

CITY COUNCIL
Gary Hansen, Mayor
Vince Holvik, Vice Mayor
Jeff Cobb, Council Member
Sandie Hobbs, Council Member
Jim Yoder, Council Member



CITY MANAGER
Steve Holsinger

CITY CLERK
Natalie Butler

201 North Lassen Street
Willows, CA 95988
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SPECIAL CITY COUNCIL BUDGET MEETING AGENDA

Tuesday, May 17, 2011

5:30 p.m.

1. Call to Order - 5:30 p.m.
2. Pledge of Allegiance
3. Roll Call
4. **Agenda Review: (Requested Changes by Council or Staff)**
 - a.) Consider acceptance, by motion, of Special City Council Budget Meeting Agenda for May 17, 2011.
5. **PUBLIC COMMENT: PUBLIC COMMENTS ARE RESTRICTED ONLY TO THOSE ITEMS LISTED ON THE AGENDA AND NO OTHER BUSINESS SHALL BE CONSIDERED BY THE LEGISLATIVE BODY Pursuant to Government Code §54956.**

FY 2011/2012 Budget Overview:

- Review of FY 2011/2012 proposed General Fund Budget.
 - Council review and discussion of alternative reductions in staffing and/or other methods to reduce the anticipated deficit.
 - Council review and discussion of City Hall Hours of Operation.
6. Adjourn no later than 6:30 p.m. to the Special City Council Meeting to convene at 7:00 p.m.

CERTIFICATION: Pursuant to Government Code §54954.2 (a), the agenda for this meeting was properly posted on or before May 12, 2011.

WILLOWS CITY COUNCIL SPECIAL MEETING AGENDA

Tuesday, May 17, 2011

7:00 p.m.

1. Call to Order - 7:00 p.m.
2. Pledge of Allegiance
3. Roll Call
4. **Agenda Review: (Requested Changes by Council or Staff)**
 - a.) Consider acceptance, by motion, of Special City Council Meeting Agenda for May 17, 2011.

5. **Consent Agenda:** Consent items are considered to be routine by the City Council and will be enacted in one motion. There will be no separate discussion on these items unless a Councilperson or citizen requests, in which event the item will be removed from the consent agenda.
 - a) Consider approval of Minutes of the Regular City Council Meeting held April 12, 2011.
 - b) Consider approval of Minutes of the Regular City Council Meeting held April 26, 2011.
 - c) Consider approval for the renewal of the 2011/2012 Contract for Services between the City of Willows and 3CORE, Inc.
 - d) Consider adoption of a Resolution extending the Professional Services Agreement with Wildan Engineering to provide General Planning & Environmental Services to the City of Willows throughout Fiscal Year 2011/2012.

6. **Public Hearings:** *(Persons wishing to speak on a Public Hearing item are asked to approach the microphone to address the Council and limit comments to three minutes. It is also requested that you please state your name for the record.)*
 - a) Conduct a Public Hearing and upon conclusion, by motion, consider adoption of a Resolution approving an application for funding & the execution of a grant agreement and any amendments thereto from the General Planning & Technical Assistance (PTA) allocation of the State CDBG program for a Senior Needs Assessment Study.
 - b) Conduct a Public Hearing and upon conclusion, by motion, consider adoption of a Resolution approving an application for funding & the execution of a grant agreement and any amendments thereto from the General Planning & Technical Assistance (PTA) allocation of the State CDBG program for a Tower Theater Commercial Renovation/Reuse & Revitalization Strategy.

7. **PUBLIC COMMENT:** PUBLIC COMMENTS ARE RESTRICTED ONLY TO THOSE ITEMS LISTED ON THE AGENDA AND NO OTHER BUSINESS SHALL BE CONSIDERED BY THE LEGISLATIVE BODY Pursuant to Government Code §54956.

8. **Adjournment:**

CERTIFICATION: Pursuant to Government Code §54954.2 (a), the agenda for this meeting was properly posted on May 12, 2011.

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City's website at www.cityofwillows.org.

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. The public should contact the City Clerk's office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

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CITY OF WILLOWS
2011/12
GENERAL FUND BUDGET UPDATE
STATUS @ 05/17/11

Revisions to General Fund Estimate from 3/30/11 Update- The 3/30/11 budget presentation noted several outside funding sources (non General Fund) that are utilized for operational purposes for the City. Sources that were potentially at risk of non-renewal were listed at that time. The original projects were developed under the concept that these sources would, however, be renewed.

Subsequently, City staff has been advised that the following funding sources should not be considered when developing budget projections:

Supplemental Law Enforcement Services Funding	\$100,000
WUSD School Resource Officer Funding	25,000
COPS-Booking Fee Subvention	<u>5,000 (est.)</u>
Total	\$130,000

(The booking fee subvention amount is actually greater than the \$5,000 listed, but the Police Chief had anticipated this and already included costs associated with booking fees in the original budget projection)

With the anticipated loss of these funding sources, which are used primarily for personnel costs associated with law enforcement services, absorption of these costs by the General Fund pushes the original deficit estimate of \$332,824 to \$462,824.

An updated General Fund recap is included on the following pages for your review.

Retirement Incentive Update- Following Council's direction to proceed with contract amendments with PERS to offer 2 years additional service credit for those willing to commit to retiring early in the 2011/12 fiscal year, we have received confirmation from 3 employees that they will be accepting the retirement offer. Please note that the process of contract amendment will take a period of time and will not be completed until late July/early August. Further, CalPERS has placed a moratorium on these types of retirements from July 1 to September 30 due to system implementation issues. As such, at the earliest retirements with the 2 year incentive can take place is October 1.

The 3 retirees are all coming from the Parks and Public Works Department. The projected budget savings for these positions for 2011/12 is approximately \$136K. However, there is significant concern regarding this magnitude of loss as it pertains to capability to continue maintenance and service levels of the City's parks, streets, and other infrastructure. As such, it is recommended that a supplement of \$26K be placed back into the budget for seasonal, part time personnel to allow the Public Works Director to manage activities within his department. As a result, the net savings would be \$110K.

Direction From Council- Based on the items noted, the net deficit would stand at \$353K including the effects of the retirements (\$463K estimated deficit-\$110 net effect of retirements). Staff is seeking specific direction from Council regarding:

- Acceptable Budget Level
- Specific Cuts to be Made

A worksheet has been provided to assist in noting potential cut items and tabulating the total of activity.

City of Willows
Targeted Budget Levels
FY 2011-12 General Fund Budget

	2010/11 General Fund Original Budget	2010/11 General Fund Projection (Mid Year)	2011/2012 Baseline Presented 3/30/11	2011/2012 Loss of COPS and WUSD Funding 5/17/2011
LEGISLATIVE CITY COUNCIL	\$ 15,062	\$ 14,062	\$ 15,153	\$ 15,153
ADMINISTRATIVE CITY MANAGER	\$ 159,924	\$ 160,924	\$ 166,300	\$ 166,300
FINANCE DEPARTMENT	\$ 166,811	\$ 166,811	\$ 169,106	\$ 169,106
GENERAL OFFICE	\$ 157,497	\$ 149,497	\$ 158,981	\$ 158,981
CAPITAL-IT ITEMS	\$ 5,000	\$ 5,000	\$ 2,500	\$ 2,500
	\$ 489,232	\$ 482,232	\$ 496,887	\$ 496,887
BUILDING BUILDING	\$ 81,298	\$ 86,298	\$ 92,006	\$ 92,006
OUTSIDE SERVICE CITY ATTORNEY	\$ 18,000	\$ 18,000	\$ 15,000	\$ 15,000
PLANNING	\$ 35,900	\$ 35,900	\$ 27,400	\$ 27,400
ENGINEERING	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
	\$ 68,900	\$ 68,900	\$ 57,400	\$ 57,400
POLICE POLICE DEPARTMENT	\$ 1,219,141	\$ 1,215,641	\$ 1,259,501	\$ 1,389,501
LIBRARY LIBRARY	\$ 182,366	\$ 182,366	\$ 173,325	\$ 173,325
RECREATION RECREATION	\$ 86,299	\$ 86,599	\$ 90,465	\$ 90,465
SWIMMING POOL	\$ 30,880	\$ 31,380	\$ 30,401	\$ 30,401
	\$ 117,179	\$ 117,979	\$ 120,866	\$ 120,866
PARKS AND PUBLIC WORKS PARKS & PUBLIC WORKS-GENERAL	\$ 464,701	\$ 465,701	\$ 480,103	\$ 480,103
PARKS DIVISION	\$ 29,763	\$ 32,263	\$ 32,420	\$ 32,420
MALL DIVISION	\$ 7,200	\$ 8,100	\$ 7,600	\$ 7,600
MUSEUM DIVISION	\$ 2,500	\$ 2,600	\$ 2,150	\$ 2,150
PUBLIC WORKS/STREETS DIVISION	\$ 47,842	\$ 48,242	\$ 47,156	\$ 47,156
STORM DRAINS DIVISION	\$ 10,692	\$ 10,692	\$ 9,767	\$ 9,767
CIVIC CENTER MAINT.	\$ 26,941	\$ 27,341	\$ 27,141	\$ 27,141
	\$ 589,639	\$ 594,939	\$ 606,337	\$ 606,337
FIRE FIRE DEPARTMENT	\$ 606,458	\$ 675,708	\$ 638,117	\$ 638,117
FIRE-CAPITAL	\$ 52,603	\$ 52,603	\$ 52,603	\$ 52,603
	\$ 659,061	\$ 728,311	\$ 690,720	\$ 690,720
Total General Fund Expenditure	\$ 3,421,878	\$ 3,490,728	\$ 3,512,195	\$ 3,642,195
Projected General Fund Revenue	\$ 3,178,321	\$ 3,208,321	\$ 3,179,371	\$ 3,179,371
Projected Deficit	\$ (243,557)	\$ (282,407)	\$ (332,824)	\$ (462,824)
Beginning General Fund Balance	\$ 1,230,544	\$ 1,230,544	\$ 948,137	\$ 948,137
Projected Ending Fund Balance	\$ 986,987	\$ 948,137	\$ 615,313	\$ 485,313

CITY OF WILLOWS
2011/12
GENERAL FUND BUDGET PRELIMINARY REPORT
STATUS @ 3/30/11

Preliminary Budget As Presented- The attached General Fund Budget Projection provides the baseline starting point for projected revenues and expenditures for 2011/2012. The budget, as presented at this time, provides the basis for maintaining service levels within the City, with the exception of a 25% cut in planning services. The preliminary budget is based on the following assumptions:

- Contracted wage increases for the WPSA and WEA members remain deferred
- Those who have already taken a 10% pay reduction continue to do so

Based on these assumptions and projection of revenues and requested expenditures, the starting point for the 2011/12 General Fund budget is a deficit of \$332,824 (please refer to the projected total of expenditures, revenue, and reserve at the bottom of the projection sheet).

Differences from 2010/11- The original projected deficit for the current year (2010/11) was \$243,557, while the baseline projection for 2011/12 notes a deficit approximately \$89K greater at \$332,824. Several factors have played into this difference:

Pension Cost- PERS pension cost will be approximately \$70K higher in 2011/12 vs. 2010/11. Pension rates are actuarially calculated each year based on a number of factors, including employee demographics, age, life expectancy, etc. In addition, investment performance is factored into the calculation. There is a 3 year lag between investment return levels and the annual calculation. Based on this, the 2008 market downturn is now factored into the actuarial calculation. As such, the rate for all PERS covered employees has risen for the upcoming fiscal year.

Healthcare- Health insurance rate increases ranging from 7% to 17% went into effect on 1/1/11. This had an effect on the second half of the current fiscal year but will have a full impact on 2011/2012.

Effect of Outside Funding on Items Presented- The City relies on a number of outside sources besides the General Fund for day-to-day operations. This preliminary budget assumes all of these items will stay in tact. However, decisions by other governmental entities may play a significant role in how the City prioritizes General Fund expenditures. Examples of outside funding used for City operations include:

Public Works

Gas Tax (State of California)- \$34,074 personnel costs
\$41,786 street lighting
\$33,250 ongoing street maintenance

Please note that other transportation funding pertaining to specific projects is not outlined here.

Library

(County of Glenn)- \$45,007 personnel at City Branch (does not include EC/Bayliss)
\$5,477 print material

(State of California) \$4,864 print material

Police

SLESF (State of California) \$100,000 personnel
Booking Fee (State of CA) \$ 11,500 booking fees (est.)
Willows Unified School Dist. \$ 25,000 personnel

In addition, the Police Department funds one entire position with a Federal Cops Hiring Grant that will expire in September, 2012. While this grant remains in tact for the entirety of 2011/2012, it will no longer be available beyond three months into the following budget cycle.

Please keep in mind that this represents only operational items and not specific projects that may/may not continue into the future.

Direction-Staff is seeking direction from the City Council as to priorities and methods to move toward balancing the 2011/12 General Fund budget or to provide consensus acceptable alternatives..

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 a 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 encumbrments 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

City Clerk

The City of Willows is an Equal Opportunity Provider

MINUTES OF THE WILLOWS CITY COUNCIL MEETING HELD April 26, 2011

1. The meeting was called to order at 7:00 p.m. by Mayor Hansen.
2. **PLEDGE OF ALLEGIANCE:** Council Member Cobb 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 Holvik and **seconded** by Council Member Yoder to accept the City Council April 26, 2011, Agenda as presented. The motion unanimously passed.

5. **Presentations & Proclamations:**

- a) Mayor Hansen read and presented a Proclamation to Barbara LaDoucer of the American Legion Auxiliary declaring May 15 – May 21, 2011, as “Poppy Days”.
- b) Mayor Hansen read and presented a Proclamation to Police Officer Kelly Trent declaring May 15 – 21 as “National Police Week” with special recognition of May 1 & 2 as “California Peace Officer Memorial Ceremonies” and May 15, 2011 as “National Peace Officers Memorial Day”.

6. **Oral and Written Communications/Public Comment:**

Philip Zabell, Pastor of the First Lutheran Church and Executive Director of Glenn Communities Working Together, addressed the Council and encouraged them to give serious consideration to applying for a CDBG grant to conduct a needs assessment study for Senior Housing.

7. **Consent Agenda:**

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

- a) Approval of General Check Register (22993-23039).
- b) Approval of Payroll & Direct Deposit Check Registers (Z02410-Z02448 & 31184-31201).
- c) Approval of the March 30, 2011, City Council Special Budget Meeting Minutes.

8. **Public Hearings:**

- a) Conduct Public Hearing to provide the public an opportunity to offer comments regarding Unmet Transit Needs:

Mardy Thomas, Glenn County Senior Planner, on behalf of the Glenn County Transportation Commission, presented this item to the Council, indicating that the Transportation Development Act (TDA) Statutes and Administrative Code of Regulations require specific actions on the part of local transportation planning agencies. As part of the regulations, Mr. Thomas explained that annually the County holds a public hearing to receive input from citizens and City Councils regarding unmet transit needs. Specifically an "Unmet Transit Need" is found to exist when there is a reasonable need for an identifiable group within the community that has no dependable and/or affordable access to employment, medical, commercial public, or social services. Because transit needs fluctuate with variables such as unemployment, population, demographics, land use and circulation patterns, it is necessary to re-evaluate the needs annually.

Mr. Thomas briefly outlined the previous year's statistics for ridership on Glenn Ride and Glenn Trans and presented the Council with graphs showing comparisons of ridership between 2006 and 2011.

Mayor Hansen opened the Public Hearing at 7:18 p.m. Rebecca "Sam" Evans, Administrator for Eskaton Kennedy Manor spoke during the public hearing stating that when the City Circulator busses discontinued their routes in Willows, her residents were stranded and had no means of transportation in which to travel throughout the City. She stated that two-thirds of the residents don't drive and therefore they have no means in which to get to Doctor appointments, the grocery store, Wal-Mart, etc. Ms. Evans suggested that perhaps the County Transportation Commission could consider just running the Circulator busses three or four times a day so the residents have at least some means of transportation.

Pastor Phillip Zabell spoke and stated that transportation is a need that the community should fulfill, especially for Senior Citizens and others who have no means or method of transportation and he agreed with Ms. Evans that he would like to see the City Circulator transportation program restored.

Pastor Jana Adamson spoke, stating that she attended the Transportation Commission Meeting when the decision was made to discontinue the Circulators and she witnessed decisions being made due to financial cutbacks. She realizes that agencies have to deal realistically with financial challenges, but she stated that the people who are now being affected by the lack of transportation, are the same people who have given to the community all their lives. She does not believe it is expedient on the Transportation Commission's part to expect them to pay now, and to only offer a service if they are able to pay for it. These people have given to the community and she believes it is time that the community gives something back to them. She stated that she understands that there is still a "Dial-a-Ride" transport vehicle available that a person can call 24 hours in advance, but she stated that the price for that has gone up and this service is utilized by people who are on limited incomes. She believes it reflects the nature of our community by how we decide to treat our Senior Citizens and she would like people to take into account that making their life a little bit easier is a worth while expense, even if we don't get back from the Seniors what we may see ourselves as putting out.

Mayor Hansen closed the Public Hearing at 7:23. Mardy Thomas re-addressed the Council to address some of the concerns noted during the Public Hearing. He began by stating that the Transportation Commission is dealing with a lot of financial struggles, as everybody else is. One alternative the Commission has been looking into since the cancellation of the Circulator service, is doing what Ms. Evans suggested and running a Quasi-Circulator route that would run through town about four times per day. Mr. Thomas acknowledged that Eskaton Manor had one of the highest riderships for the Circulator program and the Commission is well aware of that fact, but they are trying to work something out that will be acceptable cost-wise so they can provide this service. He did point out that the fares for the ADA "Dial-a-Ride" service have not increased, but the fares for the Glenn Ride and the Volunteer Medical services have increased, as it has been quite a while since those fares had changed.

Council Member Yoder, who sits on the Transportation Commission, stated that just last week the Transit & Transportation Commissions had a meeting and the numbers were grim. When the decision was made to discontinue the Circulator, the County was already \$185,000 short in the Transportation budget and on top of that, they were also an additional \$185,000 short. The decision was made based on matters of funding and not based on trying to disassociate a sect, or certain people or persons in the community. It's a matter of not having the money to provide those services. In the past when money was more available was the time when additional service needs were identified and services were added, however now they find themselves in a position as money is going away and no longer available, to reevaluate those services and still keep the identity of what they actually did to start the original Glenn Ride program. Although they would like to keep the additional services, the Commission does not make the decisions to discontinue them lightly. Although the Commission has looked at several options and tried to come up with solutions, none of the solutions were financially sound. When monies become available again, the Commission will be reenacting some of these programs but currently there is only a certain amount of money available. Mr. Thomas then added that they are looking at possibly changing the format of the Glenn Ride program to where there would be a central transfer point in Orland and have two busses that run separate legs of runs – one between Orland and Willows and the other between Orland and Chico. That format may also provide them with some other opportunities to have a few runs through town to hit some of the hot spots that they were able to uncover when they were running the circulator routes through town. Perhaps with that format they would be able to pick up people around town and at least allow them to get to certain places throughout the town on the half-hour or on the hour. They are looking at a few creative options to be able to get people around, but trying to make it work within the limited money that is available.

Council Member Holvik addressed the concerns of the people who stepped up and spoke this evening and he too questioned if this is the nature of our community and how we treat Seniors. He understands that the Transportation Commission is trying to work on this situation and that the money simply isn't there, but he said it seems we are able to take people out of our area but we can't take people around our area. He stated that we have a pretty nice community here and it is unfortunate that we can't get our citizens out to see it, and that they can only see Orland and Chico. He acknowledges it is a struggle and just asked that the Commission continue in their efforts to find a solution.

Mayor Hansen, who is also a member of the Transportation Commission, echoed Council Member Yoder's statement that this was a very difficult decision to make and the Commission didn't come to make it lightly but the Commission is dedicated to continuing their efforts to work on a solution.

9. **Ordinances:** None

10. **Items introduced by City Council or Administrative Staff for discussion purposes only (Including Economic Development Updates, if any):** None

11. **Unfinished Business/Referred Matters Pending:**

a) Economic Development Commission Discussion & Update:

Council Member Yoder and Council Member Hobbs were recently appointed to serve on a subcommittee in order to research the potential benefits of the creation of an Economic Development Commission for the City of Willows. Council Member Yoder stated that the Orland Economic Development Commissioners indicated that they would be in attendance at tonight's meeting, however, unfortunately, none were in attendance. He stated that he and Council Member Hobbs have been doing a lot of research on the potential formation of an EDC for the City of Willows and they have spoke with the County, have attended an Orland EDC Meeting and spoke to the Commissioners, and had a meeting with 3CORE. He stated that one thing that he and Council Member Hobbs agreed on after meeting with 3CORE is that they need to develop a starting point and an overall strategy and at this point the City has neither. He commended the downtown business people who shared their vision with the City at past City Council meetings. The City of Willows in the past year conducted a SWOT Analysis and Orland has not conducted a SWOT Analysis and when they attended the Orland EDC Meeting, the Commissioners indicated that they were struggling on what their identity was, what their roles are, and what they were supposed to do and how they are supposed to do it. Subsequently, the Orland City Council and Orland EDC held a Special Joint Meeting. At that meeting he believes the Commissioners gained a little more insight on what the Council wants from them and how to proceed and there was some pretty good interaction. Council Member Yoder continued, stating that another resource that he and Council Member Hobbs learned about in their meeting with 3CORE is that there is a Professional Advisory Service offered through CALED (the California Association for Local Economic Development) that will actually provide a SWOT Analysis for the City and give an unbiased and objective opinion on which direction the City needs to go, how to get there and where the starting point is. Gridley, Live Oak and Mendocino have all done this and the subcommittee received a copy of the SWOT Analysis from Mendocino that they are currently reviewing. Council Member Yoder stated that he is still not completely convinced that a five member panel of an EDC is something that the City needs. He said that he and Council Member Hobbs are still too early in the researching stage to know whether this is something that the City needs or not. They are not near a point where they could recommend to the Council right now that an EDC is necessary and they still have much more research to do, but that they are continuously working on learning more and talking and meeting with various agencies and groups. They still need to establish what the local development strategies are, and determine that those strategies are consistent with those strategies of the City of Orland and with the County. He suggested it would be worth looking into partnering with either the City of Orland or the

County or both to develop common economic goals, strategies and vision and these are things that they plan to discuss with the City of Orland and with the County Board of Supervisors. He stated that it is important to minimize obstacles for new businesses that want to enter into the City and emphasized that it is important to develop a plan which would encourage new businesses and growth in the community. He wonders how the City can minimize restrictions, yet still remain consistent on how they want it to grow. He stated that the City already has the services, such as the schools, the Hospital, the Fire Department and the Police Department, but he wonders how the City can bring more people in to the community. He stated that another obstacle that the City has faced repeatedly is with Cal-Trans and he believes Cal-Trans really has the ability to either make or break a City. You can look at some of our neighbor cities and they have aesthetically pleasing on and off ramps that are welcoming to people, and Willows has tumbleweeds. The City needs to learn how to tap into these resources and work with Cal-Trans to find out how the City can make these types of beautifications that are going to make people want to visit or to live here. He stated that these are just some of the issues that he and Council Member Hobbs have been discussing and struggling with for the past month and are continuing to look into. He stated that the City needs to acknowledge who we are, where we are and where we want to go, and this is going to definitely cost money. The City needs to plan five, ten and even fifteen years out to the future to determine where they want to be, but the critical point to getting there is developing a starting point.

Council Member Hobbs stated that she concurs with Council Member Yoder. She stated that money is a big issue, as is developing a starting point, which is what all of the people she spoke to indicated is a priority. This is definitely a time of discovery and she understands that people may want this process to be more expeditious, but the problem is that this is something that doesn't happen over night. The subcommittee is still in the learning phase and still has much more research to do, and it is critical to develop a strategy. She indicated that she and Council Member Yoder are learning a lot and that they plan to continue to learn, and continue to attend meetings and gather more information. She stated that during their meeting with 3CORE, they learned of a number of other organizations that the City could utilize. She indicated that some of those organizations cost money beyond what we already pay 3CORE for their membership, but she stated that the cost may be minimal compared to what the City may gain from the expenditure. But again she reiterated that they are still in the very early stages working towards becoming a cohesive unit with the County and with the City of Orland. She stated that they had great discussions with Orland while attending their EDC Meeting and the Joint City Council & EDC Workshop. She believes that if we continue to work together with Orland and with the County we will all see things develop in a way that is good for everyone.

Mayor Hansen reiterated for the record that Council Members Yoder and Hobbs were appointed to a subcommittee to explore the possible creation of an Economic Development Commission and he thanked them for all of their efforts and all of the time they have spent on it.

Council Member Holvik stated that he really appreciates the subcommittee's effort to do this right. He agrees that a vision and a starting point are necessary and that we should begin with the end in mind. He appreciates the thoroughness in which the subcommittee is researching this.

Council Member Cobb echoed the Mayor and Council Member Holvik's sentiments and thanked the subcommittee for their efforts and stated that he understands this may be a lengthy process and it may be a long time before anything is set in stone, but he agrees that a lot of research is necessary in order to ensure the best possible end result.

Mardy Thomas addressed the Council and stated that if there was a time in the future that the Council wanted to look into a project to dress up the interchanges or the entrances into the City, that he would be willing to work with the City's Public Works Director Greg Tyhurst to try to apply for a grant through Cal-Trans. Council Members Yoder and Hobbs indicated that they would be interested in setting up a meeting with Mr. Thomas in the very near future to discuss this in greater detail.

a. Animal Control Feasibility Study – Discuss and direct Staff

At the direction of the City Council at a past City Council Meeting, an Animal Control Feasibility Study was conducted in order to determine whether it would be in the best interest of the City financially to take over Animal Control rather than to contract with the County as the City has historically done. A study was conducted and a report prepared by Police Sergeant Carl Walter was given to the Council to review. Council discussion ensued and the Council Members expressed that Sergeant Walter did an outstanding job preparing such a detailed statistical report. In having reviewed all of the details of the report and determining that the City lacks the staff and the time it would involve to perform this function "in-house", it was the unanimous consensus of the Council to continue to contract with the County for Animal Control services, at least for the time being.

12. New Business:

- a) Consider adoption of a Resolution declaring weeds, rubbish, refuse and dirt public nuisances and approve the weed and rubbish abatement schedule for the 2011 fire season as presented.

Each year the Willows Fire Department abates weeds, rubbish, refuse and dirt from different lots and alleyways throughout the City. In order to commence this process it is required for the City Council to adopt the Resolution before them this evening declaring weeds, rubbish, refuse and dirt as public nuisances and setting the date of May 24, 2011, as the date to conduct a protest hearing. It was **moved** by Council Member Holvik and **seconded** by Council Member Yoder to approve a Resolution declaring public nuisances, to approve the proposed Weed and Rubbish Abatement Schedule for the 2011 fire season and to allow staff to begin to solicit bids for an abatement contractor. The motion unanimously passed.

- b) Consider cancellation of the May 10, 2011, meeting and set a date and time for a special meeting to conduct a project-specific CDBG Public Hearing.

Recently staff learned of a special funding allocation available through CDBG, combining Economic Development and Planning & Technical Assistance Grants during the application/funding period. Immediately staff began working with 3CORE to develop project

scopes consistent with the CDBG funding requirements. A general Public Hearing was conducted by the City Council on April 12 to notify the public of the City's intent to file applications for funding. CDBG requires each agency to then subsequently hold Project-Specific Public Hearings prior to submittal of applications. Additionally, the subsequent Public Hearing(s) may not occur until thirty days has lapsed following the general Public Hearing. Therefore, the May 10 regularly scheduled meeting does not meet the thirty day delay requirement. The application funding period opens on May 25, 2011, and these funding opportunities are extremely competitive, thus agencies are advised to be prepared to submit completed applications on May 25 or risk falling too far behind in the initial screening process. The next regularly scheduled meeting after the May 10 meeting would be held on May 24 and this would not accommodate the necessary resolution approval and submittal process the following day. Therefore staff is requesting that a special meeting be scheduled during the week of May 16, with a preference of Tuesday, May 17 or Wednesday May 18, as both of these days provide optimal flexibility to have Planning Staff in attendance.

Discussion ensued among the Council and it was **moved** by Council Member Yoder and **seconded** by Council Member Holvik to cancel the Regular City Council Meeting scheduled for May 10 and to conduct a special meeting on May 17 at 7:00 p.m. The motion unanimously passed.

13. Council Member Reports:

Council Member Holvik extended a thank you to Fire Captain Skip Sykes for all of his Weed Abatement efforts during the initial survey that he conducted for the 2011 Abatement Season.

Executive Session: Pursuant to California Government Code Sections 54950 et seq., the City Council held a Closed Session. More specific information regarding this closed session is indicated below:

a) CONFERENCE WITH LABOR NEGOTIATOR(S) pursuant to Section 54957.6

Agency Negotiators: City Manager Steve Holsinger
Finance Director Tim Sailsbery

Employee Organization(s): Willows Employees Association
Willows Public Safety Association
Unrepresented Employees (All others not in WEA or WPSA)

15. Report out of Closed Session:

Mayor Hansen reported that Staff gave the Council an update on the budget negotiations with the various Employee Organizations to date. Council then directed staff to continue in their negotiations with all of the Employee Organizations and to set a special budget meeting to take place on May 17 at 5:30 p.m., just prior to the Special Meeting which is scheduled to occur at 7:00 p.m. that evening.

14. **Adjournment:** Mayor Hansen adjourned the meeting at 9:50.

Dated: April 26, 2011

NATALIE BUTLER

City Clerk

The City of Willows is an Equal Opportunity Provider

AGENDA ITEM

May 17, 2010

TO: Honorable Mayor Hansen and Members of City Council
FROM: Steve Holsinger, City Manager
SUBJECT: Consider adoption of the 2010 – 2011 Contract for Services between the City of Willows and 3CORE, Inc. and authorize the City Manager to execute the agreement.

RECOMMENDATION

Staff is requesting approval from the City Council for the renewal of the 2011 – 2012 Contract for Services between the City of Willows and 3CORE, Inc.

SUMMARY

Each fiscal year it is necessary to renew our membership commitment with 3CORE (Formerly Tri-County Economic Development). Last fiscal year the city's cash match contribution associated with membership was \$4,000. This year the cash match has been reduced and the city's contribution would be \$3,500. Staff is seeking approval to continue our membership with 3CORE during the 2011-2012 Fiscal Period.

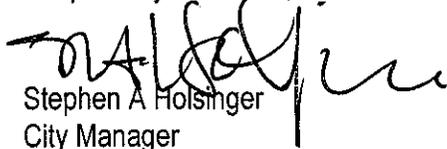
FINANCIAL CONSIDERATIONS

Contract renewal will require a \$3,500 cash match for member services with 3CORE, Inc during FY 2011/12.

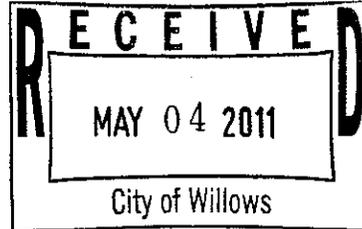
RECOMMENDATION

Staff is requesting approval from the City Council for the renewal of the 2011 – 2012 Contract for Services between the City of Willows and 3CORE, Inc.

Respectfully submitted,


Stephen A Holsinger
City Manager

Attachment: 3CORE Cover Letter/Invoice



May 3, 2011

Steve Holsinger
City of Willows
201 North Lassen
Willows, CA 95988

RE: 3CORE Economic Development District – Membership Cash Match 2011-12

Dear Steve:

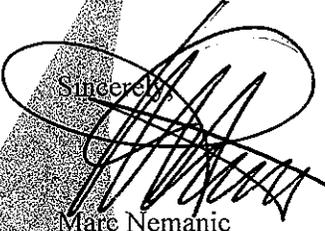
As required by the Economic Development Administration, the 3CORE Board of Directors and staff have established the final figures for the fiscal year 2011-2012 District member cash match contributions.

Last year you paid \$4,000. **This year, the adjusted cash match for Fiscal Year 2011-2012 for the City of Willows is \$3,500.**

Enclosed is a copy of the 2011-2012 cash match invoice and agreement for your review and signature. The agreement outlines the variety of services available to members of the 3CORE Economic Development District as well as those available on a fee-for-service basis. ***Please return one signed copy of the cash match agreement, along with the cash match payment to 3CORE.***

If you have any questions, please contact me at (530) 893-8732, ext. 204. Thank you for your continued support!

Sincerely,



Mare Nemanic
Executive Director

AGENDA ITEM

May 17, 2011

TO: Honorable Mayor Hansen and Members of City Council
FROM: Steve Holsinger, City Manager
SUBJECT: Approve an Extension of the Professional Service Agreement with Wildan Planning and Environmental Services Division.

RECOMMENDATION

Staff recommends that the City Council approve by resolution an extension of the Professional Services Agreement with Wildan Engineering to provide General Planning & Environmental Services to the City of Willows throughout Fiscal Year 2011/2012.

SUMMARY

Throughout the past couple fiscal years, several options for providing Planning & Environmental Services have been explored by city staff. A Contract for Planning Services was awarded to Wildan Engineering Consultants for the fiscal 09/10 period; ending June 30, 2010. That Contract was extended through this past FY, at the same terms & conditions. Council recently directed staff to explore sharing service with Glenn County. We recently received a proposal from Wildan to extend our Contract for Planning Services through the next fiscal period; commencing on July 1st, 2011.

Although the proposal is to provide Planning Services under the same hourly billing rate as in prior years, staff has reduced the budget for Planning Services by 25% overall for the next fiscal period. This reduction is accommodated by the sharing of Planning services with Glenn County Planning & Public Works. Wildan Engineering Consultants currently serve Glenn County with Engineering Services. The Wildan Group has recently extended Planning Services to Glenn County by utilizing (via mutual consent) Karen Mantele; Willows' city planner. Karen currently is working on highly specialized and technical Planning support for several Glenn County projects. Whereabouts, the City of Willows will be able to maintain a consistent one-day-per-week planner at city hall; simply by accommodating the sharing of office space and City Planner during a portion of each of Karen's workdays. As a result of this "shared planning services" model; the city may reduce overall budgeted planning services and thereby savings of over eight thousand (\$8,000) next fiscal year; while maintaining the same level of service availability. Staff recommends approval of the Wildan proposal.

FINANCIAL CONSIDERATIONS -

Total expense is not anticipated to exceed allocated funding within the 2011/2012 fiscal work plan.

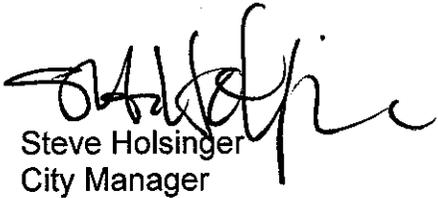
NOTIFICATION

Albert V. Warot, Director of Planning

Wildan Engineering Group

RECOMMENDATION

Staff recommends that the City Council approve by resolution an extension of the Professional Services Agreement with Wildan Engineering to provide General Planning & Environmental Services to the City of Willows throughout Fiscal Year 2011/2012.



Steve Holsinger
City Manager

Attachments: Resolution authorizing extension of agreement
 Exhibit "A" - Wildan Proposal Letter – dated April 20, 2011

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
AND AUTHORIZING AN EXTENSION OF THE PUBLIC AGENCY AGREEMENT
WITH WILDAN ENGINEERING CONSULTANTS FOR GENERAL PLANNING
AND ENVIRONMENTAL SERVICES DURING FISCAL 2011/2012**

WHEREAS, the City recognizes the importance of providing regular and professional comprehensive Planning & Environmental Services; and

WHEREAS, the CITY wishes to contract for such services with a private consultant; and

WHEREAS, Wildan Consulting is experienced in providing such services for municipal corporations and is able to provide personnel with the proper experience and background to carry out the duties involved; and

WHEREAS, the City of Willows wishes to retain Wildan Consultants, for the performance of said services; and

WHEREAS, Wildan Consulting is an independent contractor and not an employee of the City.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Willows does hereby approve the Professional Services Agreement between the City of Willows and Wildan Consultants be extended throughout Fiscal Year 2011/2012.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 17th day of May, 2011, by the following vote:

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Mayor Gary Hansen

Natalie Butler, City Clerk

EXHIBIT

A



April 20, 2011

Mr. Steve Holsinger
City Manager
City of Willows
201 N. Lassen
Willows, CA 95988

Subject: Contract Planning Services

Dear Mr. Holsinger:

It has been our privilege to serve as the City of Willows' contract planning staff for the past two fiscal years. If the City so desires, it would be our pleasure to continue to serve in this capacity during the coming (2011-12) fiscal year. Ms. Karen Mantele would be assigned to continue to serve as the City's contract Planning Director, with additional technical support staff available for her to call upon, if and when needed.

Ms. Mantele's services would be billed on an hourly basis at her current rate of \$85.00. This rate is fully burdened and the City would not be billed extra for any overhead or other incidental costs. We understand that the City has budgeted \$27,400 from its General Fund for planning administration services during the 2011-12 fiscal year, which would allow for Ms. Mantele to be present at City Hall for approximately six (6) hours per week. These hours would be devoted to providing public counter coverage, preparing City initiated ordinances/studies and performing general office administration, but exclude any time expended on discretionary case processing

All work associated with the processing of development applications would continue to be tracked separately and the City would be fully reimbursed for these costs from developer deposits. In this manner, the City will continue to realize full cost recovery for these planning services. Moreover, when combined with the 6 hours of planning administration time per week, the time expended in processing development applications could enable Ms. Mantele to devote a total of 10 to 14 hours of effort per week to the City of Willows, depending upon the level of development activity that occurs. This, in fact, has been our experience during this past year.

We sincerely appreciate the opportunity to once again offer our professional planning services to the City of Willows and look forward to the possibility of continuing to assist you with your planning needs. If you have any questions, please contact me at (916) 924-7000, extension 6209, or awarot@willdan.com.

Respectfully submitted,

WILLDAN ENGINEERING

A handwritten signature in cursive script that reads 'Albert V. Warot'.

Albert V. Warot
Director of Planning

AW:mh
91005-11\06-190\P11-094_4026

AGENDA ITEM

May 17, 2011

TO: Honorable Mayor Hansen and Members of City Council

FROM: Karen Mantele, Principal Planner

SUBJECT: CDBG 2010-2011 PT/A Grant Applications under General and ED Allocations

RECOMMENDATION

Adopt the attached resolution(s) approving the submittal of two (2) CDBG PT/A Grant Application(s) authorizing the City Manager to sign applications and submit the applications to the Department of Housing and Community Development.

SUMMARY

The State of California, Department of Housing and Community Development (Department) administers a Federal program known as the State Community Development Block Grant (CDBG) Program. The Department receives funds annually from the Federal Department of Housing and Urban Development (HUD). The Department sets aside part of each annual funding allocation received from HUD for Planning and Technical Assistance (PTA) grants.

The State Housing and Community Development Department's 2010-11 Community Development Block Grant (CDBG) Planning and Technical Assistance (PTA) grants can assist with a wide range of studies, pre-development, design and engineering costs. These include economic development and revitalization efforts.

In issuing this NOFA, the Department is announcing the availability of funding under the 2010-2011 CDBG PTA General and Economic Development allocations. The allocations provides funding in the form of grants to small cities and rural counties for planning and feasibility studies related to CDBG eligible activities and project specific activities such as affordable housing, public improvements and public facilities. This is a combined application for general and economic development activities, where each applicant can request funds for up to three activities, including no more than two general or economic development activities. These grants will be awarded on a "first come-first serve" basis and applications will be funded until the available funding is exhausted. Applications will be accepted May 25, 2011 through June 16, 2011, on a continuous basis. As long as funds are available, all the applications received will be considered for funding. Jurisdictions will be notified when all PTA funds have been awarded or by June 30, 2011, whichever date occurs first.

Limits on Grant Applications: Up to \$35,000 for one or more non-project specific studies. One application will be for \$35,000 to conduct a **Senior Housing Needs Assessment Study** and the second application will be for \$35,000 to conduct a **Tower Theatre Commercial Renovation/Reuse and Revitalization Strategy**.

FINANCIAL CONSIDERATIONS

State CDBG statute (Health and Safety Code, Section 50833) requires each applicant to contribute a percentage of cash match. Commitment of the required cash match must be included in the authorizing resolution. The approval of the attached resolutions commits the City to \$4,550 (13%) of the total project cost of each grant

application. The total funding commitment for both grants to the City of Willows is \$9,100. The source of funding is available through Community Discretionary Funding that the City has available for such purposes.

NOTIFICATION

A public hearing notice for this item has been published in the local paper of distribution in accordance with state law. CDBG Regulations require that two public hearings be held before the jurisdiction submits an application to the Department. The first hearing must be held during the program design stage. This public hearing was held on April 12, 2011. Prior to submittal of an application for funding, a second public hearing must be noticed 10 days prior to the meeting. This notice for this Public Hearing was published in compliance with State Law.

ALTERNATE ACTIONS

No alternatives are recommended.

RECOMMENDATION

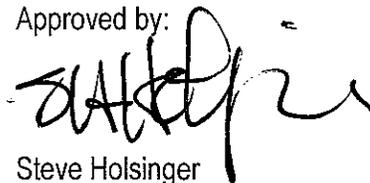
Adopt the attached resolution(s) approving the submittal of two (2) CDBG PT/A (General & Economic Development) Grant Application(s) authorizing the City Manager to sign applications and submit the applications to the Department of Housing and Community Development

Respectfully submitted,



Karen Mantele
Principal Planner

Approved by:



Steve Holsinger
City Manager

Attachments:

- 1) Draft Resolutions
- 2) Scope of Project (Senior Housing Needs Assessment Study)
- 3) Scope of Project (Tower Theatre Commercial Renovation/Reuse and Revitalization Strategy)

RESOLUTION No. ____-2011

A RESOLUTION APPROVING A 2010/2011 GRANT APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE PLANNING AND TECHNICAL ASSISTANCE (PTA) GENREAL ALLOCATION OF THE STATE CDBG PROGRAM FOR A SENIOR HOUSING NEEDS ASSESSMENT STUDY

WHEREAS, the City Council for the City of Willows has reviewed and hereby approves a grant application for up to \$35,000 for the preparation of a Senior Housing Needs Assessment Study; and;

WHEREAS, funding is available from the State Department of Housing and Community Development through the release of the NOFA on March 23, 2011; and

WHEREAS, on April 12, 2011 the City Council of the City of Willows held a general public program design hearing; and,

WHEREAS, on May 17, 2011 the City Council of the City of Willows held an application submittal hearing; and

WHEREAS, the City Council has reviewed all evidence submitted in connection with the application, including public testimony, staff report, supporting documentation, and all other relevant documents and evidence which are part of the record of proceedings; and

WHEREAS, the City has determined that Federal Citizen Participation requirements were met during the development of this application; and

WHEREAS, the City Council finds that the proposal is considered exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262, Feasibility and Planning Studies; and

WHEREAS, the City hereby approves the use of Community Discretionary Funding Sources in the amount of \$4,550 to be used as the City's required match for this application, and

WHEREAS, the City Manager is hereby authorized and directed to sign this application and act on the City's behalf in all matters pertaining to this application, and

WHEREAS, If the application is approved, the City Manager is authorized to enter into and sign the grant agreement and any subsequent amendments with the State of California for the purposes of this grant; and

WHEREAS, If the application is approved, the City Manager is authorized to sign Funds Requests and other required reporting forms for the purposes of this grant.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows does hereby resolve as follows:

1. That the proposed project qualifies as an eligible use of Department funds.
2. That the City Council hereby commits \$4,550 of cash match towards the project costs.

PASSED, APPROVED AND ADOPTED at a special meeting of the City Council on this 17th day of May, 2011, by the following vote:

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Natalie Butler, City Clerk

RESOLUTION No. ____-2011

A RESOLUTION APPROVING A 2010/2011 GRANT APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE PLANNING AND TECHNICAL ASSISTANCE (PTA) ECONOMIC DEVELOPMENT ALLOCATION OF THE STATE CDBG PROGRAM FOR A TOWER THEATRE COMMERCIAL RENOVATION/REUSE AND REVITALIZATION STRATEGY

WHEREAS, The City Council/for the City of Willows has reviewed and hereby approves a grant application for up to \$35,000 for the preparation of a Tower Theatre Commercial Renovation/Reuse and Revitalization Strategy; and;

WHEREAS, funding is available from the State Department of Housing and Community Development through the release of the NOFA on March 23, 2011; and

WHEREAS, on April 12, 2011 the City Council of the City of Willows held a general public program design hearing; and,

WHEREAS, on May 17, 2011 the City Council of the City of Willows held an application submittal hearing; and

WHEREAS, the City Council has reviewed all evidence submitted in connection with the application, including public testimony, staff report, supporting documentation, and all other relevant documents and evidence which are part of the record of proceedings; and

WHEREAS, the City has determined that Federal Citizen Participation requirements were met during the development of this application; and

WHEREAS, the City Council finds that the proposal is considered exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262, Feasibility and Planning Studies; and

WHEREAS, the City hereby approves the use of Community Discretionary Funding Sources in the amount of \$4,550 to be used as the City's required match for this application, and

WHEREAS, the City Manager is hereby authorized and directed to sign this application and act on the City's behalf in all matters pertaining to this application, and

WHEREAS, if the application is approved, the City Manager is authorized to enter into and sign the grant agreement and any subsequent amendments with the State of California for the purposes of this grant; and

WHEREAS, if the application is approved, the City Manager is authorized to sign Funds Requests and other required reporting forms for the purposes of this grant.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows does hereby resolve as follows:

3. That the proposed project qualifies as an eligible use of Department funds.
4. That the City Council hereby commits \$4,550 of cash match towards the project costs.

PASSED, APPROVED AND ADOPTED at a special meeting of the City Council on this 17th day of May, 2011, by the following vote:

AYES in favor of:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Natalie Butler, City Clerk

CITY OF WILLOWS
GENERAL CDBG P/TA GRANT APPLICATION 2010 – 2011

PROPOSED ACTIVITY: **SENIOR HOUSING NEEDS ASSESSMENT STUDY**

TOTAL AMOUNT OF FUNDS REQUESTED: \$35,000

NATIONAL OBJECTIVE

The national objective that will be met through this activity is benefit to low- and moderate-income households. Through the development of a needs assessment, the City will be able to determine the specific senior housing needs for some of the 52.4% households in the Targeted Income Group as identified by the State Department of Housing and Community Development (HCD).

ACTIVITY DESCRIPTION

BRIEF DESCRIPTION OF THE PROBLEM:

The City of Willows, with a population of 6,166 (Dept. of Finance 4/1/10) is located in the County of Glenn, suffers from a variety of economic development distress factors including chronically high unemployment and poverty, low per capita and family income, and an un-diversified local economy. The community has experienced severe long-term economic distress for over a decade. The impact of reliance on agriculture and government has had significant ramifications including high unemployment and underemployment, negative employment growth, dismal per capita income, and stagnant sales growth.

Based on recent data gathered from the Employment Development Department, the February 2011 unemployment rate for Willows was 14.7% or 120% of the State average rate of 12.3%. In 2009, the annual average unemployment rate for the City of Willows was 13.2% or 107% of the State's annual average of 12.4%. Also pointing to the poor conditions that exist in the City is the low level of per capita personal income. According to the 2000 Census, the per capita income in the City of Willows was \$12,523, 42% below the State's figure of \$21,587. In 2008, Glenn County had a per capita personal income of \$30,374. Ranking 46th in the State, this per capita personal income is 69% of the State average of \$43,852, and 76% of the national average of \$40,166.

State law recognizes the vital role local governments play in the supply and affordability of housing. The governing body of a local government in California is required to adopt a comprehensive, long-term general plan for the physical development of the city. The housing element is one of the seven mandated elements of the local general plan. Housing element law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community, including the Senior Citizen community. This assessment will directly address this mandate.

Policy makers, leaders, and citizens must continually analyze present data and future trends when determining the levels and types of housing needed at regional or local levels. Whether projecting the capacity for sewer and water infrastructure, building roads, or planning for schools, housing needs assessments are an integral element in community and regional planning.

DETAILED DESCRIPTION OF THE PROGRAM DESIGN /SCOPE OF WORK:

Through completion of the scope of work outlined below, a comprehensive Senior Housing Needs Assessment Study will be completed that will identify the existing and future housing needs of seniors citizens of the City of Willows. Through the results of this Study, the City will be able to identify the future need for senior housing and care facilities, and to provide recommendations for future developers of senior housing on the amount and types of senior housing concepts that should be developed. Based on the needs identified in the Study, the City will consider providing incentives to builders to provide housing and care choices for seniors of all income levels and levels of independent lifestyle.

Task I: Background work in preparation of Needs Assessment Study

Assemble Senior Needs Housing Task Force and identify interested participants

Contract with outside consultant/group to complete the Study

Analyze the current senior housing and care facilities market conditions within the City

Analyze the demographic growth trends and projections for senior housing and care facilities

Obtain U.S. Census data and use for basis of analysis

Interview current senior housing and care facilities managers/owners, builders/developers, City staff and others involved in the Senior Housing market in Willows

Prepare a Senior Housing/Senior Care Needs Assessment survey

Task II: Completion of Study by Consultant to include:

An Assessment of overall demand for senior housing and care facilities into the future

Conclusion of Senior Housing/Senior Care Needs Assessment survey

Identify incentives the City could provide to developers of senior housing and care facilities

Identify state and federal funding opportunities to augment development

Identify and develop marketing strategy that would target senior housing developers

Task III: Present Recommendations to Key City Staff

Identify key staff members who need to be included in presentation

Set meetings date, time and location

Send letters to key staff and interested participants regarding presentation

Task IV: Review Draft Final Report

Schedule Task Force meeting to review draft report

Submit comments and recommendations and draft report to City Council

Task V: Prepare and Submit Final Report to City and to State CDBG

Schedule public hearing date and prepare legal notice for City Council meeting

Complete all required State forms and narratives and provide to City

TARGETED INCOME GROUP BENEFIT:

State CDBG uses the term "Targeted Income Group" (TIG) for households at 80% and below median and "lowest Targeted Income Group" (LTIG) for households at 50% and below median. As provided in the 2010-11 CDBG NOFA and Application Packet, the most recent data provided by HUD for the City of Willows indicates that 52.4% of the jurisdiction is a member of the Targeted Income Group (TIG). According to the 2009 American Community Survey there are approximately 734 households with

persons 65 and older located in the City of Willows. Assuming that 52.4% of these households are TIG, the number of eligible for this Senior Housing would be approximately 385.

DESCRIPTION OF THE FINAL PRODUCT

The final product will be a completed assessment identifying the housing needs of the Senior community located in the City of Willows. The report will be in a format that is easy to read and useful as a resource document for the City and will identify CDBG as the funding agency.

CITY OF WILLOWS
ECONOMIC DEVELOPMENT/ CDBG P/TA GRANT APPLICATION 2010 - 2011

PROPOSED ACTIVITY: Tower Theater Commercial Renovation/Reuse and Revitalization Strategy

TOTAL AMOUNT OF FUNDS REQUESTED: \$35,000

NATIONAL OBJECTIVE

The national objective that will be met through this activity is benefit to low- and moderate-income households through job creation and retention. This will result from the revitalization of the Downtown area of the City of Willows and specifically the renovation/reuse of the Tower Theater building for potential commercial purposes. The preparation of the Tower Theater Commercial Renovation and Revitalization Strategy will in the future provide additional employment opportunities to the 52.4% Targeted Income Group (TIG) population of Willows as identified by the State Department of Housing and Community Development.

ACTIVITY DESCRIPTION

BRIEF DESCRIPTION OF THE PROBLEM:

The City of Willows, with a population of 6,166 (Dept. of Finance 4/1/10) is located in the County of Glenn. Historically, Willows has suffered from chronically high unemployment and poverty, low per capita and family income, and an undiversified local economy. The community has experienced severe long-term economic distress for over a decade. The impact of reliance on agriculture and government has had significant ramifications including high unemployment and underemployment, negative employment growth, dismal per capita income, and stagnant sales growth. Public sector tools are needed to assist in addressing the economic problems, and to help stimulate private sector investment, and thereby, job creation for the Targeted Income Group.

Based on recent data gathered from the Employment Development Department, the February 2011 unemployment rate for Willows was 14.7% or 120% of the State average rate of 12.3%. In 2009, the annual average unemployment rate for the City of Willows was 13.2% or 107% of the State's annual average of 12.4%. Also pointing to the poor conditions that exist in the City is the low level of per capita personal income. According to the 2000 Census, the per capita income in the City of Willows was \$12,523, 42% below the State's figure of \$21,587. In 2008, Glenn County had a per capita personal income of \$30,374. Ranking 46th in the State, this per capita personal income is 69% of the State average of \$43,852, and 76% of the national average of \$40,166.

The economic health of the commercial district has been deteriorating over the past several years, and it is imperative that the community begins to address the issues that have contributed to this state. As the County seat, Willows is a focal point for regional commerce. This commerce links directly to the agriculture and natural resource industries that are the backbone of Glenn County.

Not only do some of the areas in the City of Willows exhibit socio-economic hardships, there are also areas that are faced with extreme physical infrastructure dilapidation issues. With the advent of favorable tax incentives and the continuing rise in the cost of new construction, adaptive reuse of existing buildings has become popular. The economics of rehabilitation and reuse in many cases makes more sense than demolition and new construction. With this focus on preserving and reusing existing buildings, the City of Willows is interested in determining how the community best utilize the Tower Theatre building, located at 326 W. Sycamore Street, for commercial purposes.

The City of Willows sees the development of a strategy for commercial rehabilitation/ reuse of the Tower Theater as one of the tools necessary to provide the community with support for the downtown economic revitalization.

DETAILED DESCRIPTION OF THE PROGRAM DESIGN /SCOPE OF WORK:

Through completion of the scope of work outlined below, a study will be completed that addresses the City's downtown revitalization through the development of an action strategy for the commercial rehabilitation/reuse and revitalization of the Tower Theater building. Through this study it will be determined the most feasible commercial reuse for this existing building, as well as the preliminary cost estimates for this type of utilization. With an action strategy in place, the rehabilitation and reuse of the Tower Theater building will have a direct impact on the City by increasing job opportunities, diversifying the local economy, increasing the local tax base, and ultimately, improving the quality of life for the residents of the City of Willows.

Task I: Background work in preparation of building reuse study

- Arrange Task Force Leaders and participants.
- Contract with outside consultant/group to complete reuse study.
- Identify and provide background information to outside evaluation team on various organizations and studies related to the project.

Task II: Completion of Study by Consultant to include:

- Assessment of overall commercial needs related to facility usage.
- Identification of potential businesses for the Tower Theater building.
- Identification of facility requirements and necessary rehabilitation.
- Preliminary cost estimates to renovate building for potential uses.
- Research historical preservation requirements related to building reuse.
- Identify potential sources of funding for building rehabilitation.
- Identify and develop marketing strategy that would target business and developers.

Task III: Present Recommendations to Key City Staff

- Identify key staff members who need to be included in presentation.
- Set meetings date, time and location.
- Send letters to key staff regarding presentation.

Task IV: Provide City Council Draft Final Report for Review

- Present to City requesting changes and comments or to accept as is.

Task V: Prepare and Submit Final Report to City and to State CDBG

- Conduct any required Public Hearings.
- Complete all required forms and narratives

PUBLIC BENEFIT - TARGETED INCOME GROUP:

Based on the historical profile of businesses assisted with various loan programs that have benefited the Glenn County region, this activity is designed similarly to principally benefit members of the TIG. Over the past ten years 65 small business "gap" financing loans have been made benefiting the Glenn County area. Typically, these businesses have created between one to 20 jobs with the average being three jobs per business over a 5-year span. The exception was a local manufacturing company provider that created 20 jobs. Overall, historical job tracking experience illustrates an estimated 70% of the jobs created through these loans are filled by members of TIG households.

Wage and salary data obtained through the Employment Development Department and the 2005 Occupational and Wage Data on the local business community further helps to support the potential TIG benefit. The following table provides an overview of the annual increase in jobs in the Trade, Transportation sector, the Education and Health Services sector, and the Leisure and Hospitality sector, three sectors that have experienced significant job growth over the last 10 years. Also, included below is a table of the industries projected to grow in the Glenn County region.

**ACTUAL INDUSTRY EMPLOYMENT GROWTH 2010
2000-2010**

Industry Category	Total Job increase	% of Total Industry Employment
Trade, Transportation, Utilities	90	17%
Educational, Health Services	80	6%
Leisure & Hospitality	160	9%
Total	330	32%