressive water conservation ordinance, and work with local water purveyors to implement effective water conservation measures. However, conservation alone has not proven sufficient enough for the growing population and agriculture industry. To further protect our region's water resources, we are in the design phase of a \$98.6 million wastewater treatment plant upgrade that will improve wastewater treatment from secondary to tertiary treatment. The wastewater treatment upgrade will initially allow up to 14,000 acre-feet of recycled water to be reused annually, offsetting nearly 40% of our current groundwater usage.

The initial service area will be in close proximity to the wastewater treatment plant and will include agricultural lands as well as a municipal park and a golf course. Over time, population growth and economic expansion will result in increased wastewater flows and will, in turn, provide for a greater supply of recycled water. To fully utilize this increasing supply for the greatest benefit of the region and to help halt the decline of the groundwater basin, the recycled water distribution system will need to be expanded.

The expansion project will allow recycled wastewater to reach high need areas through northern, central, or southern pipelines. According to a recent Recycled Water Report (Provost & Pritchard, April 2009), the preliminary construction cost estimates for the expansion of our recycled water system is \$20 million.

Therefore, we ask for your support for inclusion in of the following language into the 2010 Water Resources Development Act so our water recycling project may become a Section 219 Corps of Engineers Project:

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757; 113 Stat. 334; 113 Stat. 1494; 114 Stat. 2763A–219; 119 Stat. 2255) is amended—

“(XX) VISALIA, CALIFORNIA.--\$15,000,000 for study, design, and construction of water related infrastructure, Visalia, California.

Thank you very much for your support.

Visalia Water Recycling Project

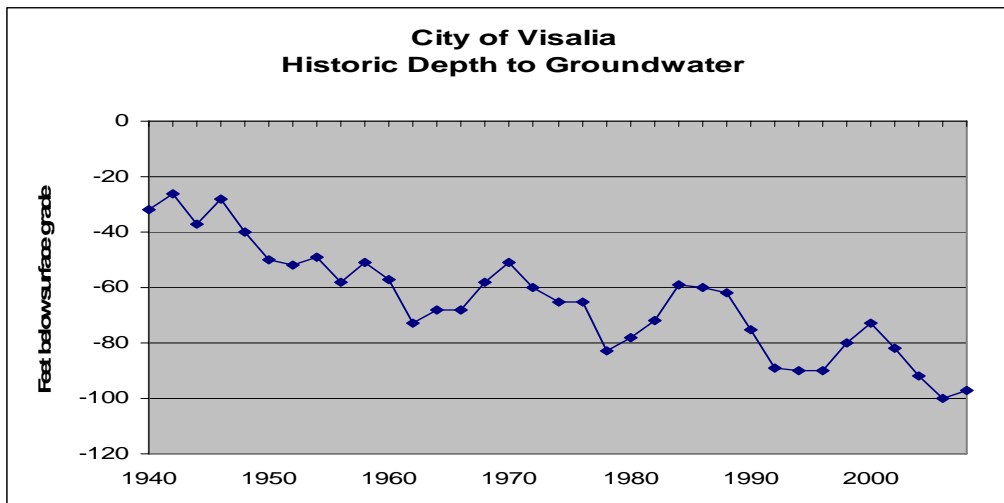
SUMMARY

The Visalia Water Recycling project consists of various elements to extend the City's recycled water system to areas not currently supplied with recycled water. As the City's water use increases with population and industry growth, the expansion of the City's recycled water distribution network will facilitate the ability to better utilize recycled water and will reverse the decades-long trend of declining groundwater in and around Visalia.

BACKGROUND

The City of Visalia is located in Tulare County, California. Situated in the Southern San Joaquin Valley, Visalia is surrounded by vast expanses of highly productive agricultural lands. In 2008, Tulare County's agricultural production value ranked second in the state and exceeded \$5 billion. Rainfall averages less than 12 inches per year, and agriculture relies heavily on imported surface water and pumped groundwater for irrigation. In addition, groundwater is used to supply 100% of the City of Visalia's potable water needs.

A recent study showed that overdraft of the City's underground aquifer has resulted in a steadily increasing depth to groundwater. In 1940, the depth to groundwater was 32 feet. By 2008, it had increased to 97 feet. In recent years, surface water deliveries to agriculture have been severely curtailed and reliance on pumped groundwater has steadily increased. If this condition persists, the rate of overdraft in the region is expected to increase substantially, potentially causing fertile agricultural lands to lay fallow. In a county with an 18.7% unemployment rate, this would be devastating.



To mitigate this trend, the City has instituted an aggressive water conservation ordinance, and works with local water purveyors to implement effective water conservation measures. However, conservation alone has not proven sufficient enough for the growing population and agriculture industry. To further protect its water resources, the City is currently in the design phase of a \$98.6 million recycled water project which will upgrade its existing wastewater treatment plant from secondary to tertiary treatment. State of the art membrane filter and ultraviolet disinfection technologies will be utilized. The City is applying for a construction loan through the Clean Water State Revolving Fund program, with repayment funds coming from City rate payers. Construction is scheduled to begin spring 2011.

Potable water use within the City is currently estimated at approximately 35,000 acre-feet per year, of which more than half is used for landscape irrigation. The wastewater treatment

upgrade will initially allow up to 14,000 acre-feet of recycled water will be reused annually, offsetting nearly 40% of Visalia's total current groundwater usage.

The initial service area will be in close proximity to the wastewater treatment plant and will include agricultural lands as well as a municipal park and a golf course. Over time, population growth and economic expansion will result in increased wastewater flows and will, in turn, provide for a greater supply of recycled water. To fully utilize this increasing supply for the greatest benefit to the City, the recycled water distribution system will need to be expanded.

PROJECT DESCRIPTION

This project proposes expansion of the recycled water distribution system in order to lessen dependence on groundwater for landscape irrigation throughout the City. Several areas have been identified for use of the treated effluent for irrigation. In general, these areas would be served by a northern pipeline, a central pipeline or a southern pipeline.

- The northern pipeline would be constructed from HWY 198 north to Riggan Ave. The Riggan Pipeline would be extended east, terminating at a point along the St. John's River. The northerly alignment will provide an opportunity to deliver water directly to the St. John's River Parkway, Riverway Sport's Park and several other City owned/controlled areas. This alignment also allows for future reclaimed water pipelines for irrigation of schools, parks and future developments.
- The central pipeline would be constructed along the alignment of HWY 198 to the east, through the City of Visalia, terminating at a discharge point at a City recharge basin, Mill Creek or Packwood Creek. The HWY 198 alignment allows for the extension of lateral lines for irrigation purposes, but also provides access to the City storage basin, located in East Visalia, and direct access to discharge waters east and upstream of Visalia.
- The southern pipeline would be constructed along a southerly alignment (Ave 272) to Mooney's Grove Park, then beyond to a termination point designed to serve southeast Visalia and possible future landscaping of the Santa Fe Trail. The proposed new southerly alignment would allow for irrigation of Mooney Grove Park, and multiple alternatives for irrigation of City owned parks, other facilities and school athletic fields in south Visalia.

BENEFIT AND COST

As the City's water use increases with population and industry growth, the expansion of the City's recycled water distribution network will facilitate the ability to better utilize recycled water and will reverse the decades-long trend of declining groundwater in and around Visalia.

According to the City of Visalia Recycled Water Report (Provost & Pritchard, April 2009), the preliminary construction cost estimate of the proposed recycled water distribution system expansion project is \$20 million.

LANGUAGE REQUESTED

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757; 113 Stat. 334; 113 Stat. 1494; 114 Stat. 2763A-219; 119 Stat. 2255) is amended—

“(XX) VISALIA, CALIFORNIA.--\$15,000,000 for study, design, and construction of water related infrastructure, Visalia, California.

Visalia Water Recycling Project

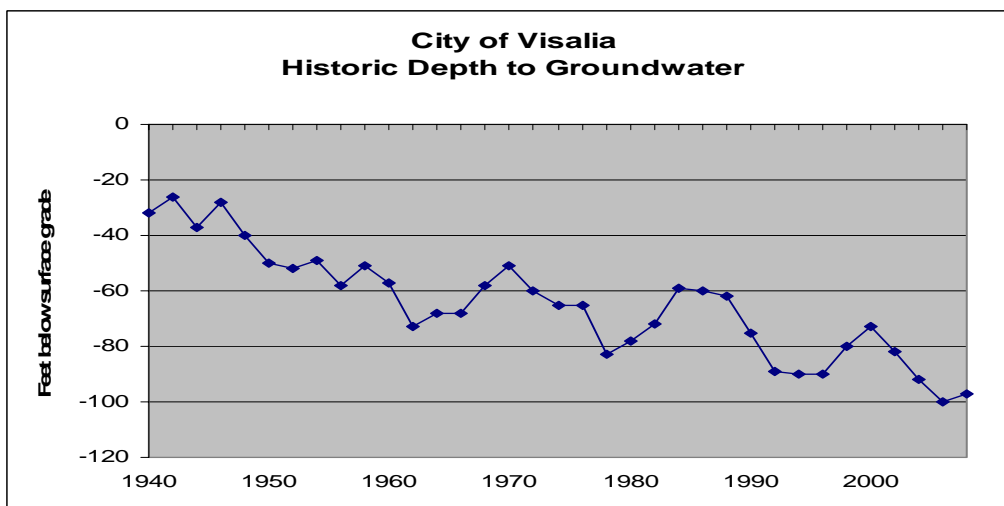
SUMMARY

The Visalia Water Recycling project consists of various elements to extend the City's recycled water system to areas not currently supplied with recycled water. As the City's water use increases with population and industry growth, the expansion of the City's recycled water distribution network will facilitate a reduction in groundwater use by 40% and reverse the decades-long trend of declining groundwater levels in and around Visalia, thereby allowing more water for agricultural production.

BACKGROUND

The City of Visalia is located in Tulare County, California. Situated in the Southern San Joaquin Valley, Visalia is surrounded by vast expanses of highly productive agricultural lands. In 2008, Tulare County's agricultural production value ranked second in the state and exceeded \$5 billion. Rainfall averages less than 12 inches per year, and agriculture relies heavily on imported surface water and pumped groundwater for irrigation. In addition, groundwater is used to supply 100% of the City of Visalia's potable water needs.

A recent study showed that overdraft of the City's underground aquifer has resulted in a steadily increasing depth to groundwater. In 1940, the depth to groundwater was 32 feet. By 2008, it had increased to 97 feet. In recent years, surface water deliveries to agriculture have been severely curtailed and reliance on pumped groundwater has steadily increased. If this condition persists, the rate of overdraft in the region is expected to increase substantially, potentially causing fertile agricultural lands to lay fallow. In a county with an 18.7% unemployment rate, this would be devastating.



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Potable water use within the City is currently estimated at approximately 35,000 acre-feet per year, of which more than half is used for landscape irrigation. The wastewater treatment upgrade will initially allow up to 14,000 acre-feet of recycled water will be reused annually, offsetting nearly 40% of Visalia's total current groundwater usage.

The initial recycled water service area will be in close proximity to the wastewater treatment plant and will include agricultural lands as well as a municipal park and a golf course. Over time, population growth and economic expansion will result in increased wastewater flows and will, in turn, provide for a greater supply of recycled water. To fully utilize this increasing supply for the greatest benefit to the City, the recycled water distribution system will need to be expanded.

PROJECT DESCRIPTION

This project proposes expansion of the recycled water distribution system in order to lessen dependence on groundwater for landscape irrigation throughout the City. Several areas have been identified for use of the treated effluent for irrigation. In general, these areas would be served by a northern pipeline, a central pipeline or a southern pipeline.

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BENEFIT AND COST

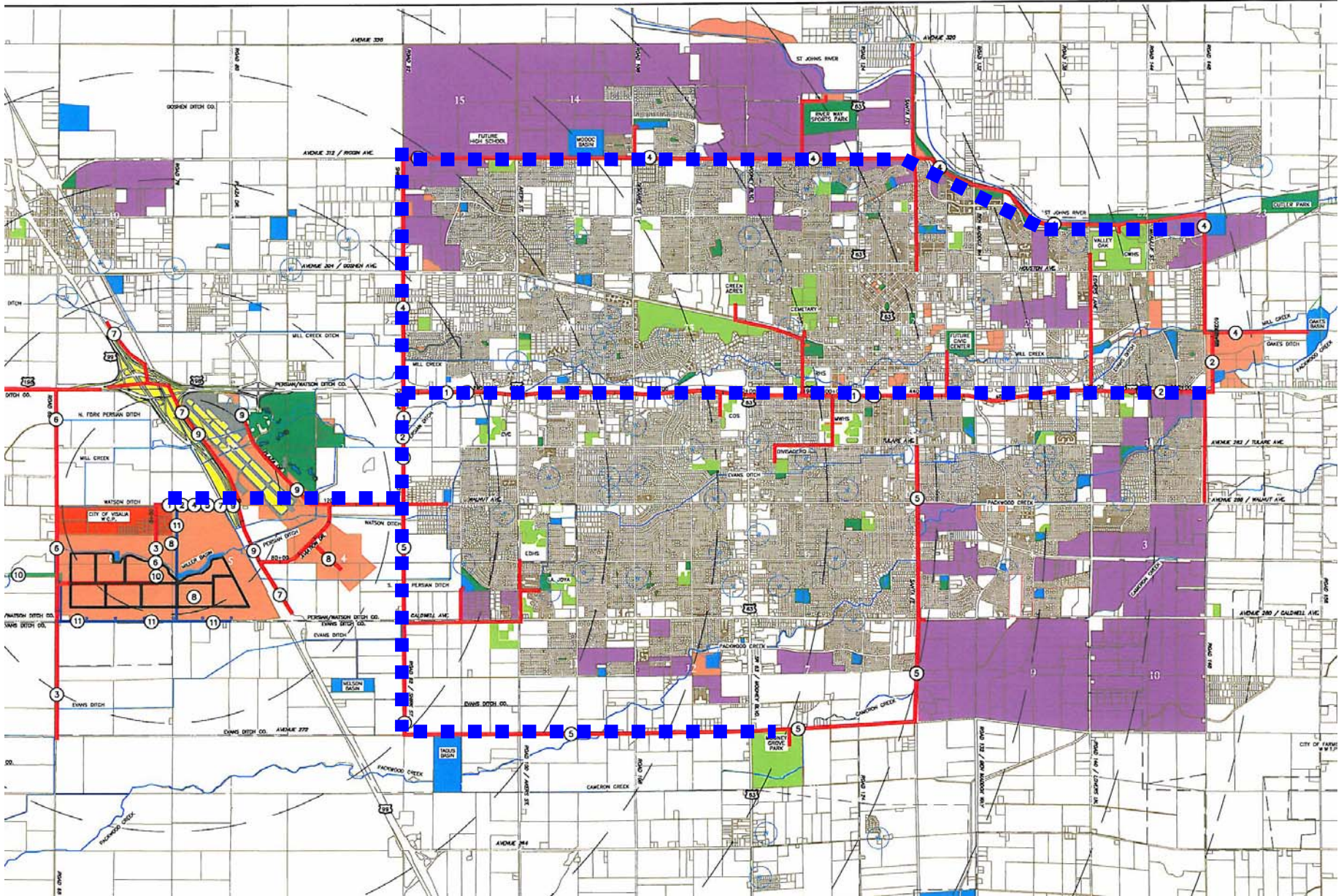
As the City's water use increases with population and industry growth, the expansion of the City's recycled water distribution network will facilitate the ability to better utilize recycled water and will reverse the decades-long trend of declining groundwater in and around Visalia.

According to the City of Visalia Recycled Water Report (Provost & Pritchard, April 2009), the preliminary construction cost estimate of the proposed recycled water distribution system expansion project is \$20 million.

LANGUAGE REQUESTED

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757; 113 Stat. 334; 113 Stat. 1494; 114 Stat. 2763A–219; 119 Stat. 2255) is amended—

“(XX) VISALIA, CALIFORNIA.--\$15,000,000 for study, design, and construction of water related infrastructure, Visalia, California.





May 4, 2010

The Honorable Dianne Feinstein
331 Hart Senate Office Building
Washington, DC 20510

Bob Link
Mayor

Dear Senator Feinstein:

Amy Shuklian
Vice Mayor

Our community of more than 125,000 people in the southern San Joaquin Valley currently depends solely on groundwater to meet our potable water needs. The groundwater basin also supports Tulare County's \$5 billion agriculture industry that ranked second in the state in 2008. However, a recent study showed that overdraft of our aquifer has resulted in a steadily increasing depth to groundwater. With less surface water being delivered to agriculture, their reliance on pumped groundwater has steadily increased. If this condition persists, the rate of overdraft in the region is expected to increase substantially, potentially causing fertile agricultural lands to lay fallow. In a county with an 18.7% unemployment rate, this would be devastating.

E. Warren Gubler
Councilmember

Michael Lane
Councilmember

To mitigate this trend, we have instituted an aggressive water conservation ordinance, and work with local water purveyors to implement effective water conservation measures. However, conservation alone has not proven sufficient enough for the growing population and agriculture industry. To further protect our region's water resources, we are in the design phase of a \$98.6 million wastewater treatment plant upgrade that will improve wastewater treatment from secondary to tertiary treatment. The wastewater treatment upgrade will initially allow up to 14,000 acre-feet of recycled water to be reused annually, offsetting nearly 40% of our current groundwater usage.

Steven A. Nelsen
Councilmember

The initial service area will be in close proximity to the wastewater treatment plant and will include agricultural lands as well as a municipal park and a golf course. Over time, population growth and economic expansion will result in increased wastewater flows and will, in turn, provide for a greater supply of recycled water. To fully utilize this increasing supply for the greatest benefit of the region and to help halt the decline of the groundwater basin, the recycled water distribution system will need to be expanded.

The expansion project will allow recycled wastewater to reach high need areas through northern, central, or southern pipelines. According to a recent Recycled Water Report (Provost & Pritchard, April 2009), the preliminary construction cost estimates for the expansion of our recycled water system is \$20 million.



Therefore, we ask for your support for inclusion in of the following language into the 2010 Water Resources Development Act so our water recycling project may become a Section 219 Corps of Engineers Project:

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757; 113 Stat. 334; 113 Stat. 1494; 114 Stat. 2763A-219; 119 Stat. 2255) is amended—

“(XX) VISALIA, CALIFORNIA.--\$15,000,000 for study, design, and construction of water related infrastructure, Visalia, California.

Thank you very much for your support.

Sincerely,

A handwritten signature in black ink that reads "Bob Link". The signature is written in a cursive style with a horizontal line extending to the left of the name.

Bob Link, Mayor
City of Visalia

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7m

Agenda Item Wording: Approval of Proposed Bus & Trolley Route Changes

Deadline for Action: June 21, 2010

Submitting Department: Administration Department – Transit Division

Contact Name and Phone Number: Monty Cox, X4591

Department Recommendation

It is recommended that Council approve the proposed bus & trolley route changes.

Summary

Staff is proposing several specific route changes proposed for August 2010. The intent of the proposed route changes is not to add service due to the uncertain budget situation, but rather to adapt the service to eliminate duplication while providing service to a new service demand area. The Transit Advisory Committee has reviewed these changes, and recommends implementation. Maps and schedules of the revised routes are attached. A public hearing was held at the Transit Advisory committee meeting on June 2. The Downtown Visalians have also been advised of the proposed changes and did not oppose the changes. The route changes are described as follows:

1. Route 7 – Both Routes 7A & 7B will be modified to include an extension north on Dinuba to go around the new Target shopping center and then return to the existing route. This change will increase the full route running time from 40 to 50 minutes. With the two buses currently operating this route, the frequency will change from 20 to 30 minutes, but the route will now reach this new shopping center and provide closer service to the Riverway Sports Park.
2. Blue and Gold Trolley Routes (Downtown routes) – These routes will both be changed from operating primarily on Main and Center to operating on Main and Acequia. The Schedules will remain essentially the same. There are few traffic generators on Center Street, while Acequia has the hospital, two parking structures, the Convention Center and two hotels that should generate additional traffic on the Trolley routes. Since part of the goals of the Trolley are to eliminate downtown traffic congestion and alleviate parking problems, staff believes this change will assist the Trolley with meeting its goals. Also, part of the goal was 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.): _____

Review:

**Dept. Head LBC52610
(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.

provide service on Main Street, where it is harder for the larger fixed route buses to operate. The Red Route would continue to operate during home Rawhide Games as an effort to alleviate parking problems in the ballpark area.

3. The Green Trolley Route (Court and Locust Route) will be eliminated. With some changes in other routes over the last few years, the Green Route now basically duplicates service provided by established fixed route service.

Discussion

The Transit Division regularly evaluates existing bus routes and new transit needs, as well as funding available for operating these routes. Changes to the bus routes are regularly scheduled to occur during the summer months so as to minimize the impact that changes have on the routine travel patterns of students; who make up a significant percentage of bus riders. Rider input is solicited in several ways prior to route design changes:

- The Tulare County Association of Governments conducted a series of Unmet Needs hearings in March 2010 and transit staff considers the input provided at those hearings when designing route changes.
- Input is provided through surveys conducted as part of the short range transit plan or other transit studies.
- Ridership numbers and plans are evaluated.
- Comment cards are reviewed.
- Changing/local conditions such as new residential or commercial developments or proposed road construction projects are considered.

A public hearing was held at the Transit Advisory committee meeting on June 2. Notices regarding the proposed changes and the public hearing were posted in the buses and trolleys, at the transit center, as well as in the paper.

The proposed route changes are discussed in more detail below:

1. Route 7 – Both Routes 7A & 7B will be modified to include an extension north on Dinuba to go around the new Target shopping center and then return to the existing route. This change will increase the route running time from 40 to 50 minutes. With the two buses currently operating this route the frequency will change from 20 to 30 minutes. This service to the sports park has been previously provided using TCAT, however it was not at the frequencies currently proposed.
2. Blue and Gold Trolley Routes – These routes will both be changed from operating primarily on Main and Center to operating on Main and Acequia. The Schedules will remain essentially the same. This will provide new additional service to the KDDH area and the two downtown parking structures. The service that previously was provided by these routes on Center Street will continue to be provided by Route 1 of the Visalia Transit routes.
3. The Green Trolley Route will be eliminated. With some changes in other routes over the last few years, the Green Route now duplicates service provided by other routes. The Trolley service does not generate the required 20% farebox revenue required by the Transportation Development Act. Over the years the trolley service has relied on the regular bus service fares and the ads on buses program to compensate for the low trolley fares. While this may be considered the most drastic of the changes currently proposed, recent declines in transit funding have made it necessary to reduce duplicated services. This change will also restore the focus of the trolley service to its original goal of addressing the parking needs of employees and customers in the downtown district.

These route changes will reduce the cost of the overall transit budget by approximately \$200,000 annually and continue to keep the Transit Services independent of the general fund. Copies of the new route maps for 7A, 7B and the trolley routes are attached.

Prior Council/Board Actions:

Committee/Commission Review and Actions:

Alternatives: None.

Attachments: Application for Katie White.

Recommended Motion (and Alternative Motions if expected):
I move to approve the proposed recommended changes to the Transit routes.

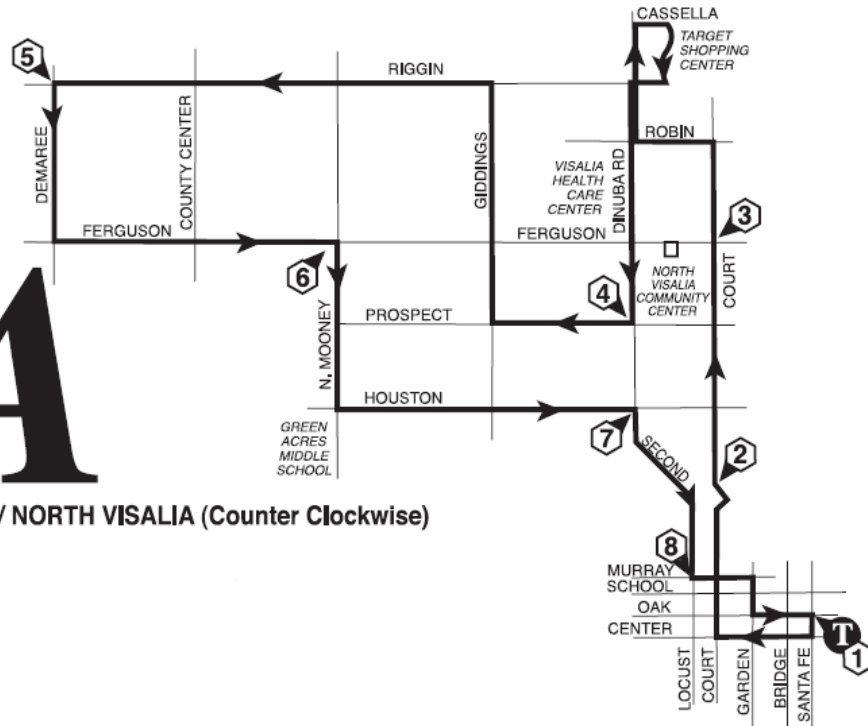
Environmental Assessment Status

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)*

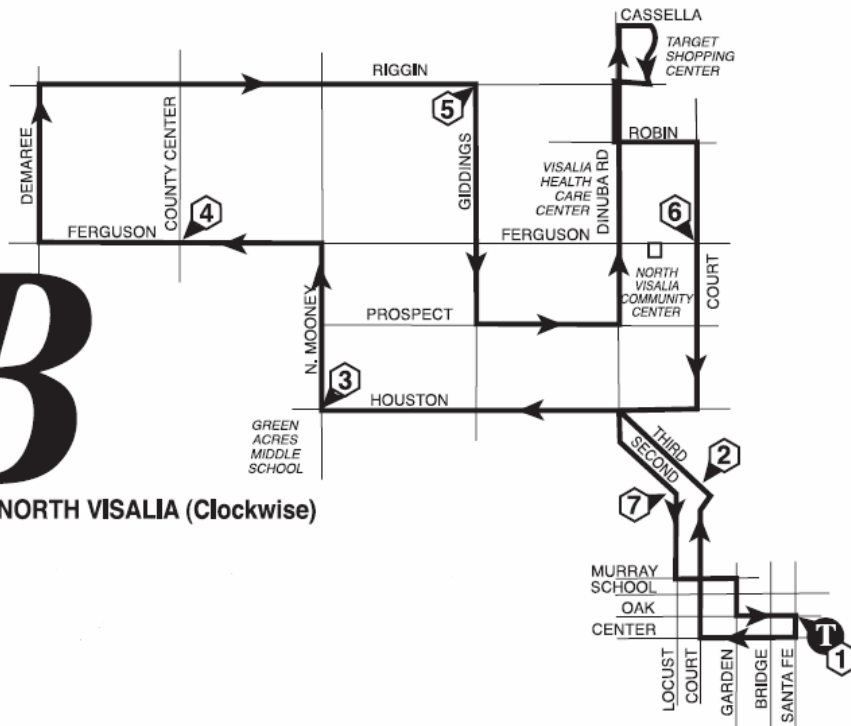
7A

7A- DOWNTOWN / NORTH VISALIA (Counter Clockwise)



7B

7B- DOWNTOWN / NORTH VISALIA (Clockwise)




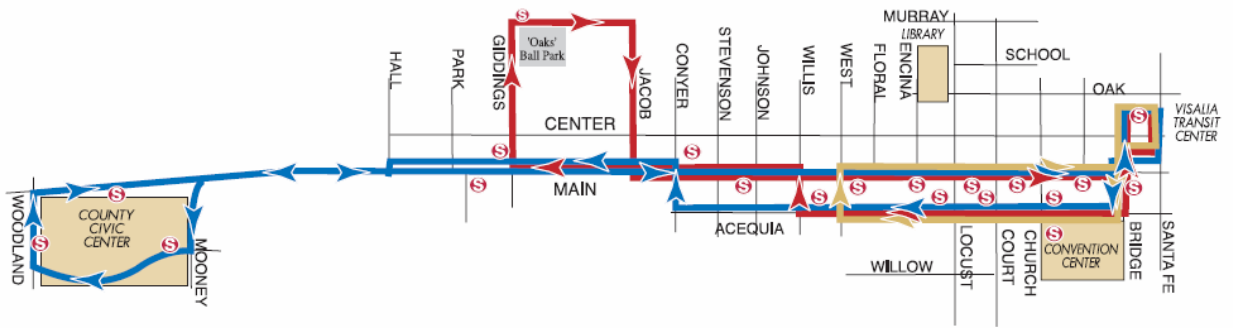


Blue Route
Ruta Azul

Gold Route
Ruta Oro

Red Route
Ruta Roja

 Trolley Stops
Paradas de Tranvías



Green Route Proposed to be eliminated

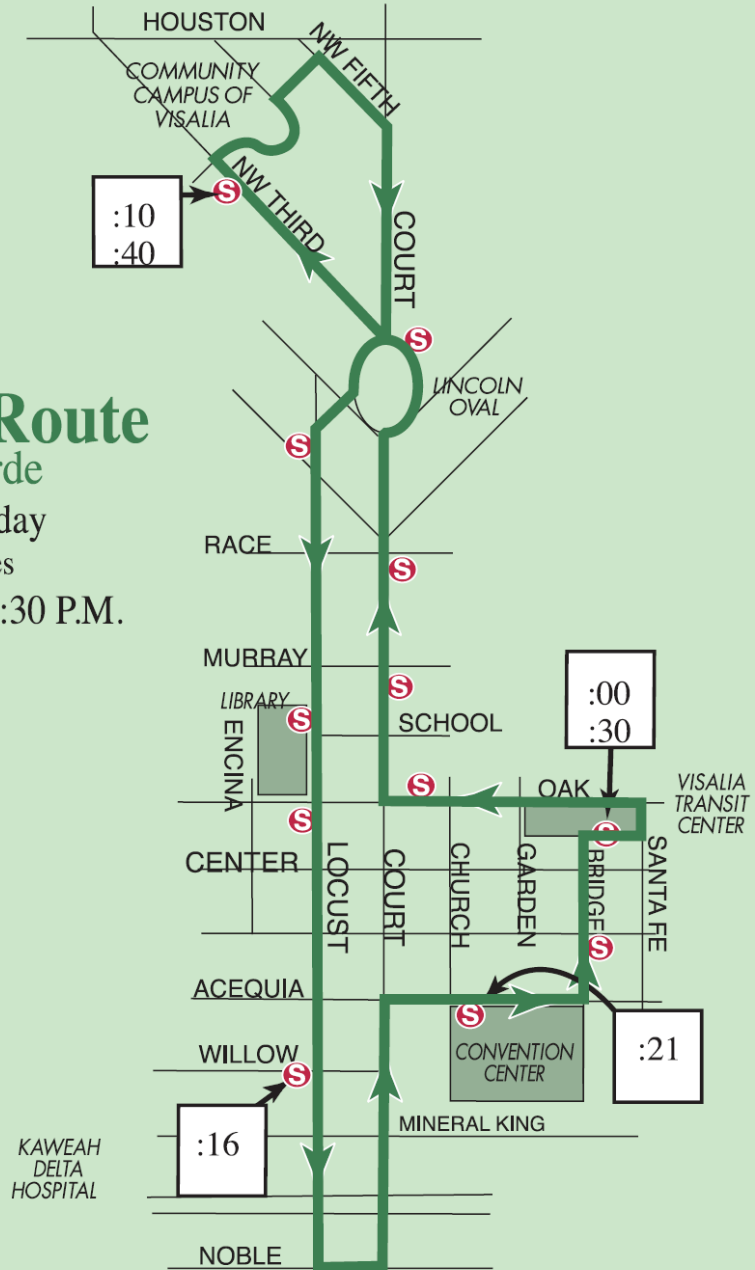
Green Route

Ruta Verde

Monday - Friday

Lunes - Viernes

7:30 A.M. - 5:30 P.M.



**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7n

Agenda Item Wording: Request authorization to file a Notice of Completion for Riverway Sports Park; Phase 2, Project No. 3011-720000-0-0-8029, for the construction of on-site improvements at a final cost of \$3,190,014.20.

Deadline for Action: None

Submitting Department: Park and Recreation Department

Contact Name and Phone Number: Vincent Elizondo, Director of Parks and Recreation, 713-4367.

Department Recommendation: Authorize staff to file a Notice of Completion on Project No. 3011-0000-720000-0-8029 for the construction of the Riverway Sports Park Phase 2. Applegate Johnston completed the project at a final construction cost of \$3,190,014.20

Summary: The project developed 12.2 acres of the park area as Phase 2, bringing the total amount of acreage developed in the park to 60 acres. The project included construction of four lighted youth baseball fields with a concession-restroom building, additional paved parking for an additional 200 vehicles, the lighting of two soccer fields and the BMX track and perimeter landscaping.

The original contract amount for the project was \$ 3,157,411.20 and additional net change order amount of \$32,603 for sixteen change orders, approximately 1% of the total project.

A summary of the change orders are as follows:

- | | |
|---|-------------|
| 1. Repair of gate valve | \$ 1,796.00 |
| 2. Relocation of drain inlet in Phase 1 | \$ 3,144.00 |
| 3. Locating of electrical conduit not correctly identified in Phase 1 plans | \$14,605.00 |
| 4. Relocation of Field 1 outfield fence | \$ 2,994.00 |

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.

5. Additional grading to eliminate drainage issue at BMX area	\$ 3,087.00
6. Replace faucet in concession	\$ 464.00
7. Added paving in parking area for ADA crossing	\$ 729.00
8. Credit for Fog Seal	(\$6,564.00)
9. Credit for rip rap in basin	(\$ 487.00)
10. Covering of drain inlet at intersection of Giddings & entry way	\$ 392.00
11. Added curb at Field 1 for safety issue	\$ 1,139.00
12. Change of grades in parking lot to ensure drainage	\$ 3,389.00
13. Added paving at maintenance yard	\$ 2,316.00
14. Additional No Parking signs and striping	\$ 2,128.00
15. Addition of 4 tactical surfaces per ADA requirement	\$ 1,725.00
16. Realign manhole in parking lot	\$ 1,845.00

The largest change order, #3 for \$14,605, was due to the inability of the general contractor to locate the major electrical conduit from the first phase of the project to connect the electrical service to the second phase of the project. After several failed attempts to locate the conduit per the construction document plans, a special machine was secured to locate the wire and conduit which was roughly 20 feet from the specified location in the plans.

Prior Council/Board Actions: Award of construction contract.

Alternatives: None

Recommended Motion (and Alternative Motions if expected): I hereby move to authorize City staff to file a Notice of Completion on Project No. 3011-0000-720000-0-8029 for the construction of Visalia Riverway Sports Park Phase 2.

Environmental Assessment Status

CEQA Review:

NEPA Review:

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

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 15, 2010

Agenda Item Number (Assigned by City Clerk): 7o

Agenda Item Wording: First reading of Ordinance 10-04 amending Ordinance 09-04 to reduce Council salaries during the 2010-2011 budget year. **(First Reading of Ordinance 10- 04 required)**

Deadline for Action: N/A

Submitting Department:

Contact Name and Phone Number: Alex Peltzer, City Attorney, 636-0200; Leslie Caviglia, Deputy City Manager, 713-4317.

Recommendation

It is recommended that the Council hold the first reading of Ordinance 10-04 relating to Council compensation.

Department Discussion

The City of Visalia is in an unprecedented budget situation that has required layoffs, reduction in positions, and use of reserves to close a 3 year, \$11 million general fund gap. Last year, the Council by ordinance, enacted a temporary 4% salary reduction until July 1 2010, at which time the Council salaries would go back to their pre-reduction levels. This proposed action would extend this temporary reduction to July 1, 2011.

Background:

In June 2007, at the recommendation of the Citizens Advisory Committee, the City Council approved the first increase to Council compensation since 1991. The Council salaries were raised from \$500 to \$800, with the elimination of a \$60 stipend. In addition, an automatic inflator that is compounded annually based on the California Consumer Price Index (CPI) was added. Since City Charter prohibits Council Members from raising their own salaries, no Council members will receive any salary increase during the 2010-11 fiscal year unless this ordinance is repealed. If that should occur, the salaries could only revert to the already approved 4% higher figure. Currently, Council Members Link and Shuklian currently receive \$767.99 in compensation (\$800 minus the 4% as established in 2007) and Council Members Lane, Gubler, Nelsen receive \$791.41 (\$800, plus the inflators, minus the 4% as established in 2009)

Prior Council/Board Actions:

May. 2009 – Council adopted Ordinance 09-04 reducing salaries by 4%.
July 16, 2007 – Adopted new Council salary as recommended by the Citizens Advisory Committee.

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 61510

Finance

City Atty

City Mgr

Committee/Commission Review and Actions:

Alternatives:

Attachments:

Proposed Ordinance 2010-04

Recommended Motion (and Alternative Motions if expected):

I move to approve the first reading of Ordinance 2010-04.

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)*

ORDINANCE 2010 –04
AMENDING SECTION 2.02.080 OF THE ORDINANCE CODE RELATED TO COUNCIL MEMBER COMPENSATION AND PRESCRIBING THE EFFECTIVE DATES THEREOF

WHEREAS the Visalia City Council monthly compensation schedule was amended in 2007; and

WHEREAS the change was based upon a recommendation from the Citizens Advisory Committee which conducted a salary survey, and based on that information, recommended that the proposed increase be adopted; and

WHEREAS the current compensation schedule includes an inflationary factor to keep Council compensation in line with inflation; and

WHEREAS, the Council intends that any increase in monthly compensation be applied only at the commencement of a Council member's term, in conformance with provisions of the Visalia Charter; and

WHEREAS, given the current economic circumstances, the Council has asked City employees to take salary and benefit reductions for 2010-11; and

WHEREAS, the City Council is interested in demonstrating their commitment to the community and its fiscal health by postponing any reversion of the previous 4% reduction enacted by the Council for fiscal year 2009-2010, and to continue the 4% reduction through July 1, 2011;

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

Section 1: Section 2.04.080 (Council Compensation) of Chapter 2.04 of Title 2 of the Visalia Municipal Code is hereby amended to read:

SECTION 2.04.080 (COUNCIL COMPENSATION)

- A. The compensation amount in effect at the commencement of a Council member's term shall be the maximum compensation amount received by that Council member for the duration of that term (except as provided below), and no increase in monthly compensation shall be applied during a Council member's term.
- B. Effective November 2007, the monthly compensation for Council Members shall be determined at the commencement of each new term, according to the following formula: \$800 multiplied by a fraction equal to the CPI (as defined below) for the month preceding the commencement of the Council Member's term divided by the CPI for December 1, 2007. The CPI shall be the Consumer Price Index for Western Region - All Items, All Urban Consumers (1982-84 = 100), as maintained by U.S. Department of Labor, Bureau of Labor Statistics.
- C. Following the November, 2009, Council Elections, the effective compensation rate for Council Members elected or reelected in that election was calculated as provided in Paragraph B. above, but as a temporary cost saving measure, compensation for all Council Members was reduced by 4%. Such temporary reduction shall continue to be in effect until July 1, 2011, at which time the

compensation rate shall revert to the rate as calculated pursuant to Paragraph A and B.

Section 2: Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstances, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not effect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of Visalia hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

Section 3: Effective Date. This Ordinance shall take effect thirty days after its adoption.

Section 4: Certification. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

PASSED AND ADOPTED:

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7p

Agenda Item Wording: Request that the City Council award and authorize the City Manager to execute a construction contract for the Whitendale Avenue Street Widening Project located between Central Street and 500' west of Mooney Boulevard (SR63) to the low bidder (Teichert Construction) in the amount of \$1,004,637.65, for (Project No. 1241-9252/ RFB 09-10-07).

Deadline for Action: July 12, 2010 (30 days after bid opening)

Submitting Department: Community Development Department/
Engineering Division

Contact Name and Phone Number:

Adam Ennis, Engineering Services Manager, 713-4323
Manuel Molina, Associate Engineer 713-4495
Chris Young Community Development Director – 713-4392

Recommendation: Staff recommends that the City Council award and authorize the City Manager to execute a construction contract for the Whitendale Avenue Street Widening Project located between Central Street and 500' west of Mooney Boulevard (SR63) to the low bidder (Teichert Construction) in the amount of \$1,004,637.65, for (Project No. 1241-9252/ RFB 09-10-07).

Summary: This City project will improve the Whitendale Avenue and Mooney Boulevard intersection in conjunction with the Caltrans project that has upgraded Mooney Boulevard (State Route 63) from a four to a six-lane divided highway from Packwood Creek to Noble Avenue. These roadway improvements will accommodate the new dual left-turns constructed on Mooney by Caltrans and increase the intersection capacity as called for in the City's Circulation Element. This project also includes the modification of the traffic signal, extension of the storm drain and relocation of various utilities including water, electrical and sewer.

Background: Caltrans' Mooney Boulevard project included construction of three travel lanes in each direction with some road realignment; dual left-turn lanes at five intersections, single right-turn lanes, larger curb radii, wheel chair ramps, and bus turnouts. The Caltrans project also modified the widths of the medians, lanes, shoulders, and sidewalks. The City of Visalia is the lead agency for both this project (Whitendale Avenue & Mooney Boulevard) and also the upcoming Walnut Avenue & Mooney Boulevard Intersection Project.

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 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.

On June 11, 2010, the City of Visalia received four (4) bids for the Whitendale Avenue Street Widening project. The results of the bids are shown below.

<u>BIDDER NAME</u>	<u>LOCATION</u>	<u>BID AMOUNT</u>
1. Teichert Construction	Fresno	\$ 1,004,637.65
2. Dunns Sand, Inc.	Visalia	\$ 1,084,426.00
3. RJ Berry Jr., Inc.	Selma	\$ 1,249,480.90
4. Lee's Paving, Inc.	Visalia	\$ 1,385,216.15

The Engineer's Estimate for construction is \$1,805,408.00. The engineer's estimate did not include the costs of project management, inspection, testing and staking.

Teichert Construction is currently "wrapping up" the Mooney Boulevard Project for Caltrans. They recently completed the California Avenue widening project and the Marks and Webber Avenue intersection projects for the City of Fresno. The contractor's past performance has been very good on City projects. City staff has verified positive references for a number of projects completed by Teichert Construction.

Prior Council/Board Actions: Approved Mitigated Negative Declaration March 2002.

Committee/Commission Review and Actions:

Alternatives: Reject all bids and re-advertise

Attachments: Exhibit "A" - Project location sketch
Disclosure Statement

Recommended Motion (and Alternative Motions if expected):

Move for City Council to award a Construction Contract and authorize the City Manager to execute an agreement for the Whitendale Avenue Street Widening Project to the low bidder, (Teichert Construction) in the amount of \$ \$1,004,637.65 (Project No. 1241-9252/RFB 09-10-07).

Financial Impact

Funding Source: Account Number: 1241-9252

Total Estimated cost:	\$1,805,408.00	New Revenue:	\$ N/A
Amount Budgeted:	\$1,900,000.00	Lost Revenue:	\$ N/A
New funding required:	\$0	New Personnel:	\$ N/A

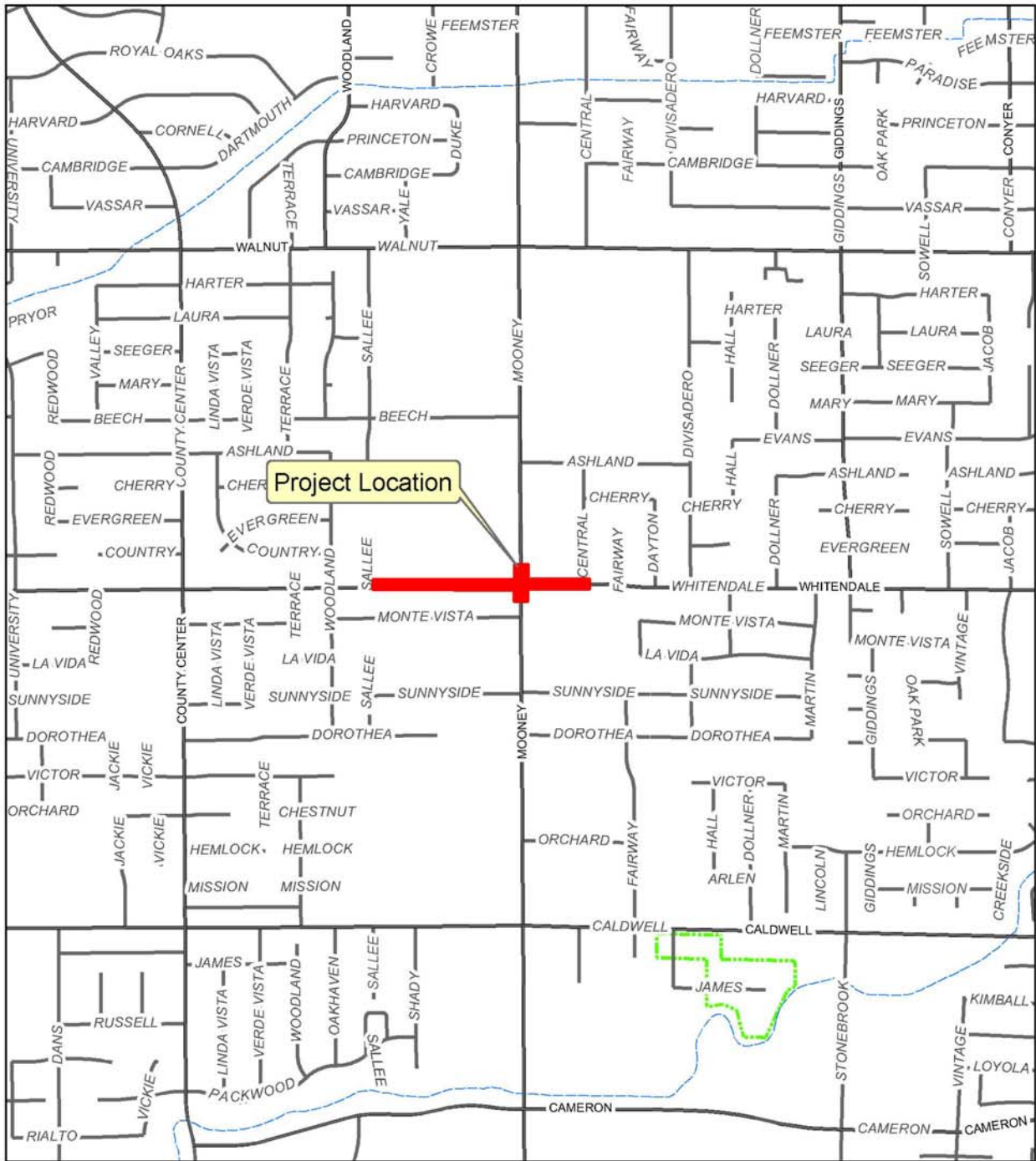
Council Policy Change: Yes No

Environmental Assessment Status

CEQA Review: Mitigate Negative Declaration approved March 2002

NEPA Review: Not required

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)*



Whitendale Avenue Street Widening Project Location Map



1" = 1,000'

**City of Visalia
Agenda Item Transmittal**

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 7q

Agenda Item Wording: Authorize the City Manager to execute an agreement with the College of Sequoias that provides for the City's participation in the Federal Work Study Program for the 2010/2011 fiscal year.

Deadline for Action: June 21, 2010

Submitting Department: Administrative Services – Human Resources

Contact Name and Phone Number Diane Davis,
Human Resources Manager, 713-4575

Department Recommendation and Summary:

Authorize the City Manager to execute an agreement with the College of the Sequoias that provides for the City's participation in the college's Federal Work Study Program. The main objectives of this program are:

- To develop employment and learning opportunities that will improve low-income students' skills and readiness for the transition from school to work.
- To increase the low-income college students' awareness of employment opportunities within public service.
- To provide for ongoing cooperative efforts between the College of the Sequoias and the City by creating opportunities for low-income disadvantaged college students to become involved in Visalia, both as a community and as an organization with diverse employment opportunities.

The City anticipates placing 10 student workers through the College of Sequoia's Federal Work Study Program in fiscal year 2010/2011. The expected cost of the program is less than \$9,000. The funds will come from the participating City departments.

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.

Summary / background

For the past ten years, the City has had the opportunity to participate in this federally funded program that provides low-income disadvantaged students an opportunity to work in a part-time job while attending college. Through this program, the City of Visalia and College of the Sequoias have been able to develop a successful partnership that has allowed the City to provide part-time employment and learning opportunities for eligible students. The City has gained valuable service from these students, while paying only 25% of the students' wages.

The students who previously participated in the program have been assigned to Administration, Engineering, Public Works, Fire Administration, Community Development, Housing and Economic Development, Natural Resources and Transit. Some of the jobs performed by these students included assisting with code enforcement, scanning documents, serving as liaison to the public regarding flood zone issues, answering the FEMA hotline, and assisting in the implementation of the City's Foreclosure Acquisition Program. At least three of these students were hired by the City into hourly or contract positions once their work study was complete.

The Federal Work Study Program is funded by the fiscal year, July 1st through June 30th. The students are placed into the part-time "student worker" positions with the City. The student workers are paid as employees of the College of Sequoias. As such, the College of Sequoias assumes all liability for social security, workers compensation, unemployment insurance, and any other mandated employment benefit.

The total number of hours each student may work is determined by the amount of the student's Federal Work Study award. Eligible students will receive a work study award for the 2010/2011 fiscal year based on their financial need. The City will be notified of the total number of work hours available for each student worker. Each student worker will be paid minimum wage. When a student worker's accumulated gross earnings are reached, the student must end his/her participation in the Federal Work Study Program.

As in previous years, the College of the Sequoias will be charging a twenty-five (25%) administration fee for each participant in the program. This administration fee will be based upon the wages earned by each student worker. The college will send a quarterly invoice to the City. The administration fee will be charged to the City's departments who have a student worker assigned. There are no other costs involved for the City.

In Fiscal year 2009/2010 the City employed 10 student workers for an average of 390 hours at a cost to the City of approximately \$8,200. We anticipate the same level of participation in the next fiscal year. The costs for participating in this program have been included in the FY 2010/2011 budget for hourly employees. All departments are required to obtain City Manager approval through the normal personnel requisition process prior to hiring a student worker through the Federal Work Study Program.

All departments are encouraged to consider participation in this work study program. This program requires a commitment from the department to provide a meaningful part-time employment opportunity. The supervisors of these students will be required to provide on-the-job training and be a mentor to the students.

Prior Council/Board Actions: July 13, 2009

Committee/Commission Review and Actions:

Alternatives:

Attachments: College of the Sequoias Work Study Agreement between the College of the Sequoias and the City of Visalia

Recommended Motion (and Alternative Motions if expected):

I move to authorize the City Manager to execute an agreement between the City of Visalia and the College of the Sequoias that provides for the City's participation in the Federal Work Study Program for the 2010/2011 fiscal year.

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:

**Federal College Work Study (FCWS)
&
CalWORKs Work Study (CWWS)
Agreement
(Off-Campus/Non-Profit Organization)**

THIS AGREEMENT, is entered into as of July 1, 2010, between College of the Sequoias Community College District, hereinafter known as the Institution and City of Visalia hereinafter known as the Organization, for the purposes of providing work to students eligible to participate in the Federal and CalWORKs Work Study Programs:

1. Institution has received Federal Title IV Work Study and CalWORKs Work Study funding for the 2010-2011 academic year.
2. Institution is requested by the California Student Aid Commission, the Community College Chancellor's Office and the U.S. Department of Education, to use a portion of its Work Study funding to place students in Work Study positions with public agencies, educational institutions, private non-profit corporations, and private for-profit corporations in the Institution's service area.
3. Organization is willing to accept and supervise Federal Work Study and CalWORKs Work Study student workers pursuant to the terms and conditions of this Agreement.

ACCORDINGLY, IT IS AGREED:

- I. TERM : This Agreement, when executed, shall be effective as of the date specified above, and shall continue in effect until June 30, 2011.
- II. INSTITUTION RESPONSIBILITIES: Institution shall:
 1. Refer students to the Organization for participation in Work Study employment;
 2. Provide compensation to students for work performed pursuant to this Agreement;
 3. Make all payments due as an employer's contribution under State or local workers' compensation laws, under federal or State social security laws, or under other applicable laws;
 4. Provide Student Agreement forms to be signed by an authorized official of the Organization, and Job Description Forms, which will set forth the names of the students employed under this Agreement, their hourly rates of pay, description of duties, and maximum gross earnings per student. These forms are considered part of this agreement. Utilize matching employer-contribution funds towards administrative costs;
 5. Be and remain the employer of all Work Study students. Institution has the ultimate right to control and direct the services of the students for the Organization. It also has the responsibility to determine whether the students meet the eligibility requirements for employment under the Federal Work Study, CalWORKs Work Study, to assign students to work for the Organization, and to determine that the students do perform their work in fact. The Organization's right is limited to direction of the details and means by which the result is to be accomplished;
- III. ORGANIZATION RESPONSIBILITIES: Organization shall:

1. Interview and select students for Work Study assignments;
2. Provide Work Study positions for students furnished by Institution who are eligible to participate in the Federal and CalWORKs Work Study Programs, and who are qualified as determined by the Institution, and who are acceptable to the Organization; students may be removed from work on a particular assignment or from the Organization by the Institution, either on its own initiative or at the request of the Organization;
3. Instruct students as to the Organization's rules and regulations to be adhered to while performing Work Study services hereunder;
4. Direct the details and means by which the work result is to be accomplished subject to Institution's superseding right to control and direct the services of the students of the Organization;
5. Maintain accurate records of student attendance. Time reports indicating the total hours worked each one month period in clock time sequence, and containing the Organization supervisor's certification as to the accuracy of the hours reported and that work was performed in a satisfactory manner, will be provided to the Institution each month by the Organization at a time agreed upon;
6. Provide overall working conditions that meet the requirements of all applicable federal, state and local laws, rules and regulations pertaining to health, safety and employment, and which will otherwise not endanger the health, safety or welfare of the students;
7. Complete and provide evaluations of the students' work which shall be shared with Institution and the Work Study students;
8. Allow monitoring visits from the Institution to ensure the Federal Work Study and CalWORKs Work Study Programs are being properly carried out;
9. Pay to the Institution an amount equivalent to twenty-five (25%) percent of the salaries of Federal Work Study and CalWORKs Work Study students furnished by Institution and supervised by the Organization. Billings to the Organization will be made at the end of each quarter;
10. Monitor student's earnings to ensure earnings do not exceed award limit and
- 11 Not assign a student to lift an object in excess of 30 lbs.;
- 12 Ensure a student performs only the daily duties listed on his/her Job Description Form;
- 13 Not allow a student to perform volunteer work while employed under the Federal Work Study and CalWORKs Work Study Programs;
- 14 Provide proper training for student to work efficiently for the Organization;

IV. CONDITIONS OF WORK STUDY ASSIGNMENTS BY ORGANIZATION: The parties agree to and understand that work to be performed under this agreement is to be in the public interest, and which:

1. Will not result in the displacement of employed workers or impair existing contract for services; placement of student will not be in a position previously held by an employee of the Organization within the last 12 months;
2. Will be governed by such conditions for employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region and proficiency of the employee and as mutually agreed by the Institution and the Organization; compensation will be paid at the minimum wage rate set by the State of California or by the Federal Minimum Wage; if the State minimum wage is less;
3. Does not involve the construction, operation, or maintenance of so much of any facility as is used, or is to be used, for sectarian instruction or as a place of religious worship; and

4. Does not involve any partisan or nonpartisan political activity associated with a candidate, or contending faction or group, in an election for public or party office.
- V. ASSURANCES OF NON-DISCRIMINATION : Organization expressly agrees that no student will be denied work or subjected to different treatment under this Agreement on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.
- VI. LIMITATION ON HOURS OF WORK: During periods of regular enrollment, CalWORKs Work Study students employed under this Agreement may work no more than thirty-two (32) hours per week. Federal Work Study students may work no more than nineteen (19) hours per week during enrollment. All students may work up to forty (40) hours per week during summer, winter and spring breaks. When a student's accumulated gross earnings reach his/her Federal and CalWORKS Work Study award limit, (s)he must stop working under this Agreement. Supervisors, designated by the Organization, must keep track of the student's earnings. If the total earnings exceed the student's award, the Organization will be responsible for compensating the student for the overage(excess) within 30 days of time sheet submission. Students will have varying schedules. The Institution shall determine the maximum hours available for each student. If a student is permitted to work over forty (40) hours per week or over eight (8) hours per day, the Organization will be responsible and will compensate the student for overtime wages within 30 days of time sheet submission.
- VII. TRANSPORTATION : Transportation for students to and from their work assignments will be provided by the students at their own expense and in a manner acceptable to the Institution. Neither the Institution nor the Organization will be responsible for any means of transportation for those student employees. The Institution does not authorize any student to operate a vehicle, either the student's or the Organization's, in the course of his/her daily work hours.
- VIII. HOLD HARMLESS : Institution and Organization each agree to hold harmless, defend and indemnify the other from and against any claims, actions, costs, losses, damages or liability for injury, including death to any person or damage to any property arising out of their duties, acts or omissions, or those of their respective officers, employees or agents, pursuant to this Agreement, including any negligent or intentional acts on their part. This obligation shall continue in full force and effect notwithstanding the expiration of the term of this Agreement. A completed/signed Agreement does not guarantee the referral or placement of a Federal and CalWORKs Work Study student within an Organization. The award for Work Study can be adjusted by the Institution at anytime. It is the Institution's responsibility to notify the Organization of the change in a Work Study award.
- IX. SIGNATURE : The Institution and the Organization each warrants and represents that the signature affixed below has been authorized by appropriate action of its governing body.

Organization: City of Visalia

Authorized Representative: Steve Salomon, City Manager Date: _____

Organization: _____
Authorized Representative: _____ Date: _____

Institution: College of the Sequoias Community College District
Authorized Representative: _____ Date: _____
Tamara Ravalin
Dean, Student Services
Authorized Representative: _____ Date: _____
William T. Scroggins
Superintendent/President

City of Visalia

Memo

To: City Council
From: Brandon Smith, AICP, Senior Planner
(Phone No.: 713-4636)
Date: June 21, 2010
Re: Item 8:



- a) Certification of Negative Declaration No. 2010-22.
- b) Initiation of Proceedings for Annexation No. 2009-01 (Doe): a request by Russell Doe to annex and amend LAFCO Sphere of Influence for two parcels totaling approximately 156 acres into the City limits of Visalia for the purpose of facilitating future heavy industrial development on the property.
- c) Authorization for City Manager to sign and enter into a Pre-Annexation Agreement.
- d) Detachment of property from County Service Area No. 1.

The property is located at the northwest corner of Plaza Drive and Riggin Avenue, adjacent to the City of Visalia, and inside the County of Tulare. (APN: 077-120-012, 015)

STAFF RECOMMENDATION

Staff recommends that the item be continued to the July 12, 2010 agenda based on the applicant's request for continuance.

RECOMMENDED MOTION

I move to continue this item to the July 12, 2010 agenda.

City of Visalia Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 9a

Agenda Item Wording: Authorize the Redevelopment Agency Executive Director and City Manager of the City of Visalia to amend the Affordable Housing Agreement between the Redevelopment Agency, City of Visalia, Kaweah Management Company (KMC), and Visalians Interested in Affordable Housing ("VIAH") to disburse HOME Investment Partnership funds in the amount of \$124,728.02.

Property Location: located at the north east corner of South Court Street and East Paradise Avenue.

Assessor Parcel Numbers: 1526 -1536 South Court Street, APN:097-261-022; 1544 S Court Street and 110 -148 East Paradise; APN's 097-261-037, 038, 039 and 040.

Deadline for Action: June 21, 2010

Submitting Department: Housing & Economic Development Department.

Contact Name and Phone Number: Ricardo Noguera, Housing & Economic Development Director xt: 4190; Rhonda Haynes, Housing Specialist xt 4460

Department Recommendation:

Staff recommends that Council authorize Agency's Executive Director to execute an amendment of the existing project agreement to allow disbursement of remaining HOME Investment Partnership-Community Housing Development Organization funds (HOME-CHDO) in the amount of One Hundred and Twenty-four Thousand Seven Hundred and Twenty-Eight Dollars and Two Cents (\$124,728.02) to support the continued development of the Paradise and Court Development (prior to August 31, 2010, HOME-CHDO fund expenditure deadline)

Summary/Background:

The main reason for this amendment is to ensure the City draws down (disburses) the \$124,728.02, prior to the August 31, 2010 deadline for required expenditures of HOME-CHDO funds. If these funds are not expended, the City will lose them.

On May 05, 2008, the City Council and Redevelopment Agency Board approved the use of HOME Investment Partnership Funds for a Community Housing Development Organization (HOME-CHDO) and City's CHDO, Visalians Interested In Affordable Housing (VIAH), and Redevelopment Low/Mod funds to Kaweah Management Company (KMC) a non-profit arm of

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):_10__

Review:

Dept. Head _____
(Initials & date required)

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

City Mgr _____
(Initials Required)

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

Tulare County Housing Authority, so that these two entities could partner to develop a twenty (20) unit affordable housing development known as Paradise & Court. The development is committed to support multifamily low-income affordable housing. The City's contribution is \$1 million dollars toward the \$4.1 million dollar development project.

The HOME-CHDO funds were originally contemplated to be disbursed at the completion of the project; however, the tax credit funding increment issues have delayed that from occurring past the deadline for the City to expend its HOME-CHDO funds. This is a request to allow early disbursement of HOME-CHDO funds in order to assist with the project and meet HUD –HOME expenditure deadlines. **This transaction is not a request for additional funding** and all other obligations of the parties regarding the use of the funding will remain the same. A letter of request is attached as Exhibit "A".

A full description of the project is attached as Exhibit "C"

Requesting amendment – disbursement of HOME –CHDO funds:

The disbursement of the HOME- CHDO funds will assist KMC & VIAH in completing the landscaping as well as assist with compliance of HOME expenditure deadlines. KMC has submitted a letter requesting the funds, as shown as Exhibit "A".

Although the project was not awarded tax credits last year, the project remains viable with the promising response from the California Tax Credit Allocation Committee.

The draft amended agreement, attached as Exhibit "B".

Prior Council/Board Actions: City Council approval of the funding and project on May 05, 2008.

Committee/Commission Review and Actions: On April 14, 2008, the Planning Commission reviewed the project. The project required a CUP. A recommendation of approval (5-0) was received.

Alternatives: None

Attachments: Exhibit "A" Letter requesting disbursement of HOME- CHDO funds
Exhibit "B" Draft Amended City Agency, VIAH & KMC Agreement
Exhibit "C" Project Information
Exhibit "D" Site Map
Exhibit "E" Color renderings
Exhibit "F" Proforma

Recommended Motion (and Alternative Motions if expected): That City Council Move to authorize the Executive Director of the Redevelopment Agency and the City Manager of the City of Visalia to amend that certain Affordable Housing Agreement between the Agency, Kaweah Management Company, and Visalians Interested in Affordable Housing ("VIAH"). VIAH and Kaweah Management Company have partnered to develop a twenty (20) unit affordable housing project consisting of the rehabilitation of eleven (11) units and the construction of nine (9) units.

Property Location: located at the north east corner of South Court Street and East Paradise Avenue.

Assessor Parcel Numbers: 1526 -1536 South Court Street, APN:097-261-022; 1544 S Court Street and 110 -148 East Paradise; APN's 097-261-037, 038, 039 and 040.

Environmental Assessment Status

CEQA Review: CEQA Cat Exempt No. 2008-10

NEPA Review: NEPA, Environmental Assessment No. 2008-08, certified on March 4, 2008

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*)

Signatures for agreements required: Exhibits C

Copies of this report have been provided to:

Exhibit "A"
Letter of request – HOME-CHDO

Kaweah Management Company

5140 WEST CYPRESS STREET
MAILING ADDRESS: P.O. BOX 791, VISALIA, CA 93279
TELEPHONE – VISALIA (559) 827-3790
FAX – (559) 733-0169

June 8, 2010

Mr. Ricardo Noguera, Housing and Economic Development Director
City of Visalia
707 East Acequia Street
Visalia, CA 93291

RE: COURT & PARADISE PROJECT

Dear Mr. Noguera:

This letter is being written to request your assistance with the above referenced project. As you know Kaweah Management Company, (KMC), The Housing Authority of the County of Tulare, (HATC), and The City of Visalia have been working together on the Court & Paradise project for approximately two years.

During these two years we have successfully purchased 11 existing apartment units, acquired the house and lot immediately north of the site for the construction of nine new three-bedroom units, relocated the house from the property and cleaned up the remainder of the large vacant lot, been approved for tax-credits in June of 2009, completely renovated the exterior and interior of the existing 11-units adding many new features and significantly improving the energy efficiency of the units with new R-48 attic insulation, adding R-21 wall insulation, installing all new high-efficiency attic ductwork and 14 SEER air-conditioning systems as well as new kitchen cabinets and star 24 energy-efficient appliances. We then lost the 2009 tax-credit reservation due to the downturn in the tax-credit markets because we could not get an investor for the project. We reapplied for credits in 2010 and have received a preliminary reservation letter and are confident that we have at minimum the ARRA stimulus money available to finish the construction of the nine new three-bedroom units, community center, carports and landscaping.

As you can read from the events described above, this project has encountered a fair amount of challenges. Many of these challenges required KMC and HATC to advance funds and pay expenses that were not budgeted or have had to be advanced to keep the project on course to be eligible to receive the 2010 tax-credit reservation.

Mr. Ricardo Noguera
June 8, 2010
Page 2

If the City of Visalia has the ability and willingness to help KMC and HATC to cover some of these extra project costs we could certainly use the funds. We are not asking to have the City add additional funding to the project, but if the City could advance \$150,000 of the reserved amount of \$500,000 for the final development of the project it would help us tremendously.

Your consideration of this would be greatly appreciated.

Sincerely,

KAWEAH MANAGEMENT COMPANY



KEN KUGLER
Director

KK/cmf

MW/Cour&Paradise/Noguera.doc

Exhibit "B"
Draft Amended City Agency, VIAH & KMC Agreement

**FIRST AMENDMENT TO THE AFFORDABLE HOUSING DEVELOPMENT
AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF VISALIA, VISALIANS INTERESTED IN AFFORDABLE HOUSING,
AND KAWEAH MANAGEMENT COMPANY**

THIS FIRST AMENDMENT (hereinafter the "Amendment") to that certain "Affordable Housing Development Agreement Between The Community Redevelopment Agency Of The City Of Visalia, Visalians Interested In Affordable Housing, And Kaweah Management Company" (hereinafter the "Agreement") is made this ____ day of June, 2010, (hereinafter the "Effective Date") by and among Kaweah Management Company, a California 501(c)(3) nonprofit corporation (hereinafter "Kaweah"), Visalians Interested in Affordable Housing (hereinafter "VIAH"), a California 501(c)(3) nonprofit corporation, and the Community Redevelopment Agency of the City of Visalia (hereinafter the "Agency").

RECITALS

A. Kaweah and VIAH (hereinafter, collectively, "Developers") have been working cooperatively to develop a twenty (20) unit affordable housing project as described in the Agreement.

B. Agency and Developers desire to amend the Agreement requirements for disbursement of funding so that the Developers can continue to develop the affordable housing project and so that the City of Visalia (hereinafter "City"), by and through the Agency, can fulfill its obligations pertaining to use of City's HOME Investment Partnerships Program Funds for Community Housing Development Organizations (hereinafter "CHDOs") from the U.S. Department of Housing and Urban Development (hereinafter "HUD").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and subject to the terms conditions hereinafter stated, the Agreement between Kaweah, VIAH and Agency is amended as follows:

1. Notwithstanding the requirements of Section 13(c) of the Agreement, Section 5(b) of the Agreement is amended to allow for the disbursement by Agency to VIAH of One Hundred and Twenty-four Thousand Seven Hundred and Twenty-Eight Dollars and Two Cents (\$124,728.02) of City's HOME Investment Partnerships Program CHDO funds on or before June 30, 2010 for the purposes stated in the Agreement. Prior to disbursement of the aforesaid HOME Investment Partnerships Program CHDO funds, VIAH shall execute a promissory note and deed of trust for the funding as required by that certain "Community Home Investment Partnership Program Agreement Between The Community Redevelopment Agency of the City of Visalia and Visalians Interested in Affordable housing" dated May 30, 2008.

2. All of the remaining terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Developers have executed this Agreement, effective the day and year first set forth above.

DEVELOPERS:

KAWEAH MANAGEMENT COMPANY,
a California non-profit corporation

Dated: _____

By: _____

Its: _____

VISALIANS INTERESTED IN
AFFORDABLE HOUSING,
a California non-profit corporation

Dated: _____

By: _____

Its: _____

AGENCY:

COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF VISALIA

Dated: _____

By: _____

Its: Executive Director

APPROVED AS TO FORM

By: _____
City Attorney

By: _____
Attorney for VIAH

By: _____
Attorney for Kaweah

Exhibit "C"
Project Information

Project description:

The project consists of five parcels. Four parcels, facing Paradise, consist of the existing eleven (11) units. The fifth parcel, facing Court Street, consists of vacant land which will be used for the construction of the additional nine (9) units.

The first phase of the project consists of rehabilitating eleven (11) units, however a portion of funds expended by KMC to complete the rehabilitation would be reimbursed through the tax credit application submitted and awaiting confirmation of award.

The second phase of the project consists of constructing nine (9) units. The new units will consist of approximately 1,220 square feet, 3 bedroom & 2 full baths and a single car attached garage, which will be architecturally consistent with the recently rehabilitated eleven (11) units.

A community room will be included as part of the nine units and will be located in the open space area. The community building will be 650 square feet in floor area with an attached laundry room available to tenants who would require laundry services. The community building will contain a large meeting area (no kitchen) and a restroom. The building will be made available to community groups (such as the Boy Scouts) through the Tulare County Housing Authority (TCHA), who will manage and maintain the property. An open space common area will be provided adjacent to the community building with grass and trees. The rental units will be available to tenants up to the 60% income level, therefore providing housing to families at the lower income levels. For example, a family of 4's income can not exceed 60% of the median income for the Visalia (Tulare County) Area, which is approximately \$32,200 annually.

Current Status of the project:

The eleven (11) units, Phase I, have now been rehabilitated. The existing units received extensive interior and exterior modernization such as a new 50 year dimensional composition roof, new high efficiency dual-pac heating & air-conditioning systems, energy saving dual pane windows, additional wall and ceiling insulation, new carpet throughout and updated cabinetry, countertops and appliances. One unit was converted to a fully handicapped accessible unit. Included with the existing eleven units is new landscaping and fencing along Court and Paradise Street. Disbursement of the remaining HOME-CHDO funds will assist in completing this portion of Phase I as KMC and VIAH awaits a favorable award of the tax credit funding.

The new construction of nine (9) units on the vacant lot, Phase II, awaits the results of the application for both State and Federal Low-Income Housing Tax Credits, in the amount of \$238,424, and \$794,747 respectively. Since May of 2008, KMC submitted three tax credit funding applications. The first was not awarded, the second, the project lost its investor due to the weak economy and now the third application is under review. This current request for tax credit funding looks promising.

Neighborhood Revitalization

This project fulfills the department's neighborhood revitalization efforts, assisting proven developers to acquire and rehabilitate dilapidated rental properties in challenged areas of town and completing infill development. The proposed site is provided as Exhibit "F" and the new nine unit development and the remodeled units are provided as Exhibit "G".

The second phase included submission of the plans to the California Tax Credit Allocation Committee to compete for 9% tax credits to help with the financial feasibility of the construction of the nine new units.

Role of Visalians Interested In Affordable Housing (VIAH): Each year, the City is required to set-aside a minimum of 15 percent of its HOME allocation for housing development activities to be undertaken by a special type of nonprofit, called a Community Housing Development Organization (CHDO) to assist in the development, expansion or preservation of affordable housing. Visalians Interested In Affordable Housing (VIAH) has been contracted and certified with the City of Visalia, as a designated CHDO since 1999. On May 5, 2008, VIAH and Staff proposed to Council to utilize accumulated HOME CHDO funds, in the amount of \$500,000 to assist in the purchase, rehabilitation and gap financing of the Court and Paradise Project. VIAH is engaged in the development, and ownership. A disbursement of \$375,271.98 was completed on June 15, 2008. The remaining HOME-CHDO is being requested in the amount of \$124,728.02.

Role of Kaweah Management Company (KMC): The Kaweah Management Company is a non-profit charitable organization (501 (c) 3) that develops, rehabilitates and manages affordable housing units and projects. The City has partnered with the Kaweah on past affordable housing projects including the 95-unit Kimball Court elderly low income housing project, the Tulare Avenue Transitional Living Center, the mixed income 71-unit Millcreek Project and the 10-unit Robinwood Project. The City of Visalia Redevelopment Agency approved the use of \$500,000 in Central Redevelopment Low-Mod funds for the Project. A disbursement of \$124,728.02 was completed on June 15, 2008. The remaining funds shall not be disbursed until the project has been completed and upon Certificate of Occupancy.

Sources of Funds:

The total acquisition, rehabilitation and construction cost is \$3,884,717. The developers proposed to obtain a total of \$1 million dollars in funding from the City through HOME CHDO funds in the amount of \$500,000 and Redevelopment Low/Mod funds in the amount of \$500,000. These funds are being used for both acquisition and construction for the project. The developers obtained a construction loan while pursuing \$2,237,467 in 9% and 4% tax credit long term financing for the project. The construction loan will be repaid with the tax credit proceeds, first mortgage (approximately \$658,100) and the General partner contribution of Developer fee. The mortgage interest rate (6.25%) is being estimated at a slightly higher rate to be conservative on what the rates could be when the final mortgage is being put in place for the property.

Table 1		
Paradise & Court Project		
Summary of Acquisition & Rehabilitation Costs		
	Cost	Per Unit Cost
Purchase 11 units	\$800,000	\$72,727
Remodel the 11 units	\$300,000	\$27,273
Other costs associated	\$195,725	\$17,793
<i>Total Project Purchase & Remodel of 11 existing units:</i>	<i>\$1,295,725</i>	<i>\$117,793</i>
	Cost	Per Unit Cost
Purchase of lot/w house (to be moved)	\$ 150,000	\$ 16,667
Construction of 9 new units	\$ 1,152,500	\$ 128,056
Other costs associated	\$ 418,927	\$ 46,547
<i>Total Purchase of lot w/house and construction of 9 new units</i>	<i>\$ 1,721,427</i>	<i>\$ 191,270</i>
Total Development and Acquisitions Costs (20 units)	\$ 3,884,717	\$ 194,236

Uses of Funds:

Table 1, Paradise & Court Project, Summary of Acquisition and Rehabilitation Costs, is a summary of acquisition and rehabilitation costs. The developer acquired approximately a 21,794 square footage lot that included a single family dwelling, in 2008, which was moved to a new location shortly after acquisition. The developers (KMC & VIAH) will be utilizing this land to construct nine (9) new three-bedroom units which will represent approximately \$128,056 cost per unit. The developer purchased the adjacent four parcels with eleven (11) existing two-

bedroom rental units for a cost of \$800,000, which represented a cost of \$72,727 per unit, rehabilitating them for a total cost of \$300,000 which represented approximately \$27,273 per unit.

Acquisition included the payoff of VIAH's CalHfa HELP Funded loan on the vacant land. VIAH purchased the land with State Funds to develop single family housing, whereas this project is for the development of multi-family rental housing and was not an eligible use of the Calhfa HELP Program Funds. This increased the purchase costs. Redevelopment funds have been utilized and prevailing wages apply, there adding to the cost of the project.

Disbursement of Redevelopment Agency and HOME CHDO Funding.

The Finance Division was consulted prior to Council's approval in 2008, and determined that \$500,000 of HOME CHDO funds were available and reserved-CHDO 15% set-aside from previous fiscal years. It is important that these HOME CHDO funds were committed and expended by contract by June 30, 2008; the deadline

Table II				
City Contribution /Disbursement				
Paradise & Court				
Funding:	Amount	Disbursement Timeline	Disbursed To:	Note:
HOME CHDO	\$375,271.98	Upon approval of Request for Release of Funds (est. 05/19/2008)	VIAH	CHDO remainder of 99', 00', 02', 03', 04'
Redevelopment Low/Mod Funds	\$124,728.02	(est. 05/19/2008)	KMC	08'09'
HOME CHDO	\$124,728.02	Certificate of Occupancy	VIAH	CHDO 05', 07'
Redevelopment Low/Mod Funds	\$375,271.98	Certificate of Occupancy	KMC	09'10'

established by HUD to obligate and drawdown the funds. Exhibit "H" provides a detail cost (Sources and Uses) of the project, tax credit calculations, and cash flow analysis.

As indicated in the "Sources of Funds" narrative, the project total cost is \$3,884,717 and the City's contribution to the project is \$1 million dollars, which represents approximately 26% of the cost to acquire, rehabilitate and construct the units.

As shown in Table II, Paradise & Court Project Funding, the City and Agency provided the initial \$500,000, a combination of CHDO- HOME funds accumulated from years 1999, 2000 through 2004 and Redevelopment Funds. These funds were disbursed June 15, 2008.

The remaining funds, both CHDO HOME and Redevelopment funds were to be provided at the time Kaweah obtains a Certificate of Occupancy for the entire Project, to assist with the rehabilitation and construction of the Project. However, with the HOME-CHDO fund expenditure deadline it is important to disburse the remaining CHDO funds only at this time, with the remaining Redevelopment Funds to be disbursed at certificate of occupancy.

To the extent there are Residual Receipts from the Project, Kaweah shall pay 100% of the Residual Receipts to the City on an annual basis. Any payment required under this Note shall be made payable to the Visalia Redevelopment Agency.

Contracts.

Contracts were signed for funding, affordability requirements, management, construction and responsibilities of the parties involved. HOME CHDO funds are being utilized for acquisition, rehabilitation and construction of the twenty-unit affordable rental units. HOME CHDO funds require an affordability covenant be attached to the units for a minimum of 20 years. The funds are provided in the form of a loan, without interest, as evidenced in the Promissory Note attached to the contract. An agreement between the City of Visalia and VIAH was executed. Central Redevelopment District Low/Mod Funds are being utilized requiring a minimum 55 year

affordability covenant and is referenced in the agreement with Kaweah Management Company. As mentioned previously, to the extent there are Residual Receipts from the Project, the Kaweah Management Company shall pay 100% of the Residual Receipts to the City on an annual basis as indicated within the agreement. A third agreement was executed connecting VIAH, Kaweah Management Company and the City together in relation to the project such as project management, project ownership, disbursement of funding, project design and other requirements.

Property Ownership. The Developers, either individually or jointly, own the parcels which constitute the Property on which the Project has to be undertaken, Phase I near completion, and Phase II awaiting tax credit funding. Upon completion of the development of the Project, VIAH may convey its interest in the Property to Kaweah, but under no circumstances may VIAH convey its interest in the property to Kaweah or any third party, unless and until it has executed the Declaration of Restrictive Covenants.

Project Management. The Developers will work cooperatively to develop the Project. They are serving together as managing general partners with effective control of, and decision making authority over, the Project. Upon completion of the development of the Project on the Property, it is anticipated that Kaweah will serve as the manager of the maintenance and operation of the Project.

Project Design, Use Restrictions and Requirements. The Developers agree that the Project on the Property shall only be used and occupied for rental purposes in compliance with and subject to conditions outlined within the agreements. A few of the conditions are:

- (a) **Prevailing wages.** “Kaweah and VIAH are contractually obligated to comply with all applicable State and Federal prevailing wage laws, and to indemnify the Agency against any claims of noncompliance”.
- (b) **Design Review.** Developers are working collectively on the design and construction of the Project. During design, rehabilitation and construction of the Project, VIAH serves as the Construction Manager for the Project.
- (c) **Maintenance and Operations.** After completion of the Project, Kaweah will serve as the Property and Project manager.
- (d) **Fair Market Rents.** The HUD Fair Market Rents will be utilized. The rents are anticipated to range from \$299 for one of the two bedroom units where the renter’s household income levels shall not exceed 30% of the median income level up to \$762 for two of the three bedroom units where the renter’s household income levels shall not exceed 60% of the median income level. Detailed estimates are provided below:

<u>No Bedrooms</u>	<u>Median Income Range%</u>	<u>Estimated Rents Range</u>	<u>No. of units</u>
2BR	30% to 60%ami	\$299 to \$662	11 units
3BR	30% to 60%ami	\$342 to \$762	<u>9 units</u> 20 units

- (e) **Rental Restrictions.** Developers met the affordability requirements for the HOME and Central Redevelopment Low/Mod funds. Twenty years are required for the HOME funds and 55 years are required by the Redevelopment funds. Developers will enter into agreements with the tenants, to comply.
- (f) **Monitoring of Use of Dwelling Units.** Initial tenant income will be determined and each year during the affordability period for the Project, each tenant’s annual income will be re-examined in accordance with funding source requirements.

Exhibit "D" Site Map

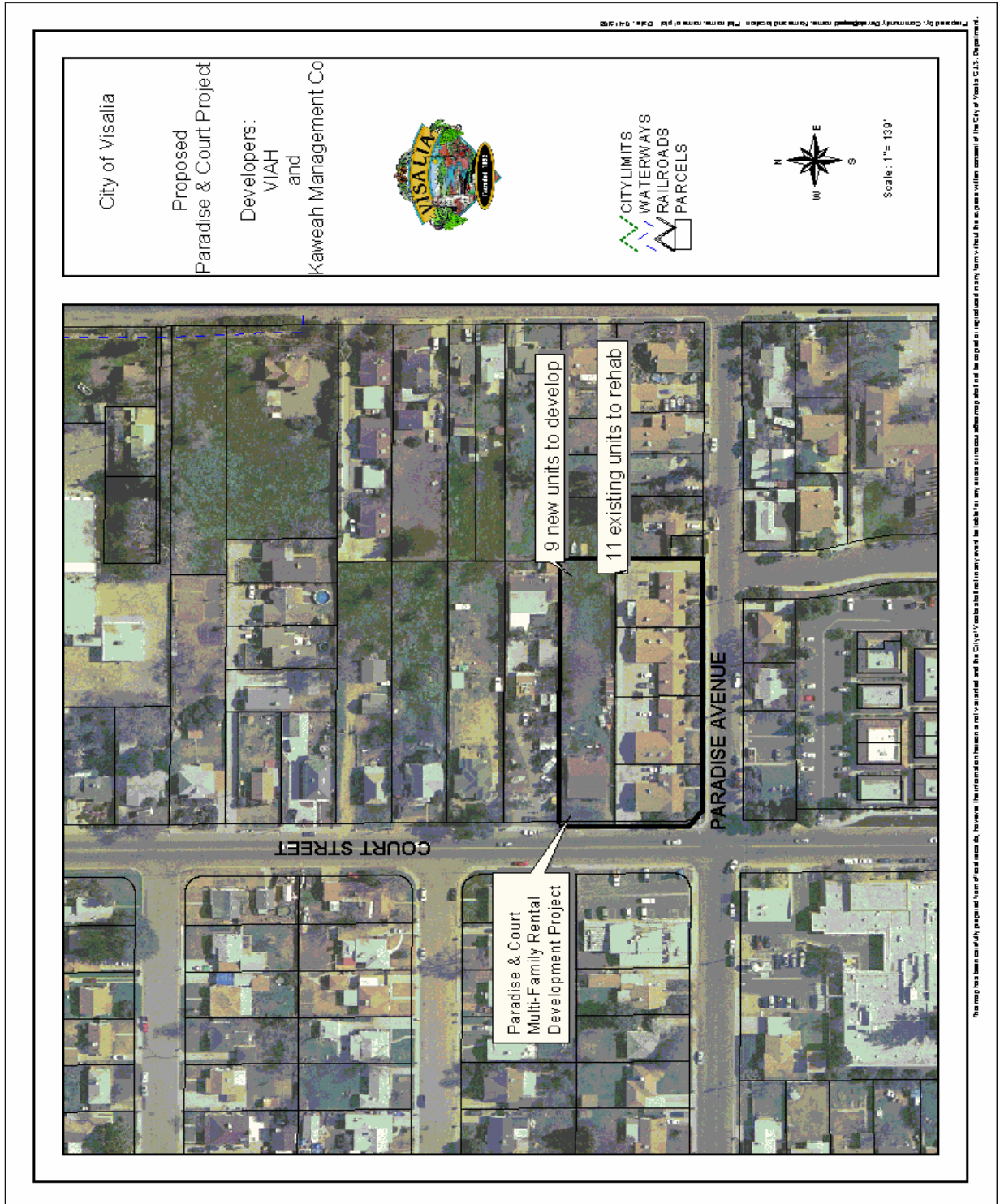


Exhibit "E"

Below:
Elevation of New Nine Units



Below:
2010- Elevation of existing eleven (11) units after rehabilitation



Exhibit "F"
Proforma

**Court & Paradise
Project Acquisition & Development**

Project Purchase & Remodel	Purchase or Remodel <u>Cost</u>	Cost per Unit <u>11</u>
Purchase of 11 existing units	\$800,000	72,727
Renovation of existing 11 units	\$300,000	27,273
Site work	\$100,000	9,091
Architectural & Engineering	\$23,975	2,180
Title, Escrow, taxes & fees	\$15,000	1,364
Permit fees	\$8,750	795
Contractor Profit & Overhead	\$27,500	2,500
Tax Credit Syndication allocated costs	\$20,500	1,864
Project Acquisition & Renovation	\$1,295,725	117,793
Project Development	Purchase or Remodel <u>Cost</u>	Cost per Unit <u>9</u>
Purchase of Lot with House (House to be Moved)	\$150,000	16,667
Construction Costs 9 new units & Community Center	\$1,152,500	128,056
Architectural & Engineering	\$38,525	4,281
Contractor Profit & Overhead	\$107,500	11,944
Permit fees	\$116,250	12,917
Title & Escrow, taxes & fees	\$23,000	2,556
furnishings	\$10,000	1,111
Construction Loan Interest & fees	\$123,652	13,739
Project Development Costs	\$1,721,427	191,270
Project Development & Renovation Costs Before Soft Costs	\$3,017,152	150,858
Lease-up & Marketing	\$13,750	688
Assumption of CalHFA funds (VIAH)	\$190,000	9,500
Tax Credit & Syndication costs	\$80,900	4,045
Net Developer Fees	\$132,285	6,614
Appraisal, Soils, & other soft costs	\$26,599	1,330
Operating Reserve for Project	\$31,031	1,552
Total Soft costs	\$474,565	23,728
Construction & Other cost contingency	\$213,000	10,650
Additional Cost for Prevailing wage	<u>\$180,000</u>	<u>9,000</u>
Contingency Costs	<u>\$393,000</u>	<u>19,650</u>
Total Development & Acquisition costs	\$3,884,717	194,236
Sources of Funds		
First Mortgage	\$658,100	32,905
Investor Capital Contributions (Tax Credits)	\$2,237,467	111,873
City of Visalia Home & RDA Funds	\$989,050	49,453
General Partner Contribution	<u>\$100</u>	<u>5</u>
Total Sources	\$3,884,717	194,236

City of Visalia Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 10

Agenda Item Wording: Public Hearing on the Five Year Implementation Plan (2009-14) for the Community Redevelopment Agency of the City of Visalia for; Adoption of Resolutions relating to use of the Redevelopment Funds and Loan for Payment of State Take-away Funds.

Deadline for Action: June 30, 2010

Submitting Department: Housing and Economic Development

Contact Name and Phone Number: Ricardo Noguera Housing and Economic Development Director, 713-4190; Ruth Peña, Financial Analyst, 713-4327

Department Recommendation: Staff recommends the following:

1. Agency Board, upon holding a public hearing to receive testimony, approve the Five Year Implementation Plan for 2009/10 through 2013/14 for the use of redevelopment funds;
2. Provide the interest free repayment of Low/moderate Income Housing Funds (LMIHF) from Redevelopment General Funds to cover the required County Supplemental Educational Revenue Augmentation Funds (SERAF) State Take.

Summary/Background: The function of the Implementation Plan is in part to comply with the laws and statutes governing California Redevelopment Law (stated in the Health and Safety Code Sec. 33490) and to act as a guide to the Community Redevelopment Agency of the City of Visalia for use of the Agency's tax increment funds including the Low and Moderate income funds over the next five years. This is the fourth Implementation Plan prepared by the Redevelopment Agency. The first Implementation Plan was prepared in 1994, updated in 1997, 1999 and 2005, and a Mid-Term Update was completed in 2008. Plans are required every five years with mid-term reports required every 2 ½ years.

Public Hearing Requirement: The purpose of the Public Hearing is to allow citizens the opportunity to provide comments on the proposed Five Year Implementation Plan. Upon close of the public hearing, the Council may consider the testimony presented and take actions toward the adoption of the Implementation Plan. The approval may be based on the Implementation Plan as submitted, or with changes to the draft, and adopt as amended.

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.):10

Review:

Dept. Head _____
(Initials & date required)

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

City Mgr _____
(Initials Required)

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

Financial Capacity for Future Projects: The East, Downtown and Mooney redevelopment regular areas (80% funds) are at or beyond their financial capacities and are primarily paying down existing debt. This means that unless the Agency amends the redevelopment plans and extends the period to incur debt, no new debt can be issued to support new projects and programs. Aside from operating costs and annual contributions to the Property Based Improvement District (PBID), there is limited money available to support new projects in either Downtown or East Project areas.

Table 1 - Summary of Project Areas Non-Housing Cash Flow

	2009-10	2010-11	2011-12	2012-13	2013-14
DOWNTOWN					
Beginning Fund Cash Balance	1,196,000	1,191,400	1,050,800	848,700	653,600
Net Tax Increment Revenue	172,400	172,400	178,600	186,600	194,600
Debt Payments ¹	(110,000)	(119,000)	(119,000)	(119,000)	(119,000)
Administration and Planning	(67,000)	(69,000)	(70,000)	(71,000)	(73,000)
Projects and Programs	-	(125,000)	(191,700)	(191,700)	(191,700)
Ending Fund Balance	1,191,400	1,050,800	848,700	653,600	464,500
EAST					
Beginning Fund Cash Balance	-	1,000	1,000	1,000	1,000
Net Tax Increment Revenue	769,600	764,600	822,200	886,600	949,800
Debt Payments ²	(652,600)	(645,600)	(699,200)	(760,600)	(819,800)
Administration and Planning	(116,000)	(119,000)	(123,000)	(126,000)	(130,000)
Projects and Programs	-	-	-	-	-
Ending Fund Balance	1,000	1,000	1,000	1,000	1,000
MOONEY					
Beginning Fund Cash Balance	6,807,000	6,794,400	6,651,800	6,565,400	6,508,400
Net Tax Increment Revenue	854,400	852,400	883,600	919,000	951,600
Debt Payments ³	(563,000)	(656,000)	(656,000)	(656,000)	(677,000)
Administration and Planning	(304,000)	(309,000)	(314,000)	(320,000)	(329,000)
Projects and Programs	-	(30,000)	-	-	-
Ending Fund Balance	6,794,400	6,651,800	6,565,400	6,508,400	6,454,000
CENTRAL					
Beginning Fund Cash Balance	5,983,000	5,650,000	3,853,000	2,534,400	1,262,400
Net Tax Increment Revenue	721,000	724,000	770,400	819,000	872,400
Debt Payments ⁴	(869,000)	(959,000)	(525,000)	(525,000)	(525,000)
Administration and Planning	(185,000)	(187,000)	(189,000)	(191,000)	(197,000)
Projects and Programs	-	(1,375,000)	(1,375,000)	(1,375,000)	(1,375,000)
Ending Fund Balance	5,650,000	3,853,000	2,534,400	1,262,400	37,800

- 1 Downtown – The Stockmen’s Bank Loan was made to the Agency in 2002 for \$1.5 million. The Agency will make payments until 2019. In 2010-11, the area will begin paying \$9,000 per year towards the five-year loan for borrowing LMIHF to pay the SERAF.
- 2 East – The Bond Debt Service is for the 2003 Tax Allocation Bonds; payments will continue through 2026. The City loan payment amounts may vary from year to year and are repaid as net tax increment becomes available. The area is unable to make payments for the SERAF.
- 3 Mooney – The Stockmen’s Bank Loan for \$4.6 million was used to refinance a previous tax allocation bond for the Mooney and Central Project Areas; payment will end in 2028. The Citizen’s bank loan was made in 2007 for \$6.2 million. In 2010-11, the area will begin paying \$93,000 per year towards the five-year loan for borrowing LMIHF to pay the SERAF.
- 4 Central – The Stockmen’s Bank Loan for \$4.6 million was used to refinance a previous tax allocation bond for the Mooney and Central Project Areas; payment will end in 2028. In 2009 the General Fund loaned Central an amount of \$3.5 million to be paid back by 2040. In 2010-11, the area will begin paying \$195,000 per year towards the five-year loan for borrowing LMIHF to pay the SERAF.

Table 1 provides a summary of the five-year cash flow for all four Project Areas. The net tax increment revenue is the total tax increment less deposits to the LMIHF (20% funds), property tax administration fees, and tax sharing payments (pass-throughs). The expenditures include required debt payments, administration/planning costs, and projects/programs.

The Downtown, Central and Mooney areas are considered financially stable since they are projected to meet their operating obligations over the term of their lives. Refer to Tables 3, 5 and 6 in the Five Year Implementation Plan for 2009-10 through 2013-14 for a detailed analysis of all revenues and expenditures in the three areas.

Unfortunately, the financial condition for East is not as favorable. Due to the loan from the General Fund to purchase properties, the East is not expected to have revenues for projects or programs for the foreseeable future. Refer to Table 2 in the Five Year Implementation Plan for 2009/10 through 2013/14. All available revenues will be used to repay the General Fund.

Supplemental Educational Revenue Augmentation Funds: Due to the State's effort to balance the FY 2009-10 State Budget, the legislators and the Governor approved budget bill ABX4-26 which authorized a take of \$2.05 billion from statewide local redevelopment funds, including \$1.7 billion in FY 2009-10 and \$350 million FY 2010-11, to be paid to the County Supplemental Educational Revenue Augmentation Funds (SERAF).

Under ABx4-26, the Redevelopment Agency of the City of Visalia is required to make a payment of approximately \$2.6 million, with \$2.2 million by May 10, 2010 (already paid) and \$435,000 by May 10, 2011. ABX4-26 provides that an agency may use certain funds allocable to the Low and Moderate Income Housing Fund (LMIHF) to make such payments, however those amounts are required to be repaid by the end of the fifth fiscal year in which the borrowing occurs or be subject to a 30 percent housing set-aside mandate for the remaining life of the Redevelopment Areas.

In October 2009, the California Redevelopment Association ("CRA") filed a lawsuit challenging the SERAF payments, however, on May 4, 2010, Sacramento Superior Court Judge Lloyd Connelly ruled in favor of the State. Although the CRA intends to appeal, this Five-Year Implementation Plan assumes that the SERAF payments will be made. In fact the first payment of \$2.2 million was paid by the City's Agency to the County on May 10, 2010.

Due to the variety of existing financial commitments, the initial payment will be primarily derived from the LMIHF to be repaid within 5 years. Table 2 illustrates the initial payment and subsequent repayment plan.

Project Area	Payment				Repayment	
	2009-10 Non-Housing Funds	2009-10 Housing Funds	2010-11 Non-Housing Funds	2010-11 Housing Funds	Total Housing Fund Repayment Amount ²	Housing Fund Repayment Term
Downtown	\$ -	\$ 44,792	\$ -	\$ -	\$ 45,000	2010-11 to 2014-15
East Visalia	\$ -	\$ 296,334	\$ -	\$ -	N/A ³	N/A
Mooney Boulevard	\$ -	\$ 463,008	\$ -	\$ -	\$ 465,000	2010-11 to 2014-15
Central Visalia	\$ 691,274	\$ 677,105	\$ 434,503	\$ -	\$ 975,000	2010-11 to 2014-15
Totals	\$ 691,274	\$ 1,481,239	\$ 434,503	\$ -	\$ 1,485,000	

¹ Payments described will be carried out in accordance with State law as required. Pending appeal of CRA lawsuit may alter these payments, however this Plan assumes all payments will be made as originally determined in Assembly Bill 26-4X.

² Figures rounded

³ East Visalia is unable to repay the Housing Fund, these funds will be replaced through tax increment generated by the Central Visalia Project Area instead.

Source: Fraser & Associates

The Redevelopment Agency is proposing to not charge any interest on the repayment to the LMIHF since all funds are derived within the Agency. The rationale is that the Agency is using

RDA Low/Mod funds to front, not what would be considered a loan, but is actually a take from RDA in general. There is no requirement in the California Redevelopment Law that requires the Agency to charge interest from the same entity fronting funds for a component within the same agency; i.e. 80% funds borrowing from Low/Mod.

Implementation Plan Goals: The Redevelopment Plans for the Project Areas establish a variety of goals for redevelopment of each project area. The following goals frame the objectives for the Implementation Plan:

- Eliminate Blight
- Protect and Enhance Community Character
- Create a Stronger Local Economy
- Improve Public Infrastructure and Services
- Use Land Wisely
- Affordable Housing for All Families

Recent Redevelopment Accomplishments: During the last five years, the Agency has provided funding for several beneficial projects and programs in the Project Areas.

East Downtown Site Assembly – Through a financing arrangement with the City, the Agency has acquired more than 30 acres of land from Tipton Street to Ben Maddox Avenue and from Goshen Avenue to Mill Creek. These properties will serve as the foundation for a new Civic Center complex, a public safety facility, two parks, and a privately developed mixed-use community.

Downtown Parking – Over the past seven years, the City has constructed two parking structures along Acequia Avenue. The East garage contains more than 400 parking spaces and supports the Convention Center, Comfort Inn Suites, City Hall East, Regal Cinemas Theater, and several shops in the area. The West garage opened in 2007 and supports the hospital and several offices and shops along Main and Center Streets with more than 700 spaces. The Agency provided partial funding for these projects.

Downtown Traffic Study – The Agency funded this study to provide circulation and traffic projections in Downtown to use for long-term planning purposes.

Proposed Future Non-Housing Redevelopment Activities: Over the next five years, the Agency plans to implement the following non-housing redevelopment projects and programs.

Infrastructure Support for Upper Floor Conversions Downtown – The Downtown and Central Project Areas have several two and three-story older buildings that can potentially be converted to support residential units. Since the Downtown does not have adequate infrastructure to support more intense activities, the Agency may consider participation in financing infrastructure and utility improvements to facilitate the conversion of upper floors to support residential units.

Downtown Lighting – The current lighting system in the Downtown and Central Project Areas is antiquated and inefficient. Brighter lights are needed in order to enhance Downtown's vibrancy by attracting more patrons and potential tenants to the area as well as deter crime. The City is currently exploring different mechanisms to either replace or upgrade the lighting system.

Marketing of Mooney Boulevard – The Agency may assist with site assemblage and marketing strategies enabling property owners, brokers, and retailers to fill existing vacant spaces along the Mooney Boulevard Project Area. The Agency may also provide funding for infrastructure improvements.

Mooney Boulevard Zoning Study – A study is underway to consider either rezoning or modifying existing zoning to support retailers that are not currently permitted along Mooney Boulevard and address dated zoning standards.

Downtown Parking – The City and Agency continue to look for opportunities to acquire parking lots and to finance parking structures through private/public ventures in the Central Project Area.

Housing Compliance Plan: The Housing and Compliance section of the plan contains an update to the Ten Year Affordability Housing Compliance Plan (Compliance Plan). The next five years 2009-10 through 2013-14, represent the second half of the current ten year compliance plan period. The Compliance Plan also presents an affordable housing production plan for the next five years, the first five years of the next Compliance Plan period (2013-14 through 2018-19), and over the life of the Redevelopment Plans. Additionally, this Compliance Plan sets forth the Agency's program for ensuring that the appropriate number of very low, low, and moderate income housing units will be produced as a result of new construction or substantial rehabilitation in the Project Areas and that the Agency's proposed expenditures of monies from the LMIHF are in compliance with the CRL.

Proposed Affordable Housing Activities: Over the next five years, the Agency plans to implement the following affordable housing projects and programs.

Paradise & Court – The Agency has partnered with Kaweah Management Company and VIAH, Inc. to purchase, rehabilitate and construct twenty (20) rental housing units for low-income families (11 consist of rehabilitated units and 9 new units to be constructed) located in the Central Redevelopment Project Area. The City has allocated a total of \$1 million toward the acquisition, rehabilitation and construction of the units. The two funding sources include: \$500,000 HOME CHDO funds and \$500,000 LMIHF funds. This project represents an infill development with the first 11 units rehabilitated and the construction of the 9 remaining units awaiting funding consideration by tax credits.

Kaweah Triplex Foreclosure Project – The Agency will assist Kaweah Management, a non-profit arm of the Housing Authority, with a \$480,000 loan to assist with the new construction of six low income restricted units in the Washington School Neighborhood.

Former Caltrans Site Multi-Family Development Project – The Agency will consider development of a 4-acre former Caltrans site which is suitable for a moderately sized intergenerational housing development. The Agency anticipates it will use approximately \$4 million to develop a mixture of senior, work force family housing and income restrictive live/work units.

Senior Affordable Housing – With a growing and aging population in Visalia, the Agency will consider development of another senior affordable housing development within Downtown.

Live/Work Development – The Agency will consider development of a moderate-income (up to 120% of the area median income) housing complex which can support entrepreneurs, professionals and artists who have home-based businesses which are being launched. This includes: internet-based companies; professional office companies which require a minimal number of visitors; and artists such as visual and performing within the Downtown area.

Habitat for Humanity Homes – The Agency proposes to reserve approximately \$250,000 of LMIHF annually to purchase foreclosed homes and complete rehabilitation with Habitat for Humanity before reselling to very low-income buyers. Depending on the ongoing foreclosure

crisis, Habitat may also return to purchasing vacant parcels and constructing new homes as in the past.

Housing Production: Pursuant to Section 33413(b) of the CRL not less than 15 percent of the units produced by persons or entities other than the Agency must be affordable to low and moderate income households and not less than 40 percent of the required affordable units must be restricted for very low income households.

Past Production Activity – From the plan inception through June 30, 2004, 247 total units were produced and of these, 62 were required to be low/moderate and very low. As a result, 132 more low and moderate income restricted units and 53 more very low income restricted units were built in the Project Areas than required by the CRL. Therefore, for the past five years, the Agency has already fulfilled its affordability requirements.

Current Compliance Period Production – In the next five year period (2009-10 to 2013-14), it is projected that the Agency will have produced a surplus of 90.5 low and moderate income restricted units and 112 very low income restricted units.

Future Production –The cumulative surpluses of inclusionary units through 2013-14 are so great that they will more than make up for the inclusionary housing unit need generated from development that occurs from 2014-15 through the end of the effective lives of the Redevelopment Plans. It is projected that there will remain a surplus of 194.5 low and moderate income units and 146 very low income restricted units at the expiration of the Redevelopment Plans in 2030.

Prior Council/Board Actions:

- Approval of 2005-2010 Implementation Plan - Update, November 2008
- Approval of 2005-2010 Implementation Plan, February 2005
- Approval of 1999-2004 Implementation Plan, December 1999
- Approval of 1994-1999 Implementation Plan - Update, 1997
- Approval of 1994-1999 Implementation Plan, 1994

Committee/Commission Review and Actions:

Alternatives: None recommended.

Attachments

- Resolution RDA No. 2010-01
- Resolution RDA No. 2010-02
- 2009/10 – 2014/15 Implementation Plan

Recommended Motion (and Alternative Motions if expected): Upon completion of a Public Hearing, move to approve the 2009/10 – 2014/15 Implementation Plan and to not charge interest on the SERAF prepayment to the LMIHF.

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)*

RESOLUTION RDA NO. 2010-01

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPROVING THE 2009-14 FIVE-YEAR IMPLEMENTATION PLAN FOR THE AGENCY'S DOWNTOWN, EAST VISALIA, MOONEY BOULEVARD, AND CENTRAL REDEVELOPMENT PROJECT AREAS.

WHEREAS, Section 33490(a)(1)(A) of the California Community Redevelopment Law, Health and Safety Code 33000 et.seq. ("Law") requires all redevelopment agencies to adopt an Implementation Plan every five years, following a duly noticed public hearing; and

WHEREAS, Section 33490(a)(1)(A) of the Law requires that the Implementation Plan contain the specific goals and objectives of the agency for the project areas, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project areas and implement the requirements of Sections 33334.2, 33334.4, 33334.6, and 33413 of Law; and

WHEREAS, Section 33490(c) of the Law requires all redevelopment agencies to conduct a public hearing and hear testimony from all interested parties for the purpose of reviewing and commenting on the Implementation Plan(s) at least once during the five-year term of the Implementation Plan, following a duly noticed public hearing; and

WHEREAS, pursuant to Section 33490 of the Law, the Redevelopment Agency of the City of Visalia ("Agency") adopted a Five-Year Implementation Plan on December 16, 2004, including a Ten Year Affordable Housing Compliance Plan for the Downtown, East Visalia, Mooney Boulevard, and Central Redevelopment Projects; and

WHEREAS, Section 33413(b)(2)(A)(v) authorizes the Agency to aggregate new or substantially rehabilitated dwelling units in one or more project areas if the Agency finds, based on substantial evidence, after a public hearing, that the aggregation will not cause or exacerbate racial, ethnic or economic segregation; and

WHEREAS, the Agency has conducted, a duly noticed public hearing on June 21, 2010, and

WHEREAS, Agency staff has determined review of the Implementation Plan and the finding for aggregation of new and substantially rehabilitated dwelling units is exempt from review under the California Environmental Quality Act (California Public Resources Code Section 2100 et seq.) ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3), because it can be seen with certainty that there is no possibility that the review of the Implementation Plan will have a physical effect on the environment.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA AS FOLLOWS:

SECTION 1. The Agency hereby approves the 2009-14 Five-Year Implementation Plan and Housing Compliance Plan for the Downtown, East Visalia, Mooney Boulevard, and Central Redevelopment Projects, attached herewith as Exhibit A.

SECTION 2. In accordance with California Health and Safety Code Section 33413(b)(2)(A)(v), the Agency finds that the aggregation of new or substantially rehabilitated dwelling units amongst the Downtown, East Visalia, Mooney Boulevard, and Cental Redevelopment Projects will not cause or exacerbate racial, ethnic or economic segregation.

SECTION 3. The approval of the 2009-14 Implementation Plan and the finding for aggregation of new and substantially rehabilitated dwelling units in one or more project areas does not constitute approval of an specific program, project, or expenditure, and does not change the need to obtain any required approval of a specific program, project, or expenditure from the Agency or the City.

I, Steve Salomon, Executive Director/City Clerk of the of the City of Visalia Redevelopment Agency, hereby certify that the foregoing Resolution No. _____ was duly and regularly passed and adopted by the Governing Board of the Redevelopment Agency of the City of Visalia at a meeting thereof held on the 21st day of June 2010, and that the foregoing is a full and correct copy of said resolution.

Executive Director/City Clerk

PASSED AND ADOPTED this 21st day of June, 2010, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

Chairperson

ATTEST:

Steve Salomon, Executive Director/City Clerk

RESOLUTION RDA NO. 2010-02

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPROVING A LOAN FROM THE HOUSING FUNDS TO ENABLE THE AGENCY TO MAKE ITS 2009-10 FISCAL YEAR SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION PAYMENT.

WHEREAS, pursuant to section 33334.2 of the California Health & Safety Code (the "Code"), the Redevelopment Agency of the City Of Visalia has established a Low and Moderate Income Housing Fund (the "Housing Fund"); and

WHEREAS, pursuant to section 33690 of the Code, for the 2009-10 fiscal year the Agency is required to make a payment to the Tulare County's Supplemental Educational Revenue Augmentation Fund in an amount determined to be \$2,172,513 (the "SERAF Payment"); and

WHEREAS, section 33690 permits the Agency to borrow said amount from the Housing Fund in order to make the SERAF Payment;

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA DOES RESOLVE AS FOLLOWS:

SECTION 1. The Agency hereby finds that:

- (a) There are insufficient other moneys to make the SERAF Payment, in that other moneys are budgeted for ongoing projects and Agency activities, including the obligation to repay existing debts.
- (b) No executed contracts would be impaired by a reduction in the amount allocated to the Housing Fund and/or in the amount of moneys presently in the Housing Fund, in that there will be sufficient remaining moneys in the Housing Fund to complete all projects which are the subject of existing contracts.

SECTION 2. The Agency hereby approves the borrowing of \$1,481,239 from the Housing Fund in order for the Agency to make the SERAF Payment, with no interest to accrue on such loan, and with the full amount to be repaid not later than June 30, 2015.

SECTION 3. The Executive Director is authorized and directed to execute the Promissory Note attached hereto, and to take such other actions as may be necessary to effectuate the purposes hereof.

SECTION 4. The Agency Secretary shall certify to the adoption of this Resolution.

I, Steve Salomon, Executive Director/City Clerk of the of the City of Visalia, hereby certify that the foregoing Resolution No. _____ was duly and regularly passed and adopted by the Governing Board of the Redevelopment Agency of the City of Visalia at a meeting thereof held on the 21st day of June 2010, and that the foregoing is a full and correct copy of said resolution.

Executive Director/City Clerk

PASSED AND ADOPTED this 21st day of June, 2010, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Steve Salomon, Executive Director/City Clerk

City of Visalia Agenda Item Transmittal

Meeting Date: June 21, 2010

Agenda Item Number (Assigned by City Clerk): 11

Agenda Item Wording: Discussion of the City of Visalia 2010-11/2011-12 multi-year budget

Deadline for Action: June 30, 2010

Submitting Department: Administration / Finance Division

Contact Name and Phone Number:

Eric Frost, 713-4474
Renee Nagel, 713-4375

Department Recommendation:

That the City Council on June 21, 2010:

- receive the draft Fiscal Year 2010/11 and 2011/12 Budget;
- listen to the staff financial presentation; and,
- direct questions to staff as appropriate.

Staff proposes that the budget discussion then be adjourned to June 28, 2010, as which time staff recommends that the City Council:

- further review the City's budget;
- conduct a required budget public hearing;
- approve, if appropriate, the recertified City Manager's Measure T budget for FY 2010/11;
- approve, if appropriate, the Prop. 4 Gann Limit for expenditures; and,
- approve, if appropriate, the City and Redevelopment Fiscal Year 2010/11 and 2011/12 Budgets.

Discussion:

The City Council has been discussing the City's budget for sometime in reviewing capital expenditures and understanding employee costs. The proposed budget is to be distributed on June 21, 2010 with a public hearing to be held on June 28, 2010.

The Council will have discussed the capital budget at their April 12, May 3, 17 and June 7, 2010 Council meetings. In addition, the Council has discussed employee costs and pensions at their June 7, 2010 meeting.

For action by:

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

For placement on which agenda:

Work Session
 Closed Session

Regular Session:

Consent Calendar
 Regular Item
 Public Hearing

Est. Time (Min.): 30

Review:

Dept. Head _____
(Initials & date required)

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

City Mgr _____
(Initials Required)

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

The proposal is that Council receives the budget at the June 21st meeting and hear management's presentation. The following week, the Council would conduct a public hearing on the budget, receive answers to Council's questions, and consider adopting the budget. At the June 28th meeting, the Council has several choices, namely:

- Adopt the budget without reservation;
- Adopt the budget but direct staff to return with certain parts of the budget for further review; or,
- Continue the budget hearings into July.

Staff recommends that the Council consider adopting a budget to comply with the Charter requirements. However, if Council is concerned or desires further discussion of the budget, further hearings could be scheduled in July.

Finally, the Visalia Charter states that any regularly scheduled meeting the City Council may make changes to the adopted budget. That being the case, Council has the ability to reshape the budget as it sees fit throughout the year.

The appropriation breakdown for all the funds is \$199,696,500 for 2010/11 and \$191,617,670 for 2011/12, as shown on Table I, Proposed Appropriations

<u>Fund Type</u>	<u>2010-11 Appropriation</u>	<u>2011-12 Appropriation</u>
General Fund (<i>Police, Fire, General Government</i>)	\$55,854,740	\$55,930,880
Capital Projects Fund (<i>Transportation, Impact Fees</i>)	12,134,130	10,356,390
Special Revenue Funds (<i>RDA, CDBG, Police & Fire Sales Tax (Measure T)</i>)	36,776,900	25,444,540
Debt Service Funds (<i>RDA debt, 1996A&B debt, Los Rios</i>)	65,440	64,500
Business-Type Funds (<i>Wastewater, Airport, Golf</i>)	93,361,190	98,893,250
Internal Service Funds (<i>MIS, Fleet, Risk</i>)	1,427,960	1,004,250
Total	<u>\$199,696,500</u>	<u>\$191,617,670</u>

In addition, the Redevelopment Agency proposes to spend the following amounts in Table II, Redevelopment Appropriations:

<u>Fund Type</u>	<u>2008-09 Appropriation</u>	<u>2009-10 Appropriation</u>
Special Revenue Funds (<i>East, Mooney, Downtown, Central, Low/Mod. and Revolving Funds</i>)	\$7,583,700	\$7,464,760
Debt Service (<i>East RDA Bond</i>)	0	0
Total	<u>\$7,583,700</u>	<u>\$7,464,760</u>

Redevelopment's appropriations are included in the overall budget. However, the Redevelopment Agency is a separate legal entity and will need to have a separate approval for its own budget.

What is unique about this budget is that almost half of the budget is devoted to the City's enterprises or business-like funds. This is solely due to the Waste Water Treatment Plant's tertiary treatment and water recharge project. Without that project, the budget would be \$80,000,000 less over the two years.

A more extensive analysis is presented in the City Manager's transmittal letter. Staff will also more fully explain the budget at the June 21st Council meeting.

Prior Council Actions: The Council conducted work sessions on part of the budget on April 12, May 3, 17 and June 7.

Committee/Commission Review and Actions: The CAC approved the Measure T certification on June 2, 2010.

Recommended Motion (and Alternative Motions if expected):
That the City Council receive the budget and staff presentation and adjourn the meeting to June 28, 2010 to further consider the City's budget.

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)*