



Willows City Council Regular Meeting

April 9, 2024
Willows City Hall
6:00 PM

City Council
Gary Hansen, Mayor
Evan Hutson, Vice Mayor
Rick Thomas, Council Member
Forrest Sprague, Council Member
David Vodden, Council Member

City Manager
Marti Brown

City Clerk
Amos Hoover

201 North Lassen Street
Willows, CA 95988
(530) 934-7041

Agenda

Watch the Council meeting online via Zoom (Passcode 95988):

<https://us06web.zoom.us/j/86059099505?pwd=JcTJcAPeah7uhEgZGrUMP35geXMHqJ.1>

Remote viewing of the City Council meeting for members of the public is provided for convenience only. In the event that the remote viewing connection malfunctions for any reason, the City Council reserves the right to conduct the meeting without remote viewing.

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **CHANGES TO THE AGENDA**
5. **PUBLIC COMMENT & CONSENT CALENDAR FORUM**

All matters on the Consent Calendar are considered routine and are approved by one motion and vote, unless Councilmembers or the City Manager first requests that a matter be removed for separate discussion and action. Individuals wishing to address the City Council concerning Consent Calendar items or regarding matters that are not already on the agenda are invited to make oral comments of up to three minutes at this time. Please address your comments to the Mayor and Councilmembers, and not to staff and/or the audience. By State law, the Council is not permitted to undertake any action or discussion on any item not appearing on the posted agenda. If you have any documentation that you would like distributed to the City Council, please mail it to the City Clerk at 201 North Lassen Street, Willows, CA 95988 or email it to: ahoover@cityofwillows.org.

a. **Register Approval**

Recommended Action: Approve general checking, payroll, and direct deposit check registers.

Contact: Amos Hoover, City Clerk, ahoover@cityofwillows.org

b. **Minutes Approval**

Recommended Action: Approve the March 26, 2024, meeting minutes.

Contact: Amos Hoover, City Clerk, ahoover@cityofwillows.org

c. **Wastewater Treatment Plant (WWTP) Bar Screen and Slide Gate**

Recommended Action: Approve an allocation of \$142,029 and authorize Inframark to repair the WWTP's bar screen, electrical and slide gate (as part of Inframark's contract with the city).

Contact: John Wanger, City Engineer, jwanger@cityofwillows.org

d. Annual Pavement & Construction Project (FY22-23)

Recommended Action: Approve a resolution authorizing the City Manager to:

- 1) Execute an agreement with Pavement Coatings Company in the amount of \$633,642 for the FY22-23 Annual Pavement & Construction Project;
- 2) Execute a contract amendment with Coastland Civil Engineering for \$105,550 to provide construction management and inspection services for the project;
- 3) Establish an overall budget for the project of \$801,556; and
- 4) Approve a budget amendment to provide additional funding from Fund 310 (RSTP funds).

Contact: John Wanger, City Engineer, jwanger@cityofwillows.org

e. Willows Public Library – HVAC Unit Replacement

Recommended Action: Approve a resolution accepting the improvements associated with replacement of three HVAC units in the Willows Public Library and authorize the filing of the Project's Notice of Completion.

Contact: John Wanger, City Engineer, jwanger@cityofwillows.org

f. Emergency Work Authorization - Road 57 Sink Hole

Recommended Action: Approve a resolution ratifying the actions taken by staff and retroactively authorizing the City Manager to pay Walberg Inc. for emergency repairs on Road 57.

Contact: Joe Bettencourt, Community Development and Services Director, jbettencourt@cityofwillows.org

6. DISCUSSION & ACTION CALENDAR

All matters in this section of the agenda are discussed and will be acted on individually. Individuals wishing to address the City Council concerning any of these items are invited to make oral comments of up to three minutes at this time. Please address your comments to the Mayor and Councilmembers, and not to staff and/or the audience. When the Mayor calls for public comment, please raise your hand to be acknowledged. While not required, the City requests that you please state your name clearly for the audio recording. By State law, the Council is not permitted to undertake any action or discussion on any item not appearing on the posted agenda. If you have any documentation that you would like distributed to the City Council, please mail it to the City Clerk at 201 North Lassen Street, Willows, CA 95988 or email it to: ahover@cityofwillows.org.

a. November 2024 Sales Tax Ballot Measure

Recommended Action: Adopt a resolution approving the placement of a 1.5% Sales Tax measure on the November 5, 2024, Presidential election ballot.

Contact: Marti Brown, City Manager, mbrown@cityofwillows.org

b. Educational Action Plan Regarding City Finances

Recommended Action: Review and discuss potential Educational Action Plan ('Plan') objectives, messages, and activities regarding the City's finances, make amendments as necessary and/or direct staff to take all necessary actions to undertake the Education Action Plan, and authorize the City Manager to spend up to \$10,000 on related Plan materials (e.g., design, printing, direct mail).

Contact: Marti Brown, City Manager, mbrown@cityofwillows.org

c. **City Council Goal and Priority Setting Workshop**

Recommended Action: Discuss and authorize the City Manager to execute an agreement with *Ria Collaboratories* for an amount not to exceed \$4,000 to facilitate a Council Goal and Priority Setting Workshop that result in a visioning document about how the Council envisions expending future General Fund monies, as well as future goals and objectives for city development and growth.

Requested by: Vice-Mayor Hutson

Contact: Marti Brown, City Manager, mbrown@cityofwillows.org

7. **COMMENTS & REPORTS**

- a. Council Correspondence
- b. City Council Comments & Reports
- c. City Manager's Report

8. **CLOSED SESSION**

Pursuant to Government Code Sections §54954.3, the public will have an opportunity to directly address the legislative body on the item below prior to the Council convening into closed session. Public Comments are generally restricted to three minutes.

a. **Public Employee Performance Evaluation (§ 54957)**

Title: City Manager

9. **ADJOURNMENT**

This agenda was posted on April 4, 2024.

Amos Hoover, City Clerk

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. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). 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.

The City of Willows is an Equal Opportunity Provider.



PUBLIC COMMENT & CONSENT CALENDAR FORUM



	<u>PERIOD</u>		
	3/29/2024	TO	4/1/2024
Payroll	522	TO	542
Payroll Check Register	40904	TO	40905
Check Register	54237	TO	54285

APPROVAL DATE 4/9/2024

APPROVED _____



City of Willows

Payroll Check Register

Employee Pay Summary

Pay Period: 3/11/2024-3/24/2024

Packet: PYPKT00199 - Payroll 3/11/24 to 3/24/24

Payroll Set: Payroll Set 01 - 01

Employee	Employee #	Payment Date	Number	Earnings
ABOLD, STEVEN B	ABO00	03/29/2024	535	1,930.11
ARELLANES, ASHLEY MARIE	ARE00	03/29/2024	526	1,285.21
BETTENCOURT, JOSEPH	BETO1	03/29/2024	540	4,690.62
BRIONES, BRENDA VALENZU	BRI00	03/29/2024	527	320.00
BROWN, MARTHA	BRO01	03/29/2024	522	5,576.92
CANO, GABRIELA M	CAN01	03/29/2024	40904	16.00
EHORN, CAITLIN A	EHO02	03/29/2024	528	1,428.00
ENOS, KYLE	ENO00	03/29/2024	532	2,469.24
FUENTES, JAIME	FUE01	03/29/2024	533	2,238.84
GAMBOA, YADIRA	GAM00	03/29/2024	529	352.00
HOOVER, AMOS	HOO00	03/29/2024	523	2,388.00
LOMBARD, TYLER JOSEPH	LOM00	03/29/2024	534	2,463.99
MCDERMOTT, ELLA G	MCDE01	03/29/2024	40905	16.00
MINGS, MICHAEL E	MIN00	03/29/2024	536	1,893.68
MONCK, NATHANIAL T	MON00	03/29/2024	541	4,621.38
MOORE, JOANNE	MOO01	03/29/2024	524	3,940.15
PFYL, NATISA N	PFY00	03/29/2024	542	2,933.82
RANDOLPH, MATTHEW	RAN01	03/29/2024	537	1,636.15
REED, JOSHUA	REE00	03/29/2024	538	1,636.15
RUSTENHOVEN, TARA L	RUS01	03/29/2024	525	2,184.92
SPENCE, KYLIEGH C	SPE02	03/29/2024	530	544.00
VARGAS, GIOVANI	VAR00	03/29/2024	531	592.00
VASQUEZ, PEDRO CEASAR	VAS01	03/29/2024	539	2,319.77
			Totals:	47,476.95



City of Willows

Check Register

Packet: APPKT00186 - AP CHECK RUN 04/01/24

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: Gen Chk-General Checking						
1004	3CORE	04/01/2024	Regular	0.00	1,500.00	54237
1008	A.T.& T.	04/01/2024	Regular	0.00	1,111.78	54238
1082	ARAMARK	04/01/2024	Regular	0.00	152.40	54239
1194	CALIFORNIA STATE DISBURSE	04/01/2024	Regular	0.00	162.92	54240
1172	CALIFORNIA WATER SERVICE	04/01/2024	Regular	0.00	3,280.04	54241
1252	CLEARWAY ENERGY LLC	04/01/2024	Regular	0.00	7,814.19	54242
1255	COASTLAND CIVIL ENGINEERI	04/01/2024	Regular	0.00	31,762.50	54243
	Void	04/01/2024	Regular	0.00	0.00	54244
1275	CORBIN WILLITS SYSTEMS	04/01/2024	Regular	0.00	480.52	54245
1288	CREATIVE COMPOSITION	04/01/2024	Regular	0.00	379.78	54246
1325	DEMCO, INC.	04/01/2024	Regular	0.00	2,008.15	54247
2406	FLYNN'S WELDING & MACHINE SHO	04/01/2024	Regular	0.00	66.60	54248
1517	GRAY ROCK TRUCKING	04/01/2024	Regular	0.00	175.00	54249
2407	HARRIS TRUCK, INC	04/01/2024	Regular	0.00	2,592.18	54250
1539	HINDERLITER DELLAMAS & AS	04/01/2024	Regular	0.00	109.00	54251
2408	IMAGETREND	04/01/2024	Regular	0.00	6,453.44	54252
2409	JASPER ENGINES & TRANSMISSIONS	04/01/2024	Regular	0.00	5,650.41	54253
1665	KNIFE RIVER CONSTRUCTION	04/01/2024	Regular	0.00	437.96	54254
1670	L & T TOWING	04/01/2024	Regular	0.00	1,560.51	54255
1675	LAKESHORE LEARNING MATERI	04/01/2024	Regular	0.00	1,502.36	54256
1760	MATSON & ISOM TECHNOLOGY	04/01/2024	Regular	0.00	5,513.00	54257
1763	MAXIMUM SECURITY SYSTEMS	04/01/2024	Regular	0.00	60.00	54258
1770	MENDES SUPPLY COMPANY	04/01/2024	Regular	0.00	33.15	54259
1778	MIDAMERICA ADMIN & RETIRE	04/01/2024	Regular	0.00	141.00	54260
1780	MIDWEST TAPE	04/01/2024	Regular	0.00	7.50	54261
1810	MUNICIPAL EMERGENCY SERVI	04/01/2024	Regular	0.00	192.31	54262
2312	NAPA AUTO PARTS	04/01/2024	Regular	0.00	85.06	54263
1820	NATHANIAL MONCK	04/01/2024	Regular	0.00	177.00	54264
1830	NEC FINANCIAL SERVICES LL	04/01/2024	Regular	0.00	241.27	54265
2410	OLD REPUBLIC TITLE COMPANY	04/01/2024	Regular	0.00	400.00	54266
1917	PG & E	04/01/2024	Regular	0.00	13,269.32	54267
	Void	04/01/2024	Regular	0.00	0.00	54268
	Void	04/01/2024	Regular	0.00	0.00	54269
1978	REGIONAL GOVERNMENT SERVI	04/01/2024	Regular	0.00	3,285.95	54270
2044	SAFETY TIRE SERVICE	04/01/2024	Regular	0.00	2,021.22	54271
2334	STREAM IT NETWORKS LLC	04/01/2024	Regular	0.00	170.00	54272
1439	THE FIRST CHOICE COFFEE S	04/01/2024	Regular	0.00	45.00	54273
2238	VALLEY ROCK PRODUCTS	04/01/2024	Regular	0.00	677.40	54274
2265	WASTE MANAGEMENT	04/01/2024	Regular	0.00	36.78	54275
2295	WILLOWS ACE HARDWARE	04/01/2024	Regular	0.00	206.19	54276
2282	WILLOWS HARDWARE, INC.	04/01/2024	Regular	0.00	207.24	54277
2311	WILLOWS VOLUNTEER FIRE	04/01/2024	Regular	0.00	15,000.00	54278

Check Register

Packet: APPKT00186-AP CHECK RUN 04/01/24

Vendor Number 1902	Vendor Name WYATT PAXTON	Payment Date 04/01/2024	Payment Type Regular	Discount Amount 0.00	Payment Amount 4,655.00	Number 54279
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Bank Code Gen Chk Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	87	40	0.00	113,624.13
Manual Checks	0	0	0.00	0.00
Voided Checks	0	3	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	87	43	0.00	113,624.13



City of Willows

Check Register

Packet: APPKT00187 - PAYROLL AP CHECK RUN 04/1/24

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: Gen Chk-General Checking						
1029	AFLAC- FLEX ONE	04/01/2024	Regular	0.00	792.48	54280
1650	FIRE RISK MANAGEMENT SERVICES	04/01/2024	Regular	0.00	239.28	54281
1650	FIRE RISK MANAGEMENT SERVICES	04/01/2024	Regular	0.00	20,612.36	54282
1551	HUMANA DENTAL/VISION	04/01/2024	Regular	0.00	1,233.13	54283
2223	UNITED PUBLIC EMPLOYEES A	04/01/2024	Regular	0.00	139.86	54284
2309	WILLOWS EMPLOYEES ASSOC.	04/01/2024	Regular	0.00	14.00	54285

Bank Code Gen Chk Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	29	6	0.00	23,031.11
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	29	6	0.00	23,031.11



Willows City Council Regular Meeting Action Minutes

March 26, 2024
Willows City Hall
6:00 PM

Agenda Item #5b.

City Council

Gary Hansen, Mayor
Evan Hutson, Vice Mayor
Rick Thomas, Council Member
David Vodden, Council Member
Forrest Sprague, Council Member

City Manager
Marti Brown

City Clerk
Amos Hoover

201 North Lassen Street
Willows, CA 95988
(530) 934-7041

1. CALL TO ORDER – 6:00 PM

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Councilmembers Present: Mayor Hansen, Vice Mayor Hutson and Councilmembers Thomas and Sprague

Councilmembers Absent: Councilmember Vodden

4. CHANGES TO THE AGENDA

5. CEREMONIAL MATTERS

a. Proclamation – National Vietnam War Veterans Day – Received by VFW Post 1770

b. Proclamation – Kiwanis Club 100th anniversary – Received by Willows Kiwanis Club

6. PRESENTATION

a. The Dangers of Fentanyl

Action: Received presentation from Dr. Jared Garrison on the dangers of fentanyl.

7. PUBLIC COMMENT & CONSENT CALENDAR FORUM

a. Register Approval

Action: Approved general checking, payroll, and direct deposit check registers.

b. Minutes Approval

Action: Approved the March 12, 2024, meeting minutes with the addition of a letter submitted by councilmember Sprague.

c. Sierra Nevada Cheese Company Grant Letter of Support

Action: Approved a letter of support in favor of Sierra Nevada Cheese Company's grant application for their anaerobic digestion project.

Moved/Seconded: Councilmember Thomas and Vice-Mayor Hutson

Yes: Councilmembers Thomas and Sprague, Vice Mayor Hutson, and Mayor Hansen

No: None

Absent: Councilmember Vodden

8. DISCUSSION AND ACTION CALENDAR

a. **Glenn Groundwater Authority (GGA) - Prop 218 Study**

Action: Approved the continued use of city funds to cover the cost of Glenn Groundwater Authority fees on properties inside the City of Willows.

Moved/Seconded: Councilmember Sprague and Vice Mayor Hutson

Yes: Councilmembers Thomas and Sprague, Vice Mayor Hutson, and Mayor Hansen

No: None

Absent: Councilmember Vodden

9. COMMENTS & REPORTS

- a. Council Correspondence
- b. City Council Comments & Reports
- c. City Manager's Report

10. CLOSED SESSION

a. **Conference with Labor Negotiators (§54957.6)**

Report Out: Information was received, and direction was given to staff.

b. **Public Employee Performance Evaluation (§ 54957)**

Report Out: Councilmember Sprague chose not to participate in the City Manager's evaluation. Information was received, and direction given to staff.

c. **Conference with Legal Counsel – Anticipated Litigation**

Report Out: Councilmember Sprague recused himself from the matter. Information was received from staff, and direction was given to staff to hire outside specialized legal council for the litigation matter of Friends of Willows v. City of Willows regarding the CEQA litigation regarding Henry's Trading Post at 360 West Sycamore Street, Willows, CA.

11. ADJOURNMENT - 9:08PM

Amos Hoover, City Clerk



Date: April 9, 2024

To: Honorable Mayor and City Council

From: John Wanger, City Engineer
Marti Brown, City Manager

Subject: Wastewater Treatment Plant (WWTP) Bar Screen and Slide Gate

Recommendation:

Approve an allocation of \$142,029 and authorize Inframark to repair the WWTP's bar screen, electrical and slide gate (as part of Inframark's contract with the city).

Rationale for Recommendation:

The City needs to rehabilitate the WWTP's bar screen and electrical, as well as replace its slide gate. The cost is estimated to be \$142,029. Per the contract between the City and Inframark, any single-maintenance related repair that exceeds \$2000 requires written authorization from the City to proceed.

Background:

The City executed a contract with Inframark Water & Infrastructure Services (Inframark) on October 13, 2020, to operate and maintain the City's Wastewater Treatment plant (WWTP). Per the terms of the agreement, Inframark is responsible for day-to-day operations, including minor equipment, chemicals, etc... Per the contract, a budget is established each year in October to cover expenses for materials and equipment throughout the following year.

Section 3 of the agreement refers to Repairs, Replacement and Specialized Maintenance Services and places the responsibility of all major equipment capital repair and/or replacement and non-scheduled services to maintain full operability of the WWTP on Inframark up to an aggregate budget that is established each year. It also states that any and all costs in excess of the Annual Repair/Replacement & Specialized Maintenance Services Limit shall be the responsibility of the City. Furthermore, Inframark is responsible for obtaining written approval from the City for any single maintenance-related expense over \$2,000.

For the last few years, the City has worked with Inframark to identify any major capital expenditures that would be needed at the WWTP. Project SS-029 in the FY23-27 Capital Improvement Program identifies upgrades needed at the City's WWTP for refurbishment and replacement of aging equipment and components that have reached the end of their useful service life. One of those items involves the bar screen at the headworks of the WWTP. The bar

screen is a critical component of the headworks facility that serve to protect the WWTP from solids and debris entering the plant's primary stage of treatment. The existing bar screen is in dire need of maintenance and the cost to replace portions of the bar screen are well above and beyond the annual established budget for Repair/Replacement. It should be noted that in the CIP, headworks repairs (including the bar screen and the slide gate replacement) was shown to be complete in FY24/25 and FY26/27 for a total of \$93,000. Based on the condition of these facilities, the work has been moved up to this fiscal year and the additional electrical and slide gate work has caused the overall budget to increase.

In addition to the bar screen, Staff also identified electrical and mechanical improvements that are needed prior to removing the bar screen equipment to complete the necessary repair work. Electrical conduits that supply power to the bar screens must be relocated before the equipment can be removed from the supporting structure. The conduits will be replaced after the repair work is completed and configured to allow for easier changeout of the equipment when future maintenance work is required.

During the initial assessment of the bar screen equipment, Staff also noted that the existing Canal slide gate located within the headworks facility was deteriorated and in need of replacement. This slide gate enables staff to temporarily divert wastewater flows away from the bar screens and must be replaced before the screening equipment can be removed for repairs. Other costs associated with the project include crane and forklift services which are required to support the removal and re-installation of the bar screen equipment.

Discussion & Analysis:

In accordance with the City's regulations for obtaining bids for capital projects, Inframark has solicited quotes from vendors for the necessary electrical work, bar screen repairs and valve replacement.

Bar Screen – In order to obtain pricing for the needed work on the bar screen, Inframark reached out to Parkson Corporation ('Parkson') for repairs. The existing bar screen at the WWTP is manufactured by Parkson and because they are the manufacturer, Parkson is currently the only source for OEM replacement parts needed to complete the repair work and is the only company with technicians certified to perform the repair work. Accordingly, the work on the bar screen must be a sole source contract. The quote from Parkson to provide certified on-site rebuilding of the bar screen is \$97,282.

Electrical Improvements – Inframark reached out to Chico Electric, Patterson Electric and Stoleman Electrical Contracts to obtain bids for the electrical work needed to accommodate the work on the bar screen. Of the three firms contacted, two provided bids for the electrical work and one (Stoleman Electrical) indicated they were not interested in providing a bid. The low bid received was from Patterson Electric, Inc. in the amount of \$14,875.

Slide Gate Replacement – Inframark reached out to Gateway Pacific, Ply Riser and Pipe and Combs Hopkins to obtain quotes for the replacement of the slide gate. Of the three firms contracted, two provided bids for the work and one (Combs Hopkins) did not provide a bid. The low bid was from Gateway Pacific in the amount of \$11,000.

Miscellaneous Equipment Needed – in addition to the bar screen, electrical work and slide gate replacement, a crane is needed to remove the bar screen and a forklift will need to be rented for both the slide gate and bar screen work. Meyers Crane Service has provided a quote of \$3,000 for the crane and United Rentals has provided a quote of \$2,959 to rent a forklift for a week (includes delivery and pickup).

Based on the bids and quotes received by Inframark, staff recommends that a one-time allocation from the Sewer Maintenance and Construction Fund (Funds 318/321) be made to the Inframark major equipment and capital repair/replacement budget and that staff direct Inframark to move forward with the required work. Inframark will be responsible for contracting directly with the contractors and suppliers and will invoice the City for the work. Inframark will act as the project manager for the construction portion of the project.

Fiscal Impact:

Based on the received bids for the various components of the project, the overall recommended budget is as follows:

Bar Screen Repair (Parkson)	\$ 97,282
Electrical Repairs (Patterson Electric)	\$ 14,875
Canal Gate Valve Replacement (Gateway Pacific)	\$ 11,000
Crane and Forklift Rentals	<u>\$ 5,960</u>
Total Estimated Cost	\$129,117

Staff recommends that the Council authorize expenditures of \$129,117 for Inframark to move forward with the repairs at the WWTP. Additionally, as projects of this nature may experience unexpected cost overruns, staff also recommends that the Council authorize the City Manager to sign change orders up to an additional 10% contingency (e.g., \$12,912) of the overall estimated construction. These additional funds will only be allocated to the overall project if change orders for unforeseen work is required.

With the allocation of the additional contingency money, staff recommends an overall project budget authority of \$142,029.

The source of funding for this project is the Sewer Maintenance and Construction Fund (Funds 318/321).



Date: April 9, 2024
To: Honorable Mayor and City Council
From: John Wanger, City Engineer
Marti Brown, City Manager
Subject: Annual Pavement & Construction Project (FY 2022-23)

Recommendation:

Approve a resolution authorizing the City Manager to:

- 1) Execute an agreement with Pavement Coatings Company in the amount of \$633,642 for the FY22-23 Annual Pavement & Construction Project;
- 2) Execute a contract amendment with Coastland Civil Engineering for \$105,550 to provide construction management and inspection services for the project;
- 3) Establish an overall budget for the project of \$801,556; and
- 4) Approve a budget amendment to provide additional funding from Fund 310 (RSTP funds).

Rationale for Recommendation:

The pavement project streets were selected in the spring of 2023 (hence, the project title FY 2022-23); however, the construction drawings and bid documents were not complete until September 2023. By then, staff determined that it was late in the construction season to start a new pavement project that would likely lead to delays and possible complications (e.g., due to changing weather conditions).

Background:

As part of the City's ongoing efforts to improve pavement conditions in the City, construction bid documents were prepared for the FY22-23 Annual Pavement & Construction Project. The bid documents were completed in September 2023. Staff concluded that bidding for the project in September may lead to weather delays. Accordingly, it was decided to postpone bidding until the spring of 2024.

The project includes pavement treatment of the following street segments:

- North Humboldt Street between Wood and Sycamore Streets;
- Sycamore Street between North Humboldt Street and Villa Avenue; and
- Crawford Avenue between Sycamore and Laurel Streets.

In addition, it also includes replacement of non-conforming pedestrian ramps on these streets; and replacement of two alleyway driveways between South Shasta and South Butte Streets at the entrances of West Laurel and West Ash Streets.

Discussion & Analysis:

By the deadline on March 25, 2024, five bids were received and opened. They ranged in price from \$633,642 to \$720,177. The lowest responsible bid was submitted by Pavement Coatings Company of Sacramento. Staff completed a review and check of Pavement Coatings Company’s bid and found it to be responsive. In addition, staff also determined:

- the company’s contractor’s license is active and valid (e.g., possessing a Class A license as required by the bid documents that expires on 9/30/24);
- the prime contractor and the listed subcontractors are all appropriately registered with the Department of Industrial Relations (for submittal of prevailing wages); and
- that the bid contained the required information per the Notice to Bidder’s.

Based on both the City Municipal Code and the Public Contract Code, the project must be awarded to the lowest responsive and responsible bidder.

Environmentally, the project is determined to be Categorically Exempt in accordance with Section 15301(c) in that this project involves rehabilitation of existing streets and sidewalks.

Staff has found that Pavement Coatings Company’s bid satisfies the bidding requirements for the project and staff recommend an award of the project.

Fiscal Impact:

At the completion of the construction documents, the Engineer’s estimate for the project was \$508,000 and the primary funding source is SB-1 Gas Tax monies. In the Capital Improvement Program (CIP), this shows as Project ST-001-23 with a total budget of \$525,000. The bids were higher than anticipated and, as a result, staff extended additional care to scrutinize the bid packages. While over the past year prices in general have increased, the actual street resurfacing costs were comparable to estimated dollar amounts. However, many other costs (e.g., concrete) were significantly higher than staff estimates. As costs were somewhat comparable across all the bids, staff consider them reflective of overall construction cost increases in general.

Based on the low bid for the project, the overall recommended budget for this project is as follows:

Construction:	\$ 633,642
Contingency (10%):	\$ 63,364
Construction Mgmt/Inspection	<u>\$ 104,550</u>
Total Overall Budget	\$ 801,556

The original funding source for this project was only SB-1 for \$525,000. As the overall project costs have exceeded this amount, staff recommend using \$276,556 of additional funding from RSTP Fund 310. The total estimated RSTP balance at the beginning of the fiscal year was

\$418,480. Accordingly, sufficient funds are available in the RSTP Fund to supplement the funding required to move forward with this project. A budget amendment to allocate the additional funds from RSTP is included in the attached resolution.

Attachment:

- Attachment 1: Resolution XX-2024



**City of Willows
Resolution XX-2024**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER TO SIGN A CONTRACT WITH PAVEMENT COATINGS CO. FOR THE FY22-23 PAVEMENT PROJECT, SIGN A CONTRACT AMENDMENT WITH COASTLAND CIVIL ENGINEERING TO PROVIDE CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES, APPROVE AN OVERALL BUDGET FOR THE PROJECT AND AUTHORIZE A BUDGET ADJUSTMENT

WHEREAS, in accordance with California Public Contract Code Sections 20162-20164 and other applicable law, the City of Willows solicited bids for the FY22-23 Pavement Project ("Project"); and

WHEREAS, bids for the Project were opened on March 25, 2024, in accordance with California Public Contract Code Section 4104.5 and other applicable laws; and

WHEREAS, five bids were received with the bids ranging from a low bid of \$633,642 to a high of \$720,177, with the low bid being from Pavement Coatings Co.; and

WHEREAS, staff has determined that Pavement Coatings Co. bid satisfies the bidding requirements for the Project; and

WHEREAS, staff has verified that Pavement Coatings Co. possesses valid California Contractor's Licenses under the requested Class A, number 303609 (expires 9/30/2024) as required to qualify to perform the Project; and

WHEREAS, the Project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Section 15282(c) of Title 14 of the California Code of Regulations in that this project involves maintenance work on existing streets and sidewalks; and

WHEREAS, Coastland Civil Engineering, as the City Engineer, has provided an overall estimated budget of \$104,550 to provide construction management and inspection services associated with this project based on a 60-day construction timeframe; and

WHEREAS, the overall budget for the project has been estimated at \$801,556; and

WHEREAS, the estimated overall budget exceeds the budget in the approved Capital Improvement Program and additional funding is necessary to complete the project; and

WHEREAS, the RSTP fund (Fund 310) has sufficient additional funding to cover the additional funding needed for this project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS AS FOLLOWS:

1. The above recitals are true and correct and are hereby incorporated into this Resolution as findings of the City Council of the City of Willows.
2. The Project is categorically exempt from CEQA in accordance with Section 15301(c) of Title 14 of the California Code of Regulations.
3. In accordance with California Public Contract Code Section 20160 and following other applicable laws, the City Council of the City of Willows hereby finds the bid of Pavement Coatings Co. for the FY22-23 Pavement Project to be the lowest responsive bid and waives any irregularities in such bid in accordance with applicable law.
4. The contract for the Project is hereby awarded to Pavement Coatings Co., in the amount of \$633,642.00, conditioned on Pavement Coatings Co.'s timely execution of the Project contract and submitting all required documents, including, but not limited to, certificates of insurance, and endorsements, in accordance with the Project bid documents.
5. The City Manager is hereby authorized and directed to execute with Pavement Coatings Co. for performance of the Project in accordance with the bid documents and applicable law upon submission by Pavement Coatings Co. of all documents required pursuant to the Project bid documents.
6. The City Manager is hereby authorized and directed to execute a contract amendment with Coastland Civil Engineering in the amount of \$104,550 to provide Construction Management and Inspection Services associated with this project.
7. That the overall budget for the Project be established at \$801,556.
8. The City Manager is hereby authorized to execute any contract change orders in accordance with the Project contract documents so long as the total Project cost does not exceed the total funding for this Project in the adopted budget.
9. City staff is hereby directed to issue a Notice of Award to Pavement Coatings Co.
10. That a budget adjustment is hereby authorized to use up to \$276,556 of RSTP funding (Fund 310) as additional funding for this project.
11. This Resolution shall become effective immediately.
12. All portions of this resolution are severable. Should any individual component of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining resolution portions shall be and continue in full force and effect, except as to those

resolution portions that have been adjudged invalid. The City Council of the City of Willows hereby declares that it would have adopted this Resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

PASSED AND ADOPTED by the City Council of the City of Willows, State of California this 9th day of April 2024, by the following vote:

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

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Amos Hoover, City Clerk



Date: April 9, 2024
 To: Honorable Mayor and City Council
 From: John Wanger, City Engineer
 Marti Brown, City Manager
 Subject: Willows Public Library – HVAC Unit Replacement

Recommendation:

Approve a resolution accepting the improvements associated with replacement of three HVAC units in the Willows Public Library and authorize the filing of the Project’s Notice of Completion.

Rationale for Recommendation:

In recent years, the library’s HVAC units were unreliable, more than 20 years old, and in desperate need of replacement, especially since the library also serves as an emergency cooling center for Glenn County.

Background:

Previously approved by the City Council, this project replaced three of the HVAC units located on the roof of the Public Library at 201 North Lassen Street. The work was performed to replace existing HVAC units which have reached the end of their useful service life.

Discussion & Analysis:

This project was recently completed to the City’s satisfaction by B&M Builders, Inc. The total construction cost was \$67,676.26.

Based upon the satisfactory completion of the work, Staff recommends that the City Council accept the improvements and authorize the City Engineer to file the Notice of Completion.

Fiscal Impact:

The overall budget and expenditures for this project is summarized as follows:

	<u>Approved Budget</u>	<u>Actual Expenditure</u>
Construction:	\$ 64,000	\$ 64,000
Contingency (10%):	<u>\$ 6,400</u>	<u>\$ 3,676</u>
Total	\$ 70,400	\$ 67,676

The primary source of funding for this project is the California State Library's Infrastructure Grant Program Round 1 (67%), with matching funds coming from the City's Library Development Impact Fee Fund (33%).

Attachments:

- Attachment 1: Resolution XX-2024
- Attachment 2: Notice of Completion



**City of Willows
Resolution XX-2024**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, ACCEPTING THE IMPROVEMENTS ASSOCIATED WITH REPLACEMENT OF THREE HVAC UNITS AT THE PUBLIC LIBRARY, AND AUTHORIZING THE NOTICE OF COMPLETION TO BE FILED FOR THE PROJECT

WHEREAS, at the December 12, 2023, City council meeting, the City Council approved entering into a contract with B&M Builders, Inc. for the replacement of three HVAC units on top of the Public Library located at 201 N. Lassen Street ("Project") and established an overall project budget; and

WHEREAS, the Project has been inspected and determined to have been completed in accordance with the contract requirements; and

WHEREAS, based upon the foregoing, staff recommends acceptance of the Project on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS AS FOLLOWS:

1. The City hereby accepts the improvements associated with the Project.
2. Authorizes and directs the City Engineer to file a Notice of Completion concerning the Project with the Glenn County Clerk's Office within ten (10) days of the date of this Resolution.
3. This Resolution shall become effective immediately.

All portions of this resolution are severable. Should any individual component of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining resolution portions shall be and continue in full force and effect, except as to those resolution portions that have been adjudged invalid. The City Council of the City of Willows hereby declares that it would have adopted this Resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

PASSED AND ADOPTED by the City Council of the City of Willows, State of California this 9th day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Gary Hansen, Mayor

ATTESTED:

Amos Hoover, City Clerk

WHEN RECORDED RETURN TO:

City Clerk

City of Willows

201 Pacific Avenue

Willows, CA 95988

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the undersigned City of Willows, 201 N. Lassen Street, Willows, California, owners in fee of 201 N. Lassen Street within the City of Willows, California, observed certain construction work to be performed within the City of Willows, County of Glenn, which work is generally described as follows:

The replacement of three HVAC units on the roof of the Public Library located at 201 N. Lassen Street included removal of failed HVAC equipment and related components, and installation of a new HVAC equipment, including mechanical and electrical work to connect to the City's existing HVAC system.

That the contractor for the performance of such work was awarded to B&M Builders, Inc. and that said work was satisfactorily completed on March 22, 2024, in accordance with the Project Plans and Specifications. The final construction cost for the project was \$67,676.26.

This notice is given pursuant to Section 9204 of the Civil Code of the State of California.

<p>This is to certify that the Notice of Completion above is hereby authorized by order of the Council of the City of Willows pursuant to Council Resolution No. ____ dated April 9, 2024, and owner consents to recordation thereof by its duly authorized officer.</p>	<p style="text-align: center;">City of Willows A Municipal Corporation</p> <p>I declare under penalty of perjury that the information is true and correct.</p> <p>By: _____, City Engineer</p> <p>Dated: April 9, 2024</p>
--	--



Date: April 9, 2024
To: Honorable Mayor and Councilmembers
From: Joe Bettencourt, Community Development and Services Director
Marti Brown, City Manager
Subject: Emergency Work Authorization - Road 57 Sink Hole

Recommendation:

Approve a resolution ratifying the actions taken by staff and retroactively authorizing the City Manager to pay Walberg Inc. for emergency repairs on Road 57.

Rationale for Recommendation:

A sudden and unexpected sinkhole occurred at Road 57 requiring immediate repairs to avoid an imminent public health and safety hazard. Staff acted quickly and secured a contractor to make the necessary repairs as quickly as possible.

Pursuant to California Public Contract Code - PCC § 22050(a)(1) In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.

Background:

On Wednesday March 20, 2024, a sink hole was discovered by the California Water Service at Road 57 immediately to the east of the intersection to Highway 99. Public Works immediately closed the one affected lane of Road 57. The Public Works Superintendent and the Community Development Services Director assessed the urgency and scope of the situation and determined that contracting the work would be in the best interest of public safety. Walberg Inc. was contacted and had the resources available to respond immediately.

Underground Service Alerts (USAs) were called in the day the sink hole was discovered and Walberg Inc. was onsite the following day. Unfortunately, ATT had not completed its USA, so Walberg Inc. could only perform asphalt saw cutting the first day. The Community Development and Services Director called ATT's emergency line and was able to request USA services be completed by the following morning. The USA was completed, and Walberg Inc. was able to begin excavation on Friday, March 22. When the sawcut trench was excavated, it was discovered that the metal culvert pipe had deteriorated, which allowed drainage water to erode the soil underneath the roadway. Walberg Inc. was able to complete the removal and replacement of the culvert pipe, backfill and compact base and

open the road on Friday, March 22. The metal pipe was replaced with a High-Density Polyethylene pipe, which is resistant to corrosion. Walberg Inc. returned on Monday March 25 to patch the trench with asphalt and complete the project.

Discussion & Analysis:

Based on the urgency to repair the sink hole, formal contract documents and/or engineering plans were not practical. Due to limited public works staff and the scope of the project, it was determined that it would be in the best interest of the City to contract the emergency repairs.

Typically, the City adheres to the Willows Municipal Code Section 3.05.090 for purchases or services over \$5,000, which generally follows the bidding procedures as outlined in the Public Contract Code. However, because of the emergency nature of this project, the Willows Municipal Code 3.05.080 was exercised:

Bidding required for purchases – Exceptions.

Bidding shall be dispensed with only when there is an emergency or when the amount involved is less than \$500.00 or when the commodity can be obtained from only one vendor. [Ord. 529-77, 10-25-77. Prior code § 6-53].

Section 22050 of the Public Contract Code also allows for alternative procedures in emergency situations. It requires the City to make certain findings and pass a Resolution by 4/5's vote. Staff determined that this was an emergency and, accordingly, followed the Willows Municipal Code 3.05.080 and Public Contract Code Section 22050. As a result, staff recommends Council ratification of the actions taken.

Fiscal Impact:

The emergency repairs totaled \$15,763.09 and will be paid by using Regional Surface Transportation Program (RSTP) Funds.

Attachments:

- Attachment 1: Resolution XX-2024
- Attachment 2: Invoice
- Attachment 3: Project Photographs



**City of Willows
Resolution ##-2024**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, ADOPTING FINDINGS AND AUTHORIZING THE CITY MANAGER TO REIMBURSE WALBERG INC. FOR EMERGENCY WORK ASSOCIATED WITH THE ROAD 57 SINK HOLE

WHEREAS, a sink hole materialized on Wednesday March 20, 2024, necessitating immediate emergency repairs; and

WHEREAS, due the urgency and scope of work, Walberg Inc. was contacted to assist the City of Willows with the needed repairs; and

WHEREAS, the cost of repairs is \$15,763.09 and will be paid out of the Regional Surface Transportation Funds; and

WHEREAS, Walberg Inc holds a valid California Contractors License (#763762) Class A that expires June 30, 2025 and is registered through the Department of Industrial Relations (#100000293) which expires on June 30, 2026.

FINDINGS

WHEREAS, the City Council of the City of Willows hereby finds as follows:

- A. Pursuant to California Public Contract Code Section 20168, the public interest and necessity demanded the immediate commencement of the above-described work on Road 57 and the expenditure of public money for such work to safeguard life, health and property;
- B. Pursuant to California Public Contract Code Section 22050, substantial evidence as set forth in the staff report prepared concerning this resolution, and as set forth in this resolution, establishes that the emergency conditions on Road 57 would not permit delay resulting from competitive solicitation for bids for the work, and such work was necessary to respond to the emergency conditions;
- C. Competitive bidding of the emergency work ordered on Road 57 would have jeopardized the public health, safety and welfare, and risked further damage to public and potentially private property, and therefore competitive bidding of such work would not produce an advantage for the public;
- D. The emergency work ordered on Road 57 is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 15269, subparagraphs (b), (c) and (d);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS AS FOLLOWS:

1. Award of contracts for the emergency work ordered on Road 57 is exempt from California Public Contract Code competitive bidding requirements pursuant to California Public Contract Code Sections 20168 and 22050 and the established common-law doctrine articulated in the

case of *Graydon v. Pasadena Redevelopment Agency* (1980) 104 Cal.App. 3d 631.

2. The City Manager is hereby authorized and directed to pay Walberg Inc. \$15,763.09 for the performance of the emergency work described above.
3. City staff are directed, in accordance with California Public Contract Code Section 22050(c)(1), to place on future regular agendas of the City Council, an item concerning the contracts authorized pursuant to this resolution so that the Council may determine whether there is a need to continue the emergency work described above or whether such work may be terminated.
4. City staff are directed to file a notice of exemption concerning the emergency work ordered on Road 57 with the Glenn County Clerk in accordance with California Code of Regulations Title 14, Section 15062.
5. This resolution shall become effective immediately.
6. Each portion of this resolution is severable. Should any portion of this resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining resolution portions shall be and continue in full force and effect, except as to those resolution portions that have been adjudged invalid. The City Council of the City of Willows hereby declares that it would have adopted this resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section, subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 9th day of April 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Amos Hoover, City Clerk



Invoice

CA License# 898860
 6041 Highway 99W
 Corning, CA 96021

Date	Invoice #
3/12/2024	7985

Bill To
City of Willows. 201 N. Lassen Street Willows, CA 95988

Project	Terms
Co Rd 57 Colvert Emerge...	Due on receipt

Quantity	Description	Rate	Amount
	Emergency Culvert Repair Co Rd 57		
	3/21/2024		
1	Mobilize, Sawcut, USA	2,546.80	2,546.80
	3/22/2024		
1	Replace Culvert	8,923.01	8,923.01
	3/25/2024		
1	Patch Pave	4,293.28	4,293.28

Total		\$15,763.09
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A service fee of 1.5% will be charged on all past due accounts which is an annual percentage rate of 18%.

Payments/Credits	\$0.00
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Phone #	Fax #	Web Site
530-824-0773	530-824-5887	www.Walberginc.com

Balance Due	\$15,763.09
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Due Date	3/12/2024
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Date 3-25
 Description of Work:
 patch pave

Equipment

Equipment Name	Hours	Hour rate	Extended Amounts
Cal Trans Rates 2019			
Cat 259 Skid Steer		\$46.72	\$ -
Cat 420 Backhoe	1	\$86.86	\$ 347.44
Cat 325 Class Excavator	1	\$108.12	\$ -
Cat 415 Skip Loader			
Cat D-6 Dozer		\$91.08	\$ -
Company Truck - F250 - F350		\$29.60	\$ -
Company Truck - F450	1	\$49.31	\$ 197.24
973 Track Loader		\$255.00	\$ -
10 Wheel Dump Truck		\$120.00	\$ -
Water Truck		\$61.92	\$ -
Bomag Roller 211		\$60.09	\$ -
Jumping Jack - Vibra Plate			\$ -
Cat CB 22 Smooth Drum Roller		\$41.50	\$ -
Laymore Sweeper		\$23.86	\$ -
GPS		\$2.94	\$ -
Signs and cones			\$ -
Lowboy Truck and Trailer			\$ -
A Subtotal			\$ 544.68

Material and or work done by Specialist

Description	No. unit	Unit Cost	Extended
ac	4	\$ 100.00	\$ 400.00
trucking tag # 14034 import and e	4	\$ 150.00	\$ 600.00
	5	\$ 160.00	\$ 800.00
Total Cost of Equipment, Material and Work			B Subtotal \$ 1,800.00
			B Subtotal \$ 1,939.60

Project Manager _____ Date _____

Approval _____ Title _____ Date _____

All labor hours are journeyman rate unless noted otherwise

Project Man	Hours	Hourly rate	Extended Amounts
Regular			\$ -
OT			\$ -
Regular			\$ -
OT			\$ -
Office Staff			\$ -
Regular			\$ -
Superint			\$ -
Regular		\$ 92.11	\$ -
OT		\$ 123.24	\$ -
Operator ba	4	\$ 95.77	\$ 383.08
OT		\$ 122.02	\$ -
Operator sh			\$ -
Regular		\$ 95.77	\$ -
OT		\$ 122.02	\$ -
Sunday OT			\$ -
Operator 4			\$ -
Regular		\$ 86.67	\$ -
OT		\$ 119.48	\$ -
Sunday OT			\$ -
Labor	4	\$ 66.22	\$ 264.88
OT		\$ 86.50	\$ -
Sunday OT			\$ -
Labor	4	\$ 63.55	\$ 254.20
OT			\$ -
Sunday OT			\$ -
labor	4	\$ 68.82	\$ 275.28
OT		\$ 96.48	\$ -
Sunday OT			\$ -
C Subtotal			\$ 1,177.44

Equipment	Subtotal	Percent	Total
A Equipment	\$ 544.68	81.70	\$ 626.38
B Material	\$ 1,939.50	290.93	\$ 2,230.43
C Labor	\$ 1,177.44	259.04	\$ 1,436.48
Total this work order			
			Total \$ 4,293.28

Please pay this amount \$ \$

























DISCUSSION & ACTION CALENDAR



Date: April 9, 2024
To: Honorable Mayor and Councilmembers
From: Marti Brown, City Manager
Subject: Proposed November 2024 Sales Tax Ballot Measure

Recommendation:

Discuss and approve the attached ordinance and resolution authorizing the City Manager to place a 1.5% sales tax measure on the November 2024 presidential ballot.

Rationale for Recommendation:

The City will have exhausted all its General Fund Reserves by June 30, 2025, and needs an immediate revenue source within the next 12-18 months to maintain critical city services.

Background:

In July of 2023, the City started the fiscal year with a structural deficit of more than \$400,000. After completing negotiations with the Sheriff's Office for a new law enforcement services agreement that jumped by nearly \$1 million in fiscal year 2023-24, the City's new structural deficit is approximately \$1.3 million.

As a result of the extreme increase in the city's structural deficit and because the City is expected to run out of reserves by the end of fiscal year 2024-25, the majority of the Willows City Council declared a fiscal emergency on October 10, 2023 and approved placing a 1% sales tax on the March 2024 ballot.

Shortly thereafter, the Council learned that declaring a fiscal emergency requires a unanimous vote of the Council and, on October 10, 2023, the vote was four to one in favor. Consequently, the City was unable to place an emergency sales tax measure on the March 2024 ballot.

Since the fall of 2023, the City Council and management have realized that a 1% sales tax is really insufficient to make the City whole and move from barely paying its bills to long-term economic sustainability. As a result, the Willows City Council will now consider authorizing the City Manager to place a 1.5% sales tax measure on the November 2024 Presidential Primary ballot. This time, however, a declaration of a fiscal emergency is not necessary and only a four-fifths vote is required.

Discussion & Analysis:

As Attachments 1 and 2 illustrate, the city faces a long-term structural deficit of approximately \$1.3 million annually starting in fiscal year 2025-26. However, by June 2025, the City's General Fund

Reserves will be exhausted with less than 1% remaining. The City Council started discussing the City's ongoing deficit in April 2023 seeking remedies to resolve it and improve revenues.

As Attachment 3 shows and based on 90% of HdL's forecast, a 1.5% sales tax is anticipated to generate an additional \$2,079,000 annually of General Fund monies. Should the voters approve a 1.5% sales tax, the new revenues would cure the structural deficit and provide an estimated 10% General Fund Reserve.

The attached Resolution and Ordinance (Attachment 4 and Exhibit A) provides the proposed sales tax ballot language and the language that would be included in the City of Willows Municipal Code should the sales tax be approved by the voters.

Fiscal Impact:

The immediate fiscal impact of placing a sales tax measure on the November 2024 ballot is approximately \$15,000.

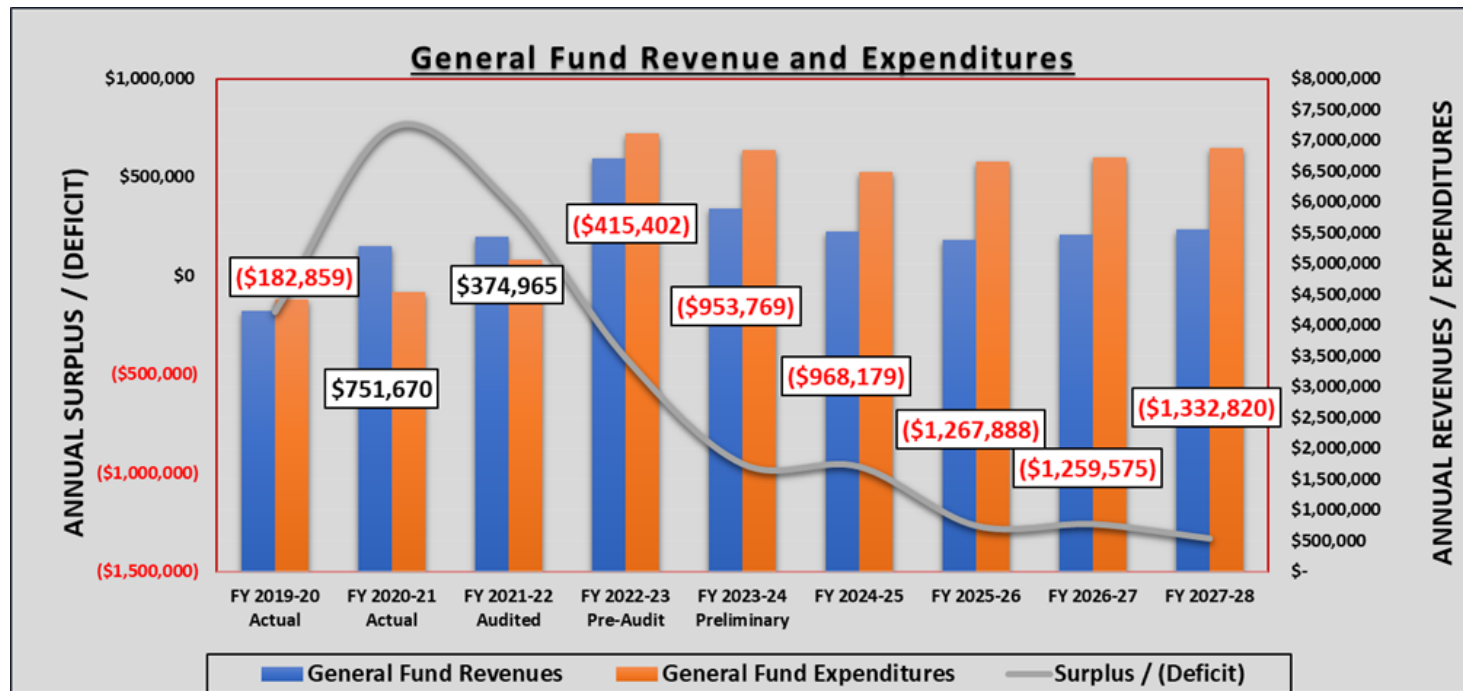
Attachments:

- Attachment 1: FY 2023-24 Mid-Year Budget Forecast Update
- Attachment 2: FY 2023-24 Mid-Year General Fund Balance
- Attachment 3: Deficit Mitigation and General Sales Tax Revenue Generation
- Attachment 4: Resolution: XX-2024
 - Exhibit A: Sales Tax Ordinance

FY 2023-24 Mid-Year / Forecast Update

- General Fund Financial Forecast-

Financial Status - General Fund Forecast



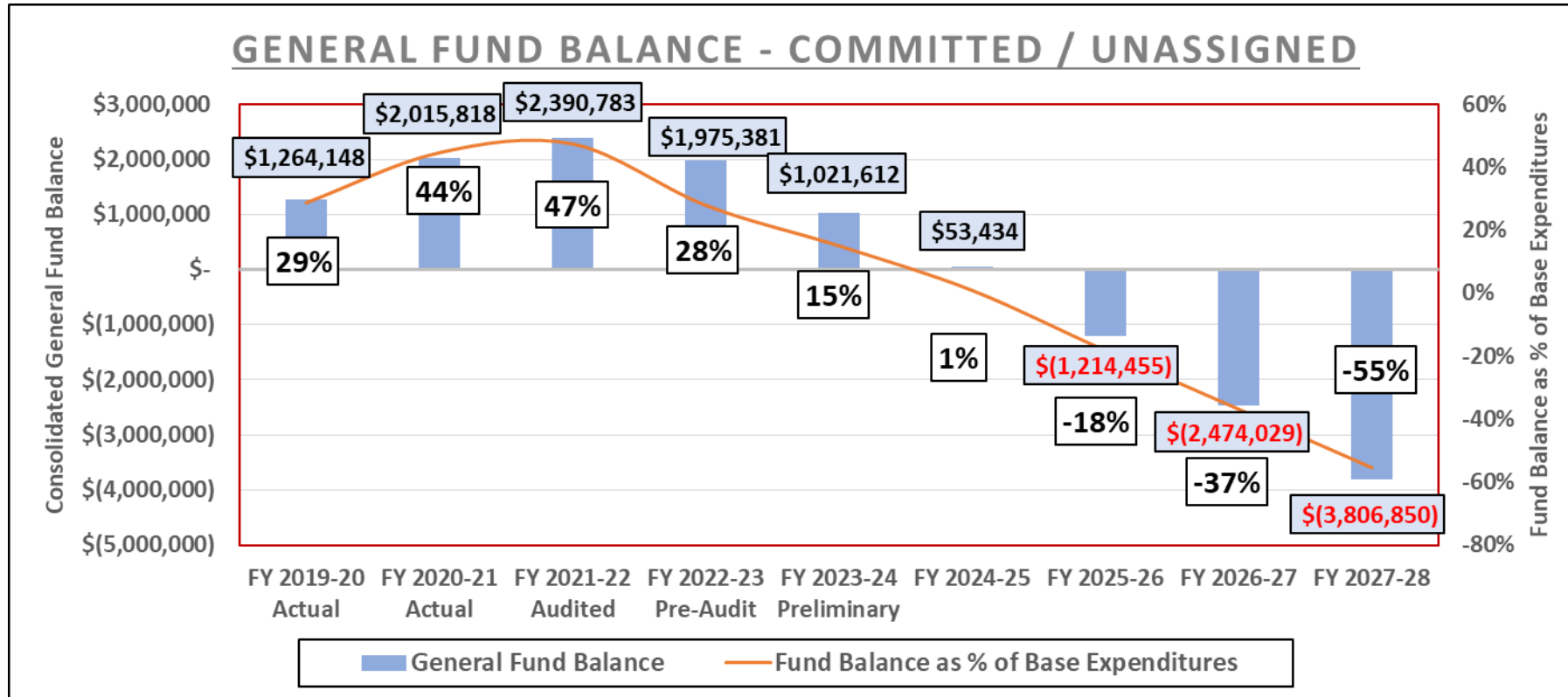
Notes:

- Forecast based on "Base Budget" concept
- All positions currently authorized assumed filled as of January 2024 and forward
- Model only includes negotiated salary increases
- Deficits grow due to further increases in Police Services Contract and CalPERS UAL costs
- Systemic issue of revenue base not keeping up with expenditure base

FY 2023-24 Mid-Year / Forecast Update

- General Fund Financial Forecast -

General Fund Balance:



FY 2023-24 Mid-Year / Forecast Update - General Fund Deficit Mitigation -

General Fund Deficit Mitigation – Transactions Tax Impacts

TRANSACTIONS (SALES) TAX IMPACTS			
Revenue Generated (represents 90% of Hdl Forecast):			
<i>Starts April 2025</i>			
Rate	Amount		
1.00%	\$ 1,386,000		
1.25%	\$ 1,732,500		
1.50%	\$ 2,079,000		
1.75%	\$ 2,772,000		
<i>Surplus / Deficit (2% annual growth in tax)</i>			
	No Tax	1% Tax	1.5% Tax
FY 2024-25	(\$968,179)	\$ (621,679)	\$ (448,429)
FY 2025-26	(\$1,267,888)	\$ 145,832	\$ 852,692
FY 2026-27	(\$1,259,575)	\$ 182,420	\$ 903,417
FY 2027-28	(\$1,332,820)	\$ 80,901	\$ 873,431



**City of Willows
Resolution ##-2024**

A RESOLUTION OF THE WILLOWS CITY COUNCIL CALLING AND ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF WILLOWS A BALLOT MEASURE TO INCREASE THE GENERAL PURPOSE TRANSACTION AND USE ("SALES") TAX BY ONE AND A HALF PERCENT AT THE GENERAL ELECTION TO BE HELD ON TUESDAY NOVEMBER 5, 2024

WHEREAS, the health and safety of all residents in the City of Willows ("the City") is the City's top priority; and

WHEREAS, the City faces a structural budget deficit that it is trying to remedy; and

WHEREAS, as part of the City's effort to remedy the structural deficit and address the many needs of the City including law enforcement services, fire protection and prevention, emergency medical, public works, administration, permitting, inspections and finance services a General Transactions and Use Tax ("Sales Tax") is proposed for the November 2024 ballot; and

WHEREAS, the City holds the authority to levy a Transactions and Use Tax pursuant to California Revenue and Taxation Code section 7285, subject to approval of a majority votes of the electorate pursuant to Article XIII C, Section 2 of the California Constitution ("Proposition 218"); and

WHEREAS, the City Council would like to submit to the voters a measure introducing a Sales Tax of one and one-half percent (1.5%) on the sale of all tangible personal property sold at retail in the City; and

WHEREAS, like many other cities, the City has undergone a financial crisis due to the economic downturn, takeaways by the state and inability of revenues to keep pace with expenditures; and

WHEREAS, in order to maintain minimum city staffing levels and provide critical city services, a structural deficit of \$420,000 was initially incurred in fiscal year 2022-23; and

WHEREAS, in fiscal year 2023-24, the Glenn County Sheriff's Office proposed a more than \$300,000 increase in the City's law enforcement contract that will continue to increase in future fiscal years creating a new total structural deficit that ranges between \$1.3 and \$1.5 million per year; and

WHEREAS, the City has historically worked diligently and continues to strive to control spending and make all possible budgetary cuts; and

WHEREAS, the City has evaluated the impacts of financial constraints on the City's ability to provide vital services to the public, including evaluation and implementation of measures to reduce costs, as well as measures to increase revenue; and

WHEREAS, a General Sales Tax is needed in order to maintain minimum staffing levels in all city departments including Law Enforcement, Fire, Community Development, Public Works, Administration, Library, and Finance; and

WHEREAS, the Measure is also needed in order to attract and retain highly qualified personnel, purchase apparatus and equipment, and implement capital improvement projects that will better serve the community; and

WHEREAS, only a locally-approved voter funding source would guarantee that new revenue stays in the City to improve city services and the quality of life for City residents; and

WHEREAS, without immediate voter approval of the proposed Sales Tax, the City will face serious financial shortfalls and be required to reduce essential municipal services, which will endanger the health, safety, and general welfare of the City and its residents and, as such, there is a need to adopt the Sales Tax in order to maintain adequate services for the health, safety, and general welfare of the residents of the City of Willows; and

WHEREAS, if approved by the Council, and then passed by the voters on Tuesday November 5, 2024 with a majority of voters (50% plus 1) supporting this measure, it would go into effect on January 1, 2025; and

WHEREAS, the proposed measure will include strict accountability requirements such as public disclosure of all spending; annual financial audits that ensure funds are used effectively and as promised; and only to benefit the Willows community with a sunset clause of fifteen years; and

WHEREAS, to qualify for the ballot, four-fifths of the City Council are required to vote affirmatively for the sales tax ordinance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the City Council, pursuant to its right and authority, does order to be submitted to the voters at the general election on Tuesday, November 5, 2024, the following question:

BALLOT MEASURE # _____	
Willows Sales Tax Measure	Yes
Shall the City of Willows enact a general transactions and use tax in the total amount of one and one-half percent (1.5%) to be used for the purpose of providing the citizens of Willows with critical city services including and not limited to, law enforcement, fire, emergency medical, public works, community development, recreation, administration, library, and finance, under local control and annual audits with a sunset date of fifteen years, be approved?	No

Section 2. That the proposed measure submitted to the voters is attached hereto as Exhibit "A" to this Resolution, which is incorporated herein by this reference.

Section 3. That the vote requirement for the measure to pass is by a majority of the votes cast.

Section 4. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 5. That notice of the time and place of holding the election is hereby given, and the Clerk of the Board of Supervisors is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

Section 6. That the Registrar of Voters of the County of Glenn is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 7. That the Clerk of the City of Willows is hereby directed to file a certified copy of this Resolution with the Registrar of Voters of the County of Glenn.

Section 8. That arguments in favor of and in opposition to the ballot measure and rebuttal arguments shall be permitted, and the City hereby adopts the provisions of Elections Code sections 9167 and 9170, regarding the acceptance of arguments relating to ballot measures. The Clerk of the City Council shall fix the dates for submittal of arguments and rebuttals as provided for in the Elections Code, and in conjunction with the Glenn County Registrar of Voters.

Section 9. That, pursuant to Elections Code section 9160, the Clerk of the City Council is hereby directed to transmit a copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law and the operation of the measure, and transmit such impartial analysis to the Clerk of the City Council within ten (10) days following the adoption of this Resolution.

Section 10. That the Clerk of the City Council shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

Section 11. That this Resolution shall take effect from and after its adoption by a fourth-fifths vote of the members of the City Council.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 9th day of April 2024, by the following vote:

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

APPROVED:

ATTESTED:

Gary Hansen, Mayor

Amos Hoover, City Clerk



**City of Willows
Ordinance XXX-2024**

AN ORDINANCE OF THE CITY OF WILLOWS IMPOSING A TRANSACTIONS AND USE TAX OF ONE AND ONE-HALF PERCENT (1.5%) TO BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

Section 1. TITLE. This Ordinance shall be known as the City of Willows Transactions and Use Tax Ordinance. The City of Willows hereinafter shall be called "City." This Ordinance shall be applicable in the incorporated territory of the City.

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this Ordinance, the date of such adoption being as set forth below.

Section 3. PURPOSE. This Ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail Transactions and Use Tax in accordance with the provisions of Part 1.6 (commencing with section 7251) of Division 2 of the Revenue and Taxation Code, and section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax Ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail Transactions and Use Tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California, insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore, that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this Ordinance.

Section 4. CONTRACT WITH STATE. Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax Ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City, at the rate of one and one-half percent (1.5%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory, on and after the operative date of this Ordinance.

Section 6. PLACE OF SALE. For the purposes of this Ordinance, all retail sales are consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination, or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use, or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this Ordinance for storage, use, or other consumption in said territory, at the rate of one and one-half percent (1.5%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this Ordinance, and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this Ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted, therefore. However, the substitution shall not be made when:

1. The word "State" issued as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California.

2. The result of that substitution would require action to be taken by or against this City, or any agency, officer, or employee thereof, rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

- a. Provide an exemption from this tax with respect to certain sales, storage, use, or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use, or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
- b. Impose this tax with respect to certain sales, storage, use, or other consumption of tangible personal property, which would not be subject to tax by the state under the said provision of that Code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797, or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203, and in the definition of that phrase in Section 6203.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this State or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to section 267(b) of Title 26 of the United States Code and the regulations thereunder.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this Ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax, the amount of any sales tax or use tax imposed by the State of California or by any City, County and City, or County pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax, the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made, and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with section 9840) of the Vehicle Code by registration to an out-of-City address, and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City, and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this Ordinance, the storage, use, or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience, and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City, or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this Ordinance, may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code, with respect to the sale to the person of the property the storage, use, or other consumption of which is subject to the use tax.

Section 12. AMENDMENTS. All amendments subsequent to the effective date of this Ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes, and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code,

and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this Ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

Section 13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate, or other legal or equitable process, shall issue in any suit, action, or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this Ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. SEVERABILITY. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 15. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

Section 16. SALES TAX OVERSIGHT. The City shall maintain a separate Fund (including approved individual budget line items) for the sales tax revenue for budgeting and independent auditing purposes. The public audit shall include an accounting of sales tax revenues received and expenditures thereof in the audited financial statements and shall be presented annually to the City Council at a public meeting.

For the first three years, the City of Willows will produce quarterly reports identifying sales tax revenue and expenditures, which will be presented to the Council at a public meeting and posted on the City's website. After the first three years, the City of Willows will produce an annual report that includes the sales tax revenues and expenditures to be presented to the Council and posted on the City's website.

For the first five years, the City of Willows will conduct one town hall meeting per fiscal year to report to the public on proposed expenditures of the transaction and use tax and to receive public input on how to expend the monies. The town hall meeting will be held in the spring before the final budget approval.

The City Council will conduct a separate annual budget and allocation process of the sales tax revenue during a regular City Council meeting. The City of Willows will include a separate chapter in the annual budget explaining the Council approved revenues and expenditures of the sales tax for the fiscal year.

Section 17. TERMINATION DATE. The authority to levy the tax imposed by this Ordinance shall continue until 15 years from the effective date.

I hereby certify that the City of Willows Supplemental Transactions and Use Tax Ordinance was **PASSED, APPROVED, AND ADOPTED** by the People of the City of Willows on the 5th day of November, 2024.

Gary Hansen, Mayor of City of Willows

ATTEST:

Clerk of the City Council



Date: April 9, 2024
To: Honorable Mayor and Councilmembers
From: Marti Brown, City Manager
Subject: Educational Action Plan Regarding City Finances

Recommendation:

Review and discuss potential Educational Action Plan ('Plan') objectives, messages, and activities regarding the City's finances, make amendments as necessary and/or direct staff to take all necessary actions to undertake the Education Action Plan, and authorize the City Manager to spend up to \$10,000 on related Plan materials (e.g., design, printing, direct mail).

Rationale for Recommendation:

Since the Council is considering a 1.5% sales tax ballot measure for the November 2024 ballot, it is recommended that the Council consider an Education Action Plan to explain the City's fiscal circumstances to the public over the next seven months.

Background:

In July of 2023, the City started the fiscal year with a structural deficit of more than \$400,000. After completing negotiations with the Sheriff's Office for a new law enforcement services agreement that jumped by nearly \$1 million in fiscal year 2023-24, the City's new structural deficit is approximately \$1.3 million.

As a result of the extreme increase in the city's structural deficit and because the City is expected to run out of reserves by the end of fiscal year 2024-25, the majority of the Willows City Council declared a fiscal emergency on October 10, 2023 and approved placing a 1% sales tax on the March 2024 ballot.

Shortly thereafter, the Council learned that declaring a fiscal emergency requires a unanimous vote of the Council and, on October 10, 2023, the vote was four to one in favor. Consequently, the City was unable to place an emergency sales tax measure on the March 2024 ballot.

Since the fall of 2023, the City Council and management have realized that a 1% sales tax is really insufficient to make the City whole and move from barely paying its bills to long-term economic sustainability. As a result, the Willows City Council will now consider authorizing the City Manager to place a 1.5% sales tax measure on the November 2024 Presidential Primary ballot. This time, however, a declaration of a fiscal emergency is not necessary and only a four-fifths vote is required.

Concurrently, at the November 14, 2023, City Council meeting, staff presented and proposed an Educational Action Plan in an effort to highlight and clarify the City's fiscal circumstances to the public. As a result, staff were directed to return to the Council with a proposed Action Plan and messaging (which was planned for the November 28, 2023, City Council meeting). However, since the fiscal emergency and sales tax measure were postponed due to the lack of a unanimous vote, it became unnecessary to present the following Education Action Plan objectives, potential messaging and proposed education activities at the November 28, 2023, City Council meeting. As a result, staff is now returning to the Council to seek direction on the following elements of the proposed Education Action Plan regarding the City's financial circumstances.

Discussion & Analysis:

In an effort to launch an Educational Action Plan regarding the City's financial circumstances, staff recommends developing campaign objectives and a consistent message. To that end, staff has prepared the following draft Plan objectives:

- Objective 1:
Increase public awareness and understanding of the City's current financial circumstances and its budget today and in the immediate future.
- Objective 2:
Elevate the public's awareness and understanding of the urgent need to increase city revenues immediately.
- Objective 3:
Increase awareness of city revenue sources and expenditures.
- Objective 4:
Dispel myths about city revenues and expenditures.

Based on these Plan objectives, staff developed a variety of messages that reflect various possible approaches to the Action Plan depending on the Council perspective. They are not all intended to, necessarily, resonate with the entire Council. The intent is to provide different approaches to the Educational Action Plan process in an effort to generate substantive dialogue amongst the Council and home in on one primary message and possibly a sub-message (if necessary). To that end, please review and consider the following potential messages and/or propose other messages:

- Police, Fire, and Public Works – Core city services that we can't live without.
- Increased Local Revenue = Local Control and Accountability
- Increased Local Revenue = Investing in Ourselves and Our Future
- Increased Revenue = Consistent city services, stable public safety, more recreation programs for our youth, and improved roads and parks.
- With sustainable revenues and enhanced city services, we can create the future we all want for our youth, seniors and each other.
- With increased revenues, the City can maintain public safety, public works and other critical city services.

- The City's current revenues cannot sustain critical city services, including public safety, beyond 2024.
- We need a long-term, financial revenue and expenditure plan that we can count on, control, and be proud of.

Building on the Plan objectives and messaging, the following possible activities may include (but are not limited to):

- Develop a set of Council goals and priorities for spending General Fund monies. Launch an education campaign with an initial Town Hall Meeting to be followed up by more Town Hall meetings as needed.
- Create a separate website for the ballot measure educating the public about the City's Finances, structural deficit and how the City may use revenues from a sales tax.
- Create a separate Facebook page with regular posts.
- Walk precincts and distribute hard copy educational materials.
- Create and mail at least two (if not three) direct mail pieces to registered voters or all Willows residents.
- Create and distribute educational materials and collateral.
- Regularly distribute press releases and newsletters.
- Produce and distribute a press kit.
- Solicit and participate in interviews with the media.
- Establish a Speakers' Bureau: Schedule meetings between Councilmembers with Civic and Church Groups.
- Setup information tables at established businesses (where permitted) and special events in the City.
- Send out Special electronic Newsletters highlighting the City's budget, structural deficit, and how sales tax monies may be used.
- Write Letters to the Editor (from the Community).
- Consider placing ads - both hard copy and electronically – with various news outlets.
- When interacting with Willows residents, use every opportunity to share information about the City's fiscal circumstances.

Fiscal Impact:

Staff recommends an allocation of \$10,000 to prepare education materials and conduct all activities related to any Council approved Education Action Plan related to the City's fiscal circumstances over the next seven months.



Date: April 9, 2024
To: Honorable Mayor and Councilmembers
From: Marti Brown, City Manager
Subject: City Council Goal and Priority Setting Workshop

Recommendation:

Discuss and authorize the City Manager to execute an agreement with *Ria Collaboratories* for an amount not to exceed \$4,000 to facilitate a Council Goal and Priority Setting Workshop that will result in a visioning document about how the Council envisions expending future General Fund monies, as well as future goals and priorities for city development and growth.

Rationale for Recommendation:

At the February 27, 2024, City Council meeting, Vice-Mayor Hutson requested that the Council consider a Council Goal and Priority Setting Workshop.

Background:

For some time, there has been discussion amongst the Council and staff about conducting a City Council Goal and Priority Setting Workshop regarding future plans and a vision for the City. Earlier this year, Vice-Mayor Hutson explicitly requested that the Council direct staff to investigate and recommend a facilitator and/or process for conducting goal setting/prioritization workshop, as well as a budget. As a result, staff started researching options, and based on a recommendation from 3Core, staff learned of *Rea Collaboratories*, a Chico-based group experienced in group facilitation of organizational goals, objectives, priorities and vision statements.

Discussion & Analysis:

The purpose of the proposed exercise is to develop a Council vision with goals and priorities regarding the future of the city, as well as the expenditure of future General Fund monies.

The recommended format is to conduct two, three-hour workshops – one to develop the initial goals and priorities and a second one to refine and approve the final goals and priorities. Attachment 2 includes a list of proposed dates in May for the workshops. Staff recommends Tuesday, May 21 and Thursday, May 24 for the two workshops. The final results of the two workshops would then be presented to the Council at the June 11 City Council meeting for final approval.

Rea Collaboratories is experienced with facilitating a variety of groups to develop visioning statements, goals, objectives and priorities for various organizations and/or initiatives. Attached is Rea's proposal (Attachment 1), as well as a list of Rea's past and current clients (Attachment 2).

Fiscal Impact:

The total proposed cost for the project is \$3600. Staff recommends a total budget and contract amount not to exceed \$4,000 (in the event of minor cost overruns).

Attachments:

- Attachment 1: Contractor's Proposal
- Attachment 2: Rea's Past Client List



PREPARED FOR City of Willows
Marti Brown mbrown@cityofwillows.org

Visioning & Goal Setting

PROPOSAL





Summary

RÍA Collaboratories, a leading consulting firm in strategic planning and collaborative facilitation, presents this proposal to the City of Willows to conduct vision and goal-setting workshops aimed at shaping the city's future. With a commitment to strategic collaboration, co-creation, and user-focused innovation, RÍA Collaboratories offers a unique approach to facilitation that is aligned with the needs of the City of Willows and its council members.

Statement of Qualifications

RÍA Collaboratories specializes in fostering dynamic, inclusive environments where diverse voices are heard and valued. Jovanni Tricerrri brings nearly 25 years of unparalleled expertise in fostering thriving communities and organizations. As a seasoned facilitator, Jovanni excels in convening diverse groups of stakeholders to address and navigate complex challenges, thereby enhancing collaboration and creating common goals and objectives. His proficiency lies in uniting individuals across varied backgrounds, industries, and political landscapes to devise and implement collaborative solutions that catalyze significant, positive transformations.

Jovanni's diverse portfolio, spanning a broad spectrum of sectors including emergency services, health, education, and community foundations, underscores his holistic and adaptable approach to strategic collaboration. This vast experience ensures that Jovanni and RÍA Collaboratories are uniquely equipped to meet the multifaceted challenges faced by the City of Willows and similar communities.

Approach and Style to Facilitation and Strategic Planning

Our facilitation style is grounded in four key tenets:

- **Strategic Collaboration:** A purposeful and coordinated approach, uniting diverse stakeholders to achieve shared goals through meticulous planning and collective expertise.
- **Co-Creation and Ideation:** Engaging stakeholders in a process that encourages the free flow of ideas, fostering a sense of ownership and commitment to the outcomes.
- **Living by Design:** Promoting a mindset of intentional living and decision-making that supports the community's long-term resilience and prosperity.
- **Collaborative Innovation:** Utilizing our Collaboratories as spaces for experimentation and co-creation, pushing the boundaries of traditional problem-solving to discover innovative solutions.



This approach ensures that strategic planning and facilitation are not only about meeting immediate objectives but also about building a foundation for sustained collaboration and innovation within the City of Willows.

Scope of Work

1. **Pre-Workshop Interviews:** Conduct 30–45-minute individual interviews with each council member to inform the workshop design.
 2. **Workshop 1:** Vision and Priorities Articulation – A three-hour session aimed at helping the council articulate and refine their vision for the city, identify focused priorities, and begin to draft goals. This workshop will include engaging activities and discussions to foster creative thinking and consensus-building.
 3. **Workshop 2:** Goals Refinement and Initiative Development – Another three-hour session focused on refining the goals identified in the first workshop and developing detailed initiatives that support those goals. This stage will ensure that the council's vision is translated into actionable plans.
 4. **Report Consultation:** Collaborate with city staff on drafting the workshop report, ensuring it accurately reflects the outcomes. City staff will take on the responsibility of writing the report, I will provide consultation on the draft report to ensure it accurately reflects the workshops' outcomes and provides a clear path forward for the City of Willows.
 5. **Council Presentation:** Present the final outcomes to the City Council, facilitating a discussion on next steps.
-

Fee Schedule

Activity	Details	Cost
Pre-Workshop	5 Council Interviews	\$1,000
Workshop 1	Vision and Priorities	\$1,000
Workshop 2	Goals and Initiative Development	\$1,000
Report Consultation	Consultation on the draft report prepared by city staff	\$300
Council Presentation	Presentation of the report with final outcomes	\$300
Total		\$3,600

Fees include all preparatory work, facilitation time, materials, and follow-up activities.



PROPOSAL ADDENDUM

List of former and current clients

Ability First Sports
Almanor Foundation
American Red Cross
Butte-Glenn College District
Butte Resilience Collaborative
California Office of Emergency Services
Chabin Concepts
Chico Chamber of Commerce
County of Butte

Dixie Fire Collaborative
Every Body Healthy Body
Feather River Health Foundation
International Foundation
Lake County Community Foundation
Nord Country School
North Valley Community Foundation
North Valley Property Owners Association
Westmont Bethel Medical Association

Available Dates

Considering May dates in the afternoon

May 1	May 14	May 22
May 2	May 15	May 23
May 6	May 16	May 28



COMMENTS AND REPORTS



CLOSED SESSION