

CITY COUNCIL

Vince Holvik, Mayor
Jeff Cobb, Vice Mayor
Gary Hansen, Council Member
Terry Taylor-Vodden, Council Member
Jim Yoder, Council Member

CITY MANAGER
Steve Holsinger

CITY CLERK
Natalie Butler



201 North Lassen Street
Willows, CA 95988
(530) 934-7041
www.cityofwillows.org

CITY COUNCIL REGULAR MEETING AGENDA

Tuesday, May 22, 2012

7:00 p.m.

1. Call to Order Willows City Council Regular Meeting - 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 City Council May 22, 2012, Agenda.
5. Presentations & Proclamations:
 - a) Mayor Holvik will present a Certificate of Appreciation to Mike Roberts for his volunteer efforts to improve the look of Memorial Park.
 - b) William Berry of William Berry Campaigns will give the Council a presentation to explain the necessary steps to complete potential ballot measures. This item is informational only and no formal action will be taken by the Council.
6. Public Comment / Written Communications: Members of the public wishing to address the Council on any item(s) not on the agenda may do so at this time when recognized by the Mayor/Vice Mayor; however, no formal action will be taken unless placed on a future agenda. (*Public Comment is generally restricted to three minutes*).
7. 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 General Check Register.
 - b) Consider approval of Payroll & Direct Deposit Check Registers.
 - c) Consider approval of the April 24, 2012, Regular City Council Meeting Minutes.
 - d) Consider approval of the May 9, 2012, Special City Council Meeting Minutes.

8. 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 to provide property owners an opportunity to offer comments regarding receipt of "Notice to Abate" notices and upon conclusion, by motion, order those properties that have not self-abated to be abated by the City's Abatement Contractor.
- b) Conduct a Public Hearing to provide an opportunity for public comment regarding the proposed use of CDBG Program Income Funds for replacement of Bay Doors at the Fire Station, and upon conclusion, approve by Resolution, authorization for staff to complete the necessary CDBG requirements for such a project.

9. Ordinances: None

10. Items introduced by City Council or Administrative Staff for discussion purposes only:

11. New Business:

- a) Staff is seeking approval from the Council to transfer funding within the current year General Fund Budget to augment the Planning Services Budget with an increase of \$3,000 to maintain current service level throughout the remaining six weeks of the 2011/2012 Fiscal Period.
- b) Staff is seeking direction from the Council for the renewal of the 2012-2013 Contract for Services between the City of Willows and 3CORE, Inc.

12. Council Member Reports:

13. Executive Session: Pursuant to California Government Code Sections 54950 et seq., the City Council will hold 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 City Employees not represented by WEA or WPSA)

14. Report Out from Closed Session:

15. Adjournment:

CERTIFICATION: Pursuant to Government Code §54954.2 (a), the agenda for this meeting was properly posted on or before May 17, 2012.

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.

MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD
April 24, 2012

1. The meeting was called to order at 7:00 p.m. by Mayor Holvik.
2. **PLEDGE OF ALLEGIANCE:** City Clerk Natalie Butler led the Pledge of Allegiance.

3. **ROLL CALL:**

Present: Council Members Yoder, Hansen, Taylor-Vodden, Cobb & Mayor Holvik
Absent: None

4. **Agenda Review:** It was **moved** by Council Member Yoder and **seconded** by Council Member Hansen to accept the April 24, 2012, City Council Meeting agenda as presented. The motion unanimously passed.

5. **Consent Agenda:**

Mayor Holvik requested that item (c) be removed from the Consent Agenda and voted on separately. It was **moved** by Council Member Hansen and **seconded** by Council Member Yoder to approve Consent Agenda Items (a) and (b). The motion passed unanimously. It was **moved** by Council Member Yoder and **seconded** by Council Member Cobb to approve Consent Agenda item (c). Motion passed with 4 Ayes and Council Member Holvik abstaining. The following items were passed/adopted:

- a) Approval of General Check Register (24403-24483)
- b) Approval of Payroll & Direct Deposit Check Registers (31809-31829 & Z03395-Z03427).
- c) Approval of the March 27, 2012, Regular City Council Meeting Minutes.

6. **Public Hearings:**

- a) Unmet Transit Needs Public Hearing:

John Linhart, Executive Director of the Glenn County Transportation Commission, presented this item to the Council. Mr. Linhart explained 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, he 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. Linhart briefly outlined the previous year's statistics for ridership on Glenn Ride and presented the Council with graphs showing comparisons of ridership between 2007 and 2012.

Mayor Holvik opened the Public Hearing at 7:07 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 in which to travel throughout the City. She stated that she fears now that with the new Super Wal-Mart having been constructed, that the residents may be placing themselves at risk by walking or taking motorized chairs over the overpass to the new Super Center and this could be very dangerous. Council Member Yoder, who sits on the Glenn County Transportation Commission, agreed that it is unfortunate that the Circulator busses no longer run, but that decision was strictly due to financial issues and there was simply no money in the budget to keep the Circulators in operation. Mr. Lindhart took note of Ms. Evans' comments and Mayor Holvik closed the public hearing at 7:11 p.m.

7. Presentations and Proclamations:

- a) Mayor Holvik presented a Poppy Days Proclamation to Barb LaDoucer of the American Legion Auxiliary.
- b) Mayor Holvik presented a Proclamation to Police Officer Kelly Trent declaring May 13 – May 19 as "National Police Week" with special recognition of May 6 & 7 as "California Peace Officer Memorial Ceremonies" and May 15, 2012 as "National Peace Officers Memorial Day".

8. Public Comment:

Rose Marie Thrailkill gave an update on various upcoming events in the community. She also stated that the new annual Business Directory is now complete and will be mailed to each person in the City.

Officer Kelly Trent announced that there would be a Peace Officers & Firefighter Memorial Service on May 2 at 7:00 p.m. held at the Willows First Baptist Church and she invited everybody to attend the event if they are able to do so.

9. Ordinances: None

10. Items introduced by City Council or Administrative Staff for discussion purposes only:

The City Manager stated that there is scheduled to be a Butte College Community Forum Meeting at City Hall on May 7 at 2:00 p.m. and he thought it would be beneficial if some Council Members could have a presence to encourage Butte College to offer training courses in the City of Willows. He also stated that if any of the Council Members have an interest in participating in the Lamb Derby Parade to let the City Clerk know.

11. New Business:

- a) Resolution of intention to levy and collect annual assessments and preliminarily approve the Engineer's Report for Fiscal Year 2012/2013 for the City of Willows Landscaping and Lighting District, confirm the date and time of the required public information meeting and confirm the time of the required public protest hearing:

Prior to City Engineer John Wanger presenting this item to the Council, the City Manager indicated that he would recuse himself from this item due to the fact that he is a property owner in the Landscaping and Lighting District, and he exited the Council Chambers.

The Engineer explained that the Willows Landscaping and Lighting Assessment District (District) was initially formed by the City in 2005 to pay for costs associated with maintaining landscaping and maintenance in the Birch Street Village subdivision; (Zone A), in accordance with the Landscaping and Lighting Act of 1972 (1972 Act). The Act requires that the City undertake certain proceeding for any fiscal year in which assessments are to be levied and collected. These proceedings are typically accomplished at three separate Council meetings with the following actions:

- 1) Adopt a resolution appointing the Engineer of Work and directing the preparation of the annual Engineer's Report.
- 2) Approve the Engineer's Report, declare the City Council's intent to levy assessments and set dates for a public information meeting and a public hearing.
- 3) Conduct a public hearing and authorize the levying and collection of assessments for the upcoming fiscal year.

The first action was completed by the Council on February 14, 2012. This report and resolution accomplishes the second part of the proceedings for FY 2012-13.

Attached to the staff report is the Preliminary Annual Engineer's Report as prepared by Coastland Civil Engineering. The City Council should review the report and let staff know if there are any desired changes to be made to the report. In brief, the report outlines changes and summarizes the cost projected for FY 2012-13 and provides the proposed overall assessments. For FY 2012-13, a new zone is proposed, Zone B, titled Wal Mart. The Wal Mart parcel is proposed for annexation into Zone B. This zone is to be created to recover the City costs associated with the five street lights and half of the signal costs associated with the signal at W. Wood Street and North Airport Road. There will be no landscaping costs incurred by the City for this Development, as Wal Mart will be responsible for maintaining the minor portion of landscaping within the public right-of-way. This new Zone will have a maximum annual assessment, and allow cost of living adjustments annually, in order to keep up with inflation.

The maximum annual assessment for Zone A is posed for increase by the allowable annual CPI (year 2011) of +2.6%. This raises the maximum annual assessment to \$416.73. While the estimated maximum annual assessment will increase, the actual amount that will be levied and collected during FY 2012-13 will be reduced from \$358.00 in FY 2011-12 to \$210.32. This reduced assessment is due to the engineering services cost being spread over the two Zones.

The Zone B assessment is proposed to be \$4,453.90 for FY 2012-13 with a maximum annual assessment of \$5,920.00. The FY 2012-13 annual assessments will provide projected revenue of \$11,604.78 to cover the estimated expenses.

During FY 2008-09, the Council implemented a minimum reserve balance of 10% to 20% for Zone A. It is noted that the projected Assessment District reserve balance at the end of FY 2012-13 is slightly above that target. If it is found that an excess reserve balance does exist at the end of FY 2012-13, the assessments may be reduced the following year. This same desired minimum reserve balance is proposed for Zone B.

The preliminary Engineer's Report is for Council's information and comment. The next step in the process is to hold a public information meeting (required by the Streets and Highways Code when annexation of new parcels occurs), and a public protest hearing (also required by the Streets and Highways Code for this type of an assessment district). To comply with Proposition 218, ballots will be mailed to all parcels proposed for annexation to allow the owners to vote on the proposed assessment. The Public information meeting, which is not a council meeting, is held to answer questions that owner's may have regarding their proposed new assessment. At the public protest hearing, any person within the assessment district can provide comments for the Council's consideration. Ballots received are opened and tallied, and the Council determines if there is a majority protest to the annexation. At the close of the hearing, if the Council finds the report acceptable, the Council should adopt a resolution authorizing the annexation and levying of assessments per the Engineer's Report. The Final Engineer's Report should be approved by the City no later than the end of June of each year so that the information can be transmitted to the County for the inclusion on the tax rolls. The County needs to have all information transmitted and correct no later than August 10th of each year.

It was then **moved** by Council Member Hansen and **seconded** by Council Member Yoder to adopt a Resolution of intention to levy and collect annual assessments and preliminarily approve the Engineer's Report for Fiscal Year 2012/2013 for the City of Willows Landscaping and Lighting District, confirm the date and time of the required public information meeting for May 15 at 1:00 p.m. and confirm the date and time of the required public protest hearing for June 12 at 7:00 p.m. The motion unanimously passed.

- b) Consider adoption of a Resolution declaring weeds, rubbish, refuse and dirt public nuisances, approve the weed and rubbish abatement schedule for the 2012 fire season as presented and consider a one-year extension of the Weed Abatement Contract from 2011:

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 22, 2012, as the date to conduct a protest hearing. Additionally staff is requesting that the Council approve a one-year extension to the 2011 weed abatement contract that was awarded to Dale Myers, with a CPI increase of 2.6% as was stipulated in the 2011 contract. It was **moved** by Council Member Yoder and **seconded** by Council Member Taylor-Vodden to approve a Resolution declaring public nuisances, to approve

the proposed Weed and Rubbish Abatement Schedule for the 2012 fire season. The motion unanimously passed. Additionally, it was by unanimous consensus of the Council to extend the 2011 Weed Abatement Contract for an additional year with a CPI increase of 2.6 as per the terms of the contract.

- c) Directional signage to be placed within the Wal-Mart Super Center directing consumers to the Historic Downtown Commercial District:

During the past few years, in cooperation with City Management direction, the downtown merchants – primarily spearheaded by the Chamber of Commerce – have worked with Wal Mart Representatives on development of appropriate methods to resolve some specific project Conditions of Approval in conjunction with the approval of the Wal Mart Super Center construction. These specific Conditions involve measures to mitigate anticipated economic impacts to the merchants located in the downtown commercial core. One of the agreed upon conditions specified the placement of a Bulletin Board within the Super Center to identify other local downtown merchants conducting business in the Central Commercial zoning district. Discussions with the Chamber and local merchants concerning the utilization, location, maintenance and control of printed materials to be placed on the bulletin board ultimately stalled when an acceptable accommodation was not identified by the parties involved.

Approximately a year ago a request was made for City Management to assist in resolving the deadlock over the use of a bulletin board style message center at the Super Center once the remodel was completed. Staff worked with both the downtown local merchants and Wal Mart consultants on the development and design of permanent style signage that might resolve the overall intent of the Conditions, by identifying the location of the Central Commercial zone and services available in that location. After several exchanges involving photos of downtown businesses and potential marketing announcements, the project has evolved to the final draft stage. The signage adequately identifies the Downtown Commercial Core, highlights the type of merchants and services available, details an accurate directional map to the downtown area and displays all of this in an attractive manner on a sign that will be 4 feet by 6 feet. Staff is seeking Council approval to finalize the design and installation of this directional and informational signage in lieu of the Conditions of Approval stating the placement of a bulletin board.

Staff is recommends that the Council discuss and approve the proposed directional signage to be placed within the Wal Mart Super Center which is intended to direct consumers to alternative shopping opportunities in the Historic Downtown Commercial Core.

Council discussion ensued and the majority of the Council indicated that they liked the sign and its attractiveness and it would likely be durable to stand the test of time, although some expressed disappointment that the sign fell short of the original concept of what was intended to be a billboard or marquis-style board. Council Member Taylor-Vodden stated that she had spoken to a downtown merchant and the merchant expressed some concerns about the “generic” nature of the sign. She also stated she would like to see some higher resolution pictures and also pictures that were more representative of the downtown commercial core and not basic generic pictures. She stated that she would like to have an opportunity to to revise portions of the sign before the Council gives their final approval of the design. She stated that if the Council would

Employee Organization(s): Willows Employees Association
Willows Public Safety Association
Unrepresented Employees (All City Employees not
represented by WEA or WPSA)

The Council entered into Closed Session at 8:17 p.m.

14. Report Out from Executive Session:

The Council reconvened into Open Session at 9:19 p.m. with Council providing direction to staff.

15. Adjournment: Mayor Holvik adjourned the meeting at 9:19 p.m.

Dated: April 24, 2012

NATALIE BUTLER

City Clerk

The City of Willows is an Equal Opportunity Provider

MINUTES OF THE WILLOWS CITY COUNCIL SPECIAL MEETING HELD
May 9, 2012

1. The meeting was called to order at 6:02 p.m. by Mayor Holvik.
2. **PLEDGE OF ALLEGIANCE:** Jeff Williams led the Pledge of Allegiance.
3. **ROLL CALL:**

<u>Present:</u>	Council Members Yoder, Hansen, Taylor-Vodden, Cobb & Mayor Holvik
<u>Absent:</u>	None
4. **Consent Agenda:** Council Member Cobb asked that the Minutes of the March 28 Special Budget Meeting be amended under Item #5 "**FY 2012/2013 Budget Overview**". He asked under this item that # 7 (a), paragraph 1, be amended to state that "Item 3 (a) & (b) were eliminated, however Council may still consider an option to create a future sales tax override within their own agency as a potential means of generating revenue for the City." The change was noted by the Clerk and it was then **moved** by Council Member Yoder and **seconded** by Council Member Hansen to approve the Consent Agenda as amended. The motion unanimously passed and the following items were approved/adopted:
 - a) Approval of the March 28, 2012, Special Budget Meeting Minutes.
 - b) Adoption of a Resolution directing the City Clerk to advertise for sealed proposals for the publication of legal notices for the City of Willows.
 - c) Approve the revised Employment Agreement between the City of Willows and Greg Tyhurst.
5. **Public Comment:** None
6. **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 City Employees not represented by WEA or WPSA)

The Council entered into Closed Session at 6:08 p.m.

7. **Report out from Closed Session:**

The Council reconvened into Open Session at 8:07 p.m. with Council providing direction to staff.

8. **Adjournment:** Mayor Holvik adjourned the meeting at 8:08 p.m.

Dated: May 9, 2012

NATALIE BUTLER

City Clerk

The City of Willows is an Equal Opportunity Provider

AGENDA ITEM

May 22, 2012

TO: Steve Holsinger, City Manager
FROM: Wayne Peabody, Fire Chief
SUBJECT: 2012 Weed Abatement-Public Hearing

RECOMMENDATION:

This is a public hearing and it is in order at this time for the Council to declare that the parcels indicated on Exhibit "A" to be abated by the City contractor. Those persons returning self-abatement notices are allowed a time extension of 12 days to complete the work themselves. If after this date these parcels have not been abated, the City contractor will perform the work.

SITUATION (or BACKGROUND):

On April 24, 2012 the City Council adopted a resolution declaring rubbish, refuse, and weeds to be a public nuisance. The City Fire Department has made a survey of the areas in the City that are a nuisance and has notified the property owners that they must remove this nuisance or the City will perform this task and bill the property owner accordingly.

It is required by the Government Code 39560 thru 39588 that there is to be set a fixed time for any appeals to be considered by the Council from any of the property owners. The time fixed for this appeal was 7:00 p.m., Tuesday May 22, 2012. At this time the Council shall hear any objections from the property owner, and by motion, upon the conclusion of the hearing, the Council shall allow or overrule any objections. The Council may continue the hearing if they desire any additional information on any particular site. If no objections have been made, or after the City Council has disposed of those made, it shall order the Fire Chief to abate the nuisance.

FINCIAL CONSIDERATIONS:

Properties that the City Contractor abates will be billed to the property owner. For the property owners that do not pay, there will be a lien placed against their property and it will appear on their tax statement from the county.

NOTIFICATION:

Affected property owners.
Public Hearing Notice published in Sacramento Valley Mirror on May 12,
2012.

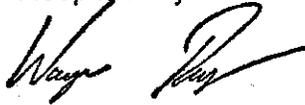
ALTERNATE ACTIONS:

- 1: Request additional information from staff.
- 2: Reject staff recommendation and/or direct item to be returned.

RECOMMENDATION:

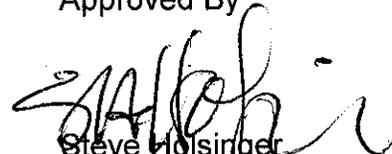
This is a public hearing and it is in order at this time for the Council to conduct the public hearing and upon its conclusion, by motion, declare the parcels indicated on Exhibit "A" to be abated by the City contractor. Those persons returning self-abatement notices are allowed a time extension of 12 days to complete the work themselves. If after this date these parcels have not been abated, the City contractor will perform the work.

Respectfully Submitted



Wayne Peabody
Fire Chief

Approved By


Steve Holsinger
City Manager

ATTACHMENT:

- Exhibit A: 2012 Weed Abatement Parcel list (Attachment to be distributed on the night of the meeting).

AGENDA ITEM

TO: Steve Holsinger, City Manager
FROM: Tim Sailsbery, Finance Director
SUBJECT: Use of CDBG Program Income Funds for Replacement of Bay Doors at the Willows Fire Station

RECOMMENDATION

Conduct Public Hearing and, upon completion, approve the Resolutions Approving the Application for the Use of Program Income Funds for a Public Facilities Project

SITUATION (or BACKGROUND):

In April, 2010, the California Department of Housing and Community Development ("HCD") amended regulations pertaining to the use of program income (program income refers to funds received via repayment of loans that were extended utilizing CDBG funds) to allow for the appropriation of projects outside the scope of open CDBG grants or revolving loan activities. One of the allowed areas is for improvements to public facilities.

Currently, the bay doors at the Willows Fire Station are in need of replacement. Significant ongoing maintenance has taken place over a number of years, but the doors have reached a point of necessary replacement. We have received tentative concurrence from HCD staff that this project would qualify as a public facilities project under CDBG guidelines.

Staff is seeking Council approval to apply for approval to utilize \$37,000 in Program Income funds toward the replacement of the doors. The Fire Chief has received tentative estimates for this work, but will need to go through the formal bid process in accordance with City policy on projects of this size and also per CDBG procurement guidelines.

If the Council approves the resolution, Staff will return to the June 12 meeting to conduct a Public Hearing regarding amending the Program Income Reuse Plan to allow for these types of transactions to occur within our Program Income Funds. I apologize for not conducting this Public Hearing regarding this issue at this time, but I was not

made aware of the need for amendment until after the Public Hearing notice deadline for the May 22 meeting.

FINANCIAL CONSIDERATIONS:

Appropriation of \$37,000 from Fund 346 (CDBG-Program Income Funds)

NOTIFICATION

Public Hearing Notification-Previously Published
California Department of Housing and Community Development

ALTERNATE ACTIONS

1. Conduct Public Hearing, Receive Input, and Approve the Resolution
2. Conduct Public Hearing, Receive Input, and Reject the Resolution

RECOMMENDATION

Conduct Public Hearing and, upon completion, approve the Resolutions Approving the Application for the Use of Program Income Funds for a Public Facilities Project

Respectfully submitted,



Tim Salsbery
Finance Director

Attachment:

Resolution
HCD Memorandum 10-3

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
APPROVING THE APPLICATION FOR THE USE OF PROGRAM INCOME
FUNDS FOR A PUBLIC FACILITIES PROJECT**

WHEREAS, The California Department of Housing and Community Development, via Memorandum No 10-03, will accept requests for the use of Program Income funds on public facilities projects outside the scope of an open grant and/or revolving fund account, and

WHEREAS, it is the desire of the City of Willows to utilize \$37,000 of Program Income funds residing in the Housing Rehabilitation Revolving Loan Fund for a public facilities project at the Willows Fire Station for the replacement of bay doors, and

WHEREAS, The City of Willows has properly conducted a public hearing to seek citizen participation regarding said project to seek input on this project request

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willows hereby authorizes City Staff to complete the necessary steps to process the request for the utilization of \$37,000 from the CDBG Program Income Fund (Fund 346) for a public facilities project to replace the bay doors at the Willows Fire Station and approves appropriation of said amount from Fund 346,

AND, BE IT FURTHER RESOLVED, that the City Council of the City of Willows authorizes the City Manager or Finance Director to sign and execute documents pertaining to this project on behalf of the City.

PASSED AND ADOPTED by the City Council of the City of Willows this 22nd day of May, 2012, by the following vote:

AYES:

NOES:

ABSENT:

VINCENT HOLVIK, MAYOR

ATTEST:

NATALIE BUTLER, CITY CLERK

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
FEDERAL PROGRAMS BRANCH
Community Development Block Grant Program (CDBG)

1800 Third Street, Suite 330
P. O. Box 952054, MS 330
Sacramento, CA 94252-2054
(916) 552-9398
FAX (916) 319-8488



CDBG MANAGEMENT MEMORANDUM

Community Development Block Grant Program - Memorandum Number 10-03

DATE: April 28, 2010
TO: Eligible Community Development Block Grant (CDBG) Jurisdictions
FROM: Thomas Brandeberry, CDBG Section Chief
SUBJECT: NOTICE OF CHANGE IN CDBG PROGRAM INCOME USE POLICY

The Department of Housing and Community Development (Department) is pleased to announce that its plan to revise the CDBG Program's current Program Income policies and rules within the upcoming year. *In the interim, the Department has determined that an alternate policy on Program Income use on non-revolving activities is necessary.*

As a result, the Department is implementing a procedure to allow jurisdictions to request a waiver to the present policy established in Management Memorandum 03-11 available at <http://www.hcd.ca.gov/fa/cdbg/mmemo/03-11.pdf>. This Memorandum also revises relevant portions of the Program Income Chapter of the Grant Management Manual.

Interim Policy

Effective the date of this Memorandum, the Department will accept requests from jurisdictions to utilize Program Income on non-revolving activities, outside of an open grant or a Revolving Fund Account (RLA). Non-revolving CDBG activities include micro-enterprise technical assistance, public improvements, public facilities, public services, and public improvements in support of housing new construction. Requests for waivers will be reviewed and approved on a case-by-case basis, based on the merit of the proposed activities.

The Department will not consider requests for waivers for revolving activities, such as housing rehabilitation, homebuyer assistance, and economic development activities.

CDBG MM 10-03 NOTICE OF PROGRAM INCOME POLICY CHANGE
April 28, 2010

To request a waiver, submit the following to your CDBG Representative:

- Formal letter of request for waiver on jurisdiction letterhead, signed by the Authorized Representative and which includes a description of the project.
- Complete the Program Income-Funded Project Waiver Request form (attached) providing information to demonstrate that the project is eligible and meets a National Objective.

Upon receipt, and within 14 days, CDBG Program staff will review the jurisdiction's waiver request and, depending on the nature of the activity, will approve, conditionally approve or deny the request.

If the Department conditionally approves the project, the form will be sent back to the jurisdiction indicating what conditions must be met for approval. Similarly to contract special conditions, examples of conditions may include, but are not limited to a completed Environmental Review, site control documentation, proof of citizen participation, and others. The jurisdiction will not be allowed to incur costs until all conditions given to the jurisdiction have been met (i.e., NEPA clearance, procurement, Davis Bacon, etc.).

If you have any questions about this Management Memorandum, please contact your CDBG Representative.

Attachment: CDBG Program Income-Funded Project Waiver Request Form

AGENDA ITEM

May 22, 2012

TO: Honorable Mayor Holvik and Members of City Council

FROM: Steve Holsinger, City Manager

SUBJECT: Consider augmentation of the Planning Services Budget to maintain services throughout the balance of the 2011/2012 Fiscal Year; ending June 30, 2012.

RECOMMENDATION

Staff recommends that the City Council approve an augmentation of three thousand dollars to maintain one day weekly planning services throughout the current fiscal year.

SUMMARY

This past May 2011, City Council approved the renewal of the Planning Services Agreement with Wildan Engineering, to maintain a consistent one-day-per-week planner at city hall. It was anticipated at that time, that our Planning Services Budget would be reduced by approximately 25% for FY 2011/12, a projected savings of approximately \$8,000 during this fiscal period. Unfortunately, several assumptions in conjunction with shared planner services have not materialized as anticipated. Therefore our 2011/12 adopted budget for planning services is limited to \$25,000. Currently General Planning Services billed through April have now exhausted approximately \$24,800 of the current fiscal budget. Therefore staff is requesting an augmentation of \$3,000 in funding; available through a council authorized transfer of funding from Legal Expense Budget, which currently has a \$6,900 balance for the fiscal period. This balance represents approximately forty-six percent of the original budget. With six weeks remaining in the fiscal period we are approximately 87% through the 2011/12 budget cycle. Therefore, a reduction in legal expense funding of \$3,000 would still maintain a balance of \$3,900 in that account with only six weeks remaining in the fiscal period. This would represent a budget balance in excess of 25% of the original legal expense budget. Therefore staff is recommending approval of this request to restore general planning services availability; one day per week for the remaining six weeks in this fiscal year.

FINANCIAL CONSIDERATIONS -

Total expense is not anticipated to exceed allocated funding within the 2011/2012 fiscal work plan. Transfer of \$3,000 from fund 301.4120.020 to fund 301.4120.060 does not alter or modify the total General Fund Expense Allocations for Fiscal 2011/2012

NOTIFICATION

Albert V. Warot, Director of Planning
Wildan Engineering Group

RECOMMENDATION

Staff recommends that the City Council approve an augmentation of three thousand dollars to maintain one day weekly planning services throughout the current fiscal year.


Steve Holsinger
City Manager

Attachments: 2011 Staff Report in conjunction with approval of Planning Services
Professional Services Contact with Wildan Engineering.

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

AGENDA ITEM

May 22, 2012

TO: Honorable Mayor Holvik and Members of City Council
FROM: Steve Holsinger, City Manager
SUBJECT: Consideration of possible renewal of the Fiscal Year 2013 Contract for Services between the City of Willows and 3CORE, Inc.

RECOMMENDATION

Staff is seeking direction from the City Council for the renewal of the 2012-2013 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) and establish a list of priority projects. Typically city management staff will review the CEDS (Comprehensive Economic Development Strategies) priority list, makes any necessary updates, revisions or modifications based upon council directives and feedback throughout the preceding year. This step has already been completed and staff is working collaboratively with the Cities/County ED Steering Group on a more regionalized CEDS focus for the immediate future.

Therefore staff is now seeking council consensus to renew the annual contract commitment for next fiscal year. The annual cash-match contribution for next year will be \$5,000; which represents an increase of approximately forty-three percent over the 2011-2012 cash match requirement. Although a substantial increase from one year to the next, as you'll recall during a recent council meeting, 3CORE representatives presented a summary (report attached) for revenues generated by 3CORE on behalf of the City of Willows. Thus based upon this summary, our return-on-investment is approximately \$10.50 for each dollar invested. Therefore, staff believes it is prudent at this time to continue our membership in 3CORE and seeks council approval for renewal.

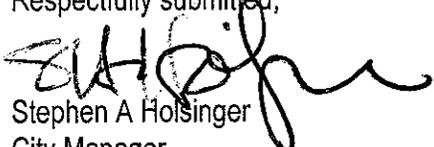
FINANCIAL CONSIDERATIONS

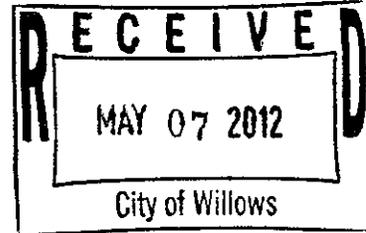
Contract renewal will require a \$5,000 cash match for member services with 3CORE, Inc during FY 2012/13.

RECOMMENDATION

Staff is seeking direction from the City Council for the renewal of the 2012-2013 Contract for Services between the City of Willows and 3CORE, Inc.

Respectfully submitted,


Stephen A. Holsinger
City Manager



May 5, 2012

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

RE: 3CORE Economic Development District – Membership Cash Match 2013

Dear Steve:

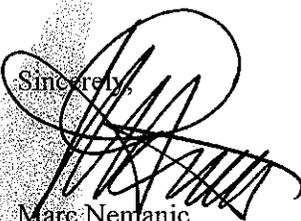
As required by the Economic Development Administration, the 3CORE Board of Directors and staff have established the final figures for the fiscal year 2013 District member cash match contributions.

Last year you paid \$3,500. **This year, the adjusted cash match for Fiscal Year 2013 for the City of Willows is \$5,000.**

Enclosed is a copy of the 2012-2013 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,


Marc Nemanic
Executive Director

**CONTRACT FOR SERVICES BETWEEN THE
3CORE, Inc.
AND THE CITY OF WILLOWS FOR ECONOMIC PLANNING AND COORDINATION
ACTIVITIES**

In consideration of the provisions of the Economic Development Administration Planning Grant Program, the City of Willows hereby agrees to provide \$5,000 as consideration to the 3CORE, Inc. for the City of Willows annual District Membership, and to match any planning grant funds received by 3CORE from the Economic Development Administration.

As a District Member, the City of Willows shall have access to and may receive services through their district membership and cash match as described in Attachment A. The City of Willows shall also have access to and may receive additional services as those described in Attachment B on a Fee-for-Service basis or Attachment C through the execution of a Sub recipient Agreement. Members may leave the District subject to the conditions in Attachment D.

IN WITNESS WHEREOF, the parties hereto have executed this instrument or caused this Agreement to be executed by their duly authorized agent(s) this _____ day of _____, 20__.

CITY OF WILLOWS

Name: _____ Date: _____

Title: _____

3CORE, Inc.

Name: _____

Marc Nemanic

Date: 5/4/12

Title: Executive Director

AGREEMENT TO PROVIDE ECONOMIC DEVELOPMENT AND PLANNING SERVICES

ATTACHMENT A – SERVICES PROVIDED TO JURISDICTIONS WITH ANNUAL SUSTAINING DISTRICT MEMBERSHIP AND CASH MATCH

3CORE is to help implement activities necessary for City of Willows. The base membership is \$5,000 with population adjustments of -\$1,000 (5,000 and less), \$1,500 (20,000 and greater), or \$4,000 (50,000 or greater). Your base membership is \$5,000. This base membership includes the following:

General District membership services for your base match

- ◆ Development and update of the Comprehensive Economic Development Strategy (CEDS) for the District and related priority projects.
- ◆ CEDS Advisory Board membership.
- ◆ Planning and execution of at least one (1) meetings held with your jurisdiction annually to update priorities and provide status reports of pending activities within the District.
- ◆ Management of the Economic Development District as required by the Economic Development Administration (EDA).
- ◆ Participate in the development of the recently approved Community Development Financial Institution (CDFI) designation to finance local businesses, provide business technical assistance, and to fund local infrastructure.
- ◆ Maintaining memberships in organization representing the tri-county region including the National Association of Development Organizations, the California Association for Local Economic Development, the California Reinvestment Coalition, and the California Association for Microenterprise Opportunity, the Upstate California Economic Development Council, and Team California.
- ◆ Identification of funding sources for various public sector projects identified as priorities within the CEDS.
- ◆ Identification of funding sources for various private sector projects identified as priorities in the CEDS or as requested by the member jurisdiction.

OPTIONAL SERVICES AVAILABLE TO MEMBERS UNDER ATTACHMENT A

Members may opt to choose from the following optional services with pricing based on the following:

Optional Services

Pre-Qualification Services

3CORE can provide grant application consulting to determine strategy, eligibility and competitiveness for each member considering up to two (2) grant applications. This service will be additional **\$2,000** per year.

3CORE will provide the member with a competitiveness assessment with key competitiveness strengths and weaknesses requiring specific remediation.

3CORE and the member may, as part of these competitive recommendations, enter into a fee-for-service arrangement for a long-term remediation strategy.

Grant Development and Application Preparation Services

- ◆ Development of grant applications to the Economic Development Administration, the Community Development Block Grant Program, U.S. Department of Agriculture, or other agency or organization for specific projects identified as priorities within the CEDS and determined to meet the competitive thresholds noted under pre-qualification services.
- ◆ Members may elect two (2) options: 1) pay a fixed **\$4,000** for up to two (2) applications annually or, 2) pay per application with a pre-negotiated fee-for service agreement at the rates noted in Attachment B.

Financial Advisory Services

- ◆ Members may access assistance through 3CORE to review prospective projects and their financing needs. 3CORE will assist the Member in shifting through options and alternatives as well as exploring plausible financing structures best suited to the project at hand. This service will be an additional **\$2,500** per year.

Your base membership is:	\$ <u>5000.00</u>
Pre-qualification Services	\$ _____
Grant Development Services	\$ _____
Financial Advisory Services	\$ _____
Total	\$ <u>5,000.00</u>

ATTACHMENT B – SERVICES PROVIDED TO JURISDICTIONS ON A FEE-FOR-SERVICE BASIS

Fee-for-Service Contracts – Jurisdictions who decide to execute Fee-for-Service contracts are typically required to go through a competitive procurement process.

The Fee-For-Service rates, reviewed and updated on an annual basis, are as follows effective January 1, 2012:

Clerical	= \$80/hr
Technical	= \$100/hr
Professional	= \$125/hr
Executive	= \$150/hr

3CORE may provide City of Willows, on a **Fee-for-Service** basis, services outside of the optional membership packages in Attachment A:

- ◆ Assistance with identification of funding sources for various public sector projects that have not been specifically identified as priorities within the Comprehensive Economic Development Strategy (CEDS).
- ◆ Planning, organization, writing, and submittal of State Community Development Block Grant (CDBG) Over-the-Counter (OTC) grants, General/Native American Allocation grants, or Enterprise Grants.
- ◆ Development of grant applications to various State and Federal Agencies other than the Economic Development Administration for projects identified as priorities within the CEDS.
- ◆ Development of grant applications to various State and Federal Agencies **not** identified as priorities within the CEDS.
- ◆ Contract economic development staff.
- ◆ Grant/Project Management and/or Administration. Tasks could include such items as: overseeing subcontractors, tracking project budget, ensuring that project timelines are adhered to, preparation and submittal of various reporting documents, acting as a conduit between local jurisdiction and project consultants or project subcontractors, other project management related items.
- ◆ Grant/Project Implementation. Implementation of various grants including those related to community visioning, business needs assessments, general plan revisions, economic development plan preparation/implementation, various feasibility studies, and community development.
- ◆ Business Retention/Expansion Program planning, implementation, and management.

- ◆ Loan portfolio management for loan portfolios equal to or greater than \$500,000 including the following:
 - Loan payment billings and collections; including managing delinquencies, workouts and modifications.
 - On-going loan portfolio management including, collection and review of borrower financial statements.
 - Loan monitoring to include covenant compliance reviews, job creation/retention monitoring, quarterly financial assessment to determine financial trends, and long-term repayment ability of loans.

- ◆ Loan pre-qualification and underwriting including the following:
 - Eligibility review for available loan programs, credit worthiness, and appropriate financing structure to maximize public benefit and repayment.
 - Loan pre-qualification services include document gathering, review, and recommendation of specific financing through available public and private funding sources.
 - Loan Underwriting includes all phases of financial due diligence including loan structuring, cash flow analysis, collateral review and valuation, credit worthiness, guarantor validation, and debt service assessment. Loan closing and documentation includes all necessary loan documents and security-related actions needed to properly close and secure a loan made by a requesting jurisdiction. Cost is determined on a case-by-case basis based on the quality of underwriting documentation.

- ◆ Third party due diligence or needs assessment focusing on the economic impact of new or existing businesses;

- ◆ One-on-one business technical assistance and recommendations for additional support services and referrals;

- ◆ Business finance structuring and financing recommendations;

- ◆ Revolving Loan Fund (RLF) risk assessment; and,

- ◆ Revolving Loan Fund (RLF) consulting and technical support.

AGREEMENT TO PROVIDE ECONOMIC DEVELOPMENT AND PLANNING SERVICES

ATTACHMENT C – SERVICES PROVIDED TO JURISDICTIONS UNDER AN EXECUTED SUBRECIPIENT AGREEMENT

Sub-recipient Agreements – a Sub-recipient Agreement has a limited use and is used to carry out agreed-upon, eligible activities usually under CDBG funding. Sub-recipient agreements are typically used to contract with a consultant to implement a grant project that was created or written by the consultant. Sub-recipients are viewed as an extension of County or City staff and are therefore not subject to procurement procedures.

The Sub-recipient bill rate is at-cost which ranges from \$45 to \$80 per hour. The at-cost basis will be reviewed and adjusted annually.

3CORE may provide the City of Willows with the subsequent services executed through a **Sub-recipient Agreement** that may include but not be limited to the following:

- ◆ Grant/Project Implementation and/or Administration. Implementation of various grants including those related to community visioning, business needs assessments, general plan revisions, economic development plan preparation/implementation, various feasibility studies, and community development.

It will be the sole discretion of 3CORE to determine which contractual method is best suited for potential projects.

AGREEMENT TO PROVIDE ECONOMIC DEVELOPMENT AND PLANNING SERVICES

ATTACHMENT D—MEMBERSHIP OPT-OUT POLICY

The 3CORE Board of Directors has approved a membership opt-out policy for cities or counties who may consider leaving the District.

Any member may leave the District. If a member leaves the District, then no services will be provided to the departing city or county as outlined in this agreement nor will the city or county priority projects be included in the current or any subsequent CEDS.

A city or county may re-enter the District if:

1. The city or county pays back what cash match obligations they would have paid during the opt-out period up to two (2) years;
2. Pay a 50% re-entry fee based on the unpaid cash match obligation in #1 above; and,
3. Pay the current year cash match obligation.

The 3CORE Board of Directors, in their sole discretion, may modify the terms of re-entry for any member to encourage full participation by all eligible members, and to maintain reasonable and proportional member cost sharing based on objective standards established by the Board from time-to-time.

2006-2011

CITY OF WILLOWS RETURN ON INVESTMENT

Investments Made

○ District Match (2006-2011)	\$23,291
○ Grant Match	<u>\$24,500</u>
Total	\$47,791

Return on Investment

○ Grants Obtained	\$175,000
○ Wal-Mart Donation	\$60,000
○ Loans Made	\$116,715
○ Private Investment	<u>\$152,833</u>
Total	<u>\$504,548</u>

Willows Return on Investment

- \$504,548 divided by \$47,791=
- \$10.6 dollars obtained or leveraged for every \$1 invested by City of Willows