

Minutes
AMENDED
CITY COUNCIL/SUCCESSOR
AGENCY/PUBLIC FINANCE AUTHORITY
MEETING AGENDA
April 20, 2017

1. CALL TO ORDER(6:00)

Council Members Present: Vosburg, Ramsey, Lander, Stolz (Raine excused)

Others Present: City Manager Marissa Trejo, City Attorney Mario Zamora, Community Development Director Sean Brewer, Assistant to the City Manager Shannon Jensen, Senior Administrative Analyst Mercedes Garcia, Economic Development Coordinator Edith Sanchez, Financial Services Director Jasmine Bains, Public Works and Utilities Director Pete Paciado, Police Chief Michael Salvador, Fire Chief Dwayne Gabriel, City Treasurer James Vosburg, City Clerk Wanda Earls

Change to the Agenda is to transfer 9.1 from Special Agenda as 9.4 to Amended Agenda.

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS (NONE)

3. CITIZEN COMMENTS

Mr. Marshall Field, California Green Tree Development indicated his appreciation for the one week extension on his escrow. Funds will be deposited on Monday or Tuesday.

Mr. Glenn Mitchell requests the League of California Cities place on their agenda at large the road condition on the Westside of Valley, Hwy 5 south and Hwy 46 because of degraded road conditions. They should be considered a hazard.

Council Member Lander said deadline is closed for next agenda. Contact Southern Valley League.

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

1. Consideration and Approval of Resolution No. 3770 and Entering into a Contract with Harris Feeding Company for the Sale of Approximately 1,300 Acre Feet of Water During the 2017/18 Water Year
2. Police Department Monthly Report

Mayor Vosburg pulled Items 1 and 2 for discussion.

Mr. Dan Bergmann explained the Contract with Harris Feeding Company.

Police Chief Salvador gave his monthly Police Report.

*Motion by Lander, Second by Stolz to Approve Consent Calendar Items 1 and 2. Motion **Approved** by a Roll-call 4/0 Majority Vote (Raine absent).*

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. Discussion, Direction and Potential Action Regarding the Approval of Resolution No. 3769 Authorizing the Return from Stage 2 to Stage 1 Water Conservation
Dan Bergmann, P.E., IGServices

Mr. Dan Bergmann said this item is to approve Resolution No. 3769 to return the City from Stage 2 to Stage 1 Water Conservation.

The additional water will make Coalinga greener in the months to come. Almost all additional water used will be for irrigation, especially at WHCC, CHUSD, CHRPD and City parks. The water to be used by PVSP and CSH is expected to be similar to last year based on phone conversations with representatives at each location. Residents will, also, be able to use more water for landscape, watering three days per week instead of two.

The City has a new agreement with Harris Ranch for the sale of 1300 acre-feet. This agreement is beneficial to the City and to Harris Ranch Feed Lot. It is \$150K revenue benefit to the City. Harris Ranch will benefit from the low cost water. We will adjust downward if necessary.

Mr. William Bourdeau, Harris Ranch said he has fond memories of being on the Council. The agreement benefits both the City and Harris Ranch. We have had a long-term relationship.

Mr. Glenn Mitchell asked with such a surplus, what about filling swimming pools?

City Manager Trejo said that is a separate item.

Mr. Chris Macaluso, CANNA Agency indicated the additional water will have an impact on industry.

Council Member Ramsey said there have been times when the City was short on water and Harris Ranch has sold water back to the City.

*Motion By Lander, Second by Ramsey to Approve Resolution No. 3769 Authorizing the Return from Stage 2 to Stage 1 Water Conservation with Modification to Stage 1. Motion **Approved** by a Roll-call 4/0 Majority Vote (Raine absent)*

2. Discussion, Direction and Potential Action Regarding the Selection of Two Council Members to Attend a Town Hall Meeting for the Police Department's Proposed Body Camera Program
Marissa Trejo, City Manager

After discussion it was decided that Council Member Stolz and Lander will attend the Town Hall on April 24th and Council Members Vosburg and Ramsey will attend the Town Hall on May 2nd.

3. Discussion: Budget Review for FY 2017/2018

Marissa Trejo, City Manager

City Manager Trejo introduced Financial Services Director Jasmine Bains who presented the Budget Review.

General Fund Proposed Budget item of interest: Income from sale of CCC \$4,087, minus CCF Operating and Maintenance \$2,892 leaving a net increase to revenue of \$1,193. to the General Fund.

The projected ending fund balance for 2017 \$557,424; ending fund balance for 2018 (\$1,122,173.)

Ms. Bains briefly covered the significant line items affecting the General Fund budget.

General Fund Revenues

2017 \$7,111,922

2018 \$7,929,791

General Fund Expenses

2017 \$7,906,145

2018 \$9,609,388

Variance to Revenue and Expense

2017 (\$794,223)

2018 (\$1,679,597)

Comments:

- HDL, Inc. is company that analysis our sales tax data. They insure that everything is updated and reported for; they do auditing of taxes. They benefit from sales tax recovery.
- Court House rent/lease \$1200 monthly
- Rental properties – Church of Christ, Court House, PD

Mayor Vosburg wants full report on income properties, copies of contracts and any increase in property value.

- POST stopped as of February 1st which reimbursed for training. Training will still continue.
- Ambulance net decrease
- Deficient of \$1.7 largest since 2012 – mostly things we cannot control

Mayor Vosburg wants to know major expenses. Public safety PD and FD. How did FD get up to \$500k?

Ms. Bains said personnel costs.

City Manager Trejo said it is regular salaries.

- There was a Calpers Audit
- By-weekly pay – overtime

- 1.9% increase in salaries
- New employees still receiving step increases
- O/T budget exceeding for year because of being understaffed

Mayor Vosburg wants to fix it. Maybe citizens would like to lose services. He feels he cannot approve budget like this and he is concerned about paying \$500 in overtime.

City Manager Trejo said 14% of wages invested in Calpers. It takes 5 years to be vested. On December 21st will begin retirement. Projected vacation payments \$57K this year.

- FD works one shift of six and one shift of five. Working with 16 staff members but have 22 authorized.; \$31K O/T per person

Council Member Ramsey said there is no personnel to fill positions.

Mayor Vosburg said \$500 for O/T and we are \$1.6 in the hole.

Council Member Ramsey said they are working for the O/T. If we have more people there will be less hours. Other places pay more than we do. We have to pay O/T.

Council Member Vosburg indicated that Coalinga is paying 100% of benefits.

Fire Chief Gabriel said as of the 24th of April two reserves will be on board. Staff has to backfill for vacations creating O/T.

City Manager Trejo said that can be decreased the next time we meet on the Budget. This \$457K is what they are going to meet by end of June 30th.

Police Chief Salvador said most of his budget has been because of Cannabis. The Animal Control budget was split out this year because he wants to insure that the public knows what animal control cost. Animal Control is \$200K plus. Eighty-three percent of budget is personnel; seventeen percent is services and supplies.

What services do you want me to provide or not to provide to the City?

He did receive one additional officer related to Cannabis this year and one new records clerk this past year. Also, one new animal control officer this past year.

Mayor Vosburg said we took in \$800K. What is the difference in the officers and other expenses related to this revenue? He wants you to bring back expenses related to Cannabis.

Police Chief Salvador said most of the personnel are subvented. The new school resource officer is fully subvented along with revenue for services and supplies behind that.

As to the Cannabis Industry he does not believe we have collected enough money to fully subvent those positions.

Mayor Vosburg wants to know those numbers as well. You can bring that back.

There is a Capital outlay project to protect some of the infrastructure upgrades we made this past year. That is a policy choice on your part as to whether you want this protection.

In spotting fuel prices on the Department of General Services Website for the Fresno Region 6 for fuel Caltrans is approaching \$2.00 per gallon; that translates to a contract price of \$2.40 - \$2.50 - \$2.60 per gallon increase in fuel at the pump. He may not be able to meet the budget figure he provided. We are subject to the State Excise Taxes on fuel and with the 12% increase by the State, at the pump, that will affect us in the budget.

Mayor Vosburg wants line items for Cannabis brought back.

Chief Salvador said PG&E is a factor and a delay in the industry taking hold. This is not a delay that is uncommon for the City of Coalinga. The City of Desert Hot Springs is having the same issue. The coastal agencies are having the same issues with the power infrastructure. It is not that we are different from anyone else within the State.

Community Development Director Sean Brewer said he can give a rough estimate of the estimated budgetary numbers for Cannabis. There is an estimated \$704K coming in through taxes, licensing and application fees and employee permit fees. In the Community Development Department there is \$120 based on licensing estimates by SCI Consultants which is their portion of the licensing fee. This leaves about \$584K based on budgeted numbers available from licensing fees and taxes. There is \$110K dedicated for three new positions related to Cannabis. This leaves an estimated budget income amount of \$433K.

Mayor Vosburg asked about estimated revenue to come in reference to Cannabis.

Mr. Brewer said there could be multi-millions to come in fees and licenses.

Police Chief Salvador indicated that we talked about the increase in personnel expense in 2016. During that period revenue would be trying to catch up to expenses.

Council Member Stolz asked about Line 9805 Equipment. What is that piece of equipment?

Police Chief said Building Wide UPS – PG & E power is dirty. Building-wide UPS cleans and provides an uninterrupted power supply; it is designed to come in to increase voltage and prevent failure and lag time. We have been knocked out of our phone system, etc. When this happens it is not good for equipment and backup can be dicey. There have been times when the 911 system has been knocked-out plus the City's telephone system until the generator comes on. Then we are scrambling from room to room rebooting equipment, etc.

As your Police Chief he would be remiss in not asking for the replacement of this piece of equipment. We have tried to repair and the company that manufactured the piece of equipment no longer exists. We recognize this piece of equipment is not inexpensive, but we need new equipment in case of earthquake or other disaster which could affect the City.

Mayor Vosburg concerned about overtime.

Police Chief Salvador said \$270K this year is due to turnover and investigations. Investigations run 24x7x365; they cannot always go home at 5:00 PM. Staff has to cover shifts for training, sickness,

vacations, etc. Have supervisor and two offices on duty covering twelve hours shifts; PD has 12 hours shifts, Fire has 24 hour shifts.

City Manager Trejo further explained the difference between the PD and Fire Departments as to shift hours and reasons for O/T.

- School resource officers contribute almost \$200K to General Fund

Council Member Stolz asked about the \$14K expense for food at the animal shelter.

Police Chief Salvador said euthanizing fluid is expensive. This is an expense we have never had previously. All vaccines, etc. are in this line item. We were given some supplies by the SFSPCA but that has been used. There are other supplies for the shelter which add up.

Mayor Vosburg asked for questions from the public and seeing none he asked that department heads cut one last time. What can we do without? It may even include people. We cannot go backwards. Is Council agreeable? He understands what the Chief said; it takes money to make money. Send staff back to review all expenses and see what they can do. We have given direction to staff.

7. ANNOUNCEMENTS

Council Member Ramsey said the Derby is coming up at the end of May. Also, the parades. Veteran's Day is coming up and he would like to see every house put up an American Flag. Let's paint the town red, white and blue. Let's put something in the parade. Don't just say it on Facebook, let's show it. Contact the Chamber of Commerce for details.

8. FUTURE AGENDA ITEMS

Mayor Vosburg thinks it is time to rid the Fluoride from our water supply. It costs us \$30K annually.

He would like to add an Economic Development Report to the Consent Calendar. We can pull it if we have questions. This way, many questions can be answered hopefully about Kmart, etc.

Do we have any final public comments? Receiving none, the meeting was adjourned into Closed Session.

9. CLOSED SESSION

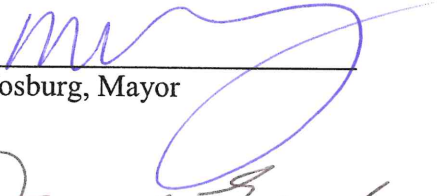
1. REAL PROPERTY NEGOTIATIONS - Government Code Section 54956.8. CONFERENCE WITH REAL PROPERTY NEGOTIATORS. PROPERTY: 148 W. Elm Avenue located in the City of Coalinga. CITY NEGOTIATORS: City Manager, Marissa Trejo and City Attorney, Mario Zamora. NEGOTIATING PARTIES: Imaginarium Institute of Fine Arts and the Successor Agency. UNDER NEGOTIATION: Price and Terms of Payment
2. REAL PROPERTY NEGOTIATIONS - Government Code Section 54956.8. CONFERENCE WITH REAL PROPERTY NEGOTIATORS. PROPERTY: Juniper

Ridge Industrial Park, Lot 2 (083-280-11ST) located in the City of Coalinga on Polk Street (Jayne Avenue) and Enterprise Parkway. CITY NEGOTIATORS: City Manager, Marissa Trejo; and City Attorney, Mario Zamora. NEGOTIATING PARTIES: California Green Tree Development LLC. UNDER NEGOTIATION: Price and Terms of Payment


3. REAL PROPERTY NEGOTIATIONS - Government Code Section 54956.8. CONFERENCE WITH REAL PROPERTY NEGOTIATORS. PROPERTY: Juniper Ridge Industrial Park, Lot 5 (083-280-14ST), Lot 6 (APN: 083-280-15ST), Lot 8 (APN: 083-280-18ST), Lot 9 (APN: 083-280-20ST), and Lot 10 (APN: 083-280-21ST) located in the City of Coalinga on Polk Street (Jayne Avenue) and Enterprise Parkway. CITY NEGOTIATORS: City Manager, Marissa Trejo; and City Attorney, Mario Zamora. NEGOTIATING PARTIES: Ali Shekar or Assignee. UNDER NEGOTIATION: Price and Terms of Payment
4. REAL PROPERTY NEGOTIATIONS - Government Code Section 54956.8. CONFERENCE WITH REAL PROPERTY NEGOTIATORS, PROPERTY: Juniper Ridge Industrial Park, Lot 8 (APN: 083-280-18ST); Lot 9 (APN: 083-280-20ST); and Lot 10 (APN: 083-280-21ST) located in the City of Coalinga on Polk Street (Jayne Avenue) and Enterprise Parkway, CITY NEGOTIATORS: City Manager Marissa Trejo and City Attorney Mario Zamora. NEGOTIATING PARTIES; WMOC, Inc and/or Assignee(s). UNDER NEGOTIATIONS: Price and Terms of Payment.
5. CONFERENCE WITH LABOR NEGOTIATORS - Government Code 54957.6. CITY NEGOTIATORS: City Manager, Marissa Trejo; City Attorney, Mario Zamora. EMPLOYEE (ORGANIZATION): General Employees; International Association of Firefighters; and Coalinga's Police Officer's Association

There was no indication of an announcement out of Closed Session.

10. ADJOURNMENT (9:15 PM)



Nathan Vosburg, Mayor



City Clerk/Deputy Clerk

5-18-17

Date