

**MINUTES OF THE WILLOWS CITY COUNCIL MEETING HELD April 12, 2011**

1. The meeting was called to order at 7:02 p.m. by Mayor Hansen.
2. **PLEDGE OF ALLEGIANCE:** Fire Chief Peabody led the Pledge of Allegiance.
3. **ROLL CALL:**  
Present: Yoder, Cobb, Hobbs, Holvik & Hansen  
Absent: None
4. **Agenda Review:**
  - a. It was **moved** by Council Member Yoder and **seconded** by Council Member Cobb to accept the City Council April 12, 2011, Agenda as presented. The motion unanimously passed.
5. **Presentations & Proclamations:**
  - a. Mayor Hansen presented a Proclamation declaring the month of April as "Sexual Assault Awareness Month" and presented the Proclamation to Karen Alves of the Rape Crisis Intervention & Prevention center.
6. **Oral and Written Communications/Public Comment:** None
7. **Consent Agenda:**

It was **moved** by Council Member Yoder and **seconded** by Council Member Holvik to approve the Consent Agenda as presented. The motion unanimously passed and the following items were approved/adopted:

- a) Approval of General Check Register (22906-22992).
  - b) Approval of Payroll & Direct Deposit Check Registers (Z02410-Z02448 & 31158-31184).
  - c) Approval of the March 22, 2011, City Council Meeting Minutes.
  - d) Authorize the Fire Chief to accept the 2010 Assistance to Firefighter Grant EMW-2010-FO-00959.
8. **Public Hearings:**
    - a) Conduct Public Hearing to receive input regarding possible CDBG Grant Projects.

Annually the City is required to conduct a public hearing to obtain public input in order to make a decision regarding applications for Community Development Block Grant (CDBG) funds. This public hearing is for the CDBG funds the City may apply for during the remainder of the 2010/11 fiscal year.

Grant projects from the General Allocation may be funded in accordance with the attached Funding Guidelines commentary up to \$800,000. In addition, Grants up to \$70,000 per year for project specific planning or \$35,000 for non project specific planning from both the General and Economic Development Planning and Technical Assistance allocation, up to a maximum of \$140,000. Planning and Technical Assistance allocation may be awarded and do not count toward the \$800,000 cap.

The major activity categories are General, Economic Development, and Planning and Technical Assistance; Housing - New Construction; Housing - Acquisition; Housing - Rehabilitation; Community Facilities/Public Services; Public Works; and Economic Development. Projects funded with CDBG funds must carry out at least one of the three National objectives as follows: Benefit to Targeted Income Group persons, elimination of slums and blight, and emergency and urgent need.

The city anticipates applying for up to the maximum grant amount of \$800,000 under the General and Economic Development components, if said funds become available, as well as the maximum grant amount of \$140,000 from the General and Economic Development Planning and Technical Assistance components. If an appropriate qualifying project arises, the City may also apply under the State Over-The Counter Economic Development Program for up to \$2,500,000 in funding for project specific, job creations or maintenance business assistance financing.

This Public Hearing is merely for general input only and no Council action is required other than to conduct the hearing, but if a feasible application should arise, another Public Hearing would be scheduled for a specific application.

Mayor Hansen opened the Public Hearing at 7:12 p.m. and hearing no comments, subsequently closed the Public Hearing at 7:12 p.m.

9. **Ordinances:** None
10. **Items introduced by City Council or Administrative Staff for discussion purposes only (Including Economic Development Updates, if any):** None
11. **New Business:**
  - a. Review and consider acceptance of the General Plan Annual Progress Report and direct Staff to forward the report to the Governor's Office of Planning and Research and the State Department of Housing and Community Development:

Annually, the preparation of a General Plan Progress report is required which reports the efforts within the Housing Element that remove governmental constraints to the maintenance, improvement, and development of housing, and the status of implementation of these programs. Additionally the report includes the Regional Housing Needs Assessment (RHNA) numbers and where the City stands with meeting these numbers. (RHNA planning period covers from January 1, 2007 to June 30, 2014).

The 2009-2014 Housing Element was adopted by the City Council on June 8, 2010. The Element was certified as adequate by the State Department of Housing and Community Development (HCD) on September 9, 2010. The City now has an adopted and certified updated Housing Element which outlines the City's plan to meet the Regional Housing Needs Allocation for the anticipated future housing needs for all income groups. Affordability levels for the City of Willows is based upon Glenn County income limit information (adjusted for household size) provided by HCD each year. In Glenn County, the 2010 income limits are based upon a median income of \$33,780 for a family of four. Willows' fair share housing allocation represents 37 percent of Glenn County's total housing allocation needs. This median income figure has not changed for 2011. The report being presented includes the unit count of new housing produced during the calendar years from 2007 to 2011 and provides a ten-year overview of building permit issuance.

This report was introduced to the Planning Commission at their April 6 meeting and the Commission made no recommended changes to the report and asked that the report be presented to the City Council for approval of submission to HCD.

Council discussion ensued and one important item of note was that Council Member Hobbs pointed out that there appeared to be a few possible discrepancies on the RHNA Report on page 4 and she simply asked that the numbers either be verified as correct, or corrected if need be, prior to submission of the report to HCD.

Forrest Sprague of the audience shared his comments in opposition not only to the annual report, but to the whole of the City's adopted Housing Element and he stated he has always been opposed to the adoption of the most recent Housing Element. He made accusations that the City Council and Staff were deliberately misleading the State and City constituents regarding the zoning of a vacant lot at the corner of Elm and Merrill streets. Mayor Hansen thanked Mr. Sprague for his comments. Once discussions ceased, it was by unanimous consensus of the Council to accept the Annual Report and to submit the Report to HCD, with any necessary corrections to the numbers on page four of the report as earlier pointed out by Council Member Hobbs.

b. Sales Tax Audit Service:

- 1) Consider approval of a contract with Hinderliter, DeLlamas and Associates (HDO) to provide Sales Tax Audit Services &
- 2) Consider adoption of a Resolution authorizing examination of sales, use and transaction tax records.

Following Council's direction from the most recent Special Budget Meeting to pursue sales tax audit services, Staff contacted Hinderliter, DeLlamas and Associates (HDL) to seek said services. Before the Council this evening is the resulting Agreement for Sales and Use Tax Audit and Information Services. Finance Director Tim Sailsbery stated that he wanted to clarify that the purpose of this audit is to ensure that the sales tax that is collected is being properly allocated to the jurisdiction that it should be going to – in this case, the City of Willows. The primary focus of what HDL is going to do is to take a look at the jurisdictional boundaries of the City of Willows, and the businesses located within those jurisdictional boundaries, and ensure

that the sales tax being collected is being committed and allocated back to the City. There seems to be some misconception that HDL will be going door-to-door to each individual business and thoroughly examining their records and he wanted to stress that is not the focus of the situation. HDL may run into a situation where they see the City as a secondary concept of what they are doing. If they have an individual business situation, HDL would need to contact Staff and seek specific permission to contact the business in that situation. Mr. Sailsbery stated that he just wanted to put to ease some of the misconceptions that have been going around about what will specifically be taking place.

Secondarily, within the contract HDL does provide an ongoing software monitoring package which is a database that summarizes by category and by industry, sales tax trends for businesses within the City. Even though at this time this is something that is offered, the City can separately agree to that at a later date. Staff would first like to see the results of the audit, as well as speak to other jurisdictions utilizing this database about the value and benefits of that particular product. So while that provision is in the contract, it is something that the Council could ultimately approve at a later point in time, but we are not bound to do so by approving the contract this evening.

HDL's examination will be based on primary resources such as the City's Jurisdictional boundaries, business license records, and the Board of Equalization, rather than individual businesses. HDL will not be visiting individual businesses without prior approval from the Council to do so. Mr. Sailsbery concluded his statements by requesting two separate motions from the Council – one to approve the contract with HDL and the other to adopt the Resolution authorizing examination of sales, use and transaction tax records.

Brief Council discussion ensued and it was **moved** by Council Member Holvik and **seconded** by Council Member Yoder to approve the contract with Hinderliter, DeLlamas and Associates to provide Sales Tax Audit Services for the City. The motion unanimously passed. It was then **moved** by Council Member Hobbs and **seconded** by Council Member Yoder to adopt a Resolution authorizing examination of sales, use and transaction tax records. The motion unanimously passed.

- c. Consider approval of the City of Willows Weed Abatement Contract and authorize staff to solicit bids for an abatement contractor for the 2011/2012 weed abatement season.

In December of 2010 the City Council appointed a subcommittee to review the existing Weed Abatement program and processes. The subcommittee consisted of Council Members Holvik and Cobb, the City Attorney, the Fire Chief and the City Manager. After review of the existing program and reviewing optional programs from surrounding communities, the subcommittee determined that there were opportunities for improving the current processes and procedures. Therefore, a new contract, with provisions similar to those utilized by neighboring jurisdictions, was comprehensively reviewed by the subcommittee and the final draft is being recommended for approval. Additionally, staff is seeking approval to commence soliciting bids for the 2011/2012 Weed Abatement season if the contract is approved.

Council discussion ensued and all Council Members were in agreement that the new contract is a definite step in the right direction and it tightened up some of the loopholes in the previously utilized contract. There was a question raised whether or not the Contractor would be required to be licensed, to which the response was no, they did not need to be a licensed Contractor, however, they did need to provide the required insurance documents as outlined in the contract. Mayor Hansen commended the efforts of the subcommittee and thanked them for their extensive review and the recommended changes to the contract. It was then **moved** by Council Member Yoder and **seconded** by Council Member Cobb to approve the City of Willows Weed Abatement Contract, including all exhibits, attachments and schedules and to allow staff to solicit bids for the abatement contractor for the 2011/2012 Weed Abatement season. The motion unanimously passed.

- d. Consider adoption of a Resolution approving the Police Department's application for a grant with the U.S. Department of Justice, Office of Justice Programs, and if successful, to authorize the Chief of Police to enter into an agreement for the execution of such grant.

Police Chief Spears is seeking Council approval to seek a grant to address the issue of domestic violence. The grant is for a period of two years and there are no match requirements on the part of grant participants. Additionally there are no retention requirements or encumbrances on the part of the City or any of the grant participants beyond the life of the grant itself. The grant is for \$300,000 over the two year period. The only mandate is that the grant funds can not be used to supplant city expenditures.

The grant is designed to address domestic violence through several distinct approaches for a two year period. They are as follows:

- Full-time domestic violence Investigator with the Willows Police Department. The grant would pay full salary and benefits for two years. This investigator would work directly with the Glenn County District Attorney's Office, Orland Police Department and Glenn County Sheriff's Department on domestic violence cases.
- Part-time Deputy District Attorney for filing on complaints and trials of domestic violence cases within Glenn County.
- Support of an educational program for youth in domestic violence prevention through the Glenn County Office of Education.

Chief Spears noted that in our case, if we had the grant for two years, the Finance Director pointed out to him that if the grant was no longer in effect after two years, there would be a potential for the layoff of an Investigator or an Officer and that the City would be facing the possibility of the payment of Unemployment insurance for the period of one year, which would amount to approximately \$26,000. It is Chief Spears' hope that in two years there will be an economic turn-around and the City could absorb that position into any future vacancies that may occur within the two years.

Council Member Cobb inquired whether the Investigator position would come from an Officer that is already on staff or if it is a new position. Chief Spears stated that the intent would be to

have it be promotional within the organization to an Investigator position. There is a specific provision within the grant regarding supplanting, therefore if you did move up an Officer off the street to fill the position, then there would be an obligation that you can't just do that as a conversion and leave a vacancy on the other end. In essence, at the end of two years if there is not funding or a matter of absorption, then the City would be looking specifically at a layoff situation if there is not a vacancy where that Officer could move back into the ranks.

Council Member Yoder inquired about when the application needs to be turned in. Chief Spears stated that it is due the following week but the Police Department wouldn't be looking for award of the grant until at least October if they were successful. Council Member Yoder stated that he had a concern with the new Fiscal Year's budget coming up, and the School District's indication that they do not intend to fund the School Resource Officer (SRO) position in the next Fiscal Year, and the Vehicle License Fees (VLF) monies that are potentially going to go away, the City is going to be faced with harsh budgetary cuts. He indicated that he is concerned with hiring and Investigator and then potentially laying off somebody else on the other end because of the VLF and the SRO monies no longer being available. The City can not use this position to offset losses in those other areas, so in essence it seems as though the City would have to lay somebody off and then hire somebody new. Chief Spears stated that should circumstances warrant, if the Police Department is awarded the grant, the City Council could always vote to deny the acceptance of the grant. Even though the Resolution before the Council states that the Council is allowing Chief Spears to proceed with the grant application, the Council would still have the option to deny the grant if it is awarded based on financial circumstances at the time in which the award of the grant would be made. Fellow Council Members agreed with Council Member Yoder's concerns, but all of the Council Members did agree that Domestic Violence crimes are a large part of Police work and applying for the grant would be beneficial. It was then **moved** by Council Member Yoder and **seconded** by Council Member Hobbs to adopt a Resolution allowing the Willows Police Department's application for a grant with the U.S. Department of Justice, Office of Justice Programs. The motion unanimously passed.

## **12. Council Member Reports:**

Council Member Yoder announced that the EDC Research subcommittee, consisting of himself and Council Member Hobbs, recently attended an Orland EDC meeting. Prior to their attending, he called the Orland EDC Chairman Gary Campbell and asked if they could sit in on the meeting and then get some information regarding EDC after the meeting was over. He stated that they got a lot of useful information but that at times he struggled to see the EDC part in some of the conversations during the meeting, however now in looking at it and doing some research through CALED (the California Association for Local Economic Development) he stated that he could then see the nexus between those conversations and with some of the issues the EDC was bringing up. The EDC is a mechanism to bring ideas and concerns to the City Council. He has also done research by looking at the cities of Corning, Colusa and Williams and although the Cities all have varying mechanisms to bring recommendations and concerns to the Council, the one common theme is that all of the Cities rely heavily on the Chamber of Commerce. He indicated that the subcommittee's next step will be to meet with the President of the local Chamber of Commerce. He stated that it is still too early for the research subcommittee to determine unequivocally whether there is a need to establish an EDC. He believes an EDC

would be beneficial, but he indicated that there is still a lot more research to be done with meeting with Community Leaders and members of businesses, and find out how the City would implement this, how the selection process would work, etc., and hopefully the subcommittee will come up with a positive end result.

Council Member Hobbs agreed with Council Member Yoder's assessment and added that she will be attending a 3Core meeting tomorrow, and she and Council Member Yoder will be scheduling a meeting with Marc Nemenic, the Executive Director of 3Core. Additionally, she and Council Member Yoder plan to attend a workshop on Thursday evening between the Orland City Council and the Orland EDC. She also expanded further on Council Member Yoder's statement that they plan to meet with Business Leaders in the community, stating that they are not quite to that stage yet, and she asked that the community and business leaders be patient because she and Council Member Yoder are very serious about researching this very carefully. She stated that before meeting with the Business Leaders, and they want to have as much information as possible and they still have a lot more research to do before that occurs.

Council Member Holvik stated that he appreciates the efforts of the subcommittee in their conducting thorough research on the EDC and although he believes they may be critiqued for going too slow, he believes it is critical for them to take their time and make sure that they conduct a precise study of all facets of the creation of an EDC.

Council Member Cobb and Mayor Hansen concurred with Council Member Holvik's comments and thanked the members of the subcommittee for their continued efforts.

Mayor Hansen stated that he participated as a food server for the Tip-a-Cop/Tip-a-VIP K-9 fundraiser recently held at the Old Hwy 99 Steakhouse and that he had a very good time.

13. **Executive Session:** None

14. **Adjournment:** Mayor Hansen adjourned the meeting at 8:07 p.m.

Dated: April 12, 2011

NATALIE BUTLER

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City Clerk

The City of Willows is an Equal Opportunity Provider